



# Lake County FSA November Newsletter

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### Dates to Remember:

**November 3** –COC ballots to be mailed to producers

**November 20** – Crop insurance sales closing date for sweet cherries

**November 26** – Signup Deadline for 2008 DCP 10-acre or less farms

**November 30** – Pasture, Rangeland Forage Index Program Sales Closing date

**November 30** – Crop Insurance Apiculture (honey) Rainfall Index Sales Closing Date

**December 1** – NAP application closing date for Honey

**December 1** – COC ballots must be returned by close of business

**December 2-5** – Grain Growers Annual Convention. Great Falls

**December 11-13** – Stockgrowers Annual Convention, Billings

### Pulse Crops now eligible for DCP and ACRE

The 2008 Food, Conservation, and Energy Act of 2008 provided for eligible pulse crop acreage to be added as base acres and yields for commodities eligible for the 2009 through 2012 Direct and Counter-Cyclical Program (DCP) and eligible for Average Crop Revenue Election Program (ACRE). Eligible pulse crops are dry peas, lentils, Desi garbanzo beans, and Kabuli garbanzo beans. Pulse crops will be eligible for counter-cyclical payments under DCP, but not eligible for direct payments. Target prices have been established as follows:

Crop	2009- 2012 Target Price
Dry Peas	\$8.32 per cwt
Lentils	\$12.81 per cwt
Kabuli Garbanzo beans	\$12.81 per cwt
Desi Garbanzo beans	\$10.36 per cwt

To establish base acreage, FSA will use the acreage planted and considered planted to the commodities in the crop years 1998 through 2001. Yields will be determined by averaging the yields per planted acre from 1998 through 2001. If you planted dry peas, lentils, Desi garbanzo beans, or Kabuli garbanzo beans in any of the years 1998 through 2001, and you are interested in establishing a base for those crops, you will need to provide production reports to also establish yields. Policy and procedure to establish the bases and yields is still being finalized. More detailed information will be provided as it becomes available.

### Cherry Growers – 2009 Disaster Options

To be eligible for the 2009 disaster program (SURE or Supplemental Revenue Assistance) Lake County cherry growers must sign up for the Actual Revenue History Cherry Pilot Program by November 20, 2008 or purchase Non-insured Crop Disaster Assistance Program coverage by March 15, 2009. ARH coverage is purchased through private insurance and the NAP coverage is offered through the local FSA Office.

### Deadline for DCP Provisions – 10 Acre or Less Farms

**November 26** is the deadline to enroll farms with 10.0 base acres or less for the 2008 DCP. The Farm Bill was amended to permit these producers to receive DCP payments. The amendment **only** affects the 2008 contract year.

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## Average Crop Revenue Election Program (ACRE)

What is ACRE?

ACRE is a new program authorized by the 2008 Farm Bill that protects against crop revenue shortfalls resulting from price and/or production declines at state and farm levels. Covered commodities are the same as under the 2009 – 2012 crop year Direct and Counter-Cyclical Payment Program (DCP) and include barley, canola, Desi and Kabuli garbanzo beans (chickpeas), corn, crambe, dry peas, flax, grain sorghum, lentils, mustard, oats, rapeseed, safflower, sesame, sunflowers, soybeans, and wheat. The election to participate in ACRE is irrevocable through the life of the Farm Bill (2012). All producers on the farm must agree to the enrollment of the farm.

Farms that participate in ACRE will still receive their Direct DCP payment, but it will be reduced by 20% and the loan rate for marketing assistance loans will be reduced by 30%. The Direct payment will be computed on 83.3% of the base acreage for the farm (85% for 2012). No counter-cyclical payments will be made on farms participating in ACRE. ACRE participants must report production to establish a Farm Expected Yield and Actual Farm Yield for the year of enrollment.

Two triggers must be met before payments will be issued:

- 1) State ACRE Guarantee (90% of Benchmark State Yield times 2-year National average market price) must exceed Actual State Revenue (100% of Actual State Planted Yield times the higher of the National average market price or 70% of the National loan rate.) AND;
- 2) Farm ACRE Benchmark Revenue (Farm's Expected Yield times ACRE Guarantee Price plus producer paid crop insurance premium) must exceed the Actual Farm Revenue (Actual Farm Yield times the higher of National average market price or 70% of National loan rate.)



## ACRE (cont.)

Once both triggers are met, payment acres will be computed on 83.3% of the eligible commodities planted on the farm (85% for 2012), not to exceed the total base acreage of the farm. The Farm's Expected Yield is divided by the Benchmark State Yield to arrive at a yield factor. Payment rate will be the lessor of the State ACRE Guarantee minus the Actual State Revenue or the State ACRE Guarantee times 25%. (Payment Acres X Yield Factor X Payment rate.)

ACRE is very different from any other programs administered by FSA. The regulations and policy are still being determined and finalized and no signup period has been announced at this time. More detailed information will be provided as it becomes available.

## County Committee Ballots in the Mail

County Committee election ballots were mailed to all eligible voters beginning November 3, 2008.

The election provides an opportunity for farmers and ranchers to elect candidates to serve on their local FSA county committee. Anyone who participates or cooperates in a local FSA program and meets certain voter criteria is eligible to vote. A complete explanation of voter eligibility requirements is available on the Montana FSA website at <http://www.fsa.usda.gov/mt> under the "Hot Links" section – Montana Producer Fact Sheets link or by visiting the FSA office.

Eligible voters who do not receive ballots by mail should contact the FSA office. Ballots must be returned to the office or postmarked by December 1, 2008.

FSA county committees make important decisions about disaster and conservation programs, commodity price support loans and payments and other agricultural issues affecting the local natural resource needs.

Make a difference by voting in the upcoming FSA county committee election.

### **Livestock Disaster Program Eligibility**

To be eligible for the Livestock Forage Disaster Program (LFP) and the Emergency Assistance for Livestock Honey Bees, and Farm-Raised Fish (ELAP) disaster assistance programs under the 2008 farm bill, crop insurance on grazing lands and/or a Non-insured Crop Disaster Assistance (NAP) grazing policy must be purchased or timely filed by the sales closing date.

If you plan on purchasing the Risk Management Agency (RMA's) Pasture, Rangeland, Forage (PRF) insurance to ensure eligibility, the sales closing date is November 30, 2008. The PRF Vegetative Index (VI) policies are not available in Montana. Detailed information on PRF is available on the RMA web site: [http://www.rma.usda.gov/policies/pasturera\\_ngeforage](http://www.rma.usda.gov/policies/pasturera_ngeforage) or by contacting a crop insurance agent within your area.

The deadline to purchase a NAP grazing policy is March 15, 2009.

### **The Role of Agricultural Based Carbon Offsets and the Value to Farmers and Ranchers**

Carbon dioxide (CO<sub>2</sub>) is among several atmospheric compounds (generally called greenhouse gases) that can reflect heat waves and prevent them from going into outer space. Studies show that the increase in greenhouse gases is largely due to the burning of fossil fuels and deforestation in the tropics.

An effective way of slowing the increase in greenhouse gases is to increase the sequestration of stable carbon compounds in agricultural soil and forests.

Farmers, ranchers and foresters are engaged in carbon offset trading through the Chicago Climate Exchange (CCX). Current CCX projects include conservation tillage, CRP/grass plantings, sustainable grazing, methane capture and destruction, afforestation, reforestation, management of existing stands and credit for long-term wood products.

Individual landowners do not typically generate enough offsets, therefore, CCX requires landowners to enter the market through organizations certified by the CCX.

### **The Role of Agricultural Based Carbon Offsets (cont.)**

A list of certified aggregators is available at [www.chicagoclimateexchange.com](http://www.chicagoclimateexchange.com), and clicking on membership, then on membership list. Montana landowners received over \$1 million for their carbon offsets via CCX aggregators.

### **Direct/Counter Cyclical Program**

Final payments have been issued to farmers that participated in the 2008 Direct/Counter Cyclical Program. This payment is based on history of small grain, corn and oilseeds rather than current year plantings. 2009 DCP signup has not been announced at this time.

### **2009 Disaster Training**

This office will be attending training on 2009 disaster programs on November 17<sup>th</sup> through the 19<sup>th</sup>. After training, we should be able to answer many of your questions concerning the disaster programs offered under the new farm bill.

### **Farm Record Changes**

Please contact this office with any changes in address, land ownership, lease changes or farm operator changes. Reporting this information will allow us to keep your farm records current and keep you informed.

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