UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

Notice FSFL-130

For: State and County Offices

FSFL Requirements for Maple Sap Bulk Tank Storage and Handling

Approved by: Acting Deputy Administrator, Farm Programs

1 Overview

A Background

State and County Offices have received several inquiries from producers about maple sap eligibility for FSFL. The Food, Conservation, and Energy Act of 2008 gave the Secretary the discretionary authority to add other commodities for FSFL eligibility. Using this authority, the Secretary added maple sap as an eligible commodity for FSFL on August 17, 2015.

All FSFL eligible borrower requirements apply to maple sap producers. See Notice:

- FSFL-121 for the complete list of new eligible FSFL commodities
- FSFL-125 for general eligibility requirements
- FSFL-126 for CCC-185, CCC-185-1, and CCC-185-D.

Policies and procedures included in this notice are effective immediately.

B Purpose

This notice provides:

- policies and procedures for maple sap
- authorization to State and County Offices to accept CCC-185's (dated 1-11-16)
- eligible components, equipment and structures.

C Contact

State specialists with questions about this notice shall contact Toni Williams by either of the following:

- e-mail at **toni.williams@wdc.usda.gov**
- telephone at 202-720-2270.

Disposal Date	**Distribution**
September 1, 2016	State Offices; State Offices relay to County Offices

2 Storage Need Requirements for Maple Sap

A Determining the Maple Sap Bulk Tank Storage Need

For a producer to be considered eligible for a maple sap FSFL, COC **must** determine the producer owns or has leased the sugar bush with readily identifiable boundaries for at least 30-calendar days.

Applicants **must** show a maple sap bulk tank storage need for the maple sap capacity as determined by the following formula and information in this paragraph.

The quality of maple sap can only be maintained for a limited period of time. Maple sap bulk tank facilities can extend this period of time, but in **no** case will a maple sap bulk tank facility maintain the quality of maple sap for longer than 30 calendar days.

The maple sap bulk tank storage need will be determined as based on production for 1 season divided by the average number of weeks of sap production.

A useful web site to assist counties with determining maple sap bulk storage need can be found at **http://www.uvm.edu/~pmrc/jones.pdf**.

To account for production expansion, and on a case-by-case basis, STC or COC may authorize no more than a 50 percent increase in the maple sap bulk tank facility. The producer must submit a written request and the increase must be documented in the STC or COC minutes.

Example: The maple sap starts running on February 16 and ends on March 30 which equals 42 days divided by 7 days = 6 weeks of maple sap production. The producer has 10,000 taps that will produce, on average 10.75 gallons of maple sap through the season.

10,000 x 10.75 = 107,500 gallons of maple sap divided by 6 weeks producing an average of 17,918 gallons of maple sap per week in storage x 1.5 percent = maximum eligible storage tank for loan would have a capacity no greater than 26,877 gallons.

2 Storage Need Requirements for Maple Sap (Continued)

A Determining the Maple Sap Bulk Tank Storage Need (Continued)

County Offices may determine the need for maple sap bulk tank storage by using either of the following:

- producer's share of up to the 3 most recent FSA-578's
- verifiable information to determine a 3-year average that may include, but is **not** limited to:
  - actual yields
  - actual production records
  - records of sales, volume sold, or other business records that can be extrapolated to demonstrate maple sap bulk tank need
  - production shares as part of a community-supported agriculture business.

A COC-determined reasonable 1-year acreage and yield projection may be used instead of an average for any the following:

- newly acquired farms
- eligible commodity being produced for the first time
- cases where disasters adversely affect the average production.

Notes: In most instances, using the producer's actual yield and production records provides for maple sap delivers better information for calculating the producer's maple sap bulk tank need.

STC's have authority to be more restrictive when determining the maple sap bulk tank need.

For questionable situations, State Offices shall contact Toni Williams by e-mail at **toni.williams@wdc.usda.gov**.

B Determining the Capacity of the Maple Sap Structure

The capacity of the proposed structure can be obtained from the manufacturer of the bulk tank facility for maple sap. The applicant shall provide this information to the County Office.

3 Types of Structures and Equipment Eligible for Maple Sap Bulk Tank Storage

A Eligible Structures

FSFL-financed structures for maple sap must be used for the purpose for which constructed, assembled, or installed for the entire FSFL term.

Maple sap bulk tanks, with a useful life of at least 15 years, are eligible for FSFL's and include the new walk-in prefabricated, permanently installed bulk tank coolers that are suitable for storing the producer's maple sap production.

FSFL eligible bulk tank storage structures for maple sap must be built:

- of such quality that the structure can be insured
- to protect the maple sap from contaminants
- to support local climate conditions for the area.

Maple sap bulk tank facilities must be built and installed according to acceptable design guidelines from the manufacturer, NIFA, or land-grant universities.

B Eligible Components

Eligible permanently affixed equipment necessary for a maple sap FSFL may include the following:

- electric pumps
- lines to evaporator.

Notes: The area of a structure required to house eligible handling equipment is eligible, in addition to the bulk tank space.

All eligible components financed with FSFL funds must be insured.

If there are components and/or equipment not listed, contact Toni Williams, according to subparagraph 1 C for further guidance.