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Farm Service Agency Electronic News Service

# NEWSLETTER

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## New Jersey State FSA Newsletter

### New Jersey Farm Service Agency

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#### State Executive Director:

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#### Farm Loan Chief:

Kevin P. Murphy

Visit the  
New Jersey FSA  
website for more  
information  
at

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

### Producers Urged to Consider Risk Protection Coverage for Crops before March 15th Deadline

**Basic NAP coverage is free for beginning, limited resource, minority and women farmers.**

The USDA Farm Service Agency (FSA) reminds producers to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the crop deadlines.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

#### Remaining Deadlines for 2019 NAP Coverage:

**03/15/2019** – Beans, Brussel-Sprouts, Cantaloupes, Celery, Corn, Cucumbers, Eggplant, Honeydew, Oats, Okra, Peppers, Pumpkins, Sorghum, Soybeans, Squash, Sunflowers, Sweet Potatoes & Yams, Tomatillos, Tomatoes, Watermelons.

\*This is not an all-inclusive list of covered crops. For more information on the NAP Program please contact you local office for additional information.

Some crops are covered through independent crop insurance agents and are not eligible for NAP. For more info on crop insurance visit [www.rma.usda.gov](http://www.rma.usda.gov).

### 2018 Farm Bill Listening Session on Hemp March 13th. Register by March 11th

In preparing to implement the Agriculture Improvement Act of 2018 (commonly referred to as the 2018 Farm Bill), the Agricultural Marketing Service (AMS) will host a listening session for initial public input about a new program to regulate hemp production. The listening session will provide interested parties with an opportunity to assist the Agency's future rulemaking efforts by sharing their views on how the United States Department of Agriculture (USDA) can partner with agriculture agencies representing states, territories, and Indian tribes to implement a nationwide program for overseeing the production of industrial hemp.

#### Listening Session Information

**Listening session:** The listening session will be on March 13, 2019, and will begin at 12:00 p.m. and conclude by 3:00 p.m.

**Registration:** You must register by March 11, 2019, to speak during the listening session and to provide oral comments during the listening session. [Register in advance for this webinar.](#) After registering, you will receive a confirmation email containing information about joining the webinar.

**Comments:** For those presenting comments at the online listening session, a written copy of your comments is due by March 11, 2019. You may use [farmbill.hemp@usda.gov](mailto:farmbill.hemp@usda.gov) to submit your written comments via email. AMS will make the agenda for the session available on the website by March 11, 2019.

#### Contact

Andrew Hatch; phone: (202) 720-6862 or email: [andrew.hatch@usda.gov](mailto:andrew.hatch@usda.gov). Persons with disabilities who require alternative means for communication (Braille, large print, audio tape, etc.) should contact the USDA Target Center at (202) 720-2600 (voice and TDD).

### Farm Storage Facility Loans Provide Credit for Your Storage and Handling Needs

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks, and food safety equipment.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

#### March 2019 Rates:

- 3 year loan – 2.500%
- 5 year loan – 2.500%
- 7 year loan – 2.625%
- 10 year loan – 2.750%
- 12 year loan – 2.750%

Loans up to \$50,000 can be secured by a promissory note/security agreement. Loans exceeding \$100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

Some storage and handling trucks are eligible for the FSFL. These include:

- **Cold Storage Trucks**-A van or truck designed to carry perishable freight at specific temperatures. Cold storage trucks can be ice-cooled or equipped with any variety of mechanical refrigeration systems.
- **Flatbed Trucks**-Truck with an open body in the form of a platform with no side walls for easy loading and unloading. These trucks can be categorized into different sizes which range from light, medium, or heavy duty, compact or full-size, or short and expandable beds.
- **Grain Trucks**-A piece of farm equipment specially made to accommodate grain products and are traditionally truck chassis units with a mounted grain “dump” body where grain commodities are transported from a field to either a grain elevator or a storage bin.
- **Storage Trucks with a Chassis Unit**-Commonly referred to as a box truck, box van or straight truck, is a truck with a cargo body mounted on the same chassis with the engine and cab.

To be eligible for FSFL, the storage and handling truck must be less than 15 years old and have a maximum of four axles with a gross weight rating of 60,000 pounds or less. Pick-up trucks, semi-trucks, dump trucks, and simple insulated and ventilated vans are ineligible for FSFL.

FSFL for storage and handling trucks must be \$100,000 or less. FSFL-financed storage and handling trucks must be used for the purpose for which they were acquired for the entire FSFL term.

For more information or to apply for a FSFL, contact your local [FSA Service Center](#).

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## Building a Business on Goats and Gelato

Gary Carder is a veteran and the owner of [Capream Dairy](#). This Grade-A goat dairy specializes in the production of milk, gelato, and cheese, which are sold at retail locations around the state.

### Ice Cream to Gelato

Originally intending to start an ice cream business, Gary took the [Ice Cream Short Course](#) workshop at Penn State University to learn the craft. To source the milk for his ice cream, Gary purchased two Oberhasli goats and discovered the naturally low-fat content from the milk made better gelato.

“Goat ice cream is good, but goat gelato is even better,” he said. “I chose this particular breed because of the flavor and quality of the milk. Our milk is on the sweet side, so all of our products have a sweet flavor.”

Gary later added 14 females and two males to expand his herd. Capream is now home to over 200 goats.

“Oberhasli goats produce slightly less per goat compared to other breeds and that’s why we needed to grow a larger herd,” said Gary. “Our breeding program is increasing production capacity.”

### Working with USDA

[Operating loans](#) from USDA’s Farm Service Agency helped Capream with operating costs of the dairy, particularly with purchasing equipment. These loans are a valuable resource for agricultural producers to start, maintain, and strengthen a farm or ranch.

“The support I’ve gotten from USDA has been a huge part of my enjoyment in this whole experience,” said Gary. “It’s helped grow a small upstart from nothing.”

A priority of Capream is staying informed about USDA programs and services that can further expand the business.

“We are continually monitoring and learning as much as we can about the various programs and services USDA offers,” said Greg O’Reilly, CEO of Capream. “Given our current stage of growth, the USDA is going to continue to be our best friend.”

### Education and Engagement

Capream currently sells whole milk, chocolate milk, and cheese, and is ramping-up production for several flavors of gelato and a goat milk gelato sandwich. These products can be found in select grocery stores, including AJ’s Fine Foods, Natural Grocers and Whole Foods Market.

From the goats to consumers, Capream is involved in the creation of these products every step of the way. Capream does in-store demonstrations to market their products and educate consumers on the benefits of goat dairy products. This has proven essential to their growth.

“Because of these demonstrations, we have gotten to know some of our customers and their families,” said Greg. “When we have some time in our daily schedules, we like to stop by the stores, set up shop, and share milk with people.”

### Leaving a Legacy

Community involvement is important to Capream. The company is currently exploring opportunities to partner with the school system to give students hands-on experience with the goat industry.

“I want to leave something behind for our community,” said Gary.

With goals to expand the company over the next few years, Capream hopes to grow its employee base by creating job opportunities for people in the area and stimulate economic development.

“Gary has a great vision for this company,” said Greg. “Along with growing a successful dairy, we want to leave a legacy and be a good employer.”

### More Information

USDA offers a variety of risk management, disaster assistance, loan, and conservation programs to help agricultural producers in the United States weather ups and downs in the market and recover from natural disasters as well as invest in improvements to their operations.

For more information about USDA programs and to find your local service center, visit [farmers.gov](#). *Story by Lauren Moore, Public Affairs Specialist*

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## USDA Announces January Income over Feed Cost Margin Triggers First 2019 Dairy Safety Net Payment

The U.S. Department of Agriculture’s Farm Service Agency (FSA) announced that the January 2019 income over feed cost margin was \$7.99 per hundredweight, triggering the first payment for eligible dairy producers who purchase the appropriate level of coverage under the new but yet-to-be established Dairy Margin Coverage (DMC) program.

DMC, which replaces the Margin Protection Program for Dairy, is a voluntary risk management program for dairy producers that was authorized by the 2018 Farm Bill. DMC offers protection to dairy producers when the difference between the all milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

Agriculture Secretary Sonny Perdue announced that sign up for DMC will open by mid-June of this year. At the time of sign up, producers who elect a DMC coverage level between \$8.00 and \$9.50 would be eligible for a payment for January 2019.

- For example, a dairy operation with an established production history of 3 million pounds (30,000 cwt.) that elects the \$9.50 coverage level for 50 percent of its production could potentially be eligible to receive \$1,887.50 for January.
  - Sample calculation:  
 $\$9.50 - \$7.99 \text{ margin} = \$1.51 \text{ difference}$   
 $\$1.51 \text{ times } 50 \text{ percent of production times } 2,500 \text{ cwt. } (30,000 \text{ cwt.}/12) = \$1,887.50$
- The calculated annual premium for coverage at \$9.50 on 50 percent of a 3-million-pound production history for this example would be \$2,250.
  - Sample calculation:  
 $3,000,000 \text{ times } 50 \text{ percent} = 1,500,000/100 = 15,000 \text{ cwt. times } 0.150 \text{ premium fee} = \$2,250$

Operations making a one-time election to participate in DMC through 2023 are eligible to receive a 25 percent discount on their premium for the existing margin coverage rates.

Additional details about DMC and other FSA farm bill program changes can be found at [farmers.gov/farmbill](https://farmers.gov/farmbill).

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## Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from Oct. 1, 2018 to Sept. 30, 2019 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 1, 2019
- An application for payment by **Nov. 1, 2019**

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at [www.fsa.usda.gov/factsheets](https://www.fsa.usda.gov/factsheets).

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USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).