



(Continued from page 9)

opportunities for more informed clientele, a wider range of approved products, wholesaling, interstate sales, and international sales.

A Cottage Food registration is another opportunity for producers who want to sell non-potentially-hazardous products from a home kitchen. Like SB 199, Cottage Food Operations (CFO) are not inspected unless a complaint or illness investigation occurs. Cottage Food registration is a good start for producers who plan to eventually grow into a larger business of wholesaling, online sales, or producing potentially hazardous foods. It can create a better understanding of food labeling compliance, requirements, and regulations while benefitting local communities by providing residents with access to safe, locally-produced foods.

Though local authorities are allowed to investigate if an outbreak occurs, it's important that food operators are informed that under SB 199, all responsibility lies with them to create safe products.

Mercedes Overlie, RS, is a Public Health Sanitarian with the Food and Consumer Safety Section with the Montana Department of Health and Human Services.

Public Health Sanitarian
Food and Consumer Safety Section
1400 E Broadway Street
Helena, MT 59620



George Haynes and Joel Schumacher track historic hay prices and availability during drought.

The drought has created a challenging situation for livestock producers needing additional hay and pasture. As of August 8, 2021, 87% of pasture and range was rated as very poor or poor (0% was rated good or excellent). Alfalfa and other hay production is forecast to be down 38% from 2020. If this continues, this will be the lowest average alfalfa hay yield (1.2 tons/acre) since 1935 and the lowest average other hay (including alfalfa and other hay) yield since 1988 (National Agricultural Statistics Service, NASS). This summary discusses hay prices, where to buy hay, cautions in buying hay, and financial help available during the drought.

HAY PRICES

All hay (including alfalfa and other hay) prices varied between less than \$100 per ton to over \$165 per ton from 1995 to 2020. Since June of 2021, prices have risen to \$200 or more per ton (Figure 1). The inflation-adjusted average of all hay prices

has been around \$130 to \$140 per ton from 1995 through 2020. Current hay prices are nearly 50% higher than average hay prices from 1995 through 2020.

Current hay prices are reported in Montana every week by the USDA in the Montana Direct Hay Report (https://www.ams.usda.gov/mnreports/ams_2769.pdf). Recent reporting has only included alfalfa hay prices. Since mid-April, premium alfalfa hay prices for small square bales have increased from \$225 to \$400 per ton and large square bales have increased from \$170 to over \$300 per ton.

WHERE TO BUY HAY

Hay is available in Montana and beyond, but it's expensive and requires substantial transportation cost. The first place to look is the Montana Department of Agriculture's Hay Hotline (<https://agr.mt.gov/Hay-Hotline>). The Hay Hotline brings together hay sellers and buyers from throughout the U.S. As of August 12, 2021,

there were nine sellers (five from Montana) and 15 buyers (all from Montana) listed.

Another source for finding hay is the Hay Internet Exchange (<http://hayexchange.com/mt.php>). As of August 12, 2021, there were 20 hay and straw sellers on the Internet Hay Exchange. These hay producers were selling alfalfa, Bermuda grass, mixed grass, orchard, wheat hay, and straw. All but one of the current listings in July and August 2021 were for out-of-state sellers, primarily from Nebraska and Kentucky. The lone Montana seller was from Liberty County.

And finally, another excellent source for finding hay is Facebook. A recent search of Facebook for “Montana hay for sale” yielded information from numerous sellers in Alberta, Canada, Nebraska and other U.S. states.

CAUTIONS

Caution is warranted in buying hay to fully understand what you’re buying. If possible, the most important consideration is testing the quality of hay to determine the total digestible nutrients (TDN), crude protein (CP), and nitrates. In addition, it’s important to know the terms of the sale.

- Where is the point of sale (field, barn, stack or other)?
- How will the hay be transported (by the buyer or seller)?
- What are the transportation and loading/unloading costs?
- When will hay be delivered?
- How long will the negotiated price be honored?
- How will the hay be purchased (cash or credit)?

If possible, it’s best to pay for hay after it’s been delivered to satisfaction and if the seller offers favorable credit terms, take advantage of them. It is also a good idea to get the agreement and arrangements in writing because miscommunication can lead to substantial problems.

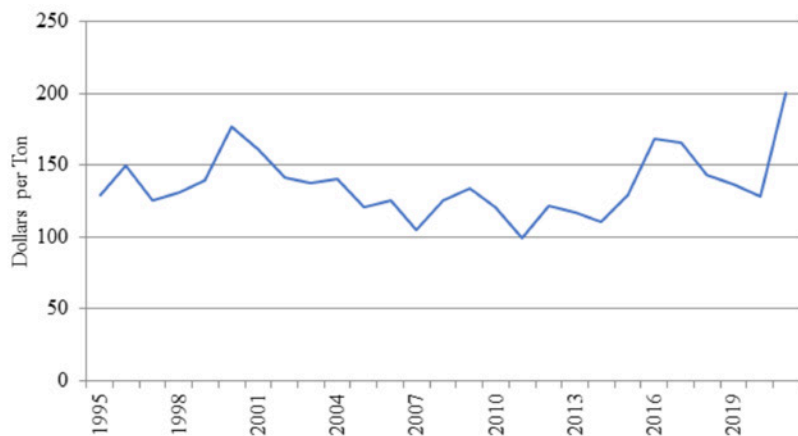


Figure 1. Hay prices 1995 through July 2021, adjusted for inflation.

Source: NASS and estimate for 2021 market price

FINANCIAL HELP

Most importantly, don’t give up. There is financial help from the Farm Service Agency for purchasing hay and pasture. The Farm Service Agency (FSA) administers the Emergency Loan Program (ELP) and Disaster Set-Aside Program (DSAP). The ELP provides loans to help producers recover from production and physical losses due to drought and other natural disasters. The DSAP allows producers who have existing direct loans with FSA who are unable to make the scheduled payments to move up to one full year’s payment to the end of the loan.

And finally, emergency haying and grazing on lands set aside for the Conservation Reserve Program may be approved. Even though your county may be eligible for emergency haying and grazing, be sure to check with the local FSA Office to determine when emergency haying and grazing are available.

A tool is available from the FSA to determine if you’re eligible for disaster assistance at the following site: <https://www.farmers.gov/recover/disaster-tool>. For

additional information on all programs available, see the brochure available at: https://www.farmers.gov/sites/default/files/2020-04/FSA_DisasterAssistance_at_a_glance_brochure_.pdf

George Haynes is a professor of Agricultural Economics & Economics and the MSU Extension Agricultural Policy Specialist. Joel Schumacher is the Agricultural Economics & Economics Associate Specialist.