



August 2009

FSA NEWSLETTER

COC Nomination Deadline

The FSA county committee deadline for candidate nominations was **August 3, 2009**. FSA county committee members make decisions on disaster and conservation programs, emergency programs, commodity price support loan programs and other important agricultural issues. Members serve three-year terms. Nationwide, there are more than 7,800 farmers and ranchers serving on FSA county committees. Committees consist of three to five members who are elected by eligible local producers. FSA will mail ballots to producers beginning **November 6, 2009**. The voted ballots are due back at the local county office either via mail or in person by **December 7, 2009**. Ballots will be counted in the Hackettstown office on **December 10, 2009** at 9:00am. Newly elected members will take office **January 1, 2010**.

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 agricultural commodity, except livestock, for which CAT is not available.

The application deadline date for the 2010 NAP coverage for Grass Sod, Fin Fish, Christmas Trees and Nursery & Flowers: is **September 1**, **2009**; the deadline for Barley, Clover, Grass Hays, Mixed Forages, Rye, and Wheat is **September 30**, **2009**. Please contact the office to obtain coverage for crops before the application closing deadlines.

Producers who have 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(s). 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, etc.

Treasury Implementation Project

Beginning August 3, 2009, all Farm Service Agency/Commodity Credit Corporation payments made by direct deposit will be transmitted by Kansas City to the Treasury. This allows FSA to be compliant with the Debt Collection Improvement Act of 1996 (DCIA), which requires that Federal payments be processed through the Treasury Offset Program (TOP), so that delinquent Federal debt can be offset. As a result, a one (1) day delay in receipt of funds via direct deposit is will occur. Payments to assignees will be subject to TOP offset if the assignee has a delinquent Federal debt in TOP. If the TOP database finds a match for taxpayer identification number (TIN) and name, the payment will be offset for the delinquent debt. Treasury will notify the payment recipient of any offsets taken for debts due other agencies. FSA will not receive notification of the offset. Currently, the description on the payee's bank statement reads, "USDA-FSAKCMOCDSP". After August 3, 2009, the description on the bank statement will read, "FSA TREAS 310" for all payments that are disbursed by Treasury. If you have any questions about these changes, please contact the office.



U.S. Department of Agriculture

Warren-Sussex-Morris County FSA

101 Bilby Road, BLDG 1H Hackettstown, NJ 07840

Phone: (908) 852-2576 Fax: (908) 852-4666 www.fsa.usda.gov/nj

Hours

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

Staff

Lindsay Spagnoli, Acting CED John Snearowski, PT Diandra Brunstetter, PT Debbie Crisman, PT Virginia Brophy, FLM

County Committee

Nancy Bilyk Scott Ashley Carl Sigler Holly Sytsema Robert De Block

County Committee meets the last Monday of month at 9:00am

IMPORTANT DATES:

- -Sept 1 NAP closing date for grass sod, finfish, Christmas trees, nursery and flowers
- -Sept 30 Nap closing date for barley, clover, grass hays, mixed forages, rye and wheat
- -Nov 6 COC ballots mailed out
- -Dec 7 COC ballots due back to FSA office -Dec 10 - COC ballots
- counted in the FSA office at 9:00am



Emergency Disaster Designation and Declaration Process

Agricultural-related disasters common. One-half to two-thirds of the counties in the United States have been designated as disaster areas in the past several years. Producers may apply for low-interest emergency (EM) loans in counties named as primary or contiguous under disaster designation. Four types of disaster designations are made: 1) Presidential major disaster declaration; 2) USDA Secretarial disaster designation; 3) Farm Service Agency (FSA) Administrator's Physical Loss Notification and, 4) Quarantine designation. The Secretarial disaster designation is the most widely used and its process is the most complicated of the four. Following, this disaster designation is explained in greater detail.

Secretarial Disaster Process

Damages and losses prompting disaster designations must be due to a natural disaster; and a minimum 30-percent (30%) production loss of at least one crop in the County must have occurred.

- Step 1 The governor or Indian Tribe Council leader makes a request in writing to the Secretary of Agriculture within three months of the ending date of the disaster.
- Step 2 FSA county offices assemble required agricultural loss information for the Loss Assessment Report (LAR).
- Step 3 FSA's National Headquarters notifies the SED of the request. The SED instructs county offices named in the request to complete the LAR, conduct County Emergency Board (CEB) meetings, and approve or disapprove the LAR.
- Step 4 The LAR is submitted to the State Emergency Board (SEB) for review and processing.
- Step 5 The SED prepares comments and recommendations. The SEB reviews the LAR. Upon approval, the LAR is submitted to FSA's National Headquarters (NHQ) through the Systematic Tracking for Optimal Risk Management (STORM) tool. STORM is a web-based application that allows the County Office to enter the LAR in an automated environment.

Step 6 FSA's Disaster Assistance Branch, Emergencies Section (DAB/ES) reviews the loss information on the LAR, determines eligibility, and prepares a package, including the letter of approval or disapproval, to be signed by the Secretary.

All four types of designations, (Secretarial disaster designations, Presidential disaster declarations, APLNs, and quarantine designations) immediately trigger the availability of low-interest FSA Emergency loans to eligible producers in all primary and contiguous counties. Other programs use Secretarial designations as an eligibility requirement trigger; these programs include the Supplemental Revenue Assistance Payments (SURE) Program.

FSA borrowers located in designated disaster areas or contiguous counties, who are unable to make their scheduled payments on any debt, may be authorized to have certain set asides. Under Section 331A of the Consolidated Farm & Rural Development Act, FSA is authorized to consider setting aside certain payments owed by FSA borrowers to allow the operation to continue.

Please assist the county office in determining the need for disaster declarations by notifying the county office immediately after being affected by a natural disaster. Natural disaster conditions include: a blizzard, cyclone, earthquake, hurricane, tornado, severe hail, excessive rain, heavy snow, ice and/or high wind, an electrical storm, several weather patterns sustained over a period of time, including low or high temperatures, and related pests, epidemics or fires. Providing the office with accurate, detailed information can expedite the declaration process and hopefully get loan funds available to eligible borrowers faster. If you have any questions, please contact the office.

Conservation Programs

At this time USDA has no general signups scheduled for the Conservation Reserve Program (CRP) in 2009. However, environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP), Conservation Reserve Program State Acres For wildlife Enhancement (SAFE) Practice, and Continuous CRP will still be eligible for enrollment. These targeted programs remain funded, and continue to provide a heightened environmental benefit on select areas.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides assistance to producers for livestock deaths that result from disaster. Using funds from the Agricultural Disaster Relief Trust Fund established under section 902 of the Trade Act of 1974, the program is administered by FSA. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, disease, wildfires, extreme heat and extreme cold. Eligible losses must have occurred on or after January 1, 2008, and before October 1, 2011.

*The following table provides the final dates to file a notice of loss and/or application for payment for either 2008 or 2009 livestock losses.

Date of Livestock Death		Final Date to Submit an Application for Payment
Calendar Year 2008	Sept. 13, 2009	Sept. 13, 2009
Jan.1, 2009 to July 12, 2009	Sept. 13, 2009	Jan. 30, 2010
July 13, 2009 to Dec. 31, 2009	30 days after death is apparent	Jan. 30, 2010

Wetland Compliance

Producers renting or purchasing land that may have a converted wetland status need to check with the county office to learn if there are restrictions. The last thing FSA wants to do is to deny a producer benefits due to wetland noncompliance.

The Farm Bill provides that, unless exempt, persons are ineligible for benefits under certain programs administered by USDA if they:

- plant an agricultural commodity on wetland that was converted after December 23, 1985
- convert a wetland after November 28, 1990

FSA may not approve any loan or loan guarantee to drain, dredge, fill, level or otherwise manipulate a wetland, or to engage in any activity that results in impairing or reducing the flow, circulation or reach of water except in the case of activity related to the maintenance of previously converted wetlands.

There are some permitted uses for wetlands. Contact your local office to learn what permitted uses and restrictions and Wetland compliance provisions impact your land.

Electronic Services Available

If a producer has Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive approval and payment by direct deposit within 48 hours. To participate in these services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at http://www.eauth.egov.usda.gov/ followed by a visit to the office for identity verification. If you have more questions please contact the office.

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing a 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 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 a loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation 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 DCP and/or ACRE Programs to be eligible for commodity loans. For commodity disbursed in August, the interest rate is 1.50%.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing/disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Warren-Sussex-Morris County FSA 101 Bilby Road, BLDG 1H Hackettstown, NJ 07840



Selected Interest Rates for August 2009

Farm Operating - Direct	3.125 %
Farm Ownership - Direct	5.00%
Limited Resource - Farm Operating	5.00%
Limited Resource - Farm Ownership	5.00%
Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.50%
Emergency	3.75%
Farm Storage Facility	3.125%

FCIC PROGRAM INTEGRITY

FSA and Risk Management Agency (RMA) are working together to prevent fraud, waste, and abuse in the Federal Crop Insurance Program. FSA assists RMA and approved insurance providers (AIP's) in monitoring crop conditions throughout the growing season. Suspected cases of fraud, waste, and abuse about the Federal Crop Insurance Program will be referred to RMA. Producers who suspect cases of fraud, waste, and abuse can notify FSA, RMA, or OIG. FSA will provide producer information to RMA and AIP's to assist in claim audits, inspections, and quality control reviews

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