



**U.S. Department of Agriculture**

**Saratoga County FSA**

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**Hours**

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

**County Committee**

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Pat Wood, Vice Chair & Advi.  
Chris Koval- Reg. Mem.

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Janelle Moore, PT

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**County Executive**

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**State Executive Director**

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[www.fsa.usda.gov](http://www.fsa.usda.gov)



# September 2009

## Saratoga County FSA News

**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. September rates are 3.25%.

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
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities (C.A. not available)

**Marketing Assistance Loans**

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

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.

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.

**SAFE Conservation Projects**

Enrollment in New York 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.

**Selected Farm Loan Interest Rates for September 2009**

Farm Operating Loans — Direct	3.00%
Farm Ownership Loans — Direct	4.875 %
Farm Ownership Loans — Direct Down Payment, Beginning Farmer	1.50 %
Emergency Loans	3.75%

Saratoga County Farm Service Agency  
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#### **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.

#### **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.

#### **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.

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For more information about programs in your area, contact your local FSA office.