

**Missoula/Mineral County  
FSA Office  
3550 Mullan Rd  
Suite 106  
Missoula, MT 59808**

County Committee Members

Paul Hanson, Chair  
Ray Rugg, Vice Chair  
Denley Loge, Member  
Bob Schroeder, Member  
Jody Wills, Member

FSA Office Personnel

Collette Rulison, Prog Tech  
Curt Anderson, CED

Dates to Remember:

**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  
**December 25** – Office Closed  
**January 1** – Office Closed

*Links:*

<http://www.usda.gov>  
<http://www.fsa.usda.gov/MT>  
<http://www.rurdev.usda.gov/mt/>  
<http://www.mt.nrcs.usda.gov>  
<http://www.dnrc.state.mt.us/>  
<http://extn.msu.montana.edu>  
<http://www.bitterrootrcd.org/>  
<http://bitterrootconservationdistrict.net/>



# Missoula/Mineral News

## **NAP Service Fees Increased**

Service fees for the Non-insured Crop Disaster Assistance Program (NAP) have increased for the 2009-2012 crop year. An administrative service fee is required to purchase the insurance. The service fee has increased to:

- \$250 per crop per administrative county; or
- \$750 per producer per county;
- not to exceed \$1,875 for a producer with farming interests in multiple counties.
- Service fees may be waived for limited-resource producers.

The sales closing date for all Noninsurable (NAP) crops except value loss and honey is **March 15, 2009**.

## **DCP Payments Issued**

More than 21,000 farms enrolled in the Direct and Counter-cyclical Program (DCP) across Montana have received more than \$83 million in benefits.

## **Make Sure Your Proper Signature Authorization is on File**

FSA reviews every producer's eligibility file to determine who is authorized to sign program documents in representative capacities and reviews all program documents to determine if the signature format is proper.

For a complete listing of FSA signature requirements, contact the FSA office or logon to the Montana FSA website at <http://www.fsa.usda.gov/mt> and click on the **Signature Authority Pamphlet** link under "In the News."

## **Change in Owner, Operator or Address**

Producers are reminded to notify this office when you have a change of address, a sale of land or a change in operator. This is vital to assist this office in keeping records.

## **Website**

Producers may access FSA information and forms on the Montana Internet site at <http://www.fsa.usda.gov/mt>

Persons with disabilities who require accommodations to participate in FSA programs should contact Curt Anderson, County Executive Director at 3550 Mullan Rd, Missoula, MT 59808.

## 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 years Direct and Counter-Cyclical Payment Program (DCP). 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 time's 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.*

## Don't forget to vote:

County Committee election ballots were mailed to all eligible voters in LAA2 & 5 (Eastern Mineral County and South of Missoula) in early November.

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.

If you misplaced or did not receive a ballot and believe you should have, please 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.

### Adjusted Gross Income Limitations

New Adjusted Gross Income limitations will be in place for 2009 and future years.

There are three limitations to consider now, one that affects all commodity programs, one that affects DCP only, and one that applies to Conservation Programs only. These certifications will be based on the average income in the three years preceding the most recent complete tax year (so, for the 2009 program year, the years in consideration will be 2005, 2006, and 2007). The table below summarizes these limits:

\$500,000 Average Adjusted Gross Non-farm Income	Exceed this – ineligible for any commodity, price support or disaster program benefits
\$750,000 Average Adjusted Gross Farm Income	Exceed this – ineligible for DCP Direct Payments
\$1,000,000 Average Adjusted Gross Non-farm Income	Exceed this – ineligible for Conservation programs, unless 66.66% or more of AGI is average adjusted gross farm income

Direct and indirect program participants will be required to certify to the new income limitations for the 2009 crop year on form CCC-926 or through an accountant's or attorney's certification. The Adjusted Gross Income Certification form is no longer a continuous certification and must now be filed at least once every 3 years. The new form and procedures are not yet available, additional information, including specifics on what is considered farm income and what is considered non-farm income will be made available at a future date.

### Brucellosis Information

Current, up to date information on brucellosis, testing requirements, and what the state is doing to regain Class Free Status can be found on the Montana Department of Livestock's (MDOL) web site at <http://liv.mt.gov/>. Information about brucellosis can be found by clicking on the "Current Brucellosis Information" link at <http://liv.mt.gov/Brucellosis/index.asp>. Producers who ship cattle out of state can use the drop down box under "Testing Requirements" to see if the state they are shipping cattle to has any special testing requirements.

MDOL is evaluating a draft brucellosis action plan that was developed with input from producer groups that include the Montana Cattlemen's Association, Montana Stockgrowers Association, Montana Farm Bureau and Montana Farmers Union. The public comment period closed November 1. MDOL is compiling the comments and will release a summary to the public.

Additionally, the state veterinarian has been tasked with serving as the point for a new brucellosis task force that includes Montana Fish, Wildlife and Parks as well as members of the public representing the livestock industry, hunters and the conservation community, and outfitters.

Any new information regarding Class Free Status, the draft brucellosis action plan, the brucellosis task force or other news relating to brucellosis will be featured on MDOL's web site.

For additional information, contact Steve Merritt, public information officer, Montana Department of Livestock, at 406/444-9431 ([smerritt@mt.gov](mailto:smerritt@mt.gov)).

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### **Annual Notice of Payment Eligibility to Producers**

FSA program benefits may not be provided to any producer until the applicable payment eligibility determinations are made. A producer will remain ineligible until all required forms for the specific situation are provided.

New forms (CCC-902) and regulations are in the process of being implemented. All participants will be required to complete the new eligibility forms for the 2009 program year. These new forms and associated procedures are not yet available, please be patient as we work to implement the new farm bill. Previous rules on permitted entity designation will no longer apply for the 2009 and future years. All payments, including those made for the individual's pro-rata share in an entity, will now be attributed to a single payment limitation for the applicable individual, though they will be issued as usual to the payment-earning entity. In addition, payment entities with the exception of joint operations will be limited to a single payment limitation overall. Payment Limitation/Eligibility determinations may be initiated by the FSA County Committee or requested by the producer. Statutory provisions require that entities earning program benefits provide FSA with the names, addresses, and tax ID numbers for the members of the entity.

All Payment Eligibility forms (CCC-902) submitted by a producer are subject to spot check through the End-of-Year Review process. Farming operations selected for an End-of-Year Review will be required to submit additional documents to verify their contributions of capital, land, equipment, labor, and management. Individuals, joint operations, or entities which are determined to be "not actively engaged in farming," will be ineligible for Direct and Counter Cyclical (DCP) Payments, Average Crop Revenue Election (ACRE) Payments, Loan Deficiency Payments (LDP's), Marketing Loan Gains and Conservation Reserve Program (CRP) payments.