



September 2010

## *Hollister Service Center News*

### **September 30 Deadline for SURE Applications**

The deadline to submit USDA Farm Service Agency 2008 Supplemental Revenue Assistance (SURE) program payment applications is close of business on September 30, 2010. Applications not filed by September 30, 2010, will not receive a payment.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments.

To be eligible for SURE, producers must have suffered at least a 10 percent production loss on a crop of economic significance. In addition, producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage.

For more information about the SURE program please contact the office at (831) 637-4360 ext.2.

### **ELAP Assistance Available**

Aid from the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) is available to those producers who suffered losses in 2010 because of disease, adverse weather or other conditions.

For 2010 and subsequent year losses, sign-up will end no later than 30 calendar days after the end of the calendar year in which the loss occurred. See program details for other Notice of Loss deadlines. Under ELAP, producers will be compensated for losses that are not covered under other Supplemental Agricultural Disaster Assistance Payment programs established by the Food, Conservation, and Energy Act of 2008.

### **Assistance for Asparagus and Catfish Producers – Sept. 23 Deadline**

Asparagus and catfish producers and those who shared in the risk of production for those agricultural products in 2009 may now be eligible for assistance under the Trade Adjustment Assistance (TAA) program. The deadline for application is September 23, 2010. As authorized under the 2008 Farm Bill, the TAA Program offers free technical training and compensation for producers of those crops now affected by foreign competition. TAA provides up to \$4,000 for development of an initial business plan and \$8,000 for development of a long-term business adjustment plan. Producers must provide proof of production in 2009 and one year prior and are subject to AGI eligibility limits.

Contact us at (831) 637-4360 ext. 2 or visit [www.fsa.usda.gov](http://www.fsa.usda.gov) for more information.

**USDA**  
**Farm Service Agency**  
**San Benito/Santa Clara**  
**2337 Technology Pkwy.,**  
**Suite A**  
**Hollister, CA 95023**  
**831.637.4360 x2 (phone)**  
**831.636.7643 (fax)**

**Websites:**  
FSA: [www.fsa.usda.gov](http://www.fsa.usda.gov)  
USDA: [www.usda.gov](http://www.usda.gov)

**Hours**  
Monday - Friday  
8:00 a.m. - 4:30 p.m.

**County Committee**  
Vacant, LAA1  
Nenette Corotto, LAA2  
Ralph Santos, Jr., LAA3  
Joseph Gonzales, Advisor

**County Executive Director**  
Jeannine Leyva

**Office Staff**  
Rebekah Reische, PT

**County Committee meets:**  
3<sup>rd</sup> Thursday of the month

**NRCS** is co-located in the  
Hollister Service Center, in  
Suite C. Dial extension 3 to  
reach NRCS staff.

**Farm Loan Staff**  
are headquartered in the  
Salinas Service Center  
831 424-7377 (phone)



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## Farm Storage Facility Loan Program

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about FSFL please contact the office at (831)637-4360 ext. 2 or [www.fsa.usda.gov](http://www.fsa.usda.gov).

## NAP Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop. NAP provides coverage equivalent to catastrophic (CAT) insurance. Statutes limit NAP coverage to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

Application deadlines for 2011 NAP coverage for a variety of crops are coming up in the next few months. Contact us at (831) 637-4360 ext. 2 for specific deadlines.

Producers who already have coverage on 2010 NAP crops may choose to continue coverage on the same crop or crops for 2011, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee.

Producers with NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail and other natural causes.

For more information and specific NAP crop deadlines, contact the office at (831) 637-4360 ext 2.

## Rural Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural

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groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000. Loan requirements are:

- US citizenship or legal resident alien status
- 10 to 20 years of age
- Compliance with FSA general eligibility requirements
- Reside in a rural area, city or town (population 50,000 or less)
- Inability to obtain a loan from other sources
- Ability to conduct a modest income-producing project in a supervised program of work.
- Demonstrate a capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help answer questions about eligibility for projects you may propose and about general program requirements.

## **FSA Farm Loans**

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also

available through FSA.

For more information on loan eligibility or the different loan programs available, please contact (831) 424-7377 ext. 110 and speak with Enoy Guevara.

## **Conservation Loan Program**

The Farm Service Agency makes and guarantees conservation loans to promote conservation on farms and ranches to conserve our natural resources.

Many farmers and ranchers who need and want to implement conservation measures on their land do not have the “up front” funds available to implement these practices.

The goal of FSA’s Conservation Loan (CL) program is to provide farmers access to credit to implement these practices.

CL funds can be used to implement a conservation practice approved by the Natural Resources Conservation Service (NRCS), such as to reducing soil erosion, improving water quality and promoting sustainable and organic agricultural practices. This would include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; manure management, including manure digestion systems; adaptation of other emerging or existing conservation practices, techniques or technologies.

Interested applicants who do not already have NRCS approved conservation plans should work with the NRCS staff to develop a conservation plan, including all applicable conservation practices. New or existing conservation plans must be NRCS approved before FSA can provide financing.

Those interested may apply for direct CLs with loan limits up to \$300,000. In addition, guaranteed CLs up to \$1,112,000 may be available by applying with lenders working with FSA to obtain a guarantee.

For more information on loan eligibility, please contact (831) 424-7377 ext. 110 and speak with Enoy Guevara.

## Succession in Interest

If you have made any changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these *successions-in-interest* to the county committee by **Sept. 30**, so that a final determination can be made on who is eligible for the program on the farm.

Changes that qualify as a succession-in-interest include:

- A sale of land
- A change of operator or producer, including an increase or decrease in the number of partners
- A foreclosure, bankruptcy or involuntary loss of the farm.
- A change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the “predecessor,” are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the “successor.”

Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

Selected Interest Rates for September 2010	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.375%
Farm Ownership - Direct	4.375%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency – Actual Loss	3.750%

Dates to Remember	
Sept. 23	TAA Asparagus / Catfish Program Deadline
Sept 30	Succession in Interest Report to County Committee
Sept 30	SURE Application Deadline
various	NAP Deadlines – See your nearest FSA office

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Stop 9410 Washington, DC 20250-9410 or call toll-free at (866) 632-9992 (English) or (800) 977-8339 (TDD) or (866) 377-8642 (English Federal-relay ) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.”