



NEWSLETTER



Powell-Deer Lodge- Granite County FSA Office

February 2011

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FSA Office Personnel

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County Committee Members

Steve Graveley – LAA 1-1
Barb Conn – LAA 1-2
Marlin Gilman – LAA 1-3
Carl Johnson – LAA 1-4
Phil Ralston – LAA 1-5

Office Hours

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

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.

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.

The application and sales closing deadline for 2011 NAP coverage is **March 15, 2011**, for all NAP crops other than value loss and honey. The deadline for value-loss crops was Sept. 1, 2010 and Dec. 1, 2010, for honey. Please contact our office if you are interested in this program. (406) 846-2337.

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.

For the 2011 crop year it is imperative that producers purchase either NAP or a 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, Honeybees and Farm-Raised Fish Program (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.

County Committee Election Results

Congratulations to Marlin Gilman and Carl Johnson. Both individuals were re-elected to represent farmers from LAA 3 and LAA 4 on the Powell-Deer Lodge-Granite County Committee. FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

Farming Operation Changes

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

2009 Supplemental Revenue Assistance Payments Program (SURE) Signup Set from Jan. 10 to July 29, 2011

The 2008 Farm Bill created several new disaster programs. One of the programs, the Supplemental Revenue Assistance Payments Program (SURE), provides financial assistance for crop production and/or quality losses due to a natural disaster. SURE is a total farm revenue disaster program as opposed to the crop disaster programs of previous years, which were primarily production oriented programs. Therefore, all crops that a producer has an interest in are not only evaluated as to the production loss and quality, but revenue as well.

To be eligible for SURE a producer must have at least a 10 percent production loss on a crop of economic significance; a policy or plan of insurance under the Federal Crop Insurance Act or the Noninsured Crop Disaster Assistance Program (NAP) for all economically significant crops; and 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.

Without a Secretarial Disaster Designation, individual producers may be eligible if the actual production on the SURE farm is less than 50 percent of the normal production on the SURE farm due to a natural disaster.

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.

PAYMENTS - SURE will issue payments to an eligible producer in the amount equal to 60% of the difference between the program guarantee and the total farm revenue. SURE will pay up to 90% of the crop's normal production on the farm. If you meet the guidelines of the program in 2009, i.e. a 10% production loss (associated with adverse weather) on one crop of economic significance and crop insurance (CAT/NAP) purchased on all 2009 crops (other than the exceptions previously explained), contact the county FSA office as soon as possible. Signup for 2009 crops begins January 10, 2011 and ends on July 29, 2011.

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 2011 losses, producers must file a notice of loss the earlier of either 30 calendar days of when the loss of livestock was apparent to the participant or October 31, 2011. 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 2011, but must be filed no later than 30 calendar days after the end of the calendar year in which the loss of livestock occurred. Please contact the office for additional eligibility requirements. A list of eligible livestock is available at www.fsa.usda.gov/mt.

1099-G is in the Mail

Producers who have received payments from FSA are also receiving a CCC-1099-G in the mail. A CCC-1099-G is a report to the Internal Revenue Service regarding FSA payments made to producers during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income.

When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. It is not intended to replace the program participant's responsibility to report income to the IRS.

ATTENTION: Refunds are no longer reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database.

Program participants with an eAuthentication user ID and password may 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 your local FSA office for assistance locating the correct payment data.

Cooperation with Risk Management Agency:

The Agricultural Risk Protection Act of 2000 requires the Farm Service Agency (FSA) and the Risk Management Agency (RMA) to work together to improve program compliance and integrity of the Federal Crop Insurance Program. As a result of the passage of the 2000 Act, RMA and FSA are required to coordinate a plan to identify, address and reconcile discrepancies of all relevant producer-derived information, and to coordinate a monitoring program to include fact finding relative to allegations of program fraud, waste, and abuse. FSA will assist RMA and insurance providers in monitoring conditions throughout the growing season and conduct growing season inspections. All suspected cases of fraud, waste, and abuse concerning the Federal Crop Insurance Program will be referred to RMA. FSA will also assist RMA with auditing claims. Producers may also report suspected cases of fraud, waste, and abuse to their local FSA County Office, the RMA Office or OIG.

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.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

Highly Erodible Land and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to sod busting, new breaking, conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA. All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

BCAP Update

Instructions for Biomass Conversion Facilities (BCFs) to become approved BCAP-certified facilities are anticipated in the next few weeks. The actual Memorandum Of Understanding (MOU) or agreement will be similar to the first pilot phase program but new language that will address requirements of the new regulation. Biomass Conversion Facilities may wish to contact the FSA office in their state to make sure they are notified when this information is received. BCFs and interested producers can also watch the national website for further BCAP information at www.fsa.usda.gov under Energy Programs. All BCFs must complete the MOU and submit it, along with any other documents or permits required by the notice. This is the first step in the BCAP process. Additional notices dealing with project area proposals and new procedure on the harvest, transportation portion or matching payment program are also scheduled to be released shortly. The new BCAP regulation has significant changes in required conservation plans, fair market value and eligible material that will be explained in the Notice.

Farm Storage Facility Loan Program

FSA's Farm Storage and Facility Loan (FSFL) Program provides low-interest financing for producers of eligible commodities to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with Commodity Credit Corporation (CCC) providing a loan for the remaining eighty five (85) percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Loan terms of seven, ten, or twelve years are available depending on the amount of the loan.

Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. Payments are available in the form of a partial disbursement and the remaining final disbursement. A partial disbursement of up to 50 percent of the total loan amount will be available, if desired, after a portion of the construction has been completed. The final disbursement will be made when all construction is completed.

An FSFL generally must be approved before the delivery of any materials are accepted and before any site preparation or construction is begun. The following commodities are eligible for farm storage facility loans: corn, grain sorghum, soybeans, oats, wheat, barley, or minor oilseeds harvested as whole grain; corn, grain sorghum, wheat, oats, or barley harvested as other than whole grain; hay; renewable biomass; fruits (including nuts) and vegetables—cold storage facilities. Among other requirements, borrowers are responsible for obtaining annual multi-peril crop insurance or NAP coverage and all-peril insurance on the FSFL structure listing CCC as the loss payee. For more information, contact the county 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>.

Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

Powell-Deer Lodge-Granite
County FSA
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Deer Lodge, MT 59722



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PERMIT #54

Selected Interest Rates -February 2011	
Farm Operating - Direct	2.250%
Farm Ownership - Direct	4.750%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Conservation Loan	4.750%
Emergency - Actual Loss	3.750%
Farm Storage Facility - 7-year	%
Farm Storage Facility - 10-year	%
Farm Storage Facility - 12-year	%
Commodity Loans 1996-Present	%
90-Day Treasury Bill	0.125%

Upcoming Important Dates to Remember:

- Oct. 1, 2010:** 2011 DCP Sign-up Began & Continues
- Oct. 1, 2010:** 2011 ACRE Sign-up Began & Continues
- Jan. 10, 2011:** SURE Program Signup for 2009 Crop Year Begins
- Feb. 21:** USDA Service Centers closed for President's Day
- March 14:** CRP General Signup Begins
- March 15:** NAP Sales Closing Date for All Other Crops except Value-Loss and Honey
- March 31:** Final Date to Request 2010 Marketing Assistance Loans/LDPs on Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat, & Sesame Seed
- April 15:** CRP General Signup Ends
- May 31:** Final Date to Request 2010 Marketing Assistance Loans/LDPs on Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Safflower Seed, Chickpeas, Soybeans, and Sunflower Seed
- June 1:** 2011 DCP & 2011 ACRE Programs Filing Deadline
- July 29:** SURE Sign-up Deadline for 2009 Crop Year
- Continues:** Contiguous Conservation Reserve Program

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