

Prairie County FSA Office
PO Box 626
Terry, MT 59349-0626
406/635-5791

County Committee Members

Brady Liles, Chair
Darren Dukart, Vice Chair
Delynn Meidinger, Member
Carol Lachenmaier, Advisor

FSA Office Personnel

Tim Krebsbach, CED
Connie Jo Hjorth, PT
Holly Eaton, PT

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:

Jeff Janshen, FLM
Colette Butcher, FLPT
406/635-7905 x. 127

Dates to Remember:

January – April – Continuation of Brand Liens

January 18 – Holiday – Office closed

February 1 – Deadline to file 2009 application for LFP

February 1 – Deadline to file 2009 application for payment for ELAP and LIP

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

January 31 – Final LDP availability date for 2009 unshorn pelts

March 15 – NAP sales closing date for all crops except value loss crops and Honey.



Prairie County FSA

January 2010

2008 SURE Signup

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>.

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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.

Payments		DCP	ACRE
Direct	Payment Rate	100% of the DCP direct payment rate.	80% of the DCP Direct Payment Rate.
	Payment Formula	Uses farm's base acreage.	Uses farm's base acreage.
	Advances	Available through 2011.	Available through 2011.
Counter-Cyclical (CC)	Payment Formula	Uses farm's base acreage.	
	Trigger	Low National Market Prices	
	Advances	40% advance of projected payment through 2010.	
Average Crop Revenue Election (ACRE)	Payment Formula		Uses planted and considered planted (P&CP) acreages of commodity crops and peanuts.
	Triggers		Revenue must be below the historical state average and the farm average.
	Advances		Not available.
Loan Rates		100% of the Market Assistance Loan rates.	70% of the Market Assistance Loan rates.

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 catastrophic (CAT) level of crop insurance for all insurable and non-insurable crops. This is not only for production coverage, but also for eligibility for the new permanent disaster programs created in the 2008 Farm Bill. 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.

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

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.

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

indicating compliance or possible non-compliance with the income limitations. It is important that the name and address you enter on the form exactly match what appears on your tax returns. Forms and a fact sheet explaining the process are available on our national website:

<http://www.fsa.usda.gov/> or from your local County FSA office.

Public Meeting to be Held Jan. 20

The Prairie County FSA Office will be hosting a public meeting Wednesday, January 20, from 1:30 – 5:00 pm at the American Legion banquet room. This meeting will be held to discuss Payment Limitation rules in effect for 2010. Anyone involved in an entity – corporation, partnership, joint venture or trust is especially encouraged to attend.

The following livestock programs will be covered: Livestock Indemnity Program (LIP), Livestock Forage Disaster Program (LFP), and Emergency Livestock Assistance Program (ELAP). The differences between the three livestock programs and their requirements will be discussed in detail.

The 2008 Supplemental Revenue Assistance Payments Program (SURE), also referred to as the new crop disaster program will also be discussed.

Other programs will be discussed as time allows. Please make plans to attend and we hope to see you there!

County Committee (COC) Election Results

Delynn Meidinger will replace Tim Ehman for the South District (LAA 3) garnering 32 votes during the election, Alan Mathiason will serve as the first alternate, receiving 24 votes and Christine Keltner will serve as the second alternate receiving 7 votes. Alternates are called to serve if the member elected is unable to serve. Thanks to everyone who participated in this past election. A special thank you goes to Tim Ehman for serving Prairie County producers for the past 9 years.

Extension Winter Series

The Prairie County Extension service will be hosting their Winter Series program Thursday, January 28 at the American Legion from 3:00 – 7:00 pm. For details, please contact Sharla at the Prairie County Extension Office at 406/635-2121.

PO Box 626
Terry, MT 59349

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Inside this Issue

2008 SURE Sign up begins
2010 DCP Sign up begins
2009 Livestock Program
Deadlines
AGI compliance process
FSA Public Meeting to be Held
COC Election results

Important Dates to Remember

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February 1 – Final loan/LDP availability date for wool/mohair shorn in 2009
February 1 – Final LDP availability date for 2009 unshorn pelts
Feb 1 - Final date to sign up for 2009 LIP, LFP, and ELAP
March 15 –. Crop Insurance sales closing date for 2010 spring seeded crops
June 1 – DCP & ACRE signup deadline
June 15 – IRS consent form for AGI compliance due
July 15 – Production reporting deadline for ACRE farms
July 15 – Acreage Reporting Deadline
July 15 - Deadline to file 2009 NAP Application for Payment.
August 2 – Deadline to request farm reconstitution.
Notice of Loss for LIP File within 30 calendar days of when the loss of livestock is apparent

New County Committee for 2010

The Prairie County FSA Committee COC members for 2010 are:
Brady Liles, Chair
Darren Dukart, Vice Chair
Delynn Meidinger, Regular Member
Carol Lachenmaier, Advisor

Farm Loan Program

The 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.