

September 2019



Farm Service Agency **Electronic News Service**

NEWSLETTER

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MT FSA: September 2019 Newsletter

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From the State Executive Director

With the major program signups and employee trainings underway, I ask that you be patient with local FSA offices this month as they continue with 2018 Farm Bill implementation. I encourage you to schedule appointments and/or call ahead before visiting your FSA office to ensure we can better assist you.

Signup for 2019 Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) is open. You can read this newsletter for details on these important programs. Signup for Market Facilitation Program 2.0 will continue through Dec. 6, 2019. Last year, MFP offered a payment based on the production of certain crops where MFP 2.0 will pay based upon acres planted. Sept. 20th is the deadline for Montana dairy producers to signup for the Dairy Margin Coverage Program. I recently met with Montana producers at the Dairy Margin Coverage outreach meetings in Bozeman and Great Falls and the Rocky Mountain Intertribal Agriculture Council Symposium in Polson. It's always good to visit with members of the farming and ranching community.

Directories:

You can visit USDA's new [Farmers.gov](https://www.farmers.gov) portal for county office locations, program info, and more.

[Online Directory of FSA Offices in Montana](#)

Sincerely,
Mike Foster

[PDF of Montana FSA Directory](#)

[PDF of Montana USDA Directory](#)

Sept. 30th NAP Deadline & Other Montana FSA Program Dates

- **Sept. 3 to March 15:** 2019 Agricultural Risk Coverage Price Loss Coverage Enrollment and Program Election Period
- **Sept. 13:** Last day of Conservation Reserve Program (CRP) Summer/Fall Managed Grazing Period
- **Sept. 20:** Dairy Margin Coverage Program signup deadline/ MPP-Dairy repayment election deadline
- **Sept. 30:** 2020 NAP Coverage Application Closing Dates for Annual Fall-Seeded Crops, Perennial Forage and Grazing, Mixed Forage Crops (including Spring-Seeded Annual Types of Mixed Forage), Rye, Speltz, Triticale, Wheat and Garlic.
- **Sept. 30:** Last day of CRP Summer/Fall Managed Harvesting Period
- **Nov. 4:** County Committee Election Ballots to be Mailed to Eligible Voters
- **Nov. 15:** 2020 Acreage Reporting Deadline for Apiculture, Fall Wheat (Hard Red Winter), and all other Fall-Seeded Small Grains. *Please note that this is the final date that FSA can accept late-filed 2019 reports for these crops.*
- **Dec. 2:** 2020 Honey NAP Coverage Application Closing Date
- **Dec. 2:** Last day to return voted ballots to the local FSA county office or be postmarked
- **Dec. 6:** 2019 Market Facilitation Program Sign-Up Deadline

2020 NAP Risk Protection Coverage: Sept. 30th Deadline

Farm Service Agency encourages Montana producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the following 2020 NAP coverage application closing dates:

- **Sept. 30:** Annual Fall-Seeded Crops, Perennial Forage and Grazing, Mixed Forage Crops (including Spring-Seeded Annual Types of Mixed Forage), Rye, Speltz, Triticale, Wheat and Garlic
- **Dec. 2:** Honey
- **March 15, 2020:** Spring Crops except Spring-Seeded Canola, Rye, Speltz, Triticale, Wheat and Mixed Forage

Deadlines for coverage vary by state and crop. Producers are reminded that crops not covered by insurance may be eligible for NAP. Beginning, underserved, limited resource, and veteran farmers and ranchers are now eligible for free catastrophic level coverage.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available,

including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops. Producers can determine if crops are eligible for federal crop insurance or NAP by visiting

<https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx>.

The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the “buy-up” option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

NAP Service Fees

For all coverage levels, the new NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. These amounts reflect a \$75 service fee increase for crop, county or multi-county coverage. The fee increases apply to obtaining NAP coverage on crops on or after April 8, 2019.

For NAP application, eligibility and related program information, visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To locate your local FSA office, visit www.farmers.gov.

USDA Opens 2019 Enrollment for Agriculture Risk Coverage and Price Loss Coverage Programs

Agricultural producers can now enroll in the [Agriculture Risk Coverage \(ARC\) and Price Loss Coverage \(PLC\) programs](#), two popular safety net programs, for the 2019 crop year. Interested producers must sign up for either program by March 15, 2020.

The 2018 Farm Bill reauthorized and made updates to these two USDA Farm Service Agency (FSA) programs. ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guarantee level. PLC program provides income support payments on historical base acres when the price for a covered commodity falls below its effective reference price.

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 rice), safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Updated provisions in the 2018 Farm Bill allow producers with an interest in a farm to enroll and elect coverage in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for program year 2019. The election applies to both the 2019 and 2020 crop years. If a 2019 election is not submitted by the deadline of March 15, 2020, the election defaults to the current elections of the crops on the farm established under the 2014 Farm Bill. No payments will be earned in 2019 if the election defaults.

For crop years 2021 through 2023, producers will have an opportunity to make new elections. Farm owners cannot enroll in either program unless they have a share interest in the farm.

Once the 2019 election and enrollment are completed, producers on the farm for 2020 can complete an enrollment contract for the 2020 crop year beginning Oct. 7, 2019 and ending June 30, 2020.

Although 2019 enrollment begins Sept. 3, 2019 and must occur first, a producer waiting until Oct. 7, 2019 to enroll is afforded the opportunity to enroll in either program for both 2019 and 2020 during the same office visit. During this time, farm owners have a one-time opportunity to update PLC payment yields that takes effect beginning with crop year 2020. If the owner accompanies the producer to the office, the yield update may be completed during the same office visit.

In partnership with USDA, the University of Illinois and Texas A&M University are offering web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. These decision tools can be found at fsa.usda.gov/arc-plc.

Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some forms of crop insurance. Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) through the [USDA Risk Management Agency \(RMA\)](#). Producers of covered commodities who elect ARC are ineligible for SCO on their planted acres.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres. To be eligible for STAX coverage, producers must not enroll their seed cotton base acres into the ARC or PLC programs.

For more information on ARC and PLC, download our [program fact sheet](#) or our [2014-2018 farm bills comparison fact sheet](#), or visit fsa.usda.gov/arc-plc.

USDA Market Facilitation Program Signup: Dec. 6th Deadline

***Enrollment Now Open through Dec. 6
Please call your local FSA to schedule an appointment***

Signup continues for the Market Facilitation Program (MFP), a USDA program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to \$14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through Dec. 6.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

Non-Specialty Crops

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm's total plantings to the MFP-eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. [View payment rates by county](#).

Dairy and Hogs

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

Specialty Crops

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

More Information

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined \$250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined \$250,000 for dairy and hog producers and a combined \$250,000 for specialty crop producers. However, no applicant can receive more than \$500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than \$900,000, or 75 percent of the person's or legal entity's average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on farmers.gov/mfp, including payment information and a program application.

Loan Deficiency Payments (LDPs)

Loan Deficiency Payments (LDPs) are available when the CCC-determined market repayment rate is below the commodity loan rate. Crop year 2019 lentils have reached LDP levels and wheat HRS is close to LDP levels. LDP rates for lentils are announced weekly and rates for wheat and feed grain commodities are announced daily.

LDPs are only available on a commodity after the commodity is harvested, or sheared if wool or mohair, or extracted if honey. Approved storage is not required for commodities to be eligible for LDP. If an LDP payment is requested, a producer agrees to forego obtaining a loan on the same quantity.

LDP applications can be filed in person, by fax or electronically through the eLDP process using the multi-part form CCC-633EZ.

The CCC-633 EZ is a multi-part form. Page 1 is filed as an intention to request LDP benefits. It must be filed each crop year and will cover all farms and commodities in which a producer has an interest for the 2019 crop year. For Direct Delivery LDPs Page 1 and page 2 must be filed before beneficial interest is lost in the commodity. For all other LDPs pages 2-4 will be filed when a payment is requested. The current version of the form and only one accepted by CCC is dated May 21, 2019. The completion of page 1 does not cause a producer to lose loan eligibility for the commodity. The option of obtaining a loan is maintained until an LDP payment request is filed.

Page 2 of the form is used to request the LDP payment for wheat, feed grains, oilseeds, pulse crops and honey. Page 4 is used to request mohair, wool and unshorn pelt LDP payments. Page 2 and page 4 of the application must be filed in the county FSA office that maintains the farm records for the farm that produced the requested commodity.

To check the LDP rates, producers can access the rates at: <https://www.fsa.usda.gov/programs-and-services/price-support/Index> If searching for the "Pulse Crop LDP Rates" spreadsheet, navigate to the Lentils page. The rate for Montana is in the column labeled East.

Inform FSA Promptly of All Changes in Farming Operation and Contact Information

It is important to promptly report any changes in your farming operation to FSA. These changes can include, but are not limited to, changes in your address, phone, or email, name changes, changes to entity membership or shares, formation or dissolution of any entity (such as a trust, partnership, LLC, LLP or corporation) that owns or operates land or owns other farming assets used in your operation, sale or purchase of land, adding or dropping leases, and any changes to financing or equipment. Participants in FSA and NRCS programs are required to timely report changes in their farming operation to their local FSA office in writing and update their CCC-902 Farm Operating Plan with necessary changes, as applicable. Failure to timely notify your local FSA office may result in ineligibility for program benefits, or delays in issuance of program payments. If you have any updates or corrections to your records, please call your local FSA office to update your records.

Changing Bank Accounts

FSA program payments are issued electronically into your bank account. In order to make timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for whatever reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2018 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2019. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

FSA Disaster Programs Notice of Loss Requirements

It's important for agricultural producers to report losses immediately as all disaster programs are dependent on the timely reporting of loss. A notice of loss can be filed via phone, email, fax or in-person office visit.

- **ELAP – Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program:** Submit Notice of Loss the **earlier** of **30** calendar days of when the loss is apparent or Nov. 1st after the end of the program year in which the loss occurred.
- **LIP - Livestock Indemnity Program:** Submit Notice of Loss within **30** calendar days of when the loss is apparent.
- **NAP – Noninsured Crop Disaster Assistance Program:** Submit Notice of Loss within **15** calendar days of the earlier of a natural disaster occurrence, the final planting date if planting is prevented by a natural disaster, the date that damage to the crop or loss of production becomes apparent; or the normal harvest date. **Note:** A producer's signature is required on form CCC-576 when a Notice of Loss is submitted.
- **TAP - Tree Assistance Program:** Final Date to Submit an Application and Supporting Documentation is the later of **90** calendar days of the disaster event or the date when the loss is apparent

Emergency Loans Available in Montana 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 \(pdf\)](#)

USDA Accepting Applications to Help Cover Producers' Costs for Organic Certification

USDA Farm Service Agency announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the [Organic Certification Cost Share Program](#) (OCCSP). Applications for fiscal 2019 funding are due Oct. 31, 2019.

OCCSP received continued support through the 2018 Farm Bill. It provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees,

inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

Certified producers and handlers are eligible to receive reimbursement for up to 75 percent of certification costs each year, up to a maximum of \$750 per certification scope, including crops, livestock, wild crops, handling and state organic program fees.

More Information

To learn more about organic certification cost share, please visit the [OCCSP webpage](#), view the [notice of funds availability on the Federal Register](#), or contact your [FSA county office](#). To learn more about USDA support for organic agriculture, visit usda.gov/organic.

Storage and Handling Trucks Eligible for Farm Storage Facility Loans

Farm Storage Facility Loans (FSFL) provide low-interest financing so producers can build or upgrade facilities to store commodities. Some storage and handling trucks are eligible for the FSFL. These include:

- **Cold Storage Trucks:** A van or truck designed to carry perishable freight at specific temperatures. Cold storage trucks can be ice-cooled or equipped with any variety of mechanical refrigeration systems.
- **Flatbed Trucks:** Truck with an open body in the form of a platform with no side walls for easy loading and unloading. These trucks can be categorized into different sizes which range from light, medium, or heavy duty, compact or full-size, or short and expandable beds.
- **Grain Trucks:** A piece of farm equipment specially made to accommodate grain products and are traditionally truck chassis units with a mounted grain “dump” body where grain commodities are transported from a field to either a grain elevator or a storage bin.
- **Storage Trucks with a Chassis Unit:** Commonly referred to as a box truck, box van or straight truck, is a truck with a cargo body mounted on the same chassis with the engine and cab.
- **Semi-Trucks or Truck Tractors:** Any vehicle configuration consisting of a power-unit designed in combination to draw or pull a semi-trailer or farm machinery.

To be eligible for FSFL, the storage and handling truck must be less than 15 years old and have a maximum of four axles with a gross weight rating of 60,000 pounds or less. Pick-up trucks, semi-trucks, dump trucks, and simple insulated and ventilated vans are ineligible for FSFL.

FSFL for storage and handling trucks must be \$100,000 or less. FSFL-financed storage and handling trucks must be used for the purpose for which they were acquired for the entire FSFL term.

Eligible commodities include grains, oilseeds, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables, floriculture, hops, maple sap, milk, cheese, yogurt, butter, eggs, meat/poultry (unprocessed), rye and aquaculture.

For more information or to apply for a FSFL, contact your local [FSA Service Center](#).

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).