

Lake Co. FSA Office  
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County Committee Members

Oliver Dupuis  
Shirley Eye  
Susan Lake

FSA Office Personnel

Dennis Krantz, PT  
Terri Middlemist, PT  
Dale Neiman, 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:  
Teresa Rader, FLPT  
Fred Smith, FLM

Dates to Remember:

**May 18** – Buy-in waiver Deadline  
**July 15** – Deadline to file 2009  
crop acreage reports  
**August 14**– DCP signup deadline  
**August 14** – Deadline to add  
pulse crop base acres  
**August 14** – Deadline to enroll in  
ACRE program



FARM SERVICE AGENCY

# Lake Co. FSA

## April 2009

### NEW PROGRAM DEADLINES

The Secretary has responded to producer concerns about needing time to make an informed decision on ACRE and having adequate time to add pulse crop base acres. As a result, the deadlines for enrolling in DCP, electing and enrolling in ACRE Program, and adding pulse crop base acres have been extended to **August 14, 2009**

Signup for the Direct/Counter-Cyclical Program (DCP) is well under way in Lake County and many producers have elected to sign up early and take advantage of the 22% advance payment. Payment can be issued as soon as all signatures, leases and payment eligibility forms have been provided.

### Pulse Crop Bases

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.

**Information on programs administered by FSA in MT and individual county office newsletters are available at:**  
[www.fsa.usda.gov/mt](http://www.fsa.usda.gov/mt).

### 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.

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.

**ACRE Program Enrollment Opens on April 27**

WASHINGTON, April 9, 2009 - Agriculture Secretary Tom Vilsack announced today that producers can elect and enroll in the Average Crop Revenue Election (ACRE) program beginning April 27, 2009. ACRE is a provision of the 2008 Farm Bill.

"The Average Crop Revenue Election program is an innovative alternative to the traditional farm safety," Vilsack said. "This new option presents an opportunity for producers to review both programs and decide which one will work best for their operation."

Producers have until Aug. 14, 2009, to make their decision for the 2009 crop. USDA will not accept any late-filed applications.

Producers who elect the ACRE program for a farm agree to:

- forgo counter-cyclical payments
- accept a 20% reduction of the direct payments
- accept a 30% reduction in loan rates for all commodities produced on the farm

Commodities eligible for ACRE payments are wheat, corn, grain sorghum, barley, oats, soybeans, sunflower seed, canola, flaxseed, safflower, mustard seed, rapeseed, sesame seed, and dry peas.

The ACRE program was created in the 2008 Farm Bill to give producers an option in lieu of traditional counter-cyclical payments. Producers may elect and enroll in ACRE for the 2009 crop year even if they have already accepted advance direct payments under the Direct and Counter-cyclical Program.

To elect ACRE for a farm, producers must complete Form CCC-509 ACRE, which irrevocably elects ACRE for the farm through crop year 2012. Form CCC-509, the contract to participate in ACRE, must then be completed each year the producer intends to participate and receive benefits.

For more information about the ACRE program please visit your local Farm Service Agency (FSA) county office or visit <http://www.fsa.usda.gov>.

**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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