

CHAPTER 89

EMERGENCY DROUGHT RELIEF PROGRAM

Authority

"Emergency Disaster Relief Act of 1999", P.L. 1999, c.262.

Source and Effective Date

R.1999 d.437, effective November 24, 1999 (to expire May 24, 2000).
See: 31 N.J.R. 4331(a).

Chapter Historical Note

Chapter 89, Emergency Drought Relief Program, was adopted as Special New Rules by R.1999 d.437, effective November 24, 1999, to expire May 24, 2000. See: Source and Effective Date.

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SUBCHAPTER 1. GENERAL PROVISIONS

2:89-1.1 Applicability

The Emergency Drought Relief Program provides grant assistance for New Jersey farm entities which have experienced and can demonstrate agricultural production damage or loss due to the 1999 drought and meet program criteria. Participation is voluntary.

2:89-1.2 Definitions

Words used in this chapter, unless otherwise expressly stated or unless the context or subject matter otherwise requires, shall have the following meanings:

"Department" means the New Jersey Department of Agriculture.

"Farm entity" means a New Jersey sole proprietorship, partnership, or corporation, that is actively engaged in the production and sale of agricultural commodities.

"FSA" means the Farm Service Agency, United States Department of Agriculture which has a state headquarters and regional offices located in New Jersey.

2:89-1.3 Eligibility

(a) To be eligible for a grant, a farm entity shall:

1. Have been in operation in calendar years 1998 and 1999;

2. In 1998, have produced and have had gross sales of at least \$10,000 but not more than \$2.5 million in agricultural crops or commodities as defined in code 11 of the North American Industry Classification System, Office of Management and Budget, United States Government, 1997, (<http://www.ntis.gov/naics>), incorporated herein by reference;

i. If the farm entity is a partnership, it shall also be deemed to meet the gross sales requirement if each partner's distribution of the partnership's gross sales of agricultural crops and commodities is at least \$10,000 but not more than \$2.5 million. If the partnership meets the gross sales requirement in this manner, it must provide proof that it was created pursuant to Federal and/or State law prior to October 25, 1999;

3. Have incurred greater than 25 percent verifiable or reliably measurable agricultural production loss from normal production by individual commodity as a result of the drought;

4. Have certified that farm production will continue in calendar years 2000 and 2001; and

5. Have applied to FSA for Federal drought disaster grant assistance.

2:89-1.4 Application procedure

(a) Applications for financial assistance shall be made on an application form prepared by the Department as set forth in N.J.A.C. 2:89-1.5.

(b) Applicants shall file their State Emergency Drought Relief application, and file the appropriate Federal FSA forms to establish their crop acreage, normal production yield, production losses, and other production information as may be required, at their respective local FSA office.

(c) The Department will obtain from FSA verified or reliably measured crop acreage, production losses, and normal yield by farm entity as determined by FSA in accordance with established FSA procedures. In the event that normal yield data is not available for a farm entity, the

Department shall utilize county or other official normal yield data.

(d) The Department will review each State Emergency Drought Relief application and attendant FSA documentation to determine if all criteria have been met.

(e) All State applications must be postmarked or electronically received by the respective local FSA office no later than 5:00 P.M., February 25, 2000.

(f) Applicants for State drought assistance must also apply for Federal drought disaster grant assistance with their respective local FSA office to be eligible for financial compensation from the Department.

2:89-1.5 Application form

2:89-1.5 Application Form

1999 Drought Relief Grant Program				
Application				
New Jersey Department of Agriculture PO Box 330, Trenton, NJ 08625				
Phone: 1 - 877 - 788 - 7785				
Fax: (609) 633-7229				
Website: http://www.state.nj.us/agriculture				
Applications must be postmarked or electronically received by February 25, 2000.			Application No.:	
Type or print legibly.				
1. PROPRIETOR NAME (LAST, FIRST MI):			2. SOCIAL SECURITY NUMBER (SS#):	
3. BUSINESS NAME:			4. FEDERAL (EMPLOYER) IDENTIFICATION NUMBER (EIN#):	
5. ADDRESS (STREET, ROUTE, ETC.):			6. COUNTY:	
			6a. COUNTY / MUNICIPALITY CODE (FROM W-9)	
7. CITY / TOWN:			STATE:	ZIP:
8. LEGISLATIVE DISTRICT:				
9. PHONE: ()			10. FAX: ()	
11. Form of Business:				
If you are a sole proprietorship, check here and include 1998 Form 1040, Schedule F.			Yes	No
If you are a partnership, check here and complete Schedule A, Listing of Corporate Officers and Partners. Include 1998 Form 1065, Schedule F.				
If you are a corporation, check here and complete Schedule A, Listing of Corporate Officers and Partners. Include the front page of Form 1120 from your corporation.				
Do you have an interest, in whole or in part, in another New Jersey farm entity?				
<i>If yes, please complete Schedule B, Listing of Other Ownership Interests</i>				
12. Gross Agricultural Sales:			Yes	No
Do you certify that your gross sales from agricultural crops or commodities were at least \$10,000 but not more than \$2.5 million in 1998?				
If you are a partnership created before October 25, 1999, are the gross sales of each partner's individual distributions at least \$10,000 but not more than \$250,000?				
<i>If your gross sales in 1998 were less than \$10,000, or more than \$2.5 million, STOP HERE. You are not eligible for this grant.</i>				
13. Registration of Loss:			Yes	No

Have you applied for Federal disaster grant assistance?					
Have you registered your loss with FSA?					
<i>If you have not registered your loss with FSA, STOP HERE, we cannot process your application without FSA registration.</i>					
I hereby certify that I am currently farming in the State of New Jersey and that I plan to continue to farm in New Jersey through the end of calendar year 2001. I further certify that if I receive a grant, I will use it only for eligible projects and activities pursuant to the Emergency Drought Relief Program regulations. I further certify that the information contained herein is correct and that I will provide documentation if requested by the New Jersey Department of Agriculture. I understand that any misrepresentation or falsehood filed in support of my Grant Application will render my Application null and void and prohibit further program participation. I further accept and agree that the agencies coordinating with the NJDA, specifically the Farm Service Agency (FSA) and the New Jersey Agricultural Statistical Service (NJASS), will be held harmless in the decisions made by the Department. By signing this application, I give permission to the FSA to release information about my farm operation(s) to the New Jersey Department of Agriculture.					
Applicant's Signature:			Date:		
FOR DEPARTMENT USE:					
FSA review:		Date:	ELIGIBLE	NJDA FSA	KEY1:
			INELIGIBLE		KEY2:

BUSINESS NAME:		FEDERAL IDENTIFICATION NUMBER:	
Schedule A: Listing of Corporate Officers and Partners:			
If the entity that you are farming is a Partnership or a Corporation, list below the names, addresses and social security numbers of all partners or of corporate shareholders holding title as a Corporate Officer in the business.			
Name (Last, First, MI)	Address	Social Security Number	Title
1			
2			
3			
4			
5			
6			

7			
8			
9			
10			
11			
12			

Schedule B: Listing of Other Ownership Interests

If you have indicated that you, or any member of your Partnership or Corporation, are the holder of an interest in another New Jersey farming entity in addition to the one applying for monies herein under this program, please list the name(s) of the other farming entities below.

	Name of Partner or Officer	Business Name and Address	EIN	Percent Ownership
1				
2				
3				
4				
5				

2:89-1.6 Financial compensation methodology

(a) The methodology to distribute financial assistance equitably throughout the drought-impacted areas is as follows:

1. Production Loss Basis for Field Crops, Fruits and Berries, Vegetables, and Annual Ornamental Crops:

i. The 1999 crop production loss per acre shall be determined by subtracting the reduced 1999 yield per acre from the farm entity's five year average production yield per acre for an individual crop currently on file with FSA. If the five year acreage has not been previously filed with the FSA, the Department will utilize county or other official average production yield data.

ii. The yield payment basis shall be the farm entity's 1999 crop production loss reduced by 25 percent of the five year average production.

iii. The crop allotment is the per acre yield payment basis multiplied by the average crop price, provided by the New Jersey Agricultural Statistics Service, multiplied by the number of acres planted for harvest.

iv. The sum of all crop allotments shall establish the preliminary farm entity grant allotment.

2. Value of Inventory Basis for Nursery, Livestock and Other Commodities:

i. An inventory value of multi-year crop or commodity production for each farm entity shall be supplied to the FSA for the spring season of 1999.

ii. An inventory value of that same crop or commodity production for each farm entity shall be supplied to the FSA for the fall season of 1999.

iii. A commodity production loss value shall be established based on the difference in inventory values supplied in (a)2i and ii above, as a result of mortality in the field, and adjusted for production sold or purchases made.

iv. In order to qualify for a grant, the percentage difference in inventory values supplied in (a)2i and ii above must exceed 25 percent, as the farm entity may only receive compensation for commodity production losses which exceed 25 percent.

v. The allotment for crop or commodity shall be determined by subtracting 25 percent of the 1999 spring season inventory value from the commodity production loss value.

vi. The preliminary farm entity grant allotment for multi-year crops or commodities shall be the sum of all allotments for crops or commodities.

3. Average Assigned Value per Acre for Livestock Pasture:

i. To assist in making a determination of the number of acres of pasture in the farm entity, the farm entity shall provide certification that livestock utilized the pasture in 1999 and that the acreage was used only for pasture.

ii. The Department shall utilize a base value of \$40.00 per acre for pasture value loss based upon the following:

(1) The average Statewide value of income imputed from grazing, utilizing figures approved by the New Jersey Farmland Evaluation Advisory Committee, is \$80.00 per acre for 1999.

(2) Because the grazing season is eight months and the pasture was impacted by the drought for four of these eight months, the pasture value loss shall be deemed 50 percent of \$80.00, or \$40.00 per acre.

iii. The Department shall utilize a pasture allotment of \$20.00 per acre, arrived at by subtracting 25 percent of \$80.00 (\$20.00) from the pasture value loss of \$40.00 per acre, as the farm entity is to receive an allotment only for grazing value losses which exceed 25 percent.

iv. The preliminary farm entity grant allotment shall be the sum of pasture acres multiplied by \$20.00 per acre.

2:89-1.7 Grant awards and limitations

(a) A farm entity shall be eligible for a grant if it submitted a timely, complete application form, filed all necessary crop or commodity loss data with FSA, and conforms with all eligibility criteria listed in N.J.A.C. 2:89-1.3.

(b) Final farm entity payments will be calculated using a payment adjustment factor derived by dividing the total amount of available grant funds by the sum of all preliminary farm entity allotments. Preliminary farm allotments multiplied by the payment adjustment factor provides the final grant payment amount for each qualified farm entity.

(c) The maximum grant award is \$45,000 per farm entity. If the farm entity is a partnership, and has met the gross sales requirement of N.J.A.C. 2:89-1.3 based on individual partner distributions, then the maximum grant award shall be \$45,000 per partner.

2:89-1.8 Eligible uses of financial compensation

(a) Financial compensation received pursuant to the Emergency Drought Relief Program shall only be used for agricultural purposes approved by the Department including, but not limited to:

1. Reducing or retiring agricultural debt;

2. Paying for farm operating expenses such as utility bills, labor costs, taxes, insurance;

3. Purchasing farm supplies, seed, fertilizer, feed, livestock, etc.;
4. Repair, replacement or installation of agricultural facilities and equipment; and
5. Agricultural conservation or energy savings needs.

2:89-1.9 Ineligible uses of financial compensation

(a) Financial compensation received pursuant to the Emergency Drought Relief Program may not be used for non-agricultural purposes including, but not limited to, the following:

1. Purchase of vehicles with a gross vehicular weight under 10,000 pounds;
2. Residential improvements;
3. Reducing or retiring non-agricultural debt;
4. Any use that would represent a duplication of benefits; and
5. Any other non-agricultural use disapproved by the NJDA as a result of application review.

2:89-1.10 Appeals

(a) An applicant for a grant may appeal, in writing, to the Department within 10 days of receipt of notice from the Department of its determination of the final farm entity payment amount.

(b) Appeals shall only be allowed for errors or omissions made by the Department in calculating the grant amount.

(c) The Department shall appoint an appeals board, comprised of staff of the Department, to settle all appeals.

(d) Applicants shall be notified by the Department of the decision of the appeals board within 10 days of its determination.

(e) Decisions on appeals made by the Department are final.

SUBCHAPTER 2. EMERGENCY LIVESTOCK FEEDING REBATE PROGRAM

2:89-2.1 Applicability

The Emergency Livestock Feeding Rebate Program provides financial assistance to New Jersey farm entities with livestock which normally produce hay for their own livestock and due to the severe drought must purchase hay for feeding. Participation is voluntary.

2:89-2.2 Definitions

Words used in this subchapter, unless otherwise expressly stated or unless the context or subject matter otherwise requires, shall have the following meanings:

“Livestock farm entity” shall mean a livestock farmer operating in New Jersey.

“Rebate” shall mean an amount of money the producer will be eligible to receive.

2:89-2.3 Eligibility

(a) To be eligible to receive a livestock feeding rebate for hay, a New Jersey farm entity with livestock shall:

1. Have been in operation in calendar years 1998 and 1999 producing hay for feeding livestock on the farm premises;
2. Have incurred hay production losses in calendar year 1999;
3. Have purchased hay or received donated hay on or after September 22, 1999 and before February 25, 2000 for feeding livestock on the farm premises;
4. Certify that the quantity of hay for which it is seeking a rebate is only the amount necessary to feed its livestock through the April 1, 2000 feeding season; and
5. Certify that it will not sell or distribute the hay to others.

2:89-2.4 Application procedure

(a) Applications for livestock feeding rebate shall be made on the Department’s application form prepared by the Department as set forth in N.J.A.C. 2:89-2.5.

(b) All applications must be complete and postmarked or electronically received by the Department no later than 5:00 P.M., February 25, 2000.

(c) All applications must include original receipts with the supplier’s name, address, telephone number, and tons of hay delivered, delivery date, and delivery address.

(d) An applicant shall submit a copy of the completed tax year 2000 FA-1 Farmland Assessment form(s) for all lands on which hay was produced and livestock was raised, or in the absence of such information, a Rutgers Cooperative Extension assessment of hay loss and livestock being fed.

(e) The Department will review and verify the data on each application to determine if all criteria have been met.

2:89-2.5 Application form

12. Rebate Request:				
The undersigned hereby requests a rebate for the acquisition of the following:				
				Total
A. Hay purchased from a New Jersey supplier			tons @ \$60/t on	\$
B. Hay purchased outside the State of New Jersey			tons @ \$50/t on	\$
C. Hay donated and transported to New Jersey			tons @ \$35/t on	\$
			Total	\$
The undersigned certifies and attests to the validity of the above information, that this hay will not be resold, that the hay so acquired is only the amount necessary to get his/her livestock through the season and is attributable to a loss due to the drought. Rebates will only be made for hay acquired between September 22, 1999, and February 25, 2000. Applications must be received on or before February 25, 2000.				
Applicant's Signature:			Date:	
NJDA review:			Date:	
			Rebate Approved \$	

2:89-2.6 Financial compensation

The Department will provide a rebate of \$35.00 per ton for transportation costs of donated hay brought in from outside New Jersey; \$50.00 per ton for hay purchased outside New Jersey; or \$60.00 per ton for hay purchased from a New Jersey supplier.

2:89-2.7 Appeals

The same appeal process as provided in N.J.A.C. 2:89-1.10 shall apply to this subchapter.

2:89-2.8 Chapter expiration

This chapter shall be effective until May 24, 2000 unless extended or modified pursuant to the Administrative Procedure Act.