# **CFAES**

# **COSHOCTON COUNTY AGRICULTURE & NATURAL RESOURCES**









# August 31 (Edition #162)

Autumn Harvest Still Looks Warmer Than Normal Dicamba Label Clarifications

Incomplete Kernel Set and Tipped-Back Corn Late-Season Soybeans Can Be Pest Magnets What are the Market Implications of the Ukrainian Grain Export Deal?

Controlling Cocklebur in Pasture Can Be A Challenge

Feeder Cattle Prices Gaining Strength Irrevocable Trusts

Farm Science Review Tickets on Sale 2022 Small Farm Ruminant Production Field Day Fall Coshocton County Beef Quality Assurance Trainings Scheduled

Sponsorship for Fall Foliage & Farm Tour Sought Reviewing the Inflation Reduction Act of 2022; Part 2

Coshocton County Extension 724 South 7<sup>th</sup> Street, Room 110 Coshocton, Ohio 43812

Phone: 740-622-2265 Fax: 740-622-2197

Email: marrison.2@osu.edu
Web: http://coshocton.osu.edu

Hello Coshocton County! We had a great discussion at the Pasture Walk at ASB Farms in Pike Township last evening. We are so thankful for Alan and Susan Brinker for hosting this event and sharing their experiences with producers. One item mentioned was the control of cocklebur in pastures—so I have included a timely article from our Beef Team in today's issue. Thanks to our friends at SWCD for pulling this event together for our livestock producers.

Congratulations to Coshocton County Farm Bureau and the 4-H Endowment committee for a nice Dinner of the Farm at the John Porteus Farm on Saturday evening. The support of our 4-H program by the Ag Community is very much appreciated.

Our allotment of Farm Science Review tickets has arrived and are now for sale at our office. The Farm Science Review will be held on September 20-22 and tickets are \$10 pre-sale and \$15 at the gate. Stop in today or purchase on-line!

Sincerely,

### David L. Marrison

# Coshocton County OSU Extension ANR Educator

CFAES provides research and related educational programs to clientele on a nondiscriminatory basis. For more information visit:

go.osu.edu/cfaesdiversity.



### **Autumn Harvest Still Looks Warmer Than Normal**

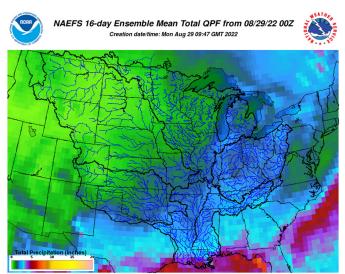
By: Jim Noel

Source: https://agcrops.osu.edu/newsletter/corn-newsletter/2022-29/autumn-harvest-still-looks-warmer-normal

The September to November timeframe still looks warmer than normal, somewhat like last year but not as warm in September into October as last year with a medium to high confidence in the outlook. Rainfall looks generally close to normal through November. Confidence in the rainfall is not as high and is considered medium as there is some uncertainty in the preferred tropical moisture flow. Like last year the first freeze looks to be normal to later than normal in October.

For September, the first half looks slightly warmer and drier than normal (see latest rainfall outlook in attached image). Uncertainty grows in the second half of September as it might turn wetter than normal. The second half will completely depend on tropical moisture return from the south. Therefore, a near normal rainfall pattern is currently anticipated when you average out the two September periods.

For October and November above normal temperatures will persist with precipitation somewhat variable around normal with a slight lean toward drier than normal. It does not appear we will see any early freeze this autumn which is good news. Expect the first



For individual location specifics visit https://water.weather.go

freeze about on time to a week or two later than normal in October.

The latest climate outlooks can be found by NOAA at: https://www.cpc.ncep.noaa.gov

Finally, for the first half of September rainfall is forecast to average 1-2 inches which is not far from average.

### Dicamba Label Clarifications

Bv: Mark Loux

Source: https://agcrops.osu.edu/newsletter/corn-newsletter/2022-29/dicamba-label-clarifications



We have received questions about the use of dicamba after June 30, for control of weeds in wheat stubble and other situations. The June 30 cutoff applies only to use of XtendiMax, Engenia, and Tavium in Xtend and XtendiFlex soybeans, which is the only labeled use for these products. Current uses of other dicamba products are not affected by the June 30 cutoff, including fallow, pasture, small grain, etc, as long as label directions are followed. We would of course encourage caution and common sense with regard to use of dicamba in hot weather, and near sensitive plants.

# Incomplete Kernel Set and Tipped-Back Corn

By: Osler Ortez and Greg LaBarge

Source: <a href="https://agcrops.osu.edu/newsletter/corn-newsletter/2022-29/incomplete-kernel-set-and-tipped-back-corn-how-do-they-differ">https://agcrops.osu.edu/newsletter/corn-newsletter/2022-29/incomplete-kernel-set-and-tipped-back-corn-how-do-they-differ</a>

Crop tours in Ohio have indicated that crop pollination was generally good, but kernel abortion was noted in some fields. It is important to recognize that both affect final corn yields. Similarly, it is relevant to understand when/how issues occur (e.g., pollination issues vs. kernel abortion). The result is the same: fewer viable kernels per ear, but diagnosing the difference helps understand and identify the potential



associated causes.

### Incomplete kernel set

Poor or scattered kernel set in the ear (Fig. 1). Poor or scattered kernel set on ears results from either failed pollination/fertilization of ovules (VT or R1) or abortion of young kernels during the several weeks after pollination (R1–R3). Incomplete kernel set at varying degrees from least to most right

Possible causal factors: Silks damage (e.g., insect feeding and silk clipping), stress due to drought and high temperatures, pollination issues (e.g., asynchronous pollen shed and silking, inadequate pollen supply), phosphorus deficiency, herbicide injury, and cloudy days (due to low photosynthetic capacity).



Postulated development timing: Pollination, VT or R1; and early reproductive stages, R1-R3.

### **Tipped-back ears**

Missing kernels at the tip of the ear (Fig. 2). Tipped-back ears can include failed pollination or kernel abortion at the ear tip and progressing down to varying severities. Tip-back ears are also referred to as tipdieback, nosing, or tipping back. The nose or tip back in a corn ear can be the result of different conditions—a plant population response (i.e., higher seeding rates, more interplant competition, failure of pollination of ovules in the ear tip) and weather after pollination (i.e., non-favorable conditions, inadequate photosynthate supply, kernel abortion). Unfertilized ovules and aborted kernels may appear dried up and shrunken, but aborted kernels often have a slight reddish or yellowish color. In a corn ear, pollination/fertilization starts from the base and ends on the ear tip. Hence, kernels that develop on the tip of the ear are particularly vulnerable or susceptible to abortion as they form last (if they form at all). Figure 2. Tip back ear in corn displaying lack of pollination in the very tip (whiteish color) and kernel abortion during grain filling period below the tip (reddish or yellowish color).



<u>Possible causal factors:</u> Pollen and silk availability, kernel abortion, heat/drought stress, genetics, higher seeding rates, nitrogen deficiency, foliar diseases, and cloudy days.

Postulated development timing: Pollination, VT or R1; and early reproductive stages, R1–R3.

### **Management Considerations**

Follow recommended guidelines for minimizing crop stress for incomplete kernel set (Fig. 1) and tipped-back ears (Fig.2). This includes (but is not limited to) maintaining appropriate fertility, adjusting planting depth with varying soil conditions, following recommended herbicide application dates/rates, selecting adapted hybrids and seeding rates consistent for yield potential and planting dates, avoiding planting too early in wet/cold soils, and minimizing weed competition with effective herbicide applications and/or timely cultivation.

Ears exhibiting tip back may not always be cause for concern. Favorable growing conditions may result in

more potential kernels per row than usual. So even if corn ear tips are not filled entirely due to poor pollination or kernel abortion, yield potential may not be affected significantly, if at all, because the number of kernels per row may still be above normal. On the other end, a general rule of thumb can be that presence of ears consistently filled to the very tip may indicate that a higher plant population might have been needed to optimize corn yields.

### Resources

Ortez, O. A., McMechan, A. J., Hoegemeyer, T., Ciampitti, I. A., Nielsen, R., Thomison, P. R., & Elmore, R. W. (2022). Abnormal ear development in corn: A review. Agronomy Journal, 114, 1168–1183. https://doi.org/10.1002/agj2.20986.

Incomplete Kernel Set – Whole Ear: <a href="https://u.osu.edu/mastercorn/incomplete-kernel-set/">https://u.osu.edu/mastercorn/incomplete-kernel-set/</a>.

Tip Dieback (also referred to as "tip-back", or "nosing or tipping back"): <a href="https://u.osu.edu/mastercorn/tip-dieback/">https://u.osu.edu/mastercorn/tip-dieback/</a>.

# Late-Season Soybeans Can Be Pest Magnets

By: Kelley Timon & Andy Michel

Source: <a href="https://agcrops.osu.edu/newsletter/corn-newsletter/2022-29/late-season-soybeans-can-be-pest-magnets">https://agcrops.osu.edu/newsletter/corn-newsletter/2022-29/late-season-soybeans-can-be-pest-magnets</a>

At the end of the growing season, when many soybean fields are shutting down, those which are still green can be a magnet for certain insect pests as they leave the mature fields. Double-crop soybeans and late planted beans that are running behind and are still fresh can be attractive for stink bugs, bean leaf beetles, and sometimes grasshoppers when they leave yellowing fields for greener pastures. If you have such soybean fields in areas where other fields are maturing, they are worth an extra eye until they reach the R6 (full seed) growth stage. After R6, the yield is mostly set and insecticide will not provide a return. Also, if you do spray late in the season, be mindful of the pre-harvest interval of the product you're using, which can be up to several weeks. Consult our pest management guide for more information about these chemicals: https://aginsects.osu.edu/news/msu-osu-insect-ipm-guide



For defoliating insects like grasshoppers, look for defoliation levels across the entire field of around 15% and whether the insects are still present. A guide to defoliation can be found

here: https://aginsects.osu.edu/sites/aginsects/files/imce/Soybean%20defoliation%20Final.pdf

For stink bugs, which poke directly into the seed with their straw-like mouthparts, take several sweep net samples of 10 sweeps each in different parts of the field. If you average 4 stink bugs per 10-sweep set (grain) or 2 bugs per set (food-grade and seed) consider

treatment. <a href="https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205">https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205</a> 1 19 <a href="https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205</a> 1 19 <a href="https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205">https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205</a> 1 19 <a href="https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205">https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205</a> 1 19 <a href="https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205">https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bug%20ID%20card%20ID%205</a> 1 19 <a href="https://aginsects.osu.edu/sites/aginsects/files/imce/stink%20bug%20ID%20card%20ID%205</a> 1 19 <a href="https://aginsects.osu.edu/sites/aginsects/aginsects/files/imce/stink%20bug%20ID%20card%20ID%20Card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20card%20ID%20

Bean leaf beetles pose little threat when feeding on foliage earlier in the season. Later in the season they may feed directly on the pods, which can cause more damage – either through direct damage to the seed, or through opening the pod to disease. Inspect all the pods on 10 randomly selected plants and count the total number of pods and the number showing pod injury. Use your totals to determine percent pod injury. Treatment is justified if the percent pod injury is reaching 10 to 15%, and bean leaf beetle adults are still present and active.

# What are the Market Implications of the Ukrainian Grain Export Deal?

By: Ian Sheldon, Professor and Andersons Chair of Agricultural Marketing, Trade, and Policy, Agricultural, Environmental, and Development Economics, Ohio State University and Chris Zoller, Associate Professor and Extension Educator, Agriculture & Natural Resources, Ohio State University Extension – Tuscarawas County Source: <a href="https://u.osu.edu/ohioagmanager/2022/08/25/what-are-the-market-implications-of-the-ukrainian-grain-export-deal/">https://u.osu.edu/ohioagmanager/2022/08/25/what-are-the-market-implications-of-the-ukrainian-grain-export-deal/</a>

## The Ukrainian Grain Export Deal

A grain export deal was finally signed by Ukraine, Turkey, Russia, and the United Nations (UN) on July 22 (USDA, Foreign Agricultural Service, Grain: World Markets and Trade, August 2022). With much media fanfare, the first shipment of Ukrainian corn left the Bosphorus strait headed for Lebanon on August 3 (Financial Times, August 3, 2022). The agreement, set to last for 120 days with potential for renewal, provides for the safe passage and inspection of grains from three Ukrainian ports on the Black Sea - Odesa, Chornomorsk, and Pyvdenny - shipments following a route to Turkish ports approved by the Russian navy, with an agreed 10 nautical mile buffer zone (Reuters, August 8, 2022). The movement of grain will be monitored from a center in Istanbul, and before their return to Ukraine, vessels will be jointly inspected by teams from Russia, Ukraine, Turkey, and the UN to ensure they carry no weapons (New York Times, August 1, 2022).

At the latest count, a total of 33 vessels carrying 719,549 tonnes of grain have left Ukraine, with a further 18 vessels either loading or waiting to leave port (Reuters, August 23, 2022). While the opening of Ukrainian grain export channels is an important step, it should be placed in perspective, Ukraine's infrastructure minister Oleksander Kubrakov warning it will take months for its grain exports to reach pre-invasion levels (Financial Times, August 2, 2022). In August 2021, 194 grain-carrying vessels left Ukrainian ports, Odesa, Chornomorsk, and Pyvdenny handling about 60 percent of export shipments, and with 20-25 million tonnes of grain trapped in Ukraine, it will take 371 vessels averaging 67,000 deadweight tonnes just to clear the backlog (Financial Times, August 2, 2022), all in the context of grain storage space filling up with the current harvest of wheat and barley (Wall Stret Journal, August 2).

While the opening of a safe grain export passage is welcome, particularly for importers in the Middle East and Africa, as well as for the Ukrainian economy and its farmers, the rate of shipments is constrained by the continuing conflict affecting port infrastructure, the demining of both ports and shipping routes, and the high logistical costs associated with transport and insurance (USDA, Foreign Agricultural Service, Grain, World Markets and Trade, August 2022). The latter challenge is critical, with shipowners being understandably concerned about sending their vessels through mined shipping routes, all the time facing high cargo and war insurance costs (Bloomberg, August 6, 2022).

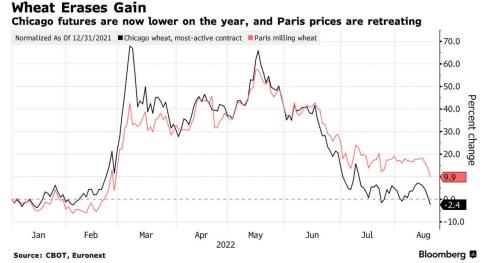
The shipping and insurance industry has made it very clear they want assurances of a secure journey to and from the Black Sea ports, with no threat of mines or attacks on their vessels and crews (Reuters, August 8, 2022). Even though major marine insurance brokers such as Marsh and Ascot are providing a coverage facility up to \$50 million for shipments, premiums for vessels sailing into the Black Sea are currently set at 5 percent of the value of the vessel compared to 0.025 percent before the invasion (Reuters, August 23). On top of this, problems have already arisen with exports, the first cargo from Ukraine being refused by the Lebanese-based buyer on the grounds of poor-quality grain due to war-delayed shipment (Middle East Eye, August 8, 2022), a problem likely exacerbated by Ukrainian grain silos not being equipped with aeration systems for long-term storage (USDA, Foreign Agricultural Service, Grain, World Markets and Trade, August 2022).

### **Global Market Implications of the Grain Export Deal**

Notwithstanding the small number of vessels departing Ukrainian ports, many analysts suggest this has already had a dampening effect on global grain and food prices. For example, wheat prices have returned to their pre-invasion level, although they remain 25 percent higher than they were a year ago (see figure, Bloomberg, August 17), and double the price it was five years ago (Wall Street Journal, August 2, 2022). Critically, global food prices declined by 11.5 percent in July, the largest fall since 2008, although still up 17

percent from a year earlier (Bloomberg, August 5, 2020; Wall Street Journal, August 5, 2020).

Of course, the Ukrainian grain export deal is only one of several factors leading to prices declining. For example, in the case of wheat, both production and exports from key suppliers such as Russia, Canada and the United States are currently forecast to be higher than expected earlier in the year (USDA, Foreign Agricultural Service, Grain, World Markets and Trade, August 2022). However, with lower grain prices US farmers face a double-edged sword here: although crop prices have roughly doubled over the past two years, there have also been



substantial increases in farm input costs (Des Moines Register, August 18, 2022), with fertilizer prices increasing fourfold in the past two years (Iowa State University, June 2022).

On the other hand, falling food prices is positive news on the consumption side, especially for those facing threats to their food security, although relief for importing countries will not be immediate with 50 million people in 45 countries currently facing famine according to World Food Program Chief David Beasley (Los Angeles Times, August 8, 2020). However, beyond the impact of the Russian invasion of Ukraine, food prices are likely to remain volatile in the face of global weather events affecting production of key staples. For example, India, the world's largest rice exporter has seen a significant reduction in area planted due to lack of rainfall this season (Bloomberg, August 2, 2020), while dry weather conditions are affecting food production across the Northern Hemisphere from China through the United States, to Spain, Portugal, France, and Italy, the latter countries facing their worst drought in 500 years (Wall Street Journal, August 21, 2022). In the case of China, the impact of drought could lead them to import more corn from the United States and Brazil (Wall Street Journal, August 17, 2020), with the potential for spillover effects on the world price. The bottom line is that the price relief due to freed up Ukrainian grain is not a silver bullet in terms of global food security, global weather conditions also being a critical factor in driving production levels and prices.

The Russian invasion of Ukraine has passed the six-month mark and there is no clear end in sight. The war and other factors continue to impact commodity markets. Grain prices have seen their share of price swings recently. While the rate of increase in fertilizer prices has slowed, they remain high. In addition to fertilizer, we can expect most other inputs will continue to see an increase in their price.

### **Suggestions Moving Forward**

Planning and analysis are always important, but with so many unknowns, these become even more critical. A critical analysis of business performance and enterprise analysis can help identify profit centers and those areas that are less profitable. The OSU Extension Ohio Farm Business Analysis and Benchmarking Program provides farmers the opportunity to do in-depth analysis and evaluation. Additional information about the program is available here:

https://farmprofitability.osu.edu/.

Developing a budget for the crops and livestock you raise is of great importance, especially with so many factors impacting agriculture. OSU Extension Enterprise Budgets are available here: <a href="https://farmoffice.osu.edu/farm-management/enterprise-budgets#2022">https://farmoffice.osu.edu/farm-management/enterprise-budgets#2022</a>. Look for 2023 crop enterprise budgets to be released at the Farm Science Review. These Excel spreadsheets allow you to use projected income and expenses for your farm to assist in planning.

We encourage you to talk to your Extension Educator, lender, input suppliers, and other trusted advisors that can help you navigate. If you haven't done so, now may be an excellent time to assemble a farm advisory team. This team meets periodically throughout the year to assist with goal setting, monitoring production and financial performance, and providing recommendations to help you succeed.

# Controlling Cocklebur in Pasture Can Be A Challenge

By: <u>Chris Penrose</u> and <u>Ted Wiseman</u>, OSU Extension Educators, Morgan and Perry Counties Source: https://u.osu.edu/beef/2022/08/31/controlling-cocklebur-in-pasture-can-be-a-challenge/

Over the past 20 years, we have seen more and more cocklebur becoming established on our farms and many farmers in the area have noted that as well. On Chris' farm, I think it started when I fed whole shelled corn to my cattle out in the pastures to extend hay supplies in the winter. You would think this summer annual would be easy to control but it is more of a challenge. We and several of our colleagues recently finished a five year trial on timed mowing of pastures in the summer and one year after concluding the study, we went out to the site in September, it had not been mowed yet,



and it was completely engulfed with cocklebur. No matter when or how often we mowed, after doing the same thing for five years, there was no difference.

One would think that if we went out and mowed a summer annual when the stem is elongating with immature seeds and cut below the seeds, we would kill the plant, and that still may be the case. However, how about the 10% that were too short to mow or still immature? During the trial, we noticed many cocklebur plants maturing only four inches tall with lots of seeds after mowing – very discouraging. Even then, we wondered why it kept spreading so much.

According to "Weeds of the Northeast", 1997, and trying not to get too deep in the "weeds", this plant blooms July through September, it has male and female flowers on the plant, and each bur (the seed cover we have to pull off of our dogs) contains two fruit, each with one seed. The discouraging part here is that the lower seed can germinate soon after the bur (or seed pod) splits open. The other seed can remain dormant for one to several years, meaning it may take years to eliminate.

Timely, repeated mowings may keep cocklebur in check or slow the spread, but if it becomes established, pastures will likely need a herbicide. According to the 2022 OSU Extension Weed Control Guide, most broadleaf herbicides for pastures are very effective, as well as Glyphosate for spot treatments. Before selecting one, consider the residual impact of the herbicide and how long one must keep animals out of the pasture after spraying. We are fortunate that there are options for short term and long term residual of the herbicides, and there are herbicides that may have short to no grazing restrictions depending the class and type of livestock you have. As always, read and understand the herbicide label and restrictions before using, some have very strict grazing and having requirements.

If you have pastures where cocklebur is becoming a serious problem, it will only get worse, so consider taking action. If you have some fields where you find a few rogue plants, consider pulling them out, before they can get established. One plant today could become many next year.

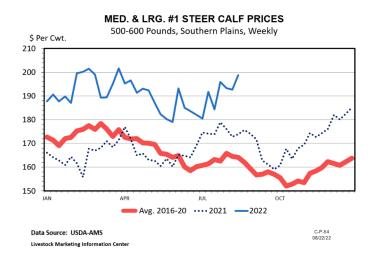
# Feeder Cattle Prices Gaining Strength

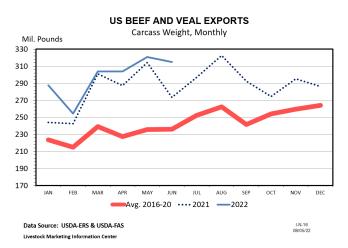
By: Dr. Kenny Burdine, Extension Professor, Livestock Marketing, University of Kentucky Source: https://u.osu.edu/beef/2022/08/31/feeder-cattle-prices-gaining-strength/

The feeder cattle market has really flexed its muscles as we have moved through summer. The October CME© feeder cattle futures contract has increased by more than \$10 per cwt since May and this can been seen in the market for heavy feeder cattle. Heavy feeders typically make their highs around this time of year, but calf markets are increasing counter-seasonally. A strong calf market going into fall is a good sign for cow-calf

operators that calve in the spring and will be marketing calves in the coming months. The chart below shows steer calf prices in the Southern Plains, which have been increasing through July and August.

It is becoming more apparent that the supply of calves is going to be very tight this fall. Beef cow slaughter levels have been discussed several times in this newsletter and remain 14% above 2021 levels. Last week, Josh wrote about high placement levels of light weight feeders, which has been another trend due to dry conditions in much of the country. Given the continued reduction in the size of the beef cow herd, this was likely to be a smaller fall calf run had weather not been a challenge. But, when combining that with the drought implications, fundamentals are setting up for a seller's market for feeder calves.





I also wanted to take a quick look at beef export levels as those have not gotten a lot of attention in recent months (see chart below). Through the first six months of 2022, beef exports have been 7% higher than last year. Also remember that 2021 was a record year for US beef exports. At the start of 2022, most expected beef export levels to decline, mostly due to an expected decrease in beef production. However, the combination of high cow slaughter and early placement of cattle on feed, has kept beef production higher than expected. While exports are expected to slow in the 4th quarter as beef production decreases, it does appear likely that a new record for beef exports will be set in 2022.

### Irrevocable Trusts

By: Robert Moore

Source https://farmoffice.osu.edu/blog/fri-08262022-1150am/irrevocable-trusts

In a prior blog post, we discussed whether a will or trust might be needed for an estate plan. Another common question is: what is an irrevocable trust and do I need one? Irrevocable trusts have their place in estate planning but not everyone needs one nor should

everyone have one.

Most trusts are revocable trusts. These types of trusts can be amended or revoked by the grantor (creator) any time until the time of death. Additionally, assets can be transferred into and out of the trust at will by the grantor. In essence, a revocable trust is one and the same as the grantor until the grantor passes away.

An irrevocable trust is what its name implies – once established, it cannot be changed except for a few

Legal Groundwork Series
Legal planning for the future of your farm

THE OHIO STATE UNIVERSITY
EXTENSION

notable exceptions. There are different kinds of irrevocable trusts but the most common is used to protect assets from nursing home costs and/or creditors. For this article, we will focus on an irrevocable trust to protect assets from nursing home costs.

The idea of the irrevocable trust is to transfer the assets to be protected into the trust. After transferring the assets to the trust, the original owner has no further ownership or control of the asset. The owner has also given up all rights to receive the assets back from the trust. Because the original owner cannot have access to the protected assets, neither can a nursing home or creditor. Note: assets are not protected from a nursing home until five years after the date of the transfer.

When the trust is established by the original owner, they will name a trustee for the trust. The trustee has the legal duty to manage and oversee the trust and trust assets. The trustee must follow the terms of the trust but otherwise has no duty to the original owner. The trustee can be anyone other than the original owner. The trustee is often a child or children of the owner.

The trust can be set up with specific requirements. For example, the original owner may state that the trustee does not have authority to sell any farmland held by the trust. The trustee must follow the directives of the irrevocable trust. Also, the irrevocable trust will act just like a revocable trust at the original owner's death. That is, the same distribution plan provisions that might be included in a revocable trust and can be included in an irrevocable trust.

### Let's look at an example to help explain how an irrevocable trust works:

Mom and Dad own 300 acres of farmland that has been in the family for many generations. They also own some retirement accounts and investments. They are concerned that if one or both go into a nursing home, they may run out of money and be forced to sell land to pay for their care.

Mom and Dad establish an irrevocable trust and transfer the 300 acres into the trust. They name Son and Daughter as co-trustees of the trust. The trust terms include a provision that the land cannot be sold while Mom and Dad are alive. At Mom and Dad's death, the trust requires the Smith Farm to go to Son and the Jones Farm to go to Daughter with a right of first refusal to each other.

Ten years after they set up the irrevocable trust, Mom and Dad go into a nursing home. After being in the nursing home for a few months, they run out of money to pay for their nursing home care. The nursing home cannot foreclose on the land to be paid. Mom and Dad do not own the land and the 5-year penalty period has expired. Because Mom and Dad own no assets, they will likely be eligible for Medicaid assistance for their nursing home care.

Upon Mom and Dad's death, the trust's distribution plan will cause the Smith Farm to go to Son and the Jones Farm to go to daughter with the right of first refusal.

As the example shows, an irrevocable trust can protect assets against nursing home costs and creditors. It can also act as part of the estate plan by including distribution provisions for the heirs and beneficiaries upon death.

The biggest disadvantage of an irrevocable trust is that it cannot be undone. Upon the assets being transferred into the irrevocable trust, they will never be owned by the original owner again. Deciding upon an irrevocable trust requires the owners to give up full ownership and control of the assets. This can be a difficult decision for the owner, especially for farmers giving up ownership of their land.

The best candidates for irrevocable trusts are typically older, retired farmers who no longer need their land for collateral to buy other land or assets. For farmers who are still actively farming and may need their land for collateral, an irrevocable trust may hinder the growth of their farming operation. Before establishing an irrevocable trust, be sure to talk to an attorney about the advantages and disadvantages of an irrevocable trust to determine if it is the best strategy for you.

### Farm Science Review Tickets on Sale

OSU Extension is pleased to announce that tickets are now on sale for the 60th Farm Science Review (FSR)

slated for September 20 – 22, 2022 at the Molly Caren Agricultural Center located at 135 State Route 38, near London, Ohio, FSR is hosted by the Ohio State University College of Food, Agricultural, and Environmental Sciences. The 60th FSR will focus on "Embracing Time and Change."

More than 100,000 people are expected to attend the event, which will feature more than 100 educational sessions including "Ask the Expert" talks, the most comprehensive field crop demonstrations in the United States, 600 exhibits, a career exploration fair, and immersive virtual reality videos of agricultural activities. Across the 100-acre exhibit area, attendees will see new products and exhibitors, which will range from livestock, electric tractors, and other equipment and implement improvements, as well as educational sessions and displays from OSU Extension.





Advance tickets are available at the Coshocton County Extension Office for \$10 per person. A new mobile ticketing option has been unveiled for the 2022 show. This option will allow visitors to print tickets at home or save to a mobile device for entry. Tickets can be purchased at: go.osu.edu/fsrosuecoshocton Pre-sale tickets will be on sale until Monday. September 19. Tickets are \$15 at the gate. Children 5 and under are admitted free. The review hours are 8:00 a.m. to 5:00 p.m. on September 20 & 21 and from 8:00 a.m. to 4:00 p.m. on September 22. More information about the Farm Science Review is at http://fsr.osu.edu

# 2022 Small Farm Ruminant Production Field Day

By: Dr. Brady Campbell, Assistant Professor, OSU State Small Ruminant Extension Specialist and Garth Ruff, Beef Cattle Field Specialist, OSU Extension

Source: https://u.osu.edu/sheep/2022/08/23/2022-small-farm-ruminant-production-field-day/

Have a small herd of beef cattle, goats, or a flock of sheep? Are you a new or beginning ruminant livestock producer? If yes to either of these questions, this program is for you!

Join OSU Extension educators and state specialists for an all-day workshop covering topics every ruminant livestock producer needs to know from grazing and nutrition, livestock marketing, facilities and housing. This event is slated to be held on Saturday, October 8th from 9:00 am – 3:00 pm at the OSU ATI Beef Center located at 2736 S. Apple Creek Road, Apple Creek, Ohio 44606. After lunch, those who have an interest in sheep or goats will depart to the Small Ruminant Research Unit located on Fredericksburg Road (5651 Fredericksburg Road, Wooster, Ohio 44691), while those focused on beef cattle will remain at the ATI Beef Center.

Afternoon training sessions will be species-specific that include hands-on training in animal care and handling, basic animal health, livestock evaluation, and much more. The cost is \$30 per person with lunch included. Registration is limited to the first 40 registrations. Register at https://go.osu.edu/smallfarmruminantfieldday

### Agenda

- 9:00 Registration Opens
- 9:30 Welcome and Introductions
- 9:45 Morning Discussions:
  - Nutrition and Forages
  - Housing, ventilation, manure management
  - Livestock marketing



- 12:00 Lunch
- 1:15 Hands on
  - Efficiency (tools, equipment, and facilities)
  - Record keeping
  - o Birthing supplies and simulators
  - o Sheep demo shearing, drench gun, trimming feet, FAMACHA
  - o Beef calving simulator, calf processing, BCS, cattle evaluation

For more information, please contact Morrow County OSU Extension Educator, Carri Jagger at <a href="mailto:jagger.6@osu.edu">jagger.6@osu.edu</a> or Garth Ruff at <a href="mailto:ruff.72@osu.edu">ruff.72@osu.edu</a> We look forward to seeing you at the event!

# Fall Coshocton County Beef Quality Assurance Trainings Scheduled

The Coshocton County Extension office will be offering two **Beef Quality Assurance (BQA)** re-certification meetings to help producers renew their BQA certification. These sessions will be held in Room 145 at the Coshocton County Services Building located at 724 South 7<sup>th</sup> Street in Coshocton County. Producers can choose the session which bests fits their schedule. Sessions will be held on: Monday, October 10 and Wednesday, November 16. Each will be held from 7:00 to 8:30 p.m. Pre-registration is required for each session as space is limited. There is no fee to attend. Call 740-622-2265 to pre-register. These sessions also qualify for anyone who is seeking a first time certification. Online certification and recertification is also available and can be completed anytime at <a href="https://www.bqa.org/beef-quality-assurance-certification/online-certifications">https://www.bqa.org/beef-quality-assurance-certification/online-certifications</a>.

# Sponsorship for Fall Foliage & Farm Tour Sought

OSU Extension, Farm Service Agency and the Coshocton Soil & Water Conservation are pleased to announce that the Coshocton County Fall Foliage & Farm Tour will return on October 22-23. This year's event will be our 51st tour and our planning committee is working to make this year's tour another great event.

This year's map pick-up will be at the Coshocton County fairgrounds and will take participants through the southwest townships of Virginia, Washington, Pike, Perry, Bedford, and Jackson. A total of 1,346 people attended last year's tour with attendees from 7 states and from 29 of Ohio's 88 counties.

Each year, the planning committee solicits local businesses to help defray the cost of putting out tour maps by purchasing advertising space in the brochure. Advertising space is available again this year for \$30.00 per business card size advertisement. We encourage businesses and local agricultural supporters to join on as sponsors of the 51st fall foliage and farm tour. Please consider sponsoring the tour maps.

Questions on this year's tour/brochure can be directed to either Mike Jacob at (740) 622-8087 (Extension 7234) or Alonna Hoffman at (740) 622-2265. Thank you for your support in promoting Coshocton County and for supporting the annual Fall Foliage and Farm Tour.



5 (

Agricultural, Consumer & Environmental Sciences | University of Illinois Urbana-Champaign

# Reviewing the Inflation Reduction Act of 2022; Part 2

Jonathan Coppess, Krista Swanson, Nick Paulson, and Gary Schnitkey

Department of Agricultural and Consumer Economics
University of Illinois

### **Carl Zulauf**

Department of Agricultural, Environmental and Development Economics
Ohio State University

August 12, 2022

farmdoc daily (12): 120

Recommended citation format: Coppess, J., K. Swanson, N. Paulson, C. Zulauf, and G. Schnitkey. "Reviewing the Inflation Reduction Act of 2022; Part 2." farmdoc daily (12): 120, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, August 12, 2022.

Permalink: https://farmdocdaily.illinois.edu/2022/08/reviewing-the-inflation-reduction-act-of-2022-part-2.html

The House of Representatives is considering the Inflation Reduction Act of 2022, the Senate substitute amendment that replaced all provisions of a bill previously passed by the House in November 2021 (Inflation Reduction Act of 2022 (H.R.5376), Engrossed Amendment Senate). Both versions are reconciliation bills, and both include provisions written by the House and Senate Agriculture committees. The bill includes a \$43.7 billion infusion of funding to four categories of programs under the jurisdiction of the Congressional Agriculture committees. This is the second article providing an initial review of the legislation (farmdoc daily, August 11, 2022). Today's article looks at the funding for rural development, FSA farm loan borrowers and forestry.<sup>1</sup>

### **Brief Summary**

The Inflation Reduction Act has consumed more than a year of work and negotiations in the 117<sup>th</sup> Congress. As of this writing, the Senate has passed it as an amendment that replaces the House bill passed in November 2021; expectations are that the House will agree to the Senate amendment on Friday, August 12, 2022, and send it to President Biden to be signed into law. If so, the IRA 2022 will provide nearly \$44 billion in funding to agricultural conservation, rural development and forestry programs as follows:

- \$19.5 billion for farm bill conservation programs;
- \$13.3 billion for rural development programs;
- \$6 billion for FSA farm loan borrower assistance; and
- \$5 billion for forestry programs.

We request all readers, electronic media and others follow our citation guidelines when re-posting articles from farmdoc daily. Guidelines are available here. The farmdoc daily website falls under University of Illinois copyright and intellectual property rights. For a detailed statement, please see the University of Illinois Copyright Information and Policies here.

Figure 1 illustrates the breakdown of funding by the Senate Committee on Agriculture, Nutrition, and Forestry.

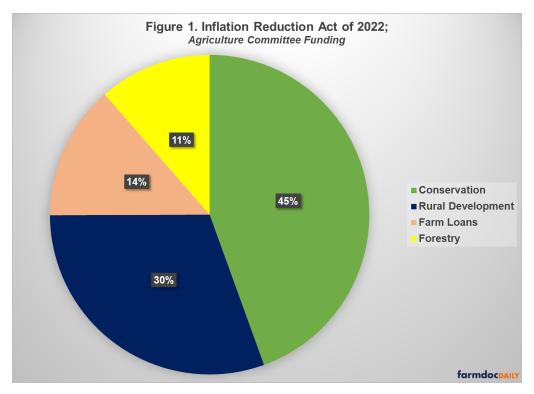
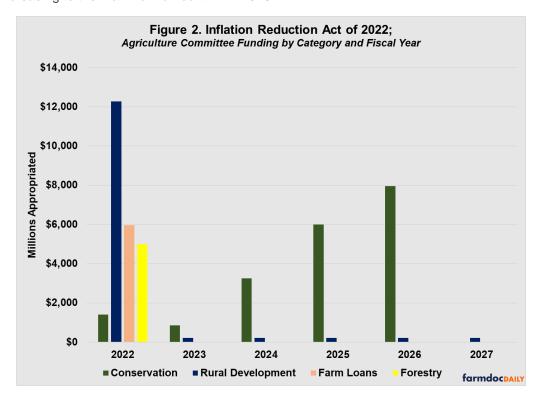


Figure 2 illustrates the appropriated amounts in each fiscal year as written in the legislative text. Notably, most of the funding is provided for FY2022 but conservation is the exception, as are some of the rural development funds. The conservation programs receive specified appropriations across multiple fiscal years, increasing to the maximum amount in FY2026.



Most of the total funds appropriated in the IRA 2022 are designed to rapidly advance efforts to respond to climate change, including by reducing greenhouse gas emissions from farming, capturing, sequestering, and storing greenhouse gases in soils, and advancing renewable energy in rural communities and on farms. All of the funds are in addition to funding authorized in the farm bill, and all appropriated through the complicated and controversial reconciliation process. To comply with the reconciliation instructions, the House and Senate Agricultural Committees wrote a form of multi-year appropriation, using "any money in the Treasury not otherwise appropriated." The rest of this article will provide a detailed discussion of the reconciliation funding for rural development, FSA farm loan borrowers, and forestry programs.

### **Background: Reconciliation Review**

The Inflation Reduction Act (IRA) of 2022 is not ordinary legislation, nor legislation in the ordinary course of business or the regular order of Congress. It is reconciliation legislation that operates under specific statutory authorities, and special procedural rules. Federal budget law provides for the inclusion of reconciliation instructions in a concurrent budget resolution (2 U.S.C. §641). Reconciliation consists of instructions written by the Congressional Budget Committees and agreed-to by both the House and Senate in the budget resolution, but not signed into law by the President. Congress instructs committees to take actions related to the budget, which are compiled into a single legislative vehicle that is considered under special rules. The IRA 2022 began as Senate Concurrent Resolution 14 which set budget levels for fiscal years (FY) 2023 through 2031; Title II provided reconciliation instructions that included the Agriculture Committees. The specific instructions to the Senate Committee on Agriculture, Nutrition and Forestry (Senate ANF) were to "report changes in laws within its jurisdiction that increase the deficit by not more than" \$135 billion "for the period of fiscal years 2022 through 2031" (S. Con. Res. 14).

### **Detailed Discussion; Part 2**

To comply with reconciliation, any changes in outlays by the House and Senate Agriculture Committees had to be within their jurisdiction and not merely incidental to the non-budgetary components. Moreover, all changes in outlays had to fit within the reconciliation window of FY2022 through FY2031; no spending provided in the bill could be scored by the Congressional Budget Office (CBO) to take place in any fiscal year after FY2031. The House and Senate Agricultural Committees wrote a form of multi-year appropriation, using "any money in the Treasury not otherwise appropriated." The IRA of 2022 includes a grand total appropriation of \$43.7 billion in the jurisdiction of the Senate ANF Committee. Yesterday's article reviewed (a) the reconciliation process, and (b) the funding for conservation programs (Figures 4 through 6). The discussion in this article adds a review of the funding for (c) rural development (Figure 7), (d) FSA farm loan borrowers (Figure 8), and (e) forestry programs (Figure 9).

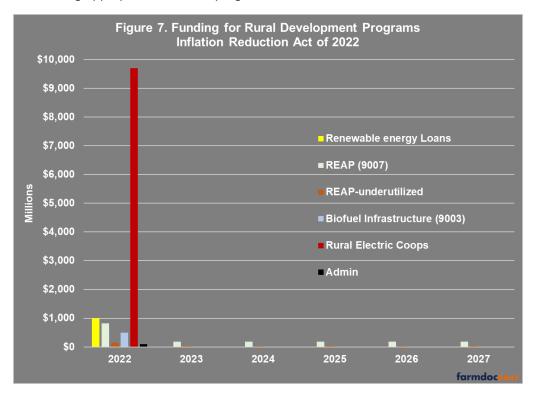
### (c) Rural Development

The funds provided to rural development programs are for transitioning to and increasing renewable energy production in rural communities and regions. The bill amends Section 9003 of the Farm Bill (7 U.S.C. §8103) adding a provision to provide \$1 billion for electric loans for renewable energy as authorized by the Rural Electrification Act of 1936 (IRA, Sec. 22001, at 547; 7 U.S.C. §940g). It adds funding for the Rural Energy for America Program (REAP) in Section 9007 of the Farm Bill (7 U.S.C. §8107), with \$820.25 million made available in FY2022 and an additional \$180.2765 million for FY2023 through 2027; all funds are to remain available through the end of FY2031. The bill also includes funding for underutilized renewable energy technologies and for technical assistance of \$144.75 million in FY2022 and \$31.8135 for FY2023 through 2027; all funds to remain available through FY2031 (IRA, Sec. 22002, at 548-49). The REAP program and the additional funding assist agricultural producers and rural small businesses become more energy efficient and adopt renewable energy technologies and sources.

The IRA provides \$500 million of additional funding for biofuel infrastructure and agriculture product market expansion under Section 9003 of the Farm Bill (IRA, Sec. 22003, at 550; 7 U.S.C. §8103). The funds are for grants up to 75 percent of the cost to "increase the sale and use of agricultural commodity-based fuels through infrastructure improvements for blending, storing, supplying, or distributing biofuels, except for transportation infrastructure not on location where such biofuels are blended, stored, supplied or distributed" (IRA, at 550-51). This includes installation of new equipment or retrofitting existing fuel

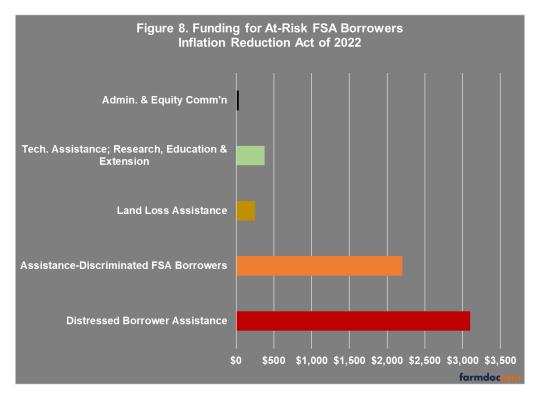
dispenser and storage equipment, as well as for home heating distribution systems to use biofuels and ethanol.

The IRA provides assistance to rural electric cooperatives with an appropriation of \$9.7 billion (to remain available through FY2031) by adding a provision added to Section 9003 of the Farm Bill (7 U.S.C. §8103). The funds are "for the long-term resiliency, reliability, and affordability of rural electric systems" by providing loans, modifying loans or other financial assistance to "achieve the greatest reduction in carbon dioxide, methane, and nitrous oxide emissions associated with rural electric systems through the purchase of renewable energy" or similar systems (IRA, Sec. 22004, at 551-52). Rural electric cooperatives and utilities can purchase renewable energy, or new systems for renewable energy or zero-emissions, as well as carbon capture and storage systems. Finally, \$100 million is provided to USDA Rural Development for the administrative costs of implementation (IRA, Sec. 22005, at 554). Figure 7 illustrates the funding appropriated to these programs.



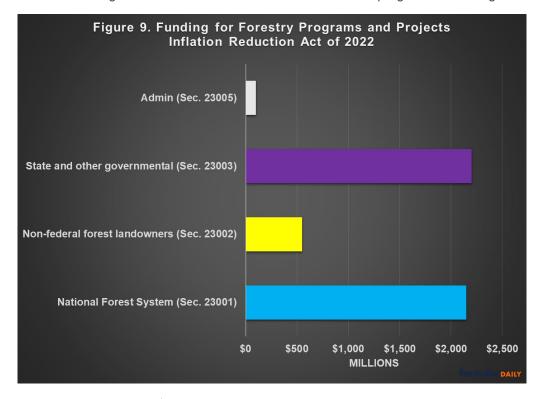
### (d) FSA Farm Loans

Section 22006, 22007 and 22008 provides nearly \$6 billion in funding for immediate relief for at-risk borrowers in the FSA farm loan programs, replacing the funding initially provided by the American Rescue Plan Act of 2021 (IRA, Sec. 22006-08 at 554-59). Specifically, \$3.1 billion is appropriated for payments and the cost of loans or loan modifications for "distressed borrowers of direct or guaranteed loans" made by FSA (7 U.S.C. §1981 and §1922 et seq.). Congress also provides \$125 million for technical and other assistance by USDA to help underserved farmers, ranchers, and foresters. Congress added \$250 million for land loss assistance and \$10 million for a USDA equity commission. \$250 million is available for research, education and Extension, including scholarships, at certain institutions of higher education (e.g., 1890 and 1994 Institutions, etc.). Finally, Congress appropriated \$2.2 billion for financial assistance to farmers, ranchers and forest landowners that experienced discrimination prior to January 1, 2021, and \$24 million for administrative costs. All funding is made available in FY2022 and remains available through the end of FY2031 and is illustrated by Figure 8.



### (e) Forestry

The final section in the IRA from the Senate ANF committee is for multiple forestry programs and projects. It appropriates a total of \$5 billion in FY2022 to remain available through the end of FY2031 and divided across three categories: The National Forest System; non-federal forest landowners; and State and other governmental entities. Figure 9 illustrates the allocation to these three programmatic categories.



Section 23001 provides a total of \$2.150 billion in funding for the National Forest System. Specifically, \$1.8 billion is for hazardous fuels reduction projects within the wildland-urban interface (16 U.S.C. §6511), farmdoc daily

August 12, 2022

\$200 million for vegetation management projects (16 U.S.C. §6542 or §6543), and \$100 million for environmental reviews (National Environmental Policy Act of 1969 (42 U.S.C. §§4321-4370)) by the Forest Service at USDA. An additional \$50 million is provided for protecting old-growth forests (IRA, Sec. 23001 at 559-63).

Section 23002 provides a total of \$550 million for non-federal forest landowners, \$450 million in total funding for competitive grants to non-federal forest landowners through the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. §2109a) and \$100 million for the wood innovation grant program (7 U.S.C. §7655d). Specifically, \$150 million is appropriated for cost-share grants for climate mitigation or forest resilience practices for underserved forest landowners. In addition, \$150 million is appropriated to support underserved forest landowners and \$100 million for forest landowners owning less than 2,500 acres of forest land to support participation by these forest landowners in "emerging private markets for climate mitigation or forest resilience." Finally, States and other eligible entities can compete for \$50 million in competitive grants to pay private owners of forest land to implement best practices for increasing carbon sequestration and storage (IRA, Sec. 23002, at 563-66).

Section 23003 adds funding for State and private forestry conservation programs, including \$700 million for competitive grants through the Forest Legacy Program (16 U.S.C. §2103c) and \$1.5 billion for competitive grants to State and other governmental entities (including Tribal) or nonprofit organizations through the Urban and Community Forestry Assistance program (16 U.S.C. §2105) for tree planting and related activities (IRA, Sec. 23003 at 566-67). Finally, Section 23005 provides \$100 million for administrative costs (IRA, at Sec. 23005 at 568).

### Conclusion

As of this writing, the House of Representatives is expected to agree to the Inflation Reduction Act of 2022, which is a complete substitute amendment agreed-to by the Senate that replaced all provisions of a bill previously passed by the House in November 2021 (Inflation Reduction Act of 2022 (H.R.5376), Engrossed Amendment Senate). If it is signed into law by President Biden, the Act will provide \$43.7 billion in additional funding to conservation, rural development, farm loans, and forestry programs that were last authorized by the 2018 Farm Bill. Congress is expected to debate reauthorization of all farm bill programs in 2023. The additional funding provided by the Inflation Reduction Act of 2022 adds to the issues for that farm bill effort, but the actual impact is uncertain at this point. These two articles have provided an initial review of the specific provisions in the Inflation Reduction Act from the Congressional Agriculture committees' jurisdiction.

### References

Coppess, J., K. Swanson, N. Paulson, C. Zulauf and G. Schnitkey. "Reviewing the Inflation Reduction Act of 2022; Part 1." *farmdoc daily* (12):119, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, August 11, 2022.

<sup>&</sup>lt;sup>1</sup> In the interest of full disclosure, please note that Jonathan Coppess was on partial leave from the University of Illinois from April 2021 to March 2022 to assist the Senate Committee on Agriculture, Nutrition, and Forestry with reconciliation legislation on a part-time basis as a special counsel; his partial employment with the committee ended prior to finalization of the Inflation Reduction Act of 2022.



Coshocton County will be hosting two Beef Quality Assurance re-certification programs to allow beef and dairy producers to re-certify their beef quality assurance during the fall of 2022. Pre-registration is required for each session as space is limited.

# **Sessions Will Be Held:**

Monday, October 10, 2022

or

Wednesday, November 16, 2022

7:00 to 8:30 p.m.

Coshocton County Services Building 724 South 7<sup>th</sup> Street - Room 145, Coshocton, OH 43812

Seating is limited, so please RSVP Register by calling: 740-622-2265

Other Sessions are being offered in neighboring counties or can be completed on-line anytime at <a href="bga.org">bga.org</a>.



### **COSHOCTON COUNTY EXTENSION**



### DATE:

October 8, 2022

### TIME:

9:00 a.m.- 3:00 p.m. Registration 8:30 a.m.

### **LOCATION:**

OSU ATI Beef Center 2736 S. Apple Creek Rd Apple Creek 44606



**EXTENSION** 

# **Small Farm Ruminant Production Field Day**

Have a small herd of beef cattle, goats, or a flock of sheep? Are you a new or beginning ruminant livestock producer? If yes to either of these questions, this program is for you!

Join OSU Extension educators and state specialists for an all-day workshop covering topics every ruminant livestock producer needs to know from grazing and nutrition, livestock marketing, facilities and housing.

After lunch, those who have an interest in sheep or goats will depart to the Small Ruminant Research Unit located on Fredericksburg Road, while those focused on beef cattle will remain at the ATI Beef Center.

Afternoon training sessions will be species-specific that include handson training in animal care and handling, basic animal health, livestock evaluation, and much more.

Cost: \$30 per person lunch Included. Limited to first 40 Registrations.

Register at https://go.osu.edu/smallfarmruminantfieldday

CFAES Wooster Campus wooster.osu.edu

OSU Extension Beef Team beef.osu.edu

OSU Extension Sheep Team sheep.osu.edu