August 2016



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Nebraska FSA Newsletter

Nebraska Farm Service Agency

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State Committee:Susan Frazier, Chair

A Message from the State Executive Director

At the half way point of August, many Nebraska farmers and ranchers already have celebrated their county fairs, are keeping a close eye on their crops to make sure they are getting the right amount of irrigation water and may be prepping equipment and grain storage bins for the upcoming harvest. The work never seems to slow much this time of year.

Several critical deadlines have just passed for programming through the Nebraska USDA Farm Service Agency, but that doesn't mean the work Fred Christensen Leo Hoehn Linda Kleinschmidt Roy Stoltenberg

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To find contact information for your local office go to www.fsa.usda.gov/ne

has slowed for us, either. August 1 was the deadline for producers to enroll in the 2016 Agriculture Risk Coverage and Price Loss Coverage (ARC/PLC) programs. FSA staff have worked hard to remind farmers of this deadline, and we are pleased that so many of you made an effort to help us make the enrollment period a success. These programs are more important than ever right now with the dip in the overall farm economy and a forecast for a very large corn and soybean harvest.

If you missed the August 1 deadline, or aren't sure whether all the paperwork was completed, there is a late-file enrollment period through the end of the month. See the ARC/PLC article below for more information. Our offices will maintain a quick pace as staff work to ensure all paperwork is in place for our producers to benefit from these important programs.

August 1 also was the deadline for producers to submit nominations for election to FSA County Committees. FSA County Committees play an important role by helping make decisions on FSA disaster, conservation and commodity and price support programs. Those elected to the role serve a three-year term and provide a valuable service to agriculture in their immediate area. County offices will now work to make sure they have candidates for the open positions and prepare for ballots to go out in November.

While there have been some relatively good rains (by August standards) in parts of the state, drought conditions continue to advance in others. In addition, our neighbors to the north in South Dakota have a drought footprint that continues to grow. Farmers and ranchers who have hay for sale or find themselves in need of such resources may want to check out USDA's Hay Net website here. You also can find out more about it in the article below. The Nebraska Department of Agriculture also has a hay resource at www.nda.nebraska.gov under "Featured Programs."

As your thoughts turn toward harvest, and perhaps Husker football, make sure you also keep safety top of mind.

Until next month,

-- Dan Steinkruger

ARC/PLC Contract Signatures Due by August 31

August 1, 2016 was the deadline to enroll farms into the 2016 Agriculture Risk Coverage and Price Loss Coverage (ARC/PLC) Programs. Farms not enrolled will be ineligible for any earned program benefits. A late-file enrollment period will run until August 31. Be sure to check that ARC/PLC contracts have been filed for all of your farms and signatures for all producers with a share on the contract (operator, landowners, and other producers) are returned to your local FSA office no later than August 31.

If you previously completed ARC/PLC enrollment for your farm, but changes have subsequently occurred to producers or shares on the contract, you must submit a revised "succession-in-interest" contract, with all necessary signatures, by September 30, 2016. Contact your local FSA office for additional information.

USDA Offers New Loans for Portable Farm Storage and Handling Equipment

Portable Equipment Can Help Producers, including Small-Scale and Local Farmers, Get Products to Market Quickly

USDA's Farm Service Agency (FSA) will provide a new financing option to help farmers purchase portable storage and handling equipment. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small and mid-sized producers, grow their businesses and markets.

The "microloan" option allows applicants seeking less than \$50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

Earlier this year, FSA significantly expanded the list of commodities eligible for Farm Storage Facility Loans. Eligible commodities now include aquaculture; floriculture; fruits (including nuts) and vegetables; corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas, sugar, peanuts, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage.

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

Producers Reminded of Importance of Completing NASS Surveys; Small Grains Survey Will Be Coming Soon

The National Agricultural Statistics Service (NASS) Field Offices will be contacting growers of small grains in the coming weeks to complete surveys on 2016 production and supply. This includes

wheat, oats, barley and rye. Producers who are contacted to complete the survey are encouraged to participate as many USDA agencies, including FSA and the Risk Management Agency (RMA), use the NASS data for programs.

FSA uses NASS county yield data for farm credit, conservation, disaster programs, loan and commodity programs. For example, under the 2014 Farm Bill, FSA uses the NASS county yield data to calculate Agriculture Risk Coverage – County (ARC-CO) benchmark revenues and current year county revenues.

In cases where NASS county yield data is not available, the FSA State Committee must determine a county yield using RMA yield data or the best available yield data, including assigning a county yield using neighboring county yields from NASS or RMA.

Information provided to NASS is kept confidential and protected by federal law. NASS publishes only aggregate-level data.

Marketing Assistance Available for 2016 Wheat; Take Note of Provisions Regarding LDPs on Silaged Feed Grains

The 2014 Farm Bill authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

In Nebraska, wheat prices are in a range where LDPs are applicable, so producers should become familiar with the process to access this assistance.

MALs and LDPs provide financing and marketing assistance for wheat, as well as other commodities such as feed grains, soybeans and other oilseeds, pulse crops, wool and honey.

MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a MAL, but agrees to forgo the loan, may obtain an LDP if such a payment is available. To be eligible for a MAL or an LDP, producers must have a beneficial interest in the commodity, in addition to other requirements. A producer retains beneficial interest when control of and title to the commodity is maintained. For an LDP, the producer must retain beneficial interest in the commodity from the time of planting through the date the producer filed Form CCC-633EZ (page 1) in the FSA County Office.

Silaged feed grains, including corn, grain sorghum and soybeans, also can be eligible for LDPs, although there are different program provisions for crops taken using this method. The loan rate used for calculating an LDP on a silage crop is 30 percent of the normal loan rate for that crop. In addition, the bushel quantity for the calculation is based on the silage tonnage, converted to bushels of grain.

MAL and LDP provisions also vary for alternatively-stored crops, such as crops that are bagged for field storage.

Producers should contact their local FSA county office to understand the various options associated with MALs and LDPs. In addition, producers can view this LDP Fact Sheet for more information.

USDA to Offer Certificates for Farm Commodities Pledged to Marketing Loans

Producers who have crops pledged as collateral for a marketing assistance loan can now purchase a commodity certificate that may be exchanged for the outstanding loan collateral. The authority is provided by the 2016 Consolidated Appropriations Act, legislation enacted by Congress in December. Commodity certificates are available beginning with the 2015 crop in situations where the applicable marketing assistance loan rate exceeds the exchange rate. Currently, the only eligible commodity in Nebraska is wheat.

USDA's Farm Service Agency (FSA) routinely provides agricultural producers with marketing assistance loans that provide interim cash flow without having to sell the commodities when market prices are at harvest time lows. The loans allow the producer to store and delay the sale of the commodity until more favorable market conditions emerge, while also providing for a more orderly marketing of commodities throughout the marketing year.

These loans are considered "nonrecourse" because the loan can be redeemed by delivering the commodity pledged as collateral to the government as full payment for the loan upon maturity. Commodity certificates are available to loan holders having outstanding nonrecourse loans for wheat, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan.

Producers may contact their FSA office that maintains their loan or their loan service agent for additional information. Producers who do business with Cooperative Marketing Associations (CMA) or Designated Marketing Associations (DMA) may contact their respective associations for additional information. To learn more about commodity certificates, visit www.fsa.usda.gov/pricesupport.

Filing a Notice of Loss

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent or 15 calendar days after the normal harvest date.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program (NAP). The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Center go to http://offices.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx, to predict insurance premium costs.

Producers Can Access Resources Through FSA Online Hay and Grazing Acres Locator Tool

FSA's Hay Net website, www.fsa.usda.gov/haynet, is the "go to" online resource for agricultural producers to list information concerning the need for hay and grazing acres or the availability of hay and grazing acres.

If, due to extenuating circumstances, producers are in need of hay and/or grazing acres to support livestock, please use Hay Net to post an advertisement seeking these resources. Likewise, landowners who have hay and/or grazing acres available for livestock producers should post a Hay Net advertisement as well.

A few things to remember when using the Hay Net website:

- There is a one-time registration process that should be completed by all users who want to post an ad online.
- Users who just want to browse ads DO NOT NEED to have an eAuthentication user id.
- Hay and grazing acre ads will be automatically removed after a period of 13 months.

- Please help your fellow farmer and rancher by keeping ads current and up to date and remove ads you no longer need or want advertised on Hay Net.
- Please, no corporate advertisements on this site.

Hay Net is brought to you by FSA as a public service. The sole purpose of this online resource is to provide a site for the exchange of information. FSA does not endorse, guarantee, or otherwise make representations of any kind regarding any user of this site and FSA is not responsible for defining the terms of grazing agreements or lease contracts.

For more information about Hay Net and other FSA services and programs, please contact your local FSA office. For local FSA Service Center contact information, please visit: offices.usda.gov.

Several Options Exist for Conservation Reserve Program Enrollment

FSA's Conservation Reserve Program (CRP) features several ongoing enrollment options for landowners who are interested in program participation. Under CRP Continuous Sign-up, environmentally sensitive land devoted to certain practices may be enrolled in CRP at any time.

A couple of options for producers to consider include the Pivot Corner Initiative, the CP-42 Pollinator Practice and new opportunities under the Platte-Republican Resources Area Conservation Reserve Enhancement Program (CREP).

<u>Pivot-Corner Initiative</u> - Declines in upland bird populations, such as the northern bobwhite, pheasant, and prairie chicken, led to the creation of CRP features designed specifically to help restore habitats for these species in irrigated agricultural areas. Previously, pivot corners were only eligible for habitat creation when connected by a linear strip of grassland also enrolled in the program. The policy has been revised and now allows producers interested in habitat creation to use disconnected pivot corners to help increase the population of upland birds.

Interested landowners can enroll pivot corners in the Conservation Reserve Program at any time under the CP-33 Habitat Buffer for Upland Birds Practice. Participants and land must meet certain eligibility requirements. Other restrictions may apply.

<u>CP-42 Pollinator Practice</u> – CP42 allows landowners and farm operators to establish plots of wildflowers and legumes vital for the longevity of pollinator species. Offers submitted for this practice are not subject to competitive bidding, and landowners can receive signing incentive payments and cost share assistance, in addition to annual rental payments.

<u>Platte-Republican Resources Area CREP</u> - CREP is a part of the Conservation Reserve Program. Under a CREP, states can develop projects with specific end goals, and its costs are shared between the federal government and state resources. Under the Nebraska Platte-Republican Resources Area CREP, landowners are provided irrigated land rental payments to convert their irrigated crop land into CRP habitat. Land must be located within designated areas of the Republican, North Platte, South Platte, and Platte river basins.

Recently, the state of Nebraska signed a Memorandum of Agreement with USDA that allows landowners with existing Platte-Republican Resources Area CREP contracts that are due to expire an opportunity to re-enroll those acres into the program. In addition, there also exists an ongoing opportunity to enroll new acres into the program.

The Platte-Republican Resources Area CREP was designed with a major goal of reducing irrigation water consumptive use in the designated river basins. Specific program parameters apply, including the need for a water use contract with the Nebraska Department of Natural Resources.

For more information on any of these CRP opportunities, producers should contact their local county FSA office.

Farm Loan Information Chart

A Farm Loan Information Chart Fact Sheet containing information on maximum loan amounts, loan terms, and use of proceeds is available. The fact sheet can be accessed by clicking here. Additional details on available Farm Loan Programs can be obtained at local FSA offices and on FSA's website: http://www.fsa.usda.gov.

August FSA Interest Rates

Farm Operating: 2.25% Microloan Operating: 2.25% Farm Ownership: 3.375%

Farm Ownership - Joint Financing: 2.50% Farm Ownership - Down Payment: 1.50%

Emergency - Actual Loss: 3.25%

Farm Storage Facility Loan 3 year term: 0.75% Farm Storage Facility Loan 5 year term: 1.125% Farm Storage Facility Loan 7 year term: 1.375% Farm Storage Facility Loan 10 year term: 1.50% Farm Storage Facility Loan 12 year term: 1.625%

Commodity Loan: 1.500%

Dates to Remember

Aug. 31, 2016 - Deadline for ARC/PLC late-filed enrollment

Sept. 1, 2016 - NAP application/sales deadline for Christmas trees, nursery crop coverage for 2017

Sept. 30, 2016 – Deadline to file ARC/PLC succession-in-interest contracts

Sept. 30, 2016 - Deadline to report aquaculture, Christmas trees and nursery crops

Sept. 30, 2016 – Sales closing date for fall-seeded annual crops (2017 NAP)

Sept. 30, 2016 – Deadline to register and elect buy-up coverage for 2017 Dairy Margin Protection Program

Oct. 31, 2016 – Deadline to submit 2016 ELAP application for payment and supporting documentation

Nov. 7, 2016 - Ballots mailed for County Committee Election

Nov. 15, 2016 - Deadline to report 2017 perennial forage or fall-seeded crops

Dec. 1, 2016 – NAP (2017) sales closing date for honey, apples, cherries, plums, strawberries, asparagus and grapes

Dec. 5, 2016 - Deadline to return ballots for County Committee Election to USDA Service Center

Jan. 2, 2017 – 2017 initial reports for honeybee colonies and locations

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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).