



January 2010

Fallon County FSA Office
P.O. Box 1516
Baker, Montana 59313
PH: (406) 778-2238
Fax: (406) 778-2965

County Committee Members

Brian Rustad, Chair
Maralee Burdick, Vice-Chair
Cliff Householder, Regular Member

FSA Office Personnel

Maria L. Braun, CED - Ext. 102
Kay Varner, PT - Ext. 104
Sonja Wiseman, PT - Ext. 100
Ray Allerdings, Field - Ext. 108
Sharon Gookin– Temp. – Ext. 107
Robin Markuson – Farm Loan Officer
(406) 775-6359 Ext. 110

Dates to Remember:

January 27: Winter Series meeting –
3:30 at the Tavern. Contact the
Extension office for more info

January 31: Final loan/LDP
availability date for wool/mohair shorn
in 2009

January 31: Final LDP availability
date for 2009 unshorn pelts

February 15: Office Closed –
President's Day

March 15: Deadline to purchase
coverage for 2010 NAP – perennial
and spring seeded crops

March 15: Sales closing date for crop
insurance on spring seeded crops. See
your local crop insurance agent.

March 31: Final loan/LDP
availability date for various crops
harvested in 2009. Check with FSA
office.

April 1: Deadline for payment
limitation changes

FSA NEWS

Supplemental Revenue Assistance Program **Signup Starts for 2008 Disaster**

Signup for the 2008 Supplemental Revenue Assistance Payments program (SURE) began on January 4, 2010. SURE 2008 is for those who suffered crop production losses during crop year 2008. SURE is an important component of the disaster portion of the 2008 Farm Bill and will provide financial assistance to producers who have suffered crop losses due to natural disaster.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments.

To be eligible for SURE, producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or Non-insured Crop Disaster Assistance Program (NAP) coverage, for all economically significant crops (more than 5% of the total value of all the crops nationwide). For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. In addition, producers must have suffered at least a 10 percent production loss on at least one crop of economic significance.

Producers may be eligible for SURE if they have a farming interest physically located in a county that was declared a primary disaster county or contiguous county by the Agriculture Secretary under a Secretarial Disaster Designation or in the absence of a Secretarial Disaster Designation, individual producers may also be eligible for SURE if the actual production on the farm is less than 50 percent of the normal production on the farm due to a natural disaster. For SURE, a farm is defined as all crops in which a producer had an interest nationwide.

Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage. For more information on the new SURE program, please visit your local FSA county office or <http://www.fsa.usda.gov/mt>.

January 31 Deadline to Request 2009 Wool and Mohair Loans and LDPs

Wool and mohair producers have until January 31 to apply for either a nine-month, nonrecourse marketing assistance loan or a Loan Deficiency Payment (LDP) for 2009 crop wool or mohair. Please contact the office immediately if you have any questions or concerns in regards to your 2009 clip.

2010 NAP Deadline Approaching

The deadline to purchase 2010 Non-insured Crop Disaster Assistance Program (NAP) coverage on all crops except value loss and honey is **March 15, 2010**. Producers wishing to request coverage may do so by filing form CCC-471, "Noninsured Crop Disaster Assistance Program (NAP) Application for Coverage" and pay the applicable administrative service fee.

For the 2010 crop year it is imperative to purchase NAP and at least a catastrophic (CAT) level of crop insurance for all insurable and non-insurable crops if you choose to participate in the new permanent disaster programs created in the 2008 Farm Bill. The deadline to purchase coverage or make changes with MPCI insurance is also March 15th. Please contact your crop insurance agent in regards to MPCI coverage.

In order for producers to be eligible for assistance under the Supplemental Revenue Assistance (**SURE**) Program and the Emergency Assistance for Livestock, and Honey Bees, (**ELAP**), and the Tree Assistance Program (**TAP**), producers must obtain a plan of insurance for each insurable and non-insurable commodity on the farm, **excluding grazing**. To be eligible for assistance under the Livestock Forage Disaster Program (**LFP**), producers must obtain either coverage under the Pasture, Rangeland, and Forage Rainfall Index Pilot Program offered through crop insurance, or NAP coverage, or both on their grazing. **Please contact the office by March 15, 2010, to ensure your eligibility for the new disaster assistance programs.**

Expiring CRP Contracts May Have EQIP Opportunity – Deadline is February 5

For CRP contracts that expired on September 30, 2009 and those that will expire on September 30, 2010 there may be an opportunity for cost share to assist in the transition to grazing lands with assistance in practices such as fences and livestock water developments to support grazing systems on a case by case basis. Signup begins on January 25 through February 5. Contact the local NRCS office for more details at (406) 778-2238 Ext. 3.

Congratulations!!!!

Congratulations to Cliff Householder who was elected to the three (3) year term as Fallon County FSA Committee and Randy Tunby who will be the first alternate that will represent the LAA 3 voting community. Cliff will join Brian Rustad and Maralee Burdick who are currently serving on the County Committee. Thank you to those who took the time to vote. A committee person has a very important job for USDA and also the producers in Fallon County.

The Fallon County Committee regularly meets on the 2nd Thursday of the month, unless there would be program deadlines or a schedule conflict that needs accommodating. Feel free to attend a meeting and visit with your County Committee members.

Direct and Counter Cyclical Program (DCP) and Average Crop Revenue Election (ACRE)

Signup for the 2010 crop year for both DCP and ACRE is currently underway and ends June 1, 2010. Late-filed applications will not be accepted. DCP and ACRE provide producers an income safety net in the form of annual direct payments. DCP also offers assistance through counter-cyclical payments when commodity prices are below certain levels. ACRE protects against crop revenue shortfalls resulting from price and/or production declines at the State and farm levels. Counter-cyclical payments are not available under ACRE.

Participants may elect to receive a 22% advance direct payment in any month prior to the end of the contract period. The ACRE direct payments have an additional reduction of 20%. All final direct payments for DCP and ACRE will be issued beginning in October of the crop year. If a crop meets the revenue triggers under ACRE, the ACRE payment will be issued after the end of the marketing year.

All supporting documentation, such as CCC-902, AD-1026, and CCC-926, must be submitted before payments can be issued. Both programs require annual acreage reports indicating uses of all cropland on the farm. In addition, farms enrolled in ACRE must provide annual production reports. Land enrolled in the programs must be devoted to agricultural uses and protected from weeds and erosion. Fruit and vegetable planting restrictions are applicable. Contact FSA for more information or visit www.fsa.usda.gov/dcp.

1099-G Mailed from Kansas City

During the last week of January, producers who have received payments from FSA should receive a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you in calendar year 2009. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

If you receive a CCC-1099-G, we **highly recommend** that you check the amounts shown with those in your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with eAuthentication user ID's and passwords can access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page. If you have a question concerning the 1099-G refund information, you may contact the county office for assistance locating the correct payment data. If you choose to visit the office, please bring your CCC-1099-G with you.

2009 Livestock Indemnity Program (LIP) Deadline

Livestock owners or contract growers who suffered livestock losses from July 13, 2009, through December 31, 2009, shall file a notice of loss no later than 30 calendar days of when the loss of livestock is apparent to the participant. Eligible livestock owners or contract growers also must file an application for payment for 2009 calendar year losses **no later than February 1, 2010**.

LIP provides assistance to eligible producers for livestock deaths that result from a natural disaster. Livestock owners and contract growers are compensated for livestock death losses in excess of normal mortality due to adverse weather including losses due to floods, blizzards, disease, wildfires, extreme heat, and extreme cold.

Deadline for Calendar Year 2009 Losses for LFP and ELAP

Applications for 2009 calendar year losses for the Livestock Forage Disaster Program (LFP) and the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) must be filed by **February 1, 2010**. For 2010 and subsequent years signup, applications must be filed no later than 30 calendar days after the end of the calendar year in which the losses occurred. The losses must occur in the calendar year the application is being filed.

For both programs, producers must have suffered losses that occurred on or after January 1, 2008, and before October 1, 2011. Please contact the office for additional eligibility requirements. A list of eligible livestock is available at www.fsa.usda.gov/mt

LEASES FOR THE 2010 CROP YEAR

Fallon County producers please bring in a copy of your written leases or provide a written description of any verbal leases. If you have lease changes, have added or lost a lease or renewed a lease notify the Fallon County FSA as soon as possible. The reason for getting a copy of leases is to ensure that the payments are going to the person at risk with the crop. There are flexible and variable leases that may be determined to be a cash lease or a share lease for program purposes, so a copy of the lease is imperative to ensure program compliance and integrity. If you have any questions or concerns, please do not hesitate to contact Maria at 778-2238 Ext. 102. Thank you for your assistance in this matter.

New Adjusted Gross Income Compliance Process

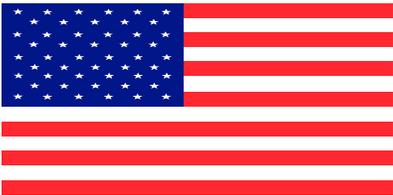
USDA has finalized a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income provisions for programs administered by USDA's FSA and Natural Resources Conservation Service. This agreement will ensure that payments are not issued to producers whose adjusted gross income (AGI) exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

The electronic process that USDA developed with IRS reviews data from tax returns, performs a series of calculations, and compares these values to the AGI limitations from the 2008 Farm Bill FSA and NRCS will receive a record that indicates whether or not the program participant appears to meet the income limits. Written consent will be required from each producer or payment recipient for this process. No actual tax data will be included in the report that IRS sends to USDA. As part of the review and evaluation process, participants whose AGI may exceed the limits will be offered an opportunity to provide third party verification or other information to validate their income.

Any individual or entity that is required to file CCC-926 (Average Adjusted Gross Income Statement) as a condition of eligibility for FSA or NRCS programs for 2009 or 2010 must submit CCC-927 (for an individual) or CCC-928 (for an entity) directly to the IRS to authorize them to release data to the agency. If you have any questions or would like a copy of this form to submit to the IRS please contact your local FSA office.

FALLON COUNTY FSA OFFICE
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BAKER MT 59313-1516

PRESORTED STANDARD
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Change in Farming Operation or Address or Bank Accounts

Producers are reminded to notify this office to report changes in address, ownership or bank accounts. This is vital to assist this office in keeping records in order and payments being made timely.

Farm Loan Program

Farm Service Agency (FSA) provides direct and guaranteed loans to assist farmers and ranchers start, enlarge or continue with their farming operations. FSA has special programs designed to assist beginning farmers and ranchers and socially disadvantaged applicants to secure financing. Please stop into the local county office to learn more about all the programs FSA has to offer or contact the Farm Loan Officer, Robin Markuson at the Carter County FSA Office at (406) 775-6355 Ext. 2 and she will be happy to assist you in any questions that you may have in regards to the Farm Loan Program.