

**Broadwater County FSA**  
415 South Front Street  
Townsend, MT 59644  
Telephone: (406) 266-4253

**County Committee**

Tom Williams, Chair  
Charles Plymale, Vice-Chair  
Bob Wilson, Member  
Marie Hoeffner, Minority Advisor

**FSA Office Personnel**

Nina Fonk, Co. Executive Director  
Tamie Hahn, Program Technician  
Laura Cazier, Program Technician  
Alan Jenne, Farm Loan Manager

County Committee Meetings:  
Second Thursday of Month

**Agricultural Loan Opportunities**

*For questions regarding obtaining credit to start or enlarge a farming or ranching operation; financing agricultural operating expenses or livestock and machinery purchases call:*

Alan Jenne, Farm Loan Manager,  
(406) 683-3831



**Dates to Remember:**

**August 2** – Farm Reconstitution Request Deadline

**August 2** – Last Day for FSA to Accept Committee Nominations

**August 27** – CRP General Sign-up Deadline

**Sept. 30** – Crop Insurance Deadline for 2011 Alfalfa, Alfalfa/Grass Mixtures, and Winter Wheat

**October 2010** – 2010 DCP/ACRE Direct Payments Issued

**October 2010** - 2009 Additional ACRE Payments, if applicable, will also be issued at that time



**Broadwater County FSA News**  
**August 2010**



**New CRP General Sign-up**

Conservation Reserve Program (CRP) general sign-up #39 is being held August 2 – 27, 2010. Producers may offer environmentally sensitive land for enrollment during this sign-up period. Producers enrolled in CRP plant long-term, resource-conserving cover to control erosion, improve water and air quality, and develop wildlife habitat. In return, FSA provides rental payments and cost-share assistance. Contract duration is between 10 to 15 years. FSA also offers a Conservation Loan Program that may assist producers with the expense of installing conservation practices.

Land that is not currently enrolled in CRP may be offered for enrollment. In addition, CRP participants with contracts expiring on September 30, 2010 are eligible to submit offers.

To be eligible for enrollment in CRP, land must be cropland that is planted or considered planted to an agricultural commodity four of the six crop years from 2002 to 2007, and which is physically and legally capable of being planted in a normal manner. Alfalfa or other multiyear grasses and legumes grown in a rotation not to exceed 12 years may be eligible for this sign-up.

The cropland must also meet one of the following: 1) Have a weighted average erosion index of eight or higher; or 2) Be expiring CRP acreage; or 3) Be located in a national or state CRP conservation priority area.

Each eligible offer is ranked in comparison to all other offers based on an environmental benefits index. FSA collects data on environmental indices primarily based on location, soils information and desired conservation practice for the land offered. After sign-up ends the Secretary of Agriculture will decide where to make the environmental benefits index (EBI) cutoff for offers to be accepted.

There are a number of things producers may do to enhance their offer for additional EBI points. A few of the items that you may do to enhance your offer include: 1) Increase the number of species being planted; higher points are generally awarded to CRP (grass/legume) cover types that are more beneficial to wildlife which often contain a minimum of 4-5 species. 2) Add pollinator species to your offer. 3) Install a wildlife watering facility. The FSA and NRCS office can work with you and your specific situation to enhance your specific offer.

**If you wish to submit a CRP offer, please telephone the FSA office for an appointment in advance of the August 27, 2010 deadline.**



### CRP Managed Haying and Grazing

The 2010 Conservation Reserve Program (CRP) managed haying and grazing start date was July 16, 2010, for all participants who have acres that are eligible to be hayed or grazed. Managed haying and grazing cannot begin until an application is completed and written approval is received from the FSA County Office.

CRP participants with conservation plans that included the managed haying and grazing provisions that applied after the National Wildlife Federation (NWF) Settlement Agreement in 2006, have been limited to grazing 1 in 5 years and haying 1 in 10 years. Haying or grazing has not been allowed until August 2. CRP participants with the NWF rules now have the opportunity to modify their contracts to switch to the old Montana Rules, which allow managed grazing 1 in 3 years and managed haying 1 in 5 years. Under the Montana rules, haying and grazing could begin July 16<sup>th</sup>. All CRP contract participants must sign the conservation plan modification and receive written approval from the FSA County Office before any haying or grazing can begin.

To determine if acres are eligible to be hayed or grazed the county office will determine when the acres were last hayed or grazed. Grazing can only occur 1 in 3 years on the same acres. Haying can only occur 1 in 5 years on the same acres. The 50% that has to be set aside for wildlife may be hayed the following year. The 2010 Managed Grazing Period is limited to 60 days; July 16<sup>th</sup> through September 13<sup>th</sup>. The Managed Haying Period is July 16<sup>th</sup> through September 30<sup>th</sup>. Participants who want to modify their conservation plans should contact their local county FSA office.

A 25% payment reduction will apply to all CRP acres hayed or grazed.

#### **Montana Farm Service Agency - ONLINE**

**Information on programs administered by FSA in Montana and individual county office newsletters are available at:**

[www.fsa.usda.gov/mt](http://www.fsa.usda.gov/mt).

### 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. The Farm Service Agency administers this program for USDA.

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 percent of the fair market value of the property.

### Adjusted Gross Income Compliance

USDA has a Memorandum of Understanding with the Internal Revenue Service (IRS) to establish an electronic information exchange for verifying compliance with the adjusted gross income (AGI) provisions for programs administered by USDA's FSA and Natural Resources Conservation Service. This agreement will ensure that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs. The electronic process performed by the IRS reviews data from tax returns, performs a series of calculations, and compares these values to the AGI limitations from the 2008 Farm Bill.

FSA and NRCS will receive a record that indicates whether or not the program participant appears to meet the income limits. Written consent is required from each producer or payment recipient for this process. No actual tax data will be included in the report that IRS sends to USDA. Any individual or entity that is required to file CCC-926 (Average Adjusted Gross Income Statement) as a condition of eligibility for FSA or NRCS programs for 2009 or 2010 must submit CCC-927 (for an individual) or CCC-928 (for an entity) directly to the IRS to authorize this process.



### Commodity Loans Available

Marketing assistance loans (MAL), also referred to as commodity loans, provide temporary financing for current crops offered as collateral. Loans are available for a number of 2010 crops, including wheat, barley, oats, soybeans, other oilseeds, pulse crops (such as peas), honey, wool and mohair. This assistance is available to eligible producers beginning with harvest or shearing and extending through the program year.

The interest rate offered on loans disbursed during July of 2010 was 1.375%. A new interest rate is announced the first day of each month. The interest rate is adjusted on all outstanding loans to the newly announced interest rate in effect on January 1.

The final loan availability date varies by crop. The final date a loan may be disbursed for 2010 wheat, barley and oats is March 31, 2011. Loans mature nine months from the date of disbursement.

The 2008 Farm Bill provides the Secretary of Agriculture the authority to establish a loan repayment rate that may be determined as the lesser of the loan rate plus interest and a rate based on: 1) average market prices during the previous 30 days, or 2) an alternative method the secretary of agriculture may develop.

If you are interested in obtaining a loan on your agricultural commodity, please contact the FSA office.



**Persons with disabilities who require accommodations to participate in FSA programs should contact Nina Fonk at 415 S. Front Street, Townsend MT 59644, (406)266-4253, [nina.fonk@mt.usda.gov](mailto:nina.fonk@mt.usda.gov).**

### Insurance/NAP Coverage Required:

#### **Supplemental Agricultural Disaster Assistance Program (SURE) for 2011**

SURE is one of the disaster assistance programs authorized under the 2008 Farm Bill.

SURE is available to eligible producers on farms in designated disaster counties, including contiguous counties that have incurred crop production losses and/or crop quality losses during the crop year. SURE assistance is also available to eligible producers on farms in which the actual production on the farm is less than 50 percent of the normal production on the farm. For SURE purposes, a farm is defined as all crop acreages in all counties in the nation.

To be eligible for SURE and the other programs in the "Supplemental Agricultural Disaster Assistance" package authorized in the 2008 Farm Bill, producers must purchase at least catastrophic (CAT) level of crop insurance for all insurable crops and Non-insured Crop Disaster Assistance Program (NAP) coverage for all non-insurable crops by the sales closing dates.

The sales closing date for fall seeded crops (winter wheat) or forage crops (alfalfa or alfalfa/grass) is September 30, 2010. Please check with the FSA office or your crop insurance sales person to ensure eligibility in the disaster programs.

#### **Emergency Assistance for Livestock and Honey bees (ELAP)**

The ELAP Program will provide emergency relief to producers of livestock, honey bees, and farm-raised fish due to losses from adverse weather or other conditions, such as wolf depredation, grasshoppers, blizzards and wildfires, as determined by the Secretary of Agriculture. The ELAP Program is intended to cover disasters that are not adequately covered by any other disaster program.

To be eligible for ELAP, producers must purchase at least catastrophic (CAT) level of crop insurance for all insurable crops and Non-insured Crop Disaster Assistance Program (NAP) coverage for all non-insurable crops by the sales closing dates. Please check with the FSA office or your crop insurance agent to ensure eligibility in the disaster programs.

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

Selected Loan Interest Rates for August 2010	
Youth Loan	2.5%
Farm Operating - Direct	2.5%
Farm Ownership - Direct	4.625%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.75%



**Important Crop Insurance Deadline – Required for 2011 Disaster Programs**

The deadline to purchase crop insurance coverage for fall seeded crops (winter wheat) or forage crops (alfalfa or alfalfa/grass) is September 30, 2010. In order to be **eligible** for assistance under the Supplemental Revenue Assistance Program (SURE) for crop losses, Tree Assistance Program (TAP) or the Emergency Assistance for Livestock, and Honey Bees Program (ELAP), you must obtain a plan of insurance for each insurable commodity and NAP coverage for each non-insurable commodity. Coverage must be provided on all crops. Coverage is available for as little as \$250-\$300 per crop.