

August 2019



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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

- [A Message from the State Executive Director](#)
- [Signup Now Open for 2019 Market Facilitation Program](#)
- [Report: Farmers Prevented from Planting Crops on More Than 19 Million Acres](#)
- [CRP Signup Deadline Nearing](#)
- [Livestock Indemnity Program Assists With Financial Impact of Livestock Losses](#)
- [FSA Encourages Producers to Consider NAP Risk Protection for Non-insurable Crops](#)
- [Tree Assistance Program Can Assist Orchardists, Tree Nurseries, Vineyards with Losses](#)
- [FSA Accepting Applications to Assist Producers with Organic Certification Costs](#)
- [Communication Is Key in Lending](#)
- [Guaranteed Loan Program](#)
- [Dates to Remember:](#)
- [August FSA Interest Rates](#)

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## Nebraska State FSA Newsletter

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**State Executive Director:**  
Nancy Johnner

**State Committee:**  
Scott Spilker, *chair*  
Geoff Ruth  
Hilary Maricle

### **A Message from the State Executive Director**

While the official end of summer is still weeks away, the start of the school year is upon us so it already feels like we are easing into the next stage of the calendar year.

From a Farm Service Agency (FSA) calendar standpoint, we are preparing for a next stage as well. Acreage certification is complete, so staff has turned its attention to other pressing needs. This includes training for the rollout of the 2018 Farm Bill main commodity crop safety net, the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. You'll see more details

Lonnie Starke  
Mark Jagels

on this soon, so please keep your eye out. In the meantime, we've plenty of other items to keep us occupied. Here's a few of them:

**Program Chiefs:**

Cathy Anderson,  
*Production/Compliance*  
Doug Klein,  
*Conservation/Price Support*  
Mark Wilke, *Farm Loans*  
Tim Divis, *Executive Officer*

To find more information about FSA programming or contact information for your local office, go to [www.fsa.usda.gov/ne](http://www.fsa.usda.gov/ne).

- Aug. 23 is the deadline for the current application period for certain practices within the Conservation Reserve Program (CRP). See the article below for details about what is being offered. Because there is a process involved with CRP applications, please don't wait until the final day to come see us for more information.
- Sept. 20 is the deadline for our dairy producers to sign-up for the Dairy Margin Coverage Program. If you are a dairy producer, and you haven't been in to see us yet, please review [the program information at this link](#) and then contact your county office to set up an enrollment appointment.
- While the deadline isn't until Dec. 6, our offices are busy with 2019 Market Facilitation Program (MFP) applications. You can learn more about the program, including the per acre payment rate for your county, at [farmers.gov/mfp](http://farmers.gov/mfp).

I want to close by noting a new report that was released recently by USDA. As you know, it's been a challenging year weather-wise for much of Nebraska. Staff has received many questions about the status of overall crop acres in the state, including questions about just how many acres producers were prevented from planting this season. Detailed information on this subject can be found [at this link](#).

That's all for this month. Best wishes.

--Nancy

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## Signup Now Open for 2019 Market Facilitation Program

*Enrollment Ongoing Through Dec. 6*

Signup is ongoing for the Market Facilitation Program (MFP), a U.S. Department of Agriculture (USDA) program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to \$14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through Dec. 6.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

### **Non-Specialty Crops**

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm's total plantings to the MFP-eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. [View payment rates by county.](#)

### **Dairy and Hogs**

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

### **Specialty Crops**

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

### **More Information**

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined \$250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined \$250,000 for dairy and hog producers and a combined \$250,000 for specialty crop producers. However, no applicant can receive more than \$500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than \$900,000, or 75 percent of the person's or legal entity's average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on [farmers.gov/mfp](https://farmers.gov/mfp), including payment information and a program application.

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## **Report: Farmers Prevented from Planting Crops on More Than 19 Million Acres**

Agricultural producers reported they were not able to plant crops on more than 19.4 million acres in 2019, according to a [new report](#) released by the U.S. Department of Agriculture (USDA). This marks the most prevented plant acres reported since USDA's Farm Service Agency (FSA) began releasing the report in 2007 and 17.49 million acres more than reported at this time last year.

Of those prevented plant acres, more than 73 percent were in 12 Midwestern states, where heavy rainfall and flooding this year has prevented many producers from planting mostly corn, soybeans and wheat.

### **Cover Crops**

USDA supported planting of cover crops on fields where farmers were not able to plant because of their benefits in preventing soil erosion, protecting water quality and boosting soil health. The report showed where producers planted 2.71 million acres of cover crops so far in 2019, compared with 2.14 million acres at this time in 2018 and 1.88 million at this time in 2017.

To help make cover crops a more viable option, USDA's Risk Management Agency (RMA) adjusted the haying and grazing date of cover crops, and USDA's Natural Resources Conservation Service (NRCS) held signups in select states that offered producers assistance in planting cover crops. Meanwhile, USDA added other flexibilities to help impacted producers, including adjusting the deadline to file acreage reports in select states.

### **About the Report**

This data report aggregates information from crop acreage reports as of August 1, 2019, which producers file with FSA to maintain program eligibility and to calculate losses for various disaster assistance programs. The crop acreage data report outlines the number of acres planted, prevented from planting, and failed by crop, county and state. To find more information, view the [Aug. 12 report](#).

Because some producers have not completed their filing and data are still being processed, FSA will make available subsequent data reports in September, October, November, December and January. You can find reports from 2007 to the present on FSA's [Crop Acreage Data webpage](#).

To receive FSA program benefits, producers are required to submit crop acreage reports annually regarding all cropland uses on their farm. This report includes data for producers who had already filed for all deadlines in 2019, including the mid-July deadlines, which are for spring-seeded crops in many locations.

### **Other Prevented Planting Indicators**

In addition to acreage reports filed with FSA, producers with crop insurance coverage for prevented planting file claims with their insurance providers. These claims are provided to RMA and may differ from the prevented planted acres reported to FSA. More information on prevented plant coverage is available on the [RMA website](#).

Official USDA estimates of total acres planted, harvested and to be harvested, yield, and production are available from USDA's National Agricultural Statistics Service at [nass.usda.gov](#).

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## **CRP Signup Deadline Nearing**

### *USDA Offers Options for Re-enrollment, Extension of Expiring Contracts*

Farmers and ranchers with expiring [Conservation Reserve Program](#) (CRP) contracts may now re-enroll in certain CRP continuous signup practices or, if eligible, select a one-year contract extension. USDA's Farm Service Agency (FSA) is also accepting offers from landowners who want to enroll for the first time in one of the country's largest conservation programs. FSA's 52<sup>nd</sup> signup for CRP runs through Aug. 23.

This year's CRP continuous signup includes practices such as grass waterways, filter strips, riparian buffers, wetland restoration and others. [View a full list of practices approved for this](#)

[signup](#). Continuous signup contracts last for 10 to 15 years. Soil rental rates are set at 90 percent of 2018 rates. Incentive payments are not offered for these practices.

Producers interested in applying for CRP continuous practices, including those under existing CREP agreements, or who want to extend their contract, should contact their USDA service center by Aug. 23.

To locate your local FSA office, visit [www.farmers.gov](http://www.farmers.gov). More information on CRP can be found at [www.fsa.usda.gov/crp](http://www.fsa.usda.gov/crp).

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## Livestock Indemnity Program Assists With Financial Impact of Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock deaths in excess of normal mortality caused by adverse weather, disease 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 disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

For 2019 livestock losses, eligible livestock owners must file a notice within 30 calendar days of when the loss is first apparent.

Participants must provide the following supporting documentation to their local FSA office no later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- 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.

In addition to filing a notice of loss, producers must also submit an application for payment by March 1, 2020.

Additional information about LIP is available at your local FSA office or online at: [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## FSA Encourages Producers to Consider NAP Risk Protection for Non-insurable Crops

### *Fall Application Deadlines Approach for 2020 Coverage of Alfalfa, Grass, Other Crops*

Farm Service Agency (FSA) encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

NAP application deadlines vary by state and by crop. In Nebraska, NAP application deadlines for coverage in the 2020 production season are approaching and include:

- Sod: Sept. 3, 2019
- Rye, triticale and wheat: Sept. 30, 2019
- Alfalfa, mixed forages and grass: Nov. 15, 2019
- Apples, aronia berries and grapes: Nov. 20, 2019

Producers interested in NAP are encouraged to contact their county Farm Service Agency office for more information ahead of the deadline.

Producers are reminded that crops not covered by federal crop insurance may be eligible for NAP. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops. NAP can protect against losses associated with lower yields, destroyed crops or prevented planting.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. The 2018 Farm Bill allows for “buy-up” levels of NAP coverage from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price.

Buy-up coverage is not available for crops intended for grazing.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. Producers qualifying as beginning, underserved, or limited resource farmers or those who can meet eligibility requirements as a military veteran are eligible for free catastrophic (basic) level of NAP coverage, as well as the potential for reduction in “buy-up” premiums.

To learn more about NAP visit [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or contact your local USDA Service Center. To find your local USDA Service Center go to <http://offices.usda.gov>.

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## **Tree Assistance Program Can Assist Orchardists, Tree Nurseries, Vineyards with Losses**

Orchardists and nursery tree growers who experienced losses from natural disasters during calendar year 2019 must submit a TAP application either 90 calendar days after the disaster event or the date when the loss is apparent.

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, plus an adjustment for normal mortality. 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.

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 1,000 acres annually.

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## FSA Accepting Applications to Assist Producers with Organic Certification Costs

USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the [Organic Certification Cost Share Program](#) (OCCSP). Applications for fiscal 2019 funding are due Oct. 31, 2019.

OCCSP received continued support through the 2018 Farm Bill. It provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

Certified producers and handlers are eligible to receive reimbursement for up to 75 percent of certification costs each year, up to a maximum of \$750 per certification scope, including crops, livestock, wild crops, handling and state organic program fees.

To learn more about the organic certification cost share program, please visit the [OCCSP webpage](#), view the [notice of funds availability on the Federal Register](#), or contact your [FSA county office](#). To learn more about USDA support for organic agriculture, visit [usda.gov/organic](http://usda.gov/organic).

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## Communication Is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for



borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,750,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

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## Dates to Remember:

**Aug. 23, 2019** – Deadline to submit applications for certain practices as part of a continuous signup for the Conservation Reserve Program (CRP signup 52)

**Sept. 3, 2019** - Deadline to submit a Noninsured Crop Disaster Assistance Program application for coverage for sod in the 2020 production season

**Sept. 20, 2019** – Deadline to enroll in the Dairy Margin Coverage program

**Sept. 30, 2019** - Deadline to submit a Noninsured Crop Disaster Assistance Program application for coverage for rye, triticale and wheat in the 2020 production season

**Nov. 15, 2019** - Deadline to submit a Noninsured Crop Disaster Assistance Program application for coverage for alfalfa, mixed forages and grass in the 2020 production season

**Nov. 20, 2019** – Deadline to submit a Noninsured Crop Disaster Assistance Program application for coverage for apples, aronia berries and grapes in the 2020 production season



**\*\*Please note any 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.**

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## **August FSA Interest Rates**

### **OPERATING/OWNERSHIP**

Farm Operating: 2.875%  
Microloan Operating: 2.875%  
Farm Ownership: 3.625%  
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: 1.750%  
Farm Storage Facility Loan 5 year term: 1.750%  
Farm Storage Facility Loan 7 year term: 1.875%  
Farm Storage Facility Loan 10 year term: 2%  
Farm Storage Facility Loan 12 year term: 2.125%

### **MARKETING ASSISTANCE**

Commodity Loan: 3%

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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).

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