

MINUTES OF THE MEETING
AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

January 12, 1987

Rep. Duane W. Compton, Chairman, called the meeting to order at 1:00 p.m., January 12, 1987, in Room 317, of the Capitol, Helena, Montana.

ROLL CALL

All members were present as was Tom Gomez, researcher.

Bills to be heard were HB 71 and HB 86.

HOUSE BILL 71

Rep. Tom Asay, District 27, explained HB 71 would provide continuation of existing programs initiated to try to help those in agriculture who have been caught in the economic downtrend. The program was instituted in 1985 and has proven to be able to help the people that need a little bit of support to review their assets, see where they are and relocate and be given encouragement. This bill asks for \$292,000 in each year to continue a program that has been working and most of the problems have been pretty well lined out. This program will get increasingly more beneficial.

PROPOSERS

Keith Kelly, Director of the Department of Agriculture, See his testimony, Exhibit #1. HB 71 came about because of the agricultural economic situation. It is supported in the executive budget because making progress in the agricultural situation has not improved very much. The program was implemented and is working quite well now and is needed. Several firms are backing this program, and are encouraging use of the program. An advisory council was provided for it and there are interested people from all cross sections. The need is still there. It has not gone away. He met with banking groups in Montana today. There are more businessmen than there were. There have been 670 calls generated and all were logged in and accounted for. The program has a peer counselling group with nine mediation cases. See Exhibit #2. He asked that the committee take into consideration HB 71 seriously - the need is still there and there is a serious problem.

John Orth, Montana Catholic Conference Liaison between two Catholic bishops, in the matter of policy said the greatest stress is in the agricultural area. Two dioceses are a part of establishing stress counselling for Montana. Montana Catholics urge that continued support be given to this program and to HB 71.

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE

January 12, 1987

Page 2

Jerry Christian, SCORE PROGRAM Recruit, stated the new tax laws are creating havoc for farmers who have sold their farms for contract of deed and this may not provide their retirement. Some counsellors are working 40 hours a week doing counselling at no cost, but are getting reimbursed through the Department of Agriculture. One-third of the state income is from agriculture. Talk to the national SCORE Conference, they feel farmers don't have the expertise to work through their problems. They are willing to listen. He feels it is necessary that the hope of the program is continued.

Ron Waterman supports HB 71. Montana Association of Churches served over 400 farms in Montana, See Exhibit #3. They have 13 peer counsellors, but need more. Between November and December 1986 they saw a 30% increase in the number of demands for their service. Peer Counsellors not only provide advice and information, but also provide help to farmers by letting them know there is someone out there who cares and is willing to give them some assistance. It is good that there are fellow Montanans that are willing to give a neighbor help. He supports the program.

Alfred Verschoot, Montana Action Group, Ronan, is one of the forerunner organizations on this problem, when it was having problems getting off the ground. See Exhibit #4. It has been working with the advocacy program and it did get off the ground. He thinks that if this program is scrapped, there will be no place for farmers to go but into bankruptcy. This is mediation and it is mandatory. Think banks and lending institutions would be wise to look into this to try to save the lending institutions as agriculture is in dire straits. He thinks problems will get far worse. No bottom out of agricultural problems even across the nation. Thirty percent of Iowa farmers face bankruptcy this year. There will be scores of bankruptcies this year. Farmers have been living off tax write offs and those will be eliminated next year. Today we are just looking at the tip of this thing - not even close to the bottom. Hope this program will not be eliminated so that we will have to touch bottom. The Governor says: What can we do for agriculture and those farmers - they are a dying breed. There will be only big industrial farmers. No more small farmers. A friend said the biggest mistake we made was not to pass I-127 and do away with all those government people. He urged passage of this legislation.

Carol Mosher, Montana CattleWomen, supports HB 71 because it helps those in agriculture and is worth the time spent. Those helping are very dedicated.

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE

January 12, 1987

Page 3

Jo Brunner, Montana Cattle Feeders and Montana Grain Growers, supports continuance of this program.

Lorna Frank, Montana Farm Bureau, said they support this program and urge its continuance.

Ralph Yeager, Department of Commerce, recommended that legislators continue support of the agriculture peer counselling program.

Tom Cherry, Chairman of the Montana Mental Health, helped this bill get through the last time around. Those from the farms and ranches are facing an imminent change in their status. Montana without exaggeration is in the top ten in terms of the suicide rate. Many statistics are all consistent with the generally accepted arena of health. He urged support of HB 71.

Mike Leishman, St. Ignatius rancher, works with the Montana Association of Churches as a peer counsellor. From the peer counselling approach this program is very worthwhile. See Exhibit #5. He said some people just need to know where they are, whether they should sign documents the bank wants them to sign. Chapter 12 is a last resort. When a farmer loses his farm it is an assault on the human spirit. We must respond because we are so close. We must let our neighbors know they are not alone.

John Cabot, Montana Bankers Association, representing 170 bankers, supports HB 71. He wished to respond to the appropriation. Without this program, it would cost more than the cost of litigation, mental stress and other costs. Other points - when two parties enter into a voluntary consideration, a greater amount of cooperation is needed if both parties are voluntary rather than otherwise. He supports the bill.

Curtis Hanson, Montana State Board of Churches, is a peer counsellor, and a member of the Association of Churches for one and one-half years. He sees greater cooperation between lenders and borrowers in the last 3-4 months and it is getting to be an understanding of how people can work together if they try. Using a figure from the estimates, twenty farmers are being lost in the the state of Montana a week. He urged continuance with this program of mediation, counselling and financial aid. It is a very good tool that we have and other states are looking at us very closely and want all our information in setting up similar types of services in their states. He believes we are headed in the right direction in helping people.

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE
January 12, 1987
Page 4

Meg Nelson supports HB 71, saying this program is needed now and in the future. In accordance with Hanson, she believes 250 farms in Montana will fail in the next year.

Terry Carmody, Montana Farmers Union, is in favor of this legislation.

OPPONENTS - None

QUESTIONS FROM THE COMMITTEE

Rep. Cody asked Keith Kelly if there was any way to tell how many small farmers have been kept on the farm by this program. Mr. Kelly said they are trying to do an estimate to learn if they got the money they needed. They are trying to follow through by doing a survey of the people they have worked with.

Rep. Cody asked Mr. Kelly what means they are using to get the facts out to those in need, that this is available? Mr. Kelly said there have been ads in local papers and on TV stations that this program is available. They have sent out sixty tapes. The advisory counsel is trying harder to get information out. The ASCS is sending copies out in their monthly mailings to all the farmers and ranchers on their lists. He wants to look at an envelope stuffer that lending institutions could put in their envelopes. They are going to try to cut another public service announcement. Awareness of the program is becoming better. FHA had one as well and had an opportunity to hang it up in their office.

Rep. Cody asked whether voluntary mediation is working out. Mr. Kelly answered it was too early to tell. Figures are there that I would pass out on this particular thing. We are all in this duck soup together and see ourselves in a real dilemma. The level of cooperation shown indicates we are all in this together. Legislation requires a certain amount of documents so that documents can be turned over to a mediator chosen by both borrower and lender. The real costs will come when it is taken over by the courts.

Rep. Bachini asked how much money had been spent up until now. You are asking for a \$292,000 appropriation for the next two years. What has been spent so far? Mr. Kelly advised that they have contracted with the universities for some of their work - \$13,000 has been spent for mediators, trade counsel \$59,000, peer counselling services \$32,000, and a financial consultant but have not received a bill, \$1,000 at least on peer counselling. They know the money has been spent, but have not received the invoice. Total

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE
January 12, 1987
Page 5

spent is \$87,600 for peer counselling and mediation. Rep. Bachini asked how long they have been working. Mr. Kelly said the training program started June 10. They missed most of the financial season and attitudes changed radically.

Rep. Koehnke asked about peer counsellors and financial institutions. Rep. Bachini asked if more people are going to be taking advantage of these costs. Mr. Kelly advised costs are expected to be higher. Missed most of the last year. He doesn't think they are overestimating.

Rep. Jenkins said since this was an appropriation, even if HB 71 passed out of this committee, it would have to go back to the appropriation committee. Mr. Kelly said it would go to the full house and then to the Senate for full action. Rep. Asay, Sponsor, said if it passes second reading in the House, then it would go to the appropriation committee.

Rep. Asay closed emphasizing that people are participating in the program and hoped the committee would have a bit of compassion with it. The money asked for here is vastly multiplied by the interest and cooperation by many other groups and individuals. This might be an indication of a working program because for it to work, it has to have other organizations and individuals working together. It is vastly enhanced by their cooperation. The Governor and Council on Economic Development are backing this program. He thinks it is a very good program. He thanked the proponents for making it the program it is.

HOUSE BILL 86

Rep. Tom Asay, District 27, sponsor of HB 86, stated in order for a program to work, it needs the participation of private individuals and the government. Part of that program could be one of assisting instead of driving (see amendments). He suggested that the committee strike on page 3 line 12 through line 13 since it doesn't add anything to the legislation and gives a little more force in the government sector than is necessary. On page 5, line 21, following line 20, strike "minimize". He wants cooperation but not duplication. Need to be aware of where money is spent. On page 5, line 24 insert following "agencies", 'all state government'. Page 6, matter of giving people ... see amendment. (There will be efforts in other areas and want that, but not duplication). He thinks Montana has a vast number of products needed in the U.S. and foreign countries. Many organizations are making efforts in these fields, but they are not in a position to address them extremely well. A book put out by the Department of Commerce is trying to evaluate their concern that any marketer will have to face, domestic or foreign. Need the government to help coordinate some direct

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE
January 12, 1987
Page 6

efforts and to make those efforts more effective. If you want to get into the market in foreign countries, how are you going to handle the transportation costs? This is looked at very closely in the Department of Commerce book. The state can provide such information. Need to have a presence in some of these foreign countries. Many states have offices there already - some are combined with other states. If you have a product you need to know the people in the foreign country and have people there. Trying to put together a market division that would have some real effect and be beneficial for Montana agriculture. Should start planning instead of putting out fires. Think this is necessary and this bill is a framework to start with. Montana has some wonderful products and needs to address transportation problems. Need a centralized location to do this, so Montana people become more aware of this.

PROPOSERS

Ray Beck, Conservation Division of Natural Resources, said Montana has shown interest in establishing such an office. He supports HB 86. See Exhibit #6.

OPPOSERS - None

QUESTIONS FROM THE COMMITTEE

Rep. Rapp-Svrcek asked how it was anticipated \$200,000 would be used in the next year. Mr. Kelly said the goals of the marketing program were to spend \$100,000 in establishing international exports. There are very many inquiries about importing alfalfa pellets. The export of finished products - of meat into Japan. Promotion effort in Japan to promote only certified Montana beef requested by the government and supported by Montana.

Rep. Asay suggested perhaps we could look at the Resource Development Fund that is used for the development of agriculture advertising project. Would have to go through appropriations for inspection. Suggested looking into that rather than the general fund.

Rep. Bachini asked Mr. Kelly if we don't already have, through the Department of Commerce a promoting of Montana products as well as agriculture. Mr. Kelly agreed. We do have in the Department of Agriculture and the Commerce Department promotion of Montana products. Need for more and not less on all fronts. They would ensure that no duplication of efforts would take place.

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE

January 12, 1987

Page 7

Rep. Bachini asked John Marcille of the Department of Commerce if he agrees with Mr. Kelly that more promotion is needed not less. The Department of Commerce deals with close to 2,000 manufacturers. They deal almost daily with food manufacturers. They are working with the same people and there is bound to be some duplication. They cooperate extensively where the Department of Agriculture had some of the people we dealt with and the Department of Commerce dealt with. Will be taking in a food and wine show in San Francisco. Would say there is some duplication but not to the extent that it hinders each program.

Rep. Bachini asked Rep. Asay if he had seen Rep. Cobb's proposed amendment and Rep. Asay said it is O.K.

Rep. Ellison said the Department of Livestock has a program of marketing also. Rep. Asay advised any marketing program would be included. Each department is going to have a function regardless, particularly where they are in connection with their department. Most of the people in agriculture are people that are producing Montana products. The "Made in Montana" program is doing very well.

Rep. Jenkins asked Mr. Kelly about the "Beef Day in Japan" - are you talking about cut beef going to Japan or live beef? All the work and activity has been in connection with the Montana Beef Council. In November they shipped 7,000 pounds of very fine quality Montana beef. That is being followed up on, to see the acceptance of this very high quality meat. Don't care how you get the meat to Japan, sending boxes of meat gives Montanans jobs. You will be approached with a certified Montana beef program that the Department of Livestock is looking at.

Rep. Jenkins asked Mr. Kelly how much would the Department of Agriculture have to do in sending the beef. Mr. Kelly said with the live beef it was with the livestock sector. In May 1985 they met in Japan with a major meat company that wanted to do that. He introduced them to some people who can box the meat there. Private negotiations have been involved from the very beginning.

Rep. Jenkins further asked if they were talking cut meat. Is Japan going to expand its quota? Mr. Kelly said with Japan defaulting on the yen, why is the beef still so high priced in Japan? The only processing equipment to do that is in Montana at the present time. The quality is about as good as you can get.

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE

January 12, 1987

Page 3

Rep. Asay closed saying he didn't know what products are going to be shipped over there. Wheat is one product that has market development. You don't regard Japan as a quick hit program. They are a great trading nation. He took a trip to Japan at his own expense to attend a trade show when part of the shipping port was changed to Butte. The show was much like a county fair. There were many states there showing their particular product. He was there about two weeks. You have to recognize that that market needs to be developed. Japan studied us hard to know what products we would take. The government helped find a market for their products and we were willing to purchase them. When they got better off, they developed more high tech products that we would buy. He wished the U.S. would trade harder. The Japanese are slow to make commitments because they want them to be long lasting. Japan's beef producer is highly protected. A herd of cattle over there is not like those here. American beef is primarily trimmed and the top cut will sell for \$12 - \$18 per pound. Japan is protecting its beef producer. The biggest problem today is the overpriced American dollar. We have to look at the urgency in developing these markets. We must start looking ahead. If we are going to spend \$1.8 million we will show a return of about \$4 million for tourism. They develop their markets.

EXECUTIVE SESSIONHOUSE BILL 61

Rep. Rapp-Svrcek moved HB 61 DO PASS; Rep. Cody seconded that motion. Rep. Rapp-Svrcek moved the proposed amendment providing an effective date BE ADOPTED. Rep. Cody seconded the motion.

Rep. Jenkins asked what the reason for the amendment was. He was concerned that the bill would not go into effect soon enough, and since it had been done by administrative rule, this would be a backup statute.

The amendment was ADOPTED unanimously. Then Rep. Cody moved HB 61 DO PASS AS AMENDED. Rep. Bachini seconded the motion, and it was passed unanimously.

HOUSE BILL 71

Rep. Jenkins moved HB 71 DO PASS. Rep. Bachini seconded the motion. This bill will still have to go to the Appropriation Committee after it goes through second reading.

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE
January 12, 1987
Page 9

Rep. Campbell thought the cost per case was pretty high.

Rep. Jenkins explained that any part of the money that is not used is reverted back into the general fund. Mr. Kelly advised that if the program is carried on, they expect it to grow enough to need all the money requested. They pay the peer counsellors their gas, oil and meal expenses; pay up to \$500 per case for financial assistance; \$100 per day in mediation conferences - would require \$100,000 for financial advising, \$100,000 for mediation expenses; \$100,000 for peer counselling expenses. If more cases become involved, the cost per case would be less.

HB 71 received a unanimous DO PASS recommendation.

HOUSE BILL 86

Rep. Hanson moved that HB 86 DO PASS. Rep. Giacometto seconded the motion. Rep. Campbell thought the money requested was too little.

Rep. Jenkins moved Rep. Asay's amendment; Rep. Patterson seconded the motion. The amendments were unanimously ADOPTED.

Rep. Jenkins moved to accept Rep. John Cobb's amendment. Rep. Giacometto seconded the motion. The Cobb amendment provides for specific measurable goals and that expenses be kept for the audit committee so they can see what happened to the money. Figures should be available to them.

Rep. Giacometto moved HB 86 DO PASS AS AMENDED. Rep. Cody seconded the motion.

Rep. Campbell asked how much would it cost per year? Rep. Bachini thought all the marketing programs should be brought together and any duplication removed. Rep. Koehnke thought just about every commodity has its own market program. Mr. Kelly said that is true for the major commodities coming out of Montana. He testified before the interim committee saying there are a lot of small commodities - honey, cherries, etc., that do not have marketing programs, and those are the products that the state is helping.

Rep. Ellison thought the committee had just amended duplication.

Rep. Cody is in favor of HB 86 saying the Washington international program went on and on. She asked what are we doing in Montana?

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE

January 12, 1987

Page 10

Rep. Bachini is concerned also about how many dollars the state of Montana is spending totally in the agriculture field for its products. Tom Gomez, researcher, didn't identify money but did identify who is working on marketing. According to the Governor's office there is fragmentation.

Rep. Jenkins said they should recognize the grain growers have a checkoff that they put into marketing their grain. Livestock checkoff just went up to \$1.00 a head. Maybe the honey growers and cherry growers could take a checkoff and market their own.

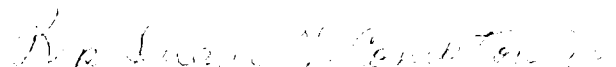
Rep. Compton asked what the administrative cost would be if the Department of Agriculture handled this. Mr. Kelly stated all the testimony had to do with the checkoff fund. He never envisioned this bill getting into grain or meat. With regard to the marketing functions, that would require a marketing person to go to a foreign country and would be very expensive. They worked on this legislation this summer. It would be necessary to have a topnotch person to travel to a foreign country to meet with international people. Rep. Giacomo explained HB 86 states that it would coordinate with all marketing organizations and they would work together in Montana.

Rep. Patterson said for every \$1.00 spent for advertising, the return is much greater than that. This would give the seller a tool for selling. \$100,000 is an expense we've got that the people in appropriations will determine.

Rep. Koehnke asked if a specialist would be hired for overseas. The fiscal note shows a market analyst and a secretary at grade 8. It would cost around \$40,000 for two people. Mr. Kelly advised they do have a market person on board today, but no money.

Motion DO PASS AS AMENDED passed with 12 for and 4 against.

ADJOURNMENT: There being no further business before the Committee, the meeting adjourned at 3:00 p.m.


Rep. Duane W. Compton, Chairman

STANDING COMMITTEE REPORT

January 12 19 37

Mr. Speaker: We, the committee on AGRICULTURE, LIVESTOCK & FISHERIES
report House Bill No. 61

- do pass be concurred in as amended
 do not pass be not concurred in statement of intent attached

Rep. Duane W. Coombs

Chairman

NOXIOUS WEED MANAGEMENT FUNDING

BE AMENDED AS FOLLOWS:

1. Title, line 10.
Following: line 9
Insert: "IMMEDIATE"
2. Page 3, line 9.
Following: "effective"
Strike: "July 1, 1937"
Insert: "on passage and approval"

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EXHIBIT #1
DATE Jan 12, 1987
HB 71-Rep Tom Aoa

TESTIMONY OF MONTANA DEPARTMENT OF AGRICULTURE
FOR THE HOUSE AGRICULTURE, LIVESTOCK, AND IRRIGATION COMMITTEE
ON HOUSE BILL 71
MONDAY, JANUARY 12, 1987
HELENA, MONTANA

Chairman Compton, and members of the Committee, the Montana Department of Agriculture supports House Bill 71 for continuance of the Montana Agricultural Assistance Program provided under existing temporary statute and extension of the current sunset day to June 30, 1989.

The Montana Agricultural Assistance Program, as established by the special session of the legislature in March, 1980, is designed to assist individual farmers and ranchers who are financially distressed by providing assistance and counseling to manage farm credit problems, to avoid or mitigate forced liquidation or farm bankruptcies and foreclosures, and to cope with the financial stress resulting from the adverse conditions of agriculture in Montana. It is the goal of the Agricultural Assistance Program to aid and assist farmers and ranchers so they may continue productively and self-sufficiently. For those who may not be able to continue agricultural activities, the Agricultural Assistance Program will provide information and assistance regarding various social service programs to help during the transition from production agriculture to other occupational areas.

The program as implemented provides for assistance through several avenues, including:

Financial Consulting--Individuals who are knowledgeable in the area of agricultural finance are available to evaluate prospects for future operating success. Expert financial evaluation may be what is needed to determine the extent of financial difficulty and the means for maintaining a cash flow in an agricultural operation.

Peer Counseling--Individuals who are, or have been involved in production agriculture and who have been trained through the department and other individuals in finances, emotional support, and mediation techniques will work to aid financially-distressed farmers and ranchers. Peer counselors will be able to refer farmers and ranchers to many available services and programs.

Debt Mediation--Specially trained individuals knowledgeable in agricultural and financial matters and mediation techniques can provide assistance to the farmer or rancher and creditor where there is danger of foreclosure and negotiate to arrive at an mutually-acceptable agreement. Mediation is voluntary and must be agreed to by both the farmer or rancher and the creditor(s). Mediation assistance may be requested by either the producer or creditor.

Legal Information Services--Farmers and ranchers will have access to legal information assistance made available through arrangements with the Montana Legal Services Association.

A 24 hour Farm/Ranch hotline was put into service within the department to provide the means through which a farmer or rancher may request assistance. (1-800-722-FARM)

In summary, the Montana Agricultural Assistance Program is functioning in a manner consistent with statutory intent. The Advisory Committee, established to assist with program implementation, recommended continuation of the program as is for the next two years. The committee believes the program is meeting the demands of the industry and provides valuable services under the existing structure. Program activity is increasing as expected with increased public awareness.

STANDING COMMITTEE REPORT

January 12

19 87

Mr. Speaker: We, the committee on AGRICULTURE, LIVESTOCK & IRRIGATION

report House Bill No. 86

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached


Rep. Duane W. Compton Chairman

CREATES AN AGRICULTURAL MARKETING PROGRAM IN THE DEPARTMENT OF AGRICULTURE

BE AMENDED AS FOLLOWS:

1. Page 3, line 12 through line 13.
Strike: Section 1 in its entirety
Re-number: subsequent sections
2. Page 3, line 21.
Following: "program."
Insert: "In establishing the program, the department shall devise specific, measurable goals and objectives for each aspect of the program."
3. Page 5, line 21.
Following: line 20
Strike: "minimize"
Insert: "eliminate"
4. Page 5, line 23.
Following: "80-11-104"
Strike: "and [section 1]"
5. Page 5, line 24.
Following: "agencies"
Insert: "of state government"
6. Page 6, line 3.
Following: "section"
Strike: "2"
Insert: "1"

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STANDING COMMITTEE REPORT

January 12

19 87

Mr. Speaker: We, the committee on AGRICULTURE, LIVESTOCK & IRRIGATION

report House Bill No. 71

do pass


do not pass

be concurred in


be not concurred in

as amended

statement of intent attached



Rep. Duane W. Compton Chairman

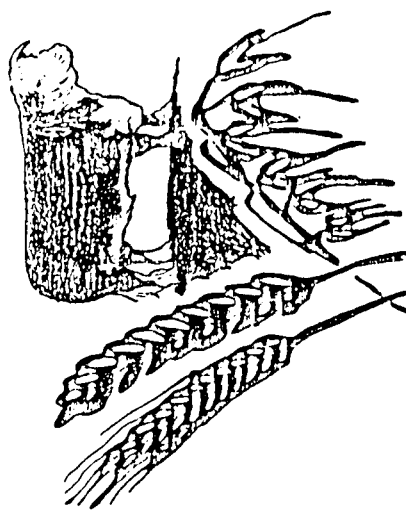


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MONTANA AGRICULTURAL ASSISTANCE PROGRAM

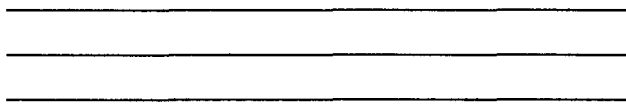
AND FARM/RANCH HOTLINE

1-800-722-FARM



Referral Services
Financial Consulting
Peer Counseling
Debt Mediation

Montana Department
of Agriculture
Keith Kelly, Director



Stamp

MONTANA FARM/RANCH HOTLINE

For those who wish to receive assistance from the Agricultural Assistance Program, please call:

TOLL FREE
(24 HOURS)

1-800-722-FARM



For additional information contact:
Michael Murphy or Lee Boyer
Montana Department of Agriculture
Agriculture/Livestock Building
Capitol Station
Helena, Montana 59620-0201
1-800-722-FARM

Montana Department of Agriculture
Agriculture/Livestock Building
Capitol Station
Helena, MT 59620-0201

AGRICULTURAL ASSISTANCE PROGRAM AND MONTANA FARM/RANCH HOTLINE

PROGRAM PURPOSE:

The Montana Agricultural Assistance Program is designed to assist individual farmers and ranchers who are financially distressed by providing assistance and counseling to manage farm credit problems, to avoid or mitigate forced liquidation or farm bankruptcies and foreclosures, and to cope with the financial stress resulting from the adverse conditions of agriculture in Montana.

PROGRAM ASSISTANCE:

FINANCIAL CONSULTING — Individuals from the agricultural financial community are available to evaluate prospects for future operating success. These individuals are specially trained to aid financially distressed farmers and ranchers with financial statements, budgeting, cash flow analysis, and profit or loss statements, as well as providing an assessment of various debt restructuring and collateralization options.

Expert financial management evaluation may be what is needed to determine the extent of financial

difficulty and the means for maintaining a cash flow in an agricultural operation.

PEER COUNSELING — Individuals who are or have been involved in production agriculture and who have been trained through the department and others in financial counseling, emotional support, and mediation and negotiation techniques will work to aid financially-distressed farmers and ranchers through this program. Peer counselors will be able to refer farmers and ranchers to many available services and programs that they may need.

DEBT MEDIATION — Specially trained individuals knowledgeable in agricultural and financial matters can provide impartial loan mediation assistance to the farmer or rancher and creditor where there is danger of foreclosure and can negotiate to arrive at a mutually-acceptable agreement that allows the producer to continue in agriculture. Mediation is voluntary and must be agreed to by both the farmer or rancher and the creditor(s). If at any point either party decides to abandon the mediation process, mediation terminates. Mediation assistance may be requested by either the producer or a creditor by contacting the Montana Department of Agriculture by phone or mail.

LEGAL INFORMATION SERVICES — Farmers and ranchers will have access

to legal information assistance made available through arrangements with the Montana Legal Services Association and the University of Montana. Law School. Legal information assistance will be provided through peer counselors and financial consultants as questions or issues are identified. Direct legal assistance will not be available except in very limited cases.

PROGRAM GOALS:

It is the goal of the Agricultural Assistance Program to aid and assist farmers and ranchers so they may continue productively and self-sufficiently. For those who may not be able to continue agricultural activities, the Agricultural Assistance Program will provide information and assistance regarding various social service programs to help during the transition from production agriculture to other occupational areas.

CONFIDENTIALITY:

All materials, data, and information received by the department with respect to any request filed under the Agricultural Assistance Program (80-13-211 Montana Code Annotated) are confidential and are not subject to examination or disclosure as public information.

EXHIBIT #2
 DATE Jan 13, 1987
 HB 86 Rep
 Tom Asay

MONTANA FARM HOTLINE

Week of	1/5-1/11	Total
Total calls	47	670
Program people(PC-MED)	4	52
Information	5	169
Assistance request	11	193
Follow-up	17	148
Legal Information	6	38
Miscellaneous	3	70

Current peer counselor assignments---81
 Total peer counselor requests-----130

Mediation cases in process-----2
 Mediation cases pending-----7
 Mediation cases completed-----4
 Mediation declined by borrower-----8
 Mediation declined by lender-----2
 Mediation declined by bankruptcy-----2
 Mediation discontinued by requestor---1
 Total Mediation cases-----26

Financial consultant cases assigned--26
 Financial consultant cases completed-12
 Total financial consultant cases-----38

Peer Counselors (COPE)

HB 71 Rep Tom
Away

Name	Address	REIMBURSEMENT PAID	County	Phone
Torlief Aashiem	517 W. Koch Bozeman, MT 59715		Gallatin	587-7258
Bill Berberet	Toston, MT 59643		Broadwater	266-3617
Gordon Bollinger	1705 Butte Avenue Helena, MT 59601	191	Lewis & Clark	442-2847
Ed Carney	Box 557 Scobey, MT 59263	96	Daniels	487-5422
Edward DeGeorge	1801 Thornton Avenue Butte, MT 59701		Silverbow	782-4888
Myrlin Donaldson	3747 Juniper Drive Helena, MT 59601	130	Lewis & Clark	442-9871
J. Edwards	86 Montana Highway 287 Ennis, MT 59729		Malden	682-7111
Elmer Flynn	2100 Flynn Lane Missoula, MT 59801		Missoula	549-6252
Clifford Frank	2137 Fairway Drive Billings, MT 59102	587	Yellowstone	259-4694 328-6400
Harold Gerke	1201 Clarke Avenue Billings, MT 59102		Yellowstone	245-5397
Stan Halvorsen	244 Woodland Avenue Kalispell, MT 59901	88	Flathead	257-1231
Stan Howard	1929 Lockey Helena, MT 59601	57	Lewis & Clark	442-3081
Vic Hoxsey	301 20th Avenue So. #10 Great Falls, MT 59405	80	Cascade	761-5325

SERVICE CORP OF RETIRED EXECUTIVES
Peer Counselors (SCOPE)

Name	Address	REIMBURSEMENT PAID	County	Phone
Meidar Ilveson	Box 926 Forsyth, MT 59327	30	Rosebud	356-2438
Jack & Pat Iman	162 Dutch Hill Road Victor, MT 59875		Ravalli	961-3638
George Johnson	Box 649 Glasgow, MT 59230	440	Valley	228-8430 526-3544
Duane Mathison	Kinsey Route Miles City, MT 59301		Custer	232-2438
Tom Murphy	390 Popham Lane Corvallis, MT 59828		Ravalli	961-3314
Linda Nelson	Medicine Lake, MT 59247	73	Sheridan	286- 3220 ⁵⁶¹¹
Roy Oskendahl	2283 Rosebud Drive Billings, MT 59102	373	Yellowstone	<u>652-5448</u>
Ray Pehlke	807 10th Avenue N. Glasgow, MT 59230	27	Valley	228-9231
Arnold Peterson	1250 5th Street Havre, MT 59501	56	Hill	265-9567
Clarence Popham	450 N.E. Popham Lane Corvallis, MT 59828		Ravalli	961-3486
Jarren Ross	Route 71, Box 18 Chinook, MT 59523		Blaine	357-2746
Kenneth Sage	301 20th Avenue So. #23 Great Falls, MT 59405	27	Cascade	727-3652
Henry Siderius	3020 Highway 93 East Kalispell, MT 59901	3	Flathead	852-3268

Peer Counselors (SCOPE)

Name

Address

REIMBURSEMENT
PAID

County

Phone

Sonja Williams

4325 Old Stage Road

Beaverhead

683-2126

Dillon, MT 59725

TOTAL REIMBURSEMENT PAID

\$ 2,315

PEER COUNSELORS CONTRACTED WITH MONTANA ASSOCIATION OF CHURCHES

(October 29, 1986)

*REIMBURSEMENT
PAID*

Susie Chiovaro
Box 512
Ekalaka, MT 59324
775-6830

Dale and MaryAnn Fossen
Box 102
Joplin, MT 59351
292-3230
759-5652 - Mary Ann's Work
Curtis Haskins
Box 143
Polson, MT 59860
883-2163

152

782

Karen Kenney
802½ W. Main
Lewistown, MT 59457
538-8255

Mike & Pat Leishman
RR #1, Box 199
St. Ignatius, MT 59865
745-3153

Diane Taylor
Box 4062
Wolf Point, MT 59201
485-2138

Dolly Vestal
Rte. 1, Box 19
Denton, MT 59430
567-2468

TOTAL REIMBURSEMENT PAID 270

Financial Consultants
REIMBURSEMENT
PAID *

Name	Address	County	Phone
Frank Carter	3815 Sourgin Road Missoula, MT 59801	Missoula	721-2020 728-1116
Kenton D. Swift	<i>Resigned 12/31/86</i> 1203 N Soruce Bozeman, MT 59715	Gallatin	<i>6790</i> 994-2000 586-3174
Donald Eliasson	P.O. Box 771 Roundup, MT 59072	Musselshell	323-1181
Tim J. Watts	Route 2, Box 3508 Miles City, MT 59301	Custer	232-7214 232-3075
Leonard Schock	P.O. Box 617 Circle, MT 59215	McCone	485-3666 525-3744
David J. Heine	2000 Lower Valley Rd Kalispell, MT 59901	Flathead	<i>FmHA 653-2211</i> 752-4991

TOTAL REIMBURSEMENT PAID \$5,270.00

* APPROXIMATELY \$5,000 WORTH OF ADDITIONAL CASES
HAVE BEEN COMPLETED, BUT VENDOR INVOICE NOT YET RECEIVED

Mediators

REIMBURSEMENT
PAID

Name

Address

County

Phone

Wanley R. Bayley	2246 George Street Billings, MT 59102	Yellowstone	656-4097
Stuart Brownlee	P.O. Box 254 Gildford, MT 59525	Hill	376-3165
Dick Downey	10573 Kelly Canyon Road Bozeman, MT 59715	Gallatin	587-5361
Dwayne Ehli	342 Smith Lake Road Kalispell, MT 59901	Flathead	755-7809
Ronald J. Gernaat	Route 3 Box 443 Conrad, MT 59425	Pondera	278-3065
Janet Goodell	1914 South Black Bozeman, MT 59715	Gallatin	587-0822
George Halverson	1745 Ronald Missoula, MT 59801	Missoula	543-3543
Dennis C. Haughian	P.O. 22243 Billings, MT 59104	Yellowstone	245-9676
Mes P. Helfrich	5075 Kern Drive Helena, MT 59601	Lewis & Clark	449-7195
Gary C. Huff	P.O. Box 241 Sheridan, MT 59749	Madison	842-5886
Edward Lien	P.O. Box 3075 Wolf Point, MT 59201	Roosevelt	525-3673
Owen F. McDonagh	618 Garland Miles City, MT 59301	Custer	232-6428
Beth Murnohy	917 E 2nd. Street SW Great Falls, MT 59404	Cascade	452-3256
William H. Norris	321 Ramble Inn Road Fort Shaw, MT 59443	Cascade	264-5781
Ray L. Peck	620 4th Avenue Hayne, MT 59501	Hill	265-4908
Ray Roberts	Box 31471 Billings, MT 59107	Yellowstone	259-3366

Mediators

Name	Address	County	Phone
Esther Ruud	P.O. Box 487 Malta, MT 59538	Phillips	654-1738
Orvis Stenson	2104 5th. Avenue North Great Falls, MT 59401	Cascade	452-3000
Jack Stevens	P.O. Box 2046 Great Falls, MT 59403	Cascade	727-0400
Ken Toole	511 Leslie Helena, MT 59601	Lewis & Clark	442-3180
Howard Toole	126 E Broadway #25 Missoula, MT 59802	Missoula	728-4514
William G. Twedt	180 Ontryside Village Great Falls, MT 59404	Cascade	761-5764
Robert Waltmire	P.O. Box 1456 Columbia Falls, MT 59912	Flathead	892-5546

TOTAL REIMBURSEMENT PAID

\$714.00

AGRICULTURAL ASSISTANCE PROGRAM
(PARTIAL COST BREAKDOWN)

TRAINING

CONTRACT INSTRUCTION	3,767
COUNSELOR/MEDIATOR TRAVEL	<u>9,237</u>
TOTAL TRAINING	13,003

CONTRACT SERVICES

FINANCIAL CONSULTANTS	5,270
MEDIATORS	<u>714</u>
TOTAL CONSULTING/MEDIATION*	5,984

PEER COUNSELING SERVICES

SCORE	2,315
MT. ASSN. OF CHURCHES	<u>938</u>
TOTAL PEER COUNSELOR	3,253

* Approximately \$7,000 Additional financial consulting services have been completed, but not billed.

REPORT PAGE NO. 2 OF 5
 SECURITY PAGE NO. 24519
 FORM 661
 3164.01
 ORD FOR AGENCY 6201

STATE OF MONTANA
 RESPONSIBILITY CENTER FINANCIAL REPORT
 FOR THE MONTH OF: DECEMBER, 1986
 CENTER 51107 - AG ASSISTANCE-COUNSELING
 FISCAL PERIOD: 04-18-86 TO 06-30-87 PERCENT ELAPSED TIME: YTD 50% (PAYROLLS 48%)

REPORT DATE: 01/01/87
 DEPARTMENT OF AGRICULTURE
 MIKE MURPHY
 ROOM 114

T A - OBJECT SUMMARY

ENSES	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	%COM
5 LONG DISTANCE CHR/D OF A	435.52	1,111.43	280.98				
6 LONG DISTANCE CHR/G/NON-D OF A	88.90	356.03	7.47				
7 CREDIT CARD CALLS	1.16	1.16	26.49				
9 TELEPHONE DIRECTORIES	1.40	2.29	6.50				
00-COMMUNICATIONS	31,900.00	2,395.15	1,438.87			28,065.98	12%
1 IN-STATE PERSONAL CAR MILEAGE	548.52	3,503.21	4,125.32				
4 IN-STATE STATE MOTOR POOL	48.76	287.81	351.75				
7 IN-STATE MEALS	73.00	875.35	334.50				
8 IN-STATE LODGING	17.85	728.85	348.88				
2 OUT-OF-STATE COMMERCIAL TRANS			1,019.96				
5 OUT-OF-STATE OTHER			26.50				
7 OUT-OF-STATE MEALS			59.00				
8 OUT-OF-STATE LODGING			191.84				
00-TRAVEL	44,000.00	688.13	5,395.22	6,457.75		32,147.03	27%
7 RENT/D OF ADM BLDGS	86.74	86.74	520.44			520.44-	
00-RENT			520.44				
AIR & MAINTENANCE							
4 OFFICE EQUIPMENT							
7 TIRES & TUBES	119.90	129.10	6.90				
6 SINGLE USER COMPUTERS	146.00	146.00	4.50				
00-REPAIR & MAINTENANCE	100.00	265.90	279.60	6.90		186.50-	
ER EXPENSES							
1 DUES			125.00				
2 SUBSCRIPTIONS			5.00				
2 REGIS FEES FOR TRAINING CONFER			200.00	500.00			
2 FREIGHT & EXPRESS		.78	4.79	1.00			
00-OTHER EXPENSES		.78	334.79	501.00			
00-OPERATING EXPENSES	180,155.00	3,416.03	26,174.88	19,423.92		835.79-	
EQUIPMENT & INTANGIBLE ASSETS						134,556.20	25%
IPMENT							
2 OFFICE							
00-EQUIPMENT	1,500.00	85.00	85.00	911.05		503.95	66%
00-EQUIPMENT & INTANGIBLE ASSETS	1,500.00	85.00	85.00	911.05		503.95	66%
TOTALS - BUDGETED EXPENSES	237,500.00	9,768.65	52,001.58	30,734.14		154,764.28	35%

T C - THIS MONTHS TRANSACTION DETAILS

OBJECT CODE	FORM CODE	DOCUMENT NUMBER	TRANSACTION DATE	TRANSACTION REFERENCE	PAY PERIOD	ENDING	BUDGET	INCOME	EXPENSE
1101	232	2803	12/01/86	11/21/86					1,397.53+

ENSES

REPORT DATE: 01/01/87
 DEPARTMENT OF AGRICULTURE
 MIKE MURPHY
 ROOM 114

STATE OF MONTANA
 RESPONSIBILITY CENTER FINANCIAL REPORT
 FOR THE MONTH OF: DECEMBER, 1986
 CENTER 51107 - AG ASSISTANCE-COUNSELING
 FISCAL PERIOD: 04-18-86 TO 06-30-87 PERCENT ELAPSED TIME: 50% (PAYROLLS 48%)

REPORT PAGE NO. 1 OF 5
 EXECUTIVE PAGE NO. 24518
 FORM 661
 ORDER FOR AGENCY 6201

STATE OF MONTANA
 RESPONSIBILITY CENTER FINANCIAL REPORT
 FOR THE MONTH OF: DECEMBER, 1986
 CENTER 51107 - AG ASSISTANCE-COUNSELING
 FISCAL PERIOD: 04-18-86 TO 06-30-87 PERCENT ELAPSED TIME: 50% (PAYROLLS 48%)

EXPENSES	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	%COM
PERSONAL SERVICES							
1 REGULAR	4,083.77	17,404.74	8,040.88	5.36			
2 SICK LEAVE	117.09	185.68	152.24	79.53			
3 VACATION	586.49	1,228.03	79.53	53.46			
4 HOLIDAY	347.80	941.99	118.58	173.62			
5 LONGEVITY	28.92	1,336.83	173.62	0,505.09			
6 COMPENSATORY TIME TAKEN	93.81	21,215.85	100.00	100.00			
7 SALARIES	5,257.88	100.00	100.00	608.06			
8 PER DIEM COMPENSATION				545.71			
9 OTHER COMPENSATION				605.67			
10 EMPLOYEE BENEFITS				36.28			
11 FICA				1.64			
12 RETIREMENT - OTHER				1,794.08			
13 GROUP INSURANCE	375.96	1,516.91	10,399.17	10,399.17			
14 WORKERS COMPENSATION	337.40	1,361.41	500.00	500.00			
15 STATE EMPLOYMENT TAX	245.27	1,343.40	844.78	844.78			
16 UNEMPLOYMENT TAX	27.45	108.64	36.28	36.28			
17 EMPLOYEE BENEFITS	23.66	95.49	1.64	1.64			
18 PERSONAL SERVICES	10,054.00	4,425.85	1,794.08	1,794.08			
19 OPERATING EXPENSES	55,845.00	6,267.62	25,741.70	10,399.17			
20 TRACTED SERVICES							
21 CONSULT & PROF SERVICES	1,020.00	14,614.21	8,923.07	8,923.07			
22 INSURANCE & BONDS							
23 EDUCATION & TRAINING							
24 CONSULTANT & OTHER TRAVEL							
25 PRINTING/PUB & GRAPHICS	351.72	715.07	500.00	500.00			
26 PHOTOCOPY POOL SERVICES	161.36	644.91	844.78	844.78			
27 CONTRACTED SERVICES	102,155.00	1,533.08	10,267.85	10,267.85			
28 FORMS/CENTRAL STORES							
29 BOOKS & REFERENCE MATERIALS							
30 FINE PAPER/CENTRAL STORES							
31 OFC SUPPLIES/CENTRAL STORES	16.77	88.89	212.60	212.60			
32 OFC SUPPLIES/NON-STATE PROC	14.33	116.13	173.66	173.66			
33 DATA PROCESSING SUPPLIES	22.00	311.29	200.72	200.72			
34 PROGRAM EXPENSE	53.10	891.32	751.55	751.55			
35 SUPPLIES & MATERIALS	2,000.00	396.01	184.35	184.35			
36 COMMUNICATIONS							
37 POSTAGE & MAILING	153.09	74.45	108.75	108.75			
38 RADIO SERVICES							
39 MESSENGER SERVICES	14.89	74.45	484.16	484.16			
40 ADVERTISING							
41 TELEPHONE EQUIP CHRG/D OF A	93.34	453.78	270.00	270.00			
42 TELEPHONE ADD/MOVE/CHANGE							
TOTAL	16,070.06	16,070.06	16,070.06	16,070.06			65%
TOTAL	200.00	200.00	200.00	200.00			

EXHIBIT 2A
 DATE Jan 12, 1987
 HB 111 - Rep Tom Casey

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REPORT PAGE NO. 1 OF 1
 EXECUTIVE PAGE NO. 24523
 FORM 661
 3/3364.01
 REPORT FOR AGENCY 6201

STATE OF MONTANA
 RESPONSIBILITY CENTER FINANCIAL REPORT
 FOR THE MONTH OF: DECEMBER, 1986
 CENTER 51108 - AC ASSISTANCE-MEDIATION
 FISCAL PERIOD: 04-18-86 TO 06-30-87 PERCENT ELAPSED TIME: YTD 50% (PAYROLLS 48%)

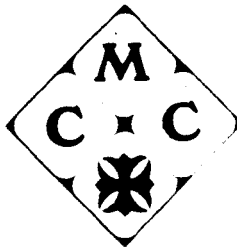
REPORT DATE: 01/01/87
 DEPARTMENT OF AGRICULTURE
 MIKE MURPHY
 ROOM 114

A - OBJECT SUMMARY

USES	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	%COM
PERSONAL SERVICES							
TRAVEL							
OPERATING EXPENSES							
CONTRACTED SERVICES							
CONSULT & PROF SERVICES							
CONSULTANT & OTHER TRAVEL							
PRINTING/PUB & GRAPHICS							
CONTRACTED SERVICES							
LIES & MATERIALS							
OFC SUPPLIES/NON-STATE PROC							
O-SUPPLIES & MATERIALS							
COMMUNICATIONS							
POSTAGE & MAILING							
ADVERTISING							
LONG DISTANCE CHR/D OF A							
LONG DISTANCE CHR/D OF A							
O-COMMUNICATIONS							
IN-STATE PERSONAL CAR MILEAGE							
IN-STATE MEALS							
IN-STATE LODGING							
O-TRAVEL							
O-OPERATING EXPENSES							
TOTALS - BUDGETED EXPENSES	95,000.00	436.62	4,507.66	4,507.66	90,055.72	5%	

E - FUNDING SUMMARY

ACCOUNTING ENTITY NAME	APPROP REV EST	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	% COM
GENERAL FUND EXPENSE	16665	95,000.00	436.62	4,507.66	4,507.66	90,055.72	5%	



Montana Catholic Conference

EXHIBIT # 2
DATE: Jan 12 1987
HB 71- Rep. Tom Asary

January 12, 1987

CHAIRMAN COMPTON AND MEMBERS OF THE HOUSE AGRICULTURAL COMMITTEE:

My name is John Ortwein. I am here today representing the Montana Catholic Conference. The Montana Catholic Conference serves as the liaison between the two Roman Catholic Bishops of Montana in matters of public policy.

Two years ago I appeared before this committee. At that time I reported the findings of the two Bishops of Montana as they traveled throughout their respective Dioceses. Both Bishop Thomas Murphy of the Diocese of Great Falls/Billings and Bishop Elden Curtiss of Helena found the greatest stress on the people of their dioceses was found in the agricultural community. Unfortunately, the situation has not improved in the last several years.

The two dioceses are a part of the Montana Association of Churches and as such has helped in the sponsorship of the Montana Farm Counseling and Advocacy Coalition.

The Montana Catholic Conference would urge you to give continued support to the Agricultural Assistance and Counseling Program. We ask your support for House Bill 71.



Montana
Association of
Churches



EXHIBIT #3
DATE Jan 12 1987
HB-71 Rep Tom Aray

MONTANA RELIGIOUS LEGISLATIVE COALITION • P.O. Box 745 • Helena, MT 59601

MR. CHAIRMAN AND MEMBERS OF THE HOUSE AGRICULTURAL COMMITTEE:

WORKING TOGETHER:

I am Mignon Waterman, speaking on behalf of the Montana Association of Churches.

Montana Association of Churches supports HB71.

Montana's Agricultural Assistance Program represents a cooperative effort of many Montanans, including the senior citizen program SCORE, members of WIFE and individuals in the Rural Ministries Program, working with the Montana Department of Agriculture and state government to provide aid to farmers. It is Montana tradition at its best - neighbor helping neighbor.

A year ago the Montana Association of Churches started the Rural Ministries Program in an attempt to address the needs of Montana farmers in crisis. The Rural Ministries Program has provided services to approximately 400 farm families and has responded to many more who required only minimal time and assistance.

In mid-1986, after the March special session funded the Agricultural Assistance Program, the Montana Department of Agriculture contracted with the Montana Association of Churches to provide peer counseling services. Presently, we have 13 peer counselors and we are seeking more to meet the increasing demand for assistance. Between November and December, the demand for services rose 38%. Those of you who are farmers know that in the next few months the farm crisis will mount as farmers seek operating loans and run head-on into a tight credit situation.

Peer counselors provide advice and information to farmers who are seeking assistance, but the most important function of the Agricultural Assistance Program is to give Montana farmers hope and to let them know someone CARES.

The Montana Association of Churches urges your favorable consideration of HB71.

American Baptist Churches of the Northwest

American Lutheran Church Rocky Mountain District

Christian Church (Disciples of Christ) in Montana

Episcopal Church Diocese of Montana

Lutheran Church in America Pacific Northwest Synod

Roman Catholic Diocese of Great Falls-Billings

Roman Catholic Diocese of Helena

United Church of Christ MT-N WY Conference

United Methodist Church Yellowstone Conference

Presbyterian Church (U.S.A.) Glacier Presbytery

Presbyterian Church (U.S.A.) Yellowstone Presbytery

TESTIMONY OF AL VERSCHOOT
HB 11
JANUARY 12, 1987

EXHIBIT #4
DATE Jan. 12, 1987
HB71 - Rep. Tom Asay

My name is Alfred Verschoot. I am a farmer from Ronan and the past President of Montana People's Action. Last March, in a special session of this legislative body, a program to assist debt-troubled farmers was passed and implemented. While legislators and farm groups disagreed over how this program should be run, there was general consensus that such a program was needed.

If this program is not continued, there will be no programs in our state to assist farmers in achieving debt restructuring. This means that when farmers examine their choices for achieving debt restructuring, there will be one option available -- Chapter 12 bankruptcy.

We believe that the interests of the State of Montana will not be served by an epidemic of farm bankruptcies. Continuation of the current program sends a signal to our state and that signal is that the state supports constructive ag debt restructuring and is willing to play a role in achieving it.

We urge this committee to pass HB 71 and to continue the state's effort at ag debt restructuring and alleviating the pain and stress in our farming communities. The Ag Assistance program has hardly had a chance to work yet and discontinuing the program before it has the chance to work would be a disservice to our state's number one industry.

Alfred Verschoot
7284 Pearson Rd
Ronan mt.

introduction

peer counseling approach developed by itself among ^{the} ~~the~~ ^{people} ~~people~~ involved in ag

from one familys resolve not to be undone by something that they did not understand and could not afford to have deciphered by a professionals' has developed a number of ordinary family farmers ranchers that have a complete understanding of the regulations, changes in the laws and keep abreast of the many scams that seem to abound in any crisis situation

peer counselors give freely of their time and sacrifice valuable family moments to help their neighbors and freinds through many emotional, personal and business crisis's. though many of the calls a peer counselor will receive are only minute problems, some call only to here another person with his own problems give freely and willingly his time.

calls range from should I sign the documents, my spouse is becoming very discouraged, we don't have enough money for food or medicine, the creditor says my farm won't cashflow (what the hell is cashflow) I've had a finacial advisor here (all he said was to sell) but sent nothing back to me.

these and many more are only a portion of the calls received by a peer counselor

peer counselors are the only people capable of answering these questions after the professionals have left their qualified answers which only confused the client further because it didnot leave a remedy for the situation.

P C are trained to be able to pick out any possible notes of suicide handle mediation, suggest alternate sources, work acashflow, show asset depreciation, where to get food and medical assistance or any of anumber of things that people in a crisis are unable to handle in a timely manner by them selves.

but most important is the word " peer" people that call P C need to be able to trust someone that is on their own level of communicatio their level of creditor -debtor relations etc.

clients feel like FC are their neighbors or possible freinds which leads to immediate trust and open communications

PC give a huge amount of time to help their peers with no rewards except that possibly one will help his neighbor as a PC would

Michael C. Lester

R.R. 1 Box 199

St. Ignace, MT

55165

SEN. #6
DATE Jan. 12, 1987
HB 71 - Rep. Tom Aagy

My name is Curtis Haskins. I am a farmer from Polson, a farm advocate, and a member of the State Board of Montana People's Action.

While MPA and other ag groups have been vocal critics of the state's ag assistance program, none the less, we urge you to continue the current program.

This program may be flawed, but it is the only program in the state that is helping to bring producers and lenders together to iron out their differences. If this program were to be discontinued the courts would be the only place where farmers and lenders can go to resolve their differences.

Furthermore, it does not make sense to discontinue a program before it has had the chance to work or be fine-tuned. Yes we believe that the current program could be significantly improved. But without a program to improve we will be back to square one.

The American Banking Association currently estimates that Montana is losing 20 family farms or ranches every week. As a peer counselor and farm advocate I am currently working with 27 families seeking advice on how to keep on the farm. It is clear from my perspective, and it should be clear from yours, that the state needs to be involved in helping debt-troubled farmers and ranchers to explore all of their options and pick the one best suited to their circumstances.

We urge you to pass BH 71 so that Montana's farmers and ranchers can continue to explore all of their options in an atmosphere of conciliation.

Curtis Haskins

Counseled 15 people in the last 3 months

SECRET
DATE Jan. 12, 1987
HB 71 - Rep. Tom Alford

1. One needed a pat on the back and courage to call the bank got his operating note the next day
2. family needed advice on how to continue farming, they are now working ^{with} on the bank taking over a possible bad debt and increasing the out of cash flow.
3. several needed to find out where they were financially just a outsider looking in.
4. several calls wanting to know what forms clients should or should not sign
5. several calls, ~~the~~ ^{for} 4, counseled on Chapter 12, told to negotiate first

677 calls logged

677 (1500)



THE LAST FARMER.

When he's gone so are we. Every farm that dies takes a piece of us with it, and when a farm family is torn from the soil it strikes at all our roots.

Because the farm crisis isn't just credit and prices. It's an assault on the human spirit, and the way we respond is a measure of our humanity.

We must respond because we are so close. We can let our neighbors in anguish know that they are not alone.

The Farm Crisis Hotline is doing that. We offer the distressed farm family a listening ear and a supportive voice. We give our neighbors a place to call for help, for emotional support and practical advice.

We can't do it without your help. The Farm Crisis Hotline is supported only by contributions, and we cannot now afford to respond

to the hundreds who are reaching out to us.

Our needs are critical and immediate. Will you please help by sending a dollar or two, or as much as you can spare, to the address below?

Do it for somebody in trouble who might soon be gone. He is your neighbor. He might be you.

Please mail your donation to

Farm Crisis Hotline
Interchurch Ministries of Nebraska
P.O. Box 94954
Lincoln, NE 68509

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

EXHIBIT # 7
DATE Jan 12, 19
HB 86-Rep Tom
Asay



SCHWINDEN, GOVERNOR

1520 EAST SIXTH AVENUE

STATE OF MONTANA

REGISTRAR'S OFFICE (406) 444-6699

HELENA, MONTANA 59620

Mr. Chairman, members of the House Agriculture Committee, for the record, my name is Ray Beck. I am the administrator of the Conservation Districts Division of DNRC. Representative Asay requested that I review HB 86 and comment from our prospective.

Since it is no surprise to anyone that Montana's agricultural industry is in trouble, I do not feel that it is important to dwell on this issue. Unfortunately, I do feel that Montana is falling behind other states in trying to develop a solution and I would like to touch on this briefly.

For example:

- In the state of Washington, their 1985 legislature created the International Marketing Program for Agricultural Commodities and Trade Center (IMPACT). The center will try to boost sales of state agricultural products by attempting to remove obstructions to potential exports and to increase opportunities for products on the international market. The center's activities fall under three broad categories.
 1. Research into international marketing problems.
 2. Provide information to industry.
 3. Educational programs.
- Ohio plans to establish a \$3 million Center for Agricultural innovations at Ohio State University to help 90,000 farmers "increase profits, not just production." Under the plan, the Ohio Farm Bureau Federation will match the state's appropriation two for one.
- The Virginia Assembly voted this year to create a Farmers Market Board to study and establish markets for Virginia-grown crops and products.
- Iowa has committed up to \$30 million to make loans at lower interest rates to farmers to buy land or machinery for new crop production and new marketing methods.
- Nebraska has created a Food Processing Institute to research improved technology, provide technical assistance to new food processing industries, and to explore new markets.

- Mississippi will spend 5.5 million on a national marketing program over the next three years on catfish alone, which means to me if you are eating catfish, you are not eating beef.

In addition to expanding domestic markets and diversifying production, midwestern states are promoting foreign sales. Wisconsin created the Center for International Agribusiness Marketing to promote the export of state agricultural and agribusiness products in foreign markets. Kansas established the International meat and Livestock Program at Kansas State University to assist producers market livestock products overseas and to assist foreign purchasers. Nebraska, Iowa, and Minnesota approved legislation to create a grain compact to promote cooperation and coordination among the states in grain standards, marketing, and efforts to boost member-state grain sales. These are a few examples of what is being accomplished in other states.

Since 1950, the world's population has doubled. Population experts estimate that Earth's population increased to 5 billion this July. These experts estimate there will be 10 billion people on earth in just over 50 years. Clearly, the food to feed these people will have to be produced somewhere.

Montana could continue to supply a good share of the world's food if Montana aggressively sells its production.

Although we have traditionally looked to federal government for leadership in developing programs for agriculture, the role is declining. I feel that state leaders and state agencies must initiate ways to make agriculture more competitive.

Mr. Chairman, members of the Committee, we would like to ask for your support on HB 86.

Thank you.



AMENDMENT TO HOUSE BILL NO. 86

1. Page 3, line 12 through line 18.
Strike: section 1 in its entirety
Re-number: subsequent sections
2. Page 5, line 21.
Following: line 20
Strike: "minimize"
Insert: "eliminate"
3. Page 5, line 23.
Following: "80-11-104"
Strike: "and [section 1]"
4. Page 5, line 24.
Following: "agencies"
Insert: "of state government"
5. Page 6, line 3.
Following: "section"
Strike: "2"
Insert: "1"

AMENDMENT TO HOUSE BILL NO. 86

(Requested by Rep. Cobb)

2

1.

Page 3, line 21.

Following: "program."

Insert: "In establishing the program, the department shall devise specific, measurable goals and objectives for each aspect of the program."

VISITORS' REGISTER

Ag, Livestock & Irrig COMMITTEE

BILL NO. HB 71 & HB 86

DATE Jan. 12, 1987

SPONSOR Rep Casey

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
KEITH KELLY	DEPT OF AGRICULTURE	HB 71	
John Casey	Mont. Farmers Union	HB 71	
Leonal Mosher	Mt. cattle promoter	HB 71	
Alfred Derachant	R. owner Mt.	HB 71	
Kay Naenber	WIFE	X	
Jerry Christison	Small Business Admin	7	
Jo Brunner	Ag. Leg Work	HB 71	
Ted J. Dorcy	MT. Dairymen's Assn.		
RALPH YAEGER	MT. DEPT OF COMMERCE - Gov's Council on Economic Dev.	HB 71	
Gene Marcille	MT. DEPT. OF COMM BUS. ASST. DIV.		
JOHN ORTWEIN	MT CATHOLIC CONF	HB 71	
Miguel Waterman	MT. Assoc. of Churches	HB 71	
RAY BECK	DNRC	HB 86	
Stuart Duggert	MT. Chamber of Commerce		
Myr Nelson	DNRC	HB 71	
Ernst Hasbuis	M P A	HB 71	
Mike Leishman	M P A	HB 71	
Bob Dinkum	Mont. Grain Processors Assn.		
Bill [unclear]	MS [unclear]	HB 71	
Lorna Frank	Mont. Farm Bureau	HB-71	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

