# Cascade County FSA
# April 2009

**Cascade Co. FSA Office**
**406-727-7580**

**County Committee Members**

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Craig Essebaggers, Vice Chairperson.
Mark Shane, Member

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Jennifer Lustig, PT.
Nicole Pietrykowski, PT.
Dean Hodges, Fieldman
Mark G. Person, CED.

Agricultural Lending Opportunities

*Questions regarding obtaining credit to start or enlarge a farming or ranching operation; financing agricultural operating expenses; or livestock, machinery purchases call:*

Janet Smith @ 406-727-7580

Dates to Remember:

**April 27** – Farm Bill Meeting featuring PL & ACRE – College of Technology, Great Falls
**May 15** – Beginning date of Primary Nesting Season
**May 18** – Buy-in waiver Deadline
**June 1** – DCP signup deadline

## Public meeting, sponsored by FARM SERVICE AGENCY.

Topic: Payment Eligibility and the ACRE Program.

The Changes in the new Farm Bill will be discussed. Payment Limits and eligibility will be reviewed. The Average Crop Revenue Election Program (ACRE) will be covered.

Where: MSU College of Technology, Heritage Hall
2100 16 AV S, Great Falls

When: 2-5 p.m. on April 27th

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## Buy-in Waiver Approved

If you did not obtain crop insurance or Non-insured Crop Disaster Assistance Program (NAP) coverage for 2008 for three of the five 2008 disaster assistance programs authorized in the 2008 Farm Bill you can pay a buy-in fee to become eligible. The three programs are: the Supplemental Revenue Assistance Program (SURE), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP), and the Tree Assistance Program (TAP). The deadline to purchase the buy-in fee is **May 18, 2009**.

Those wishing to participate in the extension may signup at their local FSA county office. Producers who have not already taken the necessary steps to become eligible for SURE, ELAP, and TAP are required to complete the following steps by **May 18, 2009:**

- Pay a $100 "buy-in" fee per crop. The maximum fee is $300 per county, per producer, not to exceed $900 for multi-county producers.
- In the case of each insurable crop, excluding grazing land, agree to obtain a policy or plan of insurance for the next insurance year for which crop insurance is available; coverage level should equal 70 percent or more of the yield at 100 percent of the price.
- In the case of each noninsurable crop, agree to file the required paperwork and pay the applicable administrative NAP coverage fee by the applicable state application closing date for the next available year.

Producers who choose to "buy in" under this provision will be considered, for insured crops, to have obtained a policy or plan of insurance for the 2008 crop year at a level of coverage not to exceed 70 percent of the yield at 100 percent of the price. For noninsurable crops, producers will be considered to have a level of coverage equal to 70 percent of the yield. These levels of coverage will be used to calculate the 2008 SURE guarantee.

## Buy-in Waiver Approved (cont.)

Producers who meet the definition of "Socially Disadvantaged", "Limited Resource", or "Beginning Farmer or Rancher" are not required to pay the buy-in fee.

For disaster assistance programs, the definition of

***Socially Disadvantaged*** is a group whose members have been subject to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities.

***Limited Resource*** is a producer with both of the following:

- Direct or indirect gross farm sales not more than $100,000 in both of the previous 2 years;
- Total household income at or below the national poverty level for a family of 4, or less than 50 percent of the county median household income in both of the previous 2 years.

A tool is available to determine limited resource status at: http://www.lrftool.sc.egov.usda.gov/tool.asp.

***Beginning farmer or rancher*** is an individual who has not operated a farm or ranch for more than 10 years' and materially and substantially participates in the operation.

## Conservation Compliance

Federal regulations discourage the production of crops on highly erodible cropland unless the land is protected from erosion by an approved conservation system. Status reviews are conducted to ensure producers follow a conservation plan on highly erodible land.

In addition to the highly erodible land, a person may not plant an agricultural commodity on wetlands converted after Dec. 23, 1985, or convert a wetland to make agricultural production possible after Nov. 28, 1990.

Failure to comply with these provisions will cause a person to be ineligible for USDA benefits. County Committees may review noncompliance situations for good faith and provide relief in approved cases.

## Recovery Act Funding Loans in MT

FSA in Montana obligated $2.2 million in loans to assist producers within the state. The funding is through the stimulus bill titled the American Recovery and Reinvestment Act of 2009.

53% of the loan funds were advanced to socially disadvantaged and beginning farmers and ranchers.

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|---|---|
| Socially Disadvantaged Applicants | $369,100.00 |
| Beginning Farmers and Ranchers applicants | $630,000.00 |

The funds may be used to purchase livestock, equipment, feed, seed, fertilizer, and supplies.

In keeping with the president's goal for the Recovery Act, this loan funding is intended for proper investment into the agricultural sector, to benefit both family farmers and rural economies.

## Farm Service Agency (FSA) Loans

FSA makes loans for land, livestock and other agricultural purposes throughout Montana.

The agency's loans offer low interest rates and terms designed to help beginning farmers and ranchers start out in agriculture with payments they can afford.

FSA can assist smaller operations get started by providing financing to purchase a tractor, grain truck or 50 cows as an example. Every operator has to get started some place and FSA has a variety of loans and loan programs to assist in that endeavor.

FSA can finance applicants who are currently in college if their goal is to return to the farm or ranch following graduation. For a student to be eligible while still in college they must be substantially responsible for the management of the security, this would include carrying out labor needs during critical periods of the year.

## 2009 Conservation Reserve Program (CRP) Managed Grazing Period

The 2009 Spring Managed Grazing Period is **March 15th - May 14th.** Livestock must be removed when the calculated AUMs have been utilized but no later than May 14th.

The 2009 Summer/Fall Managed Grazing Period is **August 2nd - September 30th.** Livestock must be removed when the calculated AUMs have been utilized but no later than May 14th.

The Summer/Fall managed grazing period has been changed this year. In 2008 it was July 16th -September 13th. The beginning date was changed in 2009 to allow all livestock producers who did managed grazing on CRP to have the opportunity to graze up to the maximum of 60 days. Because of the July 16th start date in 2008, CRP contracts under the "New Provisions" for managed grazing were limited to 43 days of grazing – July 16 through September 13.

**2009 Managed Haying Periods**

The 2009 Managed Haying Periods are:

**July 16th - September 30th** for CRP contracts that included managed haying in the conservation plan of operations (CPO) prior to September 26, 2006 ("Old Provisions").

**August 2nd - September 30th:** for CRP contracts that added managed haying to the CPO on or after September 26, 2006. ("New Provisions").

All managed haying of CRP must end by **September 30th.** All bales must be removed from the CRP by **September 30th**.

Producers requesting managed haying and grazing of CRP **must** receive written approval from the County FSA Office before starting.

## Interest Rates for Farm Loan Program

| Effective as of March 1, 2009 | |
|---|---|
| **Program** | **Interest Rates** |
| Farm Operating- Direct | 2.00% |
| Farm Ownership- Direct | 3.50% |
| Farm Ownership- Direct, Joint Financing | 5.00% |
| Farm Ownership- Down Payment | 1.50% |
| Emergency Loan- Amount of Actual Loss | 3.75% |

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*Important Dates to Remember*

**May 14** – Spring grazing on CRP acres ends
**May 15** – Beginning date of Primary Nesting Season
**May 18** – Buy-in Waiver Deadline
**June 1** – 2009 DCP signup ends

## Pulse Crop Bases

Although signup dates have yet to be announced, detailed ACRE information has been posted on the Montana FSA website www.fsa.usda.gov/mt and clicking on "Hot Links" "2008 Farm Bill", including a Fact Sheet, ACRE background information, 2009 State Benchmark yields, and preliminary price guarantees. Many State extension and producer groups have also created decision tools to assist producers in evaluating whether ACRE is an option for your operation. Producers may do an Internet search to find some of the decision tools. ACRE decision tools may be found at the following sites. FSA does not endorse any specific site. Signup dates for ACRE election are expected to be announced soon.

www.montana.edu/softwaredownloads/
www.mgga.org/FarmPolicy/farmpolicy.html
www.ag.ndsu.nodak.edu/aginfo/farmmgmt/docs/ACRE_Analyzer.xls
www.card.iastate.edu/ag_risk_tools/acre/
www.fapri.missouri.edu/

The 2008 Farm Bill provided producers an option to establish base acres and yields for pulse crops on their 2009 farm. Pulse crops are defined as dry peas, lentils, Kabuli garbanzo beans (large chickpeas), and Desi garbanzo beans (small chickpeas). FSA will use the planting history from 1998-2001 and is in the process of researching pulse crop acreage reported to the Agency during those crop years. The yield will be established at 75% of the county average unless producers elect to update the yield by providing acceptable production evidence for those crop years. Owners and operators of farms with history will receive a letter and summary of the acreage history in the near future. They will be asked to verify the accuracy of the acreage and be given additional information on the option to update yields.