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Farm Service Agency Electronic News Service

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Nebraska State FSA Newsletter

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A Message from the State Executive Director

As I travel across the state stopping into local Farm Service Agency offices, it is easy to see harvest 2018 is in full swing. Combines are rolling, and it's good to see our farmers bringing in what is expected to be one of the largest harvests ever for corn and soybeans.

Fall is a busy time for us at Nebraska Farm Service Agency. We are getting set to issue crop year 2017 payments through the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs that are the main crop commodity farm bill safety net programs. We also will be issuing Conservation Reserve Program rental payments in the coming month. Most folks receive these payments electronically, so in order to facilitate this process, please contact your local FSA office if you have closed your bank account, changed accounts or banks, or if your bank has been purchased by

Program Chiefs:

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To find more information about FSA programming or contact information for your local office, go to www.fsa.usda.gov/ne.

another financial institution. Payments can be delayed if we are not aware of these changes.

The fall acreage reporting deadline of Nov. 15 is fast approaching. This is for fall-seeded crops such as wheat, as well as perennial forage, such as alfalfa and grasses. While that may seem like plenty of time to get into our offices, November will be here before we know it.

On top of these normal activities, Nebraska FSA is working on a new program of importance to our crop and livestock producers. The Market Facilitation Program was announced by USDA Secretary Sonny Perdue in late July and details were announced in August. Enrollment began Sept. 4 and goes through Jan. 15, 2019. Producers of corn, soybeans, sorghum, wheat, hogs and dairy will want to review the program parameters, which can be found in the article below or online at this <u>link</u>. Stop in and see us for more information.

Before I close I also want to highlight the article below that details new application deadlines for folks who use the Noninsured Crop Disaster Assistance Program (NAP) for crops including alfalfa, grasses, grapes and aronia berries. The application deadlines have been moved up by as much as six months from previous application periods, so please review the article below to determine whether this impacts you and then stop in and see us.

That's it for this month. Stay safe and good luck with harvest.

--Nancy Johner

Enrollment Now Open for Market Facilitation Program

USDA has launched a trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of certain commodities now can sign up for the Market Facilitation Program (MFP).

USDA <u>provided details in August</u> of the programs to be employed. USDA's Farm Service Agency (FSA) will administer the Market Facilitation Program (MFP) to provide payments to corn, cotton, dairy, hog, sorghum, soybean, and wheat producers.

The sign-up period for MFP is now open and runs through Jan. 15, 2019, with information and instructions provided at www.farmers.gov/mfp. Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported.

A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

Market Facilitation Program

Commodity	Initial Payment Rate	Est. Initial Payment** (in \$1,000s)
Cotton	\$0.06/lb.	\$276,900
Corn Dairy (milk)	\$0.01/bu. \$0.12/cwt.	\$96,000 \$127,400
Pork (hogs) Soybeans	\$8.00/head \$1.65/bu.	\$290,300 \$3,629,700
Sorghum	\$0.86/bu.	\$156,800
Wheat Total	\$0.14/bu.	\$119,200 \$4,696,300

^{**}Initial payment rate on 50% of production

MFP payments are limited to a combined \$125,000 for corn, cotton, sorghum, soybeans, and wheat capped per person or legal entity. MFP payments are also limited to a combined \$125,000 for dairy and hog producers. Applicants must also have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than \$900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

For more information or to locate and contact local FSA offices, interested producers can visit www.farmers.gov.

New Application Deadlines Near for NAP Coverage for Alfalfa, Forages, Grapes and Others

The Nebraska Farm Service Agency (FSA) is reminding producers of new policy application deadlines for several crops covered through the Noninsured Crop Disaster Assistance Program (NAP).

NAP provides disaster assistance coverage for crops that are ineligible for federal crop insurance coverage. In Nebraska, this can include crops such as alfalfa, perennial grass forage and grazing crops, honey, fruits, vegetables, floriculture, ornamental nursery, aquaculture and turf grass, among others.

Nebraska FSA earlier this year made changes to the policy application closing dates for several crops for the 2019 season. In some cases, the policy application closing deadline is six months earlier than in the past. These new deadlines include:

- Alfalfa and mixed forages, deadline to apply for 2019 coverage: Oct. 1, 2018
- Grass, deadline to apply for 2019 coverage: Nov. 15, 2018
- Aronia berries and grapes, deadline to apply for 2019 coverage: Nov. 20, 2018.

Producers of these crops who wish to have NAP coverage in 2019 must contact their local FSA office prior to the policy application closing deadline.

Like crop insurance, NAP coverage is valuable when weather and disease disasters strike. Eligible causes of loss for NAP include drought, freeze, hail, excessive moisture or wind, flooding, excessive heat, among others. NAP coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

The fee for coverage is \$250 per crop, with a maximum of \$750 per county and a multi-county maximum of \$1,875. Beginning, underserved and limited resource farmers are eligible for free coverage.

To learn more about NAP visit www.fsa.usda.gov/nap. To find out about the crops covered by NAP in your local area, visit your county FSA office. To find your local office, go to www.farmers.gov.

Fall Acreage Reporting Deadline Nears for Some 2019 Crops

Producers who file accurate and timely acreage reports for all crops and land uses, including pastures, can prevent the potential loss of FSA program benefits, such as those for the Agriculture Risk Coverage and Price Loss Coverage programs. The next acreage reporting deadline is Nov. 15, 2018, for 2019 fall-seeded crops, such as wheat, and perennial forage crops such alfalfa and grasses.

The following exceptions apply to the above acreage reporting dates:

- 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 calendar 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 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 and crop loss reports, please contact your FSA county office. To find an office near you, visit www.farmers.gov.

Commodity Loans Available to Assist Producers During Low Prices

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) reminds producers that Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) are available to help producers through periods of low market prices. The 2014 Farm Bill authorized MALs and LDPs for the 2014 to 2018 crop years.

MALs provide interim financing and allow producers to delay the sale of the commodity at harvest-time lows and wait until more favorable market conditions emerge. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

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

FSA offices are now accepting requests for 2018 MALs and LDPs for all eligible commodities after harvest.

Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash-rent tenant and member contribution.

In order to meet eligibility requirements, producers must retain beneficial interest in the commodity, meaning they have control of the commodity or a title to the commodity, until the MAL is repaid or the Commodity Credit Corporation takes title to the commodity.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: Agriculture Risk Coverage and Price Loss Coverage payments, Marketing Loan Gains and LDPs. These payment limitations do not apply to MAL disbursements.

Producers or legal entities whose total applicable three-year average adjusted gross income exceeds \$900,000 are not eligible for Marketing Loan Gains and LDPs, but are eligible for MALs repaid at principal plus interest.

For more information, please visit your local FSA office or www.fsa.usda.gov. To find your local USDA service center, visit www.farmers.gov.

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.

Streamlined Guaranteed Loans Available

Options Help More Beginning, Small and Urban Producers Gain Access to Credit

The U.S. Department of Agriculture (USDA) has the availability of a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers. The program, called EZ Guarantee Loans, uses a simplified application process to help beginning, small, underserved and family farmers and ranchers apply for loans of up to \$100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

A new category of lenders has joined traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial Institutions and Rural Rehabilitation Corporations, are able to offer their customers up to \$50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to \$100,000 to help with agricultural operation costs.

EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

More information about the available types of FSA farm loans can be found at www.fsa.usda.gov/farmloans or by contacting your local FSA office.

Loan Servicing

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.

Emergency Assistance for Livestock, Honeybees, Farmraised Fish Program

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

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, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

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, 2017 to Sept. 30, 2018 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 1, 2018
- An application for payment by Nov. 1, 2018

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 www.fsa.usda.gov/factsheets.

September FSA Interest Rates

Farm Operating: 3.750% Microloan Operating: 3.750% Farm Ownership: 4.000%

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

Emergency - Actual Loss: 3.750%

Farm Storage Facility Loan 3 year term: 2.750% Farm Storage Facility Loan 5 year term: 2.750% Farm Storage Facility Loan 7 year term: 2.875% Farm Storage Facility Loan 10 year term: 2.875% Farm Storage Facility Loan 12 year term: 3.000%

Commodity Loan: 3.375%

Dates to Remember

Oct. 1, 2018 - **NAP application closing deadline for alfalfa, mixed forages (2019 coverage)

Oct. 8, 2018 - FSA offices closed for federal holiday observance

Nov. 1, 2018 - Deadline to apply for 2018 ELAP losses

Nov. 15, 2018 – Acreage reporting deadline for fall-seeded crops and perennial grasses for 2019 program eligibility (including for NAP**)

Nov. 15, 2018 - **NAP application closing deadline for grass (2019 coverage)

Nov. 20, 2018 - **NAP application closing deadline for aronia berries, grapes (2019 coverage)

**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).