

November 2019



Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

Montana FSA: November 2019 News

- [From the State Executive Director](#)
- [Montana FSA Program Deadlines](#)
- [Market Facilitation Program Signup Deadline Dec. 6th](#)
- [2019 and 2020 Enrollment for Agriculture Risk Coverage and Price Loss Coverage Programs Underway](#)
- [Montana Farmers Incurring Losses to Unharvested Crops due to Recent Snowstorms May be Eligible for WHIP+](#)
- [Loan Deficiency Payments](#)
- [Marketing Assistance Loans](#)
- [FSA Disaster Programs Notice of Loss Requirements](#)
- [Livestock Losses](#)
- [Direct Loans](#)
- [Guaranteed Loan Program](#)
- [Emergency Loans Available in Montana Disaster Areas](#)
- [Disaster Set-Aside \(DSA\) Program](#)
- [Guaranteed Conservation Loans](#)
- [Inform FSA Promptly of All Changes in Farming Operation and Contact Information](#)

USDA Farm Service Agency - Montana

P.O. Box 670
Bozeman, MT 59771

Phone: 406.587.6872
Fax: 855.546.0264
Web: www.fsa.usda.gov/mt

State Executive Director:
Mike Foster

State Committee:
Carl Mattson, *Chair* (Chester)
Chaley Harney (Billings)
Liane Johnson (Cut Bank)
Bob Lee (Judith Gap)
Bruce Tutvedt (Kalispell)

From the State Executive Director

The basic FSA program eligibility requirement for all producers, including livestock producers, is filing an accurate crop certification report. Producers are required to complete and submit their FSA maps as part of the crop certification process. The next Acreage Reporting/Crop Certification Deadline is **Nov. 15** for 2020 Apiculture, Fall Wheat (Hard Red Winter), and all other Fall-Seeded Small Grains. This is also the final date that FSA can accept late-filed 2019 reports for these crops.

Voting is now open for the USDA's Farm Service Agency's County Committees across Montana. It is important that every eligible producer participate in these elections because FSA county committees are a critical component of FSA operations and link between the ag community and USDA. County committee election ballots were mailed to eligible voters on Nov. 4. The last day to return completed ballots to the USDA service center in person or be postmarked is **Dec. 2**.

In addition to the ongoing FSA programs that are available, several important program signups are underway to provide relief and support to

Directories:

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

[PDF of Montana FSA Directory](#)

[PDF of Montana USDA Directory](#)

Montana ag producers. Contact your local FSA office with any questions and for assistance. **Dec. 6** is the last day to enroll in the 2019 Market Facilitation Program while **Dec. 13** is the last day to enroll in the 2020 Dairy Margin Coverage Program. Learn more about these programs and more in this newsletter.

FSA offices across Montana look forward to working with you.

Sincerely,
Mike Foster

Montana FSA Program Deadlines

Sept. 3 to March 15: 2019 Agricultural Risk Coverage Price Loss Coverage Enrollment and Program Election Period

Oct. 15 to June 30: 2020 Agricultural Risk Coverage Price Loss Coverage Enrollment Period

Sept. 11: 2018 and 2019 Wildfire and Hurricane Indemnity Program Plus (WHIP+) Sign-up Began

Oct. 7 to Dec. 13: 2020 Dairy Margin Coverage (DMC) Enrollment Period

Nov. 4: County Committee Election Ballots to be Mailed to Eligible Voters

Nov. 12: All Hay Bales Must be Removed from Managed Conservation Reserve Program (CRP)

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

Dec. 6: 2019 Market Facilitation Program Sign-Up Deadline

Jan. 2, 2020: 2020 Acreage Reporting Deadline for Honey covered under NAP (or 30 days after placement of colonies). *Please note that this is the final date that FSA can accept late-filed 2019 reports for these crops.*

Jan. 16, 2020: 2020 Acreage Reporting Deadline Established Stand Alfalfa Seed, Fall Alfalfa Seed and Cherries. *Please note that this is the final date that FSA can accept late-filed 2019 reports for these crops.*

Ongoing: Contact FSA right away for notice of loss deadlines and disaster program requirements.

Market Facilitation Program Signup Deadline Dec. 6th

Enrollment Open through Dec. 6.

Signup is open for the Market Facilitation Program (MFP), a U.S. Department of Agriculture program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA Farm Service Agency 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.

Link to: [MFP Factsheet](#)

2019 and 2020 Enrollment for Agriculture Risk Coverage and Price Loss Coverage Programs Underway

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 mid-October 2019 and ending June 30, 2020.

Although 2019 enrollment begins Sept. 3, 2019 and must occur first, a producer waiting until mid-October 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.

Montana Farmers Incurring Losses to Unharvested Crops due to Recent Snowstorms May be Eligible for WHIP+

Wildfire and Hurricane Indemnity Program Plus (WHIP+) Eligibility

WHIP+ may be available for eligible producers who have incurred eligible losses of certain crops, trees, bushes, and vines in counties where heavy snowfall occurred. Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, excluding crops intended for grazing.

For instance, producers that incurred losses on unharvested crops due to the snowstorms this fall are encouraged to contact their local FSA office to file a WHIP+ application, form FSA-894 or to be placed on an appointment list.

To be eligible for WHIP+, the first criteria is that incurred losses were a result of a qualifying disaster event such as snowstorms. A notice of loss must be on file with crop insurance or at FSA for NAP covered crops. For uninsured crops, a notice of loss must be filed with FSA as part of the WHIP+ application. Producers must provide documentation to support the loss was due to snow as a result of the snowstorms.

Both insured and uninsured producers are eligible to apply for WHIP+. However, all producers receiving WHIP+ payments will be required to purchase crop insurance or NAP, at the 60 percent coverage level or higher to meet linkage. Regulations state that coverage must be obtained for the next two available, consecutive crop years after the crop year for which WHIP+ payments were paid. The definition of 2 consecutive crop years for WHIP+ is 2022 and 2023. Producers who fail to purchase crop insurance in 2022 and 2023 may be required to pay back the WHIP+ payment.

At the time of sign-up, producers may be asked to provide verifiable and reliable production records. If a producer is unable to provide production records, they can certify their production. WHIP+ payments will be determined based on the lower of either the actual loss certified by the producer and determined acceptable by FSA or the county expected yield and county disaster yield. The county disaster yield is the production that a producer would have been expected to make based on the eligible disaster conditions in the county.

The [WHIP+ Fact Sheet \(October 2019\)](#) provides additional information regarding the WHIP+ program. County office employees can also address questions you may have regarding the WHIP+ program. For questions, contact your local FSA office and visit: <https://www.farmers.gov/recover/whip-plus>.

Loan Deficiency Payments

Loan Deficiency Payments (LDPs) are available when the CCC-determined market repayment rate is below the commodity loan rate. Crop year 2019 lentils and chickpeas 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.

Marketing Assistance Loans

USDA's Commodity Credit Corporation makes available nonrecourse marketing assistance loans on certain crop year 2019 commodities. These loans can be requested via mail, fax, or in person by properly completing the loan application (CCC-666). Producers requesting a commodity must also have form CCC-633EZ on file for crop year 2019. Loan applications are available at all county FSA offices and online at: <http://forms.sc.egov.usda.gov/eForms/>

A commodity loan application must be filed at the county office that maintains the farm records for the farm that produced the commodity for the loan. The 2019 crop commodity loan rates are available at any county FSA office, or online at: <http://www.fsa.usda.gov> and clicking on the "Price Support" link.

Lien searches are required for all applicants and spouses in order to identify prior lien holders. County Offices update CCC-10's by verifying an individual's name according to their driver's license. Lien waivers are required from all lien holders before the commodity loan can be disbursed.

To be eligible for loan the commodity must meet the applicable commodity definition in the Official United States Standards and specific commodity eligibility requirements for a nonrecourse loan. Test weight and moisture levels can

impact the eligibility for nonrecourse loans. If there are known quality problems producers should contact their local county FSA office to discuss available loan options.

Farm-stored loans are available in approved storage structures that provide safe storage for the commodity through the maturity date of the loan.

Warehouse-stored loans are also available at CCC-approved storage warehouses or State licensed warehouses which have been assigned a CCC warehouse code. Proof of storage paid through the loan maturity date and proof of payment of in-charges must be provided with the warehouse receipt for the warehouse stored loan. CCC will not adjust the loan rate using premiums and discounts at the time of loan making.

Loans mature on demand, but no later than the last day of the ninth calendar month after the month in which the loan was disbursed. If at maturity of the loan the warehouse receipt is forfeited or the farm-stored commodity is delivered to CCC, the settlement value will be determined based on the CCC's schedule of premiums and discounts based on the grade and quality factors shown on the warehouse receipt. Discounts applied to determine settlement value are included for, but not limited to vomitoxin, falling numbers, damaged kernels, grade, and test weight.

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 **30** calendar days of when the loss is apparent.
- **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

Livestock Losses

The [Livestock Indemnity Program \(LIP\)](#) provides assistance to eligible producers for livestock deaths in excess of normal mortality caused by adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

For 2019 livestock losses, eligible livestock owners must file a notice within 30 calendar days of when the loss is first apparent.

Participants must provide the following supporting documentation to their local FSA office no later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- [Proof of death documentation](#)
- [Copy of grower's contracts](#)
- [Proof of normal mortality documentation](#)

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.0% and Non-Adult Beef Cattle (less than 400 pounds) = 3.6%. These established percentages reflect losses that are considered expected or typical under “normal” conditions.

In addition to filing a notice of loss, producers must also submit an application for payment and supporting documentation by March 1, 2020.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov/mt or farmers.gov.

Direct Loans

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,750,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

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 \(pdf\)](#)

Disaster Set-Aside (DSA) Program

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

Guaranteed Conservation Loans

Guaranteed Conservation Loans are available for applicants to install a conservation practice. These funds may be used for any conservation activities included in a conservation plan or Forest Stewardship Management plan. A copy of the conservation plan is required to complete the application. These loans are not limited to just family farmers. In some cases, applicants can operate non-eligible enterprises. Loan funds are issued by a participating commercial lender and guaranteed up to 80 percent by FSA or up to 90 percent for beginning and historically underserved producers.

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.

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).