

Glacier County FSA Office
ONE 3RD ST NE
Cut Bank, MT 59427
Phone: 406 873-5618 - Ext 2
Fax: 406-873-3473

&

Tribal Headquarters Bldg
Browning, MT 59417
Phone: 406-338-2251/Fax:
3529

Browning Office Days
Tuesdays, Wednesdays
&Thursdays
9AM to 3PM

County Committee
Members

Billiette Brooks - Chairman
G G Kipp III - Vice Chairman
Roberta Jay - Regular Member

*The Glacier County Committee's
regularly scheduled meeting day is
the third Wednesday of each
month.*

FSA Office Personnel

Michelle Edwards – CED
Nanna Flesch – PT
Sheila Koepke – PT
Bridget Larson – PT
Nita Tomscheck – PT
Lori McCauley – TO & Field

Agricultural Lending
Opportunities

Questions regarding obtaining
credit to start or enlarge a
farming or ranching operation;
financing agricultural operating
expenses; or livestock, mach-
inery purchases please call:

Ed Daugherty, FLM – X-110
Lacey Roberts, FLO – X-106
Debra Duke, FLPT – X-105



Glacier AG News

November 2009

Signup Began for LFP and ELAP

Signup for the Livestock Forage Disaster Program (LFP) and the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) began Sept. 14, 2009.

LFP provides financial assistance to eligible livestock producers who have suffered grazing losses due to qualifying drought or fire. For drought the losses must have occurred on land that is native or improved pastureland with permanent vegetative cover during the normal grazing period for the specific type of grazing land in the county. In order for a county to be eligible for LFP, they must meet a qualifying drought rating as determined by the U.S. Drought Monitor. County offices will be notified by the National FSA Office when they have qualified for a drought according to the U.S. Drought Monitor. For fire, LFP provides payments to eligible livestock producers that have suffered grazing losses on rangeland managed by a federal agency if the eligible livestock producer is prohibited by the federal agency from grazing the normal permitted livestock on the managed rangeland due to a qualifying fire.

ELAP provides emergency assistance to eligible producers of livestock, honeybees, and farm-raised fish that have losses due to disease, adverse weather or other conditions, including losses due to blizzards and wildfires. ELAP assistance is for losses not covered under other Supplemental Agricultural Disaster Assistance programs established by the 2008 Farm Bill, specifically LFP, the Livestock Indemnity Program (LIP), and the Supplemental Revenue Assistance Payments Program (SURE). ELAP is being implemented to fill in the gap and provide assistance under other conditions determined to be appropriate.

For both programs, producers must have suffered losses that occurred on or after January 1, 2009, and before October 1, 2011. Producers are also required to meet a Risk Management Purchase Requirement in order to be eligible for these programs. Producers must have timely applied for and obtained either crop insurance; or Non-insured Crop Disaster Assistance (NAP) coverage. .

Eligible livestock list is available at www.fsa.usda.gov/mt.

**THE DEADLINE TO APPLY FOR THE 2009
LFP PROGRAM IS JAN 30, 2010**

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."

Rural Energy for America Program Available in Montana

By Matthew J. Jones – RD State Director



The cost of energy – it's not an uncommon topic these days whether you're talking gas and diesel for your vehicle, propane and natural gas for your heating, or electricity to power everything else. Energy considerations factor into our daily lives, and in today's economic conditions the cost of that energy can be the difference between profit and loss for a small business or agricultural producer.

The 2008 Farm Bill included several provisions specifically addressing energy efficiency and renewable energy. Rural Development, an agency of the U.S. Department of Agriculture, is administering several of the programs that evolved from the provisions spelled out by Congress.

The Rural Energy for America Program, or REAP, is the primary program offered by Rural Development to address energy efficiency and renewable energy for small business owners and agricultural producers in rural communities. The program provides grants and loan guarantees for qualified projects that either increase a business's energy efficiency or replace traditional energy sources with renewable energy.

Under REAP, small business owners and agricultural producers who live outside the city limits of Billings, Missoula, and Great Falls are eligible. Rural Development can provide a federal grant for up to 25% of the total project cost, and provide a loan guarantee for an additional 50% of the project cost. Projects under \$20,000 are given special priority.

At the end of September, Rural Development awarded three Montana projects a total of \$76,202 in federal grants and they serve as prime examples of the types of projects being sought for funding by REAP:

- With a grant of \$11,202, a farm near Manhattan purchased a variable frequency drive irrigation pump for their pivots that adjusts the amount of power consumed depending on how much force is needed to maintain the necessary water pressure for running the pivot arms. This saves electricity, and reduces input costs for the producer.
- Receiving a grant of \$15,000, a grain producer near Fort Benton purchased a small-scale wind turbine to provide the power necessary to operate the grain cleaner, alleviating the need to purchase that power from the electric company and reducing the cost of production.
- A business owner south of Drummond received a grant for \$50,000. The business produces wood shavings used for animal bedding, and will use the excess sawdust and splinters from the shaving process to fire a biomass heater that will then reduce the moisture content of the shavings they produce, making them more absorbent. This biomass heater will replace all of the propane previously used to dry the product.

Applications are being accepted now for funding over the next fiscal year; interested business owners and producers are encouraged to call their nearest USDA Rural Development office or visit us at <http://www.rurdev.usda.gov/mt>.

Energy costs have a serious impact on the bottom line of a business, and steps taken now can pay dividends well into the future by reducing our dependence on foreign energy, reducing our impact on the environment, and reducing the cost of doing business. USDA Rural Development can help.

Matthew Jones is the Montana State Director for USDA Rural Development, and is based in Bozeman. He was appointed in July 2009 by the Obama Administration to manage Rural Development's operations within Montana. Jones was born and raised in Billings, and is a graduate of the University of Montana, Missoula and Georgetown University Law Center.

COC Ballots Received in Nov.

FSA will mail County Committee Election ballots to producers beginning Nov. 6th. The voted ballots are due back to the local county office either via mail or in person by Dec. 7, 2009.

FSA county committee members make decisions on disaster and conservation programs, emergency programs, commodity price support loan programs and other important agricultural issues. Members serve three-year terms. This year Roberta Jay is running to represent LAA#1.

COC Ballots Must be Returned to County Office by Dec 7

FSA will mail County Committee Election ballots to producers beginning Nov. 6th. The voted ballots are due back to the local county office either via mail or in person by Dec. 7, 2009. Please contact the office for further questions or details

Loan Commodity Quality for 2009

Due to excessive moisture in some areas of the state and lack of moisture in other areas, the quality of harvested grains was affected in 2009. When selling these commodities, quality discounts reduce the value received. These same quality discounts will apply to USDA commodity loans if delivered to Commodity Credit Corporation (CCC) at the maturity of the 9 month loan. These quality discounts could result in insufficient funds to cover the amount of the loan. This would result in a debt to CCC. Producers considering obtaining grain loans through the FSA commodity loan program are certifying not only to the quantity being placed under loan but also to the quality of the commodity. County loan rates are based on Grade 1 and 2 provisions of the Uniform Grain Standards.

FARM LOAN FACTS

Guaranteed Loan Amount Raised

The loan limit for FSA Farm Loan Guaranteed Loan Program has been increased to \$1,112,000. The limit is adjusted annually based on the "Prices Paid to Farmers Index" compiled by the national Agricultural Statistics Service (NASS). Participating lenders can use the Guaranteed Loan Program to strengthen a loan's viability through a guarantee of up to 95 percent of the loan amount. Farmers interested in guaranteed loans should apply through a conventional lender.

Farm Loans for Minority Groups

FSA can make direct and guarantee loans to those considered as minorities under USDA definition. These groups include women, African Americans, American Indians, Alaskan Natives, Hispanics, and Asian Americans and Pacific Islanders. Funds can be used to buy and operate family-sized farms and ranches.

Individuals and entities primarily and directly engaged in farming and ranching on family-sized operations may apply. A family-sized farm is considered to be one that a family can operate and manage itself. Applicants must meet all requirements for FSA's regular farm loan program assistance. Contact the FSA office for exact criteria.

Repayment terms for direct operating loans depend on the collateral securing the loan and usually run from 1 to 7 years. Interest rates for direct loans are set periodically according to the Government's cost of borrowing. Repayment terms for direct farm ownership loans are up to 40 years. Interest rates for guaranteed loans are established by the lender. Applications for direct loans are made through the local FSA office. Applications for guaranteed loans are made with the lender.

FARM LOAN BORROWERS ARE REMINDED TO BRING IN THEIR FINANCIAL INFORMATION FOR 2009, SO WE CAN BEGIN YOUR YEAR-END ANALYSIS. THIS MUST BE COMPLETED BEFORE WE CAN START YOUR 2010 OPERATING LOAN PROCESS!

Inside this Issue **Important Dates to Remember**

- ⇒ **LFP/ELAP Signup Deadline**
- ⇒ **RD Rural Energy for America**
- ⇒ **COC Ballots Received & Returned**
- ⇒ **Loan Commodity Quality**
- ⇒ **FARM LOAN FACTS**
- ⇒ **CRP & DCP New Payment Process**

Nov. 6 – COC Ballots Mailed

Nov. 11 – **Office Closed** – Veteran's Day

Nov. 23 – Financial Management Workshop – Crop & Livestock Marketing/Risk Management @ Cut Bank & Conrad FSA Offices

Nov. 26 – **Office Closed** - Thanksgiving

Nov. 30 – Financial Management Workshop – Retirement Planning

Dec. 1 – NAP application closing date for 2010 honey

Dec. 7 – Final date to return COC Election Ballots

Dec. 7 – Financial Management Workshop – Intro & Advanced Quicken

Dec. 14 – Date COC Canvasses Election Ballots

Dec. 26 – **Office Closed** - Christmas

Jan. 1 – **Office Closed** – Happy New Year!

FSA Implements New Payment Process for CRP and DCP Payments

FSA implemented a new centralized payment processing system in October. Payment transaction statements are being mailed to producers for annual Conservation Reserve Program (CRP) payments, final direct payments under the Direct and Counter-cyclical Program (DCP) and Average Crop Revenue Election (ACRE) Program. FSA encourages producers to keep the payment transaction statements they receive, as they will be needed for tax purposes and reconciling the FSA-1099s issued in January. Since FSA payments are now centralized for the nation, payment reductions for advance DCP payments received or haying and grazing of CRP will be offset from the first available payment without regard to contract number, farm number, program, or administrative county. Payments will be reduced for:

- existing FSA/CCC debt
- advance direct payments under DCP or ACRE
- payment reductions for haying and grazing of CRP
- eligibility determinations implemented with the 2008 Farm Bill (such as direct attribution, member contribution of labor and management)

If an offset is taken for one of these items, it will appear on the payment transaction statement as a payment reduction to "Commodity Credit Corporation" but may not clearly state which program, farm number, contract number, or county.

There are some known software issues with entity payments, such as a corporation or LLC, due to changes in the 2008 Farm Bill that required member contribution of labor or management. FSA is working hard to resolve the issues and doing their best to ensure delays are minimized with the new system. Some entities may initially receive a partial payment with the balance to be issued as soon as the software issues are resolved. Questions regarding Treasury offsets may be directed to the Treasury Offset Program (TOP) Call Center at 1-800-304-3107.