



NEWSLETTER



Hancock County FSA Office

7868 CR 140, Suite C
Findlay, Ohio 45840

419-422-5438 phone
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Hours

Monday - Friday
8:00 a.m. - 4:30 p.m.

October 2013

County Office Staff

Jim Greve,
County Executive
Director

Holly Gates,
Farm Loan Manager

Casey Gunder,
Diane Parke,
Janis Wittenmyer,
Sue Stahl,
Program Technicians

**Next County
Committee Meeting:**
December, 4, 2013 at
8:30 AM.

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

USDA FSA Issues Conservation Reserve Program Rental Payments, Direct Payments and ACRE Payments

The USDA Farm Service Agency (FSA) has begun distributing Conservation Reserve Program (CRP) annual rental payments to participants. USDA also will distribute 2013 direct payments and 2012 Average Crop Revenue Election (ACRE) program payments beginning Oct. 24. Payments originally were scheduled to be issued earlier in the month, but were delayed by several weeks due to the lapse in Federal funding. USDA has prioritized making these scheduled payments without any further delay and FSA staff have worked hard to get this assistance out the door as quickly as possible.

Producers with base acres of certain commodities are eligible for DCP payments. ACRE payments for 2012-crop barley, corn, grain sorghum, lentils, oats, dry peas, soybeans, and wheat are scheduled to be released beginning Oct. 24 and contingent upon national average market prices and yields in each state.

The 2008 Farm Bill, extended by the American Tax Payer Relief Act of 2012, provides authority to enroll land in DCP, ACRE and CRP through Sept. 30, 2013, however, no legislation has been enacted to reauthorize or extend this authority. Effective Oct. 1, 2013, FSA does not have legislative authority to approve or process applications for these programs.

For more information on CRP, DCP and ACRE, producers should contact the Hancock County FSA office.

Farm Loan Program Limits

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 starting on October 1, 2013. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,655,000.

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

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.

USDA Farm Service Agency's Administrator Declares Physical Loss in Several Ohio Counties

The U.S. Department of Agriculture Farm Service Agency's (FSA) Administrator has declared emergency physical loss loans are available in fifteen Ohio counties.

The following counties were designated as primary natural disaster areas, due to high winds, lightning, and tornadoes that occurred on June 13,

2013. Those counties are: **Auglaize and Henry.**

In addition to the primary counties, thirteen Ohio counties have been named as contiguous disaster counties where eligible farmers may qualify for FSA emergency physical loss loan assistance:

Allen, Defiance, Fulton, Hancock, Hardin, Logan, Lucas, Mercer, Putnam, Shelby, Van Wert, Williams and Wood.



All counties listed above were designated natural disaster areas on **July 8, 2013**, making FSA Emergency Physical Loss loans available to eligible applicants with qualifying severe physical losses in the primary and contiguous counties, provided eligibility requirements are met. This approval is limited to applicants who suffered disaster related damages to chattels, or real estate essential to the farming operation. To qualify, farmers must be unable to obtain credit from commercial sources. Farmers in eligible counties have eight months from the date of the declaration to apply for loans to help cover part or all of their actual losses. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. FSA has a variety of programs, in addition to the emergency loan program, to help eligible farmers recover from adversity.

USDA has also made other programs available to assist farmers, including the Emergency Conservation Program, Federal Crop Insurance and the Noninsured Crop Disaster Assistance Program.

Interested farmers should contact the Hancock County FSA office for further information on eligibility requirements and application procedures for these and other programs.

Foreign Investors Who Hold Agricultural Land

Foreign investors, who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the U.S. Secretary of Agriculture. Failure to timely file an accurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land. Foreign persons who are buying or selling land must report the transaction **within 90 days of the date of the transaction.**

Who Must Report:

- Individuals who are not U.S. citizens or citizens

of the Northern Mariana Islands or the Trust Territory of the Pacific Islands;

- Individuals who are not lawfully admitted to the U.S. for permanent residence or who are not paroled into the U.S. under the Immigration and Nationality Act;
- Any organization created under laws of a foreign government or which has located its principle place of business outside the U.S.;
- Any U.S. organization in which a significant interest or substantial control is directly or indirectly held by foreign individuals, organizations or governments; and
- Any foreign governments.

What to Report:

- Each tract of agricultural land in the U.S., its territories, the Northern Mariana Islands and the Trust Territories of the Pacific Islands owned by persons required to report; and
- Leaseholds of 10 years or more.

USDA designated the FSA to collect the AFIDA report forms. Individuals wanting to obtain an AFIDA report form (FSA-153) may do so from any FSA county office. The (FSA-153) is available in both English and Spanish translations. You can also go on-line and download the form at:

http://forms.sc.egov.usda.gov/efcommon/eFileServices/Forms/FSA0153_010524V02.pdf .

Although interested parties may obtain a report form from any FSA county office, the completed form must be returned to the FSA county office where the land or where the programs are administered.

Foreign investors should contact the Hancock County FSA Office if this pertains to you.

Farm Loans for Socially Disadvantaged

Hancock County Executive Director, Jim Greve, reminds interested applicants that FSA offers loans for farmers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, applicants might have suffered setbacks from natural disasters or might be persons with limited resources.

FSA makes two different types of loans, direct and guaranteed. Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans (loans made by a commercial lender where FSA acts as guarantor) can reach a maximum indebtedness of \$1,355,000. Emergency loans are a type of direct loan for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning

Farmers and loans for Socially Disadvantaged Applicants are other types of direct loans also available through FSA.

Socially Disadvantaged Applicants (SDA) are one of a group whose members have been subjected to racial, ethnic or gender prejudice because of their identity as a member of the group without regard to their individual qualities. SDA groups are Women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders. Certain FSA loan funds are targeted to beginning farmers and SDA.

For detailed information on loan eligibility or the different loan programs available, contact the Hancock County FSA office to setup an appointment with a Loan Approval Official.

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 the Hancock County FSA office.

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 the Hancock County FSA office.

NAP Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) is 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 2014 NAP coverage on Hay, Pasture, Apples, Strawberries, Peaches, Cherries and Honey **is November 20, 2013** in Ohio.

County Committee Elections

Watch your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters in Blanchard, Eagle, Liberty, Pleasant, and Union Townships (LAA-3) on Nov. 4, 2013. If for some reason you don't receive a ballot, feel free to notify the Hancock County FSA office.

Completed and signed ballots must be returned to the county office by close of business on Dec. 2, 2013.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain;
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain;
- Pulse crops - lentils, small chickpeas and dry peas;
- Hay;
- Honey;
- Renewable biomass; and
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about FSFL, please visit the Hancock County FSA or go [online](#) to read the FSFL Fact Sheet.

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.

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

Selected Interest Rates for October 2013

90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.875%
Farm Ownership - Direct	4.125%
Limited Resource	5.000%
Farm Ownership Loans — Down Payment	1.500%
Emergency Loans	2.875%
Farm Storage Facility Loan -- 7 year	2.250%
Farm Storage Facility Loan -- 10 year	2.875%
Farm Storage Facility Loan -- 12 year	3.000%
Commodity Loans 1996-Present	1.125%

Preventing Fraud

The Farm Service Agency supports the Risk Management Agency in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA.

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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."