



# NEWSLETTER



## Liberty County FSA Office December 2010

County Executive  
Director Rusty Cowan  
18 Main Street  
Chester, Mt. 59522

Phone: 406-759-5128  
Fax: 406-759-5791  
[www.fsa.usda.gov/mt](http://www.fsa.usda.gov/mt)

### Hours

Monday - Friday  
8:00 a.m. - 4:30 p.m.

### County Committee Members:

Jim Fritz Chair  
John Laird Vice  
Craig Henke Reg.  
Maureen Wicks Advis.

Next County  
Committee Meeting:  
Date/Time 1:00 P.M.  
January 12, 2011

County Office Staff:  
Yvonne Layton PT  
Inez Keith PT  
Kathy Nahrgang PT  
Rusty Cowan CED  
Ed Daugherty FLM

### 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:  
Ed Daugherty FLM  
406-873-5618 Ext 106

### Reasonable Accommodations:

Persons with disabilities  
who require  
accommodations to attend or  
participate in any FSA  
programs should contact the  
County Executive Director at  
the FSA Office or the Federal  
Relay Service at 1-800-877-  
8339.

## DCP and ACRE Signup, Advance Payments

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) and also the 2011 ACRE Program has begun and will continue through June 1, 2011.

Advance payments of 22 percent on the 2011 DCP & ACRE direct payments program will be available starting Dec. 1, 2010. The remaining 78 percent of your direct payment will be issued after October 1, 2011. ACRE is a revenue based payment alternative to the price-based counter-cyclical (CC) payments.

Eligible producers will receive direct payments at rates established by statute regardless of market prices. DCP or ACRE contract signatures for enrollment are due by the signup deadline of June 1, 2011. For more information or to schedule an appointment please contact your local FSA office.

## Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides assistance to eligible livestock owners and contract growers for eligible livestock deaths in excess of normal mortality due to adverse weather including losses due to floods, blizzards, disease, wildfires, extreme heat, and extreme cold. For 2010 losses, producers must file a notice of loss no later than 30 calendar days of when the loss of livestock is apparent. A notice of loss can be reported to the office by phone, fax, or e-mail. Eligible livestock deaths must have occurred in the calendar year for which benefits are being requested. An Application for payment may be filed at any time in 2010, but must be filed no later than 30 calendar days after the end of the calendar year in which the

## NAP Coverage Deadlines for 2011 Crop Year

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to provide financial assistance to producers of non-insurable crops when low yields or prevented planting occurs as the result of natural disasters. Statutes limit NAP coverage to each commercial crop or agricultural commodity, except livestock, for which the catastrophic (CAT) level of insurance is not available. Application deadlines for 2011 NAP coverage for all crops, except value-loss and honey, is March 15, 2011. The deadline for value-loss crops was Sept. 1, 2010 and Dec. 1, 2010, for honey. Producers who choose to obtain NAP coverage for 2011 must file a CCC-471 application for coverage and pay the applicable service fee by the sales closing deadline. Eligible producers must pay a service fee of \$250 per crop per administrative county or \$750 per producer per county, not to exceed \$1875 for a producer with farming interests in multiple counties. Service fees may be waived for limited-resource producers. Please contact your local FSA Office for additional information.

## IRS Form 1099-G

Each year producers receive 1099-G forms from the Commodity Credit Corporation (CCC) detailing payments producers have received from the CCC. CCC's annual report of program payments on the 1099-Gs help our customers report taxable income. It is not intended to replace the producer's own responsibility to report income to the IRS. FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

## Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for all risk of loss or damage to the commodity, and title to the commodity. During the term of the loan, loss of beneficial interest is a violation of loan provisions.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

## Maintaining the Quality of Loaned Grain

This year's large grain crop has its obvious upside, but there is a downside too. Many producers are hard pressed to find adequate storage for every bushel harvested. Overfilled grain storage bins can lead to grain quality problems.

Bins are ideally designed to hold a maximum volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases. Producers who take out farm-stored marketing assistance loans should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

## Loan and LDP Deadline for Wool, Mohair, and Unshorn Lamb Pelts

Eligible producers have until January 31, 2011, to apply for 2010 Loan Deficiency Payments (LDP's) for wool, mohair, and unshorn pelts. January 31<sup>st</sup> is also the deadline for requesting 2010 Marketing Assistance Loans for Wool and Mohair. Unshorn pelts are not eligible for Marketing Assistance Loans.

To be eligible for a 2010 mohair or wool Marketing Assistance Loan or LDP, producers must: (a) have beneficial interest in the mohair or wool; (b) produce and shear eligible mohair or wool in the U.S. in 2010; and (c) own the sheep or goats that produced the mohair or wool for a period of not less than 30 days before shearing.

## Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

If you've had a setback and your lender is reluctant to extend or renew your loan, ask your lender about an FSA loan guarantee. Guaranteed loans can reach a maximum of \$1,119,000.

Direct farm ownership loans or farm operating loans may be obtained from FSA for a maximum of up to \$300,000. Producers are encouraged to apply early so that the application and loan can be processed and funded in a timely manner.

To find out more about FSA loan programs, contact the county office staff.

## Beginning and Limited Resource Farmers

FSA sets aside targeted funding to assist beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 % of the county's average size.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit

[www.fsa.usda.gov](http://www.fsa.usda.gov)

## **Rural Youth Loans**

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

Many farm and even city families have found the Youth Loan program an excellent means to introduce the next generation to the business of agriculture. Is there someone in your family who may qualify?

## **Loans for the Socially Disadvantaged**

While all qualified producers are eligible to apply for Farm Service Agency loan programs, the FSA has provided priority funding for socially disadvantaged applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Both operating loans and loans for the purchase or improvement of farms or ranches are available under this category.

## **Spousal Signatures**

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, feel free to contact your local FSA office

## **Continuous CRP**

The Continuous Conservation Reserve Program allows participants to enroll acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

Continuous CRP program participation is voluntary. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental payments, incentive payments for certain activities, and cost share for establishment.

For more information on Continuous CRP enrollments or local Conservation Reserve Enhancement Program (CREP) availability, please contact your local FSA office or visit the website

<http://www.fsa.usda.gov/pas/publications/facts/html/crpcont03.htm>.

## **Production/Financial Management Training**

The Farm Service Agency, Montana Farmers Union and Bureau of Indian Affairs will be hosting Production and Financial Management Training in Browning on December 18 from 9 am to 5 pm at the BIA conference room. The MFU will be providing lunch for participants and everyone is invited to attend. The session will be geared towards livestock producers and are designed to give a good fundamental knowledge of current production and financial management issues. Youth that are looking for an educational experience are highly encouraged to attend as well. Producers with FSA farm loans that have been required to complete training will be able to use this one day seminar to meet that requirement. Speakers will cover the following topics: Body Condition Scoring, What you need for Production Records, Cattle Nutrition, Developing a Herd Health Program, Trich updates, BIA Policy Updates on Leasing and Trich, Understanding EPDS and selecting Livestock for your Herd, Developing a Strategic Farm Business Plan, FSA program updates and Developing a Financial Recordkeeping System. For more information or to RSVP for Lunch, please call Lacy Robert at the Glacier County FSA Office at 406-873-5618 Ex.110

## **County Committee Elections**

Martin Lyders was recently elected to the Liberty County FSA Committee for a 3 year term beginning in January 2011. Marty will replace Jim Fritz who has served Liberty County Producers for the past 6 years. We would like to thank Jim for all his hard work and dedication. We would also like to welcome Marty and look forward to working with him in the coming years.

LIBERTY COUNTY FSA  
OFFICE  
PO BOX 669  
CHESTER, MT. 59522



PRESORTED STANDARD  
U.S. POSTAGE PAID  
Bozeman, MT 59715  
PERMIT #54

Selected Interest Rates - December 2010	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.750%
Farm Ownership Direct	4.125%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%
Farm Storage Facility -7-year	2.000%
Farm Storage Facility - 10-year	2.750%
Farm Storage Facility - 12-year	3.000%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
Oct. 1	2011 ACRE Sign-Up Began
Oct. 1	2011 DCP Sign-Up Began
December 24	Office Closed – Christmas Holiday
December 31	Office Closed – New Years Holiday
Jan. 31	2010 Wool, Mohair & Unshorn Pelt Marketing Assistance Loan and LDP Deadline
March 15	2011 NAP sales closing date for all other crops except value-loss and honey
June 1	2011 DCP/ACRES Filing Deadline
Continues	Continuous Conservation Reserve Program

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