April 2014

Nebraska State FSA Office

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Lincoln, NE 68510

Ph: (402) 437-5581
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Hours: 8:00 a.m. – 4:30 p.m.

State Executive Director
Dan Steinkruger

State Committee:
Bill Armburst
Fred Christensen
Susan Frazier, Chairperson
Leo Hoehn
Linda Kleinschmit

Next State Committee Meeting:
May 12-14, 2014 at Nebraska State Office

Website:
www.fsa.usda.gov/ne

Nebraska State FSA Updates

Livestock Forage Disaster Program (LFP)

LFP provides compensation to eligible livestock producers who suffer grazing losses during the normal grazing periods for covered livestock due to drought conditions or fire on federally managed land. The LFP payments for drought are equal to 60 percent of the monthly feed cost as determined by the Secretary of Agriculture. The number of monthly program payments is based on the drought rating for the physical location of the farm as determined by the U.S. Drought Monitor. Payment can equate to a one, three, four, or five month payments.

The program is retroactive to October 1, 2011. With the drought in 2012 every county in Nebraska qualified for at least a three month payment. In 2013, a large portion of Nebraska also qualifies for at least a one month payment. Sign-up for 2012, 2013, and 2014 program years started April 15, 2014. Contact your local FSA office to obtain more information or sign-up for program benefits today.

Livestock Indemnity Program (LIP)

LIP compensates eligible livestock owners and contract growers for eligible livestock deaths in excess of normal mortality on farms as a direct result of an eligible adverse weather event. The payment rate for livestock owners is determined at 75 percent of the fair market value as determined by the Secretary of Agriculture. The payment rate for contract growers is 75 percent of the average income loss sustained as determined by the Secretary of Agriculture. Livestock death must occur during the calendar year that program benefits are being requested. Eligible adverse weather events include but are not limited to floods, blizzards, extreme heat, extreme cold, winter storm, tornado, and lightning.

The program is retroactive to October 1, 2011. Sign-up for 2012, 2013, and 2014 program years started April 15, 2014. Contact your local FSA office to obtain more information or sign-up for program benefits today.

Dates to Remember

April 15, 2014 - 2012, 2013, and 2014 LFP, LIP, ELAP and Tree Assistances Program (TAP) Sign-up Starts
May 30, 2014 - MILC Program Start Month Selection Relief Period Ends; Soybean Referendum Request Deadline
May 31, 2014 - Deadline to Request Commodity Loans for 2013 Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seeds, Safflower Seeds, Chickpeas, Soybeans, and Sunflower Seeds
July 15, 2014 - Acreage Reporting Deadline for all spring seeded 2014 Crops and CRP; Deadline for 2013 ACRE Production Reports; and Deadline to Report 2013 NAP Production Evidence
August 1, 2014 - 2012 and 2013 ELAP Sign-up Deadline; Deadline to Request a Farm Reconstitution for 2014
November 1, 2014 - 2014 ELAP Sign-up Deadline

April FSA Interest Rates

Farm Operating: 2.000%
Microloan: 2.000%
Farm Ownership: 4.000%
Farm Ownership – Joint Financing: 2.5%
Farm Ownership – Down Payment: 1.5%
Emergency – Actual Loss: 3.000%
Farm Storage Facility Loan 7 year term: 2.125%
Farm Storage Facility Loan 10 year term: 2.750%
Farm Storage Facility Loan 12 year term: 2.875%
Commodity Loan: 1.125%

Emergency Assistance for Livestock, Honeybees, and Farm Raised Fish Program (ELAP)

ELAP provides emergency assistances for livestock, honeybees, and farm-raised fish to aid in losses due to eligible adverse weather events that are not covered by the Livestock Indemnity Program (LIP) or the Livestock Forage Disaster Program (LFP). The program is retroactive to October 1, 2011. Sign-up for 2012, 2013, and 2014 program years started April 15, 2014. Contact your local FSA office to obtain more information or sign-up for program benefits today.

Milk Income Loss Contract (MILC) Program Extended for 2014

The Farm Service Agency (FSA) announced the extension of the Milk Income Loss Contract (MILC) program which protects dairy farmers against income loss through September 1, 2014, or until a new Margin Protection Program (MPP) for dairy producers is operational.

Contracts for eligible producers enrolled in MILC on or before September 30, 2013, are automatically extended until the termination date of the MILC program. Dairy operations with approved MILC contracts will continue to receive monthly payments if a payment rate is in effect.

MILC compensates enrolled dairy producers when the Boston Class I milk price falls below $16.94 per hundredweight (cwt), after adjustment for the cost of dairy feed rations. The payment rate for October 2013 through January 2014 marketings is zero. Payment rates during the months after January 2014 until the termination of the MILC program will be determined as the appropriate data becomes available.

Producers who want to select a different production start month must visit their local FSA office between April 14, 2014, and May 30, 2014.

Dairy Indemnity Payment Program (DIPP)

The 2014 Farm Bill authorized the extension of DIPP through September 30, 2018. DIPP provides payments to dairy producers and manufacturers of dairy products when they are directed to remove their raw milk or products from the market because of contamination.

USDA Sets Date for Soybean Request for Referendum

USDA will offer soybean producers the opportunity to request a referendum on the Soybean Promotion and Research Order, as authorized under the Soybean Promotion, Research, and Consumer Information Act. Soybean producers who are interested in having a referendum to determine whether to continue the Soybean Checkoff Program are invited to participate. To be eligible to participate, producers must certify and provide documentation that shows that they produced soybeans and paid an assessment on the soybeans during the period of January 1, 2012, through December 31, 2013.

Producers may obtain a form by mail, fax, or in person from FSA county offices starting on May 5, 2014 through May 30, 2014. Forms are also available on the AMS website. Producers who do not participate in FSA programs can still request a referendum at the FSA county office where they own or rent land. Completed forms and supporting documentation must be returned to the appropriate FSA county office by fax or in person no later than close of business May 30, 2014. If returned by mail, it must be postmarked by midnight May 30, 2014, and received in the office by close of business on June 5, 2014.

Notice of the Request for Referendum will be published in the March 4, 2014, Federal Register. For more information, visit the AMS website or contact James Brow, Research and Promotions Branch; Livestock, Poultry and Seed Program, AMS, USDA; STOP 0251 - Room 2610-S; 1400 Independence Avenue, SW; Washington, D.C. 20250-0251; tel. (202) 720-0633.

Fruit and Vegetable (FAV) Provisions for 2014-2018

The 2014 Farm Bill provides greater flexibility to producers who plant fruits and vegetables (FAVs) or Wild Rice (WR). Planting and harvesting FAV and WR on acreage enrolled in the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs is allowed. However, this acreage will be subject to an acre-for-acre payment reduction when FAV and/or WR are planted on a farm’s payment acreage under the applicable programs. Planting FAV and WR on acres that are not considered base acres will not result in a payment reduction. In addition, farms that are eligible to participate in ARC or PLC, but are not enrolled for a particular year, may plant unlimited FAV and WR for that year.

New Farm Bill Offers Increased Opportunities for Producers

The 2014 Farm Bill offers increased opportunities for producers including farm loan program modifications that create flexibility for new and existing farmers. A fact sheet outlining modifications to the U.S. Department of Agriculture’s (USDA) Farm Service Agency (FSA) Farm Loan Programs is available here. The Farm Bill expands lending opportunities for thousands of farmers and ranchers to begin and continue operations, including greater flexibility in determining eligibility, raising loan limits, and emphasizing beginning and socially disadvantaged producers.

Changes that have already been implemented include:

- elimination of loan term limits for guaranteed operating loans
- modification of the definition of beginning farmer, using the average farm size for the county as a qualifier instead of the median farm size
- modification of the Joint Financing Direct Farm Ownership Interest Rate to 2 percent less than regular Direct Farm Ownership rate, with a floor of 2.5 percent. Previously, the rate was established at 5 percent
- increase of the maximum loan amount for Direct Farm Ownership down payments from $225,000 to $300,000
- elimination of rural residency requirement for Youth Loans, allowing urban youth to benefit
- debt forgiveness on Youth Loans, which will not prevent borrowers from obtaining additional loans from the federal government
- increase of the guarantee amount on Conservation Loans from 75 to 80 percent and 90 percent for socially disadvantaged borrowers and beginning farmers
- microloans will not count toward loan term limits for veterans and beginning farmers.

Additional modifications must be implemented through the rulemaking processes. Visit the FSA Farm Bill website for detailed information and updates to farm loan programs.

Farm Storage Facility Loan Program (FSFL) Enhancements

The U.S. Department of Agriculture (USDA) announced the expansion of the FSFL program, which provides low-interest financing to build or upgrade permanent facilities to store commodities. The enhanced program includes 22 new categories of eligible equipment for fruit and vegetable producers. Producers with small and mid-sized operations, and specialty crop fruit and vegetable growers, now have access to needed capital for a variety of supplies including sorting bins, wash stations and other food safety-related equipment. A new more flexible alternative is also provided for determining storage needs for fruit and vegetable producers, and waivers are available on a case-by-case basis for disaster assistance or insurance coverage if available products are not relevant or feasible for a particular producer. Additionally, FSFL security requirements have been eased for loans between $50,000 and $100,000. Eligible commodities include grains, oilseeds, peanuts, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables. Qualified facilities include grain bins, hay storage sheds, and cold storage facilities for fruits and vegetables. For more information contact your local FSA Office or view the FSFL fact sheet as a webpage or an Adobe file on the FSA webpage by clicking here.

Beginning Farmer Loans

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- has operated a farm for not more than 10 years
- will materially and substantially participate in the operation of the farm
- agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- for Farm Ownership purposes, does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov.
