A Message from the State Executive Director

As we near the end of 2020, I want to take this opportunity to wish all our farmer and rancher customers a very Merry Christmas and a Happy New Year. We are excited to turn the calendar page to 2021.

Below you'll find articles that highlight some of the key things that are keeping our offices busy right now. For example, FSA staff is
accepting election and enrollment applications for 2021 for the Agriculture Risk Coverage and Price Loss Coverage (ARC/PLC) commodity crop safety net programs. Read below to learn more about the deadlines and your options associated with these important programs. You also can view a webinar detailing your options, by clicking here. I would ask that you consider your options and act on this sooner rather than later so that we can get everyone through the process timely. I also would note the deadline for enrollment is March 15, 2021, even if you don’t make any new elections.

Some folks are looking forward to the next general signup opportunity for the Conservation Reserve Program (CRP). USDA recently announced a signup period that will start Jan. 4, 2021, and run through Feb. 12, 2021. Our offices are getting ready to begin accepting applications. Land owners who are interested are reminded this is a competitive process, not a first-come, first-served process. However, you should not wait until the deadline to contact your county FSA office if you are interested in the program.

Most folks this time of year are reviewing their financing options for the next growing season. If you are having trouble securing commercial credit, or you are a beginning farmer or rancher, member of an ethnic minority or a woman producer, FSA has a number of farm loan program options that might be the right fit for you. I encourage you to review the various programs at this link, and then call your local FSA farm loan office for a phone appointment. We have 21 offices across the state that are staffed full-time with farm loan personnel. To find your nearest FSA farm loan office, click here and scroll down to the office locator tool.

In closing, we’ve included in this issue an article that details USDA Farm Service Agency's (FSA) work over the past year to help our farmer and rancher customers weather a tough 2020. Staff has worked hard to deliver programs in spite of many challenges, and I just want to publicly thank them for their efforts.

That’s all I’ve got for this month. Wishing you a happy and healthy start to the new year.

--Nancy Johner

**USDA to Open Signup for the Conservation Reserve Program, CRP Grasslands in Early 2021**

USDA has announced the 2021 signup periods for general Conservation Reserve Program (CRP) and CRP Grasslands offers. General signup for CRP will be open from January 4, 2021, to February 12, 2021; signup for CRP Grasslands runs from March 15, 2021, to April 23, 2021. Both
programs are competitive and provide annual rental payments for land devoted to conservation purposes.

CRP and the many focused programs that come under it, like CRP Grasslands, are some of the most critical tools to help producers better manage their operations while conserving natural resources. CRP has proven to protect the nation’s valuable resources. Next year’s signup gives farmers and ranchers an opportunity to enroll in CRP for the first time or continue their participation for another term.

Producers may apply by contacting their FSA office.

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**Enrollment Under Way for Agriculture Risk Coverage, Price Loss Coverage Programs for 2021**

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. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops.

Enrollment for the 2021 crop year is open through 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.

**Resources and Decision Tools**

Producers can learn more about the ARC and PLC options by viewing a University of Nebraska-Lincoln [Farm and Ranch Management Series webinar](https://www.farmranch.unl.edu/sustainable-farming/). Nebraska FSA Production and Compliance Programs Chief Cathy Anderson recently presented on ARC and PLC options for the 2021 production season, while Brad Lubben from the UNL Department of Agricultural Economics discussed the economics of the programs and provided an Ag Policy Update. To view the recorded
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 username and much of their farm data already available in the system.

More Information

For more information on ARC and PLC, including the online decision tools, 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.

Supervised Credit from FSA

Farm Service Agency (FSA) farm loans are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is 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. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, contact your County USDA Service Center or visit fsa.usda.gov.

Submit Loan Requests for Financing Early

The FSA farm loan staff across Nebraska is already working on operating loans for spring 2021 and asks potential borrowers to 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 loans can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well as 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 and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

**Marketing Assistance Loans** allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

**Farm Storage Facility Loans** can be used to build permanent structures used to store eligible commodities, 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.

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**Drought Assistance for 2020 Livestock Forage Losses Available in 27 Nebraska Counties; Application Deadline Approaching**

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 if you 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. The deadline to apply for 2020 losses is Feb. 1, 2021.

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.

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](http://farmers.gov/recover).

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**Is the Noninsured Crop Disaster Assistance Program Right for You?**
Farmers and ranchers rely on crop insurance to protect themselves from disasters and unforeseen events, but not all crops are insurable through the USDA’s Risk Management Agency. The Farm Service Agency’s (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides producers another option to obtain coverage against disaster for these crops. NAP provides financial assistance to producers of non-insured crops impacted by natural disasters that result in lower yields, crop losses, or prevents crop planting.

Commercially produced crops and agricultural commodities for which crop insurance is not available are generally eligible for NAP. Eligible crops include those grown specifically for food, fiber, livestock consumption, biofuel or biobased products, or be commodities such as value loss crops like Christmas trees and ornamental nursery, honey, maple sap, and many others. Contact your FSA office to see which crops are eligible in your state and county.

Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind or hurricanes, earthquake, flood. These events must occur during the NAP policy coverage period, before or during harvest, and the disaster must directly affect the eligible crop. For guidance on causes of loss not listed, contact your local FSA county office.

Interested producers must apply for coverage using FSA form CCC-471, “Application for Coverage,” and pay the applicable service fee at the FSA office where their farm records are maintained. These must be filed by the application closing date. Closing dates vary by crop, so it is important to contact your local FSA county office as soon as possible to ensure you don’t miss an application closing date.

At the time of application, each producer will be provided a copy of the NAP Basic Provisions, which describes how NAP works and all the requirements you must follow to maintain NAP coverage. NAP participants must provide accurate annual reports of their production in non-loss years to ensure their NAP coverage is beneficial to their individual operation.

Producers are required to pay service fees which vary depending on the number of crops and number of counties your operation is located in. The NAP service fee is the lesser of $325 per crop or $825 per producer per administrative county, not to exceed a total of $1,950 for a producer with farming interests in multiple counties. Premiums also apply when producers elect higher levels of coverage with a maximum premium of $15,750 per person or legal entity depending on the maximum payment limitation that may apply to the NAP covered producer. The service fee can be waived for beginning, qualifying veteran, and limited resource farmers and ranchers. These farmers and ranchers can also receive a 50 percent reduction in the premium.

For more detailed information on NAP, download the NAP Fact Sheet. To get started with NAP, we recommend you contact your local USDA service center.

**USDA Announces Increase to Certain Incentive Payments for Continuous Conservation Reserve Program**

The U.S. Department of Agriculture is increasing incentive payments for practices installed on land enrolled in the Continuous Conservation Reserve Program (CRP). USDA’s Farm Service Agency (FSA) is upping the Practice Incentive Payment for installing practices, from 5 percent to 20 percent. Additionally, producers will receive a 10 percent incentive payment for water quality practices on land enrolled in CRP’s continuous signup. FSA administers CRP on behalf of the Commodity Credit Corporation.
Under continuous CRP, producers can enroll environmentally sensitive land devoted to certain conservation practices with signup available at any time. FSA automatically accepts offers provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the number of acres FSA is allowed to enroll in CRP, which was set by the 2018 Farm Bill.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the United States. It was originally intended primarily to control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits. The program marks its 35-year anniversary this month. Program successes include:

- Preventing more than 9 billion tons of soil from eroding, which is enough soil to fill 600 million dump trucks;
- Reducing nitrogen and phosphorous runoff relative to annually tilled cropland by 95% and 85%, respectively;
- Sequestering an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road;
- Creating more than 3 million acres of restored wetlands while protecting more than 175,000 stream miles with riparian forest and grass buffers, which is enough to go around the world seven times; and
- Benefiting bees and other pollinators and increasing populations of ducks, pheasants, turkey, bobwhite quail, prairie chickens, grasshopper sparrows and many other birds.

The successes of CRP contribute to USDA’s Agriculture Innovation Agenda and its goal of reducing the environmental footprint of U.S. agriculture by half by 2050. Earlier this year, U.S. Secretary of Agriculture Sonny Perdue announced the Department-wide initiative to align resources, programs, and research to position American agriculture to better meet future global demands.

For more information on CRP, contact your local FSA county office.

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**December FSA Interest Rates**

**OPERATING/OWNERSHIP**
- Farm Operating: 1.25%
- Microloan Operating: 1.25%
- Farm Ownership: 2.375%
- 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: 0.250%
- Farm Storage Facility Loan 5 year term: 0.375%
- Farm Storage Facility Loan 7 year term: 0.625%
- Farm Storage Facility Loan 10 year term: 0.875%
- Farm Storage Facility Loan 12 year term: 1%

**MARKETING ASSISTANCE**
- Commodity Loan: 1.125%
Dates to Remember

**December 24 & 25, 2020** – USDA Service Centers closed for holiday

**January 1, 2021** – USDA Service Centers closed for holiday

**January 4, 2021** – Deadline to report honeybees for 2021 FSA program eligibility (ELAP, NAP)

**January 4, 2021** – Application period opens for Conservation Reserve Program (CRP) general signup

**February 1, 2021** – Deadline to apply for Livestock Forage Disaster Program (LFP) assistance for 2020 losses

**March 15, 2021** – Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) election and enrollment application deadline for 2021 crop season

**March 15, 2021** – Application period opens for Conservation Reserve Program (CRP)-Grasslands signup

***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.***

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**New Farmers.gov Conservation Concerns Tool Provides Customized Support for Farmers, Ranchers**

Are you interested in keeping your working land productive for years to come? Use Natural Resources Conservation Service’s new Conservation Concerns Tool to learn about conservation concerns that might impact your agricultural operation, and then work with us on solutions targeted to fit your business needs. This tool is available now on our farmers.gov website; no login or account is necessary.

With plain language and illustrative photos, the Conservation Concerns Tool provides a walkthrough of more than 40 conservation concerns related to soil, water, plants, animals, energy and air. Use the tool to create a list of resource concerns specific to your farm, ranch, or working forest lands, then download or print your list to share with NRCS staff at your local USDA Service Center.

NRCS has a video available to walk you through the tool so you can see how it works.

The Conservation Concerns Tool is built to run on any modern browser such as Chrome, Edge, Firefox, or Safari and is fully functional on mobile devices. Whether you work from your desktop at home or your smartphone in the field, this new tool offers personalized conservation insights to meet the needs of 21st century agriculture. Visit farmers.gov/conserve to learn about additional USDA resources available for your working land.

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**FSA Quickly Implemented Crucial Programs Amid Challenging Year**

USDA’s Farm Service Agency (FSA) helped farmers, livestock producers and foresters weather a tough 2020, marked with a pandemic and natural disasters. During the COVID-19 pandemic, FSA continued to deliver farm programs to producers through phone and online tools, using social distancing guidelines. The agency also provided extra flexibilities to its programs, adjusting
reporting dates and loan processing timelines, and continued to expand technology and streamline services to enhance efficiency and effectiveness.

“Through this tough year, FSA continued to deliver crucial safety net, disaster assistance, farm loan and conservation programs to Nebraska’s farmers and livestock producers,” said Nancy Johner, FSA’s State Executive Director in Nebraska. “We partner with agricultural producers to grow and expand their operations as well as weather the unpredictable, such as the COVID-19 pandemic and natural disasters. We’ve also spent the past year working to optimize program delivery and find better and modern ways to serve our customers in Nebraska.”

Key highlights from 2020 include:

**Support amid COVID-19 Pandemic:** FSA worked with economists and commodity specialists across USDA to quickly build and deliver two rounds of the Coronavirus Food Assistance Program (CFAP), which provides financial assistance to help producers absorb some of the increased marketing costs associated with the COVID-19 pandemic. The deadline to apply for almost all commodities was Dec. 11, and so far, the two rounds of funding have provided nearly $23 billion in relief, including roughly $1.5 billion in Nebraska. Additionally, FSA has added flexibilities to its farm credit options, including loan servicing and enabling a disaster set-aside option to defer a loan payment.

**Disaster Assistance:** Natural disasters, including wildfires in the West, hurricanes along the Gulf Coast, the derecho in the Midwest and widespread severe drought, took a toll on U.S. agriculture in 2020. Through FSA’s suite of disaster assistance programs, producers received more than $212 million to help offset disaster-related losses in 2020. Additionally, FSA added drought and excess moisture as eligible causes of loss for the Wildfire and Hurricane Indemnity Program – Plus program, which provided much-needed assistance to help producers impacted by 2018 and 2019 natural disasters. In total, the program provided $1.24 billion in relief.

**Farm Credit:** FSA helps farmers and ranchers get the financing they need to start, expand or maintain a family farm. This past year, FSA obligated more than $7.5 billion in direct and guaranteed farm ownership and operating loans, the highest in agency history. This includes more than $3.4 billion for beginning farmers, also an agency record. The 2018 Farm Bill raised the amount producers can borrow, and FSA has seen sharp demand for loans in the past year, especially direct and guaranteed farm ownership loans. Meanwhile, FSA provided low-interest financing to producers to build or upgrade storage facilities and to purchase portable structures, equipment and storage and handling trucks through the Farm Storage Facility Loan (FSFL) program. FSA obligated a record $340 million in fiscal year 2020. Finally, FSA provided producers with more than $600 million in interim financing in fiscal year 2020 through marketing assistance loans, which help producers meet cash flow needs without having to sell their commodities when market prices are low.

**Safety Net Programs:** FSA held 2020 enrollment for the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, where producers signed more than 1.7 million contracts. Election and enrollment for 2021 ARC and PLC is underway, and those enrolled for the 2019 crop year received more than $5 billion in payments earlier this fall. Last week, FSA wrapped up the 2021 signup for the Dairy Margin Coverage program, where more than 17,000 dairy operations enrolled in the risk management program. This included 100 operations in Nebraska. Operations that enrolled for coverage in 2019 and 2020 have received more than $500 million nationally.

**Conservation:** FSA held its 54th general signup for the Conservation Reserve Program (CRP), the first since 2016, and enrolled 3.4 million acres nationwide into the program, including 131,209 in Nebraska. Additionally, FSA rolled out two new CRP pilots, the Soil Health and Income Protection
Program and CLEAR30, and is preparing for next year with the CRP general signup beginning Jan. 4, 2021 and the CRP Grasslands signup beginning March 15, 2021.

**Critical Program Delivery:** FSA worked closely with the FPAC Business Center OCE, OGC, and AMS to build and implement programs during the pandemic, including CFAP 1, CFAP 2, and the Seafood Trade Relief Program (STRP). CFAP 2 was developed and deployed within six weeks. Through STRP, FSA helped U.S. fishermen who have been impacted by unfair retaliatory tariffs from foreign governments. Signup is ongoing for STRP through Jan. 15, and so far, FSA has approved 6,300 applications for more than $154 million in relief payments. Additionally, because many applicants applying for CFAP and STRP had not worked with FSA previously, the agency stood up a call center to help producers ask questions about FSA programs and get a jump start on program applications. The call center has received over 25,000 calls, including over 800 in Spanish, since its inception in May.

FSA is a part of the Farm Production and Conservation (FPAC) mission area at USDA.