

December 2018



Farm Service Agency Electronic News Service

NEWSLETTER

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From the State Executive Director

As we wrap up 2018 and approach the new year, I would like to remind Montana producers of an important Jan. 15th signup deadline with the Market Facilitation Program (MFP). Producers of corn (fresh and processed), dairy, hogs, sorghum, soybeans (fresh and processed), wheat, and fresh sweet cherries can apply for MFP after harvest is complete. A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. As of early December, we have distributed \$8.2 million in MFP payments in Montana. Of that, \$7,468,490 was issued for commodity crops, \$688,642 for hogs and dairy and \$60,573 for sweet cherries. I strongly encourage producers to visit their local FSA office to learn more about this important program.

Along with reading the MFP article please take note of the following MFP reminders:

- The second round of payments have not been announced, but if a second-rate is announced and the producer has already applied for

Directories:

[Online Directory of FSA Offices in Montana](#)

[PDF of Montana FSA Directory](#)

[PDF of Montana USDA Directory](#)

Special Accommodations:

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office directly or by phone or the Federal Relay Service at 1-800-877-8339. Alternatively, you may contact Montana FSA Civil Rights Coordinator Jennifer Cole at (406) 654.1333, ext. 117 or jennifer.cole@mt.usda.gov.

MFP by certifying all their bushels, no other action will be required and the payment will be issued automatically.

- If a second payment rate is announced, and you have already signed up and certified your production on all acres, you could expect to receive that payment in your account within days.
- If you want to participate in MFP, you need to sign up by the **Jan. 15, 2019** deadline!

Additionally, Montana livestock producers who filed an approved notice of loss with FSA by Dec. 3rd for livestock deaths in 2018 have until **March 1, 2019** to provide supporting documentation and their application for payment for the 2018 Livestock Indemnity Program. County offices are currently processing all of the livestock program applications that were filed by the Dec. 3rd deadline. Please stay in touch with your local FSA office on the status of your application(s).

With the extended livestock deadlines now behind us, Montana producers are reminded to keep updated livestock inventory records and to file timely notices of loss with FSA. When natural disasters strike, the USDA Farm Service Agency can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in the livestock disaster assistance programs, producers are required to provide verifiable documentation of livestock inventory and death losses resulting from normal mortality and eligible adverse weather events. Livestock owners must file a notice of loss with their local FSA office **within 30 calendar days** of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office **within 30 calendar days** of when the loss is apparent and should maintain documentation and receipts.

On behalf of FSA employees statewide, we wish you a safe and blessed Holiday Season.

Mike Foster

USDA Market Facilitation Program: Jan. 15th Deadline

USDA launched the trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of certain commodities can now sign up for the Market Facilitation Program (MFP).

USDA's Farm Service Agency (FSA) will administer MFP to provide payments to corn (fresh and processed), cotton, dairy, hog, sorghum, soybean (fresh and processed), wheat, shelled almond, and fresh sweet cherry producers. An announcement about further payments will be made, if warranted.

The initial MFP payment rates are:

- **Corn - \$0.01 per bushel**
- **Cotton - \$0.06 per pound**
- **Dairy (milk) - \$0.12 per cwt.**
- **Fresh Sweet Cherries - \$0.16 per pound**
- **Pork (hogs) - \$8.00 per head**
- **Shelled Almonds - \$0.03 per pound**
- **Soybeans - \$1.65 per bushel**
- **Sorghum - \$0.86 per bushel**
- **Wheat - \$0.14 per bushel**

A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

The sign-up period for MFP runs through **Jan. 15, 2019**, with information and instructions provided at www.farmers.gov/mfp. MFP provides payments to producers of eligible commodities who have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported.

MFP payments are capped per person or legal entity as follows:

- A combined \$125,000 for eligible crop commodities
- A combined \$125,000 for dairy production and hogs
- A combined \$125,000 for fresh sweet cherries and almonds

Applicants must also have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than \$900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

Expanded Hog Timeline

USDA has expanded the timeline for producers with whom the Aug. 1, 2018, date does not accurately represent the number of head of live hogs they own. Producers may now choose any date between July 15 to Aug. 15, 2018, that correctly reflects their actual operation.

MFP applications are available online at www.farmers.gov/mfp. Applications can be completed at a local FSA office or submitted electronically either by scanning, emailing, or faxing. To locate or contact your local FSA office, visit www.farmers.gov.

MFP Fact Sheet

USDA Commodity Loans Available to Montana Producers

Farm Service Agency reminds Montana producers that Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) are available to help producers through periods of low market prices. The 2014 Farm Bill authorized MALs and LDPs for the 2014 to 2018 crop years.

MALs provide interim financing and allow producers to delay the sale of the commodity at harvest-time lows and wait until more favorable market conditions emerge. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

The Final Availability Date for Loans and Loan Deficiency Payment (LDP) for 2018 Mohair, Unshorn Pelts (LDP only) and Wool is **Feb. 1, 2019**. The Final availability date for Loans and LDPs for 2018 Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat and Sesame Seed is **April 1, 2019**.

FSA offices are accepting requests for 2018 MALs and LDPs for all eligible commodities after harvest.

Before MAL and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash-rent tenant and member contribution. Before loan disbursement, applicants will be required to provide a form CCC-679, Lien Waiver, for each lienholder discovered on a lien search. In order to meet eligibility requirements, producers must retain beneficial interest in the commodity, meaning they have control of the commodity or a title to the commodity, until the MAL is repaid or the Commodity Credit Corporation takes title to the commodity.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: Agriculture Risk Coverage and Price Loss

Coverage payments, Marketing Loan Gains and LDPs. These payment limitations do not apply to MAL disbursements.

Producers or legal entities whose total applicable three-year average adjusted gross income exceeds \$900,000 are not eligible for Marketing Loan Gains and LDPs, but are eligible for MALs repaid at principal plus interest.

For more information, please visit your local FSA office or www.fsa.usda.gov. To find your local USDA service center, visit www.farmers.gov.

Commodity Loans Factsheet

Reminder to Submit 2018 Year End Financial Data for Supervised Credit

FSA Direct Loan borrowers are reminded of their responsibility (per loan closing conditions) to submit 2018 yearend financial data to their local FSA office. This includes the following:

- yearend or current balance sheet
- cash flow projection for 2019
- complete copies of both corporate and personal tax returns of all entity members – many producers had extensions to file their returns from the hurricane disaster last year
- proof of current insurance coverage on all assets pledged as security for the FSA loans.

FSA Direct Loans are considered a temporary source of credit that is available to producers who do not meet normal underwriting criteria for commercial banks. The FSA team will help borrowers identify their goals to ensure financial success. Through this process, FSA staff will assist borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances

It is crucial for borrowers to communicate with their farm loan staff when changes occur and it is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

2018 Livestock Forage Disaster Program Available in Flathead, Lincoln and Sanders Counties: Jan. 30, 2019 Application Deadline

The 2018 Livestock Forage Disaster Program (LFP) triggered in three Montana counties: **Flathead, Lincoln and Sanders**. Livestock producers have until **Jan. 30, 2019** to enroll in the Livestock Forage Disaster Program.

LFP provides compensation to eligible livestock producers, due to a qualifying drought in the county, on privately-owned or cash-leased land, federal leases/permits, state leases, and some private AUM leases. LFP also provides compensation for grazing losses due to fire on federally-managed land. Livestock

producers with grazing land in these three counties can apply for 2018 LFP drought benefits on small grain, native pasture, improved pasture, annual ryegrass and forage sorghum that is produced on dryland acres and used for grazing. Irrigated acres used for grazing or aftermath grazing are not eligible under this program. Livestock producers are encouraged to contact their FSA Office with any questions regarding specific crops and production methods that are eligible.

Eligible livestock include alpacas, beef cattle over 500 pounds, buffalo, beefalo, dairy cattle, deer, elk, emus, equine, goats, llamas, reindeer or sheep that have been or would have been grazing the eligible grazing land or pastureland during the normal grazing period. Eligible livestock must be maintained as part of the producer's commercial farming operation.

Livestock producers must complete the LFP application and required supporting documentation no later than Jan. 30, 2019 for 2018 losses. Required supporting documents may include information related to grazing leases or federal grazing permits, contract grower agreements, documentation to support livestock inventory and more.

For more information about LFP, contact the Flathead/Lincoln FSA Office in Kalispell at (406) 752-4242, ext. 2 or the Sanders FSA Office in Plains at (406) 826-3752. To find a local FSA office, visit <http://offices.usda.gov>. Visit Montana FSA online at www.fsa.usda.gov/mt and www.usda.gov/disaster to learn more about LFP and other FSA disaster assistance programs.

Livestock Inventory Records

Montana producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster.

When disasters strike, the USDA Farm Service Agency can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

Producers should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts

For more information on documentation requirements, contact your local FSA office and visit www.farmers.gov/recover.

Montana's Next Generation Conference Jan. 25-26, 2019, in Shelby to feature trade, financial and production workshops

Registration is now open for the 2019 [Montana's Next Generation Conference](#). The conference, which will take place Friday and Saturday, January 25-26, 2019, in Shelby, Mont., will focus on business planning for the farm or ranch and production workshops.

The conference begins Friday at 11 a.m. at the [Shelby Civic Center](#) with Scott Shearer of the [Bockorny Group, Inc.](#) Scott will speak on the *Importance of Trade to US Ag*. Scott has extensive trade and agricultural policy expertise. Scott will provide an update on current agriculture trade and where the U.S. is headed in the future and how that will affect Montana producers.

Following lunch on Friday, Dr. Matt Roberts, a former Ag Economist at The Ohio State University and founder of [Kernmantle Group](#), a risk management consultancy in Columbus, OH, will be the keynote speaker on the, *'Six Hats of Agriculture and Making Sense Today.'* Dr. Roberts' talk is a real-world application for farmers and ranchers in terms of how agriculture has changed in the past five years. He'll discuss the various titles farmers and ranchers have from being a soil health specialist to marketer to land and futures speculator and capital allocator. He will then discuss the changes that managers can make to each of these businesses to help ensure that their operation is a winner in the 21st century.

Friday evening will conclude with a trade show and social including a roast beef dinner and time for networking with neighbors, sponsors, and industry professionals.

Saturday's events at the Shelby High School will feature industry speakers and professionals offering 36 workshop options covering crops and livestock production, financial management, record keeping, leasing, succession planning, and more. Saturday's workshops will provide pertinent information for both the beginning and experienced producer.

Livestock topics include beef cattle nutrition, livestock marketing, bull selection, animal health, optimizing hay quality, USDA programs, using biocontrols for weed management, grazing management and recordkeeping. Crops producers will have opportunities to learn about intercropping and alternatives to wheat and barley, Humi[k] growth solutions, pulse crop marketing, herbicide carryover, crop production basics, and more. There will also be numerous financial and accounting topics in addition to one workshop room devoted to succession planning topics.

The January 26 workshops will fulfill [Farm Service Agency](#)'s production and financial management training requirements for producers. Pesticide applicator points will be available throughout the day.

Online registration is available at www.ticketriver.com or registration forms are available on the conference website, <https://mntnextgen.com/>, or by calling 406-873-2239. Updates will be available via the Montana's Next Generation Conference Facebook page.

Early bird registration is \$25/day for individuals or \$40/day for couples if registrations are submitted by January 11. Late registrations will be accepted until January 18 at \$30/day for individuals or \$50/day for couples. Daycare will be available for both days at \$15/child, which includes snacks and meals.

For more information see <https://mntnextgen.com/> or contact Lacy Roberts at (406) 873-5618 or Kari Lewis at (406) 873-2239.

Persons with disabilities who require accommodations to attend or participate in this event should contact Lacy Roberts at (406) 873-5618, ext. 2 or Federal Relay Service at 1 (800) 877-8339 by Jan. 21, 2019.

USDA Acreage Reporting Deadline for Perennial Forage Changes to July 15

USDA Farm Service Agency (FSA) has established a new acreage reporting deadline for perennial forage for 2019 and subsequent years. Previously set in the fall, the new deadline is July 15 for all states, except for Hawaii and Puerto Rico.

Timely and accurate acreage reports for all crops and land uses, including prevented planting or failed acreage, are the foundation for many FSA program benefits, including disaster programs for livestock owners. Producers must report their acreage to maintain program eligibility.

Producers who have coverage for perennial forage under the Noninsured Crop Disaster Assistance Program (NAP) must report their crop acreage by the earlier of any of the following:

- the established acreage reporting date (July 15)
- 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported

- the established normal harvest date for the end of the coverage period

For Montana, NAP producers with perennial forage intended for mechanical harvest or grazing, are required to report their crop acreage 15 calendar days before the onset of harvest or grazing of the specific crop acreage. NAP producers with perennial forage acreage intended for mechanical harvest or grazing are encouraged to report their acreage by **April 15, 2019**.

Storage and Handling Trucks Eligible for Farm Storage Facility Loans

Farm Storage Facility Loans (FSFL) provide low-interest financing so producers can build or upgrade facilities to store commodities. Some storage and handling trucks are eligible for the FSFL. These include:

- **Cold Storage Trucks:** A van or truck designed to carry perishable freight at specific temperatures. Cold storage trucks can be ice-cooled or equipped with any variety of mechanical refrigeration systems.
- **Flatbed Trucks:** Truck with an open body in the form of a platform with no side walls for easy loading and unloading. These trucks can be categorized into different sizes which range from light, medium, or heavy duty, compact or full-size, or short and expandable beds.
- **Grain Trucks:** A piece of farm equipment specially made to accommodate grain products and are traditionally truck chassis units with a mounted grain “dump” body where grain commodities are transported from a field to either a grain elevator or a storage bin.
- **Storage Trucks with a Chassis Unit:** Commonly referred to as a box truck, box van or straight truck, is a truck with a cargo body mounted on the same chassis with the engine and cab.

To be eligible for FSFL, the storage and handling truck must be less than 15 years old and have a maximum of four axles with a gross weight rating of 60,000 pounds or less. Pick-up trucks, semi-trucks, dump trucks, and simple insulated and ventilated vans are ineligible for FSFL.

FSFL for storage and handling trucks must be \$100,000 or less. FSFL-financed storage and handling trucks must be used for the purpose for which they were acquired for the entire FSFL term.

Eligible commodities include grains, oilseeds, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables, floriculture, hops, maple sap, milk, cheese, yogurt, butter, eggs, meat/poultry (unprocessed), rye and aquaculture.

For more information or to apply for a FSFL, contact your local [FSA Service Center](#).

Emergency Loans Available in Montana Disaster Areas

FSA's Emergency Loan Program is available for agricultural producers in counties designated as primary or contiguous natural disaster areas. See map below of current Disaster Designations in Montana. Contact your local FSA office for specific designations in your area and time frames to apply. Eligible producers have **eight months** from the date of the disaster designation to apply for low-interest emergency loans to 1.) restore or replace essential property; 2.) pay all or part of production costs associated with the disaster year; 3.) pay essential family living expenses; or 4.) refinance certain debts, excluding real estate. Producers interested in applying for an emergency loan, or other FLP loans, should contact their local FSA office to set up an appointment with the Farm Loan Program staff serving your area.

[Current Disaster Designations in Montana](#) - (by county) [Emergency Loan Factsheet \(pdf\)](#)

USDA and SCORE Joining Forces to Find Mentors

If you are a farmer or rancher, or have agricultural or business experience, join us in supporting the next generation and in investing in your local community! Your experiences and knowledge as a business owner, agricultural professional, or farmer can provide vital support to the community you live in.

USDA is collaborating with SCORE – www.score.org - the nation's largest network of volunteer, expert business mentors in an effort to expand the field of available agricultural mentors and provide free business mentoring to farmers, ranchers, and other agricultural and rural business owners. SCORE is currently looking for volunteers with experience in an agriculture-related field who would like to become a part of an extended field of volunteers. The organization's Orientation and Mentoring Certification program provides volunteers with everything needed to be a successful volunteer. Training includes background about SCORE's mission and services, as well as guidance on how to be a business mentor, including enhancement of listening, interviewing and problem-solving skills.

Current SCORE volunteer mentors have backgrounds in finance, accounting, marketing, operations, business and financial planning. The mentors provide local expertise and free one-on-one business mentoring to new and existing farmers and business owners. Together they work through the process of starting up or maintaining agricultural and rural businesses. No matter what stage a business is in, SCORE volunteer mentors can help in developing business plans, navigating financing and legal issues, identifying new markets, and other topics, in order to help their clients succeed. FSA invites you to learn more and sign up to become a mentor today at <https://newfarmers.usda.gov/mentorship>.

Upcoming Dates and Deadlines with Farm Service Agency

Jan. 1: Newly elected FSA County Committee Members Take Office

Jan. 2: 2019 Acreage Reporting Deadline for Honey covered under NAP (or 30 days after placement of colonies.) *Please note that this is the final date that FSA can accept late-filed 2018 reports for Honey covered under NAP.*

Jan. 15: Market Facilitation Program Signup Deadline for **Corn, Cotton, Dairy, Hogs, Sorghum, Soybean, Fresh Sweet Cherries, Shelled Almonds and Wheat** Producers.

Jan. 15: 2019 Acreage Reporting Deadline for Established Stand Alfalfa Seed, Fall Alfalfa Seed and Cherries. *Please note that this is the final date that FSA can accept late-filed 2018 reports for these crops.*

Jan. 30: Deadline for **2018 Livestock Forage Disaster Program (LFP)** Application for Payment & Supporting Documentation for **Flathead, Lincoln & Sanders** County Livestock Producers

Feb. 1: Final Availability Date for Loans and Loan Deficiency Payment (LDP) for 2018 Mohair, Unshorn Pelts (LDP only) and Wool

March 1: Deadline to file 2018 Livestock Indemnity Program (LIP) Application for Payment and supporting documentation. A notice of loss must have been filed with the local FSA office by the later of 30 calendar days of when the loss was apparent to the owner or **Dec 3, 2018**.

March 15: 2019 Noninsured Crop Disaster Assistance Program (NAP) Application Closing Date for Spring Crops (except spring seeded rye, speltz, triticale, wheat and mixed forage)

March 16: 2019 Conservation Reserve Program (CRP) Spring Managed Grazing Period Begins (with prior County Committee written approval)

April 1: Final availability date for Loans and LDPs for 2018 Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat and Sesame Seed

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

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