



**U.S. Department  
of Agriculture**

**Warren-Sussex-Morris  
County FSA**

101 Bilby Road, BLDG 1H  
Hackettstown, NJ 07840

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www.fsa.usda.gov/nj

### Hours

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

### Staff

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

### County Committee

Scott Ashley  
Carl Sigler  
Holly Sytsema  
Robert De Block  
James Smith

**County Committee meets  
the last Monday of the  
month at 9:30am**

### IMPORTANT DATES:

- Sept 1 - NAP closing date for grass Sod, fin fish, Christmas trees
- Sept 6 - Office closed for Labor Day
- Sept 23 - TAAF signup closes
- Sept 30 - NAP closing date for barley, clover, grass hay, mixed forages, rye, wheat
- Sept 30 - missing DCP owner signatures to be returned to the office
- Sept 30 - Biofuels forum
- Oct - DCP 2010 payments go out



# FSA NEWSLETTER

## TAAF Sign-up Ends Sept 23<sup>rd</sup>

Sign-up for the 2009 asparagus, 2009 catfish, and 2008 shrimp Trade Adjustment Assistance for Farmers (TAAF) Program will end September 23, 2010. The program provides technical assistance and cash benefits to eligible producers. FSA Form 229-1 and other needed documentation must be submitted by the closing date. Late applications will not be approved. Contact the office for more details.

## September 30 Deadline for SURE Applications

The deadline to submit USDA Farm Service Agency 2008 Supplemental Revenue Assistance (SURE) program payment applications is close of business on September 30, 2010. Applications not filed by September 30, 2010, will not receive a payment.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide.

To be eligible for SURE, a portion of the farm must be located in a county, or contiguous to a county, covered by a qualifying USDA Secretarial Disaster Declaration. In 2008, Sussex County was named a contiguous county to a natural disaster that occurred in New York State. In addition, producers must have suffered at least a 10 percent production loss on a crop of economic significance. Producers must also meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage.

## Conservation Loan Program

The USDA has announced the launch of the Conservation Loan (CL) program that will provide farm owners and farm-related business operators access to credit to implement conservation techniques that will conserve natural resources. CL funds can be used to implement a conservation practice approved by the Natural Resources and Conservation Service (NRCS), such as to reducing soil erosion, improving water quality & promoting sustainable & organic agricultural practices. Interested applicants who do not already have NRCS-approved conservation plans should work with the local NRCS to develop a conservation plan, including all applicable conservation practices. New or existing conservation plans must be NRCS approved before FSA can provide financing.

Unlike FSA's traditional farm ownership and operating loan programs that are targeted toward smaller and less financially established farmers, eligibility requirements are expanded to permit the agency to provide assistance to some applicants who may be large and financially strong.

Those interested may apply for direct CLs with loan limits up to \$300,000 at local FSA offices. In addition, guaranteed CLs up to \$1,112,000 (amount adjusted for inflation), may be available by applying with lenders working with FSA to obtain a guarantee. Loans for 2010 must be obligated by **September 30, 2010**.



## Forum on Expanding the U.S. Biofuels Market

A Community Forum on expanding the U.S. Biofuels Market will be held by the USDA on Thursday, **September 30, 2010**. USDA has outlined a plan on how to develop a successful biofuels market capable of achieving the U.S. Renewable Fuels Standards mandate of not only producing, but also using, 36 billion gallons of renewable transportation fuel per year by 2022. However, this is an interim plan and now the department needs input and feedback from Rural America. You may review the USDA's plan at <http://tinyurl.com/USDABiofuels>.

Please join us on September 30<sup>th</sup> at The Rutgers EcoComplex, Environmental Research and Extension Center located at 1200 Florence-Columbus Rd, Bordentown, NJ 08505-4200. Please contact Tara Gruber at USDA, Farm Service agency (609) 587-0104 or [Tara.Gruber@nj.usda.gov](mailto:Tara.Gruber@nj.usda.gov) to RSVP or if you have questions.

### Succession in Interest

If you have made any changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these *successions-in-interest* to the county committee by **September 30**, so that a final determination can be made on who is eligible for the program on the farm. Changes that qualify as a succession-in-interest include:

- A sale of land
- A change of operator or producer, including an increase or decrease in the number of partners
- A foreclosure, bankruptcy or involuntary
- A loss of the farm.
- A change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the "predecessor," are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the "successor." Failure to report a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

### 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 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 is lost, the commodity is ineligible for a loan — even if the producer regains beneficial interest.

Commodity loan eligibility requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets CCC minimum grade and quality standards. Eligible commodities are those 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 farm stored commodity must be maintained throughout the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

Violating provisions of a MAL may trigger procedures, such as assessing liquidated damages, 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.

### Electronic Services

If a producer has Internet access, program participants can access many services from home 24 hours a day, 7 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 county office for identity verification. If you have questions, please contact the office.

## SAFE Conservation Projects

Enrollment in New Jersey State Acres for Wildlife Enhancement (SAFE) continues. SAFE is a component of the Conservation Reserve Program (CRP), tailored to specific watershed areas. SAFE practices serve to restore wildlife habitat by establishing small blocks of grassland (10-40 acres) and enhancing existing habitats. Certain wildlife species are in decline, and SAFE habitats are designed to help revitalize these populations.

Under CRP, farmers and ranchers enroll eligible land in 10 to 15-year contracts. These plantings help prevent soil and nutrients from running into regional waterways and affecting water quality. The long-term vegetative cover also improves wildlife habitat and soil quality. In addition to the annual rental payment and cost-share, SAFE may offer participants an upfront one-time CRP Signing Incentive Payment (SIP) of \$100 per each SIP-eligible acre and a Practice Incentive Payment when cost share is made. For more information please contact the office.

## Actively Engaged

FSA wants to remind producers about the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others. The exception to this rule for a stockholder or member of a legal entity only occurs if both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received, both directly and indirectly, by the legal entity and each of the members can't exceed \$40,000.

## Farm Storage Facility Loan Program

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 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 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 disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 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, rice, soybeans, oats, peanuts, 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 chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities



**Renovations at the Hackettstown USDA Service Center are currently underway. Please pardon our appearance while we create a more customer-friendly environment.**

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<b>Selected Interest Rates for September 2010</b>	
Farm Operating - Direct	2.375 %
Farm Ownership - Direct	4.375 %
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 %
Marketing Assistance Loans	1.250%
Farm Storage Facility	
7-year loan term	2.25 %
10-year loan term	2.875 %
12-year loan term	3.125 %

**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. Farm Bill regulations provide 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. The following provides permitted uses and restrictions of certain wetlands for compliance with Wetland compliance provisions:

- wetlands can be farmed under natural conditions, but not converted
- wetlands converted before November 28, 1990, cannot be planted to an agricultural commodity and retain eligibility for benefits
- wetlands converted after Nov. 28, 1990, must either be restored to wetland status or mitigated to regain eligibility for program benefits.
- wetlands that can be farmed under natural conditions cannot be manipulated in any way, unless the Natural Resources Conservation Service determines the work would have a minimal effect on the wetland values
- wetlands converted before December 23, 1985, can be farmed and maintained

The U.S. Dept of Agriculture (USDA) prohibits discrimination in all of 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, political beliefs, genetic information, 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 to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.