



NEWSLETTER



Sanders County FSA Office

February 2011

Billy Denison, County Executive Director

Sanders County FSA Office

PO Box 639
7487 MT Hwy 200
Plains, MT 59859

Phone 406-826-3751 ext 2
Fax: 406-826-3273

www.fsa.usda.gov/mt

Hours

Monday - Friday
8:00 a.m. – 4:30 p.m.

County Committee Members;

John Holland
Ron Chenoweth
Lauraine Johnson

County Committee Meeting:

COC meets monthly on the 2nd Fri. at 1:00 P.M.

County Office Staff;
Daniel Fehrs, PT
Teresa Rader, FLPT
Billy Denison, CED

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:
406-676-2811 Ext 103
406-676-2811 Ext 105

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.

County Committee Election Results

Congratulations to Lauraine Johnson! Lauraine was elected to represent farmers in the Hot Springs area on the county committee. Lauraine was elected to her 1st term. The election results for Local Administrative Area #3 were:

Lauraine Johnson — Elected to the county committee (COC)

Clinton Fitchett — 1st alternate to COC

FSA appreciates all voters for taking the time to complete the election ballot. The county committee system works only because of your participation. The committee members held their organizational meeting January 14th. They elected John Holland as Chairperson, and Ron Chenoweth as Vice Chairperson.

SURE Signup for 2009 Crop Year is Underway

Signup for the 2009 Supplemental Revenue Assistance Payments Program (SURE) began on Jan. 10, 2011, and will end on July 29, 2011. 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, all crops of economic significance (contributes at least 5% of total farm income) in 2009 must have been covered by RMA crop insurance or FSA's NAP program.

The SURE program is available to eligible producers when:

- a portion of the SURE farm is located in a county covered by a qualifying natural disaster declaration (USDA Secretarial Declarations only) or a contiguous county; or,
- the actual production for the SURE farm is less than 50% of the normal production.

For more information, call or visit the county FSA office.

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.

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.

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.**

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.

Fred Smith, Farm Loan

Manager Retires

On December 31, 2010, Fred Smith, FLM, retired from FSA. We wish Fred much enjoyment in his retirement.

FSA is in the process of selecting someone to fill this vacancy.

IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to 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.

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.

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 began issuing advance direct payments Dec. 1, 2010 for those requesting them.

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.

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.

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.

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.

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.

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.

2010 DCP Final Payments

Final DCP Direct payments for most 2010 participants were issued this past October. Producers who received an advance payment were paid the balance they were due. Those who did not take an advance received their full payment amount. These payments were deposited directly into personal bank accounts.

If there were any unearned payments, Commodity Credit Corporation automatically subtracts those amounts from the final Direct and Counter-cyclical Program payments received. Please contact us if you have not received your Final 2010 Direct DCP Payment.

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.

Sanders County FSA Office
 PO Box 639
 7487 MT Hwy 200
 Plains, MT 59859



PRESORTED STANDARD
 U.S. POSTAGE PAID
 Bozeman, MT 59715
 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	2.750%
Farm Storage Facility - 10-year	3.375%
Farm Storage Facility - 12-year	3.625%
Commodity Loans 1996-Present	0.250%
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. 1:	Sorghum Referendum begins
Feb. 21:	USDA Service Centers closed for President's Day
Feb. 28:	Last day to vote in Sorghum Referendum
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, and 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:	Continuous Conservation Reserve Program

CRP General Signup Announced for March 14 to April 15, 2011

General signup for the Conservation Reserve Program (CRP) will begin on March 14, 2011, and continue through April 15, 2011. During the signup period, Montana farmers and ranchers may offer eligible land for CRP's competitive general signup at their county Farm Service Agency (FSA) office. As administrator of the Conservation Reserve Program, FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) that assists in calculating the environmental benefits to be gained from the contract. The EBI consists of five environmental factors (wildlife, water, soil, air and enduring benefits). Cost factors are also entered into the equation. FSA's CRP Continuous Sign-up Program is ongoing. Continuous acres represent the most environmentally desirable and sensitive land. For more information, visit www.fsa.usda.gov and view *Conservation Programs*.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW., Stop 9410 Washington, DC 20250-9410, or call toll free at (866)632-9992 (English) or (800)877-8339 (TDD) or (866)377-8642 (English Federal-relay) or (800)845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.