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USDA United States Department of Agriculture

Farm Service Agency Electronic News Service

NEWSLETTER

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Nebraska State FSA Newsletter

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A Message from the State Executive Director

As we exit the back half of the month, our county FSA offices are no less busy than they were during the first half. It's true that the July 15 spring crop acreage reporting deadline has passed, but our offices continue to work through customer appointments related to this process. We have a good handle on the remaining certifications across the state, and I want to thank all of you for your patience as our offices complete this annual, important task.

Our current workload includes follow-up efforts related to Livestock Indemnity Program (LIP) and Emergency Conservation Program (ECP) applications that were generated as a result of the March

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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.

blizzard and flooding, as well as the extended, extreme cold and wet weather from late January through early March. We continue to prioritize our response to this weather-related disaster, even as we must maintain other responsibilities, such as roll-out of programs from the 2018 Farm Bill and the implementation, starting July 29, of the 2019 Market Facilitation Program (MFP). Folks have been asking about MFP in particular, and I encourage you to click on **this link** to learn more. You can learn county payment rates by clicking on the "How Do Payments Work?" button on this website.

I want to note that Aug. 23 is the deadline to submit applications for certain practices as part of a continuous signup for the Conservation Reserve Program (CRP). This signup is focused on practices that improve water quality, so practices such as riparian buffers, filter strips and grassed waterways are available. There is some effort that goes into these types of applications, so I encourage landowners who might be interested in learning more to contact their county FSA office well ahead of the Aug. 23 deadline.

While the deadline to report prevented plant crop acres to our offices has passed, we are continuing to get questions from producers related to this topic. While we are glad to assist you in any way we can, I want to call attention to some online resources USDA has put together. You can find these resources through this link on USDA's farmers.gov website or by visiting this link on the USDA Risk Management Agency website.

Please take the opportunity to review the stories below for additional important information from your Nebraska FSA State Office. Have a good rest of July.

--Nancy Johner

Help FSA Keep Your Farm Records Up to Date

It's important for FSA to have an up-to-date producer record database. If you have any unreported changes of address, zip code, phone number, email address or an incorrect name or business name on file they need to be reported to your FSA county office.

Changes in your farm operation, like the addition of a farm by lease or purchase, also need to be reported to your local office.

Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee by updating their CCC-902 Farm Operating Plan. Updating records now will help FSA be better prepared for future program enrollment activity, such as the upcoming enrollment period for the Agriculture Risk Coverage and Price Loss Coverage safety net programs.

If you have any updates or corrections, please call your local FSA office to update your records.

NAP Policy Holders Reminded to Report Changes in the Use of a Crop: Grain to Hay - Haying to Grazing - Silage to Hay

Conditions may have changed since you planted and certified the intended use of your crop under the Noninsured Crop Disaster Assistance Program (NAP). Plans may have changed due to lack of precipitation, heat and high winds, lack of irrigation water or because of storm damages such as hail. If your plans have changed and you're going to graze instead of hay your crop or cut for hay or silage instead of harvesting for grain, then you must report the change to your county FSA office. Failure to timely report your decision to change the use of crops can result in the loss of NAP benefits.

When grass fails to meet your pasture needs, you may consider grazing hay fields rather than harvesting third or fourth cuttings. Changing the use to grazing may require producers to meet with the FSA appraiser and establish representative samples for an appraisal.

Crops with NAP coverage that will not be harvested must be inspected by an FSA Loss Adjuster in order to maintain NAP eligibility. Destruction of the crop or allowing deterioration of the crop without an inspection can result in the loss of program eligibility.

All producers considering a change of intended use, destruction of the crop prior to the end of the crop year, or those who may be unsure of their certification should contact their county FSA office. To find a local office, visit www.farmers.gov.

Incentive Program An Option in Transition of Expiring CRP Land to Beginning, Veteran or Underserved Farmers, Ranchers

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 23. For example, if a CRP contract is scheduled to expire on Sept. 30, 2019, the land may be offered for enrollment in TIP beginning June 3, 2019, through Aug. 23, 2019. The Aug. 23 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit your county FSA office or go to [https://www.fsa.usda.gov/conservation.](https://www.fsa.usda.gov/conservation)

Dairy Margin Coverage Program Signup Ongoing

Signup is ongoing through Sept. 20. 2019, for the new Dairy Margin Coverage (DMC) program, the cornerstone program of the dairy safety net that helps dairy producers manage the volatility of milk and feed prices, operated by the U.S. Department of Agriculture's Farm Service Agency (FSA).

The 2018 Farm Bill allowed USDA to construct the new DMC, which replaces the Margin Protection Program for Dairy (MPP-Dairy). This new program offers 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 program provides coverage retroactive to January 1, 2019, with applicable payments following soon after enrollment. At the time of signup, dairy producers can choose between the $4.00 to $9.50 coverage levels. Learn more about coverage levels and premiums.

DMC offers catastrophic coverage at no cost to the producer, other than an annual $100 administrative fee. Producers can opt for greater coverage levels for a premium in addition to the administrative fee. Operations owned by limited resource, beginning, socially disadvantaged or veteran farmers and ranchers may be eligible for a waiver of administrative fees. Producers have the choice to lock in coverage levels until 2023 and receive a 25-percent discount on their DMC premiums.

To assist producers in making coverage elections, USDA partnered with the University of Wisconsin to develop a DMC decision support tool, which can be used to evaluate various scenarios using different coverage levels through DMC.

Dairy producers are reminded that 2018 Farm Bill provisions allow for dairy operations to participate in both FSA's DMC program and the Risk Management Agency's Livestock Gross Margin (LGM-Dairy) program. There also are no restrictions from participating in DMC in conjunction with any other RMA insurance products.

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-locator.

Emergency Disaster Declarations, Designations

Farmers and ranchers know all too well that natural disasters can be a common, and likely a costly, variable to their operation. The Farm Service Agency (FSA) has emergency assistance programs to provide assistance when disasters strike, and for some of those programs, a disaster designation may be the eligibility trigger. FSA administers four types of disaster designations:

USDA Secretarial Disaster Designation
The designation process can be initiated by individual farmers, local government officials, state governors, state agriculture commissions, tribal councils or the FSA State Executive Director.

This designation is triggered by a 30-percent or greater production loss to at least one crop because of a natural disaster, or at least one producer who sustained individual losses because of a natural disaster and is unable to obtain commercial financing to cover those losses.

In 2012, USDA developed a fast-track process for disaster declarations for severe drought. This provides for a nearly automatic designation when, during the growing season, any portion of a county meets the D2 (Severe Drought) drought intensity value for eight consecutive weeks or a higher drought intensity value for any length of time as reported by the U.S. Drought Monitor

(http://droughtmonitor.unl.edu)

Administrator's Physical Loss Notification
This designation is initiated by the FSA State Executive Director. The designation is triggered by physical damage and losses because of a natural disaster, including but not limited to dead livestock, collapsed buildings and destroyed farm structures.

Presidential Designation
A Presidential major disaster designation and emergency declaration is initiated by the Governor of the impacted state through the Federal Emergency Management Agency (FEMA).

This designation is triggered by damage and losses caused by a disaster of such severity and magnitude that effective response is beyond the capability of the state and local governments.

Quarantine Designation
This designation is requested of the Secretary of Agriculture by the FSA State Executive Director. A quarantine designation is triggered by damage and losses caused by the effects of a plant or animal quarantine approved by the Secretary under the Plant Protection Act or animal quarantine laws.

All four types of designations listed above immediately trigger the availability of low-interest emergency loans to eligible producers in all primary and contiguous counties. FSA borrowers in these counties who are unable to make their scheduled payments on any debt may be authorized to have certain set asides. Additional disaster assistance requiring a designation may also be provided by new programs in the future.

For more information on FSA disaster programs and disaster designations, visit www.fsa.usda.gov/disaster.

Nominations for the 2019 FSA County Committee Elections Close Aug. 1

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) encourages all farmers, ranchers and FSA program participants to take part in the County Committee election nomination process.

FSA's county committees are a critical component of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture.

A county committee is composed of three to 11 elected members, each from a local administrative area (LAA). Each member serves a three-year term. One-third of the seats on the committee is open for election each year.

To be eligible for nomination and hold office as a committee member or alternate, a person must fulfill each of the following requirements: (1) be a producer with an interest in farming or ranching operations, (2) participate or cooperate in any FSA program provided for by law, (3) be a U.S. citizen, (4) be of legal voting age, (5) meet the basic eligibility requirements, and (6) reside in the county or multi-county jurisdiction in which they will be serving.

County committees may have an appointed adviser to further represent the local interests of underserved farmers and ranchers. Underserved producers are beginning, women and other minority farmers and ranchers and landowners and/or operators who have limited resources.

All nomination forms for the 2019 election must be postmarked or received in the local USDA service center by Aug. 1, 2019. For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: *Eligibility to Vote and Hold Office as a COC Member* available online at: **fsa.usda.gov/elections.**

New Farmers.gov Feature Helps Producers Find Farm Loans That Fit Their Operation

A new online tool can help farmers and ranchers find information on U.S. Department of Agriculture (USDA) farm loans that may best fit their operations. USDA has launched the *Farm Loan Discovery Tool* as the newest feature on farmers.gov, the Department's self-service website for farmers.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help. Compared to this time last year, FSA has seen an 18 percent increase in the amount it has obligated for direct farm ownership loans, and through the 2018 Farm Bill, has increased the limits for several loan products.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will be provided information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the *Farm Loan Discovery Tool* by visiting farmers.gov/fund and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The *Farm Loan Discovery Tool* is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

For more information or to locate your USDA Service Center, visit farmers.gov.

USDA Offers Targeted Farm Loan Funding for Underserved Groups, Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers microloans through the direct loan program. The focus of microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit www.fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit www.fsa.usda.gov/farmloans.

FSA Offers Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans exceeding $100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your local FSA county office, visit http://offices.usda.gov.

July FSA Interest Rates

OPERATING/OWNERSHIP
Farm Operating: 3.25%
Microloan Operating: 3.25%
Farm Ownership: 3.875%
Farm Ownership - Joint Financing: 2.5%
Farm Ownership - Down Payment: 1.5%
Emergency - Actual Loss: 3.75%

FARM STORAGE
Farm Storage Facility Loan 3 year term: 1.875%
Farm Storage Facility Loan 5 year term: 1.875%
Farm Storage Facility Loan 7 year term: 2%
Farm Storage Facility Loan 10 year term: 2.125%
Farm Storage Facility Loan 12 year term: 2.25%

MARKETING ASSISTANCE
Commodity Loan: 3.125%

Dates to Remember

Aug. 1, 2019 – Deadline to submit candidate nomination forms to local USDA service center for 2019 County Committee election
Aug. 1, 2019 – Deadline to request farm transfers or reconstitutions for 2019
Aug. 23, 2019 – Deadline to submit applications for certain practices as part of a continuous signup for the Conservation Reserve Program (CRP signup 52)
Sept. 1, 2019 - Deadline to submit a Noninsured Crop Disaster Assistance Program application for coverage for sod in the 2020 production season
Sept. 30, 2019 - Deadline to submit a Noninsured Crop Disaster Assistance Program application for

coverage for rye, triticale and wheat in the 2020 production season
Sept. 20, 2019 – Deadline to enroll in the Dairy Margin Coverage program

****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.**
