

April 2018



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Nebraska FSA Newsletter

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A Message from the State Executive Director

As I write this column, Nebraska is working its way through what I hope will be the final intrusion of winter weather into our Spring. I am confident in saying the cold and snow have worn out their welcome here. I hope all of you, our farmer and rancher customers, have been able to manage through the conditions without too many negative impacts. If you did experience livestock losses or other impacts due to blizzards or other extreme winter weather, check out the article below to understand what FSA programs could be beneficial to you and your operation.

Geoff Ruth
Hilary Maricle
Mark Jagels

I have been traveling the state to visit our offices the past several weeks, so I have been seeing many of you in the field (in between weather events), preparing the ground for planting.

Program Chiefs:

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

As you gear up for this effort, please keep Nebraska FSA in mind. Acreage reporting is required in order to receive farm bill safety net program benefits, and with that reporting, we need to know details such as what you planted, where you planted it and when you planted it. Keeping track of this information while you are in the field is critical to helping us help you through the certification process once you are done planting for the season.

To find contact information for your local office or more information about the programs discussed here, go to www.fsa.usda.gov/ne.

So, whether it's a small notebook, your cell phone, digital records created by your tractor's technology, or maps provided ahead of time by your county FSA office, please use something to record your actions. We will be able to assist you better with that information in hand at your certification appointment. After all, we know how busy you are. We want to get you in and out the door as efficiently as possible so you can get back to doing what you do best – farming.

That's it for this month. Best wishes and stay safe out there.

--Nancy Johner

USDA Offers Blizzard Recovery Assistance

USDA's Farm Service Agency (FSA) offers disaster assistance and low-interest loan programs to assist agricultural producers in their recovery efforts following blizzards or other qualifying natural disasters.

Available programs and loans include:

- **Non-Insured Crop Disaster Assistance Program (NAP)** - provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including freeze, excessive wind and moisture. Eligible producers must have purchased NAP coverage for 2018 crops. A notice of loss must be filed within 15 calendar days of when the loss is apparent or 15 calendar days after the normal harvest date.
- **Livestock Indemnity Program (LIP)** - offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather. Eligible losses may include those determined by FSA to have been caused by wildfires, hurricanes, floods, blizzards, tropical storms, tornados, lightning, extreme heat, and extreme cold. Producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent.
- **Tree Assistance Program (TAP)** – provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub and vine losses due to natural disasters including excessive wind and qualifying drought.
- **Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP)** - provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster

programs. ELAP covers physically damaged or destroyed livestock feed that was purchased or mechanically harvested forage or feedstuffs intended for use as feed for the producer's eligible livestock. In order to be considered eligible, harvested forage must be baled; forage that is only cut, raked or windrowed is not eligible. ELAP also covers up to 150 lost grazing days in instances when a producer has been forced to remove livestock from a grazing pasture and for beekeepers, ELAP covers colony losses. Producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent.

- **Emergency Loan Program** – available to producers with agriculture operations located in a county under a primary or contiguous Presidential or Secretarial disaster designation. These low interest loans help producers recover from production and physical losses.
- **Emergency Conservation Program (ECP)** - provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters; includes fence loss.
- **HayNet** - is an internet-based hay and grazing ad service allowing farmers and ranchers to share 'Need Hay' ads and 'Have Hay' ads online. Farmers also can use another feature to post advertisements for grazing land, specifically ads announcing the availability of grazing land or ads requesting a need for land to graze. Go to www.fsa.usda.gov/haynet.

For more information on these programs, visit www.fsa.usda.gov/disaster or contact your local FSA office.

USDA Reopens Enrollment for Improved Dairy Safety Net Tool

USDA's Farm Service Agency encourages dairy producers to consider enrolling in the new and improved [Margin Protection Program for Dairy](#) (MPP-Dairy), which will provide better protections for dairy producers from shifting milk and feed prices. With changes authorized under the Bipartisan Budget Act of 2018, the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) has set the enrollment period to run through June 1, 2018.

About the Program:

The program protects dairy producers by paying them when the difference between the national all-milk price and the national average feed cost (the margin) falls below a certain dollar amount elected by the producer.

Changes include:

- Calculations of the margin period is monthly rather than bi-monthly;
- Covered production is increased to 5 million pounds on the Tier 1 premium schedule, and premium rates for Tier 1 are substantially lowered;
- An exemption from paying an administrative fee for limited resource, beginning, veteran, and disadvantaged producers. Dairy operators enrolled in the previous 2018 enrollment period that qualify for this exemption under the new provisions may request a refund.

Dairy operations must make a new coverage election for 2018, even if you enrolled during the previous 2018 signup period. Coverage elections made for 2018 will be retroactive to January 1, 2018. All dairy operations desiring coverage must sign up during the enrollment period and submit an appropriate form (CCC-782), and dairy operations may still "opt out" by not submitting a form. All outstanding balances for 2017 and prior years must be paid in full before 2018 coverage is approved.

Dairy producers can participate in FSA's MPP-Dairy or the Risk Management Agency's Livestock Gross Margin Insurance Plan for Dairy Cattle (LGM-Dairy), but not both. During the 2018 enrollment period, only producers with an active LGM-Dairy policy who have targeted marketings insured in 2018 months will be allowed to enroll in MPP-Dairy by June 1, 2018; however, their coverage will start only after active target marketings conclude under LGM-Dairy.

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, 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.

USDA is mailing postcards advising dairy producers of the changes. For more information, visit www.fsa.usda.gov/dairy or contact your [local USDA service center](#).

USDA to Immediately Assist Producers for Qualifying Livestock, Honeybee and Farm-raised Fish Program Losses

\$34 Million in Payments for 2017 Losses Part of Broad Suite of Programs Aiding Ag Operations

USDA will issue \$34 million to help agricultural producers recover from 2017 natural disasters through the [Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program](#) (ELAP), which covers losses not covered by certain other USDA disaster assistance programs. These payments are being made available immediately, and they are part of a broader USDA effort to help producers recover from hurricanes Harvey, Irma and Maria, wildfires and drought. A large portion of this assistance will be made available in [federally designated disaster areas](#).

ELAP aims to help eligible producers of livestock, honeybees and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions, including blizzards and wildfires, as determined by the Secretary. ELAP assistance is provided for losses not covered by other disaster assistance programs such as the [Livestock Forage Disaster Program \(LFP\)](#) and the [Livestock Indemnity Program \(LIP\)](#).

The increased amount of assistance through ELAP was made possible by the Bipartisan Budget Act of 2018, signed earlier this year. The Act amended the 2014 Farm Bill to enable USDA's [Farm Service Agency](#) (FSA) to provide assistance to producers without an annual funding cap and immediately for 2017. It also enables FSA to pay ELAP applications as they are filed for 2018 and subsequent program years.

Other USDA Disaster Assistance Programs

The Act removed program year payment limitations and increased the acreage cap for the [Tree Assistance Program](#) (TAP), a nationwide program that provides owners of orchards, vineyards and nurseries with cost share assistance to replant eligible trees, bushes, and vines following a natural disaster. For example, the program will help owners of citrus groves in Florida, avocado trees in California, coffee plantations in Puerto Rico and vineyards reduce the cost of replanting, and speed recovery from the loss of fruit and nut trees, bushes, and vines.

Prior to the Act, there was a combined program year payment limitation of \$125,000 for ELAP, LIP and LFP per person or legal entity. The Tree Assistance Program (TAP) had its own \$125,000 payment limitation. The Act removed the program year per person and legal entity payment limitation for LIP and TAP. As a result of the Act, a \$125,000 per person and legal entity single

payment limitation applies to the total amount of program year payments received under both ELAP and the [Livestock Forage Disaster Program](#) (LFP) and program payments under LIP and TAP no longer have payment limits.

Under the updated program, as amended by the Act, growers are eligible to be partly reimbursed for losses on up to 1,000 acres per program year, double the previous acreage limit of 500 acres.

In total, it is estimated that the Act will enable USDA to provide more than \$3 billion in disaster assistance, including the \$2.36 billion announced last week to be made available through FSA's new 2017 Wildfires and Hurricanes Indemnity Program. This includes \$400 million made available for the [Emergency Conservation Program](#), which helps farmers and ranchers repair damage to farmlands caused by natural disasters. As signups across the country are completed, additional applications will be funded.

According to the U.S. National Oceanic and Atmospheric Administration (NOAA), the United States was impacted by 16 separate billion-dollar disaster events in 2017 including: three tropical cyclones, eight severe storms, two inland floods, a crop freeze, drought and wildfire. More than 25 million people – almost eight percent of the population – were affected by major disasters. From severe flooding in Puerto Rico and Texas to mudslides and wildfires in California, major natural disasters caused catastrophic damages, with an economic impact totaling more than \$300 billion.

For Assistance

Producers with operations impacted by natural disasters and diseases in 2018 are encouraged to contact their [local USDA service center](#) to apply for assistance through ELAP, TAP, LIP and LFP. Producers with 2017 ELAP claims need to take no action as FSA has already begun paying those claims.

Farm Reconstitutions

When changes in farm ownership or operation take place, a reconstitution of the farm structure for FSA record purposes is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this

method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Reporting Cover Crops

In order to maintain program eligibility and benefits, producers are required to timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits.

Farm Service Agency (FSA) acreage reporting policy also applies to cover crops. It allows for these classifications of cover crops for acreage reporting purposes:

- **Cereals and other grasses** - Any cover crop that is classified as a grass plant or cereal grain, and would include, but not be limited to, the following cover crops: cereal rye, wheat, barley, oats, black oats, triticale, annual ryegrass, pearl millet, foxtail millet (also called German, Italian or Hungarian millet), sorghum sudan grass, sorghum and other millets and grasses.
- **Legumes** - Any cover crop that is classified as a legume, including, but not limited to, clovers, vetches, peas, sun hemp, cowpeas, lentils and other legumes.
- **Brassicacae and other broadleaves** - Any cover crop that is classified as a non-legume broadleaf, including, but not limited to, Brassicacae such as radishes, turnips, canola, rapeseed, oilseed rape, and mustards, as well as other broadleaf plants such as phacelia, flax, sunflower, buckwheat, and safflower.
- **Mixtures** - Mixes of two or more cover crop species planted at the same time, for example, oats and radishes.

If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

For questions regarding acreage reporting, cover crops or termination deadlines, visit your county FSA office.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but**

are not limited to, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

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.

CRP Participants Must Maintain Approved Cover on Acreages Enrolled in CRP, Farm Programs

Conservation Reserve Program (CRP) participants are responsible for ensuring adequate, approved vegetative and practice cover is maintained to control erosion throughout the life of the contract after the practice has been established. Participants must also control undesirable vegetation, weeds (including noxious weeds), insects and rodents that may pose a threat to existing cover or adversely impact other landowners in the area.

All CRP maintenance activities, such as mowing, burning, disking and spraying, must be conducted outside the primary nesting or brood rearing season for wildlife, which for Nebraska is May 1 through July 15. However, spot treatment of the acreage may be allowed during the primary nesting or brood rearing season if, left untreated, the weeds, insects or undesirable species would adversely impact the approved cover. In this instance, spot treatment is limited to the affected areas in the field and requires County Committee approval prior to beginning the spot treatment.

The County Committee will consult with Natural Resources Conservation Service to determine if such activities are needed to maintain the approved cover.

In addition, the county FSA office will complete field visits and spot-checks of CRP acreage and will consult with county weed authorities as necessary. This effort usually begins the later part of May and continues through the summer months.

Annual mowing of CRP for generic weed control, or for cosmetic purposes, is prohibited at all times.

Conservation Reserve Enhancement Program Enrollment Ongoing in Parts of Nebraska

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 42,000 acres enrolled.

Landowners/farmers with questions about this program should contact their county FSA office for more information. Counties that have acres that can be enrolled in this program include: Banner, Buffalo, Chase, Cheyenne, Dawson, Deuel, Dundy, Franklin, Frontier, Furnas, Garden, Gosper, Harlan, Hayes, Hitchcock, Kearney, Keith, Kimball, Lincoln, McPherson, Morrill, Nuckolls, Phelps, Red Willow, Scotts Bluff, Sioux and Webster.

April FSA Interest Rates

Farm Operating: 3.5%
Microloan Operating: 3.5%
Farm Ownership: 4%
Farm Ownership - Joint Financing: 2.50%
Farm Ownership - Down Payment: 1.50%
Emergency - Actual Loss: 3.75%
Farm Storage Facility Loan 3 year term: 2.375%
Farm Storage Facility Loan 5 year term: 2.625%
Farm Storage Facility Loan 7 year term: 2.750%
Farm Storage Facility Loan 10 year term: 2.875%
Farm Storage Facility Loan 12 year term: 2.875%
Commodity Loan: 3%

Dates to Remember

May 31, 2018 – 2017 Marketing Assistance Loan availability deadline for corn, dry peas, grain sorghum, lentils, mustard seed, safflower seed, chickpeas, soybeans and sunflower seed

June 1, 2018 – Deadline for enrollment in the revised Margin Protection Program for Dairy, as altered by the Bipartisan Budget Act of 2018

July 16, 2018 – Deadline to report all spring-seeded crops and Conservation Reserve Program (CRP) acreage

Aug. 1, 2018 – Enrollment period for ARC/PLC ends

Aug. 1, 2018 – Deadline to request farm transfers or reconstitutions for 2018

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).