

October 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Nebraska FSA State Office Newsletter

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A Message from the FSA State Executive Director

It is already past the mid-point of October, with reports that corn harvest across the state is at about 60 percent complete. As you wrap up the crop production season, and start preparations for winter, please be alert to FSA program application opportunities and deadlines. We've had several new program application windows open, while there are several that are closing in the very near future. Check out the calendar below and then contact your county FSA office as soon as possible if any of the programs apply to you.

We especially want to note the [Oct. 30 deadline for WHIP+](#) applications for crop losses associated with the 2019 flooding and

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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.

excessive moisture. Last year was a challenging season for crop production in many parts of the state. While WHIP+ won't be a fit for everyone's operation, if you had losses it is at least worth an inquiry at our offices. You should be prepared to discuss the disaster event that caused the loss and the approximate date of the disaster event; what crops on your farm were impacted; and field location of the impacted crops.

For those of you who have fall-seeded crops, please don't forget about acreage certification, for which the deadline is Nov. 16. Acreage certification is a requirement in order to maintain eligibility for safety net programs, such as the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs.

Starting Nov. 2, FSA will be mailing out ballots for the 2020 election for County FSA Committees. Every FSA county office has an FSA County Committee elected by local producers. The counties each

are divided into Local Administrative Areas (LAAs), and each year one or more of a county's LAAs are up for election. Producers who live in an LAA that is up for election should receive a ballot in the mail in early November. Please take the time to return your ballot by the Dec. 7 deadline. These committee members are critical to the day-to-day operations of your local FSA office, and you get to have a say in who serves on your committee through the election process.

While it might seem early to some, I know there are producers already thinking about the 2021 production season, and their financing needs for it. FSA offers direct operating and ownership loans as well as guaranteed loans in partnership with your local lender. See the articles below for more information. If you are struggling to access commercial credit, a loan through FSA might be the right fit for your operation. Contact your local FSA farm loan staff to begin the conversation.

In closing, I want to note our FSA offices across the state remain open for business, as we have throughout the global pandemic response. Our staff continues to work hard to deliver programs to you, our customers, using a variety of tools, including phone, email, virtual online appointments, and outside office drop boxes. Recently, many of our offices have been able to begin in-office in-person by-appointment-only appointments. Customers who choose this option for service are required to wear a facing covering (as are our employees) during their appointment and also are asked to help maintain appropriate social distancing. Thank you for your assistance with this. I very much appreciate your understanding.

That's all for October. Talk to you next month.

--Nancy Johner

Dates to Remember: Important Deadlines on the Horizon

October 30, 2020 – Wildfire and Hurricane Indemnity Program Plus (WHIP+) application deadline

November 2, 2020 – Application deadline for the Organic Certification Cost Share Program for certification expenses incurred Oct. 1, 2019, through Sept. 30, 2020

November 11, 2020 - FSA offices closed for federal holiday

November 16, 2020 – Acreage reporting deadline for fall-seeded crops for 2021 program eligibility

(including for NAP^{***})

November 16, 2020 – ^{***}NAP application closing deadline for coverage for alfalfa, mixed forages and grass in the 2021 production season

November 20, 2020 – ^{***}NAP application closing deadline for coverage for aronia berries and grapes in the 2021 production season

November 20, 2020 - Application deadline for Environmental Quality Incentives Program (EQIP) and Conservation Security Program (CSP) at NRCS offices

November 26, 2020 - FSA offices closed for federal holiday

December 7, 2020 – Deadline to return County Committee election ballots to USDA Service Center

December 11, 2020 – Coronavirus Food Assistance Program 2 (CFAP 2) application deadline

December 11, 2020 – Deadline to apply for Dairy Margin Coverage (DMC) program assistance for 2021

*****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 Providing Direct Financial Assistance to Farmers, Ranchers Through Coronavirus Food Assistance Program 2 (CFAP 2)

Farm Service Agency Accepting Applications Now Through Dec. 11, 2020

The U.S. Department of Agriculture (USDA) is implementing the Coronavirus Food Assistance Program 2 (CFAP 2) for agricultural producers who continue to face market disruptions and associated costs because of COVID-19. The CFAP 2 application window is open at Farm Service Agency offices across the state through December 11, 2020. CFAP 2, like the initial CFAP rolled out earlier this year, is a direct payment program designed to assist farmers and ranchers due to the negative impacts of the global pandemic.

CFAP 2 does vary from CFAP 1, including the addition of some commodities that were not eligible in the initial CFAP. All producers should visit farmers.gov/cfap and click on the “eligible commodities finder” to review which commodities are eligible and to learn about the payment structure for each commodity. CFAP 2 is a separate program from the initial CFAP, and producers who received assistance in the first CFAP round will not be automatically enrolled and must complete a new application for CFAP 2.

Most Nebraska commodities, both crops and livestock, are eligible for CFAP 2.

CFAP 2 payments will be made for three categories of payment calculations:

Price Trigger Commodities

This category includes major commodities such as barley, corn, sorghum, soybeans, sunflowers, and all classes of wheat. Payments will be based on 2020 planted acres of the crop, excluding prevented planting and experimental acres. Payments for price trigger crops will be the greater of: 1) the eligible acres multiplied by a payment rate of \$15 per acre; or 2) the eligible acres multiplied by a nationwide crop marketing percentage, multiplied by a crop-specific payment rate, and then by the producer’s weighted 2020 Actual Production History (APH) approved yield. If the APH is not available, 85 percent of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield for that crop will be used.

For broilers and eggs, payments will be based on 75 percent of the producers' 2019 production.

Dairy (cow's milk) payments will be based on actual milk production from April 1 to Aug. 31, 2020. The milk production for Sept. 1, 2020, to Dec. 31, 2020, will be estimated by FSA.

Eligible beef cattle, hogs and pigs, and lambs and sheep payments will be based on the maximum owned inventory of eligible livestock, excluding breeding stock, on a date selected by the producer, between Apr. 16, 2020, and Aug. 31, 2020. Regarding the exclusion of breeding stock, replacement livestock, including first-time bred animals who have not yet birthed or male animals who have not yet been exposed to a herd, are considered eligible for payment.

Flat-Rate Row Crops

This category will have payments calculated based on eligible 2020 acres multiplied by \$15 per acre. These crops include alfalfa, oats, hemp, millet, mustard, safflower, sesame, triticale, rapeseed, and several others.

Sales Commodities

This category includes specialty crops; aquaculture; nursery crops and floriculture; other commodities not included in the price trigger and flat-rate categories, including tobacco; goat milk; mink (including pelts); mohair; wool; and other livestock (excluding breeding stock) not included under the price trigger category that were grown for food, fiber, fur, or feathers. Payment calculations will use a sales-based approach, where producers are paid based on five payment gradations associated with their 2019 sales.

Applying for Assistance

Producers can apply for assistance through their county FSA office and are encouraged to call the office for guidance on the process to complete an application. Producers also have the option to apply for CFAP 2 online through the farmers.gov/cfap application portal.

Customers seeking one-on-one support with the CFAP 2 application process also can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

Application Deadline Nears for Assistance 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 are due by Nov. 2, 2020, for eligible certification expenses incurred between Oct. 1, 2019, and Sept. 30, 2020.

OCCSP 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.

Changes in Reimbursement

Due to expected participation levels for fiscal year 2020, FSA revised the reimbursement amount through fiscal year 2023. Certified producers and handlers are now eligible to receive

reimbursement for up to 50 percent of the certified organic operation's eligible expenses, up to a maximum of \$500 per scope.

This change is due to the limited amount of funding available and will allow a larger number of certified organic operations to receive assistance. If additional funding is authorized later, FSA may provide additional assistance to certified operations that have applied for OCCSP, not to exceed 75 percent of their eligible costs, up to \$750 per scope.

More Information

To learn more about organic certification cost share, please visit the [OCCSP webpage](#), view the [notice of funds availability on the Federal Register](#), or contact the [FSA county office](#) at your local USDA Service Center.

To learn more about USDA support for organic agriculture, visit usda.gov/organic.

Enrollment Begins for Agriculture Risk Coverage, Price Loss Coverage Programs for 2021

Payments Now Being Issued to Producers Enrolled for 2019

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The signup period opened Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than \$5 billion in payments are in the process of going out to producers who signed up for the 2019 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

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 and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

2021 Elections and Enrollment

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.

2019 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2019 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the \$5 billion now in process, FSA anticipates it will issue additional payments by the end of November for 2019 commodities covered under ARC-Individual (ARC-IC) and additional commodities that trigger PLC and ARC-CO payments for which rates have not yet been published.

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the [ARC and PLC webpage](#) for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, grain sorghum, lentils, peanuts, seed cotton and wheat.

Oats and soybeans did not meet 2019 PLC payment triggers.

2019 PLC payment rates for the following covered commodities have not been determined: crambe, flaxseed, long and medium grain rice, mustard seed, rapeseed, safflower, sesame seed, sunflower seed and temperate Japonica rice. Payment rates for these commodities will be announced at a later date.

Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- [Gardner-farmdoc Payment Calculator](#), the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.
- [ARC and PLC Decision Tool](#), the Texas A&M tool allows producers to analyze payment yield updates and expected payments for 2021. Producers who have used the tool in the past should see their user name and much of their farm data already available in the system.

More Information

For more information on ARC and PLC, visit the [ARC and PLC webpage](#).

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

Dairy Margin Coverage Program Enrollment for 2021 Open Now Through Dec. 11

USDA is now accepting applications for the [Dairy Margin Coverage](#) (DMC) program for 2021 enrollment now through Dec. 11, 2020. DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. DMC payments triggered for seven months in 2019 and three months so far in 2020. More than 23,000 operations enrolled in DMC in 2019, and more than 13,000 in 2020.

To determine the appropriate level of coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The [decision tool](#) is designed to assist producers with calculating total premium costs and administrative fees associated with participation in DMC. An [informational video](#) is available, too.

Improvements to the decision tool, made in cooperation with representatives from the University of Minnesota and University of Wisconsin, include historical analysis that illustrates what DMC indemnity payments might have been had the program been available over the previous two decades. The analysis indicates that over the course of time, DMC payments made to producers exceed premiums paid. These decision tool enhancements provide a more comprehensive decision support experience for producers considering DMC.

For more information, visit [farmers.gov DMC webpage](#), or contact your local USDA Service Center. To locate your local FSA office, visit [farmers.gov/service-center-locator](#).

Drought Assistance for 2020 Livestock Forage Losses Triggers in 27 Nebraska Counties

Producers in 27 Nebraska counties are eligible to apply for 2020 Livestock Forage Disaster Program (LFP) benefits due to drought-related losses on grazing land.

LFP provides compensation for producers who suffer grazing losses for covered livestock due to drought on privately owned land, leased land where the producer has risk in the grazing, or fire on federally managed land. FSA county committees can only accept LFP applications after notification is provided from FSA headquarters of qualifying drought conditions as determined by the U.S. Drought Monitor or if a federal agency prohibits producers from grazing livestock on normally permitted federally managed lands due to qualifying fire.

Nebraska counties that have triggered for this program include: Banner, Box Butte, Burt, Cheyenne, Colfax, Cuming, Dawes, Deuel, Dodge, Douglas, Dundy, Garden, Hitchcock, Keith, Kimball, Madison, Morrill, Perkins, Pierce, Platte, Scotts Bluff, Sheridan, Sioux, Stanton, Thurston, Washington and Wayne.

Producers must complete a CCC-853 and provide the required supporting documentation before program benefits can be determined and issued. The deadline to apply for 2020 losses is Jan. 30, 2021.

For additional information about LFP, including eligibility criteria for producers and livestock and information about how the U.S. Drought Monitor is used to determine county eligibility, contact the county FSA office or visit [farmers.gov/recover](#).

FSA Offers Direct Farm Operating, Ownership Loan Options

FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain, or strengthen their farm or ranch. Direct loans are processed, approved and serviced by FSA loan officers.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance, and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. 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 local FSA office for more information or to apply for a direct farm ownership or operating loan.

FSA Offers Guaranteed Loans in Partnership with Lenders

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 \$1,776,000. 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.

For more information on guaranteed loans, please contact your county FSA office.

FSA October Interest Rates

OPERATING/OWNERSHIP

Farm Operating: 1.25%

Microloan Operating: 1.25%

Farm Ownership: 2.25%

Farm Ownership - Joint Financing: 2.5%
Farm Ownership - Down Payment: 1.5%
Emergency - Actual Loss: 2.25%

FARM STORAGE

Farm Storage Facility Loan 3 year term: 0.125%
Farm Storage Facility Loan 5 year term: 0.25%
Farm Storage Facility Loan 7 year term: 0.5%
Farm Storage Facility Loan 10 year term: 0.625%
Farm Storage Facility Loan 12 year term: 0.75%

MARKETING ASSISTANCE

Commodity Loan: 1.125%

EQIP Application Deadline Nearing for Nebraska Producers

Nebraska farmers interested in applying for the Environmental Quality Incentives Program (EQIP) should submit an application by Nov. 20, 2020. While USDA's Natural Resources Conservation Service (NRCS) accepts applications throughout the year, you must apply by the date to be considered for 2021 funding.

EQIP is a voluntary conservation program that helps make conservation work for you. Together, NRCS will help you invest in solutions that conserve natural resources for the future while also improving your agricultural operation.

Through EQIP, NRCS provides you with financial resources and one-on-one help to plan and implement improvements, or what we call [conservation practices](#).

NRCS sets aside 10 percent of EQIP funding for historically underserved customers, which include beginning farmers, socially disadvantaged farmers, limited resource producers, Tribal farmers and veterans. These customers receive a higher EQIP payment rate on their conservation practices.

To apply, contact your [NRCS field office](#) for an appointment.

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).