

Wheatland County FSA Office
P.O. Box 669
Harlowton, MT 59036-0669

The Wheatland County Committee will be meeting August 19th at 8:30 a.m.

County Committee Members

Robert Jones- Chairperson
John C. Olson-Vice Chairperson
Bonny Lode- Member

FSA Office Personnel

Jeri Pavlovick-CED
Donna Hagberg-PT
Myrna Mysse-PT

Dates to Remember:

June 23 – CDP Quality Signup Began

June 25 – DCP Signup Began

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

September 30 – 2008 DCP Signup Deadline

September 30 – October 1 – Women Stepping Forward for Agriculture Symposium, Billings

November 30-Deadline to purchase 2009 PRF Rainfall Index Pilot Program

Through your insurance agent

December 1 – NAP sales closing date for Honey



Wheatland County August 2008

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)

2008 Crop Year Buy-in for Disaster Assistance Programs (cont.)

- \$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 Haying and Grazing

Please remember to report your final bale count and average weight to the county office if you participated in CRP managed haying. Haying must be completed and bales removed from CRP by **September 30th**. If you participated in managed grazing, please report your livestock numbers and date of removal from CRP acres. Livestock must be removed from CRP by **September 13th** or when all AUM’s have been utilized.



2008 Acreage Reports Eligibility for Disaster Assistance Programs

To be eligible for the 2008 Farm Bill Disaster programs producers must report all crops in all counties in which the producer has an interest. Producers who timely acquired NAP or insurance coverage on their crops are required to file their acreage reports for NAP crops by **August 15, 2008**.

The disaster assistance requires that **ALL** crops in **ALL** counties be reported. If producers have filed an acreage report but did **NOT** report all crops in all counties in which they have an interest in, the producer must visit their county office(s) and add any crops not reported. If producers have not filed an acreage report, but wish to be eligible for the permanent disaster programs, they must file an acreage report for all crops in all counties in which they have an interest.

The final date to revise an acreage report or to file an initial acreage report for the 2008 crop year is **August 15, 2008**. Any revisions or initial filing of acreage reports after that date will be considered late-filed. The late-file fee will be waived for the permanent disaster programs only. Producers have to provide evidence of existence or disposition of crops.

Direct and Counter-cyclical Program (DCP)

Signup for the DCP program began June 25th 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.

Insurance on Rangeland

The Risk Management Agency (RMA) recently terminated the GRP Rangeland Pilot Crop Insurance Program effective September 30th 2008. Producers may purchase coverage on rangeland through the Pasture, Rangeland, and Forage (PRF) Rainfall Index Pilot Program offered by the RMA or through the Non-Insured Crop Disaster Assistance Program (NAP) through their local FSA office.

The PRF Rainfall Index Pilot Program offers coverage levels between 70-90% on grazing and perennial forage acres. Producers are not required to insure 100 % of their particular crop acreage in the county. This gives producers the opportunity to insure only those acres which are essential to their grazing rotation or haying operation.

The PRF Pilot Program is based on group losses for a single peril; lack of precipitation. The crop year is broken up into six two-month intervals while the area of insurance is divided into grids approximately 12 miles X 12 miles. The producer must choose at least two intervals of time per grid area in which the precipitation received is crucial to the growth and production of the particular forage species.

The Rainfall Index from the National Oceanic and Atmospheric Administration (NOAA) is used to determine eligibility. A comparison of normal rainfall for the insured time interval and grid location and the actual precipitation received during the interval in the insured grid location is used to calculate the indemnity payment. **November 30th** is the deadline to sign up for the PRF program. Please contact your insurance agent for more details.

The NAP program offers insurance on grazing acres at a 50% level of coverage at 55% of the feed value of the grazing acres insured. The NAP grazing loss percentage is obtained through assessments of grazing acres throughout the county by two independent range and forage specialists.

A producer may purchase both NAP and PRF insurance but may not receive an indemnity payment from both programs. If a producer qualifies for an RMA payment, they are no longer eligible to receive a NAP payment.

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.

Please contact the office to ensure your eligibility for the disaster assistance programs by applying for NAP by the application closing dates.

NAP Fees Change for 2009

The Food, Conservation, and Energy Act of 2008 increased the administrative service fees for the 2009 NAP program from:

- \$100 to **\$250** per crop
- \$300 to **\$750** per county
- \$900 to **\$1,875** per producer for all counties

The deadline to purchase coverage for crop year 2009 for all non-insurable crops, except honey, is **March 15, 2009**. The deadline to purchase coverage for crop year 2009 for honey is **December 1st, 2008**.

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Important Dates to Remember

**Notice of Loss – 15 calendar days of the natural
disaster occurrence or the date the damage to the crop
or loss of production was apparent
August 15 – Acreage Reporting Deadline
September 1 – NAP application Closing date for Value
loss crops
September 16 – Deadline to purchase buy-in fee
September 30 – Crop insurance closing date
September 30 – 2008 DCP Signup Deadline**

Final Counter-cyclical Payments

FSA will not be issuing final counter-cyclical payments for wheat, barley, and oats for crop year 2007. This is due to the fact that the effective prices of those commodities exceeded their respective target prices.

The effective price equals the direct payment rate, plus the higher of the national average loan rate or the national average farm price. The target price for the commodities is as follows: 1) Wheat \$3.92; 2) Barley \$2.24; 3) Oats \$1.440. The Effective Price is: 1) Wheat \$7.00; 2) Barley \$4.59; 3) Oats \$2.654. With the effective price higher than the target price, the final Counter-cyclical Payment Rate is \$0.

The 2002 Farm Bill provided for an advance partial counter-cyclical payment in December 2007 and a final payment after the close of the marketing year if the effective price fell below the respective target price.

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.