



For Immediate Release

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News Release



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Wool, Mohair and Unshorn Pelt Loans and LDPs Available at FSA

BOZEMAN, MT– Bruce Nelson, State Executive Director for the USDA Farm Service Agency (FSA) in Montana reminds producers they may now request 2010 crop Marketing Assistance Loans (MAL) or Loan Deficiency Payments (LDP) for 2010 sheared wool and mohair. Unshorn pelts from lambs slaughtered in 2010 are only eligible for LDPs. The 2010 crop year for wool, mohair, and unshorn pelts began on Jan. 1, 2010, and ends on Dec. 31, 2010.

The 2008 Farm Bill raised the loan rate for graded wool from \$1 per pound to \$1.15 per pound during crop years 2010 through 2012. Unlike previous years, there will be no regional loan rate differentials for 2010 through 2012 graded and ungraded wool. The national loan rate for ungraded wool through the 2012 crop year is \$.40 per pound and the mohair loan rate through 2012 is \$4.20 per pound.

Marketing loans are 9-month loans that provide interim financing for eligible producers, allowing them to store their products in order to market those products when prices are optimal.

An LDP is the difference between the loan rate at a given location and the announced market price for the applicable commodity. LDPs are announced weekly on the Montana FSA website and are available at <http://www.fsa.usda.gov/mt>, under the “I Want To” section and clicking on “View Wool LDP and Loan Rates.”

Eligible producers are able to request electronic Loan Deficiency Payments (eLDPs) online and in most cases receive approval and payment by direct deposit within 48 hours. The electronic service is offered as an additional option to producers requesting an LDP. LDP benefits remain available through your local FSA Service Center.