

Nebraska FSA and NRCS State Office Newsletter - March 2024

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

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A Message from the FSA Acting State Executive Director

It's been a busy past couple of weeks for agriculture in Nebraska. We just wrapped up the celebration of National Ag Week, a time to share our appreciation with and for the farmers and ranchers who bring us the abundance of and quality food we have here in the United States. On behalf of the Nebraska FSA staff across our state, thank you to our farmer and rancher customers for what you do every day for us as consumers.

We've also officially entered the Spring season. I've seen some folks already doing field prep work, so I am certain everyone will get busy very fast as conditions warm over the next month or so. Before you get too bogged down with planting season, please be sure you are caught up with necessary business at your local FSA office.

The window just closed on the 2024 Agriculture Risk Coverage/Price Loss Coverage (ARC/PLC) election and enrollment period. ARC/PLC is the main commodity crop safety

net program, and producers who want to participate in 2024 needed to enroll by March 15. If you receive any communications from our offices as we close out final paperwork, please respond timely so we can ensure your enrollment for 2024. Nebraska FSA partnered over the past six weeks with the University of Nebraska-Lincoln's Center for Agricultural Profitability on education related to the ARC/PLC choice. We would appreciate your feedback to this brief, voluntary, anonymous survey. Results will be used to help us improve our outreach efforts in the future.

The deadline for contract offers to the FSA-administered Conservation Reserve Program (CRP) is scheduled for March 29, so it is just around the corner. There is a process to putting a contract offer together, so if you are interested in CRP, please contact your local FSA office sooner rather than later to learn more about it.

That's all for this month. Talk to you in April.

--Tim Divis

Dates to Remember

March 29, 2024 – FSA deadline for contract offers for 2024 Conservation Reserve Program (CRP) General Signup

April 29, 2024 – FSA deadline for applications for the Dairy Margin Coverage Program **May 27, 2024** – USDA Service Centers closed for federal holiday

***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.

Annual Review of Payment Eligibility for New Crop Year

FSA and NRCS program applicants for benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information for FSA to determine the applicant's payment eligibility and establish the maximum payment limitation applicable to the program applicant.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the previous determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county office are updated, current, and correct. Participants are required to timely notify the county office of any changes in the farming operation that may affect the previous determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
 - A land lease from cash rent to share rent
 - A land lease from share rent to cash rent (subject to the cash rent tenant rule
 - A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Certifications of average AGI are required to be filed annually for participation in an annual USDA program. For multi-year conservation contracts and NRCS easements, a certification of AGI must be filed prior to approval of the contract or easement and is applicable for the duration of the contract period.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

Livestock Inventory Records Important for Disaster Programs

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster and are an important part of disaster assistance program applications, including applications for the Livestock Indemnity Program (LIP) and the Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP).

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office.

To be eligible for livestock deaths, producers must submit evidence to support their losses. Some examples of records that could be used to help support a claim include: veterinary records, contemporaneous producer records, veterinary certification existing at the time of the event, balance sheets, brand inspection records, loan records, docking records, bank statements, shearing records, farm credit balance sheets, property tax records, ear tag records, trucking and/or livestock hauling records, sales and purchase

receipts, inventory records used for tax purposes, private insurance documents, chattel inspections, and canceled check documentation.

To be eligible for livestock injuries, producers must submit one of the following documents that indicate an injured animal: sales receipt from a livestock auction, sale barn or other similar livestock sales facility; private insurance documents; or processing plant receipt. At a minimum, these records must include livestock kind, type, and weight, and the price for which the animal was sold.

For more information on documentation requirements associated with receiving disasterrelated assistance, contact your local FSA office.

Conservation Compliance Critical to Eligibility for Benefits

Agricultural producers and landowners are reminded compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions is required to maintain eligibility for federal farm program and crop insurance premium benefits. HEL and WC provisions apply across a producer's entire farming operation and a violation of such provisions on one farm can result in a producer's loss of eligibility for applicable benefits on all farms in their operation.

Conservation compliance refers to the U.S. Department of Agriculture requirement that production of agriculture commodities on highly erodible lands maintains compliance with an approved conservation plan or system. This means highly erodible land must be farmed in a manner that maintains a certain level of surface residue and minimizes soil erosion. A conservation plan or system may include taking steps such as incorporating minimal or no-till operations or planting cover crops. To maintain compliance with wetland conservation provisions, producers must agree they will not plant an agricultural commodity on a converted wetland. Specifically, persons are ineligible for certain farm program benefits if they plant an agricultural commodity on wetlands that were converted after Dec. 23, 1985, or if they convert a wetland after Nov. 28, 1990. Some examples of the conversion of a wetland are draining, dredging, tiling, leveling or removing woody vegetation. Program regulations indicate that even accidental planting of a small portion of a converted wetland must be treated as a wetland violation, and therefore would make the producer ineligible for USDA benefits on all farms for which they receive benefits.

Producers should contact their local USDA Service Center to file Farm Service Agency (FSA) Form AD-1026 prior to breaking new ground and conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria. Once the AD-1026 is filed, the Natural Resources Conservation Service (NRCS) will identify highly erodible lands and wetlands based on the project and can provide further planning assistance, such as a conservation plan, to producers if requested.

Maintaining Good Credit History Important for FSA Loan Purposes

Farm Service Agency (FSA) loans require applicants to have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, see if bills are paid timely and to determine the impact on cash flow.

Information on your credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score:

- Make sure to pay bills on time
 - Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt
- · Keep your credit card balances low
- Avoid suddenly opening or closing existing credit accounts

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, contact your nearest USDA Service Center Farm Service Agency office.

Applying for Youth Loans

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age

- Comply with FSA's general eligibility requirements
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

For more information and help preparing the application forms, contact the farm loan team at the nearest USDA Service Center. To find the nearest office, visit: farmers.gov.

FSA Loan Interest Rates for March

OPERATING/OWNERSHIP

Farm Operating: 4.875% Farm Ownership: 5.250%

Farm Ownership – Limited Resource: 5% Farm Ownership - Joint Financing: 3.250% Farm Ownership - Down Payment: 1.5%

Emergency - Actual Loss: 3.75%

FARM STORAGE FACILITY LOAN

3-year term: 4.250% 5-year term: 4.125% 7-year term: 4.125% 10-year term: 4.125% 12-year term: 4.250%

MARKETING ASSISTANCE

Commodity Loan: 5.875%

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

Conservation Reserve Program (CRP) contract holders are encouraged to transition their 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 the farm loan team at your nearest USDA Service Center. To find your nearest Service Center, visit: farmers.gov.

USDA Rural Development Accepting Applications for Energy Efficiency, Renewable Energy Projects

Agricultural producers and rural small business owners may now apply for loan guarantees or grant funding to support energy efficiency improvements. Applications for the Rural Energy for America Program (REAP) are now available through USDA Rural Development. The application period is year-round, with quarterly deadlines. **The next deadline is March 31, 2024**. Through the Rural Energy for America Program (REAP), agricultural producers and rural small businesses are eligible for loan guarantees and grants to develop renewable energy systems or to make energy efficiency improvements. Examples of projects that received funding support in the past include:

- Irrigation pump conversion from diesel fuel to electric irrigation motors;
- Solar arrays;
- Replacement of grain dryers to more efficient grain dryers;
- LED lighting, HVAC systems replacement, and insulation to increase R-value;
- Coolers or freezers for grocery stores.

Grants can be made for up to 50% of total eligible project costs, up to a maximum of \$500,000 for energy efficiency projects and up to a maximum of \$1 million for renewable energy systems. Loan guarantees for FY24 projects are for up to 75% of total eligible project costs.

Agricultural producers or rural small business owners interested in learning more about this program should contact Nebraska USDA Rural Development. Call Christopher Faber at (402) 437-5748 or Spencer Rien at (308) 632-2195 Ext. 133.

Emerging Findings on the Effects of Cover Crops on Grassland Birds



As the use of cover crops to improve soil health and reduce water quality concerns on working cropland has increased in recent years, questions have emerged regarding the value of cover crops to wildlife. For example, do cover crops provide needed habitat for grassland birds, a group that has experienced widespread population decline in recent decades? What is the value of cover crop fields to grassland birds during the winter, spring migration, and breeding periods compared to cropland fields without cover crops or areas of perennial cover?

On April 25 at 2 p.m. eastern, Dr. Adam Janke of Iowa State University and Dr. David Buehler of the University of Tennessee will provide answers to these questions and more during our free, one-hour Conservation Outcomes Webinar. This webinar will share findings from recent studies examining bird use of cover crops in Iowa and Tennessee conducted in partnership with USDA's Conservation Effects Assessment Project. Findings may be used to support on-the-ground cropland management decisions informed by a better understanding of the potential roll of cover crops in grassland bird conservation efforts.

Registration is not required. Access instructions are available on the <u>Conservation</u> <u>Outcomes Webinar Series webpage</u> along with a calendar of upcoming webinars through 2024.

Upcoming Opportunities for Urban Ag Producers, Organizations

Producers and organizations interested in the urban agriculture sector are reminded of an upcoming grant deadline and the opportunity to participate in an upcoming meeting.

USDA Accepting Applications for Urban Agriculture and Innovative Production Through April 9

USDA is accepting applications for grants to support urban agriculture and innovative production. The competitive grants will support the development of urban agriculture and innovative production projects through two categories, Planning Projects and Implementation Projects. Learn more.

Urban Producers, Public Invited to Attend April Meeting of Federal Advisory Committee for Urban Agriculture and Innovative Production

We're inviting urban producers, innovative producers, and other stakeholders to virtually attend a public meeting of the Federal Advisory Committee for Urban Agriculture and Innovative Production on April 10 from 1-3 p.m. Eastern Time.

Meeting details can be viewed in the <u>Federal Register Notice</u>. Written comments can be submitted via <u>UrbanAgricultureFederalAdvisoryCommittee@usda.gov</u> by April 24 at 11:59 p.m. The Committee will deliberate and vote on proposed recommendations and address

public comments during the meeting. USDA will share the agenda between 24 to 48 hours prior to the meeting on the <u>Committee's webpage</u>.

The Committee is managed by the Office of Urban Agriculture and Innovative Production and was established through the 2018 Farm Bill and is part of a broad USDA investment in urban agriculture.

Learn more or register.



Nebraska FSA and NRCS State Office Information

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FSA State Committee

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