FSA AT WORK ACROSS MONTANA 2014

"The USDA Farm Service Agency delivered nearly \$316.5 million in federal program payments and loans to Montana farmers and ranchers during fiscal year 2014. Montana agriculture benefits greatly from the tireless efforts of our dedicated employees and locally elected County Committees."

- Bruce Nelson, State Executive Director

# Commodity Loans & Program Payments: \$126.6 million

Montana producers received substantial monetary support during FY 2014 in the form of commodity and price support program payments.

\$94,414,585 - Direct and Counter Cyclical Program

(DCP) Direct payments provide income support to producers of eligible commodities based on production history (acreage and yields) and do not depend on the current production choices. Counter-cyclical payments are made when the effective price for eligible commodities is less than the target price.

**\$809,501 - Average Crop Revenue Election Program** (ACRE) provides revenue-based payments as an alternative to receiving price-based counter-cyclical (CC) payments.

**\$28,608,764 - Commodity Loans** are available to eligible producers who use crops as collateral. The Commodity Credit Corporation (CCC) makes loans for eligible commodities that are farm or warehouse stored.



# Conservation: \$71.4 million

**\$38,260 - Loan Deficiency Payment (LDP) -** benefit producers who agree 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.

**\$2,670,251 - Farm Storage Facility Loans (FSFL)** The Commodity Credit Corporation (CCC), through FSA, may make loans to producers to build or upgrade farm storage and handling facilities for eligible commodities.

**\$29,844 - Milk Income Loss Contract (MILC)** provides compensation to dairy producers when domestic milk prices fall below a specified level.

| Montana Top 5 agriculture commodities, 2012 |           |               |            |  |  |  |
|---|-----------|---------------|------------|--|--|--|
| wontana top 5 a                             |           |               |            |  |  |  |
|   | Value of  | Percent of    | Percent of |  |  |  |
|   | receipts  | state total   | US value   |  |  |  |
|   | thousand  | farm receipts |            |  |  |  |
| 1. Wheat                                    | 1,377,187 | 36.8          | 9.0        |  |  |  |
| 2. Cattle & calves                          | 1,281,824 | 34.2          | 1.9        |  |  |  |
| 3. Hay                                      | 293,066   | 7.8           | 4.0        |  |  |  |
| 4. Barley                                   | 205,010   | 5.5           | 19.1       |  |  |  |
| 5. Sugar beets                              | 92,895    | 2.5           | 3.8        |  |  |  |
| All commodities                             | 3,745,101 |               | 0.9        |  |  |  |

\*Top agriculture commodities data (above) will be updated with 2013 data by ERS in the fall of 2015.

| Montana Top 5 agriculture exports, estimates, 2013 |                   |                  |  |  |  |
|--|-------------------|------------------|--|--|--|
|  | Rank among states | Value million \$ |  |  |  |
| 1. Wheat   | 3                 | 961.2            |  |  |  |
| 2. Other plant products                            | 34                | 178.3            |  |  |  |
| 3. Beef & veal                                     | 13                | 136.7            |  |  |  |
| 4. Grain products, processed                       | 16                | 103.4            |  |  |  |
| 5. Feeds & fodder                                  | 20                | 75.3             |  |  |  |
| Overall rank                                       | 30                | 1,673.1          |  |  |  |
| Source: www.ers.usda.gov                           |                   |                  |  |  |  |

FSA made significant investments toward conserving and improving soil, water, and wildlife resources in Montana. Conservation investments in FY 2014 include:

\$65,696,506 - Conservation Reserve Program

(CRP) provides financial incentives, cost-share and rental payments to producers who convert highly erodible cropland or environmentally sensitive acreage to long-term vegetative cover.

\$3,902,289 - Grassland Reserve Program (GRP) is a

voluntary program designed to protect grasslands from conversion to cropland or other uses and conserve valuable grasslands by maintaining viable ranching operations. **\$1,739,036 - Emergency Conservation Program (ECP)** provides emergency funding for farmers and ranchers to rehabilitate farmland damaged by natural disasters and carry out emergency water conservation measures during periods of severe drought.

**\$37,635 - The Biomass Crop Assistance Program** (BCAP) provides financial assistance to owners and operators of agricultural and non-industrial private forest land who wish to establish, produce and deliver biomass feedstocks.

## Disaster Assistance: \$30.7 million

From drought to flood, freeze and tornadoes - FSA was financially responsive to Montana producers following natural disasters.

#### \$393,543 - Non-Insured Crop Disaster Assistance

**Program (NAP)** provides financial assistance to producers of noninsurable crops when low yields, loss of inventory, or prevented planting occurs due to natural disasters.

**\$2,744,061 - Supplemental Revenue Assistance Payment** (SURE) provides benefits for 2008 through 2011 crop year farm revenue losses due to natural disasters. It is the 2008 Farm Bill's successor to prior ad hoc crop disaster programs.

#### \$1,321,902 - Livestock Indemnity Program (LIP)

provides partial reimbursements to eligible livestock owners for livestock losses suffered due to a natural disaster or other emergency. **\$26,195,764 - Livestock Forage Program (LFP)** provides compensation to eligible livestock producers who have suffered grazing losses for covered livestock on land that is native or improved pastureland with permanent vegetative cover or is planted specifically for grazing.



# Farm Loans: \$87.9 million

FSA offered various loan options to Montana farmers and ranchers who manage family-sized operations and who were temporarily unable to obtain private or commercial credit.

### \$61,253,886 - Guaranteed Loan Program FSA

guarantees loans made by conventional agricultural lenders for up to 95 percent of any loss if the loan fails. In FY 2014, FSA guaranteed 68 farm ownership loans and 78 operating loans including 26 loans to beginning producers and 17 loans to targeted underserved producers.

**\$25,673,660 - Direct Loan Program** FSA provides assistance to those unable to obtain guaranteed loans. In FY 2014, FSA funded 42 farm ownership loans and 284 operating loans, including 41 youth loans, 173 loans to beginning producers and 119 loans to targeted underserved producers.

**\$750,820 - Microloans** are direct farm operating loans with a shortened application process and reduced paperwork designed to meet the needs of smaller, non-traditional, and niche type operations. In FY 2014, 31 microloans were issued.

**\$212,000 - Emergency Loan Program** helps producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine.

| Montana FSA Program Payments by County  |              |               |              |                                      |  |  |  |
|---|--------------|---------------|--------------|--------------------------------------|--|--|--|
| Includes commodity loans, program, conservation and disaster payments, as well as farm loan obligations |              |               |              |                                      |  |  |  |
| Beaverhead  | \$ 2,803,916 | Granite       | \$ 849,152   | Prairie \$ 1,753,643                 |  |  |  |
| Big Horn  | \$ 7,732,680 | Hill          | \$16,839,930 | Ravalli \$ 150,060                   |  |  |  |
| Blaine  | \$11,803,705 | Jefferson     | \$ 1,782,208 | Richland \$ 6,795,555                |  |  |  |
| Broadwater  | \$ 2,283,422 | Judith Basin  | \$ 9,908,467 | Roosevelt \$ 8,958,229               |  |  |  |
| Carbon  | \$ 4,127,605 | Lake          | \$ 1,226,507 | Rosebud \$ 2,771,292                 |  |  |  |
| Carter  | \$ 3,114,866 | Lewis & Clark | \$ 399,851   | Sanders \$ 4,723,643                 |  |  |  |
| Cascade   | \$11,754,007 | Liberty       | \$8,716,219  | Sheridan \$12,076,269                |  |  |  |
| Chouteau  | \$25,238,440 | Madison       | \$ 1,549,620 | Silver Bow \$ 3,367                  |  |  |  |
| Custer  | \$ 3,751,120 | McCone        | \$ 5,543,604 | Stillwater \$ 1,060,500              |  |  |  |
| Daniels   | \$13,600,452 | Meagher       | \$ 1,844,714 | Teton \$12,955,391                   |  |  |  |
| Dawson  | \$ 4,936,407 | Mineral       | \$ 16,825    | Toole \$10,419,395                   |  |  |  |
| Deer Lodge  | \$ 434,522   |               | \$ 281,030   | Treasure \$ 517,100                  |  |  |  |
| Fallon  | \$ 3,159,575 | Musselshell   | \$ 2,074,600 | Valley \$11,585,523                  |  |  |  |
| Fergus  | \$15,224,838 | Park          | \$ 1,796,061 | Wheatland \$ 3,294,601               |  |  |  |
| Flathead  | \$ 1,614,528 | Petroleum     | \$ 1,226,382 | Wibaux \$ 2,967, 603                 |  |  |  |
| Gallatin  | \$ 3,553,270 | Phillips      |              | Yellowstone \$ 5,558,151             |  |  |  |
| Garfield  | \$ 4,843,567 |               | \$11,623,456 | ***Counties not listed paid out less |  |  |  |
| Glacier   |              | Powder River  | \$ 3,528,557 | than \$1K in FSA benefits.           |  |  |  |
| Golden Valley   | \$ 8,297,169 | Powell        | \$ 1,227,719 |                                      |  |  |  |



