

March 2019



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Nebraska FSA State Newsletter

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A Message from the State Executive Director

As the State Executive Director of the Nebraska Farm Service Agency, it is my honor to wish you – our farmers, ranchers and rural landowner customers – Happy National Agriculture Week. National Agriculture Week was built around National Ag Day, which this year is Thursday, March 14. Thank you so much for all you do to grow the food, fuel and fiber we all need daily. USDA is highlighting a few of the hardworking farmers across the nation, and you can [read more here](#).

Generally, National Ag Day coincides closely with the first day of Spring. I know this year Spring has seemed like a long way off, especially for those of you who have been calving in the extreme cold, snowy and icy conditions. While I hope you won't need to

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To find more information
about FSA programming or
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local office, go to
www.fsa.usda.gov/ne

know this, please keep in mind that if you suffer livestock losses due to the extreme weather, it is important to document those losses and report them to your local Nebraska FSA office. Such loss reporting is required if you later need to apply for [Livestock Indemnity Program](#) (LIP) assistance. Check out the article below on this subject.

I also want to call your attention to the article below titled "Consultation Critical Prior to Breaking New Ground." I know the ground still is frozen, but that won't last for long, and then you'll be excited to get into the field. As the article notes, please remember FSA and NRCS need to see you ahead of any work to break out new ground. This consultation is necessary to maintain your eligibility for program benefits. Read more below.

In closing, I want to highlight the availability of 2018 Farm Bill resources on the USDA farmers.gov website. This website, along with the [Nebraska FSA website](#), will be good places to visit in order to keep up with 2018 Farm Bill program implementation.

That's it for this month. Take care.

--Nancy Johner

Livestock Inventory Records Important for Disaster Program Coverage

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster.

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, including programs like the [Livestock Indemnity Program](#), producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

Producers should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts.

For more information on documentation requirements or requirements for disaster programs such as the [Livestock Indemnity Program](#), contact your local FSA office.

Consultation Critical Prior to Breaking New Ground

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production purposes as 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 are required to apply tillage, crop residue and rotational requirements as specified in their conservation plan. This may include planting cover crops. Producers should consult NRCS for additional information on approved systems.

Producers should notify FSA as a first point of contact prior to conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria such as clearing any trees to create new cropland. These areas will need to be reviewed to ensure such work will not risk your eligibility for benefits, including those from FSA, NRCS and your crop insurance premium subsidy.

Landowners and operators complete the form AD-1026 - Highly Erodible Land Conservation (HEL) and Wetland Conservation (WC) Certification to identify the proposed action and allow FSA to determine whether a referral to Natural Resources Conservation Service (NRCS) for further review is necessary.

USDA Outlines Eligibility for 2019 Supplemental Coverage Option Regarding Elections for ARC, PLC Safety Net Programs

The U.S. Department of Agriculture's Risk Management Agency (RMA) announced that producers who purchased or plan to purchase the [2019 Supplemental Coverage Option \(SCO\) policy](#) should report Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) election intentions to their crop insurance agent by March 15, 2019, or the acreage reporting date, whichever is later.

Producers have the option to elect either ARC or PLC through the Farm Service Agency (FSA) to receive benefits. The 2018 Farm Bill allows producers to make an election in 2019, which covers the 2019 and 2020 crop years.

The Federal Crop Insurance Act prohibits producers from having SCO on farms where they elect ARC. Because of the timing of the Farm Bill, FSA's ARC/PLC election period will not occur until after the SCO sales closing dates and acreage reporting dates.

Producers who purchased SCO policies with sales closing dates of Feb. 28, 2019, or earlier may cancel their SCO policy by March 15, 2019. This allows producers, particularly those who intend to elect ARC for all their acres, to no longer incur crop insurance costs for coverage for which they will not be eligible.

Producers with SCO coverage now have the option to file an ARC/PLC acreage intention report with their crop insurance agent by the later of the acreage reporting date or March 15, 2019. This report will adjust the acreage report by specifying the intended ARC or PLC election by FSA Farm Number. The number of eligible acres on farms with an intention of PLC will be the number of acres insured for SCO regardless of any actual elections made with FSA. If a producer does not file an ARC/PLC acreage intention report, SCO will cover all acres as though the producer elected PLC.

The existing penalties for misreporting eligible acreage on the SCO endorsement will not apply in 2019.

Additional details about SCO can be found at www.rma.usda.gov.

Cover Crop Guidelines

The Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) have developed a consistent, simple and a flexible policy for cover crop practices. The termination and reporting guidelines are:

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.

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.

USDA Acreage Reporting Deadline for Perennial Forage Now Set for July 15

USDA Farm Service Agency (FSA) has established a new acreage reporting deadline for perennial forage for 2019 and subsequent years. Previously set in the fall, the new deadline is July 15 for all states, except for Hawaii and Puerto Rico.

Timely and accurate acreage reports for all crops and land uses, including prevented planting or failed acreage, are the foundation for many FSA program benefits, including disaster programs for livestock owners. Producers must report their acreage to maintain program eligibility.

Producers who have coverage for perennial forage under the Noninsured Crop Disaster Assistance Program (NAP) must report their crop acreage by the earlier of any of the following:

- the established acreage reporting date (July 15)
- 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported
- the established normal harvest date for the end of the coverage period.

CRP Routine Grazing and Managed Harvesting

Conservation Reserve Program (CRP) participants can utilize routine grazing and managed harvesting as outlined in their conservation plan. Managed harvesting and routine grazing are authorized under certain conditions to improve the quality and performance of the CRP cover.

Routine grazing is authorized every other year. Contracts approved prior to July 28, 2010, and still considered managed grazing can only participate in grazing one out of every three years.

Managed harvesting for hay is authorized no more frequently than one in three years.

Under normal conditions, managed haying and routine grazing can be requested at the local FSA office by the landowner or producer on the CRP contract. The same acreage cannot be hayed and grazed.

CRP acres must be considered fully established before haying or grazing can be authorized. In addition, haying or grazing CRP acres is not authorized during the primary nesting season. For Nebraska, the primary nesting season is May 1 through July 15. **The producer must request approval before haying or grazing the acreage.**

Routine grazing and managed harvesting will result in an annual rental payment reduction of no less than 25 percent based on the number of acres actually grazed or harvested. Producers who qualify as a beginning farmer or rancher, who are grazing CRP acres, will not be assessed a payment reduction. This waiver only applies to routine grazing.

All hayed and grazed acres are subject to FSA spot-check at any time during or after the authorization period.

It is important to contact your local FSA office prior to any haying or grazing activities on CRP acres to ensure your contract remains in compliance.

FSA Offers Farm Storage Facility Loan Option

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers. Loans exceeding \$100,000 require additional security.

To learn more about the FSA Farm Storage Facility Loan program, visit www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

Financial Success Is Goal of Supervised Credit

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

March FSA Interest Rates

OPERATING/OWNERSHIP

Farm Operating: 3.5%
Microloan Operating: 3.5%
Farm Ownership: 4%
Farm Ownership - Joint Financing: 2.5%
Farm Ownership - Down Payment: 1.5%
Emergency - Actual Loss: 3.75%

FARM STORAGE

Farm Storage Facility Loan 3 year term: 2.5%
Farm Storage Facility Loan 5 year term: 2.5%
Farm Storage Facility Loan 7 year term: 2.625%
Farm Storage Facility Loan 10 year term: 2.750%
Farm Storage Facility Loan 12 year term: 2.750%

MARKETING ASSISTANCE

Commodity Loan: 3.625%

Dates to Remember

March 15, 2019 – 2019 NAP sales closing date for spring-seeded annual crops, sorghum forage, most annual fruits and vegetables, oats and peas. For additional crops with a March 15, 2019 sales closing date, contact your local FSA office.

April 1, 2019 – 2018 Marketing Assistance Loan availability deadline for barley, canola, crambe, flaxseed, honey, oats, rapeseed, wheat and sesame seed

May 1, 2019 – Deadline to certify 2018 production figures for Market Facilitation Program

May 31, 2019 – 2018 Marketing Assistance Loan availability deadline for corn, dry peas, grain sorghum, lentils, mustard seed, safflower seed, chickpeas, soybeans and sunflower seed

****Please note the above NAP calendar references may not be inclusive for all NAP-covered crops; NAP participants should contact their County FSA Office to confirm important program deadlines.**

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).