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Having trouble viewing this email? [View it as a Web page.](#)

- [A Message from the State Executive Director](#)
- [Enrollment Period for 2016 USDA Safety Net Coverage Ends Aug. 1](#)
- [Marketing Assistance Available for 2016 Wheat, Other Crops](#)
- [USDA to Offer Certificates for Farm Commodities Pledged to Marketing Loans](#)
- [FSA County Committee Nomination Period Open Through Aug. 1](#)
- [Emergency Assistance for Livestock, Honeybees, Farm-Raised Fish Program \(ELAP\)](#)
- [Report Livestock Losses](#)
- [USDA Expands Microloans to Help Farmers Purchase Farmland and Improve Property](#)
- [Loans for Targeted Underserved Producers](#)
- [FSAfarm+, FSA's Customer Self-Service Portal](#)
- [July FSA Interest Rates](#)
- [Dates to Remember](#)

Nebraska FSA Newsletter

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A Message from the State Executive Director

It's July in Nebraska, and the thermometer definitely has been showing it the past several weeks. The U.S. Drought Monitor map is showing it too, as the south-central, southeast and northwest parts of the state were listed as "abnormally dry" on the July 5 publication.

Another sure sign of July is wheat harvest. Combines worked hard over the first couple weeks of the month, and they continue their march north; the yield reports received from farmers in the southern tier of counties have been mostly positive. While yields appear mostly good, harvest-time wheat prices have been a challenge, and Nebraska producers are facing some difficult marketing decisions. This has meant the return, after about a 10-year hiatus, of the option to

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To find contact information for your local office go to www.fsa.usda.gov/ne.

consider whether a loan deficiency payment (LDP) fits your marketing plan. Other options include marketing assistance loans (MAL) or commodity certificates. To be eligible for MALs or LDPs, farmers must maintain a beneficial interest in their wheat crop until appropriate paperwork has been filed in their local county FSA office.

UNL Extension has published a resource on these current wheat marketing options. It can be found at [this link](#).

I want to highlight a couple of important, approaching deadlines of which producers should be aware. Those who chose coverage from the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs, must stop by their local FSA office by Aug. 1 to sign contracts to enroll for 2016 coverage. While the selection between ARC and PLC already has been made, producers must still enroll by the deadline to receive coverage.

The deadline for producers who are interested in serving on an FSA County Committee also is Aug. 1. FSA County Committees play an important role by helping make decisions on FSA disaster, conservation and commodity and price support programs. Those elected to the role serve a three-year term and provide a valuable service to agriculture in their immediate area. Producers interested in learning more about this opportunity should contact their local FSA office.

Until next time.

-- Dan Steinkruger

Enrollment Period for 2016 USDA Safety Net Coverage Ends Aug. 1

Producers who chose coverage from the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or the Price Loss Coverage (PLC) programs, can visit FSA county offices through Aug. 1, 2016, to sign contracts to enroll in coverage for 2016.

Although the choice between ARC and PLC is completed and remains in effect through 2018, producers must still enroll their farm by signing a contract each year to receive coverage.

Producers are encouraged to contact their local FSA office to schedule an appointment to enroll. If a farm is not enrolled during the 2016 enrollment period, producers on that farm will not be eligible for

financial assistance from the ARC or PLC programs should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program.

The two programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to www.fsa.usda.gov/arc-plc.

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <http://offices.usda.gov>.

Marketing Assistance Available for 2016 Wheat, Other Crops

The 2014 Farm Bill authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

In Nebraska, wheat prices are in a range where LDPs are applicable, so producers should become familiar with the process to access this assistance.

MALs and LDPs provide financing and marketing assistance for wheat, as well as other commodities such as feed grains, soybeans and other oilseeds, pulse crops, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows.

A producer who is eligible to obtain an MAL, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

To be eligible for an MAL or an LDP, producers must have a beneficial interest in the commodity, in addition to other requirements. A producer retains beneficial interest when control of and title to the commodity is maintained. For an LDP, the producer must retain beneficial interest in the commodity from the time of planting through the date the producer filed [Form CCC-633EZ \(page 1\)](#) in the FSA County Office. For more information, producers should contact their local FSA county office or view the [LDP Fact Sheet](#).

USDA to Offer Certificates for Farm Commodities Pledged to Marketing Loans

Producers who have crops pledged as collateral for a Marketing Assistance Loan (MAL) can now purchase a commodity certificate that may be exchanged for the outstanding loan collateral. The authority is provided by the 2016 Consolidated Appropriations Act, legislation enacted by Congress in December. Commodity certificates are available beginning with the 2015 crop in situations where the applicable MAL rate exceeds the exchange rate. Currently, the only eligible commodity in Nebraska is wheat.

FSA routinely provides agricultural producers with MALs that provide interim cash flow without having to sell the commodities when market prices are at harvest-time lows. The loans allow the producer to store and delay the sale of the commodity until more favorable market conditions

emerge, while also providing for a more orderly marketing of commodities throughout the marketing year.

These loans are considered “nonrecourse” because the loan can be redeemed by delivering the commodity pledged as collateral to the government as full payment for the loan upon maturity. Commodity certificates are available to loan holders having outstanding nonrecourse loans for wheat, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan. Any gain realized by using commodity certificates to repay the nonrecourse loan is not subject to the \$125,000 payment limitation. In addition, producers using commodity certificates do not have to meet the adjusted gross income criteria.

Producers may contact their FSA office that maintains their loan or their loan service agent for additional information. Producers who do business with Cooperative Marketing Associations (CMA) or Designated Marketing Associations (DMA) may contact their respective associations for additional information. To learn more about commodity certificates, visit www.fsa.usda.gov/pricesupport.

FSA County Committee Nomination Period Open Through Aug. 1

The nomination period for FSA county committees across the state began on June 15, 2016. Nomination forms must be postmarked or received in county FSA offices by close of business on Aug. 1, 2016.

County committees are unique to FSA and allow producers to have a voice on federal farm program implementation at the local level.

To be eligible to serve on the FSA county committee, a person must participate or cooperate in an agency administered program, be eligible to vote in a county committee election and reside in the Local Administrative Area (LAA) where they are nominated. All producers, including women, minority and beginning farmers and ranchers, are encouraged to participate in the nomination and election process.

Producers may nominate themselves or others as candidates. Organizations representing minority and women farmers and ranchers may also nominate candidates. To become a nominee, eligible individuals must sign form FSA-669A. The form and more information about county committee elections is available online at: www.fsa.usda.gov/elections.

Elected county committee members serve a three-year term and are responsible for making decisions on FSA disaster, conservation, commodity and price support programs, as well as other important federal farm program issues. County committees consist of three to 11 members.

FSA will mail election ballots to eligible voters beginning Nov. 7. All newly elected county committee members and alternates will take office January 1, 2017.

For more information about county committees, please contact the local county FSA office or visit www.fsa.usda.gov/elections.

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

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event and additional cost of transporting water because of an eligible drought.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from Oct. 1, 2015, to Sept. 30, 2016, must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 1, 2016
- An application for payment by Nov. 1, 2016

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP fact sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.

Report Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for 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. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2016, eligible losses must occur on or after Jan. 1, 2016, and before Dec. 31, 2016. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants

must provide the following supporting documentation to their local FSA office no later than 30 calendar days after the end of the calendar year for which benefits are requested:

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 5%. These established percentages reflect losses that are considered expected or typical under “normal” conditions. Producers who suffer livestock losses in 2016 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent or by Jan. 30, 2017
- An application for payment by March 31, 2017

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

USDA Expands Microloans to Help Farmers Purchase Farmland and Improve Property

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

This microloan announcement is another USDA resource for America’s farmers and ranchers to utilize, especially as [new and beginning farmers and ranchers](#) look for the assistance they need to get started. To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office. To find your nearest office location, please visit <http://offices.usda.gov>.

Loans for Targeted Underserved Producers

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved applicants.

A targeted underserved applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

FSAfarm+, FSA's Customer Self-Service Portal

FSA has launched a new tool to provide farmers and ranchers with remote access to their personal farm information using their home computers. Farmers and ranchers can now view, print or export their personal farm data all without visiting an FSA county office.

The program, known as **FSAfarm+**, provides you with secure access to view your personal FSA data, such as base and yields, Conservation Reserve Program data, other conservation program acreage, Highly Erodible Land Conservation and Wetland Conservation status information, field boundaries, farm imagery, name and address details, contact information and membership interest and shares in the operation. This data will be available in real time, at no cost to the producer and allow operators and owners to export and print farm records, including maps. Producers also can electronically share their data with a crop insurance agent from their own personal computer.

Farm operators and owners first will need "Level 2 eAuthentication" to access the webportal. This level of security ensures that personal information is protected for each user. Level 2 access can be obtained by going to www.eauth.usda.gov, completing the required information and then visiting your local FSA office to finalize access.

For more information on **FSAfarm+**, the customer self-service portal, contact your local FSA office. To find your local FSA county office, click <http://offices.usda.gov>.

July FSA Interest Rates

Farm Operating: 2.25%
Microloan Operating: 2.25%
Farm Ownership: 3.5%
Farm Ownership - Joint Financing: 2.50%
Farm Ownership - Down Payment: 1.50%
Emergency - Actual Loss: 3.25%
Farm Storage Facility Loan 3 year term: 1.0%
Farm Storage Facility Loan 5 year term: 1.25%
Farm Storage Facility Loan 7 year term: 1.5%
Farm Storage Facility Loan 10 year term: 1.75%
Farm Storage Facility Loan 12 year term: 1.875%
Commodity Loan: 1.625%

Dates to Remember

Aug. 1, 2016 – Enrollment period for 2016 ARC/PLC ends.

Aug. 1, 2016 – Deadline to request farm transfers or reconstitutions for 2016.

Sept. 1, 2016 – NAP application/sales deadline for Christmas trees, nursery crop coverage for 2017.

Sept. 30, 2016 – Deadline to report aquaculture, Christmas trees and nursery crops.

Sept. 30, 2016 – Deadline for Dairy Margin Protection Program election period for coverage in 2017.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).
