

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

**County Committee Members**

Bart Erickson, Chairman  
Ken Uffelman, Vice-Chairman  
Forrest Ewen, 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.  
William Ballard, Farm Loan Mgr.  
Kevin Johnson, CED

**Dates to Remember:**

**March 16** – NAP sales closing date for all crops (including rangeland).

**April 3 @ 1:00** – **Farm Bill Mtg.** at War Bonnet Inn (Billings)

**April 14** – Final day for CRP management activities (ground disturbing option)

**June 1** - Final day to submit signed 2009 DCP and/or ACRE contracts.

**July 15** – Final day to report 2009 crop acreages.

**August 2 through September 1** - CRP management activities (ground disturbing option)

**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.



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.



Farm Service Agency

# Yellowstone County FSA

## February 2009

**2009 DIRECT AND COUNTER CYCLICAL PROGRAM (DCP)  
AND AVERAGE CROP REVENUE ELECTION (ACRE)**

The 2009 DCP signup has started and continues through close of business on June 1, 2009. (Contracts have been mailed to producers who participated in 2008.) This voluntary program provides for guaranteed or direct payments that are based on 83.3 percent of the farms base acreage (wheat/barley/corn/oats) times the crop payment yield, times the producer share, times the payment rate. In addition, counter-cyclical payments (non-guaranteed), based on 85% of the base, are paid when market prices decline. Producers are eligible for DCP payments if they are at risk in producing a crop and comply with program provisions. (An owner who cash leases land to another is ineligible to share in direct and counter cyclical payments.)

An alternative to counter-cyclical payments is the Average Crop Revenue Election {ACRE}. ACRE is available during each of the 2009, 2010, 2011 and 2012 crop years on a farm by farm basis, assuming all producers agree to participate. ACRE provides participating producers a revenue guarantee each year based on market prices and average yields for the respective commodities. The guarantee is based on State-level yields and national market prices, but payments are dependent upon State and current/recent farm yields and national market prices. The ACRE program requires a two-step process by the producer, first an election and then enrollment, both of which must occur on or before June 1st of the applicable crop year. There are no provisions for late-filed ACRE elections and or enrollments. Please note the election for ACRE is irrevocable after June 1 of the year of the election through FY 2012. Consequences of selecting the ACRE option are that the guaranteed or direct payment(s), as outlined above are reduced by 20%, a 30% reduction in marketing assistance loan rates is also applied, and counter-cyclical payments are not earned. ACRE is also an irrevocable election for the farm as constituted on the date of election, regardless of whether the same producers are present on the farm in subsequent years, and regardless of whether there is a change of ownership. Five years of crop production evidence must also be furnished.

**2009 DCP AND ACRE (continued)**

You must contact this office for the ACRE election and enrollment forms as the DCP contract that was mailed earlier does not constitute an election or enrollment in ACRE. You participate on a farm-by-farm basis in either ACRE or DCP, not both. Steve Lackman, Yellowstone County Extension Agent is available at 256-2828 to discuss the financial analysis of ACRE. Those producers interested in ACRE can also attend a FSA / Extension Service Farm Bill workshop April 3<sup>rd</sup> at 1:00 p.m. at the War Bonnet Inn. The Montana State University Average Crop Revenue Election (ACRE) flash calculator is located at:

<http://www.montana.edu/softwaredownloads/cropdownloads.html>

For each participating farm in DCP or ACRE, new policy beginning in 2009 requires operators to provide a copy of their complete and **current written signed share and cash leases** to this office on or before June 1, 2009. In the absence of a written and/or cash lease, provide a complete written signed description of the terms and conditions of any oral agreement or lease. Shares on contracts must be comparable with the terms and conditions of the lease.

**Make Sure Your Proper Signature Authorization is on File**

FSA reviews every producer's eligibility file to determine who is authorized to sign program documents in representative capacities and reviews all program documents to determine if the signature format is proper. For a complete listing of FSA signature requirements, contact the FSA office or logon to the Montana FSA website at <http://www.fsa.usda.gov/mt> and click on the **Signature Authority Pamphlet** link under "In the News."

**Changes to Your Farming Operation**

FSA is encouraging producers to notify us of any changes to your farming operation including land ownership or lease changes, entity changes including members and shares, and who is authorized to sign documents for the operation or individuals. It is anticipated there will be policy changes and new forms to complete when new programs are implemented. Details will be published in this newsletter as they are known.

**NONINSURED CROP DISASTER ASSISTANCE PROGRAM (NAP)**

The Noninsured Crop Disaster Assistance Program (NAP) is designed to reduce financial losses that occur when natural disasters; i.e. drought, hail, wind etc. cause a catastrophic loss of production or prevent the planting of an eligible crop, by providing coverage comparable to crop insurance. For 2009 eligible crops include, but are not limited to, honey and forage crops, **rangeland**, dry land grass {less than 5% alfalfa} intended for haying/grazing or seed, irrigated or dry land alfalfa intended for seed. If you have questions on crop eligibility contact the office.

Service fees for NAP have increased for the 2009-2012 crop year. An administrative service fee is required to purchase the insurance. The service fee has increased to:

- \$250 per crop per administrative county; or
- \$750 per producer per county;
- not to exceed \$1,875 for a producer with farming interests in multiple counties.
- Service fees may be waived for limited-resource producers.

The sales closing date for all NAP crops except value loss and honey is **March 16, 2009**. Please note that rangeland is now insurable via NAP.

**NAP or Federal Crop's Pasture Rangeland Forage Rainfall Index Pilot Program must be purchased to be eligible for the Livestock Forage Disaster Program (LFP).**

**Crop Disaster Signup Deadline**

The deadline to signup for the Crop Disaster Program (CDP) will end **February 27, 2009**. The deadline date applies to both quantity and quality provisions of CDP.

The FSA-840 (Crop Disaster Program application) and all supporting documentation must be received in the FSA county office by the close of business on February 27, 2009. Late-filed applications will not be approved following the February 27<sup>th</sup> deadline.

Signup for the program began October 15, 2007 for crop years 2005-2007.



**Actively Engaged in Farming:**

For an individual or entity to be considered “actively engaged in farming,” the participant must make a significant contribution of land, capital, or equipment. The participant must also make a significant contribution of active personal labor or active personal management. The participant’s contributions to the farming operation must be commensurate with his/her claimed share of the profits or losses from the farming operation and the contributions must be at risk.

**For corporations and similar entities leasing land, each shareholder must now make a separate, significant, regular, documented contribution of labor or management in order to qualify their share in the entity for payment.**

**Highly Erodible Land and Wetland Conservation Compliance:**

Landowners and operators, and their affiliates with farming interests, are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Customers with HEL determined soils are reminded to follow tillage, crop residue and rotation requirements as specified per their conservation plan. Contact should be made with the USDA Service Center prior to conducting land clearing / drainage projects to ensure compliance.

**Fruit & Vegetable Planting Restrictions**

Producers are prohibited from planting crops considered to be fruits and vegetables (FAV) on their enrolled base acres under DCP or ACRE unless the farm has planted FAV history or the producer has an established history of planting a specific FAV. (Each exception {i.e. farm and or producer history} does have specific criteria that must be met.) Dry peas (Austrian, wrinkled seed, green, yellow, and Umatilla), lentils, large/small chickpeas and mung beans are not considered FAV. Pinto beans and sweet corn are some of the crops considered as FAV. Failure to comply with FAV is considered a DCP/ACRE contract violation. **Contact the office prior to planting.**

**Supplemental Revenue Assistance Program (SURE)**

Crop production/quality losses are now covered in disaster counties (including contiguous cos.) included in the geographic area covered by a qualifying natural disaster declaration that is declared by the Secretary for production losses under the Consolidated Farm and Rural Development Act, Section 321. In addition, any farm in which during the calendar year the total loss of production of the farm because of weather is greater than 50% of the normal production of the farm is also covered. (Farm means the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer.) At a minimum to be eligible for SURE, (and Emergency Assistance for Livestock, Honey Bees, and Tree Assistance Programs), all crops of economic significance excluding grazing, must either be insured via Federal Crop or FSA’s NAP. Federal Crop’s sales closing date on spring planted crops is March 16, 2009. (For 2008, Yellowstone County is a disaster county due to designations in Golden Valley and Big Horn Counties. Information concerning SURE will be announced once details are known.)

**Livestock Indemnity Program (LIP)**

LIP is available to eligible livestock producers on farms that have incurred livestock death losses in excess of normal mortality because of adverse weather, as determined by the Secretary.

**Livestock Forage Disaster Program (LFP)**

LFP could be available to eligible livestock producers who suffer 2009 grazing losses for eligible livestock because of drought, on land that is either native / improved pastureland or planted to a crop specifically for providing grazing. Rangeland, managed by a Federal agency, affected by fire that prohibits the producer from grazing also qualifies. To be eligible for LFP in 2009 a producer **must** purchase a 2009 policy (Federal Crop {including pilot programs} or FSA’s NAP), for the grazing land that may incur a loss. The sales closing date for rangeland, via NAP, is March 16, 2009, as outlined in the NAP write-up.

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

**PRESORT STANDARD**  
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## **Farm Loans**

FSA is the lender of first opportunity specializing in loans for beginning farmers and ranchers, disaster recovery, operational financing, farm ownership loans, and youth loans. FSA is a leader in farm and financial planning, assisting customers with a wide range of products and services to meet their needs.

## **County Committee Election Results**

Forrest "Butch" Ewen was re-elected to a 3-year term on the Yellowstone County FSA Committee. His term began January 1, 2009. Thank you to all who participated in the election process.

## **New Loan Interest Rates Provided**

The interest rate for Marketing Assistance Grain loans changed at the beginning of 2009. The interest rate is 1.625%. This rate will stay in effect until the loan is paid in full.

## **Assistance Available with Planting and Harvesting**

Farm Rescue is a non-profit organization which plants and harvests crops free of charge for farm families that have experienced a major injury, illness or natural disaster. Priority consideration is given to applications received by March 15. Visit <http://www.farmrescue.org> or call 701/252-2017 for further information, to refer a family in need or obtain an application.

