

U.S. Department of Agriculture
Montana Farm Service Agency
Sheridan County Office
119 N. Jackson
Plentywood, MT 59254
Phone: 406-765-1550
Fax: 406-765-1551
Email: donna.hilyard@mt.usda.gov

County Committee Members

Gordon French, Chair
Kevin Wilson, Vice Chair
Jody Lagerquist, Member
Ellen Sedgwick, Advisor

Next County Committee Meeting:
October 13th, 9:00 a.m.

FSA Office Personnel

Donna Hilyard	CED, ext. 102
Donelda Buckalew	PT, ext. 105
Kathy Gray	PT, ext. 100
Josie Johnson	PT, ext. 109
Marcia Rice	PT, ext. 112
Michael Sandoval	PT, ext. 110
Susan Thompson	TE, ext. 107

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:

Pat Turner, Loan Manager
Bruce Johnson, Loan Officer
Patti McGinnis, Farm Loan Program Tech
Contact them at Richland County FSA
406-433-2103, ext. 108

Dates to Remember:

Sept. 30 - Managed Haying Period Ends
Sept. 30 - SURE Application Deadline for 2008 Crop Year
Sept. 30 - RMA deadline to purchase Forage Production Policy (2011 Crop Year)
Sept. 30 - report completion of CRP haying and grazing
Oct. 5-6 - Women Stepping Forward for Agriculture Symposium in Helena
Currently - report production of NAP crops so your APH can be calculated.
On-going - report changes to your farming operation or your banking information so we can ensure our records are accurate and your payments are timely.



Sheridan County FSA News

September 2010

September 30 Deadline for SURE Applications

The deadline to submit USDA Farm Service Agency 2008 Supplemental Revenue Assistance (SURE) program payment applications is close of business on September 30, 2010. Applications not filed by Sept. 30, 2010, will not receive a payment.

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% 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 have suffered at least a 10 percent production loss on a crop of economic significance. In addition, producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. 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 info, contact your local 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.

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 and **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.

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), 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 Rainfall Index pilot program offered through crop insurance, or NAP coverage, or both on their grazing. For more information please contact your local Farm Service Agency office.

CRP Transition Incentives

The Transition Incentives Program (TIP) encourages retired or retiring owners or operators to transition their Conservation Reserve Program (CRP) acres to beginning or socially disadvantaged farmers or ranchers. TIP sign-up opened May 17, 2010. If all program requirements are met, TIP provides annual rental payments to the retiring farmer for up to two additional years after the expiration of the CRP contract, provided the transition is not to a family member. For eligibility requirements, producers should visit the FSA county office or www.fsa.usda.gov.

Farm Storage Facility Loan Program

The FSFL Program provides low-interest financing to build or upgrade farm grain storage and handling facilities. The maximum principal amount of a loan is \$500,000. Participants are required to provide a down payment of 15% of eligible costs, with Commodity Credit Corporation (CCC) providing a loan for up to the remaining 85% 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.

An FSFL must be approved before any site preparation or construction can begin. Commodities eligible for farm storage facility loans are wheat, barley, oats, pulse crops, corn, grain sorghum, soybeans, 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. Contact the FSA office for more information.

CRP Managed Hay/Graze

Please submit form DF-25 (a copy was sent out in your haying or grazing approval packet) to report the acres actually hayed or grazed, and the tonnage or animals grazed on CRP. *We need this information before payments can be made in October!*

The 2010 Conservation Reserve Program (CRP) Managed Grazing Period is limited to 60 days. All livestock must have been removed by Sept. 13, 2010. The Managed Haying Period began on July 16th and ends on Sept. 30th. All bales must be removed by Nov. 12, 2010. For more information, please contact your local county FSA office.

Women Stepping Forward for Agriculture Symposium set for Oct. 5-6 in Helena

The annual Women Stepping Forward for Agriculture Symposium will be held October 5 and 6, 2010 at the Montana Club in Helena, Mont. The event is hosted by USDA, in conjunction with the Montana Agri-Women, Montana Farm Bureau Women, Women Involved in Farm Economics (WIFE) and the Montana Cattlewomen.

The purpose of the symposium is to provide an avenue for Women involved in the promotion of Montana's agriculture to learn of issues affecting Montana's rural agricultural communities, promote leadership development and further support women's leadership roles within those communities.

Registration Information:

Pre-registration cost is \$60.00. Make checks payable to WSFFA. Provide name, address, and phone number by **Sep. 22, 2010** to: Andrea Ceartin at USDA Natural Resources Conservation Service 3710 Fallon St., Suite B; Bozeman, MT 59718 or reach her at 406-522-4025 or andrea.ceartin@mt.usda.gov. More information, including a detailed agenda is available on the Montana NRCS website at: <http://www.mt.nrcs.usda.gov/news/womenag.html>.

Grain Distress Loans Available

Distress grain loans are available for Sheridan County. Producers can receive a loan on up to 75% of the quantity of grain that is in a pile on the ground or in temporary storage. Distress loan requests must be made by the later of October 11 or 30 days after completing harvest of the grain. These loans mature no later than 90 days after disbursement. The grain must be protected from animals and be in a location where water drainage will not affect the quality or quantity of grain. If the grain is later moved into eligible farm or warehouse storage, it can be re-pledged to secure a regular grain loan.

Foreign Landowner 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, via the Farm Service Agency.

Foreign persons who 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 could result in civil penalties of up to 25% of the fair market value of the property.

Banking Changes?

Almost all Farm Service Agency payments are made electronically using Direct Deposit. 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. DCP and CRP payments will be made in October, so please update your banking information with FSA before 10/1/10.

Important Crop Insurance Deadline – Required for 2011 Disaster Programs

September 30, 2010 is the deadline to purchase crop insurance coverage for forage crops (alfalfa or alfalfa/grass) or fall seeded crops (winter wheat). Eligibility for the SURE disaster program requires insurance or NAP coverage on all mechanically harvested crops of "economic significance."

Sample 2010 grain in case we get a 2010 SURE program

Quality losses are included in the SURE program. If you feel you had a quality loss on a 2010 crop, and you want to be prepared for potential SURE benefits for 2010, you may want to quality test your farm stored commodities or hay BEFORE JANUARY 1, 2011. Tests should be from a lab or facility acceptable to FSA. If your grain or hay isn't sold or fed by 1/1/11, or you don't have a quality test for each bin or type of hay, you still may qualify if we have SURE for 2010, but the quality loss would be limited to the average loss documented for the county before January 1, 2011.

Grain Marketing Assistance Loans

Grain Marketing Assistance Loans (MAL) are available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or Commodity Credit Corporation (CCC) takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest is lost, the commodity is ineligible for loan, even if the producer regains beneficial interest.

Commodity loan eligibility requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring 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 and/or ACRE Programs to be eligible for commodity loans. The loan rate for grain produced on ACRE farms is reduced by 30%.

Loan rates for 2010 crops are Durum - \$6.04/bu., Spring Wheat - 3.66/bu., Winter Wheat - 2.37/bu., Barley - 1.80/bu., Oats - 1.32/bu., Peas - 5.20/cwt., Lentils - 10.41/cwt., Large Chickpeas - 11.28/cwt., Small Chickpeas - 7.43/cwt., Flax - 9.75/cwt., Mustard - 10.16/cwt., Safflower - 8.33/cwt., Sunflower - 9.45/cwt., Canola - 9.94/cwt., Crambe - 9.83/cwt., Corn - 2.01/bu., Grain Sorghum - 3.01/cwt., Soybeans - 4.42/bu.

The following types of loan repayments are available: principal and charges, plus interest; or the CCC-determined value. If the loan is not paid off prior to maturity, it may be delivered to CCC. Upon delivery, settlement will be made on the basis of the loan rate adjusted for applicable premiums and discounts. Factors shown on the warehouse receipt will determine the premiums and discounts that apply. Check with FSA for further information or a schedule of premiums and discounts.

Sheridan County FSA Office
119 N. Jackson
 Plentywood, MT 59254



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

Succession in Interest changes must be reported by Sept. 30

If you have made any changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these **successions-in-interest** to the county committee by **Sept. 30**, so that a final determination can be made on who is eligible for the program on the farm. Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

Changes that qualify as a succession-in-interest include a sale of land; change of operator or producer, including an increase or decrease in the number of partners; foreclosure, bankruptcy or involuntary loss of the farm; a change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

Selected Farm Loan Program Interest Rates for September 2010	
Farm Operating - Direct	2.375%
Farm Ownership - Direct	4.375%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency – Actual Loss	3.750%

Loan Deficiency Payments

Eligible farmers may choose to receive a loan deficiency payment (LDP) rather than taking out a marketing assistance loan when market prices are lower than commodity loan rates. The LDP rate is the amount by which the loan rate exceeds the posted county price. When an LDP is requested on a portion of a crop, that quantity cannot subsequently be used as collateral for a grain loan or another LDP.

Page one of the 633EZ form must be on file before losing beneficial interest in the crop. Delivery of a commodity to entities such as a feed mill, wool pool, feedlot, ethanol plant, etc. will result in the loss of beneficial interest on the date of delivery. Grain stored in a warehouse under a "delayed pricing" or "deferred pricing" contract may be eligible for LDP until the producer receives their first payment for the grain. Once an advance is received, beneficial interest is lost.

After harvested grain is in the bin, you can file Page 2 of the 633EZ LDP form on the day you want to lock in the LDP rate. If the grain has been taken to the elevator, you can file the LDP form and get the rate on the date of delivery (depending on when beneficial interest is lost).

Access Montana Farm Service Agency news and program deadlines online

Montana FSA's County Newsletters are available online! You can view and download your county's most recent newsletter on the Montana FSA Website at: www.fsa.usda.gov/mt - just click on Newsletters. You can view important Montana FSA program deadlines and news and sign up to receive email and/or RSS messages as soon as Montana news releases are issued. If you are interested, please contact your local county office for arrangements.

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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, genetic information, political beliefs, 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, audiotope, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."