



FSA NEWSLETTER

U.S. Department of Agriculture

Hunterdon Somerset County FSA
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Hours

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

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- NAP
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IMPORTANT DATES:

- 12/31—NAP sales closing date
- 1/31—final date to request a 2009 honey loan
- 3/15—NAP sales closing date
- 3/31—final date to request a 2009 wheat, oats, barley loan
- 5/31—final date to report 2010 small grains, timely
- 6/1—final date to sign a 2010 DCP or ACRE contract

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

The official newspapers are the Hunterdon Democrat and the Courier.

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 **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.

ACREAGE REPORTING



Filing an accurate, timely acreage report for all crops and land uses, including failed acres and prevented planting, is helpful in avoiding a loss of benefits. **The deadline to report small grains (wheat, oats, rye, barley) is May 31, 2010.** To be considered timely filed, failed acreage must be reported before disposition of the crop and prevented planting must be reported no later than fifteen (15) calendar days after the final planting date for the applicable crop. **If you have NAP coverage, the final date to report a specific crop is the earlier of the established reporting date or fifteen (15) calendar days before the onset of harvest or grazing of the specific crop acreage being reported.** Please contact the office to schedule an appointment or for more information

BANK ACCOUNT CHANGES



It is the USDA's intent that all FSA payments be electronically transferred into your bank account. In order for us to make timely payments, you need to notify the service center if you decide to change or close your bank account, or if your bank is purchased by another financial institution. Please let us know as soon as possible of any changes to your account routing number or bank name. Otherwise, your payments may be delayed.

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. The interest rates for December are 3.0% for 7 year loans; 3.5% for 10 year loans; and 3.75% for 12 year loans.

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.

For more information about FSFL, please contact the office or 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.

The interest rate for commodity loans is 1.375% for December.

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 for more information.

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CONSERVATION RESERVE ENHANCEMENT PROGRAM (CREP)

CREP is a voluntary program that pays participants to implement conservation practices on environmentally sensitive land. Eligible practices include installing and maintaining grass waterways, contour grass strips, filter strips, and riparian buffers. Program participants receive annual rental payments, cost share assistance, and other financial incentives (i.e. signing incentives) for contracts of ten (10) to fifteen (15) years.

Eligible cropland must have been cropped four (4) of the six (6) years between 1996 and 2001 and be physically and legally capable of being cropped in a normal manner. Marginal pastureland is also eligible, but only for riparian buffers, and if the land is adjacent or parallel to streams. Participants remove cropland or marginal pastureland from agricultural production and convert the land to native grasses, trees, or other vegetation. Please contact the office for more information or to begin your application

NEW JERSEY STATE ACRES FOR WILDLIFE ENHANCEMENT (SAFE)

SAFE practices provide the flexibility to meet the specific needs of high-value wildlife species in participating regions of New Jersey, including Hunterdon and Somerset Counties. Producers within the region can submit offers to voluntarily enroll acres in Conservation Reserve Program (CRP) contracts for ten (10) to fifteen (15) years, depending on the proposal authorized in the area. In exchange, participants receive annual CRP rental payments, incentives, and cost share assistance to establish habitat-enhancing natural covers on eligible land.

Eligible SAFE projects include wetland restoration; establishment of permanent introduced grasses and legumes; permanent wildlife habitat; wildlife food plots; rate and declining habitat; habitat buffers for upland birds; bottomland timber establishment on wetlands; shallow water areas for wildlife; establishment of permanent native grasses. Implementation of these practices will benefit threatened, endangered, and special concern wildlife species and migratory birds and waterfowl. SAFE targets CRP acres to the most environmentally sensitive land and established the highest value conservation practices on generally smaller acres. SAFE will continue until the enrollment goals have been met. For more information, please contact the 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, genetic information, political beliefs, 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, 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.