



Montana Farm Service Agency



FSA Working Across Montana - FY 2008

In keeping with the mission of the USDA Farm Service Agency (FSA) of delivering an abundant safe and affordable food and fiber supply while sustaining quality agricultural communities, FSA in Montana issued more than **\$361 million** in program payments and loans to Montana farmers and ranchers during Fiscal Year 2008 running from October 1, 2007 to September 30, 2008. These payments are from programs FSA in Montana administers or from programs created by special authority of Congress.

Conservation: \$119.8 million

FSA has issued \$119,780,503 in payments to Montana's farmers and ranchers in conservation programs to conserve and improve soil, water, and wildlife resources.

\$119,136,136 - Conservation Reserve Program (CRP) is USDA's single largest environmental improvements program as well as the most effective. It is a voluntary program providing financial incentives to producers who convert highly erodible cropland or environmentally sensitive acreage to long-term vegetative cover.

\$423,676 - Emergency Conservation Program (ECP) provides emergency funding to rehabilitate farmland damaged by natural disasters and to provide emergency water for livestock in periods of severe drought.

\$220,691 - Grassland Reserve Program (GRP) is a voluntary conservation program that helps private land owners and operators restore and protect grassland, including rangeland and pastureland.

Production & Compliance: \$98.9 million

Producers received \$98,992,889 in benefits through the Direct and Counter-cyclical Program (DCP).

\$98,992,889 - Direct and Counter-cyclical Program (DCP) provides direct and counter-cyclical payments. Counter-cyclical payments are made when the effective price for eligible commodities is less than the target price.

FSA Serving Montana Farmers and Ranchers

The Farm Service Agency (FSA) is an agency under the United States Department of Agriculture. From the mountains in the west, to the plains in the east, FSA in Montana administers programs that provide incentives and compensate a diverse agricultural community.

FSA had its inception in 1995 when the former agency, the Agricultural Stabilization and Conservation Service (ASCS) joined ranks with the agricultural lending programs of the former Farmers Home Administration (FmHA). Both of these agencies were born out of the dust-bowl legislation in the 1930's and 1940's enacted to provide financial assistance to farmers and ranchers.

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Disaster Assistance: \$49.7 million

Producers received \$49,708,592 in disaster assistance programs during FY2008. These programs assisted producers in maintaining their viability during extensive drought and other natural disasters.

\$474,417 - Non-insured Crop Disaster Assistance Program (NAP) covers crops for which crop insurance is not available. NAP provides assistance to producers when low yields, loss of inventory, or prevented planting occurs as the result of natural disasters.

\$39,685,374 - Crop Disaster Assistance Program (CDP) provides benefits to farmers who suffered losses to the 2005-2007 crops from natural disasters and related conditions.

\$9,184,911 - Livestock Compensation Program (LCP) provides benefits for those who suffered feed losses or additional feed costs directly resulting from natural disasters occurring between Jan. 1, 2005 through Dec. 31, 2007.

\$363,890 - Livestock Indemnity Program (LIP) provides benefits to those who suffered livestock losses between Jan. 1, 2005 - Feb. 28, 2007.

Price Support: \$21.6 million

Montana producers received \$21,610,720 in support during FY 2008 through Marketing Assistance Loans, Loan Deficiency Payments, Farm Storage Facility Loans and the Milk Income Loss Contract Extension Program. These programs help improve and promote the economic stability of agricultural communities and ensure equitable delivery of program benefits and services.

\$353,708 - Loan Deficiency Payments (LDPs) were made to producers who agreed to forgo a commodity loan in return for a payment on the eligible commodity. LDP provisions allow compensation when market prices are low, as long as the producer maintains beneficial interest in the commodity.

\$673,300 - Farm Storage Facility Loans (FSFL) provides loans to producers to build or upgrade farm storage and handling facilities.

\$20,573,613 - Marketing Assistance Loans provides producers with interim financing at harvest or shearing time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows.

\$10,099 - Milk Income Loss Contract Extension Program (MILCX) financially compensates dairy producers when domestic milk prices fall below a specified level.



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Farm Loans: \$71 million (including 184 subordinations of \$20.8 million)

As the lender of first opportunity, FSA made 334 loans for \$50,893,000 in direct and guaranteed farm operating loans, farm ownership loans, and emergency loans to Montana's eligible farmers and ranchers. Portions of these funds went to the following specific groups:

124 loans totaling over \$14,181,000 - Beginning Farmer and Rancher loans are provided to borrowers who have not operated a farm or ranch for more than 10 years and will participate in the day-to-day operation of the farm or ranch.

99 loans for \$5,769,000 - Minority Producer loans are provided to borrowers who are members of groups that have not always had access to FSA financing such as women, African-Americans, Native Ameri-

cans, Asian Americans and Hispanics. Many of the minority loan applicants also met the Beginning Farmer and Rancher definition.

The total obligation provided to beginning farmer rancher and minority producers totalled **35.8 percent** of the total funding disbursed.

In fiscal year 2008 FSA in Montana increased the total amount of direct and guaranteed loan advances by 127 percent over 2007 obligations.

Program Payments By County* - \$290,176,533

Beaverhead	\$ 1,086,865	Granite	\$ 57,003	Powell	\$ 129,609
Big Horn	\$ 5,736,320	Hill	\$22,644,560	Prairie	\$ 2,663,414
Blaine	\$11,847,836	Jefferson	\$ 182,328	Ravalli	\$ 198,824
Broadwater	\$ 3,147,666	Judith Basin	\$ 3,997,406	Richland	\$ 6,884,997
Carbon	\$ 1,577,578	Lake	\$ 939,425	Roosevelt	\$ 11,955,743
Carter	\$ 2,736,445	Lewis and Clark	\$ 740,521	Rosebud	\$ 3,621,015
Cascade	\$ 8,605,413	Liberty	\$12,049,973	Sanders	\$ 234,219
Chouteau	\$27,094,578	Lincoln	\$ 2,795	Sheridan	\$ 13,158,966
Custer	\$ 1,855,449	Madison	\$ 840,965	Silver Bow	\$ 4,558
Daniels	\$11,582,724	McCone	\$ 8,834,949	Stillwater	\$ 3,343,507
Dawson	\$ 6,311,676	Meagher	\$ 967,024	Sweet Grass	\$ 386,924
Deer Lodge	\$ 60,411	Mineral	\$ 18,062	Teton	\$14,100,071
Fallon	\$ 3,298,076	Missoula	\$ 93,136	Toole	\$13,209,104
Fergus	\$ 7,987,369	Musselshell	\$ 2,208,436	Treasure	\$ 797,601
Flathead	\$ 735,428	Park	\$ 751,514	Valley	\$14,762,253
Gallatin	\$ 1,844,034	Petroleum	\$ 1,361,120	Wheatland	\$ 3,013,703
Garfield	\$ 6,020,977	Phillips	\$10,512,441	Wibaux	\$ 2,474,042
Glacier	\$10,367,262	Pondera	\$11,754,481	Yellowstone	\$ 5,180,711
Golden Valley	\$ 2,442,155	Powder River	\$ 1,762,871		

*Does not include farm loans.