

U.S. DEPARTMENT OF AGRICULTURE

Nebraska FSA and NRCS State Office Newsletter - August 2023

Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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A Message from the FSA Acting State Executive Director

It has been a challenging past month across the state with many long-standing records being toppled for heat and high humidity. For those producers with livestock, we know you work hard to ensure the best care for animals during these extreme conditions. However, if despite your efforts you had livestock deaths due to the high heat and humidity, please remember to contact your county FSA office for information on the Livestock Indemnity Program (LIP). LIP provides producers with financial benefits for livestock losses above normal mortality if those losses are due to a qualifying extreme weather event.

If you want to access LIP financial benefits, you must report your livestock losses to the county FSA office within 30 days of when those losses are apparent. A phone call will work for reporting purposes. Documentation of losses also is critical to receiving program

benefits, and your FSA office personnel will be able to talk you through what is needed for appropriate documentation, which is another reason to contact them sooner rather than later. If you are unfamiliar with your local FSA office, you can find contact information here.

Our farm loan staff is busy this time of year, completing summer visits that are an important part of the overall loan process. Nebraska has one of the larger FSA loan portfolios in the nation, so these visits keep us on the move. We do enjoy stopping out to see our customers in person on their farms and ranches. Please try to have patience and flexibility with our staff if you have been contacted for this review.

The recent extreme weather definitely has us looking forward to the cooler temperatures that generally come with fall harvest. Many folks will soon begin hauling grain from storage in order to prepare. Please remember that if the grain you are getting set to haul is under a Farm Service Agency Marketing Assistance Loan, you must contact your county FSA office before you move it.

That's all for this month. Looking forward to cooler weather ahead.

--Tim Divis

USDA Updates Livestock Disaster Program Payment Rate to Assist Producers Hard-Hit by Heat and Humidity

Producers Reminded to Contact FSA within 30 Days of Livestock Losses to Access Livestock Indemnity Program

USDA's Farm Service Agency (FSA) has announced it is updating the <u>Livestock Indemnity Program (LIP)</u> payment rate to support livestock producers in the Midwest who have lost cattle to the extreme heat and humidity experienced this summer. To help indemnify producers to reflect a trend toward higher cattle weights in feedlots, the 2023 LIP payment rate for beef calves over 800 pounds will increase from \$1,244 per head to \$1,618, an increase of \$374.

LIP provides benefits to livestock owners and some contract growers for livestock deaths exceeding normal mortality from eligible adverse weather events, certain predation losses and reduced sales prices due to injury from an eligible loss. Indemnity payments are made at a rate of 75% of the prior year's average fair market value of the livestock. Livestock producers who have experienced weather-related losses are reminded that reporting and documenting those losses is an important part of the LIP application process. Producers must report losses or injury within 30 days of when those livestock losses or injury become apparent. A phone call to the county FSA office can serve as official notice of loss.

The updated LIP payment rate is effective immediately and will be applied retroactively starting Jan.1, 2023, for all eligible causes of loss including excessive heat, tornado, winter storms, and other qualifying adverse weather. Producers who have already received LIP payments for 2023 losses will receive an additional payment, if applicable,

commensurate with this updated rate. For details on eligibility and payment rates, review the LIP fact sheet.

FSA recognizes that an annual update of LIP payment rates does not account for the volatile nature of livestock markets and is further exploring flexibilities to establish more current payment rates.

More Information

farmers.gov, Disaster Assistance Discovery Tool, Disaster Assistance-at-a-Glance fact sheet, and Loan Assistance Tool can help producers and landowners determine program or loan options. For FSA and NRCS programs, they should contact their local USDA Service Center.

FSA Offers Drought Assistance for Livestock Producers Through Emergency Assistance for Livestock, Honey Bees and Farm-raised Fish Program (ELAP)

If you've suffered above normal expenses for hauling feed or water to livestock or hauling livestock to forage/grazing acres due to the impacts of drought, you may be eligible for financial assistance through the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP). The deadline to apply for ELAP assistance for 2023 losses is Jan. 30, 2024.

For eligible producers in qualifying counties, ELAP provides financial assistance for:

- the transportation of water to livestock;
- the above normal cost of mileage for transporting feed to livestock,
- the above normal cost of transporting livestock to forage/grazing acres.

Eligible livestock include cattle, buffalo, goats and sheep, among others, that are maintained for commercial use and located in a county where the qualifying drought conditions occur. A county must have had D2 severe drought intensity on the U.S. Drought Monitor for eight consecutive weeks during the normal grazing period, or D3 or D4 drought intensity at any time during the normal grazing period. Producers must have risk in both eligible livestock and eligible grazing land in an eligible county to qualify for ELAP assistance.

WATER TRANSPORTATION

For ELAP water transportation assistance, a producer must be transporting water to eligible livestock on eligible grazing land where the producer had adequate livestock watering systems or facilities in place before the drought occurred and where they do not normally require the transportation of water. Payments are for costs associated with personal labor, equipment, hired labor, equipment, and/or contracted water transportation

fees. Cost of the water itself is not covered. The ELAP payment formula uses a national average price per gallon.

ABOVE NORMAL COSTS OF TRANSPORTING FEED

ELAP provides financial assistance to livestock producers who incur above normal expenses for transporting feed to livestock during drought. The payment formula excludes the first 25 miles and any mileage over 1,000 miles. The reimbursement rate is 60% of the costs above what would normally have been incurred during the same time period in a normal (non-drought) year.

ABOVE NORMAL COSTS OF TRANSPORTING LIVESTOCK TO FORAGE/GRAZING ACRES

ELAP provides financial assistance to livestock producers who are hauling livestock to a new location for feed resources due to insufficient feed and/or grazing in drought-impacted areas.

For ELAP eligibility, documentation of expenses is critical. Producers should maintain records and receipts associated with the costs of transporting water to eligible livestock, the costs of transporting feed to eligible livestock, and the costs of transporting eligible livestock to forage/grazing acres.

ELAP also offers assistance to producers impacted by wildfire. Contact your county FSA office for more information on ELAP resources for wildfire losses. In addition, beekeepers also can benefit from ELAP provisions and should contact their county FSA office within 15 calendar days of when a loss occurs or from when the loss is apparent.

For more information regarding ELAP, contact your county FSA office or visit fsa.usda.gov/disaster.

USDA Microloans Help Farmers Purchase Farmland, Cover Operating Expenses

USDA Farm Service Agency offers farm ownership and operating loans through its Microloan program, which can be especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

Microloans can be used to help farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses. Microloans also can help with farmland and building purchases and soil and water conservation improvements.

FSA designed the Microloan program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations.

Microloans provide up to \$50,000 for both operating or ownership needs to qualified

producers and can be issued to the applicant directly from the Farm Service Agency (FSA).

To learn more about the FSA microloan program, contact your county FSA office or visit fsa.usda.gov/microloans.

USDA Offers Targeted Program Benefits for Certain Underserved Individuals

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted program benefits to assist underserved producers. Targeted program benefits are available to those who meet the qualifications for classification as an underserved producer, including socially disadvantaged, beginning farmer or rancher, limited resource farmer or rancher or a veteran farmer or rancher. Agricultural producers who fit one of these classifications may be eligible for certain program benefits and should ask their county FSA office about completing form CCC-860. If this is your first time to conduct business with FSA, we strongly encourage you to visit farmers.gov Get Started at your USDA Service Center website. Resources available on this site will help you prepare for your first visit to our office.

For the purpose of completing form CCC-860, underserved producers generally fall within these definitions:

- Socially disadvantaged farmers/ranchers USDA defines these producers as a group whose members have been subject to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. Groups include American Indians or Alaska Natives, Asians or Asian Americans, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics and women if selecting a group that includes gender. Only selecting women does not make applicants socially disadvantaged for conservation programs. Socially disadvantaged individuals must hold at least 50 percent interest for an entity to be considered in this category.
- Beginning farmers/ranchers USDA defines producers in this group as those
 who have not operated a farm or ranch for more than 10 years and who have
 substantial participation in their operation. For an entity to meet this definition, at
 least 50 percent of the interest must be beginning farmers or ranchers.
- Veteran farmers/ranchers USDA defines producers in this group as those who
 have served in the Armed Forces who have not operated a farm or ranch for more
 than 10 years or who obtained status as a veteran during the most recent 10-year
 period. For an entity to be considered under this definition, at least 50 percent of
 the interest must be held by veteran farmers or ranchers.
- <u>Limited resource farmers/ranchers</u> USDA defines producers in this group by looking at direct or indirect gross farm sales in comparison to a predetermined level and timeframe and looking at total household income in comparison to the national poverty level. For entities to be considered limited resource, all members must be a limited resource farmer or rancher. This definition does not apply to Farm Loan Programs. Limited resource status can be determined by using the

Limited Resource Farmer and Rancher Online Self-Determination Tool at https://lrftool.sc.egov.usda.gov.

For detailed definitions and qualifications, see page three of form CCC-860. Once an underserved producer has a CCC-860 form on file with FSA, the form remains on file and resubmission is not required. However, limited resource producers must annually resubmit their CCC-860 form to ensure eligibility. After 10 years, the form CCC-860 is no longer applicable to and expires for beginning and veteran producers. Benefits for underserved producers may vary by program. To help navigate all USDA program options, a new multi-agency guide for USDA assistance for underserved farmers and ranchers is now available. If you are a farmer or rancher and are a minority, woman, veteran, beginning, or limited resource producer, you can use this booklet to learn about assistance and targeted USDA program opportunities available to you. This guide not only includes programs offered through the Farm Service Agency but also those available through the Natural Resources Conservation Service and Risk Management Agency. The guide is also available in Spanish, Hmong, Korean, Vietnamese, Thai and Chinese on farmers.gov/translations. To learn more about FSA program benefits available to the above-listed targeted groups, visit your county FSA office. To find your county office, go to farmers.gov and scroll to the Office Locator feature.

Have Expiring CRP? Consider Helping a Beginner Through Transition Incentive Program

CRP contract holders are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or socially disadvantaged farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the landowner or operator for up to two additional years after the CRP contract expires.

CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants must agree to sell, have a contract to sell, or agree to lease long term (at least five years) land enrolled in an expiring CRP contract to a beginning, veteran, or socially disadvantaged farmer or rancher who is not a family member.

Beginning, veteran or social disadvantaged farmers and ranchers and CRP participants may enroll in TIP beginning two years before the expiration date of the CRP contract. The TIP application must be submitted prior to completing the lease or sale of the affected lands. New landowners or renters that return the land to production must use sustainable grazing or farming methods.

For more information, contact your County USDA Service Center or visit <u>fsa.usda.gov</u>.

Section 22007 Program to Assist Those Who Experienced Discrimination

The application period is now open for a new financial assistance program under Section 22007 of the Inflation Reduction Act (IRA), for farmers, ranchers, and forest landowners who experienced discrimination in USDA farm lending programs prior to January 2021.

The application process will close on October 31.

Borrowers will have the option to apply for assistance online via 22007apply.gov or through a paper-based form. This program is not being administered at Farm Service Agency offices but by private companies with USDA oversight and supervision. Details about the program, including an application and e-filing portal, are available at 22007apply.gov. The website includes an English and Spanish language application that applicants can download or submit via an e-filing portal, information on how to obtain technical assistance in-person or virtually, and additional resources and details about the program.

Applicants can also call the free call center at 1-800-721-0970, or visit one of several dozen brick-and-mortar offices the program has set up around the country. Locations are provided on the program website and vendors will update the local events schedule with more information as it becomes available.

It is important to note that filing an application is free and does not require a lawyer.

If you want to get weekly updates on the program's events and progress, you can go to https://22007apply.gov, and subscribe to a weekly newsletter.

August FSA Loan Interest Rates

OPERATING/OWNERSHIP

Farm Operating: 4.875% Microloan Operating: 4.875%

Farm Ownership: 5%

Farm Ownership - Joint Financing: 3% Farm Ownership - Down Payment: 1.5%

Emergency - Actual Loss: 3.75%

FARM STORAGE FACILITY LOAN

3-year term: 4.375% 5-year term: 4.125% 7-year term: 4% 10-year term: 3.875% 12-year term: 3.875%

MARKETING ASSISTANCE

Commodity Loan: 6.375%

Cost-Share Opportunities Available Through Local NRCS Offices



USDA Natural Resources Conservation Service (NRCS) has a wide range of cost-share opportunities that are offered through several different programs and initiatives. These include, but are not limited to, Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Regional Conservation Partnership Program (RCPP), High Tunnel Initiative and the Inflation Reduction Act (IRA).

These programs and initiatives are available to assist producers in a wide variety of sectors ranging from smallscale, urban specialty crop production, annual row crop

production, organic production, forage production and livestock production. Producers can work with NRCS staff to implement practices on certain areas of their operation or across their entire operation.

Practices include, but are not limited to:

- conversion from gravity to center pivot or sub-surface drip irrigation
- irrigation water management
- · combustion system improvement
- high tunnel
- nutrient management
- pest management
- cover crops
- residue and tillage management, no-till
- livestock pipeline and watering facilities
- cross fencing
- pasture, range and hay planting
- brush management, including prescribed burn

For more information on these cost-share opportunities and how they can fit into your operation, contact your <u>nearest NRCS office</u>.

Dates to Remember

Sept. 4, 2023 – USDA Service Centers closed for federal holiday
Oct. 2, 2023 – Noninsured Crop Disaster Assistance Program (NAP) application closing deadline for coverage for rye, triticale, wheat in the 2024 production season
Oct. 9, 2023 – USDA Service Centers closed for federal holiday
Oct. 31, 2023 – FSA deadline for applications to the Organic Certification Cost Share Program

***Please note any above NAP calendar reference 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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Visit the Nebraska FSA website at www.fsa.usda.gov/ne. Visit the Nebraska NRCS website at www.nrcs.usda.gov/ne.

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