



# NEWSLETTER



**December 2010**

**Saratoga County  
FSA Office  
50 West High St.  
Ballston Spa, N.Y.  
12020**

**County Executive Dir.**  
Steven A. Ropitzky  
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518-885-6300 phone  
518-884-9101 fax  
[www.fsa.usda.gov/NY](http://www.fsa.usda.gov/NY)

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

**County Staff**

Joanne Scoville, PT  
Janelle Moore, PT

**Farm Loan Manager**  
Rebecca DeSorbe  
518-692-9940

**State Executive Dir.**  
James Barber

**County Committee Mtgs.**  
January 5, 2011 – 1:00 p.m.  
Call office for future meetings.

**County Committee**  
Albert LaRue, Chairperson  
Patricia Wood, Vice Chair.  
Chris Koval, Reg. Member

## DCP Signup & Advance Payments

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2011. Advance payments of 22% on the 2011 DCP program will be available starting December 1, 2010. The remaining 78% of your DCP payment will be issued after October 1, 2011.

Eligible producers receive direct payments at rates established by statute regardless of market prices. DCP contract signatures for enrollment are due by the signup deadline of June 1, 2011. For more information contact our FSA office. We have scheduled appointments for last year's participants. If you did not receive an appointment notice contact us immediately.

## Continuous CRP

The Continuous Conservation Reserve Program allows participants to enroll acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

Continuous CRP program participation is voluntary. 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.

For more information on Continuous CRP enrollments or local Conservation Reserve Enhancement Program (CREP) availability, please contact our local FSA office or visit

<http://www.fsa.usda.gov/pas/publications/facts/html/crpcont03.htm>. Enrollment is continuous and cost share funds are always available.

## IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

## Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

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 or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

## Maintaining the Quality of Loaned Grain

This year's large grain crop has its obvious up side, but there is a downside too. Many producers are hard pressed to find adequate storage for every bushel harvested. Overfilled grain storage bins can lead to grain quality problems.



Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

## LDP Deadline on Unshorn Lamb Pelts

Eligible producers have until Jan. 31, 2011, to apply for Loan Deficiency Payments (LDP) for unshorn pelts produced during the 2010 crop year.

Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

To qualify for payment, pelts must have been produced by an eligible producer from live unshorn lambs of domestic origin in the United States.



## Farm Loan Programs

The Farm Service Agency 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, or regularly borrow from 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 \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

To find out more about FSA loan programs, contact the county office staff.

## Conservation Loan Program

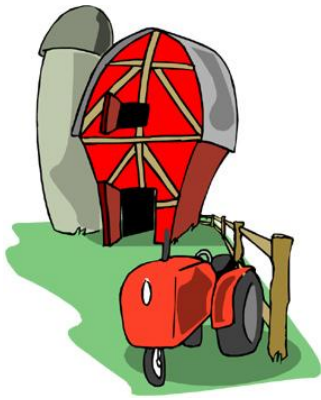
The Conservation Loan (CL) Program provides farmers with the funding necessary to implement conservation measures on their land. The available limit for a direct CL is \$300,000, and the limit for a guaranteed CL is \$1,119,000.

The Natural Resources Conservation Service (NRCS) will work with applicants to develop a conservation plan containing approved conservation practices. Examples of some conservation practices are: water conservation structures, forest cover, permanent pastures, manure digesters, and other installations.

For more information on a potential Conservation Loan, call the local FSA office and make an appointment with a loan officer.

## 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 \$5,000.



## 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 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 % of the county's average size.

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)

## 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 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 a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, feel free to contact your local FSA office.

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**Paper Check Conversion (PCC)**

Over the next year, the Farm Service Agency (FSA) and the Commodity Credit Corporation (CCC) is moving toward an electronic method for processing producers' checks. This will allow FSA/CCC to process collections faster.

When producers present checks, either in person or through the mail, the checks will be converted into an Electronic Funds

Transfer (EFT). The funds will be debited from the producer's account, usually within 24 hours of receipt.

Please see the U.S. Department of Treasury legal notices posted in the Service Center or visit the following U.S. Department of Treasury Internet site for detailed information:

<https://www.pccotc.gov/pccotc/pcc/usingpcc/Legal%20Notices/legalnotices.htm>

Selected Interest Rates for December 2010	
90-Day Treasury Bill	.125%
Farm Operating - Direct	1.75%
Farm Ownership - Direct	4.125%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.50%
Farm Storage Facility 7 yr.	2.00%
Farm Storage Facility 10 yr.	2.75%
Commodity Loans 1996-Present	1.25%

Dates to Remember	
12/24/10	Office Closed Christmas Observed
12/25/10	Christmas Day-Merry Christmas
12/31/10	Office Closed New Years Observed
01/01/11	Happy New Year
01/05/11	County Committee Meeting-1:p.m.