



AUGUST 2008

# FARM FOCUS

### Stillwater Farm Service Agency

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### Stillwater County Committee

Susan Arnold – Member  
Robert Yates – Member  
Lance Eisenman – Member

### Stillwater County Personnel & Ext.

Dane Schneidt, CED -104  
Michelle Eder, PT -100  
Susan Pederson, PT -105  
Marsha Schultz, PT -106

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### Sweet Grass Farm Service Agency

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### Sweet Grass County Committee

Donald Kinsey – Member  
Kevin Halverson – Member  
Kate Binckley – Member

### Sweet Grass County Personnel & Ext.

Dane Schneidt, CED – 2  
Marla Moen, PT – 2

The Stillwater Office welcomes Marsha Schultz to the FSA team. Please greet her when you stop by!!

## Direct and Counter-Cyclical Program (DCP)

Signup for the DCP program has begun and will end September 30, 2008. All signatures to shares of the contract must be received by close of business on September 30th. Advance direct payments of 22 % can be requested with final direct payments issued in October 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. 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.

Please pay special attention how you sign your contract if you are not participating as an individual.

## NAP and Crop Insurance Coverage Imperative

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 2008 Farm Bill disaster assistance programs. **Coverage must be provided on all crops as well as grazing land.**

For producers to be **eligible** for assistance under the Supplemental Revenue Assistance Payments (**SURE**) Program, Tree Assistance Program (**TAP**) and the Emergency Assistance for Livestock, and Honey Bees, (**ELAP**), producers must obtain a plan of insurance for each insurable commodity on the farm and, for each non-insurable commodity. The producer must file the required paperwork and pay the administrative fee by the NAP closing date of March 15, 2009 for all crops except value-loss and honey. The sales closing date for honey is December 1.

To be eligible for assistance under the Livestock Forage Disaster Program (LFP), producers must obtain a plan of insurance or file the required paperwork and pay the administrative fee by the NAP closing date of March 15, 2009 for the grazing land incurring losses for which assistance is being requested.

The NAP application closing date for value loss crops is September 1, 2008.

According to the 2008 Farm Bill, a farm is defined as the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer.

## **2008 Crop Year Buy-in for Disaster Assistance Programs**

The 2008 Farm Bill created several new disaster programs under the title "Supplemental Agricultural Disaster Assistance."

These programs include:

- Emergency Assistance for Livestock and Honey bees (ELAP)
- Livestock Forage Disaster Program (LFP)
- Livestock Indemnity Program (LIP)
- Supplemental Revenue Assistance Payments (SURE) Program
- Tree Assistance Program (TAP)

To be eligible for many of these programs, producers must purchase at least catastrophic (CAT) level of crop insurance for all insurable crops and/or Non-insurable Crop Disaster Assistance Program (NAP) coverage for non-insurable crops. Sales closing dates for CAT and application closing deadlines for NAP have passed for the 2008 crop year for all insurable and non-insurable crops. A Risk Management Purchase Requirement waiver has been authorized in the 2008 Farm Bill to allow those wanting to participate in the disaster assistance programs to pay a "buy-in" fee for crops that crop insurance or NAP coverage was not purchased for 2008.

The deadline to purchase the buy-in fee is **September 16, 2008**. To be considered to have met the Risk Management Purchase Requirement, a "buy-in" fee in an amount equal to the applicable CAT and/or NAP fee for those crops that currently do not have either a crop insurance policy or NAP coverage must be paid by the close of business on **September 16, 2008**.

For **SURE, TAP and ELAP**, a "buy-in" fee must be paid for all crops on the farm that do not have at least CAT level crop insurance or NAP. For **LFP**, a "buy-in" fee must be paid for the grazing land incurring losses for which assistance is being requested. **LIP** is exempt from the "buy-in" fee requirement.

The "buy-in" fee for both CAT and NAP are:

- \$100/ crop per FSA administrative county
- \$300/producer per FSA administrative county (including previous fees paid for coverage)
- \$900 maximum for producers with multiple counties (including previous fees paid for coverage)
- "Buy-in" is required for all non-insurable and insurable crops that are not already covered by NAP or crop insurance.
- Those applying for LFP benefits are only required to pay a "buy-in" fee for grazing lands incurring losses for which benefits are being requested.

The 2008 "buy-in" fee is non-refundable and due at the time the CCC-752 and/or CCC-753 is filed but no later than **September 16, 2008**.

All crops must be listed individually on CCC-752 or CCC-753 even if the \$300 "buy-in" fee allows all crops to be included, all crops must still be listed individually on CCC-752 and/or CCC-753.

Those meeting the requirement of socially disadvantaged, limited resource, or beginning farmers or ranchers do not have to meet the Risk Management Purchase Requirement and are not required to pay the "buy-in" fee. Definitions of these groups are available at the office or by logging on to the Montana FSA Internet site, under "Hot Links" and clicking on Montana Producer Handbook factsheets.

**For the 2009 crop year it is imperative NAP and CAT coverage is purchased for eligibility for the disaster assistance programs.**

## **CRP INFORMATION/REMINDERS**

**SEPTEMBER 1 - 2008 Managed Activities must be completed for the re-enrolled 18B continuous CRP contracts. Contracts not maintained will be assessed a penalty of \$16/ac.**

**SEPTEMBER 13 - End of CRP Managed Grazing and Haying**

**SEPTEMBER 31 - All Managed Haying bales must be removed from CRP ground**

### **Critical Feed Use Halted**

On July 24<sup>th</sup> a District Judge issued a permanent injunction against the USDA Farm Service Agency (FSA) Critical Feed Use Program. The injunction was the result of a lawsuit filed by the National Wildlife Federation against FSA stating the agency violated the National Environmental Policy Act by failing to study the environmental impacts of its action before implementing the program.

The ruling limits Critical Feed Use to three categories of producers:

- Category A - CRP participants who applied for Critical Feed Use and the contract modification form was signed and approved by FSA prior to the issuance of the Temporary Restraining Order on July 8, 2008. Haying or grazing must end by November 10, 2008, and there will be no rental reduction. Such activity will restart the waiting period for CRP managed haying and grazing;
- Category B – CRP participants who applied for Critical Feed Use and signed the required contract modification form prior to or on July 8, 2008 but was not approved by FSA. The injunction changed the haying and grazing ending dates for these applications. Haying must end by September 30, 2008 and grazing must end by October 15, 2008. There will be no rental reduction. Such activity will restart the waiting period for managed haying and grazing on CRP;
- Category C – CRP participants who can provide documentary proof of investment or obligations of \$4,500 prior to or on July 8, 2008 in preparation for Critical Feed Use.

### **Before You Sell Your Grain**

It is important for producers to come into the office and sign a CCC-633EZ, page 1 (Loan Deficiency Payment Agreement and Request) before any of the eligible loan commodity is sold. Even though there might not be a Loan Deficiency Payment (LDP) rate in effect at the time of harvest, does not mean the markets might not support one at a later date. If the CCC-633EZ, page 1 is not on file at the office, the producer must have ownership and control of the commodity at the time the LDP is requested.

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.

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.

**Self-discipline is when your conscience tells you to do something and you don't talk back.**

W.K. Hope

**DATES TO REMEMBER**

- **Notice of Loss** – filed within 15 calendar days of the natural disaster occurrence or the date the damage to the crop or loss of production was apparent
- **September 1** – NAP Application closing date for value loss crops
- **September 16** – Deadline to purchase buy-in fee
- **September 30** – Sales closing date for crop insurance for Forage Production, Winter Wheat and Rangeland
- **September 30** – 2008 DCP Signup Deadline
- **September 30 – October 1** – Women Stepping Forward for Agriculture Symposium, Billings
- **December 1** – NAP sales closing date for Honey

**Women Stepping Forward for Agriculture Symposium**

The symposium will be held September 30 and October 1 in Billings at the Depot and Clock Tower Inn. Registration is \$60.00 and is due September 15<sup>th</sup>. A detailed agenda and registration information is available on the Montana FSA website at <http://www.fsa.usda.gov/mt>.

**THE COUNTY OFFICE NEWSLETTER IS AN OFFICIAL  
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To file a complaint, write the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C., 20250, or call 1-800-245-6340 (voice) or 202-720-1127 (TDD), USDA is an equal employment opportunity employer.”