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Nebraska FSA Newsletter

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A Message from the State Executive Director

As we reach the mid-way point of December, there's anticipation in the air here at Nebraska Farm Service Agency (FSA). Like most everyone, we are preparing in our personal lives for the upcoming holidays. But our anticipation isn't limited to worrying about gifts and travel plans. There's also a great deal of work to be done in the office.

With the current state of the agriculture economy, some crop producers are turning to FSA Marketing Assistance Loans (MALs) as a way to secure interim financing to help meet cash flow needs, while allowing time for potential market improvement so the crop doesn't have to be sold

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at harvest-time lows. These loans also give farmers a way to balance 2016 income. This option has kept many of our offices busy during December. It takes some time to get through the loan process, and our staff is working hard to complete these requests ahead of turning the last 2016 calendar page.

We also are seeing a great deal of activity in the Conservation Reserve Program (CRP). As you can see in the article below, Nebraska fared very well during a recent announcement of new acre offers through CRP Grasslands. Of the 504,000 acres that were accepted nationwide, Nebraska landowners received offers on 122,000 acres. I am pleased our landowners recognize the value of this program, not just from a financial, but also an environmental standpoint. On a related note, we also have received word that Nebraska will be allocated up to an additional 48,000 acres in CRP through two existing State Acres for Wildlife (SAFE) initiatives, as well as a new SAFE initiative for migratory birds. As of publication, we are waiting to hear more details, but we are excited to have the opportunity to enroll additional CRP acres for specific wildlife habitat practices.

I want to call attention to an upcoming series of free workshops for farmers, ranchers and their families that deal with the delicate discussion of business succession and estate planning. Such talk often can be challenging, but it is a necessary exercise if we are going to maintain a strong agricultural sector by laying the foundation for the next generation. Workshops in January and February are scheduled for York, Bridgeport, Chadron and Curtis, and more may be added later. Additional details can be found [here](#). I encourage you to take the time during these winter months to attend a workshop and start this important conversation with your family.

This last paragraph not only concludes my column, it concludes my career. After 39 years working at the Nebraska FSA, I am retiring. It truly has been my honor to serve the state's agriculture industry through my various roles at FSA. Effective Jan. 4, 2017, Nebraska FSA's Administrative Officer Mike Sander will serve as Acting State Executive Director. Much like me, Mike has been with the Nebraska FSA for many years and knows the agency well. Nebraska FSA also has a very capable leadership team of section chiefs who will work with Mike to keep all functions moving forward as a new Presidential

team prepares to take office. At the heart of a smooth transition to a new administration is our County Office staff, found in our 71 service centers across Nebraska. You can trust that these good folks will continue to serve your needs in seamless fashion. It's what they do, and a mission they believe in.

--All the Best for 2017 and Beyond
Dan Steinkruger

Biannual Newsletter Coming Soon

Twice a year the Nebraska Farm Service Agency publishes a newsletter highlighting deadlines and programs that farmers, ranchers and landowners will want to pay special attention to over the coming six months. The publication is called Nebraska FSA News, and it will be delivered right to your U.S. Post Office mailbox in the coming week. You also can find it online at: www.fsa.usda.gov/ne.

USDA Issues Cover Crop Guidelines

Recently the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop consistent, simple and flexible policy for cover crop practices.

Cover crops include grasses, legumes, and forbs, for seasonal cover and other conservation purposes. Cover crops are primarily used for erosion control, soil health improvement, and water quality improvement. The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is **not** considered a crop for crop insurance purposes.

Cover crops can be planted with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

The termination and reporting guidelines were updated. Those guidelines include:

Termination - The cover crop termination guidelines provide the timeline for terminating cover crops, are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit <https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/> and click "Cover Crop Termination Guidelines."

Reporting - The intended use of cover only will be used to report cover crops. This includes crops that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations a subsequent crop will be reported to account for all cropland on the farm.

Producers Encouraged to Consider FSAfarm+, FSA's Customer Self-Service Portal

The U.S. Department of Agriculture (USDA) Farm Service Agency (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>.

Various Methods Available for Farm Reconstitutions

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to

two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Beginning Farmer Loans Offer Opportunity

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
- 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.

USDA Partners with Farmers and Ranchers to Protect More Than 500,000 Acres of Working Grasslands

USDA will accept more than 504,000 acres that were offered nationwide by producers during the recent ranking period for the Conservation Reserve Program (CRP) Grasslands enrollment. Through the voluntary CRP Grasslands program, grasslands threatened by development or conversion to row crops are maintained as livestock grazing areas, while providing important conservation benefits.

Of the 504,000 acres approved nationally, Nebraska will accept 600 offers totaling more than 122,000 acres.

Nationwide, over 70 percent of the acres are from beginning farmers, veterans and underserved producers. About two-thirds of the acres are in counties with the highest threat for conversion. Additionally, nearly 60 percent of the acres are in wildlife priority areas and nearly three-fourths of the acres will have a wildlife-focused conservation plan as part of the operation.

Farming and ranching operations interested in participating in CRP should contact their local FSA office to find out what options are available. Continuous CRP enrollment is open at this time and may provide an opportunity for landowners who are willing to utilize specific practices, such as grass waterways, filter strips, field windbreaks, quail buffers (field borders), pollination habitat, shelterbelts and wetland restoration. To find your local FSA office, visit <http://offices.usda.gov>. To learn more about FSA's conservation programs, visit www.fsa.usda.gov/conservation.

USDA Announces New Conservation Opportunities to Improve Water Quality and Restore Wildlife Habitat

Nebraska to Receive CRP Acre Allocation Under SAFE

USDA will offer farmers and ranchers more opportunities to participate in the Conservation Reserve Program (CRP). The announcement includes new CRP practices to protect water quality and adds an additional 1.1 million acres targeted to benefit wildlife, pollinators and wetlands.

The new conservation initiative known as Clean Lakes, Estuaries and Rivers (CLEAR) will add new tools to CRP that can help to improve water quality. CLEAR will assist landowners with the cost of building bioreactors and saturated buffers that filter nitrates and other nutrients from tile-drained cropland. Early estimates indicate that CLEAR could help to reduce nitrate runoff by as much as 40 percent over traditional conservation methods. CLEAR may cover up to 90 percent of the cost to install these new practices through incentives and cost-share. These new methods are especially important in areas where traditional buffers have not been enough to prevent nutrients from reaching bodies of water.

USDA will also add an additional 1.1 million acres to a number of key CRP practices that are critically important to wildlife and conservation. These include 700,000 acres for State Acres for Wildlife Enhancement (SAFE) efforts, which restore high-priority wildlife habitat tailored to a specific state's needs. In Nebraska, up to 48,000 acres can begin enrollment under two existing SAFE programs, as well as a third, new SAFE program called Migratory Birds, Butterflies and Pollinators for Kansas and Nebraska. More information will be coming soon on this new program.

In addition to SAFE, nationally 300,000 acres will be added to target wetlands restoration that are nature's water filters and 100,000 acres for pollinator habitat that support 30 percent of agricultural production.

The continued strong demand for CRP combined with the limited acreage available for enrollment and lower land rental rates, allows USDA to modify certain program components without affecting the integrity of the program. Signing incentives are being reduced by \$25 per acre on certain practices for fiscal year 2018 enrollments (incentives are currently between \$100 and \$150 per acre) and a cap on the maximum soil rental rate is being instituted for Continuous CRP at \$300 per acre. The savings from these changes are being reinvested back in CRP, including the additional acres for SAFE, pollinator habitat and wetlands restoration.

To learn more about FSA's conservation programs, visit www.fsa.usda.gov/conservation or contact your local FSA office. To find your local FSA office, visit <http://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: <http://www.fsa.usda.gov>.

December FSA Interest Rates

Farm Operating: 2.25%
Microloan Operating: 2.25%
Farm Ownership: 3.25%
Farm Ownership - Joint Financing: 2.50%
Farm Ownership - Down Payment: 1.50%
Emergency - Actual Loss: 3.25%
Farm Storage Facility Loan 3 year term: 1.125%
Farm Storage Facility Loan 5 year term: 1.375%
Farm Storage Facility Loan 7 year term: 1.75%
Farm Storage Facility Loan 10 year term: 2%
Farm Storage Facility Loan 12 year term: 2%
Commodity Loan: 1.75%

Dates to Remember

Jan. 2, 2017 – 2017 initial reports for honeybee colonies and locations

Jan. 15, 2017 – 2016 NAP premium billing mailed

Jan. 31, 2017 – 2016 Marketing Assistance Loan availability deadline for unshorn pelts and wool

March 15, 2017 – 2017 NAP sales closing date for alfalfa, mixed forage, spring-seeded annual crops, grass, sorghum forage. For additional crops with a March 15, 2017, sales closing date, contact your local FSA office.

March 31, 2017 – Deadline to file supporting documents for 2016 Livestock Indemnity Program applications

March 31, 2017 – 2016 Marketing Assistance Loan availability deadline for barley, canola, crambe, flaxseed, honey, oats, rapeseed, wheat and sesame seed

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