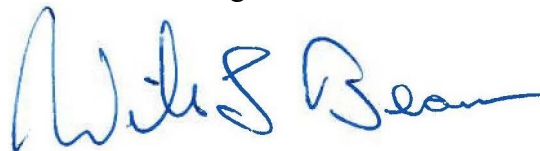


UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency  
Washington, DC 20250

<b>Farm Storage Facility Loan Program 1-FSFL (Revision 3)</b>	<b>Amendment 4</b>
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Approved by: Deputy Administrator, Farm Programs



**Amendment Transmittal**

**A Reasons for Amendment**

Subparagraph 34 A has been amended to remove hemp and/or industrial hemp as an ineligible FSFL commodity.

Subparagraph 42 A has been amended to remove the requirement for storage and handling trucks to be less than 15 years old.

Subparagraph 302 B has been amended to provide a note that recoverable fees can only be processed using the “pay now” or “pay later” options and that the user is not authorized to select “credit card” for FSFL recoverable fees.

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
	2-11, 2-12 2-33, 2-34 15-1, 15-2	



**33 Eligible FSFL Commodities (Continued)****L Hops**

For hops to be considered eligible for the FSFL program, the producer must own or lease property with readily identifiable boundaries. COC **must** determine this requirement is met.

**M Maple Sap**

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

**Note:** Maple syrup storage and handling is eligible for FSFL financing.

**34 Ineligible FSFL Commodities****A List of Ineligible FSFL Commodities**

The following are ineligible FSFL commodities:

- a commodity without a food value or energy value
- cider
- corn gluten
- firewood
- \*\*\*
- illegal substances
- juices processed from an eligible commodity
- manure
- marijuana (ineligible for Federal assistance)
- old growth timber
- processed commodities, unless identified in subparagraphs 33 H, 33 I, or 33 J, which includes but is not limited to; baking, canning and jarring
- waste from domestic/residential/municipal sources
- waste from food source operations or food processing plants
- wine.

## 35 Eligible Applicants

### A Basic Requirements

[7 CFR 1436.5] Eligible applicant means any person, as defined in Exhibit 2, who, as a landowner, landlord, operator, producer, leaseholder, tenant, or sharecropper, meets **all** of the following eligibility requirements:

- demonstrates compliance with NEPA according to 40 CFR Parts 1500 through 1508, \*--7 CFR Part 799, and 1-EQ and 2-EQ--\*
- is in compliance with USDA provisions for HEL and WC according to 7 CFR Part 12
- has no delinquent Federal nontax debt as defined by DCIA of 1996 **unless** the delinquent debt is resolved before FSFL is disbursed
- has **not** been convicted under Federal or State law for a disqualifying controlled substance violation according to 1-CM, Part 30 or a crop insurance violation under 7 Part 718
- is a producer of FSFL commodities as provided in paragraph 33

**Notes:** County Offices **must** review FSA-578's, including late-filed, to ensure that the producer produces eligible FSFL commodities.

Purchased commodities are **not** authorized for FSFL benefits.

- has a satisfactory credit history as determined by CCC
- demonstrates the ability to pay the downpayment and repay the debt resulting from FSFL
- demonstrates a need for increased storage capacity, **unless** the producer is submitting CCC-185 only for eligible handling and drying equipment, storage and handling trucks, or renovating an approved storage structure
- provides proof of multi-peril crop insurance offered under the Federal Crop Insurance Program, NAP, or dairy insurance, on all eligible FSFL commodities

## 42 Eligible and Ineligible Storage and Handling Trucks

### A Eligible Storage and Handling Trucks

FSFL-financed storage and handling trucks **new or used** must be used for the purpose for which they were acquired for the entire FSFL term.

A storage capacity calculator worksheet is **not** required for eligible storage and handling truck FSFL requests.

Eligible storage and handling trucks, **new or used**, include the following, for FSFL purposes:

- cold storage trucks; a van or truck designed to carry perishable freight at specific temperatures. Cold storage trucks differ from simple insulated and ventilated vans which are commonly used for transporting fruit. Cold storage trucks can be ice-cooled or equipped with any variety of mechanical refrigeration systems.
- flatbed trucks; truck that has an open body in the form of a platform with no side walls for easy loading and unloading. These trucks can be categorized into different sizes which range from light, medium, or heavy duty, compact or full-size, or short and expandable beds.
- grain trucks; a piece of farm equipment \* \* \* made to accommodate grain products and are traditionally truck chassis units with a mounted grain “dump” body where grain \*--commodities are transported from a field to either a point of sale or a storage bin.

**Note:** Similar trucks are eligible to transport other eligible FSFL commodities, such as but not limited to, onions and potatoes.--\*

- storage trucks with a chassis unit; commonly referred to as a box truck, box van or straight truck, is a truck with a cargo body mounted on the same chassis with the engine and cab.
- \*--semi-trucks or truck tractors, any vehicle configuration consisting of a power-unit designed in combination to draw or pull a semi-trailer or farm machinery.

**Notes:** All laws and regulations on the use of agriculture vehicles must be followed; including but not limited to, any weight restrictions imposed by State or local authorities.

There is no limit on the number of storage and handling truck FSFL requests a producer may submit; however, COC or STC must review the business operation to ensure the storage and handling trucks are not being purchased for a commercial operation and/or purposes, according to the definition in Exhibit 2.--\*

## 42 Eligible and Ineligible Storage and Handling Trucks (Continued)

## A Eligible Storage and Handling Trucks (Continued)

Storage and handling truck FSFL's must:

- be \$100,000 or less
  - have a maximum of four axles with a gross weight rating of 60,000 pounds or less.
- \* \* \*

**Notes:** The trailer is not to be included in the axle or weight limits and is considered handling equipment.

There is no limit on the number of storage and handling truck FSFL requests a producer may submit; however, COC or STC must review the business operation to ensure the storage and handling trucks are being purchased for use in the commercial farming operation.

**Example:** A producer submits a \$75,000 FSFL request for a new grain truck with a new trailer. The cost of the new grain truck is \$52,000 and the cost of the new trailer is \$23,000. Because the grain truck is less than \$100,000, and the GWR is less than 60,000 pounds, the FSFL is acceptable. There are no axle or weight limits for the trailer.

The National Office will review on a case by case basis:

- the need for an operation's FSFL request to exceed these limits when purchasing a storage and handling truck
- an FSFL request for a storage and handling truck older than 15 years old.

A FSA-850 must be completed for a storage and handling truck; however, a site visit is not required. See Exhibit 10 for an example of FSA-850 for a storage and handling truck FSFL request.

The new or used storage and handling truck must not have been purchased before the FSFL request (CCC-185) was submitted in the County Office, FSA-850 completed and CCC-185D approval provided.

State Offices **must** contact the National Office when there are questions about eligible and ineligible storage and handling trucks.

Part 15 Fees

301 Program-Related Codes

A Collecting Application Fees

An FSFL application fee of \$100 per FSFL applicant **must** be collected according to paragraph 58. Record the application fee as soon as it is collected in DLS. See 2-FSFL for correctly recording the FSFL application fee.

In addition to the FSFL application fee, the applicant is responsible for paying for certain filing fees associated with their FSFL as identified in subparagraph 58 C.

The application fee for FSFL assumption **must** be collected when the assumption is requested, according to paragraph 234.

**302 Issuing Payments for Lien Searches and Recording Fees**

**A Fees Responsibilities**

CCC is responsible for **paying** fees for:

- credit reports (paid by PSD)
- lien searches on collateral
- recording fees for financing statements on collateral.

**Note:** A contract for obtaining all FSFL credit reports has been secured. The National Office is responsible for paying all costs associated with FSFL credit reports.

The applicant shall pay all other fees according to subparagraph 58 C.

State and County Offices must use DLS for paying all fees for FSFL lien searches and financing statements.

**B Paying Fees**

County Offices must submit payment requests for FSFL lien search and recording fees according to current 2-FSFL procedures.

**\*--Note:** Recoverable fees can only be processed using the “pay now” or “pay later” options. Therefore, the user is not authorized to select “credit card” for FSFL recoverable fees.--\*