

#### U.S. DEPARTMENT OF AGRICULTURE

Nebraska FSA and NRCS State Office Newsletter - May 2021

Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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## A Message from State Executive Director Divis and State Conservationist Vander Wilt

For those of you who routinely read this newsletter, you'll note the significant change in its look and content this month. USDA Service Centers generally include both Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS), so it makes sense to incorporate important information from both agencies into this new and improved farmers.gov electronic newsletter, which was previously called GovDelivery. You'll also see reference in this to USDA's Risk Management Agency, which is responsible for crop and livestock

insurance tools. All three USDA agencies work together to deliver programs that support farm and ranch operations across the state.

#### Farm Service Agency:

I noted this last month but need to remind you again that our county FSA offices are busy with spring acreage certification and need to hear from you as soon as you are done with your planting. We have thousands and thousands of you to get through the acreage reporting process so the sooner you contact us, the better. This includes those of you with perennial forage (pasture) and CRP acres. See the article below for additional details.

It has been a busy time at our 21 FSA farm loan offices across the state. We have had lots of inquiries regarding FSA's Farm Storage Facility Loan program and also are seeing customers whose operations may be facing a challenging financial time due to marketing challenges or weather-related impacts or other reasons. Please note the article below that provides ideas on resources available to help customers who may be going through difficult times.

That's all for this month. Enjoy the warming weather.

-- Acting FSA State Executive Director Tim Divis

#### **Natural Resources Conservation Service:**

First, hello! The Nebraska Natural Resources Conservation Service is so pleased to join the Nebraska Farm Service Agency in sharing information with you through this newsletter. We hope you find the information from NRCS helpful and informative.

A couple articles below highlight our current sign up opportunities for funding to install conservation practices that help protect soil, water, wildlife, and all the natural resources that make Nebraska such a special place. I encourage you to take a look and reach out to your local NRCS office if you have questions. NRCS wants to help you protect and enhance the natural resources on your operation.

--Acting NRCS State Conservationist Jeff Vander Wilt

## Producers Encouraged to Timely Complete Spring Acreage Report



To comply with program eligibility requirements, all producers are encouraged to contact their County FSA office to file an accurate acreage certification report by the applicable deadline.

Producers who file accurate and timely acreage certification reports, including failed and prevented planted acreage, can prevent the potential loss of USDA program benefits. The acreage reporting deadline for all spring-seeded crops,

Conservation Reserve Program acres and perennial grass acres is July 15, 2021.

Producers are reminded to work with their county FSA office to complete the acreage reporting process as soon as they are done with spring planting. <u>Click here to view</u> a brief

informational video regarding best practices for assisting your county FSA office with the acreage reporting process.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the date listed above or 15 calendar days before grazing or harvesting of the crop begins.

To find contact information for your county FSA office, visit <a href="www.farmers.gov/service-center-locator">www.farmers.gov/service-center-locator</a>.

# Acreage Crop Reporting Streamlining Initiative (ACRSI)

If you file crop acreage reports with the Farm Service Agency (FSA) and participating insurance providers approved by the Risk Management Agency (RMA), you can provide the common information from your acreage reports at one office and the information will be electronically shared with the other location. This process is part of the USDA Acreage Crop Reporting Streamlining Initiative (ACRSI).

You must still contact both your local FSA office and your insurance provider to validate and sign acreage reports, complete maps, or provide program-specific information, including reporting uninsured crops to FSA. The common data from the first-filed acreage report will be available to pre-populate and accelerate completion of the second report.

# 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 (402) 471-4876.

### Funding Available for Farmers and Ranchers to Develop Conservation Activity Plans

The U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) has funding available to Nebraska's farmers and ranchers to develop Conservation Activity Plans. These plans are developed to help identify and find solutions for specific natural resource concerns on a farming operation. Applications for this year's funding are currently being accepted at local NRCS offices through June 18.



With a Conservation Activity Plan, producers can not only have assistance in identifying resource concerns, they can then apply for financial assistance to implement the conservation practices needed to address those concerns.

Eligible producers may apply at their local NRCS office at any time, but to be considered for this year's funding, applications need to be submitted by June 18. If the application is accepted, payments are made directly to program participants for development of a Conservation Activity Plan.

For more information, contact your local NRCS field office, or visit www.nrcs.usda.gov.

### **Supervised Credit from FSA**

Farm Service Agency (FSA) farm loans are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, contact your county FSA office. To find your nearest office, visit <u>farmers.gov/service-center-locator</u>.

**May FSA Interest Rates** 

**OPERATING/OWNERSHIP** 

Farm Operating: 1.75% Microloan Operating: 1.75% Farm Ownership: 3.25%

Farm Ownership - Joint Financing: 2.5%

Farm Ownership - Down Payment: 1.5% Emergency - Actual Loss: 2.75%

#### **FARM STORAGE**

Farm Storage Facility Loan 3 year term: 0.375% Farm Storage Facility Loan 5 year term: 0.875% Farm Storage Facility Loan 7 year term: 1.375% Farm Storage Facility Loan 10 year term: 1.625% Farm Storage Facility Loan 12 year term: 1.750%

#### **MARKETING ASSISTANCE**

Commodity Loan: 1.125%

# Farm Reconstitution May Be Necessary for Changes in Ownership, Operation

When changes in farm ownership or operation take place, an FSA farm *reconstitution* may be 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 and all 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.

For questions on your farm reconstitution, contact your county Farm Service Agency office.

## USDA to Invest \$15 Million in the Future of Conservation Through Innovation Grants Program

The U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) is investing up to \$15 million to support the development of new tools, approaches, practices and technologies to further natural resource conservation on private lands through the Conservation Innovation Grants (CIG) program.

CIG partners use creative problem solving and innovation to address our nation's water quality, air quality, soil health and wildlife habitat challenges, all while improving agricultural operations. This year, funded CIGs will focus on climate-smart strategies for water resources, soil health (focused on carbon sequestration and climate resilience), nutrient management, grazing lands conservation and strategies to increase conservation adoption.

All U.S.-based non-Federal entities and individuals are eligible to apply. Proposals must be submitted through <u>Grants.gov</u> by July 19, 2021.

The CIG program has three components, CIG Classic, CIG On-Farm Conservation Innovation Trials and state-level CIG. The July 19 proposals are for CIG Classic, which supports early pilot projects or demonstrations of promising new conservation approaches, tools and technologies.

In April, USDA-NRCS announced \$25 million for CIG On-Farm Conservation Innovation Trials, which features collaboration between NRCS and partners to implement on-the-ground conservation activities and then evaluate their impact. Incentive payments are provided to producers to offset the risk of implementing new approaches. The On-Farm Conservation Innovation Trials funding opportunity deadline is June 21, 2021.

For more information on CIG, please visit the CIG website.

### **USDA Encourages Completion of Cash Rents, Leases Survey**

You may have received a *Cash Rents and Leases* survey from the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS). This survey provides the basis for estimates of the current year's cash rents paid for irrigated cropland, non-irrigated cropland, and permanent pasture. Please complete your Cash Rents and Leases survey by June 21. This survey can be completed and returned by mail, over the phone, or at agcounts.usda.gov.

Information from this survey is used in the Farm Service Agency (FSA) Conservation Reserve Program (CRP) as an alternative soil rental rate prior to finalizing new rates each year. Survey responses from as many localities as possible help calculate more accurate rental rates. Completion of the survey ensures cash rental rates accurately represent your locality. Survey

results will also give you a useful tool in negotiating your rental agreements, and financial planning for your agricultural operation.

In accordance with federal law, survey responses are kept confidential. Survey results will be available in aggregate form only to ensure that no individual producer or operation can be identified. NASS will publish the survey results on August 27 at <a href="mailto:quickstats.nass.usda.gov/">quickstats.nass.usda.gov/</a>.

If you have any questions about this survey, please call 888-424-7828, or visit: <a href="https://www.nass.usda.gov/Surveys/Guide\_to\_NASS\_Surveys/Cash\_Rents\_by\_County/index.php">https://www.nass.usda.gov/Surveys/Guide\_to\_NASS\_Surveys/Cash\_Rents\_by\_County/index.php</a>.

### Loan Grain: Call Before You Haul

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and your name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

### CRP Haying and Grazing: Nonemergency and Emergency



Haying and grazing of CRP acres is authorized under certain conditions to improve the quality and performance of the CRP cover or to provide emergency relief to livestock producers due to certain natural disasters. There are two types of haying and grazing authorization: non-emergency and emergency.

Emergency haying and grazing of CRP acres may be authorized within a county to provide relief to livestock

producers in areas affected by a severe drought or similar natural disaster. Emergency haying and grazing status is reviewed and authorized each Thursday using the U.S. Drought monitor. Counties are approved for emergency haying and grazing due to drought conditions on a county by county basis, when a county is designated as level "D2 Drought - Severe" according to the U.S. Drought Monitor.

In general, non-emergency haying may be utilized every three years and non-emergency grazing may be utilized every two years. Additional grazing may be available to new and beginning farmers.

CRP participants requesting emergency or non-emergency haying and grazing must file a request with their county FSA office indicating the acres to be hayed or grazed before the activity begins.

Before CRP acres are declared eligible for haying or grazing, a modified conservation plan developed by NRCS or a technical service provider must be obtained. The modified conservation plan must be site specific, include the authorized duration and reflect local

wildlife needs and concerns. The primary purpose must be to maintain vegetative cover, minimize soil erosion and protect water quality and wildlife habitat quality. These plans must ensure no long-term damage to the conservation cover is caused.

Emergency haying and grazing is authorized on all practices outside the primary nesting season including practices implemented under State Acres for Wildlife Enhancement (SAFE) such as CP38E SAFE-Grass when such activity is specifically outlined in the SAFE agreement. Contact your local office for State Specific restrictions related to SAFE. For non-emergency haying and grazing, all practices are eligible except for CP12 Wildlife Food Plot and several tree practices. Contact your FSA office for a full list of ineligible practices.

Acres ineligible for both emergency and non-emergency haying and grazing include acres devoted to:

- Useful life easements:
- Land within 20 feet of a stream or other permanent water body; and
- Any acres where haying and or grazing would cause long-term damage to the CRP cover.

For more information on CRP haying and grazing visit <u>fsa.usda.gov/crp</u> or contact your FSA county office. To locate your FSA office, visit <u>farmers.gov/service-locator</u>.

### **FSA and NRCS Dates to Remember**

**May 28, 2021 -** NRCS <u>Regional Conservation Partnership Program Alternative Funding</u>
Arrangements application deadline

May 31, 2021 – USDA Service Centers closed for federal holiday

**June 1, 2021** – FSA 2020 Marketing Assistance Loan availability deadline for corn, dry peas, grain sorghum, lentils, mustard seed, safflower seed, chickpeas, soybeans and sunflower seed

June 3, 2021 - NRCS Nebraska State Technical Committee meeting

June 15, 2021 - NRCS Central Nebraska Soil Carbon Project application deadline

June 18, 2021 - NRCS EQIP Conservation Activity Plan (CAP) application deadline

June 21, 2021 - NRCS Conservation Innovation Grant On-Farm Trials application deadline

July 5, 2021 – USDA Service Centers closed for federal holiday

**July 15, 2021** – FSA Deadline to report all spring-seeded crops, perennial forage and Conservation Reserve Program (CRP) acreage

**July 16, 2021** - Community Compost and Food Waste Reduction pilot project application deadline

July 19, 2021 - NRCS Conservation Innovation Grant proposal deadline

August 1, 2021 - FSA Deadline to request farm transfers or reconstitutions for 2021



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