



NEWSLETTER



Ohio FSA State Office

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Hours

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

September 2013

Ohio FSA State
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Visit our Website at:
www.fsa.usda.gov/oh

Succession in Interest

If you have made any changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these **successions-in-interest** to the county committee by Sept. 30, so that a final determination can be made on who is eligible for the program on the farm.

Changes that qualify as a succession-in-interest include:

- A sale of land
- A change of operator or producer, including an increase or decrease in the number of partners
- A foreclosure, bankruptcy or involuntary loss of the farm.
- A change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the “predecessor,” are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the “successor.”

Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

NAP Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) is designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to FCIC catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT insurance is not available.

The application and service fee deadline for the 2014 NAP coverage on Winter Wheat, Rye, Barley and Speltz **is Oct. 1, 2013** in Ohio.

Producers who already have coverage on 2013 NAP crops may choose to continue coverage on the same crop or crops for 2014, if the applicable service fee is submitted by Oct. 1, 2013. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee. The service fee is \$250 per crop per county or \$750 per producer per county. The fee cannot exceed a total of \$1875 per producer with farming interest in multiple counties.

Producers with NAP coverage must remember to complete the following to remain eligible for NAP benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a “Notice of Loss” within 15 days of when a loss is apparent, so the loss can be appraised and production counted before the crop is put to another use, abandoned or destroyed.

For more information on NAP coverage, please contact your local FSA office.

CRP Annual Payments

The FSA staff wants to be certain CRP annual payments are correctly and timely made. Please notify our office if: your mailing address has changed; payee ID numbers have changed; or participant shares have changed. If you have established a trust agreement as a result of an estate planning process, or recently formed an entity (partnership, corporation, LLC, etc.) and you are enrolled in CRP, please report these changes as soon as possible to ensure proper payments are made.



The easiest way to tell if the correct person(s) are being paid is to review the names and payment shares on the CRP-1 contract. Give us a call today, if you have any questions.

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.

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Live in a rural area or in a town of 50,000 people or fewer
- Must obtain a written recommendation and consent from a parent or guardian if the applicant has not reached the age of majority under state law
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

To find out more about the FSA Rural Youth loan program, contact your local FSA office to setup an appointment with a Loan Approval Official.

Adjusted Gross Income

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) requires the implementation of the average adjusted gross income (AGI) limitations for program eligibility for the 2009-2012 program years. The average AGI provisions are applicable to the majority of programs administered by the Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS). The American Taxpayer Relief Act of 2012 extends the required implementation of the AGI limitations for program eligibility for the 2013 program year.

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs. All persons and legal entities requesting certain program payments, either directly or indirectly are subject to the average AGI provisions.

The **CCC-931** form authorizes the IRS to disclose to USDA 2009 through 2012 tax-related information for AGI compliance purposes. The **CCC-933** form authorizes the IRS to disclose to USDA 2013 tax-related information for AGI compliance purposes. Participants in CCC programs subject to average AGI rules must submit form **CCC-931** or **CCC-933** to the Blank County FSA office to avoid interruption of program benefits.

Producers who fail to respond to written notices of AGI non-compliance or determined non-compliant will be notified of the requirement to refund the applicable program payments. Actions required by the Debt Collection Improvement Act (DCIA) will be followed by NRCS and FSA.

The forms are available online at: [CCC-931](#) or [CCC-933](#) or from your local FSA office.

Reasonable Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.

2013 Compliance and Spot-Check Review

Compliance and spot-checks will once again be utilized during the 2013 crop year. Instead of locally selecting farms, contracts, deficiency loans, etc. for spot-check and review, a nationwide selection of producers is used to achieve a statistical sampling of participating producers. Spot-check selections are to be conducted based on a producer's participation in the following programs/activities: ALAP, ACRE, BCAP, CRP maintenance and practice checks, DCP, ELAP, FSA-578's, HELC/WC compliance, LDP's/MAL's, LFP, LIP, MILC, NAP, SURE and TAP.

FSA may review a producer's operations in multiple states and counties, depending on the scope of the producer's operations. FSA will review both the accuracy of the representations made by the selected producers in connection with participation in FSA programs as well as the producer's compliance with applicable program requirements. The reviews may need to be conducted at various times throughout the year depending on the FSA programs in which the producer is participating. If an entity is selected from the national database that is no longer farming or participating in the 2013 crop year, a notation shall be made on the spot-check list.

FSA appreciates the cooperation of its customers as the agency continues to enhance its operations. FSA's goal is to ensure that program dollars are delivered effectively and efficiently so America's farmers and ranchers can provide safe and abundant food, fiber and fuel for consumers at home and abroad. For more information about the new spot-check selection procedure, feel free to contact your local FSA office for additional clarification.

Maintaining Stored Grain Quality

With the summer temperatures, producers are reminded to keep an eye on the condition and quality of the stored grain. Remember to contact your local FSA office if you notice changes in the condition and quality of the stored grain.

Selected Interest Rates for September 2013	
90-Day Treasury Bill	0.125%
Farm Operating Loans -- Direct	1.875%
Farm Ownership Loans -- Direct	4.000%
Farm Ownership Loans — Down Payment	1.500%
Emergency Loans	2.875%
Farm Storage Facility Loan -- 7 year	2.000%
Farm Storage Facility Loan -- 10 year	2.625%
Farm Storage Facility Loan -- 12 year	2.875%
Sugar Storage Facility Loans	3.125%
Commodity Loans 1996-Present	1.125%

Farm Storage Facility Loan Program

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.

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 harvested as whole grain;
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain;
- Pulse crops - lentils, small chickpeas and dry peas;
- Hay;
- Honey;
- Renewable biomass; and
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about FSFL, please visit your local FSA or go [online](#) to read the FSFL Fact Sheet.

Faxed Signatures

Certain faxed signatures shall be accepted for all applicable program forms or other documents approved for faxed signatures, if all other signature requirements are met.

State of the Birds

Over the last two decades, FSA's Conservation Reserve Program (CRP) and other USDA conservation programs for landowners have succeeded in increasing bird and species



populations throughout North America. A special report released jointly by Agriculture Secretary Tom Vilsack and Interior Secretary Sally Jewell now documents these improvements. 2013 State of the Birds: Report on Private Lands is available for download by visiting the website <http://www.stateofthebirds.org/>. Credit for producing this report goes to non-profit partner organization, the North American Bird Conservation Initiative.

Farm Safety

With the harvest season drawing near and National Farm Safety and Health Week this September 15-21 the Farm Service Agency would like to remind all farmers to be safe.

Flowing grain in a storage bin or gravity-flow wagon is like quicksand, it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical aspects of grain handling equipment, also presents a real danger. Augers, power take offs, and other moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive crop year, and that begins with putting safety first.

Dates to Remember	
Oct. 1	Deadline to obtain 2014 NAP coverage for Winter Wheat, Rye, Barley and Speltz.
Oct. 14	Columbus Day Holiday. FSA Offices Closed.
Nov. 4	County committee ballots mailed to voters.
Nov. 11	Veterans Day Holiday. FSA Offices Closed.
Nov. 20	Last day to apply for coverage for asparagus, blueberries, caneberries, cherries, chestnuts, forage for hay and pasture, grapes, nectarines, peaches, pears, plums, strawberries, honey and maple syrup.
Nov. 28	Thanksgiving Day Holiday. FSA Offices Closed.
Dec. 2	Last day to return voted Ballots in county committee election.
Continues	Continuous Conservation Reserve program.

Visit our website at: www.fsa.usda.gov/oh

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To file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax at (202) 690-7442 or e-mail at program.intake@usda.gov. USDA is an equal opportunity provider and employer."