

Attachment 3B(1)

Explanatory Note for USDA Farm Service Agency (FSA) Report May 3, 2010

FSA has determined that the following programs receiving an appropriation from the American Recovery and Reinvestment Act can be considered categorically excluded at the programmatic level and therefore, are excluded from the preparation of environmental assessments or environmental impact statements:

- *IT Stabilization/Modernization* – funding for the stabilization and modernization of computer systems – falls under routine activities [7 CFR 1b.3(a)(1)].
- *2008 Aquaculture Assistance* – increases maximum program spending for grants to states – falls under activities which deal solely with the funding of programs [7 CFR 1b.3(a)(2)]. In past reporting periods, States refunded unused or unneeded funds or declined any support under the 2008 Aquaculture Assistance Program causing the number of projects to decline. During the reporting period ending March 31, 2010, one additional State refunded unused or unneeded funds causing the number of projects funded to decline to 35 (from 36). These 2 projects have been withdrawn, as shown on page 2 of the FSA Spreadsheet.
- *Farm Direct Operating Loans* – funding for costs associated with operating the direct farm operating program – falls under [7 CFR 1940.310(e)(1)]. During this reporting period, over 140 new Farm Direct Operating Loans were authorized. As reported previously, 33 projects (individual loan applications) were withdrawn from the Farm Direct Operating Loans Program per the applicants request for various reasons outside of FSA's control.
- *Agriculture Disaster Relief* – provides financial assistance for qualified producers who experienced a crop loss in 2008 and falls under activities which deal solely with the funding of programs [7 CFR 1b.3(a)(2)]. The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) creates the Agricultural Disaster Relief Trust Fund that finances five separate programs that comprehensively address agricultural disasters across the nation. The Supplemental Revenue Assistance Payments (SURE) program is one of the programs. The SURE program authorizes the Secretary of Agriculture to provide agricultural disaster assistance to producers who suffered qualifying crop production losses, crop quality losses, or both due to disaster(s), adverse weather, or other environmental conditions beginning with the 2008 crop year and ending with losses incurred on or before September 30, 2011. Application sign up for the SURE began January 4, 2010 leading to 12,183 participants this reporting quarter.

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