



FSA At Work Across Montana in FY 2010

"The USDA Farm Service Agency delivered over **\$363 million** in federal program payments and loans to Montana farmers and ranchers during FY 2010. Every year, our agricultural industry benefits greatly from the tireless efforts of our dedicated FSA staff and County Committee members." **Bruce Nelson, State Executive Director**

Commodity and Price Support Programs : **\$207.3 million**

Montana growers participated in a variety of Commodity Assistance programs during FY 2010. With the continuing high input costs, considerable market volatility, and other challenges, these programs provide additional risk management tools for producers.

\$105,700,941 - 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.

Credit Corporation (CCC) makes loans for eligible commodities that are farm or warehouse stored. LDPs 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.

\$10,988,195 - Average Crop Revenue Election (ACRE)

is a revenue-based payments alternative to receiving price based counter-cyclical (CC) payments. In 2010, this new 2008 Farm Bill program had significant participation in Montana.



\$89,239,121 - Commodity Loans, Loan Deficiency Payments (LDPs) and Farm Storage Facility Loans. Commodity Loans are available to eligible producers who use crops as collateral. The Commodity

\$590,840 - Milk Income Loss Contract (MILC) provides compensation to dairy producers when domestic milk prices fall below a specified level.

\$743,796 - Dairy Economic Loss Assistance Payment program (DELAP) provided recovery assistance funds in three phases to dairy producers who experienced an industry-wide economic downturn in 2010. DELAP was funded by a special congressional Agricultural Appropriations Bill in 2010.

Conservation and Habitat Protection: **\$106.9 million**

FSA made significant investments toward conserving and improving soil, water, and wildlife resources in Montana. The Conservation Reserve Program is the USDA's single largest, most effective environmental improvements program.

\$105,156,654 - 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.

\$193,175 - 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.



\$108,528 - Grasslands Reserve Program (GRP) provides similar financial incentives for the protection, restoration and enhancement of grasslands habitat by farmers and ranchers.

\$1,490,649 - The Biomass Crop Assistance Program (BCAP) was authorized in the 2008 Farm Bill to provide matching payments to those producers, entities or contractors who collect, harvest, store and transport eligible biomass materials to qualified Biomass Conversion Facilities. In the next phase of this program, incentives will be structured to encourage planting and cultivation of prime feedstock crops for energy production.



Disaster Assistance for Farms and Ranches: \$49.2 million

In 2010, Montana producers suffered losses due to flood, freeze, fire, drought and wind damage. FSA helps operations to recover by extending several financial assistance options to growers following natural disasters.

\$36,365,559 - Supplemental Revenue Assistance Payments (SURE) is the new agricultural disaster assistance program approved by Congress in the 2008 Farm Bill. Montana growers suffering losses due to natural disasters received financial assistance to recover and rebuild their operations.

\$7,019,846 - Livestock Forage Program (LFP) provides funds to eligible producers who suffered losses on grazing land due to drought. This new 2008 Farm Bill program triggers payments based on drought severity determined by the national Drought Monitor.



\$3,964,683 - Livestock Indemnity Program (LIP) provides funds to eligible agricultural producers who suffered livestock losses due to natural disasters.

\$1,383,546 - Emergency Assistance for Livestock, Honey Bees and Farm-Raised Fish Program (ELAP) provides assistance to eligible producers who have suffered losses in those commodity areas. This new 2008 Farm Bill program is designed to aid in the reduction of losses not covered by other FSA Disaster Programs: SURE, LIP, TAP and LFP.

\$499,108 - 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.

Farm Operating and Ownership Loans: \$73 million

As the lender of first opportunity, in FY2010, FSA made 503 loans for \$73,079,000 in direct and guaranteed farm operating loans, farm ownership loans, and emergency loans to Montana's eligible farmers and ranchers. Portions of these funds were targeted to underserved populations and went to the specific groups described below.

223 loans totaling over \$23,896,000 for Beginning Farmers and Ranchers. These 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.

113 loans for \$11,699,000 for Socially Disadvantaged Producers. These loans are provided to borrowers who are members of Socially Disadvantaged groups such as women, African-Americans, Native Americans, Asian Americans and

Hispanics. Many of the minority loan applicants also met the Beginning Farmer and Rancher definition. **The total obligation to beginning farmer rancher and socially disadvantaged producers totaled 66.7%** of the total funding disbursed.

In Fiscal Year 2010, there was a 25.1% increase in Montana Farm Service Agency's total direct and guaranteed loan advances compared to the prior year's obligations.



2010 Farm Program Payments by County - Note: does not include farm loans or adjustments from prior year programs.

Beaverhead	\$755,209	Deer Lodge	\$79,727	Judith Basin	\$4,706,834	Park	\$919,483	Sanders	\$91,960
Big Horn	\$5,539,444	Fallon	\$4,507,184	Lake	\$1,565,586	Petroleum	\$1,395,555	Sheridan	\$35,044,106
Blaine	\$11,154,746	Fergus	\$9,490,862	Lewis / Clark	\$1,013,436	Phillips	\$8,814,639	Silver Bow	\$3,769
Broadwater	\$3,342,009	Flathead	\$1,101,303	Liberty	\$15,319,139	Pondera	\$13,333,740	Stillwater	\$3,545
Carbon	\$1,256,068	Gallatin	\$2,809,799	Lincoln	\$130	Powder River	\$2,107,981	Sweet Grass	\$137,312
Carter	\$3,163,569	Garfield	\$4,332,782	Madison	\$10,783,056	Powell	\$382,963	Teton	\$12,475,739
Cascade	\$9,004,472	Glacier	\$13,758,612	McCone	\$753,735	Prairie	\$3,177,458	Toole	\$14,372,850
Chouteau	\$30,877,212	Golden Valley	\$2,629,406	Meagher	\$695,251	Ravalli	\$306,816	Treasure	\$432,692
Custer	\$2,624,925	Granite	\$36,926	Mineral	\$544,718	Richland	\$12,058,122	Valley	\$15,704,372
Daniels	\$23,147,124	Hill	\$24,770,659	Missoula	\$132,608	Roosevelt	\$21,925,457	Wheatland	\$3,122,827
Dawson	\$10,322,912	Jefferson	\$342,274	Musselshell	\$2,246,699	Rosebud	\$2,813,032	Wibaux	\$4,059,861

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