

July 2008

**Fallon County FSA Office
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County Committee Members

Robert Wenz, Chair
Brian Rustad, Vice-Chair
Maralee Burdick, Reg. Member

FSA Office Personnel

Maria L. Braun, CED - Ext. 102
Kay Varner, PT - Ext. 104
Sonja Wiseman, PT - Ext. 100
Sharon Gookin, Temp. Ext. 105
Ray Allerdings, Field - Ext. 108
Robin Markuson – Farm Loan Officer
(406) 775-6359 Ext. 110

Dates to Remember:

May 15-July 14: FSA State Committee established Primary Nesting Season for CRP

May 15 – August 1: Primary Nesting Season for CRP contracts affected by the National Wildlife Federations settlement agreement with FSA

June 15 – COC Nominations Open

June 25: DCP Signup Began

July 4 – Office Closed

July 15 – Deadline for NAP Application for Payment for 2008 NAP coverage and 2008 NAP Production reporting

August 1 – Reconstitution Deadline for FY 2008

August 1 – COC Nomination forms must be returned to county office by close of business

August 14 – 17 – Fallon County Fair

August 15 – Crop certification deadline

September 1 – Labor Day – Office Closed

September 30 – DCP deadline for payment supporting documentation

ENJOY THE HAYING SEASON!!!

FSA NEWS

Direct and Counter-cyclical Payment Program Signup Begins

Signup for the DCP program began June 25th and will end September 30, 2008.

Commodities covered by DCP include wheat, corn, grain sorghum, including dual purpose varieties that can be harvested as grain; barley, oats, soybeans, canola, flaxseed, mustard, safflower, crambe, sesame seed, rapeseed and sunflowers including oil and non-oil varieties. Beginning with the 2009 crop year, pulse crops, including chickpeas (both Kabuli (large) and Desi (small) Garbanzo beans), dry peas, and lentils will be added as covered commodities. Chickpeas, both Kabuli and Desi Garbanzo beans are not considered a vegetable beginning with 2008.

Annually, producers must sign a CCC-509, DCP contract, designating shares. The CCC-502 (Farm Operating Plan for Payment Eligibility Review for an Individual) and an AD-1026 (Highly Erodible Land Conservation and Wetland Conservation Certification) need to be on file to be eligible for payments.

DCP base acres in effect on September 30, 2007 will be in effect for 2008. Producers on a farm with a total of 10 base acres or less are not eligible to receive payments on that farm unless the farm is wholly owned by a minority or limited resource farmer or rancher.

The 2008 Farm Bill also provides for restoring base acreages when a Conservation Reserve Program (CRP) contract expires or is voluntarily terminated provided there is enough effective DCP cropland acreage on the farm to support the base.

Payment rates for eligible crops were fixed in the 2008 Farm Bill.

Direct payment rates are:

Crop	2008 Payment Rate
Barley	\$0.24/bu
Corn	\$0.28/bu
Grain Sorghum	\$0.35/bu
Oats	\$0.024/bu
Other Oilseeds	\$0.80/cwt
Soybeans	\$0.44/bu
Wheat	\$0.52/bu

Payment acreage for the 2008 DCP is equal to 85 percent of the eligible base

A HAPPY and SAFE FOURTH OF JULY!!!! REMEMBER THE TROOPS THAT ARE PROTECTING U.S.!

County Committee (COC) Nominations Open

Nominations are now open for candidates for COC positions. A county or area served by the COC is divided into local administrative areas (LAA). Each LAA is represented by one member on the county committee. Anyone within the county can nominate a candidate, however, the candidate must reside within the LAA that is open. This year LAA 1 is open for election in Fallon County. Brian Rustad is the current County Committee representative from this area.

For eligibility requirements, nomination forms or further information regarding the 2008 election, contact the county office or logon to the Montana FSA website at: <http://www.fsa.usda.gov/mt>.

Farm Service Agency (FSA) Emergency Loans Available in Montana Counties

Carter and Fallon Counties are among the counties eligible for Farm Service Agency (FSA) emergency loans. This Presidential Major Disaster Designation M1759 in South Dakota resulted from a Severe Winter Storm and Record and Near Record Snow that occurred on May 1, 2008 through May 2, 2008. Farmers are eligible to apply for emergency loans through the FSA offices servicing their area until 1/22/2009. Emergency loans are made to farmers/ranchers to cover losses resulting from designated disaster. To be eligible, applicants must be unable to obtain credit from other sources, be able to repay the loan and any other loans, and have adequate security. This disaster designation also allows FSA the option of installment set-aside for eligible producers. For more information please contact your local FSA office at (406) 778-2238 Ext. 2 for Fallon County and (406) 775-6355 Ext. 2 for Carter County.

REMINDERS FOR PRODUCERS WITH 2008 NAP COVERAGE

A reminder that a Notice of Loss is required to be reported within 15 days of the disaster or within 15 days of when the producer knows that there is a loss. This does not have to be a paying loss, but a loss in the production. Also, do not forget to turn in a Notice of Loss to your Insurance Agent on your Multi-Peril covered crops for due to a possible loss or for APH purposes. If you are doing something other than haying your hay ground, **CONTACT THE OFFICE IMMEDIATELY**, even though there is not a loss on the acreage, there is still procedure that must be followed if you are not going to cut the acreage for hay.

An acreage report must be on file before a CCC-576, Notice of Loss can be accepted. The deadline to certify acres for 2008 is August 15th. If you do not have your maps into the office, please do so immediately. Production evidence for the 2007 NAP crops and an Application for Payment for 2007 must also be submitted to our office by **July 15, 2008**. Producers who have not submitted the production evidence, or if you are uncertain if you have turned in 2007 production for NAP or if you have any questions on the NAP program, please contact the FSA office.

2008 Reconstitutions

The 2008 Farm Bill states a producer of a farm with base acres of 10.0 acres or less may not receive direct payments, counter-cyclical payments or average crop revenue election payments except if the farm is owned by a minority or a limited resource farmer or rancher. Producers may no longer request that these farms be combined with another farm except in limited circumstances.

A farm having base acres of 10.0 acres or less may be combined with another farm if one of the farms undergoes a change in land ownership and the new owners of each of the farms participating in the combination are identical and have identical shares in each property involved.

Producers must request reconstitutions by August 1, 2008.

Adjusted Gross Income Provisions

The 2008 Farm Bill continues the administration of the \$2.5 million adjusted gross income (AGI) limitation for all 2008 crop, program, or fiscal year commodity and conservation programs.

2008 program participants may need to file new CCC-526 (2008 Payment Eligibility Average Adjusted Gross Income Certification) forms. According to the 2008 Farm Bill, new AGI limitations for 2009 will require new forms to be completed by all producers for the 2009 crop year programs. Contact the County office for details.

FSA Announces Critical Feed Program on CRP for 2008

FSA has announced the authorization of certain acreage enrolled under the Conservation Reserve Program (CRP) to be available for haying and grazing after the **primary nesting season ends which is August 1st in Montana**. No rental payment reduction will be assessed on contracts being utilized for the critical feed use. However, a \$75 fee will be charged per contract to process the contract modification. The fee must be paid prior to the local FSA county committee approving the contract modification. The fee is not refundable.

Beginning June 2, 2008, eligible CRP participants may sign up for the critical feed use practice at their local FSA office. Participants must submit a modification to their conservation plan. This modification for critical feed use is only for 2008. All haying and grazing must be completed no later than November 10, 2008. The critical feed use practice may be used on CRP acreage that was hayed or grazed in 2007 either under the Managed Haying and Grazing provisions or the Emergency Haying or Grazing provisions.

CRP participants may use their CRP acreage for haying or grazing or may lease the privilege to any other individual. CRP participants may not hay and graze the same acreage. CRP participants must leave at least 50 percent of each field unhayed. Only one cutting of hay is permitted. CRP participants wishing to graze their CRP acreage must leave at least 25 percent of each field ungrazed for wildlife or graze all of the CRP acreage at no more than 75 percent of the stocking rate as determined by the Natural Resources Conservation Service (NRCS) or a Technical Service Provider (TSP).

Eligible acreage includes acreage devoted to: 1) CP1, Establishment of Permanent Introduced Grasses and Legumes; 2) CP2, Establishment of Permanent Native Grasses; 3) CP4B, Permanent Wildlife Habitat – Corridors; 4) CP4D, Permanent Wildlife Habitat; 5) CP10, Vegetative Cover – Grass – Already Established; 6) CP18B, Establishment of Permanent Vegetation to Reduce Salinity; 7) CP18C, Establishment of Permanent Salt Tolerant Vegetative Cover. Acreage is eligible 12 months after the cover is fully established.

2008 Farm Bill Provides Changes to Farm Loans

Some of the changes relating to the Farm Bill effective May 22, 2008:

- The maximum loan amount authorized for Direct Farm Ownership or Farm Operating loans has increased from \$200,000.00 to \$300,000.00 per program.
- Down Payment Loan Program has been modified by several changes in the Farm Bill. The program is expanded to include Socially Disadvantaged farmers in addition to beginning farmers and ranchers. The interest rate is specified as the greater of the direct FO regular rate less 4% or the floor of 1.5%. The maximum loan amount is an amount not to exceed 45 % of the purchase price, appraised value of \$225,000.00. The loan term is extended from 15 to 20 years and the down payment has been reduced from 10% to 5%.
- Direct loan assistance for farm ownership loans has been modified on the amount of farming experience one needs to be eligible for the loan program. Farm experience will be considered without regard to time elapsing between when the experience occurred. No longer requires three consecutive years of experience prior to making application.

LIP and LCP Signup Announced

The deadline date for the 2005-2007 Livestock Compensation Program (LCP) and Livestock Indemnity Program (LIP) has been set for **July 18, 2008**. LIP provides payments to eligible livestock owners and contract growers who incurred the death of livestock because of a natural disaster. LCP provides payments to eligible livestock owners and cash lessees who suffered feed losses or increased feed costs because of a natural disaster.

Signup began on September 10, 2007 for the two programs that provide aid to livestock producers who suffered eligible livestock or livestock feed losses between January 1, 2005 and December 30, 2007 because of a natural disaster.

Signup for Crop Disaster Program Quality Losses Begins

Eligible producers who suffered quality losses to their crops during 2005-2007 can begin signing up for benefits in the Crop Disaster Program (CDP).

The program is open to anyone who suffered losses to their 2005-2007 crops from natural disasters and related conditions. Producers who incurred qualifying quality losses in 2005, 2006, or 2007 may receive benefits for only one of these years. However, producers may apply for benefits for losses to multiple crops as long as the losses occurred in the same crop year.

To receive benefits from CDP for quality losses, producers must have had crop insurance or been covered under the Noninsured Crop Disaster Assistance Program (NAP) for the disaster year that the quality loss occurred. Producers must have suffered quality losses of at least 25 percent and also suffered an economic loss of 25 percent compared to the crops value if the crop had not suffered a quality loss to be eligible for CDP quality loss benefits.

In determining affected production, participants in CDP must supply verifiable production records to the FSA county committee to substantiate the level of quality loss. Verifiable production records must include the quantity of production, indicate the level of quality loss and the price.

Verifiable production records include, but are not limited to: commercial receipts, settlement sheets, warehouse ledger sheets, load summaries or acceptable forage test.

Production of a commodity sold under a marketing contract is eligible for CDP quality loss. Producers have the option to submit marketing contracts. If the marketing contract is determined to be a valid contract then the contract price will be used to calculate the loss levels for quality and the quality payment.

Signup for the program began June 23rd. Currently no ending date has been set.

FALLON COUNTY PRODUCERS WE NEED YOUR MAPS TO CERTIFY YOUR ACRES FOR THE 2008 CROP YEAR NOW, PLEASE!!!!!!

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