

Special Drought Edition

MEDIATION MINUTE

NORTH DAKOTA DEPARTMENT OF AGRICULTURE

Summer 2006

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Meet the staff



Betty Nelson

When most people call the AMS 800 line, chances are Betty Nelson takes the call.

A Strasburg native, Betty earned a computer degree from the North Dakota State College of Science at Wahpeton and associate in science degree from Bismarck State College. She started working for the state with a temporary job with the North Dakota Department of Human Services. She then took a fulltime position with the State Health Department. She joined the Department of Agriculture in 1994, working in the pesticide division. In 1997, she transferred to the Agricultural Mediation

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Administrator's corner

This issue contains news and information concerning the drought that most of our farm and ranch operators are dealing with this year. It was difficult to include information on all the services we know about. If you have questions please call us at 1-800-642-4752.

Communicating with your lender during "tough times"

Talking to your lender about a loan or loans that cannot be paid for any reason is very difficult for most borrowers. This year many North Dakota farmers and ranchers will have that experience, some for the first time.

In order to make that meeting with your loan officer more productive, come prepared to talk about your situation. Take the time to prepare quality financial information and understand what it means. If you need help, a member of our mediation field staff can be assigned to assist you. Private financial counselors are available, as well.

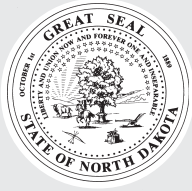
Once you have current information, you may want to prepare a restructure proposal for the lender. He may not agree with your approach, and he may reject your plan, but it may be a good starting point in finding a solution.

Given the extreme drought conditions we are seeing in North Dakota this year, it is likely that some producers will not be able to continue. Even though your lender may want to help, it is not always possible. From personal experience, I realize how traumatic the thought of leaving the farm can be. Should you find yourself in this situation, please don't be afraid to ask for help. The emotional stress can be overwhelming for you and your family.

Tough choices will need to be made in the coming weeks and months for many of our farmers and ranchers. I feel our agricultural lenders will do what they can to help. I know a number of them have written letters to their borrowers giving advice and encouragement. Make an effort to communicate honestly with them, and I think you will find an ally.



Tom Silbernagel



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This newsletter is provided free-of-charge to NDAMS clients, agricultural credit providers, federal agricultural agencies and other interested persons. Please address all correspondence to:

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600 E. Boulevard Ave.
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Bismarck, ND 58505-0020
(701) 328-4158
(800) 642-4752
FAX: (701) 328-4567
www.agdepartment.com

Editor

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Human Services offers help in personal crises

The impact of the drought currently affecting much of North Dakota goes far beyond the loss of income – there are human costs, as well. Depression and other mental problems, drug and alcohol abuse, spousal and other domestic difficulties, even suicide, can result from the stress endured by producers and their families.

The North Dakota Department of Human Services (DHS) provides a variety of community-based services to help individuals and families deal with these problems. These services are available either directly at its regional human service centers or through contracts with other service providers.

The centers are located in Bismarck, Devils Lake, Dickinson, Fargo, Grand Forks, Jamestown, Minot and Williston.

Among the services offered by DHS are:

- Crisis and outreach services
- Developmental disability case management and related services such as day supports, residential supports, and extended supports such as job coaches
- Mental health treatment services, care coordination, medication management, and residential and crisis services
- State Hospital admission screening and referral
- Substance abuse treatment services including care coordination, case aide, evaluations, treatment, and residential services
- Vocational rehabilitation and vision services
- Vulnerable adult protective services.



Center employees also provide direction and oversight of programs such as child protection and foster care that are offered through county social service offices and other providers.

For more information, contact:

North Dakota Department of Human Services
600 E. Boulevard Ave., Dept. 325
Bismarck, ND 58505-0250
Phone: (701) 328-2310
Toll-free: (800) 472-2622
TTY: (701) 328-3480
Fax: (701) 328-2359
dhseo@nd.gov
<http://www.nd.gov/humanservices/>

Betty Nelson . . .

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Service where she handles administrative duties.

Betty and her husband Gene have one daughter, Sierra, who will be starting 4th grade this year. They live northwest of Bismarck with their cat Noodle.

If you have any questions regarding AMS services, Betty will help you out!

Cost-share available for water projects

Ducks Unlimited

Ducks Unlimited (DU) has a new, cost-share program to help North Dakota ranchers in portions of six drought-stricken counties develop water projects.

Under the Grassland Partnership Program, DU will provide 50 percent of the cost – up to \$3,500 per individual – for new wells and other projects that benefit free-ranging livestock. DU's program may complement state assistance by helping the landowner with cost-share for eligible projects.



Landowners will be reimbursed by DU after the project is completed. Qualifying pasture must be within a priority duck nesting area in McIntosh, Logan, Kidder, Wells, Sheridan, or eastern McLean counties. A map of this area, applications and program information, are available online at www.ducks.org/GPP.

Landowners can obtain more details on the program by contacting Paul Bultsma at:

Ducks Unlimited
2525 River Road
Bismarck, ND 58503
(701) 355-3528
pbultsma@ducks.org

State Water Commission

The State Water Commission's Drought Disaster Livestock Water Supply Project Assistance Program provides cost-share assistance to livestock producers in the drought disaster counties, specified in the governor's most recent proclamation, or adjacent eligible counties.

Eligible projects include construction of new wells; construction of dugouts or stock dams that are spring-fed or have a high water table; development of springs, pipelines, and extensions from rural water system connections; pumps; generators; electrical/solar hookups; and rental equipment for work completed by the producer.

Cost-share assistance may only be used for water supply projects that will provide a long-term and immediate solution to a drought-related water supply shortage.

Applicants must have been denied Farm Service Agency cost-share assistance.

The commission will fund the program to the extent that money is available. Priority for funding will be based on earliest date of application.

Any well drilling funded by this program must be done by a North Dakota-certified water well contractor.

The applicant may receive up to 50 percent, but no more than \$3,500, of eligible project costs. Each producer is eligible for cost-share on up to three projects.

Funding is not available for a water supply project started without prior approval of the state engineer, rehabilitation of an existing well, a project on federal or state land, construction of stock dams or dugouts dependent upon runoff, and projects that require repair or replacement as a result of failure to provide maintenance.

Applicants must submit a cost-share assistance application, a map and/or aerial photo of the project area, a letter from FSA denying assistance, and a project cost estimate.

Application forms and additional information are available on the commission's website at www.swc.state.nd.us. Information is also available by writing or calling:

North Dakota State Water Commission
ATTN: Livestock Water Assistance Program
900 East Boulevard Ave., Dept. 770
Bismarck, ND 58505-0850
Phone: (701) 328-4989
FAX: (701) 328-3747

State Land Department

The State Land Department has a cost-share program to develop livestock water facilities on state lands.

Up to 50 percent of the development cost is eligible for a rent credit to a maximum of \$1,600/dugout, \$1,740/dam and \$3,000/well (well hole and casing only).

For more information, contact Mike Humann at:

North Dakota State Land Department
1707 N. Ninth St.
P.O. Box 5523
Bismarck, ND 58506-5523
(701) 328-2800
mhumann@nd.gov

Johnson okays haying on State Waterbank acres

Agriculture Commissioner Roger Johnson has opened State Waterbank acres for haying and grazing with no reduction in the annual waterbank payment or repayment of advance payments.

Johnson announced the opening on July 19, after receiving approval from State Game and Fish Director Terry Steinwand, as required by law.

All Waterbank contract holders have been notified. Presently the State Waterbank Program administers 82 leases, involving 7,755 acres.

BND offers low-cost loans

The Bank of North Dakota (BND) has a disaster relief loan program for farmers and ranchers impacted by recent extreme drought.

Applicants must have a farming or ranching operation in North Dakota and provide evidence of a financial loss caused by the 2006 dry conditions. To begin the loan process, applicants should inquire about the low interest loan programs through their local financial institution.

The disaster loan program will provide borrowers with financing over five years at a fixed interest rate of 7 percent over five years to refinance term debt or amortize operating carryover.

BND will participate up to a maximum of 75 percent of the loan with a maximum participation amount of \$500,000.

Loan terms are up to a 10-year amortization with a 5-year balloon on chattels and up to a 25-year amortization with 5-year balloon on real estate.

Collateral requirements are a maximum loan-to-value ratio of 75 percent on chattels and a maximum loan-to-value ratio of 75 percent on real estate.

For more information, contact the Bank of North Dakota, toll-free at (800) 472-2166 or locally at (701) 328-5600; TDD: (800) 643-39165632; e-mail: bnd@nd.gov. Information is also available at www.banknd.nd.gov.

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