



JULY 2010

Columbus Service Center News

Serving Burlington, Camden & Ocean Counties in NJ

USDA
Burlington/Camden
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www.fsa.usda.gov/NJ

Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

County Committee
George H. Adams Sr
Marilyn L. Russo
Louis Parzanese
John H. Hunter
Ralph W. Wainwright

County Committee meets
2nd Tuesday of Month

County Staff
Nick Morolda CED
Robert Maxwell FLM
Ellen Schmidt FLO

Program Technicians
Jim Mellor
Craig Christo
Julia Coriaty



COC Nominations Open

County committees (COC) play a crucial role in helping the county office staff implement the Farm Bill. Due to the important services that COC members provide, producers are encouraged to participate in the FSA county committee election process by nominating an eligible candidate by Aug. 2.

To become a nominee, eligible individuals must sign form FSA-669A. The form and other valuable information about FSA county committee elections are available online at: <http://www.fsa.usda.gov>; click on News & Events, then County Committee Elections. Nomination forms for the 2010 election must be postmarked or received in the county office by close of business on August 2, 2010.

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. Committees consist of three to five members who are elected by eligible local producers.

Ballots will be mailed to producers beginning November 5, 2010. Voted ballots are due back at the county office either via mail or in person by December 6, 2010.

FSA Farm Loans

FSA is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, FSA direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

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 \$1,112,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

FSA employees will help you complete the necessary application and forms, and help you understand what information is re-

quired, where to find it or who to contact to get it. Call your county office staff today.

Crop Certification Deadline

The annual requirement of reporting to the FSA office can be referred to as crop reporting, acreage reporting, or crop certification. Filing an accurate and timely report for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of FSA programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, marketing assistance loans and Load Deficiency Payments.

Certification form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted. The producer certification deadline for all crops is July 15, 2010. *To maintain your Actual Production History (APH) for NAP crops your production for 2009 should be reported no later than the crop reporting deadline of July 15, 2010.*

TAP Signup Continues

Tree Assistance Program (TAP) signup for orchardists and nursery tree growers opened May 10, 2010. The program helps orchardists and nursery tree growers who produce trees, bushes and vines for commercial purposes, to replant or rehabilitate trees, bushes and vines damaged or destroyed by natural disasters. Trees grown for pulp or timber are not eligible.

Transition Incentives (TIP)

The Transition Incentives Program (TIP) encourages retired or retiring owners or operators to transition their Conservation Reserve Program (CRP) acres to beginning or socially disadvantaged farmers or ranchers.

TIP sign-up opened May 17, 2010. If all program requirements are met, TIP provides annual rental payments to the retiring farmer for up to two additional years after the expiration of the CRP contract, provided the transition is not to a family member.

For eligibility requirements for TAP or TIP, producers should visit the FSA county office or www.fsa.usda.gov.



Compliance Spot Checks

Compliance spot checks will be conducted on 2010 crops. Instead of locally selecting farms, contracts, deficiency loans, etc. for review, a nationwide selection of producers is employed. Spot check selections are to be conducted based on a producer's participation in Conservation Reserve Program, Direct and Counter-cyclical Program, Loan Deficiency Program, etc.

For more information about the spot check selection procedure, contact your local Farm Service Agency office.

Farm Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary.

The reconstitution—or recon—is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested by **August 2** for farms enrolled in specific programs.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Successor-In-Interest

Many FSA programs will allow payments to be made to heirs or successors when a program participant passes away. Additionally, contracts in programs such as CRP must be revised to reflect the successor(s) to a deceased participant's interest.

In the event of an FSA program participant's death, it is important that FSA be notified. Entities and joint operations that participate in FSA programs also need to notify FSA if a shareholder or member passes away. FSA benefits are reported to IRS and maintaining current, accurate records about participants is vital to ensuring that those payments are reported correctly.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan Program (FSFL) provides low-interest financing for producers to build or upgrade farm storage and handling facilities.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, oats, peanuts, wheat, barley, or minor oilseeds harvested as whole grains
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops – lentils, chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (includes nuts) and vegetables – cold storage facilities

The following are some types of facilities and upgrades that are eligible for

farm storage facility loans:

- New conventional cribs or bins designed and engineered for whole grain storage having a useful life of at least 15 years
- New Oxygen-limiting structures and other upright silo-type structures designed for whole grain wet storage
- New flat-type structures designed for whole grain storage
- New equipment to improve, maintain or monitor the quality of stored grain
- Renovation of existing farm facilities
- New permanently affixed grain drying equipment
- New structures suitable for storing hay
- New cold storage buildings suitable for storing fruits and vegetables.

Please contact the local office for a complete list of eligible storage facilities

An eligible borrower is any person who is a landowner, landlord, leaseholder, tenant or sharecropper who:

- Produces and eligible facility loan commodity
- Has satisfactory credit rating as determined by CCC
- Demonstrates repayment ability
- Possesses no delinquent non-tax federal debt
- Demonstrates a storage need based on three-year average acreage
- Provides proof of crop insurance for life of the loan
- Demonstrates compliance with highly erodible land and wetland provisions
- Demonstrates compliance with NEPA
- Demonstrates compliance with local zoning, land use and building codes
- Has not been convicted of a controlled substance violation.

The following are some of the terms for farm storage facility loans:

- A 15 percent cash down payment is required; thus, the CCC loan is limited to 85 percent of the net cost.
- Loan terms of 7, 10 and 12 years are available, depending on the amount of the loan.
- The interest rate is based on the rate in effect during the month the loan is approved
- The maximum loan amount through FSFL is \$500,000
- Loan will not be disbursed until the facility has been erected and inspected, with the possible exception of one partial disbursement for large loan amounts.

For more information please contact your local FSA office.

Non-Insured Assistance Program (NAP)

To be eligible for NAP assistance, crops must be noninsurable crops and agricultural commodities for which the catastrophic risk protection level of crop insurance is not

available. For further information on whether a crop is eligible for NAP coverage, please contact your local FSA office.

Applying for Coverage

Eligible producers must apply for coverage of noninsurable crops using Form CCC-471, "Application for Coverage," and pay the applicable service fees at their local FSA office. The application and service fees must be filed by the application closing date as established by the producer's FSA state committee. The service fee is the lesser of \$250 per crop or \$750 per producer per administrative county, not to exceed a total of \$1,875 per producer with farming interests in multiple counties.

Information Required to Remain Eligible for NAP

To remain eligible for NAP assistance crop acreage information must be reported annually. It benefits producers to report crop acreage shortly after planting (early in the risk period) to ensure reporting deadlines are not missed and coverage is not lost. Failure to timely report acreage and production information may result in reduced or zero NAP assistance. Be aware that acreage reporting and final planting dates vary by crop and by region. Contact your local FSA office for your local dates.

Applying for NAP Assistance When a Natural Disaster Strikes

When a crop or planting is affected by a natural disaster, you must notify your local FSA office and complete Part B, (the Notice of Loss portion) of the application, which is Form CCC-576, the Notice of Loss and Application for Payment. This must be completed within **15 calendar days** of the natural disaster occurrence; final planting date if your planting was prevented by a natural disaster or date damage to the crop or loss of production becomes apparent to you.

Amount of Production Loss to Receive a NAP Payment

The natural disaster must have either reduced the expected unit production of the crop by more than 50 percent or prevented the producer from planting more than 35 percent of the intended crop acreage. NAP covers the amount of loss greater than 50 percent of the expected production based on the approved yield and reported acreage

Actual Production History (APH)

Producers should report production each year for AP covered crops. Maintaining your APH each year will provide the greatest NAP benefit. Production can be reported either with production receipts or by certifying your production before the final crop reporting date of the following year.

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Help Available to Stressed Farmers

Recently, the economy, inclement weather, and other factors have hurt some farming operations around the country. These events can push a producer to the emotional breaking point. Watching your livelihood being threatened is difficult for farmers and ranchers, especially for those whose income is solely dependent on agriculture.

The National Suicide Prevention Hotline is available to help. If you know a farmer or rancher who is under stress and is reluctant to ask for help, or if you just need to talk to someone, call 1-800-273-TALK (8255). Your call will be routed to the crisis center nearest you, where trained staffers are available 24/7. This nationwide service is free and confidential. Help is just a phone call away.

For more information, go to <http://www.suicidepreventionlifeline.org/>. This service is not affiliated with the US Department of Agriculture.

Selected Interest Rates for July 2010		Dates to Remember	
90-Day Treasury Bill	0.125%	July 6	Tree Assistance (TAP) Signup Deadline for 2008 and 2009
Farm Operating - Direct	2.875%	July 15	Crop Reporting Deadline
Farm Ownership - Direct	4.875%	Aug 1	NAP Strawberry Deadline
Limited Resource	5.00%		
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%		
Emergency	3.75%	1 August	Deadline to Request Farm Reconstitutions
Farm Storage Facility (FSFL) 7-year	2.750%		
FSFL 10-year is 3.250%; FSFL 12-year is	3.500%		
Commodity Loans 1996-Present	1.375%		

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