

May 2016



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## Nebraska FSA Newsletter

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### Nebraska Farm Service Agency

7131 A St.  
Lincoln, NE 68510

[www.fsa.usda.gov/ne](http://www.fsa.usda.gov/ne)

#### State Committee:

Fred Christensen  
Susan Frazier, chair  
Leo Hoehn  
Linda Kleinschmit  
Roy Stoltenberg

#### State Executive Director:

Dan Steinkruger

#### Division Chiefs:

Cathy Anderson  
Doug Klein

### Message from the State Executive Director

Rain across much of the state over the past month has eliminated the abnormally dry conditions that were creeping up into Nebraska, as noted on the April 12 U.S. Drought Monitor. While generally this is good news, in some cases the moisture has been, unfortunately, accompanied by high winds, hail, flooding and tornadoes. Farmers have found planting windows, though, and as of the second week of the month, the state already had about half of its corn acres planted.

While periods of rain may keep farmers out of the field, it provides great opportunities for you to stop into your local Farm Service Agency office and take care of some business. You must certify your acres in order to maintain program benefits, and the acreage reporting date for 2016 spring-seeded

Greg Reisdorff  
Mike Sander  
Mark Wilke

Please contact your local FSA Office for questions specific to your operation or county.

crops and CRP acres in Nebraska is July 15. There are exceptions and other specifications, so checking the certification date with your local county office is encouraged.

In addition to acreage certification, conservation compliance also is critical to maintenance of farm program benefits. As noted recently by the Nebraska Office of the USDA Natural Resources Conservation Service, producers have been showing interest in installing field drainage systems to address soil moisture issues on cropland. Producers considering such action must sign an AD-1026 form with FSA, which begins a review process that is necessary before any work can be started. If you have any questions about this process, please contact your local county office.

On May 5, USDA Secretary Tom Vilsack announced the enrollment of acres into the Conservation Reserve Program (CRP). Out of more than 800,000 acres enrolled nationally, Nebraska was awarded CRP contracts for 76,575 acres, the third most of any state.

With challenging crop prices and a cap on the amount of CRP acres, competition to get into the program was fierce. The USDA announcement called it "one of the most selective sign-up periods in CRP's 30-year history, with a record high Environmental Benefits Index cut-off and the lowest-percentage of applications accepted." Nebraska fared well, however, and landowners and county FSA offices should be credited for the steps they took to achieve such a high enrollment. The program has multiple benefits, including erosion control, water quality improvements and wildlife habitat.

Keep an eye out for severe weather as you continue with your spring planting activities.

-- Dan Steinkruger

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## **Enrollment Period for 2016 USDA Safety Net Coverage Ends Aug. 1**

Producers who chose coverage from the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or the Price Loss Coverage (PLC) programs, can visit FSA county offices through Aug. 1, 2016, to sign contracts to enroll in coverage for 2016.

Although the choice between ARC and PLC is completed and remains in effect through 2018, producers must still enroll their farm by signing a contract each year to receive coverage.

Producers are encouraged to contact their local FSA office to schedule an appointment to enroll. If a farm is not enrolled during the 2016 enrollment period, producers on that farm will not be eligible for financial assistance from the ARC or PLC programs should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program.

The two programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. 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 grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc).

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <http://offices.usda.gov>.

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## USDA Announces Conservation Reserve Program Results

USDA announced the enrollment of more than 800,000 acres in the Conservation Reserve Program (CRP). Through CRP, the U.S. Department of Agriculture (USDA) helps farmers offset the costs of restoring, enhancing and protecting certain grasses, shrubs and trees that improve water quality, prevent soil erosion and strengthen wildlife habitat. Farmers' and ranchers' participation in CRP continues to provide numerous benefits to the nation, including helping reduce emissions of harmful greenhouse gases and providing resiliency to future weather changes.

A nationwide acreage limit was established for this program in the 2014 Farm Bill, capping the total number of acres that may be enrolled at 24 million for fiscal years 2017 and 2018. At the same time, USDA has experienced a record demand from farmers and ranchers interested in participating in the voluntary program. As of March 2016, 23.8 million acres were enrolled in CRP, with 1.7 million acres set to expire this fall.

Over three million acres have been offered for enrollment this year across the three main categories within CRP, with USDA's Farm Service Agency (FSA) receiving over 26,000 offers to enroll more than 1.8 million acres during the general enrollment period, and over 4,600 offers to enroll more than one million acres in the new CRP Grasslands program. Coming off a record-setting 2015 continuous enrollment of over 860,000 acres, more than 364,000 acres already have been accepted for 2016 in the CRP continuous enrollment, triple the pace of last year.

FSA will accept 411,000 acres in general enrollment, the most competitive selection in the history of the program, with the acreage providing record high conservation benefits. USDA selected offers by weighing environmental factors plus cost, including wildlife enhancement, water quality, soil erosion, enduring benefits, and air quality.

For the results of the first-ever enrollment period for CRP Grasslands, FSA will also accept 101,000 acres in the program, providing participants with financial assistance for establishing approved grasses, trees and shrubs on pasture and rangeland that can continue to be grazed. More than 70 percent of these acres are diverse native grasslands under threat of conversion, and more than 97 percent of the acres have a new, veteran or underserved farmer or rancher as a primary producer.

FSA continues to accept CRP Grasslands offers and will conduct another ranking period later this year.

Participants in CRP establish long-term, resource-conserving plant species, such as approved grasses or trees (known as “covers”) to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

To learn more about FSA’s conservation programs, visit [www.fsa.usda.gov/conservation](http://www.fsa.usda.gov/conservation) or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

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## **Producers are Encouraged to Report Prevented Planting and Failed Acres**

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form CCC-576, Notice of Loss, to report failed acres.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a Notice of Loss for failed acres on all crops, including grasses.

Please contact your local county FSA Office to schedule an appointment to file a Notice of Loss. To find your local FSA Office, visit <http://offices.usda.gov>.

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## **2016 Acreage Reporting Dates**

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local FSA office to file an accurate crop certification report by the applicable deadline.

In Nebraska, the deadline to report spring-seeded crops and Conservation Reserve Program acres is July 15.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.

- If a producer acquires additional acreage after the applicable acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of “cover only,” “green manure,” “left standing,” or “seed,” then the acreage must be reported by July 15th.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the applicable dates or 15 calendar days before grazing or harvesting of the crop begins.

For questions regarding crop certification and crop loss reports, please contact your local FSA office.

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## **ARC, PLC Acreage Maintenance**

Producers enrolled in Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC or PLC, the County Committee may elect to terminate the contract for the program year.

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## **Direct Loans**

FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

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 both direct farm ownership and operating loans is \$300,000 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.

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## **Guaranteed Loan Program**

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 \$1,399,000. 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.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

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## A Simple Start to Retirement Savings

Don't have access to a retirement savings plan? Haven't found an easy way to start saving? The U.S. Department of the Treasury's **myRA** can help you get on the path to retirement saving. It costs nothing to open an account and there are no fees. Visit [myRA.gov](http://myRA.gov) today to get started.

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## May FSA Interest Rates

Farm Operating: 2.375%  
Microloan Operating: 2.375%  
Farm Ownership: 3.5%  
Farm Ownership - Joint Financing: 2.50%  
Farm Ownership - Down Payment: 1.50%  
Emergency - Actual Loss: 3.375%  
Farm Storage Facility Loan 7 year term: 1.625%  
Farm Storage Facility Loan 10 year term: 1.75%  
Farm Storage Facility Loan 12 year term: 1.875%  
Commodity Loan: 1.625%

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## Dates to Remember

**May 31, 2016** - Deadline to request 2015 MAL or LDP for corn, dry peas, grain sorghum, lentils, mustard seed, safflower seed, chickpeas, soybeans, sunflower seed

**July 15, 2016** - Deadline to report all spring-seeded crops, including Conservation Reserve Program (CRP) acreage, and all other crops for the 2016 crop year

**August 1, 2016** - Enrollment period for 2016 ARC/PLC ends

**August 1, 2016** - Deadline to request farm transfers or reconstitutions for 2016

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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).

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