



NEWSLETTER



Ohio FSA State Office

200 North High St.
Rm. 540
Columbus, OH 43215

614-255-2441 phone
614-255-2542 fax

Hours

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

November 2013

Ohio FSA State
Executive Director,
Steve Maurer

Farm Loan Chief,
David Drake

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

FSA Announces the Resumption of 2013 Crop Commodity Loan Disbursements

The Farm Service Agency has resumed processing and disbursement of 2013 crop commodity loans. Crop year 2013 commodity loan-making was suspended Oct. 1, 2013, to make changes necessary to accommodate the automatic funding reductions known as sequester.

The commodity loan programs provide interim financing to producers for agricultural commodities stored after harvest and then sold throughout the year. Producers requesting 2013 crop commodity loans on their harvested commodities now will have a 5.1 percent reduction to the loan amount upon its disbursement, due to the sequestration. Commodity loans issued by marketing associations and loan servicing agents are also subject to the sequestration reduction.

During the period that loan-making was suspended, producers were still able to submit loan applications to their county FSA offices, marketing associations and loan servicing agents. The processing and disbursement of these applications will begin immediately.

For further information about commodity marketing loans, contact your local FSA office or go online to www.fsa.usda.gov.

FSA Urges Farmers and Ranchers to Vote in County Committee Elections

The 2013 Farm Service Agency County Committee Elections began on Nov. 4, when ballots were mailed to eligible voters. The deadline to return the ballots to local FSA offices is Dec. 2, 2013.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must participate or cooperate in an FSA program. A person who is not of legal voting age, but supervises and conducts the farming operations of an entire farm may also be eligible to vote.

More information on county committees, such as the new 2013 fact sheet and brochures, can be found on the FSA website at www.fsa.usda.gov/elections or at a local USDA Service Center.

Power of Attorney

FSA has a required power of attorney form available for those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., that enables the participant to designate another person to conduct his or her business at the office. This can be done by completing an FSA-211, Power of Attorney. The form is available at the FSA office or [online](#).

The FSA-211 form obtained and completed outside the USDA Service Centers offices must be notarized. To find out more, call the FSA office.

NAP Coverage Deadlines

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 2013 NAP coverage on Apples, Asparagus, Blueberries, Caneberries, Cherries, Chestnuts, Forage for Hay and Pasture, Grapes, Nectarines, Peaches, Pears, Plums, Strawberries, Honey and Maple Sap is **Nov. 20, 2013** in Ohio.

Producers who already have coverage on 2013 NAP crops may choose to continue coverage on the same crop or crops for 2013, if the applicable service fee is submitted by Nov. 20, 2012. 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 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.

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 2013	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.125%
Farm Ownership - Direct	4.250%
Limited Resource	5.000%
Farm Ownership Loans — Down Payment	1.500%
Emergency Loans	3.125%
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	3.125%
Commodity Loans 1996-Present	1.125%

Farming Operation Changes

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

2014 Reporting of Fall Seeded Crops

All producers are reminded that the acreage reporting date for fall seeded crops has changed and the acreage reporting date is **Dec. 16, 2013**. This applies to all fall seeded crops including fall barley, fall wheat and all other fall-seeded small grains. Please call to schedule an appointment to certify your wheat crop.

Changes to IRS Forms 1099-G and 1099-Misc for Calendar Year 2013

In past years, IRS Forms 1099-G were issued to show all program payments received from the Farm Service Agency, regardless of the amount. Starting in 2012 the 1099-G reporting changed.

IRS Form 1099-G (Report of Payments to Producers) will only be issued to producers whose reportable payments total \$600 or more for the calendar year. Additionally, if the producer has at least \$600 in reportable payments received from multiple FSA offices, only one Form 1099-G will be issued. Producers subject to voluntary withholding or backup (involuntary) withholding will receive the appropriate IRS form, even if combined payments are less than \$600.

The same changes will apply to producers and vendors who normally receive IRS Form 1099-MISC from FSA.

Any producer who receives less than \$600 in combined payments should consult a tax advisor to determine if these payments must be reported on their tax return.

For more information regarding IRS reporting changes, please contact your local FSA office.

Removing CCC Loan Collateral

Producers are reminded, if you have grain under Commodity Credit Corporation loan it cannot be removed or disposed of without prior county office staff authorization or repayment. The county office staff may issue release authorizations based on a telephone or in person request when you are ready to move the grain. A loan violation is subject to monetary and administrative penalties, such as repaying the loan at principal plus interest, liquidated damages, calling the loan and denial of future farm-stored loans and loan deficiency payments.

All commodity loans are subject to spot check. Locking in a market loan repayment rate is not a marketing authorization. If you are planning to move CCC loan grain, call your local FSA office staff, before you HAUL!

Microloan Program

The Farm Service Agency (FSA) developed the Microloan program to better serve the unique financial operating needs of beginning, niche and small family farm operations.

FSA offers applicants a Microloan designed to help farmers with credit needs of \$35,000 or less. The loan features a streamlined application process built to fit the needs of new and smaller producers. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA).

Eligible applicants can apply for a maximum amount of \$35,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for a regular operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Individuals interested in applying for a microloan or would like to discuss other farm loan programs available, should contact the local FSA office to setup an appointment with a Loan Approval Official.

Selling Land

If you plan on selling farmland, you should be aware of several consequences associated with FSA programs. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date.

Reviewing program implications with the Farm Service Agency staff before completing a sale of farmland is always a prudent precaution.

Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree.

Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.



200 N. High St., Rm. 540,
Columbus, OH 43215

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

For more information about the MAL, contact your local FSA office.

Dates to Remember	
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.
Dec. 16	Deadline to report the 2014 Fall Seeded Crops for fall barley, fall wheat and all other fall-seeded small grains.
Dec. 25	Christmas Day Holiday. FSA Offices Closed.
Continues	Farm Storage Facility Loan Program.

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

"The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department (not all prohibited bases apply to all programs). Individuals who are deaf, hard of hearing or have speech disabilities and wish to file a program complaint must contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish). Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) must contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

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."