



Custer County FSA
3120 Valley Drive East
Miles City MT 59301
(406) 232-7905 Ext. 2

County Committee

Members:

Ejner Hansen, Chair
Gail Shaw, Vice Chair
Jess Drange, Reg. Member

FSA Office Personnel:

Dale E. Barta, CED
Colette Butcher, PT
Kistia Golie, PT
Jodi Herzog, PT
Deb Thingvold, PT
Casey Trainer, Field
Jeff Janshen, FLM
Bo Kombol, FLOT
Lacy Roberts, FLOT

Dates to Remember:

February 18 – Holiday Office closed

March 17 – NAP sales closing date for all crops except value loss and honey

March 17 – Crop insurance sales closing date for 2007 spring-seeded crops

March 31 – Final loan/LDP availability date for various crops harvested in 2007

April 1 – Deadline for payment limitation changes

May 15-July 15 – Primary Nesting Season under the old CRP hay/graze provisions

May 15-August 1 – Primary Nesting Season under the new CRP hay/graze provisions

June 2 – Final loan/LDP availability date – various crops harvested in 2007

Custer County FSA

February 2008

Adjusted Gross Income (AGI) Provisions Continued

The 2002 Farm Bill implemented the AGI at \$2.5 million limited. Those provisions for AGI have been extended through March 15, 2008.

Until March 15, 2008, FSA county offices will:

- Accept AGI certifications as necessary for crop years 2003 through 2007;
- Obtain AGI certifications for 2008 for emergency, disaster, and conservation program purposes.

Each program has an established payment limitation that applies to all farming operations. Details for each program's payment limitation may be obtained at the county office.

Further information will be provided as it is received regarding updated AGI provisions.

Change in Farming Operation or Address

Producers are reminded to notify this office to report change in address or ownership. This may include land sales, entity changes, or other changes to your farming operation. This is vital to assist this office in keeping up-to-date records.

Ending Date for Disaster Signup

An ending signup date for the Livestock Indemnity Program (LIP), Livestock Compensation Program (LCP), and the Crop Disaster Program (CDP) has currently not been set. Please contact the office or logon to the Montana FSA website at www.fsa.usda.gov/mt for eligibility requirements.

Year End Reviews

Producers that have a farm loan with FSA are urged to keep current production and income/expense records. These records are essential in making informed management decisions for your farming operation. Your local Farm Loan Manager or Farm Loan Officer will be requesting copies of your records on an annual or bi-annual basis and the information is used to complete a Year-End Analysis (YEA) for your operation. The frequency of the review is based on the type of loan you received and the terms of your agreement with FSA.

Noninsured Crop Disaster Assistance Program (NAP)

NAP provides financial assistance to producers of Noninsurable crops when low yields occur as a result of natural disaster. Eligible crops are those commercially produced for food, livestock consumption, and some specialty crops. Eligible producers must pay an administrative service fee of \$100 per crop per administrative county or \$300 per producer per county, not to exceed \$900 for a producer with farming interests in multiple counties. Service fees may be waived for limited-resource producers. **Payment of a service fee does not guarantee coverage.** There are many eligibility requirements that must be met. ***The Application Closing Date for all crops except value loss and honey is March 17, 2008.*** Contact the office for further information.

NAP Pull Off

Each FSA County Committee determines the date when livestock must be removed from NAP forage acres each spring. The date determined in Custer county is May 1, 2008. The pull off date for crops intended for grass seed is April 1 in all counties.

Farm Storage Facility Loans

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, soybeans and corn. The interest rate changes each month.

Farm storage facility loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000.

1099-G Mailed from Kansas City

During the last week of January, producers who have received payments from FSA should have also received a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you in calendar year 2007. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with eAuthentication user ID's and passwords can access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page.

If you have a question concerning the 1099-G refund information, you may contact the county office for assistance locating the correct payment data. If you choose to visit the office, bring your CCC-1099-G with you.

Step-by-step instructions for obtaining a Level 2 access to obtain your CCC-1099-G electronically are available on the Montana Internet site at <http://www.fsa.usda.gov/mt> under the "I Want To" section and by clicking on the "Do Electronic Business with FSA on My Home Computer."

Disaster Payments Issued
To date more that \$14 million has
been issued in disaster benefits
to Montana Producers:
CDP = \$11,680,340
LCP = \$2,962,409
LIP = \$119,699

FSA Hiring a Summer Intern

If you know a college student who is interested in agriculture issues in Montana and wants to work for the Farm Service Agency (FSA), now is the time for them to apply for a job. FSA in Montana is providing students the opportunity to learn more about the Farm Service Agency as a full-time career through the summer intern program.

The Montana vacancy announcement for one summer intern position will close March 14, 2008.

The position is open to any student who:

- Is a U.S. citizen;
- Is currently enrolled in a college or university; and
- Is planning to continue their education in the fall of 2008.

For the vacancy announcement logon to the Montana FSA website at: <http://www.fsa.uds.gov/mt> or by contacting Linda Itoh at 406/587-6876.

FSA will also be hiring a Student Career Experience Program (SCEP) position. SCEP is an internship program that allows a student part-time employment with FSA while they are completing their college education. The goal of the program is for the student to work for FSA at the completion of their degree.

For further information or an application packet logon to the Montana FSA website or call Linda Itoh at 406/587-6876 or Dave Pitts at 406/587-6787.

Demand for Organic Crops Provides Opportunity when CRP Contracts End

Montana is experiencing increasing demand for organic grain to supply markets for organic flour and other certified organic food ingredients, according to the Montana Department of Agriculture.

This creates an additional option for growers whose Conservation Reserve Program contracts will expire within the next few years. CRP contracts for an estimated 907,000 acres in Montana will expire in 2008 to 2010.

Fields that have been in CRP and have not been treated with herbicides during the past three years may be eligible for organic certification without a three-year transition period from conventional crops. Organic certification is among the ways farmers and ranchers can add value to commodities. Prices offered for organic crops may be twice those of non-organic crops.

For information on the requirements for organic certification, contact Doug Crabtree at the Montana Department of Agriculture at (406) 444-9421 or at dcrabtree@mt.gov.

Updated Procedure Announced for LCP

On January 28, 2008, the Custer County FSA office was notified of an important change in the current Livestock Compensation Program. Previous procedure only allowed for eligible feed costs only in the current year of the loss (if the loss was in 2006 - only feed costs could be included in the time period of January 1 – December 31, 2006). The change involves that eligible feed costs that were purchased, paid for and fed by May 1, 2007 are now eligible to be included in the calculation for feed purchases. If you had additional feed costs up to May 1, 2007, that were purchased, paid and fed by May 1, 2007, you should contact the Custer County FSA office for us recalculate your payment. Documentation of the feed purchases will be required.

Custer County FSA
3120 Valley Drive East
Miles City MT 59301

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NAP pull-off date – May 1, 2008

***Attention: Montana Ranchers and Other Persons Interested in Rangeland Crop Insurance
GRP Rangeland – New Index Pilot Insurance Program**



Miles City, MT
Wednesday,
February 27, 2008

Ft Keogh ARS Station
Conference Room
243 Ft Keogh Rd
Miles City MT 59301

Producers, Lenders
Grower Organizations,
Insurance Industry (Agents/Adjusters),
Extension Personnel, FSA and
Other Interested Parties
3:00 pm – 5:00 pm

Ranchers
6:00 pm – 8:00 pm
(meal provided)

AgriLogic, Inc., on behalf of USDA – RMA, will be conducting listening sessions in Montana regarding the GRP – Rangeland – New Index crop insurance program.

Producers, insurance personnel, and other interested parties will be invited to discuss the current GRP – Rangeland – New Index Pilot Program and will be able to provide feedback, which will be critical in helping to decide the future of the program.

There will be two (2) meetings at each venue, one for producers and one for other interested parties. A meal will be provided at the producer session.

To RSVP or find out more, please contact Jack Alexander @ (406) 586-4727 or Mike Fanning @ 1-877-544-2227.

Your opinion counts, so come out and be heard.