#### December 2017





# Farm Service Agency Electronic News Service

# NEWSLETTER

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## Nebraska FSA Newsletter

### Nebraska Farm Service Agency

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# A Message from the State Executive Director

With 2018 just around the corner, we recognize there may be a sense of urgency as you work to finalize business transactions that are important to complete your farm operation's financial picture for 2017. Please know that we will do our best at the Nebraska Farm Service Agency (FSA) to assist you with any year-end FSA-related farm and ranch business needs.

### **State Executive Director:**

Nancy Johner

#### **State Committee:**

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

#### **Program Chiefs:**

Cathy Anderson
Bob Herchenbach, Acting
Doug Klein
Greg Reisdorff
Mark Wilke

To find contact information for your local office or learn about program information, go to <a href="https://www.fsa.usda.gov/ne">www.fsa.usda.gov/ne</a>

On that point, if you are planning on making a payment on a Marketing Assistance Loan or any other FSA farm loan, and you want that payment recorded for tax purposes as an expense for the current year, please remember that FSA's last 2017 business day is Dec. 29.

As you work toward finalizing arrangements for the acres you will farm or ranch next year, we ask that you remember any changes from the previous year are an important part of your FSA farm records and your eligibility for some programs. Stop in and see your county FSA office as soon as possible to report these changes.

Based upon our recent attendance at a local farm show, there seems to be a great deal of interest in the Conservation Reserve Program (CRP) and whether there will be opportunity for enrollment in this program in 2018. With nationwide enrollment near the statutory cap of 24 million acres, we do not know when there may be a general enrollment opportunity. However, as noted in the article below, enrollment currently is open at present in select counties for the Kansas-Nebraska CRP Migratory Bird, Butterfly and Pollinator State Acres for Wildlife Enhancement (SAFE) project. Enrollment also is ongoing through CRP Grasslands and the Platte-Republican Resources Area Conservation Reserve Enhancement Program (CREP). Stop in to your county FSA office to learn whether these opportunities are available in your local area.

That's it for this month. From all of us at Nebraska FSA, Merry Christmas and Happy New Year. We look forward to working with you in 2018.

--Nancy Johner

### **Biannual Newsletter Delivered to Your Mailbox**

Twice a year the Nebraska Farm Service Agency publishes a newsletter highlighting deadlines and programs that farmers, ranchers and landowners will want to pay special attention to over the coming six months. The publication is called Nebraska FSA News, and it should be delivered right to your U.S. Post Office mailbox within the next week. If you do not receive your copy, and would like one, please contact your local FSA office. You also can find this publication online at: <a href="https://www.fsa.usda.gov/ne">www.fsa.usda.gov/ne</a>.

### **Census of Agriculture Questionnaire Now in Circulation**

This month farmers and ranchers across the nation will receive the 2017 Census of Agriculture. Producers can mail in their completed census form or respond online via the improved web questionnaire. The online questionnaire has been revised extensively to make it more convenient for producers.

Conducted once every five years, the census of agriculture is a complete count of all U.S. farms, ranches, and those who operate them; it is the only source of uniform, comprehensive and impartial agriculture data for every state and county in the nation.

Farmers and ranchers, trade associations, government, extension educators, researchers and many others rely on census of agriculture data when making decisions that shape American agriculture – from creating and funding farm programs to boosting services for communities and the industry.

For more information about the 2017 Census of Agriculture, visit <a href="www.agcensus.usda.gov">www.agcensus.usda.gov</a> or call (800) 727-9540.

# **USDA to Measure Final 2017 Row Crop Production, Grain Stocks with Two End-of-Year Surveys**

The U.S. Department of Agriculture's National Agricultural Statistics Service (NASS) is encouraging producers to respond to two upcoming surveys – the December Agricultural Survey and the County Agricultural Production Survey – that are critical to row crop producers around the country. The results of the surveys help determine the structure of the 2017 farm payment and risk management programs administered by USDA's Farm Service Agency and Risk Management Agency.

The County Agricultural Production Survey was sent to 170,000 row crop producers beginning Nov. 3. Responses are due by Jan.15, 2018, and NASS will publish county-level results for corn, soybeans, sunflowers, and sorghum on Feb. 22, 2018, in the Quick Stats database. These county-level data are critical for USDA farm payment determinations.

The December Agricultural Survey was sent to 84,000 producers beginning Nov. 29. Responses are due by Dec. 21, 2017, and NASS publishes results in the Crop Production 2017 Summary report on Jan. 12, 2018. Information collected in this survey also feeds into the county estimates for row crops. The survey also asks about grain stocks stored on-farm.

When producers receive the surveys, they have the option to respond using the secure online questionnaire or return it by mail. NASS safeguards the privacy of all respondents and publishes only aggregate data, ensuring that no individual operation or producer can be identified.

These and all NASS data are available online at <a href="www.nass.usda.gov/Publications">www.nass.usda.gov/Publications</a> and the searchable <a href="Quick Stats database">Quick Stats database</a>. Watch a video on how NASS data are used at <a href="www.youtube.com/watch?v=rBW-q1FqLNs">www.youtube.com/watch?v=rBW-q1FqLNs</a>.

# **Stop in to County Offices to Report Change in Farming Operation**

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to the county office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact

the office if there is a change in operations on a farm so that records can be kept current and accurate.

## **Annual Review of Payment Eligibility for New Crop Year**

All participants of FSA programs who request program benefits are required to submit a completed CCC-902 (Farm Operating Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information to be considered for payment eligibility and payment limitation applicable for the program benefits.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county office are correct at all times. Participants are required to timely notify the county office of any changes in the farming operation that may affect the determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
  - -A land lease from cash rent to share rent
  - -A land lease from share rent to cash rent (subject to the cash rent tenant rule)
  - -A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Financial status that may affect the 3-year average for the determination of average AGI or other changes that affects eligibility under the average adjusted gross income limitations.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

## **Report Livestock Losses**

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock

owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to floods, blizzards, wildfires, extreme heat or extreme cold.

For 2017, eligible losses must occur on or after Jan. 1, 2017, and no later than 60 calendar days from the ending date of the applicable adverse weather event or attack. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 90 calendar days after the end of the calendar year in which the eligible loss condition occurred: proof of death documentation, copy of growers contracts, and proof of normal mortality documentation.

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 5%. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses in 2017 must file both of the following: a notice of loss the earlier of 30 calendar days of when the loss was apparent, and an application for payment by March 31, 2018.

Additional information about LIP is available at your local FSA office or online at www.fsa.usda.gov.

### **Marketing Assistance Available for 2017 Crops**

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

MALs and LDPs provide financing and marketing assistance for crops 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 an MAL, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

If you are planning to make a payment on a MAL for 2017 tax purposes, please remember the last business day for FSA in 2017 is Friday, Dec. 29.

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 <a href="Form CCC-633EZ">Form CCC-633EZ</a> (page 1) in the FSA County Office. For more information, producers should contact their local FSA county office or view the LDP Fact Sheet.

# **USDA Offers Incentive to Transition Expiring CRP Land to Beginners, Veterans, Underserved Farmers**

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.

# Several Counties Now Accepting CRP Offers for Migratory Bird, Butterfly and Pollinator Initiative

Several county Farm Service Agency (FSA) offices in Nebraska currently are accepting Conservation Reserve Program (CRP) contract offers under the Kansas-Nebraska CRP Migratory Bird, Butterfly, and Pollinator State Acres For Wildlife Enhancement (SAFE) project. Sign-up began earlier this year and will be on-going until the acres are filled. In Nebraska there are 10,000 acres available for enrollment.

The Migratory Bird SAFE project is designed to improve habitat by restoring playas for migrating and wintering waterfowl, shorebirds and water birds. Playas are round, shallow depressions that often fill with water after spring rainstorms or fill from underlying aquifers.

The minimum enrollment per offer is two acres, and the maximum enrollment per offer is 160 acres. The process for enrollment will be by competitive bid, and the offers will be reviewed periodically, ranked, and contracts offered.

Contracts will only be made available for acres that are located within designated playa areas. To learn more about the project and find out if your land is located within a designated playa area, call or visit your County FSA Office. To find an office near you, go to <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

### **Beginning Farmer Loans**

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who: has operated a farm for not more than 10 years; will materially and substantially participate in the operation of the farm; agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA; and does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You also may visit www.fsa.usda.gov.

**USDA Packages Disaster Protection with Loans to Benefit Specialty Crop, Diversified Producers** 

Free basic coverage and discounted premiums available for new and underserved loan applicants

Producers who apply for FSA farm loans will be offered the opportunity to enroll in disaster loss protections created by the 2014 Farm Bill. The coverage, available from the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, so this is especially important to fruit and vegetable producers and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include "specialty" crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect value-added production, such as organic or direct market crops, at their fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

Growers need not apply for an FSA loan, nor be a beginning, limited resource or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit <a href="https://organ.usda.gov/nap">www.fsa.usda.gov/nap</a> or <a href="https://organ.usda.gov/nap">www.fsa.usda.gov/nap</a> or <a href="https://organ.usda.gov/nap">www.fsa.usda.gov/farmloans</a>, or contact your local FSA office at <a href="https://organ.usda.gov">https://organ.usda.gov</a>.

### **December FSA Interest Rates**

Farm Operating: 2.875% Microloan Operating: 2.875% Farm Ownership: 3.750%

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

Emergency - Actual Loss: 3.75%

Farm Storage Facility Loan 3 year term: 1.750% Farm Storage Facility Loan 5 year term: 2% Farm Storage Facility Loan 7 year term: 2.250% Farm Storage Facility Loan 10 year term: 2.375% Farm Storage Facility Loan 12 year term: 2.375%

Commodity Loan: 2.5%

### **Dates to Remember**

Dec. 25, 2017 - FSA Offices closed for federal holiday

Jan. 1, 2018 - FSA Offices closed for federal holiday

Jan. 2, 2018 – 2018 initial reports due for honeybee colonies and locations

Jan. 15, 2018 - FSA Offices closed for federal holiday

Jan. 16, 2018 - 2017 NAP premium billing mailed

**Jan. 31, 2018** – 2017 Marketing Assistance Loan availability deadline for unshorn pelts and wool **March 15, 2018** – 2018 NAP sales closing date for alfalfa, mixed forage, spring-seeded annual crops, grass, sorghum forage. For additional crops with a March 15, 2018, sales closing date, contact your local FSA office.

\*\*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.

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).