



September 2009

# Chittenden/Washington County FSA News

Chittenden/Washington County USDA Service Center

**Chittenden/Washington County FSA**

802 865-7895 x4  
800 920-2035 x4 (VT only)  
802 865-7947 fax  
www.fsa.usda.gov/VT

**Hours**

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

**County Committee**

Richard Parizo LAA-1  
Claude Lapiere LAA-2  
Sumner Farr, Jr LAA-3  
Catherine Scribner LAA-4  
Michelle Gardner LAA-5

**Upcoming County Committee Meeting Dates**

September 9, 2009  
October 14, 2009

**Staff**

Lawrence Parker x102  
Eileen Powers x106  
Pearl Wells x100  
Bradford Parker x103

**Natural Resources Conservation Service**

Caroline Alves x203  
Tate Jeffrey x119  
Michel Lapointe x118  
Danny Peet x202  
Norman Smith x117

**Winooski Natural Resources Conservation District**

Ashley Lidman x10



## 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 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 oil-seeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or bar-

ley 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

For more information about FSFL please visit your FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

## SAFE Conservation Projects

Enrollment in Vermont 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 up front 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 about potential SAFE projects in your area, contact your local FSA office.

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## 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 forages and perennial fruits (strawberries and raspberries) is Nov 20, 2009.

Producers who already 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 or crops.

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.
- For more information on NAP coverage please contact your nearest Farm Service Agency office.

## Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll environmentally sensitive acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into

contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year. For more information on Continuous CRP enrollments, please contact your local FSA office.

## Succession in Interest

If you have made 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 Sept. 30, so 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 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."

Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

## FSA Farm Loans

The Farm Service Agency (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 might 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 through FSA. For detail information loan eligibility or the different available loan programs, just contact the county office staff for an appointment with a farm loan officer.

## **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 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 their FSA county office. An application must be submitted before the eligible material is sold and delivered to a qualified biomass conversion facility. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office and information provided under the terms of 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 their FSA state offices or

visit [www.fsa.usda.gov](http://www.fsa.usda.gov) for more information

## **Rural Youth Loans**

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

### **Youth Loan Eligibility Requirements:**

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above

Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions you may have about a particular program.

## **Beginning and Limited Resource Farmers**

FSA assists beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more



**PRESORTED STANDARD  
 U.S. POSTAGE PAID  
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Dates to Remember	
Continuous	Continuous Conservation Reserve Program
MILC	Continues
COC meets	September 9, October 14
<b>MILC Start Month Change for October</b>	September 14, 2009
Production Reporting	Ongoing
October 12 <sup>th</sup>	Columbus Day – Office Closed
Selected Interest Rates for September 2009	
90-Day Treasury Bill	0.25 0%
Farm Operating Loans — Direct	3.125%
Farm Ownership Loans — Direct	5.00%
Farm Ownership Loans — Down Payment	1.50%
Emergency Loans	3.75%
Farm Storage Facility Loans	3.125%
Commodity Loans 1996-Present	1.625%

- that 10 years
- Will materially and substantially participate in the operation of the farm
  - Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
  - Does not own a farm in excess of 30 percent of the county’s average size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit [www.fsa.usda.gov](http://www.fsa.usda.gov)

**\*\* Reminder – MILC Start Month Changes \*\***  
*If you have a payment start month other than October for FY 2009 and want to change it to October for FY 2010, you must sign your contract modification by August 14, 2009!* Once your payments begin, they continue for each month there is a payment rate and until you reach your maximum production. *Please call us if you have any questions! 865-7895 x 4 or 800 910-2035 x4*

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