



November 13, 2018

TO: William Beam
Deputy Administrator of Farm Programs

FROM: Michael L. Foster
Montana State Executive Director

SUBJECT: Reconsideration Request for LIP Eligible Adverse Weather Event

The Montana State Committee and I are saddened and disappointed that DAFP has disapproved our request for a winter weather waiver regarding the Livestock Indemnity Program (LIP). We respectfully request reconsideration of this decision.

As your letter acknowledges, the winter of 2017-2018 across Montana was horrific, and in fact is widely recognized as the worst in any living Montanan's memory. The result was a shocking and devastating loss of livestock far beyond normal winter mortality rates.

We submitted our waiver request as a good-faith effort to assist our producers and county offices in the processing of LIP applications and accurately reflects the huge challenge that producers faced because the severe winter weather conditions from October 1, 2017, through April 30, 2018, were unrelenting across the state. We provided about 20 attachments demonstrating the severity and unrelenting nature of that winter.

We certainly respect your rationale in the denial letter. However, we find it inconsistent with Secretary Perdue's and Administrator Fordyce's clear message to "provide exceptional customer service for the farmers, ranchers, and foresters across our nation." There has also been emphasis on "process improvements that work better and easier for our producers." Your denial of our request seems to say, "Livestock producers in Montana, the FSA is very sorry that you experienced devastating losses this past winter but waiving our winter weather criteria under LIP would be more customer service than we are willing to provide. So, better luck this coming winter and have a nice day."

Since Montana doesn't experience any hurricanes, and our tornadoes are usually on a much smaller scale than in the Midwest, and our wildfires usually affect very little cropland, perhaps we have not done a good job of explaining that the winter of 2017-2018 was an extreme disaster for our livestock industry that warrants flexibility in the LIP. We are not asking for creation of a new disaster program (e.g., WHIP), just a waiver for an existing program.

It's important to note that livestock producers would still have to satisfy the proof of loss criteria under LIP, and normal mortality rates would still apply.

Finally, it would be reassuring if we could report that the DAFP staff who have visited with us multiple times over the phone about our LIP frustrations have all been polite, respectful, supportive, and understanding. However, I can't and that has also been disappointing. We are doing our best to deal with a terrible situation, and we have received very little help from the DAFP staff.

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In the meantime, we are hearing nothing but very negative feedback from individual producers, some of whom have loan payments due now and significantly lower revenue streams to make those payments, and livestock organizations. I would safely guess that relations between FSA and livestock producers and their organizations in Montana are at an all-time low because of LIP.

Below is an email I received recently from a livestock producer:

My husband and I raise cattle in Custer, Montana and have a family ranch north of Miles City. In Custer, we have replacement heifers and have the first-calf heifers, so although the 2017-2018 winter was hard, we only had a small loss due to weather; however, it was the ranch in Miles City that has the older cows and calve out in the pasture had so much loss. This is where the problem with the LIP comes in—the criteria to get reimbursed is written to cover something like the ATLAS storm. Fast-moving, killed a lot of cattle, got a lot of publicity, numbers were easier to track.

The whole problem with the 2017-2018 winter was 1) it was endless (Dec through April we had feet of snow on the ground) 2) it was bitter cold (many, many sub-zero days and nights). Due to the amount of snow, there was no way to get around to check cows and calves. In many cases, the cows just walked away from the newborn calf. Our cows are generally good mamas, the winter was too much for them. 3) Once cows were brought in to a corral with shelter, then there was the MUD. Feet of snow result in feet of mud that is, again, impossible to navigate. A lot of calves born in the mud either suffocated, froze, or were trampled. Even the best management couldn't deal with these situations.

Ranchers affected by it talked among themselves, but nobody really told others. Nobody put stacks of dead calves on Facebook.

Therefore, the FSA kept their criteria unbendable so it was very hard for ranchers to qualify for LIP payments WHEN THEY NEEDED IT MOST. Who knew you had to take photos of every dead calf and the number of the cow/calf, etc. IF the cow walks away, how do you know whose calf it is – especially in howling snows? When we gave them our numbers of cows from our preg-test sheet and number of calves that were born, we were told they couldn't take it because we preg-test our own cows.

I believe Tom Lutey with the Billing Gazette was working on a story—he had the number at 11,000 dead calves, but there were so many more not reported due to the impossible criteria set, many ranchers just threw up their hands in despair.

USDA Sec of AG Sonny Perdue is always saying the government is there to help ag folks. In this case, the USDA and FSA have failed us. I agree, cattle organizations need to come to together and find a way to show the FSA that these losses can't be ignored.

Let's think about what we can do to solve this bad situation and let the FSA know something needs to be done.

Thanks!

Rebecca Colnar

Rancher, Custer, Montana

Director, Public Relations, Montana Farm Bureau

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Please rectify this situation by reconsidering your action and approving our waiver request.

Thank you for your consideration.