#### October 2016



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# **Nebraska FSA Newsletter**

# Nebraska Farm Service Agency

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**State Executive Director:** 

Dan Steinkruger

State Committee: Susan Frazier, Chair Fred Christensen Leo Hoehn

### A Message from the State Executive Director

Even though farmers are busy in the fields with harvest, October still holds a great deal of work for the Nebraska Farm Service Agency (FSA) county offices. It's when "the rubber meets the road" so to speak, as we work to certify farm safety-net program payments to some 85,000 enrolled farms. This "certification" function is the final step necessary to move payments into producers' hands.

In total, we are sending roughly \$645 million into the state's agriculture economy through the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. Linda Kleinschmidt Roy Stoltenberg

Division Chiefs: Cathy Anderson Doug Klein Greg Reisdorff Mike Sander

Mark Wilke

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

Crop producers should be watching their bank accounts, or their mail if they still receive payment by traditional check, for the funds. FSA state and county office staff have been reviewing the price and yield information that goes into the safety-net program formulas, so farmers should not be shy about calling with questions regarding final payments. Keep in mind that payments from county to county can vary because average county yields will differ.

As we move 2015 payments out the door, we already are thinking about how we can help producers for next season. For example, enrollment in the ARC-County and PLC safety-net programs for 2017 begins Nov. 1. This enrollment period stretches until Aug. 1, 2017, but there is no reason why farmers can't get a head-start on sign-up. We also are taking acreage certifications for the 2017 growing season. The deadline is Nov. 15 for reporting acres of pasture, other perennial forages and fall-seeded crops such as winter wheat. Reporting by this deadline is important so producers can avoid late-file fees. You can check out the article below for more information.

That's all for this month. From Nebraska FSA, have a safe and bountiful harvest.

-- Dan Steinkruger

### **Upcoming Acreage Reporting Date**

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.

The following acreage reporting date is upcoming in Nebraska:

Nov. 15, 2016 grass (pastures, perennial forage), winter wheat, small grains, alfalfa (2017 acreage reporting deadline)

The following exceptions apply to the above acreage reporting date:

- If the crop has not been planted by the above 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 above acreage reporting date, then the acreage must be reported no later than 30 calendars 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 dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

For questions regarding crop certification, please contact your local county FSA office.

# **USDA Issues Safety-Net Payments to Farmers in Response to 2015 Market Downturn**

The U.S. Department of Agriculture (USDA) announced earlier this month that many of the 1.7 million farms enrolled in either the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs will receive safety-net payments due to market downturns during the 2015 crop year.

Nationally, USDA will be making more than \$7 billion in payments under the ARC-County and PLC programs to assist participating producers, which will account for over 10 percent of USDA's projected 2016 net farm income. In Nebraska, about \$645 million will be delivered to those enrolled in these programs.

Unlike the old direct payment program, which issued payments during both weak and strong market conditions, the 2014 Farm Bill authorized the ARC-PLC safety net to trigger and provide financial assistance only when decreases in revenues or crop prices occur. The ARC and PLC programs primarily allow producers to continue to produce for the market by making payments on a percentage of historical base production, limiting the impact on production decisions.

Farms participating in ARC-County receive payments when a crop's actual revenue for a crop year falls below a guaranteed level, based upon a county's historical expected revenue. ARC-County payment rates differ from county to county since actual and historical yields differ by county.

Nationwide, producers enrolled 96 percent of soybean base acres, 91 percent of corn base acres and 66 percent of wheat base acres in the ARC-County coverage option. In Nebraska, farmers enrolled roughly 95 percent of corn acres and 97 percent of soybean acres in the ARC-County program. About two-thirds of wheat and grain sorghum acres in Nebraska were enrolled in the ARC-County program.

Nationally, 76 percent of participating farm base acres are enrolled in ARC-County, 23 percent in PLC and one percent in ARC-Individual. For other program information, including frequently asked questions, visit <a href="https://www.fsa.usda.gov/arc-plc">www.fsa.usda.gov/arc-plc</a>.

Payments are made to producers who enrolled base acres of barley, corn, grain sorghum, lentils, oats, peanuts, dry peas, soybeans, wheat and canola. In the upcoming months, payments will be announced after marketing year average prices are published by USDA's National Agricultural Statistics Service for the remaining covered commodities. These include long and medium grain rice (except for temperate Japonica rice), which will be announced in November, remaining oilseeds and chickpeas, which will be announced in December, and temperate Japonica rice, which will be announced in early February 2017.

The Budget Control Act of 2011, passed by Congress, requires USDA to reduce 2015 ARC and PLC payments by 6.8 percent. For more information, producers are encouraged to visit their local Farm Service Agency (FSA) office.

#### USDA Reminds Producers of Nov. 1 ELAP Deadline

Eligible livestock, honeybee, and farm-raised fish producers who experienced losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs, have until Nov. 1, 2016, to submit an application and notice of loss under the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP).

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event and additional cost of transporting water because of an eligible drought.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee or farm-raised fish losses from Oct. 1, 2015, to Sept. 30, 2016, must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 1, 2016:
- An application for payment by Nov. 1, 2016.

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at <a href="https://www.fsa.usda.gov/factsheets">www.fsa.usda.gov/factsheets</a>.

## Nebraska Platte-Republican Resources Area CREP Open for Enrollment

USDA's Farm Service Agency (FSA) and the State of Nebraska currently are taking applications for enrollment in the Platte-Republican Resources Area Conservation Reserve Enhancement Program (CREP).

CREP is a voluntary program that is part of the federal Conservation Reserve Program (CRP) operated by FSA. CREP allows states to develop projects with specific end goals, and its costs are shared between the federal government and state resources.

FSA and the State of Nebraska launched the Platte-Republican Resources Area CREP in 2005. It is designed to reduce irrigation water use, improve water quality and enhance wildlife habitat through the establishment of vegetative cover using approved CRP practices. It is available to landowners/farmers with property in specified areas of the Republican River Basin and the North Platte, South Platte and Platte River basins.

Under the Nebraska Platte-Republican River CREP, landowners are provided irrigated land rental payments to convert their irrigated crop land into CRP habitat. Up to 100,000 acres can be enrolled in the project, with the contracts running from 10-15 years. At present, there are approximately 45,000 acres enrolled.

Landowners/farmers with questions about this program should contact their local FSA office for more information.

# **USDA Extends Dairy Enrollment Deadline for Margin Protection Program**

USDA has extended the deadline for dairy producers to enroll in the Margin Protection Program (MPP) for Dairy to Dec. 16, 2016, from the previous deadline of Sept. 30. This voluntary dairy safety net program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer. A USDA web tool, available at <a href="https://www.fsa.usda.gov/mpptool">www.fsa.usda.gov/mpptool</a>, allows dairy producers to calculate levels of coverage available from MPP based on price projections.

### Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Producers who are experiencing delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) or Market Gains on Marketing Assistance Loans (MALs) may want to check with their local FSA office to confirm they have filed form CCC-941, Adjusted Gross Income Certification.

Producers without a valid CCC-941 certifying their compliance with the average adjusted gross income provisions will not receive payments that have been processed. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form. FSA has been issuing 2015 LDPs and Market Gains and began issuing 2015 ARC/PLC payments this month.

#### **Loan Servicing Options Available**

There are options for Farm Service Agency loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about the options available to you.

#### **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.

#### October FSA Interest Rates

Farm Operating: 2.125% Microloan Operating: 2.125% Farm Ownership: 3.125%

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

Emergency - Actual Loss: 3.125%

Farm Storage Facility Loan 3 year term: 0.875% Farm Storage Facility Loan 5 year term: 1.125% Farm Storage Facility Loan 7 year term: 1.50% Farm Storage Facility Loan 10 year term: 1.625% Farm Storage Facility Loan 12 year term: 1.75%

Commodity Loan: 1.625%

#### **Dates to Remember**

**Nov. 1, 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 acres of 2017 perennial forage and 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 **Dec. 16, 2016** – Deadline to register and elect buy-up coverage for 2017 Dairy Margin Protection Program

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

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).