

## January 2015

#### Nebraska Farm Service Agency

7131 A Street Lincoln, NE 68510

www.fsa.usda.gov/ne

#### State Committee:

Bill Armbrust Fred Christensen Susan Frazier, Chairperson Leo Hoehn Linda Kleinschmit

**Executive Director:** Dan Steinkruger

Administrative Officer: Mike Sander

#### **Division Chiefs:**

Cathy Anderson Doug Klein Greg Reisdorff Mark Wilke

#### Next State Committee

Meeting: January 27-29, 2015

Please contact your local FSA Office for questions specific to your operation or county

## Nebraska FSA Updates

## Important ARC/PLC Program Deadlines Approaching

The current deadline to update yield history and/or reallocate base acres is Feb. 27, 2015. Farm owners and producers can choose between the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) through March 31, 2015. The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

USDA helped create online tools to assist in the decision process, allowing farm owners and producers to enter information about their operation and see projections that show what ARC and/or PLC will mean for them under possible future scenarios. Farm owners and producers can access the online resources, available at <u>www.fsa.usda.gov/arc-plc</u>, from the convenience of their home computer or mobile device at any time.

Dates associated with ARC and PLC that farm owners and producers need to know:

- Now through Feb. 27, 2015: Farm owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.
- Now through March 31, 2015: Producers make a one-time election between ARC and PLC for the 2014 through 2018 crop years.
- Mid-April 2015 through summer 2015: Producers sign contracts for 2014 and 2015 crop years.
- October 2015: Payments issued for 2014 crop year, if needed.

# FSA Announces New Yield Data for Safety Net Calculations

Farmers can Update Yield History through Feb. 27, 2015

The U.S. Department of Agriculture Farm Service Agency (FSA) offers farmers new information to update program payment yields that will help them better select protection offered by the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. The new programs, established by the 2014 Farm Bill, are cornerstones of the commodity farm safety net, offering farmers protection when market forces cause substantial drops in crop prices and revenues.

#### Dates to Remember January 30, 2015 - 2012, 2013, and 2014 LFP and LIP application deadline February 2, 2015 -Deadline to apply for 2014 LDP for unshorn lamb pelts; Deadline to apply for 2014 MAL for wool and mohair; Deadline for TAP losses from October 1, 2011 through the end of the 2014 calendar year. February 27, 2015 -

Deadline for producers to update yield history and/or reallocate base acres

March 16, 2015 - Non-Insured Crop Disaster Assistance Program (NAP) Sales Closing Dates for Alfalfa, Mixed Forage, Spring Seeded Annual Crops (Barley, Oats), Grass, Spring Seeded Annual Crops (Vegetables), and Sorghum Forage

March 31, 2015 - Deadline for producers to make onetime election of either ARC or PLC for 2014 through 2018 crop years; Deadline to obtain MAL's and LDP's for Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat, and Sesame Seed.

May 31, 2015 - Deadline to obtain MAL's and LDP's for Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Safflower Seed, Chickpeas, Soybeans, and Sunflower Seed July 15, 2015 - Final acreage reporting date (2014 spring seeded crops and CRP)

### Safety Net Calculations Continued...

The Farm Bill provides landowners with the option of updating their farm program payment yields and this is the first time that many producers have been able to update yields since 1986. FSA has worked with the Risk Management Agency (RMA) to make available certified yield data that producers can use to better calculate how the new safety net programs can offer the best protection against market swings.

Producers can check with their local FSA county office to see if data is available for them. This data belongs to the producer and only the producer associated with the crop insurance records will be provided this service. Updating yield history or reallocating base acres can occur until Feb. 27, 2015.

FSA also issued a reminder that from Nov. 17, 2014, to March 31, 2015, producers will make a one-time election of either ARC or PLC for the 2014 through 2018 crop years. For more information, producers are encouraged to make an appointment to go into their local FSA office. To find a local FSA office, visit <u>www.offices.usda.gov</u>. Additional information on the new programs is available at <u>www.fsa.usda.gov/arc-plc</u>.

## Livestock Disaster Assistance Sign-up Ending

Livestock disaster program enrollment opened on April 15, 2014. These disaster programs are authorized by the 2014 Farm Bill as permanent programs and provide retroactive authority to cover losses that occurred on or after Oct. 1, 2011.

Eligible producers can sign-up for the following livestock disaster assistance programs:

#### Livestock Forage Disaster Program (LFP):

LFP provides compensation to eligible livestock producers that have suffered grazing losses due to drought on privately owned or cash leased land or fire on federally managed land. Eligible producers must physically be located in a county affected by a qualifying drought during the normal grazing period for the county. Producers who suffered eligible grazing losses should submit a completed CCC-853 and supporting documentation by **January 30**, **2015**.

#### Livestock Indemnity Program (LIP):

LIP provides compensation to eligible livestock producers that have suffered livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. Producers who suffered livestock death losses should submit a notice of loss and an application for payment to their local FSA office by **January 30**, **2015**.

Important! Completed applications AND all supporting documentation must be received by January 30, 2015 to meet program eligibility requirements.

## **Breaking New Ground**

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production. Doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions.

Producers with HEL determined soils must apply tillage, crop residue and rotation requirements as specified in their conservation plan.

Producers should notify FSA prior to conducting land clearing or drainage projects to ensure compliance. If you intend to clear any trees to create new cropland, these areas will need to be reviewed to ensure any work will not risk your eligibility for benefits.

Landowners and operators can complete form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification to determine whether a referral to the Natural Resources Conservation Service (NRCS) is necessary.

## USDA Reminds Farmers of 2014 Farm Bill Conservation Compliance Changes

The 2014 Farm Bill implements a change that requires farmers to have a Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification (AD-1026) on file to be eligible for premium support on their federal crop insurance. The Risk Management Agency (RMA), through the Federal Crop Insurance Corporation (FCIC), manages the federal crop insurance program that provides the modern farm safety net for American farmers and ranchers.

Since enactment of the 1985 Farm Bill, eligibility for most commodity, disaster, and conservation programs has been linked to compliance with the HELC and WC provisions. The 2014 Farm Bill continues the requirement that producers adhere to conservation compliance guidelines to be eligible for most programs administered by FSA and NRCS. This includes most financial assistance such as the new price and revenue protection programs, the Conservation Reserve Program, the Livestock Disaster Assistance programs and Marketing Assistance Loans and most programs implemented by FSA. It also includes the Environmental Quality Incentives Program, the Conservation Stewardship Program, and other conservation programs implemented by NRCS.

Many FSA and Natural Resource Conservation (NRCS) programs already have implemented this requirement and therefore most producers should already have an AD-1026 form on file for their associated lands. If however an AD-1026 form has not been filed or is incomplete then farmers must file a completed AD-1026 no later than June 1, 2015.

When a farmer completes and submits the AD-1026 certification form, FSA and NRCS staff will review the associated farm records and outline any additional actions that may be required to meet the required compliance with the conservation compliance provisions.

FSA recently released a revised form AD-1026, which is available at USDA Service Centers and online at: <u>www.fsa.usda.gov</u> USDA will publish a rule later this year that will provide details outlining the connection of conservation compliance with crop insurance premium support. Producers can also contact their local USDA Service Center for information. A listing of service center locations is available at <u>offices.usda.gov</u>.

## Farm Bill Allows Early Termination for Certain CRP Contracts

The Farm Service Agency reminds producers with acres under contract through the Conservation Reserve Program (CRP) that they can apply for early contract termination, as required by the 2014 Farm Bill. The deadline to request early CRP contract termination is Jan. 30, 2015.

The earliest effective date for this early termination is October 1, 2014. The requesting CRP contract must have been in effect for at least five years and additional eligibility conditions must be met to qualify. The 2014 Farm Bill identifies a list of 10 exceptions where land will not be eligible for the early termination provisions. For a complete list of these exceptions, please view the program fact sheet online at

http://www.fsa.usda.gov/Internet/FSA File/crp opt out fact sht.pdf

For more information or to verify eligibility for early termination (opt-out) for existing CRP contracts, please contact your local FSA office. For local FSA Service Center contact information, please visit: offices.usda.gov.

## Farm Loan Information Chart

A Farm Loan Information Chart Fact Sheet containing information on maximum loan amounts, loan terms, and use of proceeds is available. The fact sheet can be accessed by clicking here. Additional details on available Farm Loan Programs can be obtained at local FSA offices and on FSA's website: <u>http://www.fsa.usda.gov</u>.

## Microloan (ML) Program

The Farm Service Agency (FSA) developed the ML program to better serve the unique financial operating needs of beginning and the smallest of family farm operations. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA). Eligible applicants can apply for a maximum amount of \$50,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. For more information contact your local FSA Office or view the Microloan Fact Sheet on the FSA website by clicking here.

## **Bank Account Changes**

Current policy mandates that FSA payments be electronically transferred into a bank account. In order for timely payments to be made, producers need to notify the FSA county office when an account has been changed or if another financial institution purchases the bank where payments are sent. Payments can be delayed if the FSA office is not aware of updates to bank accounts and routing numbers.

## Tree Assistance Program (TAP) Sign-up Ending

Orchardists and nursery tree growers who experienced losses from natural disasters that occurred on or after Oct. 1, 2011, can sign up for the Tree Assistance Program (TAP). TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of 15 percent mortality from an eligible natural disaster. The eligible trees, bushes or vines must have been owned when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

For losses that occurred on or after Oct. 1, 2011, through the end of the 2014 calendar year, the final date to submit an application and supporting documentation is the later of Jan. 31, 2015 or 90 calendar days after the disaster event or the date the loss is apparent. For calendar year 2015 and subsequent losses, all applications and supporting documentation must be submitted the later of 90 calendar days after the disaster event or the date the loss is or the date the loss is apparent.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

## January FSA Interest Rates

Farm Operating: 2.625% Microloan: 2.625% Farm Ownership: 4.00% Farm Ownership - Joint Financing: 2.500% Farm Ownership - Down Payment: 1.500% Emergency - Actual Loss: 3.625% Farm Storage Facility Loan 7 year term: 2.000% Farm Storage Facility Loan 10 year term: 2.250% Farm Storage Facility Loan 12 year term: 2.375% Commodity Loan: 1.125%

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay).