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Farm Service Agency Electronic News Service NEWSLETTER

GovDelivery

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Nebraska FSA Newsletter

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A Message from the State Executive Director

I am writing to you today in my new capacity as the State Executive Director of the Nebraska Farm Service Agency (FSA). It is my honor and privilege to have the opportunity to work with and for you, our state's farmers, ranchers and agricultural land owners.

While I am new to agriculture, I am not new to Nebraska nor the United States Department of Agriculture (USDA). I am a proud Scottsbluff native who spent part of my professional career working for the State of Nebraska and later on food and nutrition programs as an Undersecretary at USDA. In that role, I gained a strong knowledge base about, and appreciation for, the programs and

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services that USDA delivers on behalf of consumers. I am excited for the opportunity to now lead the Nebraska FSA as it works to provide programs for you, the folks who deliver the food, fuel and fiber that those consumers need every day.

In this edition of GovDelivery, you'll note that even as your 2017 production season winds down, Nebraska FSA is looking ahead to next season. Enrollment already is open for the main farm bill safety net programs, known as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), for coverage in 2018. See the article below for more information.

If you are considering taking out a Marketing Assistance Loan (MAL) on any crops for the 2017 calendar year, you'll want to get to your county office to start that process sooner rather than later. For more information on what you need to know, please take a look at the article below.

That's all I've got for this month. Best wishes as you wrap things up for 2017 and begin the preparations for 2018.

--Nancy Johner

Marketing Assistance Available for 2017 Crops

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

Producers should become familiar with the process to access this assistance.

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

If you are considering a MAL for the 2017 calendar year, please contact your local FSA office by Dec. 15 to provide a sufficient amount of time for staff to process the loan and disburse the funds by Dec. 29 (the final day of business for FSA in 2017).

To be eligible for an 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. For more information, producers should contact their local FSA county office or view the LDP Fact Sheet.

Enrollment Period Open for Safety Net Coverage in 2018

FSA has announced that farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program may begin enrolling for the 2018 crop year. The enrollment period will end on Aug. 1, 2018.

Since shares and ownership of a farm can change year-to-year, producers must enroll by signing a contract each program year.

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. Producers who made their elections in previous years must still enroll during the 2018 enrollment period.

The ARC and PLC 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. For more details regarding these programs, go to www.fsa.usda.gov/arc-plc.

FSA Encourages Farmers, Ranchers to Vote in County Committee Elections

The 2017 Farm Service Agency County Committee Elections began on Nov. 6, when ballots were mailed to eligible voters. The deadline to return the ballots to local FSA offices is Dec. 4, 2017.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must participate or cooperate in an FSA program. A person who is not of legal voting age, but supervises and conducts the farming operations of an entire farm may also be eligible to vote.

Dec. 4, 2017, is the last day for voters to submit ballots in person to local USDA Service Centers. Ballots returned by mail must also be postmarked no later than Dec. 4. Newly elected committee members will take office Jan. 1, 2018.

More information on county committees, such as the new 2017 fact sheet, can be found on the FSA website at www.fsa.usda.gov/elections or at a local USDA Service Center.

USDA Encourages Producers to Consider Risk Protection Coverage Before Crop Sales Deadline

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 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.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx.

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 Centers 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.

FSA Loan Servicing, Other Organization Resources Available During Financial Stress

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.

Farmers and ranchers also can access assistance through other entities in Nebraska that offer services during financially challenging times. The Rural Response Hotline provides referral and support services for farmers, ranchers and rural residents and their families. The number to call is (800) 464-0258.

The Nebraska Department of Agriculture manages the Negotiations Program, which offers mediation services for agricultural borrowers, creditors and USDA program participants. Through this program, participants also can access free one-on-one education on agricultural financial and legal matters. For information, call (800) 446-4071.

USDA Microloans Help Farmers Purchase Farmland, Improve Property

Producers, Including Beginning and Underserved Farmers, Have Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Microloans now also are available to help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to $50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office.

Authorization Required for Incidental Grazing of CRP Acres

In certain situations, landowners and operators may need to graze a field containing Conservation Reserve Program (CRP) continuous practices such as grass waterways (CP8A), contour grass strips (CP15A); filter strips (CP21); quail and upland bird habitat buffers (CP33), denitrifying bioreactor on filter strips (CP21B), or saturated filter strips (CP21S). FSA must first authorize the incidental grazing on CRP in a field intended to be gleaned.

Grazing is incidental to the gleaning of the crop residue in a field, or before the harvest of a small grain and occurs after the harvest of crops from within the surrounding field, or during the dormant period of a small grain intended for harvest. The grazing cannot occur during the primary nesting season, which for Nebraska is May 15 through July 15. In addition, grazing can only occur if the approved cover for that practice has been established and the grazing will not adversely impact the purpose or performance of the practice.

All livestock shall be removed from CRP acreage no later than two months after incidental grazing begins. CRP participants utilizing incidental grazing will have a payment reduction for the acreage being grazed. Participants are also responsible, at their own expense, to re-establish a cover destroyed or damaged as a result of the incidental grazing.

If the acreage to be grazed is separated from the surrounding cropland by a fence, the CRP acreage shall not be grazed.

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and 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. 15. For example, if a CRP contract is scheduled to expire on Sept. 30, 2018, the land may be offered for enrollment in TIP beginning Oct. 1, 2017, through Aug. 15, 2018. The Aug. 15 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 https://www.fsa.usda.gov/conservation.

Dairy Producers Can Enroll for 2018 Coverage

Dairy farmers currently have the opportunity to enroll for 2018 coverage in the Margin Protection Program (MPP-Dairy). Enrollment ends on Dec. 15, 2017, for coverage in calendar year 2018.

USDA Secretary Sonny Perdue has utilized additional flexibility this year by providing dairy producers the option of opting out of the program for 2018. To opt out, a producer should not sign up during the annual registration period. By opting out, a producer would not receive any MPP-Dairy benefits if payments are triggered for 2018. Full details will be included in a subsequent Federal Register Notice. The decision would be for 2018 only and is not retroactive.

The voluntary 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.

MPP-Dairy gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Participating farmers will remain in the program through Dec. 31, 2018, and pay a minimum $100 administrative fee for 2018 coverage. Producers have the option of selecting a different coverage level from the previous coverage year during open enrollment.

Dairy operations enrolling in the program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program. Producers can mail the appropriate form to the producer's administrative county FSA office, along with applicable fees, without necessitating a trip to the local FSA office. If electing higher coverage for 2018, dairy producers can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by Sept. 1, 2018. Premium fees may be paid directly to FSA or producers can work with their milk handlers to remit premiums on their behalf.

USDA has a web tool to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, Smartphone, tablet or any other platform, 24 hours a day, seven days a week.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office to learn more about the MPP-Dairy.

November FSA Interest Rates

Farm Operating: 2.750%
Microloan Operating: 2.750%
Farm Ownership: 3.625%
Farm Ownership - Joint Financing: 2.50%
Farm Ownership - Down Payment: 1.50%
Emergency - Actual Loss: 3.75%
Farm Storage Facility Loan 3 year term: 1.625%
Farm Storage Facility Loan 5 year term: 1.875%
Farm Storage Facility Loan 7 year term: 2.125%
Farm Storage Facility Loan 10 year term: 2.375%
Farm Storage Facility Loan 12 year term: 2.375%
Commodity Loan: 2.375%

Dates to Remember

Dec. 1, 2017 – NAP (2018) sales closing date for honey, apples, cherries, plums, strawberries, asparagus, grapes, caneberries, pears, and peaches
Dec. 4, 2017 – Deadline to return ballots for County Committee election to USDA Service Centers
Dec. 15, 2017 – Deadline to register and elect buy-up coverage for 2018 Dairy Margin Protection Program
Jan. 2, 2018 – 2018 initial reports due for honeybee colonies and locations
Jan. 16, 2018 – 2017 NAP premium billing mailed
Jan. 31, 2018 – 2017 Marketing Assistance Loan availability deadline for unshorn pelts and wool

Please note the 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.