



FARM SERVICE AGENCY

Richland County March 2009

NOTICE!!

2009 Direct and Counter-cyclical Program Signup

The 2009 Direct and Counter-cyclical Payment (DCP) program for farms with base acres began December 22, 2008 and will continue until **June 1, 2009**. Farms may not be enrolled after June 1 of the applicable contract period. There are no late filed provisions for contract years 2009-2012.

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 seed, safflower, crambe, sesame seed, rapeseed and sunflowers including oil and non-oil varieties. Pulse crops have been added as an eligible commodity for the 2009 crop year for counter-cyclical payments only. Pulse crops include dry peas, lentils, small chickpeas (Garbanzo bean, Desi), and large chickpeas (Garbanzo bean, Kabuli). Base acreage may not exceed the available DCP cropland acreage on the farm. A producer with the sum of the base acreage on the farm with 10 acres or less must be a minority or limited resource farmer or rancher to be eligible for DCP payments. Reconstitutions of farms with 10 base acres or less are now allowed.

Direct and Counter-cyclical payments for the 2009 year will be made on 83.3 percent of the farm's base acreage. Final direct payments will be issued in October 2009.

Direct payment rates are:

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

Planting flexibility is allowed but includes planting restrictions for fruits and vegetables on base acreage without farm or producer history. To maintain eligibility: 1) meet Highly Erodible Land and Wetland provisions requirements; 2) report all cropland acres; 3) meet actively engaged in farming and person determination requirements; and 4) comply with adjusted gross income provisions. Payment limitation amounts are \$40,000 for direct payments and \$65,000 for counter-cyclical payments.

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Secretarial Designations – Eligibility for Disaster Programs

Fifteen Montana counties were declared primary natural disaster areas during the period beginning January 1, 2008 and continuing.

The following counties have received the disaster designation:

Broadwater	Fallon	Prairie
Big Horn	Gallatin	Richland
Custer	Golden	Roosevelt
	Valley	
Daniels	Madison	Sheridan
Dawson	McCone	Wibaux

Contiguous counties include:

Beaverhead	Meagher	Silver Bow
Carter	Mineral	Stillwater
Carbon	Musselshell	Sweet
		Grass
Fergus	Park	Treasure
Garfield	Powder	Valley
	River	
Jefferson	Rosebud	Wheatland
Lewis and Clark	Sanders	Yellowstone

The disaster designation has an important significance in those counties as it allows eligible producers within those 15 counties and contiguous counties to participate in the Supplemental Revenue Assistance Program (SURE). SURE was one of the disaster programs created under the 2008 Farm Bill. It provides financial assistance for crop production and or quality losses due to a natural disaster. Two triggers make the program available:

- A Secretarial Disaster designation **and** at least a 10 percent crop production loss on at least one crop of economic significance which is defined as a crop which is expected to contribute at least 5 percent of the farm's income (Nationwide); or
- In the absence of a secretarial disaster declaration, farms in which the actual production on the farm is less than 50 percent of the normal production on the farm. Producers in counties that did not receive a secretarial declaration or contiguous county declaration have only this option available to qualify for SURE.

Secretarial Designations – Eligibility for Disaster Programs (cont.)

SURE requires that all crops in all counties in the nation be included on one application regardless if only one county received a secretarial declaration.

In addition, producers must have crop insurance of Non-Insured Crop Disaster Assistance Program (NAP) coverage for all crops excluding grazing lands. SURE does not pay for losses on crops intended for grazing. **Signup for SURE is unknown at this time.**

NAP Deadline March 16

For the 2009 crop year it is imperative to purchase Non-insured Crop Disaster Assistance Program (NAP) and catastrophic (CAT) level of crop insurance for all insurable and non-insurable crops. This is not only for production coverage but also for eligibility for the new permanent disaster programs created in the 2008 Farm Bill.

In order for producers to be **eligible** for assistance under the Supplemental Revenue Assistance (**SURE**) Program and the Emergency Assistance for Livestock, and Honey Bees, (**ELAP**), and the Tree Assistance Program (**TAP**) producers must obtain a plan of insurance for each insurable and non-insurable commodity on the farm, **excluding grazing**. To be eligible for assistance under the Livestock Forage Program (**LFP**) producers must have obtained either coverage under the Pasture, Rangeland, and Forage Rainfall Index Pilot Program through crop insurance (deadline was November 30, 2008), or must now purchase NAP coverage. Both types of grazing coverage may be purchased, however, if a payment is received under PRF, *no payment may be received under NAP coverage*.

For 2009 coverage, producers must file the required paperwork and pay the administrative fee by the NAP closing date of **March 16, 2009** for all crops except value-loss and honey. The deadline for value-loss and honey for 2009 has passed.

Please contact the office to ensure your eligibility for the new disaster assistance programs by March 16th. Eligibility for 2008 was addressed September 2008 through the Buy In process. Please note the LFP signup has not been announced at this time. Watch this newsletter and the local media for further information.

Changes to FSA Payment Processing

FSA deployed a new payment processing system in December. Through the new system, all payments made through direct deposit will be processed through the Federal Reserve Bank and will be received in the participants account within 2-3 days of processing.

New Loan Interest Rates Provided

The interest rate for Marketing Assistance Grain loans changed at the beginning of 2009. The interest rate is 1.625%. This rate will stay in effect until the loan is paid in full. The 31st of March and May are the grain loan deadlines depending on the crop type.

NEW ACRE PROGRAM!!

This program may replace the DCP (Direct and Counter Cyclical Program) contract if you elect the option. If you are interested, the MSU ACRE calculator is available at the Richland County Extension office. Please contact at 433-1206. Thank you for your help Ben and Wade!!

The Montana Grain Growers has also offered a site that producers may use to work through some scenarios. The site with the calculator is found at <http://www.mgga.org/>. Select the Farm Bill Information tab. Thanks John Rhines for sharing this information.

You are encouraged to know your options before you decide to sign up for ACRE. Sign up has not been announced at this time.

- No counter-cyclical payments
- 20 percent reduction in direct payments
- 30 percent reduction in marketing assistance loan rates (Grain Loan Rates)
- ACRE requires all operator and landlords to agree.
- ACRE election is for the entire length of the Farm Bill, until 2012

Important!!!**PAYMENT LIMITATION**

We will no longer be using the CCC-502 series of forms for payment limitation. They have changed to a CCC-902 series. Along with the form changes the information requirements have changed substantially. You will save a vast amount of time if you stop by and pick the form up before coming in to the office. The CCC-926 AGI, Adjusted Gross Income, also has major changes. Also, pick up this form while you are in the office. See you soon!!!

Crop Disaster Signup Deadline

The deadline to signup for the Crop Disaster Program (CDP) will end **February 27, 2009**. The deadline date applies to both quantity and quality provisions of CDP.

The FSA-840 (Crop Disaster Program application) and all supporting documentation must be received in the FSA county office by the close of business on February 27, 2009. Late-filed applications will not be approved following the February 27th deadline.

Signup for the program began October 15, 2007 for crop years 2005-2007.

Assistance Available with Planting and Harvesting

Farm Rescue is a non-profit organization which plants and harvests crops free of charge for farm families that have experienced a major injury, illness or natural disaster. Priority consideration is given to applications received by March 15. Visit <http://www.farmrescue.org> or call 701/252-2017 for further information, to refer a family in need or obtain an application.

Crop Cert Maps...April 1

Our target date to have maps available has always been April 1 and this year should be no different. Just mentioning it because we have had a few inquiries. Thanks!!

Changes.....be sure to keep your county office updated on any changes to your operation.

*****WHO SAID THIS?***

"For myself I am an optimist - it does not seem to be much use being anything else".

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MT FSA Web site: <http://www.fsa.usda.gov/mt>, Download forms & information at your convenience!!

Important Dates to Remember

March 1 – New Loss Adjuster hiring deadline

March 5 – Regular County Committee Meeting 9 AM

March 16– NAP **sales closing date** for all crops except value loss crops and honey.

March 31- Deadline for Coarse Grain Loans; also some pulse crops and oil seeds.

June 1-Deadline for DCP Sign Up

*(**Quote from Winston Churchill 11/9/1954)*

FSA Hiring Additional Loss Adjusters

FSA is currently accepting offers for contracted crop adjusting services for the 2009 crop year. Applications for the 2009 crop year are due March 1 to the Montana State FSA Office.

Loss Adjusters perform loss adjustment and program services as assigned by FSA. Some duties included in those services are: 1) visiting farms to inspect damaged or destroyed crops; 2) appraise potential crop production; 3) determine and verify the cause and time of loss; 4) determine farm-stored production; 5) visit FSA offices and/or farms to perform inspections, reviews or other loss services.

Starting pay for new adjusters is \$10.00/hour. A pay raise will be received after full certification on at least one crop is received. All equipment necessary to perform loss-adjusting activities will be provided by FSA. Mileage and per diem will also be paid to adjusters as they are expected to provide their own mode of transportation.

All applications are to be sent to the Montana Farm Service Agency, Attention Leonard McArthur, P.O. Box 670, Bozeman, MT 59771. All applications postmarked by **March 1, 2009** will be reviewed and selections made based on the need of the area, work experience, agriculture background and availability. Applications may be found at any FSA county office; by logging on to the Montana FSA website at <http://www.fsa.usda.gov/mt> or contact Leonard McArthur at 587-6882 or Shelly Rolando at 587-6877.