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Steve Libsack, Chairperson
Sue Pinkerton, Vice-chair
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FSA Office Personnel:

Bob Broyles, CED
Bill Ballard, FLM
Jodi Isaly, PT

Dates to Remember:

August 4 - September 28 –

DCP late filed fee of \$100/farm will be assessed

September 3 – Holiday, Office closed

September 6 – Tentative date for County Committee meeting

September 24-27 – Tribal Outreach Forum, Gran Tree, Bozeman

September 28 – Final date for late filed 2007 DCP contracts

October 2 & 3 – Women

Stepping Forward for

Agriculture Symposium, Dillon

November 2 – COC ballots will be mailed to eligible voters

December 3 – Final date to return voted COC ballots to FSA office



Park County News

August 2007

2007 Compliance Activities

FSA will be conducting compliance reviews and spot checks a little differently in 2007. Instead of selecting individual farms, contracts, loans, LDP's, etc. for spot check and review at the local level, a nationwide selection of producers was made by the national FSA office. Producers were selected based on their participation in the Conservation Reserve Program (CRP), Direct and Counter-Cyclical Payment Program (DCP), Loan Deficiency Program (LDP), Marketing Assistance Loans (MAL's), and the Non-insured Crop Disaster Assistance Program (NAP). A representative sample of FSA employees, County Committee (COC) members, and other "required" producers were also selected for spot check and review.

FSA County offices may spot check additional producers if they have valid concerns that warrant the spot check and review.

For 2007, all producers selected shall be spot checked or reviewed for:

- Compliance with all programs in which they participated or received benefits, and;
- Acreage reporting accuracy.

Producers may be subject to a spot check or review if they participated in any of the following programs:

- Crop disaster program (CDP)
- CRP maintenance and practice checks
- DCP
- Acreage Reporting
- LDP's/Marketing Assistance Loans
- NAP

The reviews will take place throughout the year applicable to the certain program or activity.



DCP Signature Deadline is September 28, 2007

Producers enrolled in the Direct and Counter-cyclical Program (DCP) have until September 28th to provide all contract signatures for share acres and late-filed fees.

NOTE: A number of questions have been received regarding the restoration of DCP base acreage from CRP contracts expiring on September 30, 2007. Currently, the 2002 Farm Bill provides for restoration of lost base acres when a CRP contract expires. That provision ends September 30, 2007 with the expiration of the 2002 Farm Bill. When a new Farm Bill is passed by Congress, FSA will provide details as they become available.

Reminder: Providing Copies to Insurance Companies

Private insurance representatives are now required to provide the FSA county office a signed statement from the insured individual specifying the crop year and the related documents the producer wants copied for the insurance agent.

The insurance agent will then be charged for these documents at the rate of \$0.20 per page/side for copies of the Acreage Report (FSA-578) and \$1.00 per copy for map photo copies. If the statement by the producer is not provided and payment received, the documents will not be released to the insurance agent or representative.

No Final 2006 Counter-cyclical Payments for Wheat, Barley and Oats

FSA will not issue final 2006-crop counter-cyclical payments to farmers enrolled in the Direct and Counter-cyclical Payment Program (DCP) for wheat, barley and oats. The decision was made due to the fact that prices for these commodities have averaged well above levels that trigger counter-cyclical payments.

Fire Management on CRP

With the hot, dry weather Montana faces during July and August, Conservation Reserve Program (CRP) contract holders have the opportunity to provide fire protection on their CRP acres.

Firebreaks can either be a strip of bare land or a vegetative cover that retards fire. Grazing is not allowed as an option to maintain firebreaks. Bare ground firebreaks shall be only allowed in high risk areas such as transportation corridors, rural communities, and adjacent farmsteads. Bare ground strips may serve as sites for the establishment of weeds. As required for the vegetative cover, weeds and erosion must be controlled on bare ground strips. Lack of weed control measure could result in noncompliance of CRP provisions and assessment of payment reduction or termination of the affected acreage. It is the responsibility of the CRP contract holder to maintain the firebreaks.

CRP contract holders must acquire a modification to their current CRP contract that includes fire management before any ground disturbance takes place. Contact the office for required fire management specifications.

Managed Haying and Grazing on CRP

Producers interested in managed haying or grazing, must complete the necessary paper work at the county FSA office and receive written authorization before starting managed haying or grazing on CRP acres.

New Features on the Web

USDA provides customers with an opportunity to do business electronically over the Internet. With a Level 2 access, USDA customers may receive their 1099-G form, review any collections or debts they may have with USDA and also review an itemized listing of their USDA payments. Receiving a Level 2 account is a simple process. By entering your name, address and answering a few questions, customers may have access to the above mentioned items. In addition to receiving payment information, USDA customers may also send forms from the comfort of their home and sign up for programs without visiting a USDA service Center.

Complete step-by-step instructions for obtaining a Level 2 access, retrieving payment information, submitting forms and signing up for certain programs is available by logging on to the Montana FSA Internet site at <http://www.fsa.usda.gov/mt>.

2007 Payment Eligibility Reviews

We continue to work on the payment eligibility reviews for all producers in the county. These must be completed before any payments can be issued in 2007. If you have already received updated forms to complete or requests for additional documentation on your farming operation, please get that to us as soon as possible so that payments are not delayed. Now that the usual summer program activities have wrapped up, we will get back to those reviews that have not yet been completed. When you receive forms, documentation requests, etc. for this purpose, please complete and/or get this information back to us as soon as possible. Jodi and I thank you for your cooperation in this matter.

Beneficial Interest

For a producer to have Beneficial Interest in a commodity, the producer must have had ownership and control of the commodity at the time the producer requests a Loan Deficiency Payment (LDP); or for Marketing Assistance Loans (MAL's), from the time of planting through the maturity of the loan or the date of repayment, whichever is earlier.

Beneficial interest is retained in the commodity if all of the following remain with the producer:

- Control of the commodity, the commodity must be within their possession;
- Risk of loss;
- Title to the commodity.

For LDP's, beneficial interest must be retained in the commodity from the time of planting through the date form CCC-633EZ, page 1 is filed.

For loans, beneficial interest must be retained in the commodity from the time of planting through the date the loan is redeemed or the crop is sold. Once beneficial interest in the commodity is lost, the commodity remains ineligible for a loan or an LDP even if the producer regains control, risk of loss, and title.

2007 LDP's

With the current market conditions, wool is the only commodity that is eligible for an LDP. It would appear that markets will remain high enough that the likelihood of an LDP on other commodities is very small. However, we would still encourage all eligible producers to file form CCC-633 (page 1) just to protect your eligibility should the markets fall. Many of you have filed this form already, but some, especially land owners with an interest in the crop (share leases) have not yet filed one. This form must be filed prior to loss of beneficial interest in the commodity.

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Preventing Fraud & Waste

FSA and Risk Management Agency (RMA) are partners in preventing fraud, waste and abuse in the Federal Crop Insurance Program. FSA has been, and will continue to assist RMA and insurance providers by monitoring crop conditions throughout the growing season. In addition, FSA will refer all suspected cases of fraud, waste and abuse to RMA. Producers can also report suspected cases to FSA or RMA.

Expiring CRP Contracts with Base Acres

Attention: Currently, the 2002 Farm Bill provides for restoration of lost base acres when a CRP contract expires. That provision ends September 30, 2007 with the expiration of the 2002 Farm Bill. FSA will not know how base acres will be treated until the new Farm Bill is implemented.