Prairie County FSA Office

November 2010

Tim Krebsbach, CED
410 E Spring ST
PO Box 626
Terry, MT 59349

406-635-5791 phone
406-635-4210 fax
www.fsa.usda.gov/mt

Hours
Monday - Friday
8:00 a.m. - 5:00 p.m.

County Committee Members:
Brady Liles, Chair
Darren Dukart, Vice Chair
Delynn Meidinger, Member
Carol Lachenmaier, Advisor

Next County Committee Meeting:
December 8, 1:00 pm

County Office Staff:
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:
(406)232-7905 X. 127
Jeff Janshen, FLM
Colette Butcher, FLPT
Norm Bellows, FLOT
Cody Montgomery, FLOT

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.

Voting for FSA County Committee Begins

Ballots for this year's county committee election were mailed to eligible voters on November 5, 2010. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on December 6, 2010. If mailed, ballots must be postmarked by midnight December 6, 2010.

The candidates in this year's election are:

Brady Liles and Todd Ban are nominated in LAA 1 (North of the Yellowstone), Prairie County, to serve as a committee member. Brady and Todd are lifelong residents of Prairie County.

Eligible voters in a local administrative area 1 who have not received a ballot should contact the FSA county office staff.

Voter Requirements Persons meeting requirements in **1** *or* **2**, *plus* **3**, below, are eligible to vote:

1. Be of legal voting age and have an interest in a farm or ranch as either a) or b):

a) an owner, operator, tenant or sharecropper, *or*

b) a partner in a general partnership or member of a joint venture that has an interest in a farm as an owner, operator, tenant or sharecropper;

2. Not of legal voting age, but supervises and conducts the farming operations on an entire farm; *and*

3. Eligible to participate in any applicable FSA program that is provided by law, regardless of the status of funding.

Discrimination Prohibited No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

CCC-927 or CCC-928 Must Be Sent To IRS

Producers who participated in 2009 or 2010 programs subject to adjusted gross income limitations (AGI) had to certify compliance with AGI rules. The average AGI verification process for 2009 and 2010 payment eligibility requires all program participants to provide written consent to IRS for the disclosure of certain information to FSA.

On October 6, 2010, a letter was mailed to producers who have not submitted:

CCC-927: "Consent to Disclosure of Tax Information-Individual Form"

CCC-928: "Consent to Disclosure of Tax Information-Legal Entity"

Individuals and legal entities, including members of legal entities, that certified to average AGI compliance for 2009 and/or 2010 payment eligibility must submit a completed CCC-927 or CCC-928 to IRS regardless of whether they received program benefits directly or as a member of a joint operation or entity. These forms must be submitted to IRS in order to avoid a demand for refund of program payments and benefits received.

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 a variety of crops are coming up in the next few months. In Montana, the NAP sales closing deadlines are: **Dec. 1, 2010**, for Honey; **March 15, 2011**, for all other NAP crops. 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.

Montana Department of Livestock Reminds Brand Owners to Update Addresses

With brand rerecord just around the corner, the Montana Department of Livestock is reminding brand holders to update their mailing addresses. John Grainger, administrator of MDOL's Brands Enforcement Division, said updating addresses is the only way brand holders can get a head start. "With rerecord coming up next year, we're starting to get a lot of calls and questions about the process," Grainger said.

"It's basically a two-step process, he added. "First, make sure the mailing address we have on file is up to date, especially if it changed within the past 10 years," Grainger said. "Incorrect addresses can delay the delivery of your rerecord notice."

Addresses can be updated on the www.rerecord.mt.gov web site; by calling the Rerecord Hotline at 460-444-4999 or secondary rerecord lines at 406-444-3812 or 406-444-9431; or by using mail-in cards available at brand offices, markets and other locations. The second step, he said, is waiting for your brand renewal notice, which should arrive in late January 2011. Brand holders who do not receive a brand renewal notice by late February 2011 should contact MDOL's Brands Recorder at 406-444-3812 of the Brands Rerecord Hotline at 406-444-4999.

Marketing Assistance Loans

Marketing assistance loans are commodity loans 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. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan.

In addition, to be eligible for a marketing assistance loan, you must comply with conservation and wetland protection requirements, report how you use cropland acreage on the farm, and ensure that the commodity meets CCC minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition, and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan. Producers do not have to participate in the Direct and Counter-Cyclical Program to be eligible for commodity loans.

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 unauthorized dispositions and providing an incorrect quantity certification.

Unauthorized Disposition

If a producer receives a marketing assistance loan for a particular commodity and then disposes of that commodity by feeding, selling, or otherwise disposing of it without prior written authorization from the county office staff, it is considered an unauthorized disposition violation.

The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Possible criminal penalties may also result. Always call before you haul or utilize any grain under loan.

2011 DCP Signup

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2011. The Farm Service Agency (FSA) urges producers to make use of the eDCP automated website to sign up, or producers can visit the FSA office to complete their 2011 DCP contract.

Eligible producers receive direct payments at rates established by statute regardless of market prices. FSA will issue advance direct payments beginning Dec. 1, 2010.

The ACRE Option

The Average Crop Revenue Election Program (ACRE) provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity.

The June 1, 2011, deadline is mandatory for all ACRE and DCP participants. FSA will not accept late-filed applications.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. In exchange for participating in ACRE, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.

The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

Sample 2010 Crops for 2010 SURE Program

If you have experienced quality issues with any of your 2010 crops we urge you to have the crop officially tested prior to January 1, 2011. If we end up with a crop year 2010 SURE program (crop disaster program) quality losses may be covered, but only if they are properly documented. Testing should be completed by a state lab or other facility acceptable to FSA.

Farm Records

The office would like to remind producers when there is a change to ownership or operator, the FSA office must be notified. This allows our office to timely process farm reconstitutions. Reconstitutions allow the office to divide or combine tracts and/or farms as necessary by ownership.

NRCS News

The Natural Resources Conservation Service (NRCS) reminds producers that to participate in NRCS programs, certain eligibility forms must be completed before an application for the Conservation Stewardship Program (CSP) and Environmental Quality Incentives Program (EQIP) can be accepted. The final date to submit an application for CSP to be ranked in this cycle is January 7, 2011. There is a possibility there will only be one signup per year. The final date to submit an application for EQIP is June 1, 2011 for 2012 funding. Please contact Dick at 406-635-5381 x. 107 for more information.

Disaster Assistance / Risk Management

FSA disaster assistance programs include: Supplemental Revenue Assistance Payments (SURE) Program; Livestock Forage Disaster Program (LFP); Livestock Indemnity Program (LIP); Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP) and Tree Assistance Program (TAP).

To be eligible for SURE, TAP, and ELAP, producers must purchase, at minimum, catastrophic risk protection insurance for all insurable crops and NAP coverage for non-insurable crops, except grazing. For LFP, grazed acres must be covered. In the case of honey, the term "farm" means all bees and beehives in all counties that are intended to be harvested for a honey crop by the eligible producer.

Producers who meet the definition of Socially Disadvantaged, Limited Resource Producer, or Beginning Farmer or Rancher, do not have to meet this risk management purchase requirement.

Farm Loan Year End Reviews

Producers that have a farm loan with FSA are reminded they must provide data for their Year-End Analysis to their loan officer each year. Borrowers are urged to provide this information timely so that their files can be maintained.

Applications for FSA Farm Loan Assistance

Farmers and ranchers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Failure to apply early may result in a delay in processing loans due to the volume of applications. Contact the local FSA Farm Loan representative for more details and assistance in applying.

Selling Land

If you're planning to sell farmland, there may be some program consequences you should be aware of. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date. Reviewing program implications with your local Farm Service Agency staff before completing a sale of farmland is always a prudent precaution.

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
- Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities

For additional clarification on proper signatures contact the local FSA office.

Online Services

Producers with Internet access can fill out a variety of FSA forms online. Producers can also register for secure electronic access that will allow them to electronically sign and transmit some forms directly to the county office staff. If you are new to the website, first you will want to obtain a Level 2 USDA Service Center Customer ID and password at: http://www.eauth.egov.usda.gov/ and then click on "*Create an Account Page*" link.

If you already have a Customer ID and password, then click on the following eForms website at: http://forms.sc.egov.usda.gov/eforms/mainservlet and then click on the "*Sign In*" button. A disclaimer window will open and after you read the "Warning message" click on the "Continue" button.

Then the USDA Web services page will open to the eAuthentication login page. Enter your login User ID and password and then click on the "Login" button. To sign and transmit forms electronically, you must sign-up and get a User ID and password.

Changing Banks

Almost all Farm Service Agency payments are made electronically using Direct Deposit. To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions. If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

Prairie County FSA Office
PO Box 626
Terry, MT 59349-0626

USDA United States Department of Agriculture

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

Selected Interest Rates - November 2010	
Farm Operating - Direct	2.000%
Farm Ownership and Conservation Loan - Direct	4.125%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%
Farm Storage Facility - 7-year	1.875%
Farm Storage Facility - 10-year	2.500%
Farm Storage Facility - 12-year	2.750%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
Oct. 1	2011 ACRE & DCP Sign-Up Began
Nov. 5	County Committee ballots mailed to voters
Nov. 11	Veterans Day Holiday
Nov. 12	Final date for all hay bales to be removed from CRP
Nov. 25	Thanksgiving Day Holiday
November	2009 ACRE Payments to be issued
Dec. 1	NAP sales closing date for honey
Dec. 6	County Committee ballots due back to County Office
Dec. 24	Christmas Holiday
Dec. 31	New Year's Holiday
Jan. 31, 2011	Final Date for 2010 Wool or Mohair LDP
March 15, 2011	NAP sales closing date for all other crops
Continues	Continuous Conservation Reserve program

New Financial Management Web Page

Producers who have level 2 e-Authentication access can use the new Public Financial Management Information web page. The website allows producers to generate reports that show both current and historical financial information. This resource will allow users to view details on payments, collections and outstanding debt. The website is a great tool for producers to conveniently access financial information at any time. To view the Financial Management Information web page, visit http://www.fsa.usda.gov/fmi. Please contact your county office if you have any questions regarding the web page.

Note: Website use requires level 2 e-Authentication access. Follow the steps below to obtain level 2 access…

1. Go to www.eauth.egov.usda.gov, complete a customer profile and submit it online
2. After submitting your customer profile, you will receive a confirmation email, and you must respond to it within 7 days to activate your account
3. Then you must complete the "Identity Proofing" process by visiting a local USDA Service Center and presenting a photo ID, such as your driver's license

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