



Ohio FSA State Office

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Columbus, OH 43215

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Hours

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

November 2010

State Office Staff

Steve Maurer,
State Executive
Director

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

Voting for County Committee Begins

Ballots for this year's county committee election were mailed to eligible voters on November 5, 2010. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on December 6, 2010. If mailed, ballots must be postmarked by midnight December 6th.

Unauthorized Disposition of Loaned 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. Additionally, producer could be subject to criminal prosecution under federal law. Always call the office before any grain under loan is fed or sold.

NAP Deadline

The Non-Insured Crop Disaster Assistance Program (NAP) was 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 2011 NAP coverage on Apples, Asparagus, Blueberries, Caneberries, Cherries, Chestnuts, Forage for Hay and Pasture, Grapes, Nectarines, Peaches, Pears, Plums, Strawberries, Honey and Maple Syrup **is Nov. 20, 2010** in Ohio.

Producers who already have coverage on 2010 NAP crops may choose to continue coverage on the same crop or crops for 2011, if the applicable service fee is submitted by Nov. 20, 2010. 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.

NAP coverage is only available for crops not covered under the Federal Crop Insurance program. Producers are reminded about the need for insurance coverage on crops in order to remain eligible for the agency's Disaster Assistance Programs such as SURE, LFP, TAP, and ELAP. Producers must purchase at least catastrophic (CAT) level of insurance for all insurable crops and producers must apply for coverage before a disaster strikes.

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.

CCC-927 or CCC-928 Must Be Sent To IRS

Producers who participated in 2009 or 2010 programs subject to adjusted gross income limitations (AGI) had to certify compliance with AGI rules. The average AGI verification process for 2009 and 2010 payment eligibility requires all program participants to provide written consent to IRS for the disclosure of certain information to FSA.



On October 6, 2010, a letter was mailed to producers who have not submitted:

- CCC-927: “Consent to Disclosure of Tax Information-Individual Form”
- CCC-928: “Consent to Disclosure of Tax Information-Legal Entity form”

Individuals and legal entities, including members of legal entities, that certified to average AGI compliance for 2009 and/or 2010 payment eligibility must submit a completed CCC-927 or CCC-928 to IRS regardless of whether they received program benefits directly or as a member of a joint operation or entity. These forms must be submitted to IRS in order to avoid a demand for refund of program payments and benefits received.

Changing Banks

If you have changed banks and not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in producer’s account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

FSA Conservation Loan Program

The Farm Service Agency (FSA) makes and guarantees conservation loans on farms to help conserve our natural resources. The Conservation Loan (CL) Program provides farmers with the credit necessary to implement conservation measures on their land.

The direct CLs loan limit is up to \$300,000 and guaranteed CLs up to \$1,119,000 (amount adjusted for inflation), may be available by applying with lenders working with FSA to obtain a guarantee.

Applicants will work with Natural Resources and Conservation Service (NRCS) Staff to develop a conservation plan. Conservation practices must be approved by NRCS before FSA can provide financing. Examples of conservation practices include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; manure management, including manure digestion systems; etc.

For more information on the Conservation Loan program, contact your local FSA office to setup an appointment with a Loan Approval Official. Or visit the Ohio FSA website at: www.fsa.usda.gov/oh and select the “County Offices” link to locate the nearest FSA office.

Crop Assistance Program Now Available In Ten Ohio Counties

Sign-up for the Crop Assistance Program (CAP) began October 25, 2010, and will continue through December 9, 2010. Up to \$550 million in disaster assistance will be issued to producers of rice, upland cotton, soybeans and sweet potatoes that suffered losses because of excessive moisture or related conditions in 2009. Ohio producers with land physically located in **Ashtabula, Athens, Brown, Gallia, Jefferson, Lake, Lawrence, Morgan, Muskingum, and Washington** counties that suffered losses in 2009 because of excessive moisture or related conditions are eligible. **The deadline to sign-up for CAP is December 9, 2010.**

CAP will provide financial assistance to producers in the qualifying Ohio counties who are still feeling the effects of the quality and quantity losses to soybean and sweet potatoes caused by excess moisture and related conditions in 2009.

Producers of eligible crops in disaster counties who certify to a five percent or greater crop loss in 2009 due to excessive moisture or related conditions will receive a payment based on a predetermined payment rate times the planted acres of the crop. FSA will not consider acres in late-filed acreage reports on or after Monday Oct. 25, 2010 to be eligible acres for CAP. Per acre payment rates will be prorated by FSA in order to keep payments within available funds for the program. Producers will initially receive 75 percent of their CAP payment and once sign-up is complete they may receive up to an additional 25 percent.

The predetermined payment rates for the eligible crops in Ohio are:

- Soybeans – \$15.62 per acre
- Sweet potatoes – \$155.41 per acre

The general eligibility provisions, payment limits and adjusted gross income limits that apply to FSA programs apply to CAP. No person or legal entity (excluding a joint venture or general partnership), may receive, directly or indirectly, more than \$100,000 in CAP benefits. Additionally, CAP payments will be treated as 2009 revenue under the Supplemental Revenue Assistance Payments (SURE) Program.

For more information about the CAP or any other disaster assistance programs, visit your local FSA county office or to view the CAP factsheet go to: http://www.fsa.usda.gov/Internet/FSA_File/cap10pfs.pdf.

Farm Loan Year End Reviews

Producers that have a farm loan with FSA are reminded they must provide data for their Year-End Analysis (YEA) to their loan officer each year. Borrowers are urged to provide this information timely so that their files can be maintained. The office will contact you for the data you will need to provide us.

Operating Loan Applications Needed Now

Farmers that plan to apply to the Farm Service Agency for annual operating loan assistance this year are encouraged to apply as soon as possible. The earlier an application for loan assistance is filed, the quicker the FSA staff can process your request. In addition, due to budget constraints, farmers that wait until later in the year to apply, often run the risk of finding out that our funding allocations have been utilized already. Decisions on loans cannot be made until a complete application is received.

Farmers should also contact their local FSA office to setup an appointment with a Farm Loan Official for information as to what is required in order to have a complete loan application on file.

Selected Interest Rates for November 2010	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.000%
Farm Ownership and Conservation Loans — Direct	4.125%
Limited Resource Loans	5.000%
Farm Ownership Loans — Beginning Farmer Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loan -- 7 year	1.875%
Farm Storage Facility Loan -- 10 year	2.500%
Farm Storage Facility Loan -- 12 year	2.750%
Sugar Storage Facility Loans	3.125%
Commodity Loans 1996-Present	1.250%

FSA Financial Services Website

The Farm Service Agency (FSA) Financial Services website allows producers to generate reports that show both current and historical financial information.

Registered producers may view summary and detail information about specific payments, collections, outstanding debt (excluding loans) and CCC-1099-G. Registered producers may enter their own information to assign a payment to a third party, request that a payment be made jointly to the producer and a third party, or route their program payments to their account at a financial institution.

Currently, individual producers who have Internet access and have registered for e-authentication Level 2 may use the FSA Financial Inquiries website. Producers may sign-up for an e-authentication Level 2 Account on the www.eauth.egov.usda.gov website.

Below are the steps needed to obtain an e-authentication Level 2 Account.

- To obtain a Level 2 Account you must complete a customer profile and submit it online.
- After submitting your customer profile, you will receive a confirmation email, and you must respond to it within 7 days to activate your account.
- Then you must complete the “Identity Proofing” process by visiting a local USDA Service Center and present a photo ID, such as your Driver’s License.

The Financial Management Information webpage is <http://www.fsa.usda.gov/fmi>.

Transition Incentives Program

The Transition Incentives Program (TIP) encourages retired or retiring owners and operators who are willing to sell or lease Conservation Reserve Program (CRP) acres to beginning or minority farmers. The Transition Incentive Program (TIP) provides annual rental payments to the retired or retiring landowners for up to two additional years after the date of the expiration of the CRP contract, provided the transition is not to a family member. Sign-up for the new TIP program began in May, at your local FSA office.

To be eligible, TIP requires that the retired or retiring farmer:

- Have land enrolled in the Conservation Reserve Program (CRP) that is in the last year of the contract.
- Agree to allow the beginning or minority farmer to make conservation and land improvements.

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Agree to sell, or have a contract to sell, or agree to long-term lease (a minimum of 5 years) the land under CRP contract to a beginning or minority farmer by Oct. 1 of the year the CRP contract expires.

The program was created by Congress in the 2008 Farm Bill in a bid to help beginning and minority farmers get over one of the biggest hurdles they face - finding affordable land.

To learn more about program, producers interested in applying and participating in TIP should visit their USDA FSA county office or to read the TIP Factsheet visit:

http://www.fsa.usda.gov/Internet/FSA_File/tip051410.pdf .

Dates to Remember	
Oct. 11	Columbus Day Holiday. FSA Offices Closed.
Nov. 5	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. 25	Thanksgiving Day Holiday. FSA Offices Closed.
Dec. 6	Last day to return voted Ballots in county committee election.
Dec. 24	Christmas Day Holiday. FSA Offices Closed.
Continues	Farm Storage Facility Loan Program.
Continues	Continuous Conservation Reserve program.

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