



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.

February 2014

Ohio FSA State
Executive Director,
Steve Maurer

Farm Loan Chief,
David Drake

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

NAP Coverage Deadline

March 17th is the last day for producers to apply for Non-Insured Crop Disaster Assistance Program (NAP) coverage using Form CCC-471, Application for Coverage, and pay the service fee at the FSA county office. The application and service fee must be filed **by March 17th**, the deadline date for 2014 spring planted crops which include: forage sorghum, oats, potatoes, soybeans, sunflowers and all spring planted specialty crops grown for food.

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. Limited resource producers may request a waiver of service fees.

To qualify, a producer must be a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop.

Honey Loans Available

Marketing assistance loans and loan deficiency payments for 2013 crop year honey are available **through March 31, 2014**. The national loan rate for honey is \$.60 per pound. Market prices currently exceed the loan rate; so LDPs are not available right now.

To be eligible for a loan, the producer must have produced honey in the United States during the calendar year for which the loan is requested, and extracted the honey on or before Dec. 31 of the applicable crop year; have continuous beneficial interest in the honey through date of repayment of the loan; and been responsible for the financial risk of keeping the honey. Producers are responsible for maintaining the quality of farm-stored honey during the term of the loan.

The honey must be produced in the United States by an eligible producer, from an approved floral source, and stored in approved containers.

The containers must be marked with the producer's name, type of honey, number of container and net weight. Pre-loan inspections are required before the loans can be disbursed.

Honey used as collateral may not be disposed of without approval of the county office staff.

County Committee Minority Advisors

FSA County Committee (COC) Advisors are a valued voice for under-represented groups and socially disadvantaged farmers and ranchers. County committee members and their county executive directors, actively reach out to producer groups who are under-represented on county committees.

Eligibility requirements for COC Advisor nominee include:

- be actively participating in farming or ranching in the county or area;
- be willing and available to serve as an advisor, if appointed; and
- indicate in writing their willingness to serve.

Duties and Responsibilities of COC Advisors include:

- attend each COC meeting, including executive sessions;
- participate in all deliberations;
- increase awareness of and participation in FSA activities, including elections, by eligible voters to ensure that socially disadvantaged group problems and viewpoints are understood and considered in FSA actions;
- help to develop interest and incentives in socially

disadvantaged group members for considering FSA work as a career;

- active soliciting candidates from socially disadvantaged groups for nomination during the election process; and
- able to perform special duties at COC's request.
- Note: Advisors do not have authority to sign documents.



Interested individuals should submit a written letter that outlines their abilities and qualifications, as well as their willingness to serve, postmarked by the end of Feb. 2014 to their local FSA. The FSA County Committee will review these submissions and recommend a minority advisor to the Ohio FSA State Committee. The Ohio FSA State Committee will appoint the minority advisor, whose term will begin April 1st, 2014. For this year, County Committee advisors serve an 11-month period not to exceed 9 consecutive years.

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. For calendar year 2013, the 1099-G reporting has 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.

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,355,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,655,000.

For detailed information, contact the your local FSA office to setup an appointment with a Loan Approval Official.

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.

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing an eligible commodity. To be eligible, a producer must maintain continual beneficial interest in the eligible commodity.

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.

FSA offers MALs on honey, wool & an assortment of grains, and other approved agricultural commodities.

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 details on marketing assistance loans contact the your local FSA office.

FSA Reminds Producers of Farm Program Compliance

The 1985 Farm Bill established the conservation compliance requirements for producers utilizing USDA benefits. Although the provisions have been amended through other legislations and new farm bills, the sodbuster and swampbuster provisions remain in effect today for producers applying for certain USDA benefits.

These are questions you should ask yourself each year to assure you remain eligible for USDA benefits:

- Do you intend to clear timber areas or house lots to create or expand existing cropland?
- Are you converting a pasture field into cropland?
- Are you filling in an existing waterway to increase cropland?
- Are there areas on your farm(s) that you are considering cropping that have not been cropped in recent years?
- Are you planning any drainage projects such as installing new tile or grading wet-spots in a field?
- Are you planning on clearing a fence row in order to bring new land into production? (It's okay to clean brush from fence rows as long as it is not increasing cropland).

It is important for landowners to understand that even though you own your farm(s), there are federal conservation compliance regulations in place in the expiring farm bill and all future farm bills. These compliance rules must be followed if you receive USDA program benefits. Landowners who DO NOT receive federal program benefits: Do you rent your farm(s) out and only your farm operator receives government payments? In this case, if compliance violations occur on your farm, your farm operator could be penalized on your farm and every other farm he/she owns and operates even across county and state lines.

It is critical that all land operators communicate with their landowners and make sure the necessary paperwork and steps are followed before any of the above mentioned work is started. Failure to comply with sodbuster or swampbuster provisions can result in loss of USDA benefits. Questions about the highly erodible land conservation and wetland conservation provisions should be directed to your local Farm Service Agency or Natural Resources Conservation Service office.

FSA Provides Enhanced CRP Rental Rates for Acreage in Source Water Protection Areas

Did you know that incentives are available to landowners who enroll acreage within a source water protection area into CRP? Landowners can take part in this special initiative by establishing conservation practices on their

land.

The Conservation Reserve Program (CRP) is administered by USDA's Farm Service Agency (FSA) and is a voluntary program available to agricultural producers to help them use environmentally sensitive land for conservation benefits. Source water protection areas are areas around community public drinking water system wells that the community tries to protect from surface contaminants. These areas range in size from a few acres to several square miles, depending on how much water is being pumped and certain geological factors.

Ohio landowners with at least 51 percent of their acreage located within a drinking water source protection area may be eligible to enroll and receive an additional 10-20 percent rental rate, depending on the conservation practice adopted. CRP contracts are for a 10-15 year period, depending on the conservation practice selected. The acreage may be enrolled under CRP Continuous Signup, which is typically available at any time of the year.

To find out more about this program, including whether your land is eligible, contact your local FSA office.

Ohio State University Extension Offers Conferences to Help Small Farm Owners March 7-8 and March 21-22

Small farmers wanting to expand or make their farms work more efficiently or landowners who are new to agriculture and are looking for ways to utilize acreage, can learn entrepreneurial tips from agricultural experts from Ohio State University's College of Food, Agricultural, and Environmental Sciences during a series of small farms conferences in March.

Researchers and educators with OSU Extension and the Ohio Agricultural Research and Development Center (OARDC), as well as industry experts, will conduct the workshops.

- The "Opening Doors to Success" conference, which will be held March 7-8 at Wilmington College, Boyd Cultural Arts Center, 1870 Quaker Way in Wilmington, will feature 30 sessions and a trade show for landowners and small farmers that will offer information that can benefit a variety of growers.
- The "Living Your Small Farm Dream" conference, which will be held March 21-22 at the Joyce E. Brooks Conference Center, 7300 N Palmyra Rd in Canfield, will feature 25 sessions, including a keynote address on, "Making Your Small Farm Dream a Reality."

Some of the topics to be addressed include:

- Soil and soil management



- Small farm boot camp
- Maple syrup
- Goat production
- Poultry Production
- Forages
- Livestock nutrition
- Direct marketing
- Social media
- Christmas trees
- Legal issues for small farms
- Soil basics
- Brambles
- High tunnels
- Beekeeping
- Vegetable and Fruit Production
- Financing/loans
- Tax issues

The conference is co-sponsored by OSU Extension's Small Farm Program; Farm Credit Mid-America, USDA's Farm Service Agency, USDA's Animal and Plant Health Inspection Service, USDA's Natural Resources Conservation Service, the National Agriculture Statistic Service, the Ohio Farm Bureau Clinton and Mahoning Counties and USDA's Rural Development.

The conference starts at 8:30 a.m. and runs until 4:15 p.m. Registration is \$20 for the March 8 session and \$50 for the March 9 session, or \$60 for both days. The deadline to register is March 1. For more information or to register, go to <http://agmr.osu.edu/small-farm-programs> or contact Nye at 937-382-0901 or by email at nye.1@osu.edu.

| Dates to Remember | |
|-------------------|---|
| Feb 17 | Washington's Birthday, Federal Offices Closed |
| Feb. 18 | Elected Committee Members and alternates take office. |
| Mar. 17 | Deadline to obtain 2014 NAP coverage on spring planted crops. |
| March 31 | Final Availability for 2013 crop wheat, barley, oats, honey loans and LDPs. |

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

| Selected Interest Rates for February 2014 | |
|---|--------|
| 90-Day Treasury Bill | 0.125% |
| Farm Operating Loans — Direct | 2.000% |
| Farm Ownership Loans — Direct | 4.250% |
| Limited Resource Loans | 5.000% |
| Farm Ownership Loans — Down Payment | 1.500% |
| Emergency Loans | 3.000% |
| Farm Storage Facility Loan -- 7 year | 2.375% |
| Farm Storage Facility Loan -- 10 year | 3.000% |
| Farm Storage Facility Loan -- 12 year | 3.125% |
| Sugar Storage Facility Loans | 3.375% |
| Commodity Loans 1996-Present | 1.125% |

"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."