



October 2007

# Ohio State FSA Newsletter

## Crop Disaster Program Sign-up

The Crop Disaster Program (CDP) provides benefits to farmers who suffered quantity and quality losses to 2005, 2006, or 2007 crops. **CDP sign-up** is scheduled to begin **October 15, 2007**.

Losses from natural disasters may qualify producers for financial assistance if the crop was planted before Feb. 28, 2007, or, in the case of prevented plantings, for crops that would have been planted before Feb. 28, 2007. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose **only one year** to apply for benefits. Participants may apply for loss benefits on multiple commodities as long as the losses occurred in the same crop year.

Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits. Producers must have suffered quantity losses in excess of 35 percent to be eligible for CDP. For more information on this and other programs simply contact your local FSA Service Center.

## FSA/CCC Will Report Market Gain Associated with the Repayment of a CCC Loan on IRS Form 1099-G

Beginning with the 2007 calendar year, FSA/Credit Commodity Cooperation (CCC) will report producer market gains associated with the repayments of a CCC loan, whether the producer repays the loan with cash or used commodity certificates in exchange of the outstanding loan collateral. The market gain will be reported on IRS form 1099-G.

## Farm Service Agency Using New Wetland Determination Symbols for Maps

Symbols used to represent NRCS wetland determinations on FSA maps were changed in May 2007. Early FSA maps identified NRCS wetland determinations with a blue dot; however farm organizations and some individuals interpreted the use of blue dots to indicate a change in the Wetland Conservation Compliance policy by FSA or NRCS. As a result, FSA changed the symbol used to represent NRCS wetland determinations on FSA maps.

Beginning in May 2007, the symbol used to represent wetland determinations on FSA maps changed so that wetland types are grouped into the following 3 categories referred to as the Wetland Determination Identifiers:

- Restricted Use - which is represented by a red octagon;
- Limited Restrictions - which is represented by an upside-down yellow triangle; and
- Exempt from Conservation Compliance Provisions - which is represented by a green square.

Wetland Determination Identifiers	
	Restricted Use
	Limited Restrictions
	Exempt from Conservation Compliance Provisions

The legend appears on all FSA maps.

In addition to the change in wetland symbols all maps include the following disclaimer: *Wetland identifiers do not represent the size, shape, or specific determination of the exact area. Refer to your original determination (CPA-026 and attached maps) for exact wetland boundaries and labels, or contact NRCS. No changes have been made to Wetland Conservation Compliance policy.*

For additional information regarding the wetland identifiers contact your local FSA or NRCS offices or access the "Wetland Determination Identifiers" fact sheet at:

<http://www.fsa.usda.gov/factsheets>.

Visit our website at:  
[www.fsa.usda.gov/OH](http://www.fsa.usda.gov/OH)

## Farm Storage Facility Loans

Low interest rate loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, soybeans and corn.

The seven-year Farm Storage Facility Loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures.

All Farm Storage Facility Loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. For details, contact the county office staff.

## USDA Will Not Offer Penalty-Free Early Releases from CRP Contracts

The U.S. Department of Agriculture will not offer penalty-free early releases from Conservation Reserve Program contracts at this time. While this year's global wheat market remains very tight, corn production is expected to be record-high, and today's grain stocks report indicated higher than expected stocks for corn and soybeans at the start of the 2007/08 crop year. In addition, more than 2 million CRP acres expire under existing contracts this past weekend, on September 30, 2007.

Wheat, soybean, and corn markets are providing very strong incentives to plant more acreage this fall and next spring. Throughout this year, the market focused on attracting corn acres, and to a lesser extent, wheat acres. Producers responded strongly, with corn acres increasing to their highest level since 1944. Wheat market prices are indicating an expected significant increase in planted area this fall and next spring in the U.S. and around the world. The potential exists for increased double-cropping and the planting of fallow ground. Overall, USDA expects that market signals will continue to provide adequate acres, recognizing that strong competition among crops is likely.

USDA does not anticipate offering a general sign-up while grain stock levels remain historically low and prices continue at unprecedented levels. Acres under continuous CRP sign-up, such as filter strips and riparian buffers, are not affected by general sign-up decisions. Enrollment of acres that qualify for continuous sign-up is ongoing."

## FSA Farm Loans Available For Beginning Farmers or Producers

Beginning farmers or producers can get a "regular" farm ownership loan by using funds set aside especially for them by the Farm Service Agency. These loans finance up to the \$200,000 loan limit, and the term of the loan can be up to 40 years.

The interest rate is set the first of each month, and is currently 5.50 percent for October. The rate for "limited resource producers" is 5.00 percent.

The regular farm ownership loan funds may also be used in joint financing where FSA lends up to 50 percent of the amount financed and another lender provides 50 percent or more. FSA may charge an interest rate of not less than 4 percent with terms up to 40 years. The current interest rate is 5%.

## FSA Loan Limit Increased

Effective October 1, 2007, the Farm Service Agency (FSA) increased the FSA guaranteed loan limit to **\$949,000**. The previous limit was \$899,000. The combined direct and guaranteed loan limit was also increased to \$1,149,000. For detail information on loan eligibility or the different available loan programs, just contact the county office staff for an appointment with a loan approval official.

## County Committee Election

Just a reminder: Be watching your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters starting on November 2, 2007. If, for some reason, you don't receive a ballot, feel free to notify the county FSA office. Completed and signed ballots are due back in the county office by the close of business on December 3, 2007.



## Beginning Farmer Down Payment Ownership Program

**Purpose:** Obtain help financing the purchase of a farm up to \$250,000 of the purchase price or the appraised value whichever is less. The applicant must put down 10 percent. The Farm Service Agency finances up to 40 percent of the purchase price. The remaining 50 percent of the purchase price can be financed on contract with the seller or through a conventional lender. The lender can obtain a guarantee from FSA up to 90-95% if the customer is eligible.

**Rates:** The term of the loan is 15 years at a fixed interest rate of 4.00%. The loan for the balance will be the rate the contract holder or lender would charge an average customer.

**Qualification:** Beginning farmer applicants must have been farming for at least three years and not more than ten. Applicants cannot own real estate that exceeds 30 percent of the average farm size for the county. Also, the applicant must meet the loan eligibility requirements of the program to which he/she is applying. To find out more about the Beginning Farmer Down Payment Ownership program and more basic qualifications required, contact your local FSA county office to setup an appointment with a loan approval official.

## Chuck Conner Named Acting Secretary of Agriculture

Last month, Secretary Mike Johanns announced his resignation as the Secretary of Agriculture effective Sept. 20, 2007, to run for a senate seat in his home state of Nebraska. Until a new Secretary of Agriculture is named, Chuck Conner will assume the Acting Secretary of Agriculture position.

After assuming his responsibilities as the Acting Secretary of Agriculture, Chuck Conner moved right into talking about the policy priorities at USDA. And topping the list of priorities at USDA is still the finalizing of a new Farm Bill.

Other priorities outlined by the Acting Secretary include food safety, in particular import safety, trade opportunities in general remain a priority and Chuck Conner says beef trade continues to be foremost on the minds of USDA.

Chuck Conner was sworn in as Deputy Secretary of Agriculture on May 2, 2005. Since coming to the Department, Mr. Conner has worked tirelessly to develop and promote the Administration's farm policy.



Selected Interest Rates for October 2007	
90-Day Treasury Bill	4.625%
Farm Operating Loans — Direct	5.125%
Farm Ownership Loans — Direct	5.500%
Farm Ownership Loans — Beginning Farmer Down Payment	4.000%
Emergency Loans	4.000%
Farm Storage Facility Loans	3.750%
Sugar Storage Facility Loans	4.375%
Commodity Loans 1996-Present	4.875%

## 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 the county office staff, before you HAUL!

## Agriculture Census Information Online

The USDA's National Agricultural Statistics Service has launched a website to provide producers with news and information on the upcoming census. The site is located at <http://www.agcensus.usda.gov/>.

According to NASS, the Census site is part of their ongoing effort to accommodate the growing number of farmers and ranchers that are using the Internet. This year will mark the first time that producers have the option of filling out their Census forms online, saving both time and postage costs.

The Census of Agriculture is taken every five years, gathering information about every farm and ranch in the nation and the people who operate them. A variety of topics are covered and the Census provides comprehensive agricultural data for every county. Forms will be mailed to producers in late December that will include directions for responding online. Census forms are due by Feb. 4, 2008.

## Electronic LDP Service Available

If a producer has Internet access, program participants can apply from home for an Electronic Loan Deficiency Payment, or eLDP, 24 hours a day, seven days a week, and receive approval and payment by direct deposit within 48 hours.

To participate in the service, you must meet all eligibility requirements for marketing assistance loans and LDPs for the commodity.

The voluntary eLDP service has stringent security measures to protect your private information. Producers may sign-up online for the eLDP at: <http://www.fsa.usda.gov/FSA/webapp?area=online&subject=landing&topic=ldp>. Once you are at this page, look on the right side, under the "I Want To" column and click on "Access eLDP Service".

To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at <http://www.eauth.egov.usda.gov/> followed by a visit to the county office for identity verification.

Dates to Remember	
Oct. 8	Columbus Day Holiday. <b>FSA offices closed.</b>
Nov. 2	County committee election ballots mailed.
Nov. 12	Veteran's Day Holiday. <b>FSA offices closed.</b>
Nov. 20	<b>Last day</b> to apply for NAP Coverage for apples, asparagus, blueberries, caneberries, cherries, chestnuts, forage for hay and pasture, grapes, nectarines, peaches, pears, plums, strawberries, honey and maple syrup.
Nov. 22	Thanksgiving Holiday. <b>FSA offices closed.</b>
Dec. 3	<b>Last day</b> to return voted ballots in county committee election.
Dec. 25	Christmas Day Holiday. <b>FSA offices closed.</b>
Continues	Continuous CRP.
Continues	Farm Storage Facility Loans.

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