#### November 2017





## Farm Service Agency Electronic News Service

# **NEWSLETTER**

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# FSA Program Eligibility Requirement - 2018 Acreage Reporting/Crop Certification Deadline: Nov. 15, 2017

In order to comply with FSA program eligibility requirements, all producers, including livestock producers, are encouraged to visit their local FSA office to file an accurate crop certification report by the applicable deadline.

The 2018 Acreage Reporting/Crop Certification Deadline is Nov. 15, 2017 for Apiculture, Perennial Forage, Pasture, Rangeland, Forage (PRF) including native grass, fall wheat (Hard Red Winter) and all other fall-seeded small grains. These crops must be reported to FSA by Nov. 15,

Floyd Dahlman Kelly Flaherty-Settle Anita Matt Patricia Quisno

Directories:

- Online Directory of FSA
   Offices in Montana
- PDF of Montana FSA Directory
- PDF of Montana USDA Directory

#### Online Resource Links:

- FSA Factsheets
- FSA Disaster Programs
- FSA Farm Loan Programs
- FSA Conservation Programs
- FSA Price Support Programs
- FSA ARC-PLC Programs
- FSA Organic Certification Cost-Share Program
- FSA Energy Programs
- Montana NRCS
- Montana RD
- <u>USDA:</u> https://www.usda.gov/
- New Farmers: https://newfarmers.usda.gov/
- Montana Department of Agriculture's Hay Hotline

#### **FSA Policy Reminders:**

2017 Annual Notification (pdf)

2017 to be considered timely filed in order to comply with FSA program eligibility requirements.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the applicable acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "green manure," "left standing," or "seed," then the acreage must be reported by July 17th. Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the applicable dates or 15 calendar days before grazing or harvesting of the crop begins.

Important reminder: A "Final" crop reporting date was established which is the crop's subsequent year's acreage reporting date (ARD). If a crop report is not submitted by the subsequent year's ARD, or "Final" ARD, the acreage report cannot be considered acceptable and producers will not receive planting credit for the crop nor will the crop be eligible for any FSA program benefits for the applicable program year. The first "Final" ARD is **November 15, 2017** for 2017 crops that were required to be reported by November 15, 2016. Producers that do not report their 2017 perennial forage crops, including native grass, by November 15, 2017, will not be eligible for the 2017 Livestock Forage Disaster Program (LFP) or 2017 Emergency Assistance for Livestock, Honeybees & Farm-Raised Fish Program (ELAP).

For questions regarding crop certification and crop loss reports, please contact your local FSA office.

### **USDA Issues Safety-Net Payments to Montana Farmers**

Approximately 19,010 Montana farms that enrolled in safety-net programs established by the 2014 Farm Bill have begun to receive financial assistance for the 2016 crop year. The programs known as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), are designed to protect against unexpected drops in crop prices or revenues due to market downturns. Cash flow from these payments is particularly helpful to farmers and ranchers in counties impacted by natural disasters.

Producers in 55 Montana counties have experienced a significant drop in prices or revenues below the benchmark established by the ARC-County or PLC program and thus, have begun receiving payments totaling approximately \$212.7 million. Payments related to wheat crops made up much of those payments; however, there were also payments for oats, corn, grain sorghum, canola, and many other commodity crops. Final prices and payment rates have not yet been determined for chickpeas or oilseeds. Payments will not be issued for those commodities, if earned, until sometime after November 30, 2017.

ARC-County payments are based on county-level yields so eligible commodities and payment rates will vary. PLC payments are based on National Marketing Year Average prices so payment rates are consistent Nationwide. Payments for producers enrolled in the ARC-Individual program will begin as soon as possible.

Statewide, over 3,237 farms participated in ARC-County and nearly 15,773 farms participated in PLC. More details on the price and yield information used to calculate the financing assistance from the safety-net programs is available on the FSA website at <a href="https://www.fsa.usda.gov/arc-plc">www.fsa.usda.gov/arc-plc</a> and <a href="https://www.fsa.usda.gov/mt">https://www.fsa.usda.gov/mt</a>.

# **Livestock Forage Disaster Program Available in 42 Montana Counties**

FSA's Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought on privately owned or cash leased land, or fire on federally managed land.

Livestock producers in **42** Montana counties are eligible to apply for 2017 LFP benefits on small grain, native pasture, improved pasture, annual ryegrass and forage sorghum that is produced on dryland acres and used for grazing. Irrigated acres used for grazing or aftermath grazing are not eligible under this program. Eligible livestock include alpacas, beef cattle, buffalo, beefalo, dairy cattle, deer, elk, emus, equine, goats, llamas, reindeer or sheep that have been or would have been grazing the eligible grazing land or pastureland during the normal grazing period.

County committees can only accept LFP applications after notification is received by the National Office of a qualifying drought based on the US Drought Monitor or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire.

As of Nov. 1, 2017, the following 42 Montana counties met the drought criteria on the U.S. Drought Monitor and are eligible for the 2017 LFP Program: Big Horn, Blaine, Broadwater, Carter, Cascade, Chouteau, Custer, Daniels, Dawson, Fallon, Fergus, Flathead, Garfield, Glacier, Golden Valley, Hill, Jefferson, Judith Basin, Lake, Lewis and Clark, Liberty, Lincoln, McCone, Meagher, Musselshell, Petroleum, Phillips, Pondera, Powder River, Prairie, Richland, Roosevelt, Rosebud, Sanders, Sheridan, Teton, Toole, Treasure, Valley, Wheatland, Wibaux and Yellowstone.

- 1 monthly LFP payment: Big Horn, Flathead, Lake, Lincoln and Sanders
- 3 monthly LFP payments: Broadwater, Jefferson, Lewis and Clark and Pondera
- 4 monthly LFP payments: Carter, Cascade, Chouteau, Dawson, Fallon, Glacier, Golden Valley, Judith Basin, Liberty, Meagher, Musselshell, Powder River, Richland, Teton, Toole, Treasure, Wheatland, Wibaux and Yellowstone
- **5 monthly LFP payments:** Blaine, Custer, Daniels, Fergus, Garfield, Hill, McCone, Petroleum, Phillips, Prairie, Roosevelt, Rosebud, Sheridan and Valley.

Producers with grazing land physically located in one of the 42 eligible LFP counties should contact their local FSA office to schedule an appointment to begin the application process.

Eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than **Jan. 30, 2018**, for 2017 losses. Note that 2017 acreage reports are required to be filed for all eligible land no later than the final reporting date of **Nov. 15, 2017**. Acreage reports filed after that date will not be accepted which will result in ineligibility for the 2017 LFP program. Required supporting documents may include information related to grazing leases or federal grazing permits, contract grower agreements, documentation to support livestock inventory and more.

Additional Information about LFP, including eligible livestock and fire criteria, is available at your local FSA office or online at <a href="https://www.fsa.usda.gov">www.fsa.usda.gov</a>.

### **Elections for the 2017 County Committees in Montana**

County committee election ballots will be mailed to eligible voters on Nov. 6. The last day to return completed ballots to FSA is Dec. 4.

FSA County Committee Elections are underway across Montana and the United States.

It is important that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the USDA. The 2017 election in Montana counties will be conducted for the representative of the Local Administrative Area (LAA) up for election this year.

County committee members are a critical component of FSA operations. Committees should be comprised of members who reflect the diversity of producers involved in production agriculture in each county. This means that producers representing underserved groups or communities should be on the committee to speak on behalf of their constituency.

Underserved producers are beginning, women and other minority farmers and ranchers and land owners and/or operators who have limited resources. Other minority groups including Native American and Alaska Natives; persons under the poverty level, and persons that have disabilities are also considered underserved.

County committee election ballots will be mailed to eligible voters on **Nov. 6, 2017**. The last day to return completed ballots to FSA is **Dec. 4, 2017**.

For more information on eligibility to serve on FSA county committees, visit: <a href="https://www.fsa.usda.gov/elections">www.fsa.usda.gov/elections</a>.

# FSA Offers Joint Financing Option on Direct Farm Ownership Loans

FSA's Direct Farm Ownership loans are a resource to help farmers and ranchers become owneroperators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a Direct Farm Ownership Microloan option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a Joint Financing loan is \$300,000 and the repayment period for the loan is up to 40 years.

To be eligible, the operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about FSA Loan programs, contact your local FSA office or visit <a href="http://offices.usda.gov">www.fsa.usda.gov</a>. To find your local FSA office, visit <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

# Census of Agriculture Countdown for America's Farmers and Ranchers

America's farmers and ranchers will soon have the opportunity to strongly represent agriculture in their communities and industry by taking part in the 2017 Census of Agriculture. Conducted every five years by the U.S. Department of Agriculture's (USDA) National Agricultural Statistics Service (NASS), the census, to be mailed at the end of this year, is a complete count of all U.S. farms, ranches, and those who operate them.

The Census of Agriculture highlights land use and ownership, operator characteristics, production practices, income and expenditures, and other topics. The 2012 Census of Agriculture revealed that over three million farmers operated more than two million farms, spanning over 914 million acres. This was a four percent decrease in the number of U.S. farms from the previous census in 2007. However, agriculture sales, income, and expenses increased between 2007 and 2012. This telling information and thousands of other agriculture statistics are a direct result of responses to the Census of Agriculture.

Producers who are new to farming or did not receive a Census of Agriculture in 2012 still have time to sign up to receive the 2017 Census of Agriculture report form by visiting <a href="www.agcensus.usda.gov">www.agcensus.usda.gov</a> and clicking on the 'Make Sure You Are Counted' button through June. NASS defines a farm as any place from which \$1,000 or more of agricultural products were produced and sold, or normally would have been sold, during the census year (2017).

# USDA Announces Enrollment Period for Safety Net Coverage in 2018

FSA today announced that starting Nov. 1, 2017, farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program may enroll for the 2018 crop year. The enrollment period will end on Aug. 1, 2018.

Since shares and ownership of a farm can change year-to-year, producers must enroll by signing a contract each program year.

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. Producers who made their elections in previous years must still enroll during the 2018 enrollment period.

The ARC and PLC programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to <a href="https://www.fsa.usda.gov/arc-plc">www.fsa.usda.gov/arc-plc</a>.

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

### Dairy Producers Can Enroll for 2018 Coverage

#### Secretary Allows Producers to Opt Out

USDA Farm Service Agency announced that starting Sept. 1, 2017, dairy producers can enroll for 2018 coverage in the Margin Protection Program (MPP-Dairy). Secretary Sonny Perdue has utilized

additional flexibility this year by providing dairy producers the option of opting out of the program for 2018.

To opt out, a producer should not sign up during the annual registration period. By opting out, a producer would not receive any MPP-Dairy benefits if payments are triggered for 2018. Full details will be included in a subsequent Federal Register Notice. The decision would be for 2018 only and is not retroactive.

The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer.

MPP-Dairy gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment ends on Dec. 15, 2017, for coverage in calendar year 2018. Participating farmers will remain in the program through Dec. 31, 2018, and pay a minimum \$100 administrative fee for 2018 coverage. Producers have the option of selecting a different coverage level from the previous coverage year during open enrollment.

Dairy operations enrolling in the program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program. Producers can mail the appropriate form to the producer's administrative county FSA office, along with applicable fees, without necessitating a trip to the local FSA office. If electing higher coverage for 2018, dairy producers can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by Sept. 1, 2018. Premium fees may be paid directly to FSA or producers can work with their milk handlers to remit premiums on their behalf.

USDA has a web tool to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource, available at <a href="www.fsa.usda.gov/mpptool">www.fsa.usda.gov/mpptool</a>, allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, Smartphone, tablet or any other platform, 24 hours a day, seven days a week. For more information, visit FSA online at <a href="www.fsa.usda.gov/dairy">www.fsa.usda.gov/dairy</a> or stop by a local FSA office to learn more about the MPP-Dairy.

### **Payment Limitations by Program**

The 2014 Farm Bill established a maximum dollar amount for each program that can be received annually, directly or indirectly, by each person or legal entity. Payment limitations vary by program for 2014 through 2018.

Below is an overview of payment limitations by program.

### **Commodity and Price Support Programs**

The annual limitation for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, Loan Deficiency Payments (LDPs) and Market Loan Gains is \$125,000 total.

### **Conservation Programs**

The Conservation Reserve Program (CRP) annual rental payment and incentive payment is limited to \$50,000. CRP contracts approved before Oct. 1, 2008, may exceed the limitation, subject to payment limitation rules in effect on the date of contract approval.

The Emergency Conservation Program (ECP) has an annual limit of \$200,000 per disaster event. The Emergency Forest Restoration Program (EFRP) has an annual limit of \$500,000 per disaster event.

#### **Disaster Assistance Programs**

The annual limitation of \$125,000 applies to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), Livestock Forage Disaster Program (LFP) and Livestock

Indemnity Program (LIP). The total payments received under ELAP, LFP and LIP may not exceed \$125,000. A separate limitation of \$125,000 applies to Tree Assistance Program (TAP) payments. There is also a separate \$125,000 payment limit for the Noninsured Crop Disaster Assistance Program (NAP).

Payment limitations also apply to Natural Resources Conservation Service (NRCS) programs. Contact your local NRCS office more information.

For more information on FSA payment limitations by program, visit <a href="https://www.fsa.usda.gov/Assets/USDA-FSA-">https://www.fsa.usda.gov/Assets/USDA-FSA-</a>
Public/usdafiles/FactSheets/2015/payment eligibility payment limitations.pdf.

### **Organic Certification Cost Share Program**

The Organic Certification Cost Share Program (OCCSP) provides cost share assistance to producers and handlers of agricultural products who are obtaining or renewing their certification under the National Organic Program (NOP). Certified operations may receive up to 75 percent of their certification costs paid from Oct. 1, 2017, through Sept. 30, 2018, not to exceed \$750 per certification scope.

Eligible costs include application fees, inspection costs, fees related to equivalency agreement/arrangement requirements, travel/per diem for inspectors, user fees, sales assessments and postage.

Ineligible costs include equipment, materials, supplies, transitional certification fees, late fees and inspections necessary to address National Organic Program regulatory violations.

Producers and handlers may submit OCCSP applications to FSA county offices or they may apply through participating State Agencies, which will be listed at <a href="https://www.fsa.usda.gov/programs-and-services/occsp/index">https://www.fsa.usda.gov/programs-and-services/occsp/index</a>.

The FSA OCCSP application form is available at <u>USDA's eForms site</u>, by selecting "Browse forms" and entering "OCCSP" in the "title or keywords" field on the search page.

To learn more about organic certification cost share, visit <a href="www.fsa.usda.gov/organic">www.fsa.usda.gov/organic</a> or contact a local FSA office by visiting <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

### **Emergency Loan Program Available in MT Disaster Areas**

FSA's Emergency Loan Program is available for agricultural producers in counties designated as primary or contiguous natural disaster areas. See map below of current Disaster Designations in Montana. Contact your local FSA office for specific designations in your area and time frames to apply. Eligible producers have **eight months** from the date of the disaster designation to apply for low-interest emergency loans to 1.) restore or replace essential property; 2.) pay all or part of production costs associated with the disaster year; 3.) pay essential family living expenses; or 4.) refinance certain debts, excluding real estate. Producers interested in applying for an emergency loan, or other FLP loans, should contact their local FSA office to set up an appointment with the Farm Loan Program staff serving your area.

Current Disaster Designations in Montana - (by county)

Emergency Loan Factsheet (pdf)

### **Foreign Buyers Notification**

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

### **Keep Track of Important FSA Program Dates and Deadlines**

- **Nov. 1:** All Hay Bales Must be Removed from Emergency CRP (State Committee Extended Deadline)
- **Nov. 1:** 2017 Emergency Assistance for Livestock, Honeybees & Farm-Raised Fish Program (ELAP) Application for Payment Deadline
- Nov. 1: Signup Begins for 2018 Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC)
- Nov. 6: County Committee Election Ballots will be mailed to Eligible Voters
- Nov. 12: All Hay Bales Must be Removed from Managed CRP
- **Nov. 15:** 2018 Acreage Reporting Deadline for Apiculture, Perennial Forage, Pasture, Rangeland, Forage (PRF) including native grass, fall wheat (Hard Red Winter), and all other fall-seeded small grains
- **Nov. 15: Final** 2017 Acreage Reporting Deadline for Apiculture, Perennial Forage, Pasture, Rangeland, Forage (PRF) including native grass, fall wheat (Hard Red Winter), and all other fall-seeded small grains
- Dec. 1: 2018 NAP Application Closing Date for Honey Producers
- Dec. 4: Last Day to Return Voted County Committee Election Ballots to local FSA Offices
- Dec. 14: 2017 NAP Production Reporting Deadline for Perennial Forage
- **Dec. 15:** Last day of 2018 MPP-Dairy Signup
- **Dec. 30:** 2017 NAP Production Reporting Deadline for Rye, Speltz, Triticale, and Wheat (Fall-Seeded)
- Jan. 1: Newly elected FSA County Committee Members Take Office
- Jan. 2: 2018 Acreage Reporting Deadline for Honey covered under NAP (or 30 days after placement of colonies.) Please note that this is the Final Acreage Reporting Deadline for 2017 Honey covered under NAP.
- Jan. 15: 2018 Acreage Reporting Deadline for Established Stand Alfalfa Seed, Fall Alfalfa Seed and Cherries. Please note that this is the Final Acreage Reporting Deadline for 2017 Established Stand Alfalfa Seed, Fall Alfalfa Seed and Cherries.
- **Jan. 30:** Deadline for 2017 Livestock Forage Disaster Program (LFP) Application for Payment and Supporting Documentation

**Jan. 30**: Deadline for 2017 Tree Assistance Program (TAP) Application for Payment and Supporting Documentation for Loss of 2017 (or 90 days after disaster event or loss was apparent.)

**Feb. 1:** Final Availability Date for Loans and Loan Deficiency Payment (LDP) for Mohair, Unshorn Pelts (LDP only) and Wool

### News from USDA Rural Development: USDA Seeks Applications for Grants to Help Agricultural Producers and Small Rural Businesses Develop New Products

The USDA Rural Development (RD) is accepting applications for grants to help farmers, ranchers and producer-based businesses nationwide develop new product lines.

The funding is being provided through the Value-Added Producer Grant (VAPG) program. VAPG grants can be used to develop new products from raw agricultural products or promote new markets for established products. Veterans, socially-disadvantaged groups, beginning farmers and ranchers, operators of small and medium-sized family farms and ranches and farmer and rancher cooperatives are given special priority.

The deadline to submit paper applications is Jan. 31, 2018. Electronic applications submitted through grants.gov are due Jan. 24, 2018. For more information on this grant program, visit <u>USDA Rural Development</u>. For assistance in Montana, call 406-585-2540.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).