



NEWSLETTER



**Montana
Farm Service Agency
State E-Newsletter
November 2012**

**Montana State FSA
Committee:**

Steve Carney, *Chair*
Floyd Dahlman, *Member*
Kelly Flaherty-Settle, *Member*
Hans McPherson, *Member*
Patricia Quisno, *Member*

**State Executive Director
Bruce Nelson**

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Montana FSA Web site:
www.fsa.usda.gov/mt

Hours:

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

**Upcoming 2012 State Committee
Meeting:**

Dec. 5-7 in the Montana State
Office located at 10 East Babcock
on the 5th Floor of the Federal
Building in Bozeman.

FSA State Office Management:

Dick Deschamps,
Chief Administrative Officer
Dave Pitts, *Farm Loan Chief*
Amy Webbink,
*Price Support/Conservation Chief
Program Specialist*
Shelly Rolando, *Disaster and
Compliance Program Chief*
Jennifer Perez Cole, *Public Affairs
Specialist, Outreach Coordinator,
State Civil Rights Coordinator*
Cindy Coad,
Program/Management Analyst

Need accommodations?:

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, contact the State or County Executive Director directly or by phone at the county FSA Office or the Federal Relay Service at 1-800-877-8339.

November 15th Acreage Reporting Deadline

Producers with the following crops are reminded to file their acreage reports by **November 15, 2012**:

- **Apiculture, Perennial Forage, PRF, Native and Tame Pasture, Fall Wheat (HRW), and all other Fall-Seeded Small Grains**

County offices have been in the process of preparing the compliance maps for the 2013 acreage reporting process and the maps are available for pickup.

SURE 2011 Crop Disaster Program Signup Oct. 22, 2012 to June 7, 2013

Enrollment for Montana farmers with 2011 crop losses to signup under the Supplemental Revenue Assistance Payments (SURE) program began Oct. 22. The deadline for the 2011 SURE program sign-up is June 7, 2013.

SURE is available to eligible producers on:

- farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred at least a 10 percent crop production loss or quality loss, or both, on at least one crop of economic significance on crops grown by a producer nationwide, except grazed crops; or
 - farms in which, for the crop year, an overall loss greater than 50 percent of the actual production on the farm compared to normal production for the farm.
 - which have 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.
- Although sign up for the SURE program begins Oct. 22, the SURE payments may not be issued until sometime later because the 2011 National Average Market Price (NAMP) data may not be available for all crops. The NAMP prices are intended to reflect the actual marketing value of a crop during the marketing year and the marketing year for some crops will not end until early 2013. For more information, call or visit your local FSA county office. A map of Montana counties that were designated as 2011 primary or contiguous secretarial disaster counties and more information about FSA programs are available on the state FSA Web site at

www.fsa.usda.gov/mt.

County Committee Elections

Watch your mailbox for your official county office committee election ballot starting this month. Ballots will be mailed to all eligible voters on Nov. 5, 2012. If for some reason you don't receive a ballot, feel free to notify the county FSA office. Completed and signed ballots must be returned to the county office by close of business on Dec. 3, 2012.

2012 DCP/ACRE Program – Final Payments

The enrollment period for the final year of the DCP/ACRE program has ended. Producers who timely enrolled into the 2012 DCP/ACRE program should have received payments mid-to-late October, provided that all other eligibility requirements have been met. Because advance payments were not issued in 2012, the entire payment will be processed and paid at this time. In 2011, Montana issued \$107,921,574 in direct payments and \$10,222,982 in revenue-based ACRE payments. It is expected that direct payments for 2012 will be similar. If you have any questions related to the receipt of your payment, or your payment amount, please contact your local FSA office.

2012 CRP Annual Rental Payments

In Fiscal Year 2012, Montana producers have more than 13,438 CRP contracts that cover more than 2.49 million acres of land. The voluntary program helps farmers and ranchers safeguard environmentally sensitive land and provides habitat for game and non-game species of wildlife. Beginning the first week of October, Montana CRP participants began receiving \$80 million in annual rental payments.

Expiration of 2008 Farm Bill Programs

Many programs and policies of the U.S. Department of Agriculture (USDA) were authorized under the Food, Conservation and Energy Act of 2008 ("2008 Farm Bill") through Sep. 30, 2012. These include a great number of programs impacting millions of Americans, including programs for farm commodity and price support, conservation, research, nutrition, food safety and agricultural trade.

Beginning Oct. 1, 2012, the authority or funding provided under the 2008 Farm Bill for USDA to operate a number of these programs expired, such as the Conservation Reserve Program (CRP), Milk Income Loss Contract Program (MILC), Grassland Reserve Program (GRP), and the authority and funding for additional programs will expire in the coming months. Because the 2008 Farm Bill has expired, USDA can no longer make new commitments for programs for which the Department's authority or funding has expired.

With regard to CRP, the Farm Service Agency cannot enter into new contracts for continuous signup practices until the program is reauthorized under the new Farm Bill. CRP contracts currently in place will not be affected. The same would hold true for GRP as well. The signup period for MILC ended on Sept. 30, 2012, therefore new applications cannot be taken at this time. To obtain MILC benefits for all previous months for which a MILC payment rate was in effect, producers must provide the dairy operation's final production evidence and any supporting documentation, if not already submitted, for eligible months by COB Nov. 1, 2012. Verifiable production evidence that confirms the dairy operation's eligible production and commercial milk marketings must be provided to County Offices before any payment will be issued to the dairy operation.

Farm Loan Programs

FSA's Farm Loan Program will NOT be affected by the lapse of the "2008 Farm Bill". Federal funding for approximately six months of Fiscal Year 2013 is currently in place. Funding is on a first come basis so should you need operating credit this year the sooner you get your records completed and apply for credit the better. Continue to work with your Farm Loan Program office serving your area as we approach the new loan season.

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches. While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of socially disadvantaged groups. 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 the group without regard to his or her individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Emergency Loan Program available for natural disaster areas

FSA's emergency loans are specifically targeted towards established farm operators who have suffered significant losses due to a disaster and are unable to receive credit from commercial lenders. In addition to providing low interest loans, FSA works with producers to develop a farm plan and get connected to a financial management training program. Farmers or ranchers who suffer at least a 30 percent loss to production or had a physical loss to livestock, livestock products, or other farm property may be eligible for emergency loans. Loan funds through FSA may be used to restore or replace essential property, pay production costs for the disaster year, reorganize the farming operation or refinance certain debts. For more information about Emergency Loans, contact the FSA county office to schedule an appointment with a Farm Loan Manager in your area.

November Loan and Interest Rates:

- Operating Loans - 1.125%
- Farm Ownership Loans - 3.125%
- Farm Ownership - Down Payment Loans - 1.50%
- Emergency - Amount of Actual Loss - 2.125%
- Farm Storage Facility Loan, 7-Year - 1.125%
- Farm Storage Facility Loan, 10-Year - 1.750%
- Farm Storage Facility Loan, 12-Year - 2.000%
- Commodity Loans/MALs - 1.125%



2013 NAP Deadlines: Noninsured Crop Disaster Assistance Program

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to eligible producers affected by a natural disaster. The program covers crops for which Federal Crop Insurance is not available. NAP covers losses greater than 50 percent of your expected production, based upon your approved yield and reported acreage. To apply for 2013 crop coverage, producers must complete a CCC-471 application for coverage and pay the service fee. The application and service fee must be filed by the applicable sales closing date. The service fee is \$250 per crop per county or \$750 per producer per county, not to exceed \$1,875 per producer in all counties. Producers must purchase NAP policies for honey by December 3, 2012 and for all spring planted crops, including grass for hay and grazing, by the 2013 sales closing date of March 15, 2013.

Late-Filed Acreage Reports

The deadline for timely filing an acreage report in Montana for the 2012 program year was July 15. Acreage reports must be filed for all cropland on the farm before any 2012 DCP/ACRE payments can be made or before eligibility can be established for marketing assistance loans and LDP's. Additionally, participants of the Conservation Reserve Program (CRP) and the Non-insured Crop Disaster Assistance Program (NAP) must report the specific acreage for which benefits are being requested. Although the reporting deadline has passed, county offices will accept late-filed acreage reports providing certain criteria are met. Contact your local county office for additional information relative to late-filed acreage reports.

Cooperation with RMA

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.

Marketing Assistance Loans

Marketing Assistance Loans, also referred to as Commodity 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. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-storage 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. For more information, visit your FSA county office or www.fsa.usda.gov.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities. The new maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Loan terms of 7, 10 or 12 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 U.S. Treasury Department. Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed and necessary documentation provided. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount. The final fund disbursement will be made when all construction is completed. Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation, delivery of materials or construction can begin. The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, soybeans, oats, wheat or barley harvested as whole grain or other-than-whole grain
- Minor oilseeds
- Pulse crops - lentils, chickpeas, dry peas and dry beans
- Hay
- Honey
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities
- Other grains including buckwheat, spelt and triticale

For more information about FSFL visit your FSA county office or www.fsa.usda.gov.

Attention Hispanic and Women Farmers and Ranchers

If you, or someone you know, believe the United States Department of Agriculture (USDA) has improperly denied you farm loan benefits between 1981 and 2000 because you are Hispanic or female, you may be eligible to apply for compensation. Claims MUST be filed between Sept. 24, 2012 and March 25, 2013 to be considered for cash payment or loan forgiveness. If you think you might be eligible to file a claim, please access the Farmer and Rancher Call Center or Website: 1-888-508-4429 and www.farmerclaims.gov. For guidance, you may contact an attorney or other legal service provider in your community. If you are currently represented by an attorney regarding allegations of discrimination or in a lawsuit claiming discrimination, you should contact your attorney regarding this claims process. USDA cannot provide legal advice.

Important Upcoming FSA Dates and Deadlines

- Sept. 13: CRP Managed Summer/Fall Grazing Period Ends
- Sept. 30: CRP Emergency Grazing (continuous practices) Period Ends
- Oct. 22: SURE 2011 Crop Disaster Program Sign-up Begins
- Nov. 1: MILC Production Evidence Deadline
- Nov. 5: County Committee Election Ballots Mailed to Eligible Voters
- Nov. 15: Acreage Reporting Deadline for Apiculture, Perennial Forage, PRF, Fall Wheat (HRW), and all other Fall-Seeded Small Grains, and Native and Tame Pasture
- Nov. 12: All hay bales must be removed from CRP acres.
- Nov. 30: CRP Emergency Grazing (general signup practices only) Period Ends
- Dec. 3: NAP Sales Closing Deadline for 2013 Honey
- Dec. 3: Last day to return voted County Committee ballots to FSA county office
- Jan. 1: New County Committee Members and Alternates take office.
- Jan. 2, 2013: Acreage Reporting Deadline for Honey covered under NAP (or 30 days after placement of colonies)
- Jan. 15, 2013: Acreage Reporting Deadline for Cherries, Established Stand Alfalfa Seed, Fall Alfalfa Seed
- March 15, 2013: NAP Sales Closing Deadline for 2013 Spring Planted and Forage Crops
- June 7, 2013: Deadline for SURE 2011 Crop Disaster Program Signup
- July 15, 2013: Acreage Reporting Deadline for Spring Alfalfa Seed, Barley, Canola, Corn, Dry Beans, Dry Peas, Flax, Forage Seeding, Mustard, Spring Oats, Potatoes, Safflower, Sugar Beets, Sunflowers, Spring Wheat, CRP and all other crops
- July 15, 2013: 2012 NAP Production Report Deadline
- July 15, 2013: 2012 NAP Application for Payment Deadline

FSA Changes Way Producers Receive IRS Forms

Beginning this year, producers whose total reportable payments from the Farm Service Agency are less than \$600 will not receive IRS Form 1099-G. Previously, the forms were issued to show all program payments received from FSA, regardless of the amount. Producers who receive payments from more than one county will receive one 1099-G form if the total of all payments from all counties is \$600 or more. The same changes apply to producers who normally receive IRS Form 1099-MISC.

USDA Nondiscrimination Statement/Complaint Process:

"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, audiotape, 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 Adjudication and Compliance, 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, employer and lender."