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**Production Adjustment,
Compliance and Risk**

FSA Reminds Producers of March 15 NAP Deadline for 2016 Crops

The Farm Service Agency (FSA) reminds producers who are interested in the 2016 Noninsured Crop Disaster Assistance Program (NAP), of the need to apply for coverage by the following crop deadline.

March 15, 2016 is the deadline for 2016 NAP coverage on forage sorghum, oats, potatoes, Soybeans, Sunflowers and all spring planted specialty crops grown for food.

The 2014 Farm Bill provides greater coverage for losses when natural disasters affect specialty crops. Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price. The expanded protection is especially helpful to beginning and socially disadvantaged producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage.

Eligible producers can apply for 2016 NAP coverage at their local FSA Office using form CCC-471, Application for Coverage. The service fee for basic NAP coverage is the lesser of \$250 per crop or \$750 per producer per administrative county, not to exceed a total of \$1,875 for a producer with farming interest in multiple counties. Producers interested in buy-up

Management Chief:
Matt Kleski

coverage must pay a premium, in addition to the service fee. The maximum premium will be \$6,564.

State Committee:
Bob Boggs, Chairperson
Bob Cole, member
Bruce Long, member
Jim Rex, member
Jim Zumbrink, member

Producer meeting the definition of a socially disadvantaged farmer, beginning farmer or limited resource farmer will have service fees waived. Producers meeting this definition that choose to purchase buy-up coverage will also have service fees waived and the premium will be capped at \$3,282.

Visit Ohio FSA website for additional information at: www.fsa.usda.gov/oh

To help producers learn more about the NAP program and how it can help them, USDA, offers an online Web tool at www.fsa.usda.gov/nap. The webtool allows producers to determine whether their crops are eligible for coverage and gives producers an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

Please contact your [FSA County Office](#) for questions specific to your operation.

For more information on NAP coverage or obtain coverage, please contact your [FSA County office](#).

Youth Loans Available

The Farm Service Agency makes loans to 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.

Applicants Must:

- 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
- 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 Youth loan program, contact your local FSA county office to setup an appointment with a Loan Approval Official.

USDA Removes Farm Program Payments to Managers Not Actively Engaged in Farming

USDA finalized a rule to ensure that farm safety-net payments are issued only to active managers of farms that operate as joint ventures or general partnerships, consistent with the direction and authority provided by Congress in the 2014 Farm Bill. The action, which exempts family farm operations, closes a loophole where individuals who were not actively part of farm management still received payments.

Since 1987, the broad definition of “actively engaged” resulted in some general partnerships and joint ventures adding managers to the farming operation, qualifying for more payments that did not substantially contribute to management. The rule applies to operations seeking more than one farm manager, and requires measurable, documented hours and key management activities each year. Some operations of certain sizes and complexity may be allowed up to three qualifying managers under limited conditions. The changes apply to payments for 2016 and subsequent crop years for Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs, Loan Deficiency Payments (LDP) and Marketing Loan Gains (MLG) realized via the Marketing Assistance Loan program.

As required by Congress, the new rule does not apply to family farms, or change regulations related to contributions of land, capital, equipment, or labor. The changes go into effect for the 2016 crop year for most farms. Farms that have already planted fall crops for 2016 have until the 2017 crop year to comply. For more details, producers are encouraged to consult their local FSA office.

Proper Management of CRP Grass Cover

In the past, aesthetic mowing of CRP grass cover was a widely accepted practice by many participants. Today with more research and understanding, it has been shown that properly managed grass cover will reduce soil erosion, improve water quality, and is more beneficial to wildlife than annually mowed grass covers.

Wildlife, especially grassland birds including pheasants and quail, and pollinators, such as bees and butterflies, view properly managed CRP cover as a source of food and habitat suitable to raise their young. Wildlife will not be attracted to CRP cover if plants are not allowed to mature. Game birds and bees are disappearing because of habitat loss.

Properly managed grass cover does not include noxious weeds such as thistle and teasel or woody species like trees and multiflora rose. These noxious weeds must be controlled. This can be done in several ways. Mowing of CRP cover, not to exceed 20% of the total CRP acres in a field, is permitted. This activity must be included in your conservation plan and be conducted outside of Ohio’s primary nesting season (**March 1st – July 15th**). The location of this mowing should be changed from year to year. Another option to control noxious weeds is by spot mowing affected areas or spot spraying of an approved herbicide. These treatments will have a minimal effect on the CRP practice cover’s ability to meet the purposes of erosion control, water quality, and wildlife habitat.

Unauthorized disturbance of CRP cover is considered a violation of the terms and conditions of the CRP contract and conservation plan. Violations could potentially result in hefty penalties including contract termination and refund of all contract related payments.

Properly maintained CRP cover can be very attractive if noxious weeds and invasive species are controlled and grasses and wildflowers are allowed to mature. Please scout your CRP fields before weeds go to seed. Contact your local FSA office for permission to spot treat your CRP grass cover during Ohio’s primary nesting season (**March 1st – July 15th**). Plan to have your CRP cover assessed for the need of mid-contract management activities that are designed to enhance your CRP cover for wildlife. Mid-contract management is a contractual obligation that is outlined in your CRP-1 Appendix and conservation plan.

Contact the FSA office for more information on proper maintenance and management of CRP practice cover.

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call the county office before you haul any grain under loan.

Farming Operation Changes

Producers who have bought or sold land, or added or dropped rented land from their operation must report those changes to the FSA office as soon as possible. A copy of the deed or recorded land contract for purchase property is needed to maintain accurate records with FSA. Failure to do so can lead to possible program ineligibility and penalties. While making record updates, be sure to update signature authorizations. Making record changes now will save time in the spring.

OSU Extension Offers East Ohio Women in Agriculture Conference April 1

The Ohio State University's College of Food, Agricultural, and Environmental Sciences will offer the third annual East Ohio Women in Agriculture Conference. This year's program will feature 16 break-out sessions presented by OSU Extension educators, farmers, and partner agencies including: Finance, Livestock, Special Interest, Food & Family, Partner Agencies and one youth session.

This year's conference will be Friday, April 1 from 9:00 am – 3:00 pm. **This year the event will be held in a new location:** R. G. Drage Career Technical Center, 2800 Richville Drive SE, Massillon, OH 44646.

Registration for the East Ohio Women in Agriculture conference is \$55 for adults and \$30 for students. The deadline to register is March 18. For more information about the East Ohio Women in Agriculture Conference or to register online, visit <http://u.osu.edu/eastohiowomeninag/2016/01/20/registration-now-open-for-2016-east-ohio-women-in-agriculture-conference/> website or contact (740) 622-2265.

Selected Interest Rates for March 2016

- 90 Day Treasury Bill, -- 0.125%
- Farm Operating Loans, Direct, -- 2.625%
- Farm Ownership Loans, Direct, -- 3.750%
- Limited Resource Loans, -- 5.000%
- Farm Ownership Loans, Down Payment, -- 1.500%
- Emergency Loans, -- 3.625%
- Farm Storage Facility Loan, 7 year, -- 1.625%
- Farm Storage Facility Loan, 10 year, -- 1.875%
- Farm Storage Facility Loan, 12 year, -- 2.000%
- Sugar Storage Facility Loans, 15 year, -- 2.125%
- Commodity Loans, 1996- Present, -- 1.500%

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).