



**U.S. Department of  
Agriculture**

**Hunterdon Somerset  
County FSA**

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**Hours**

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

**IN THIS ISSUE:**

- NAP Coverage
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Loans
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**IMPORTANT DATES:**

- 11/6—ballots to be  
mailed to eligible voters  
in LAA 3 and LAA 4
- 11/20—NAP sales  
closing date
- 12/7—final date to  
return your ballot for  
County Committee  
elections
- 12/31—NAP sales  
closing
- Continuous—SAFE,  
CREP, and Continuous  
CRP signup

The Hunterdon  
Somerset County  
Committee meets the  
third (3<sup>rd</sup>) Thursday of  
the month at 8:30 AM.

The official newspapers  
are the Hunterdon  
Democrat and the  
Courier.



**Farm Service Agency**

**October 23, 2009**

# FSA NEWSLETTER

## 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 by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agriculture commodity, except livestock, for which CAT is not available.

The application deadline for 2010 NAP coverage is **November 20, 2009** for Blueberries, Cane Berries, cherries, grapes, honey, onions, pears, plums, scallions, and shallots; **December 31, 2009** for turnips, rhubarb, radishes, potatoes, peas, parsnips, kohlrabi, horseradish, leeks, lettuce, greens, herbs, asparagus, beets, broccoli, carrots, and cauliflower; **March 15, 2010** for beans, cabbage, cantaloupe, cauliflower, cucumbers, eggplant, honeydew, okra, oats, peppers, sorghum (for Somerset County), squash, sunflowers, sweet potatoes, tomatillos, tomatoes, watermelons, and yams. Producers who had coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, 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 the previous year's coverage or will change 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: 1) Timely file acreage reports; 2) keep track of harvested production using applicable methods. For example, bale weights or other means of determining quantities of hay are required; 3) file a "Notice of Loss" within fifteen (15) calendar days of when a loss is apparent, due to drought, hail, etc.

For more information on NAP coverage please contact the FSA office.

## USDA PAYMENT CHANGES

Changes in Federal law will delay by one day how quickly USDA farm program payments reach producers. All direct deposit payments will be transmitted first from Kansas City to the US Treasury Department to comply with the Debt Collection Improvement Act of 1996. This allows federal payments to be compared to any delinquent federal debt the recipient may owe. Treasury will notify the recipient of any money deducted for debts due other agencies. FSA will not receive notification of these deductions. If there are any questions about a deduction, the recipient can contact the Treasury Offset Program (TOP) at (800) 304-3107.

Another change is the description of the direct deposit source on your bank statement. The bank statement will read "FSA TREAS310" for all payments disbursed by the Treasury Department.

If you have questions about the Direct and Counter Cyclical Program (DCP) or Conservation Reserve Program (CRP) payments recently disbursed, please contact the office for clarification.

## **FARM STORAGE FACILITY LOAN PROGRAM CHANGES**

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 fifteen (15) percent, with Commodity Credit Corporation (CCC) providing a loan for the remaining eighty five (85) percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of seven (7), ten (10), or twelve (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 and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be fifty (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, soybeans, oats, 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 chick peas and dry peas); hay; renewable biomass; fruits including nuts and vegetables—cold storage facilities.

For more information about FSFL, please contact the office or [www.fsa.usda.gov](http://www.fsa.usda.gov).



## **MARKETING ASSISTANCE LOANS**

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or Commodity Credit Corporation (CCC) takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan—even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland provision requirements; beneficial interest requirements; acreage reporting; and ensuring the commodity meets CCC minimum grade and quality standards. For commodities to be eligible, they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed, or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter Cyclical Program (DCP) and/ or Average Crop Revenue Election (ACRE) Program to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages or calling the loan and denial of future farm stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

## **FSA EMERGENCY LOANS**

FSA Emergency Loans are now available for losses caused by severe storms, with high winds, heavy rainfall, hail, and associated plant diseases that occurred from April 15, 2009, and continuing. Hunterdon and Somerset counties are included in the eligible area.

Please call Ginny Brophy in the Hackettstown FSA office at (908) 852-2576, ext. 110 for more information. Applications will be accepted thru **May, 25, 2010.**



## FSA FARM LOANS

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 may 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 \$1,094,000. 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.

For detailed information about loan eligibility or the different available loan programs, please contact Virginia Brophy at (908) 852-2576 ext 110.

## FARM RECORD CHANGES

Are you acquiring new parcels for the 2010 crop year or have the owners changed on your current parcels? **Verification proving you are the operator for 2010 may be needed for newly acquired parcels.** Documentation may include a written lease, rental agreement, or other document signed by the owner which identifies whether or not the owner shares in the risk of producing the crop and is entitled to share in the crop available for marketing from the farm or would share if the crop is produced; producer's name; owner's name and address; crop year; and farm and tract. **Reminder: Proof of ownership shall be provided when owners have changed.** Documentation may include a copy of the deed; unrecorded deed; land contract; real estate tax statement; or township, block and lot identification. If you are no longer farming a parcel, a reconstitution may need to be completed. Please notify the county office to update your records today.

## BIOMASS CROP ASSISTANCE PROGRAM

FSA is currently accepting applications from biomass facilities interested in participating in the Biomass Crop Assistance Program (BCAP).

Once an agreement is signed between FSA and a facility and funding through the program is provided, the facilities can begin accepting materials. Producers who sell these materials can apply for matching payments under the collection, harvest, storage, and transportation (CHST) component of BCAP.

The matching CHST payments are paid at a rate of \$1 for \$1 per dry ton equivalent received from a qualified biomass conversion facility, not to exceed \$45 per dry ton equivalent. A biomass owner is eligible to receive payments for two (2) years. The purpose of the matching payments is to assist biomass producers with the CHST cost of delivering biomass to a qualified biomass conversion facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments.

Eligible material owners or producers, who market eligible material to a qualified biomass conversion facility, may apply for the matching CHST payment at the FSA office. An application must be submitted before the eligible material is sold and delivered to a qualified biomass conversion facility. After the eligible material is delivered, a producer must provide FSA with documentation of quantity, quality, and payment rate. FSA will validate payment requests with information in the office and information provided under the terms of Memorandums of Understanding (MOUs) with the qualified biomass conversion facilities. CHST payments will not be authorized until after an appropriate environmental analysis has been conducted. Biomass conversion facilities and material owners or producers should contact the office or visit [www.fsa.usda.gov](http://www.fsa.usda.gov) for more information.

## COUNTY COMMITTEE ELECTIONS

Eligible voters in local administrative Area (LAA) 3 consisting of East Amwell, West Amwell, and Delaware Townships and LAA 4 consisting of Readington and Tewksbury Townships in Hunterdon County and Bernards, Branchburg, and Bridgewater Townships in Somerset County will receive ballots in early November. For LAA 3, the eligible nominees are Robert Fulper II and Thomas Michalenko. For LAA 4, the eligible nominees are Gerald Lyness, Patricia Hilton, and Joyce Burjan.



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**“S” STANDS FOR STEWARDSHIP!!**

USDA’s Natural Resources Conservation Service (NRCS) began continuous sign-up for the new Conservation Stewardship Program (CSP) on August 10, 2009. CSP sign up continues until **January 14, 2010**. CSP is a new program authorized in the 2008 Farm Bill, replacing the Conservation Security Program from the 2002 Farm Bill, which was only offered on a watershed-specific basis. The new CSP is available to landowners statewide. Likely only the best land stewards will be awarded contracts.

Initial analysis indicates that participants completing contract requirements might receive estimated annual payments in the range of \$12 to \$22 per acre for cropland; \$6 to \$12 per acre for non-industrial private forestland; \$7 to \$14 per acre for pastureland.

Applicants must have FSA records established prior to application, documented control of the land for the next five (5) years, current compliance with highly erodible land (HEL) requirements and adjusted gross income provisions. In addition, the entire agricultural operation acreage (land for which you are the operator in FSA farm records management system...NO TRACTS OR FIELDS EXCLUDED) must be included in the stewardship review.

NRCS field staff will conduct an on-site field verification of the applicants’ information. Once the potential participant has been field verified and if the application is approved for funding, a Conservation Stewardship Plan and contract will be developed.

For more information visit [www.nrcs.usda.gov/new\\_csp](http://www.nrcs.usda.gov/new_csp) and review the 2009 Conservation Stewardship Self Screening Checklist. Then, contact the USDA-NRCS field office at (908) 782-4614 extension 3 to apply.

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*To file a complaint of discrimination, write USDA, Director, Office of Adjudication and Compliance, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.*