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NEWSLETTER

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Nebraska State FSA Newsletter

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A Message from the State Executive Director

With harvest getting closer to completion, we at the Nebraska Farm Service Agency are seeing traffic pick up at our offices across the state. We are excited to see you and help you take care of your FSA business. If you can, please call ahead to make an appointment so that we can be efficient with your time when you stop in.

Our offices have been busy getting the second round of 2019 Market Facilitation Program payments out the door to those who already have completed an application for this program, with the work mostly complete as of Thanksgiving week. If you have questions related to this second round, please contact your county

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Program Chiefs:
Cathy Anderson, *Production/Compliance*
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Mark Wilke, *Farm Loans*
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To find more information about FSA programming or contact information for your local office, go to www.fsa.usda.gov/ne.

FSA office. If you believe you are an eligible producer, and haven't applied yet, please note the application deadline is Dec. 6. See the article below for additional information.

Another upcoming deadline I want to note is the FSA County Committee (COC) election ballot deadline. Eligible COC voters in Local Administrative Areas that have a seat up for election should have already received their ballot in the mail. Please return those voted ballots by mail or to the office by close of business on Dec. 2. COC elections are important because those elected serve as the voice of local producers for the 71 FSA county offices across the state. Please vote!

Nebraska FSA is hosting 2018 Farm Bill producer education meetings at locations across the state over the next month. You have some important decisions to make regarding Farm Bill commodity crop safety net tools, and these meetings are designed to assist you with the decision-making process. To find meeting locations near you, visit the farmbill.unl.edu website, or contact your county FSA office.

In closing, on behalf of Nebraska FSA, I want to wish you and your family a Happy Thanksgiving.

--Nancy Johner

FSA Offers Assistance for Farmers Hurt by 2018, 2019 Disasters

WHIP+ May Benefit Variety of Nebraska Producers for Varying Losses

Agricultural producers affected by natural disasters in 2018 and 2019 now can apply for assistance through the Wildfire and Hurricane Indemnity Program Plus (WHIP+) program. Nebraska FSA offices across the state now are ready to accept applications.

WHIP+ Eligibility

WHIP+ is available for producers who have suffered eligible losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only). A list of counties that received qualifying disaster declarations and designations is available at farmers.gov/recover/whip-plus. Also, producers with losses in counties that did not receive a disaster declaration or designation may still apply for WHIP+ but must provide supporting documentation to establish that the crops were directly affected by a qualifying disaster loss. In Nebraska, disaster losses must have been a result of floods, tornadoes, snowstorms or wildfires, and related conditions, that occurred in 2018 or 2019.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, excluding crops intended for grazing. Because grazing and livestock losses are covered by other disaster recovery programs offered through FSA, those losses are not eligible for WHIP+.

Both insured and uninsured producers are eligible to apply for WHIP+, but all producers who receive WHIP+ payments will be required to purchase crop insurance or NAP coverage, at the 60 percent coverage level or higher, for the next two available, consecutive crop years after the crop year for which WHIP+ payments were paid. Producers who fail to purchase crop insurance for the next two applicable, consecutive years will be required to pay back the WHIP+ payment.

WHIP+ Payments

WHIP+ payment amounts will be determined using a formula that includes several factors, including expected value of the crop, how much of the crop was actually harvested, and crop insurance coverage and payments issued on those crops. Producers with qualifying losses on insured crops will receive between 75 percent and 95 percent of expected value; those who purchased the highest levels of coverage will receive 95 percent of the expected value.

Producers who did not insure their crops in 2018 or 2019 will receive 70 percent of the expected value of the lost crop.

At the time of sign-up, producers will be asked to provide verifiable and reliable production records. If a producer is unable to provide production records, WHIP+ payments will be determined based on the higher of either the actual loss certified by the producer and determined acceptable by FSA, or the county expected yield and county disaster yield. The county disaster yield is the production that a producer would have been expected to make based on the eligible disaster conditions in the county.

Producers with WHIP+ payments for 2018 disasters will be eligible for 100 percent of their calculated value. Producers with WHIP+ payments for 2019 disasters will be limited to an initial 50 percent of their calculated value, with an opportunity to receive up to the remaining 50 percent after January 1, 2020, if sufficient funding remains.

WHIP+ Prevented Planting

WHIP+, through the Farm Service Agency, will provide prevented planting assistance to uninsured producers, NAP producers and producers who may have been prevented from planting an insured crop in the 2018 crop year and those 2019 crops that had a final planting date prior to January 1, 2019.

For More Information

Additional information about WHIP+ program eligibility and payment limitations can be found at farmers.gov/recover or by contacting your local USDA Service Center.

WHIP+ Milk Loss Program Helps Dairy Producers Impacted by Disasters in 2018, 2019

The WHIP+ Milk Loss Program is designed to provide payments to eligible dairy operations for milk that was dumped or removed without compensation from the commercial milk market because of a qualifying 2018 and 2019 natural disaster. In Nebraska, qualifying natural disasters for this program include floods, tornadoes and snowstorms.

Applications are being accepted for this assistance through Feb. 1, 2020.

Eligible producers can receive assistance payments at a rate of 75 percent of the market value of the milk that was dumped. The payment formula takes into consideration normal milk marketings for the impacted dairy operation, fair market value of the milk, and promotion and hauling fees, among other factors.

Producers cannot receive payments for more than 30 days in which milk was dumped in 2018 and 2019. There is a payment limitation of $125,000 per year.

For more information about WHIP+ Milk Loss program eligibility and other factors contact your local USDA Service Center.

USDA Issues Second Round of Market Facilitation Program Payments

MFP Enrollment Closes Dec. 6, 2019

USDA announced the second tranche of 2019 Market Facilitation Program (MFP) payments aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of MFP-eligible commodities will now be eligible to receive 25 percent of the total payment expected, in addition to the 50 percent they have already received from the 2019 MFP. Second round payments started being issued November 18 for producers who received payments in the first round. Payments will continue through November 28.

Details Regarding Second Tranche of 2019 MFP Payments

MFP signup at local FSA offices will run through Friday, December 6, 2019. Producers who have already applied do not need to apply again to receive the second payment.

Payments will be made by the Farm Service Agency (FSA) under the authority of the Commodity Credit Corporation (CCC) Charter Act 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 these non-specialty crops is based on a single county payment rate multiplied by a farm’s total plantings of MFP-eligible crops in aggregate in 2019. Those per-acre payments are not dependent on which of these crops are planted in 2019. A producer’s total payment-eligible plantings cannot exceed total 2018 plantings. County payment rates range from $15 to $150 per acre, depending on the impact of unjustified trade retaliation in that county.

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on Dairy Margin Coverage (DMC) 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.

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.

Acreage of non-specialty crops and cover crops had to be planted by August 1, 2019 to be considered eligible for MFP payments.

Per-acre non-specialty crop county payment rates, specialty crop payment rates, and livestock payment rates are all currently available on farmers.gov.

More Information

This is the second of up to three tranches of MFP payments. The third tranche will be evaluated as market conditions and trade opportunities dictate. If conditions warrant, the third tranche will be made in January 2020.

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 unless at least 75 percent of the person's or legal entity's AGI is derived from farming, ranching, or forestry related activities. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

For more information on the MFP, visit www.farmers.gov/mfp or contact your local FSA office, which can be found at www.farmers.gov.

2020 Dairy Margin Coverage Program: Enrollment Period Ends Dec. 13

Dairy producers now can enroll in the Dairy Margin Coverage (DMC) program for calendar year 2020. The program helps producers manage economic risk brought on by milk price and feed cost disparities.

The DMC program offers reasonably priced protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer. The deadline to enroll in DMC for 2020 is Dec. 13, 2019.

Dairy farmers earned more than $300 million from the program in 2019 so far. Producers are encouraged to take advantage of this very important risk management tool for 2020.

All producers who want 2020 coverage, even those who took advantage of the 25 percent premium discount by locking in the coverage level for five years of margin protection coverage are required to visit the office during this signup period to pay the annual administrative fee.

For more information on enrolling in DMC and taking advantage of an online dairy decision tool that assists producers in selecting coverage for 2020, visit the DMC webpage.

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.

Producers Reminded to Consult with FSA/NRCS on 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.

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. This includes projects 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.

Landowners and operators complete the form AD-1026 - Highly Erodible Land Conservation (HELC) 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.

On-Farm Storage Loss Program Now Available

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) in Nebraska is now accepting applications from eligible producers who lost stored commodities due to natural disaster in 2018 and/or 2019. The On-Farm Storage Loss Program (OFSLP) was authorized by the Additional Supplemental Appropriations for Disaster Relief Act of 2019.

Administered by FSA, OFSLP provides payments to eligible producers who suffered uncompensated losses of harvested commodities including grains, oilseeds, and hay stored in on-farm structures. For producers to receive payment, the losses must be directly related to an eligible disaster event such as floods, tornadoes, snowstorms and wildfires that occurred during 2018 and/or 2019.

To be eligible for OFSLP, the farm storage structure must be located on the farm, not used for commercial storage, and would have, under normal circumstances, maintained the quality of the commodity. Commodities stored in warehouses are not eligible for OFSLP. Program payments are made for the loss of the stored commodity and not for the loss of the structure itself.

Commodities eligible for the OFSLP include: barley, canola, chickpeas (large & small), corn, cotton, crambe, dry peas, flaxseed, grain sorghum, hay (alfalfa and all-hay), lentils, mustard seed, oats, peanuts, rapeseed, rice, safflower seed, sesame seed, soybeans, sunflower seed and wheat.

FSA uses a national payment rate per commodity which is based on market or harvest prices. Payments will be calculated using a 75 percent factored FSA payment rate multiplied by the quantity lost while stored.

OFSLP has a payment limitation of $125,000 per entity. Adjusted Gross Income (AGI) does not apply to OFSLP and an acreage report is not required for this program.

For specific commodity payment rates, to submit an application, or for additional program information, contact your local USDA Service Center. To find your local USDA Service Center, visit farmers.gov/service-locator.

Authorization Required for Incidental Grazing of CRP

In certain situations, landowners and operators may need to graze a field containing Conservation Reserve Program (CRP) continuous practices such as grass waterways (CP8A), contour grass strips (CP15A); filter strips (CP21); quail and upland bird habitat buffers (CP33), denitrifying bioreactor on filter strips (CP21B), or saturated filter strips (CP21S). FSA must first authorize the incidental grazing on CRP in a field intended to be gleaned.

Grazing is incidental to the gleaning of the crop residue in a field, or before the harvest of a small grain and occurs after the harvest of crops from within the surrounding field, or during the dormant period of a small grain intended for harvest. The grazing cannot occur during the primary nesting season, which for Nebraska is May 1 through July 15. In addition, grazing can only occur if the approved cover for that practice has been established and the grazing will not adversely impact the purpose or performance of the practice.

All livestock shall be removed from CRP acreage **no later than two months** after incidental grazing begins. CRP participants utilizing incidental grazing will have a payment reduction for the acreage being grazed. Participants are also responsible, at their own expense, to re-establish a cover destroyed or damaged as a result of the incidental grazing.

If the acreage to be grazed is separated from the surrounding cropland by a fence, the CRP acreage shall not be grazed.

Loan Programs Available to Assist 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.

Submit Loan Requests Now for Assistance in 2020

The FSA farm loan staff across Nebraska is already working on operating loans for spring 2020 so it is important that potential borrowers submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional farm operating and farm ownership loans can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to $50,000 for both farm ownership and operating microloans to eligible applicants. These loans, targeted for smaller operations and non-traditional operations, can be used for operating expenses, starting a new agricultural enterprise, purchasing equipment, and other needs associated with a farming operation.

Loans to beginning farmers and members of underserved groups are a priority.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, or for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures and refrigerated structures for vegetables and fruit. A producer may borrow up to $500,000 per loan**.**

Please call your local FSA office if you have questions about any of the loans available through FSA. To find a local office, visit farmers.gov and scroll down to the Service Center Locator feature.

November FSA Interest Rates

OPERATING/OWNERSHIP
Farm Operating: 2.5%
Microloan Operating: 2.5%
Farm Ownership: 3%
Farm Ownership - Joint Financing: 2.5%
Farm Ownership - Down Payment: 1.5%
Emergency - Actual Loss: 3.5%

FARM STORAGE
Farm Storage Facility Loan 3 year term: 1.5%
Farm Storage Facility Loan 5 year term: 1.5%
Farm Storage Facility Loan 7 year term: 1.625%
Farm Storage Facility Loan 10 year term: 1.625%
Farm Storage Facility Loan 12 year term: 1.75%

MARKETING ASSISTANCE
Commodity Loan: 2.625%

Dates to Remember

Nov. 28, 2019 – FSA offices closed for federal holiday
Dec. 2, 2019 – Final day to return FSA County Committee election ballots
Dec. 6, 2019 – Deadline to submit an application for the 2019 Market Facilitation Program
Dec. 13, 2019 – Deadline to enroll in Dairy Margin Coverage Program for 2020
Dec. 13, 2019 – Last day to begin the Marketing Assistance Loan process in order to receive disbursement of funds in calendar year 2019
Jan. 2, 2020 – Deadline to report honeybees for 2020 FSA program eligibility (ELAP, NAP)

****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.**
