

Yellowstone County FSA
1629 Ave. D, Bldg. A
Billings, MT 59102

County Committee Members

Ken Uffelman, Chairman
Forrest Ewen, Vice-Chairman
Bart Erickson, Regular Member
Channis Whiteman, Minority Adv.
Juanita Stovall, Minority Adv.

FSA Office Personnel

Nina Gonzalez, PT
Jackie Gaglia, PT
Lisa Pederson, PT
Karen Sims, Farm Loan PT
Mike Turley, Farm Loan Mgr.
Kevin Johnson, CED

Dates to Remember:

September 13, 2010 – CRP
Managed Grazing Period Ends

September 30, 2010 – CRP
Managed Haying Period Ends &
bales removed

September 30, 2010 – 2008
SURE signup ends.

September 30, 2010 -- RMA
deadline to purchase Forage
Production Policy (2011 Crop
Year)

October 2010 – 2010 DCP and
ACRE direct payments issued. 2009
additional ACRE payments, if
applicable, will also be issued at that
time.

2010 Crop Loan Rates

Wheat (HRS) – \$3.72/bu.
Wheat (HRW) – \$2.50/bu.
Barley – \$1.80/bu.
Oats – \$1.32/bu.
Corn – \$2.13/bu.

Notice of Loss – filed within 15
calendar days of the natural
disaster occurrence or the date the
damage to the crop or loss of
production was apparent.



Yellowstone County FSA
September 2010

Loans for the Socially Disadvantaged

The Farm Service Agency (FSA) has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact Karen Sims @ 657-6135 ext. 100 for additional information. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

SURE Crop Disaster Program signup ends September 30, 2010

The deadline to submit an application for the Supplemental Revenue Assistance Payments program (SURE) for the 2008 crop year is September 30, 2010. Sign-up for the crop disaster assistance program began on January 4, 2010. There are no provisions for late-filed applications.

The SURE program is an important component of the disaster portion of the 2008 Farm Bill and provides financial assistance to producers who have suffered crop losses due to natural disasters during the 2008 crop year. Producers who suffered crop production losses during the 2008 crop year are encouraged to contact Jackie Gaglia @ 657-6135 ext. 106 for additional information.

Special accommodations will be made for the physically handicapped, vision or hearing impaired upon request. If accommodation is required, please contact Kevin Johnson, CED at (406) 657-6135.

Wetland Compliance

Producers renting or purchasing land that may have a converted wetland status need to check with the county office to learn if there are restrictions.

Farm Bill regulations provide that unless exempt, persons are ineligible for benefits under certain programs administered by USDA if they:

- plant an agricultural commodity on wetland that was converted after December 23, 1985
- convert a wetland after November 28, 1990

FSA may not approve any loan or loan guarantee to drain, dredge, fill, level or otherwise manipulate a wetland, or to engage in any activity that results in impairing or reducing the flow, circulation or reach of water except in the case of activity related to the maintenance of previously converted wetlands.

The following provides permitted uses and restrictions within Wetland compliance provisions:

- wetlands can be farmed under natural conditions, but not converted
- wetlands converted before November 28, 1990, cannot be planted to an agricultural commodity and retain eligibility for benefits
- wetlands converted after Nov. 28, 1990, must either be restored to wetland status or mitigated to regain eligibility for program benefits
- wetlands that can be farmed under natural conditions cannot be manipulated in any way, unless the Natural Resources Conservation Service determines the work would have a minimal effect on the wetland values
- wetlands converted before December 23, 1985, can be farmed and maintained

Additional information about wetlands is available at this [USDA Service Center](#).

Transition Incentives Program

The Transition Incentives Program (TIP) encourages retired or retiring owners or operators to transition their Conservation Reserve Program (CRP) acres to beginning or socially disadvantaged farmers or ranchers. TIP sign-up opened May 17, 2010. If all program requirements are met, TIP provides annual rental payments to the retiring farmer for up to two additional years after the expiration of the CRP contract, provided the transition is not to a family member. For eligibility requirements producers should visit the county office or www.fsa.usda.gov.

YELLOWSTONE COUNTY COMMITTEE ELECTION

Beginning in November, ballots will be mailed to producers in LAA3 (Yellowstone County area south of the Yellowstone River) for the vacant Yellowstone County Committee position. (Ken Uffelman has served this area for the past nine years and is ineligible to serve another term.) Mike Hammond and Steve Becker are the nominees.

Ballots must be returned and/or post marked by December 6, 2010.

Marketing Assistance Loans

Marketing Assistance Loans (MAL) are available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or Commodity Credit Corporation (CCC) takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility requires compliance with conservation and wetland protection requirements; beneficial interest and acreage reporting requirements. Producers must ensure the commodity meets CCC minimum grade and quality standards. For commodities to be eligible they must be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may trigger procedures, such as assessing liquidated damages, calling the loan and denial of future commodity loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Actively Engaged

FSA wants to remind producers about the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity **must make contributions of active personal labor and/or active personal management for the farming operation.** The contributions are to be performed on a regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs if both of the following apply:

- * At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and

- * The total direct payments received both directly and indirectly, by the legal entity and each of the members doesn't exceed \$40,000.

FSA Cooperation with Risk Management Agency

The Agricultural Risk Protection Act of 2000 requires FSA and Risk Management Agency (RMA) to work together to improve program compliance and integrity of the Federal Crop Insurance Program. As a result of the passage of the 2000 Act, FSA and RMA are required to coordinate a plan to identify, address and reconcile discrepancies of all relevant producer-derived information, and to coordinate a monitoring program to include fact finding relative to allegations of program fraud, waste, and abuse. FSA will assist RMA and insurance providers in monitoring conditions throughout the growing season and conduct growing season inspections. All suspected cases of fraud, waste, and abuse concerning the Federal Crop Insurance Program will be referred to RMA. FSA will also assist RMA with auditing claims. Producers may also report suspected cases of fraud, waste, and abuse to their local FSA County Office, the RMA Office or OIG.

Selected Interest Rates for August 2010

90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.5%
Farm Ownership - Direct	4.625%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency	3.75%
Farm Storage Facility Loans	2.50%

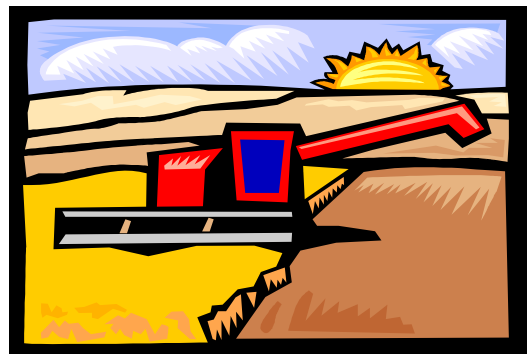
Foreign Landowner Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property.

Banking Changes?

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This innovation has cut down on the number of missing and late payments and reduced the time required to move funds. Another benefit is that Direct Deposit to your account can be made within 48 hours. To keep the system running smoothly, it's critical to keep FSA up to date on changes you make in your financial institutions. If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact Nina Gonzalez @ 657-6135 ext. 107.



U. S. DEPARTMENT OF AGRICULTURE
Yellowstone County FSA Office
1629 Ave. D, Bldg. A
Billings, MT 59102

PRESORT STANDARD
U. S. POSTAGE
PAID
BOZEMAN MT 59715
PERMIT #54

Adjusted Gross Income:

The 2008 Farm Bill states that an individual or entity shall not be eligible to receive commodity program benefits as specified in the bill if the average adjusted gross non-farm income (AGI) of the individual or entity exceeds \$500,000. An individual or entity shall not be eligible to receive direct DCP payments if their average adjusted gross farm income exceeds \$750,000. An individual or entity shall not be eligible to receive conservation program benefits if their average adjusted gross non-farm income exceeds \$1,000,000 unless more than 66.6% of their adjusted gross income was derived from farm sources. Revisions to what is considered 'farm' income versus 'nonfarm' income have been made; please contact this office for additional details.

Noncompliance with the AGI provisions, either by exceeding the applicable limitations or failure to submit the applicable certification statement, will result in ineligibility for all program benefits subject to the AGI provisions. Program benefits shall be reduced in an amount that is commensurate with the direct and indirect interest held by an ineligible individual or entity in any entity, general partnership, or joint operation that receives benefits subject to the AGI limitation.

Farm Storage Facility Loan Program Undergoes Changes

The 2008 Farm Bill provided changes to the Farm Storage Facility Loan Program (FSFL). FSFL provides low-interest financing for producers of eligible commodities to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with the Commodity Credit Corporation (CCC) providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment.

Loan terms of seven, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term may be different and are based on the rate which CCC borrows from the Treasury Department. The final fund disbursement will be made when all construction is completed.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops – lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables – cold storage facilities.

Contact the office prior to January if you're interested in installing bins for the 2011 crop year.