### USDA U.S. DEPARTMENT OF AGRICULTURE

 Nebraska FSA and NRCS State Office Newsletter - January 2023

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

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# A Message from the FSA State Executive Director

Our Nebraska USDA Farm Service Agency offices across the state serve you, our farmers, ranchers and rural landowners, in many different capacities. As we start the new year, I want to remind you of the various programs we deliver that are currently open for application and/or have upcoming deadlines of which to be aware.

**DISASTER**: Drought was/is an unfortunate reality across much of Nebraska. If you are in a county that triggered in 2022 for the Livestock Forage Disaster Program (LFP) or the

Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP), **you have until Jan. 30** to complete your applications with your local county office.

**SAFETY NET:** If you are a dairy producer, the Dairy Margin Coverage Program (DMC) is a risk management tool that will pay producers when the margin between the national price of milk and the average cost of feed falls below a certain level. Baseline coverage is only a \$100 administrative fee. **The deadline to enroll for 2023 is Jan. 31**.

**CONSERVATION**: Nebraska FSA has announced two Conservation Reserve Program (CRP) special initiatives in the past few weeks. The <u>Migratory Birds State Acres for</u> <u>Wildlife Enhancement (SAFE)</u> and the <u>Upland Wildlife SAFE</u> both are targeted CRP projects in select counties. Each have unique natural resource/environmental and wildlife goals. This is voluntary conservation that rewards landowners with financial incentives. Click on the links above to learn more. Please note the **Migratory Birds SAFE has a Feb. 17 deadline** to submit a contract offer under the "batching" period. The Upland Wildlife SAFE application period is ongoing as it is considered a continuous CRP initiative.

**SUPPLEMENTAL PROGRAMS:** Are you a specialty crop producer with on-farm food safety program expenses? The Food Safety Certification for Specialty Crops Program (FSCSC) helps you pay for expenses associated with food safety certification requirements. The application window to apply for reimbursement for 2022-related costs is closing, with a Jan. 31 deadline for applications.

**FARM/RANCH FINANCING**: While there isn't a "deadline" specifically, our FSA farm loan team is busy hearing from folks who are in need of farm or ranch operating loans for the 2023 production season. If this is something you are considering, it's better to contact us sooner rather than later. We have a wide variety of loans to meet the financial needs of any operation for just about any purpose.

Using this diverse program portfolio, our goal is to help your operation be successful in 2023. Please note it doesn't matter the size, type or location of your farm or ranch business. We look forward to working with you in the new year.

--John Berge

# **Dates to Remember**

**Jan. 30, 2023** – FSA deadline for applications for Livestock Forage Disaster Program (LFP) and Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP) benefits for 2022 losses

**Jan. 31, 2023** – FSA deadline for producers to apply for an LDP for wool and unshorn pelts

Jan. 31, 2023 – FSA deadline for producers to apply for Food Safety Certification for Specialty Crops Program (FSCSC) for 2022 benefits

Jan. 31, 2023 – FSA deadline for application to the Dairy Margin Coverage Program for 2023

**Feb. 17, 2023** – NRCS deadline to apply for funding to address the spread of invasive woody vegetation on rangeland through the Great Plains Grassland Initiative

**Feb. 17, 2023** – FSA deadline to submit contract offers for Migratory Birds State Acres for Wildlife Enhancement (SAFE) CRP initiative

Feb. 20, 2023 – USDA Service Centers closed for federal holiday

March 2, 2023 – Nebraska State Technical Committee meeting. More information on how to participate at nrcs.usda.gov/Nebraska

March 15, 2023 – FSA Agriculture Risk Coverage and Price Loss Coverage (ARC/PLC)
 Program deadline for elections and enrollment for 2023 production season
 March 15, 2023 – \*\*\*FSA application closing date for Noninsured Crop Disaster
 Assistance Program (NAP) coverage for 2023 production season for most annual fruits and vegetables, millet, oats, forage sorghum, dry peas, hemp
 May 31, 2023 – NRCS deadline to apply for assistance for agricultural land impacted by

wildfire through the Environmental Quality Incentives Program

\*\*\*Please note any above NAP calendar reference may not be inclusive for all NAPcovered crops; NAP participants should contact their County FSA Office to confirm important program deadlines.

# **CRP Migratory Birds Special Initiative Includes 37 Nebraska Counties**

Those interested have until Feb. 17 to submit an offer

Farm Service Agency (FSA) offices in 37 Nebraska counties currently are accepting Conservation Reserve Program (CRP) contract offers under the <u>Kansas Nebraska</u> <u>Oklahoma CRP Migratory Birds, Butterflies, and Pollinators State Acres For Wildlife</u> <u>Enhancement (SAFE) project</u>. Qualifying farmers and landowners have until Feb. 17, 2023, to submit a contract offer.

The Migratory Bird SAFE project is designed to improve habitat by restoring playa wetlands for migrating and wintering waterfowl, shorebirds and water birds. Playas are shallow depressions that often fill with water after rainstorms, providing habitat for migratory birds and recharging the underlying aquifer.

Counties included in this project are: Adams, Banner, Buffalo, Butler, Chase, Cheyenne, Clay, Custer, Dawson, Deuel, Dundy, Fillmore, Franklin, Frontier, Garden, Gosper, Hall, Hamilton, Harlan, Hayes, Hitchcock, Kearney, Keith, Kimball, Lincoln, Logan, Nuckolls, Perkins, Phelps, Polk, Saline, Seward, Sherman, Thayer, Valley, Webster and York, as well as some counties in Kansas and Oklahoma.

This project uses a competitive bid process. Landowners submit an offer to enroll their playa acres into the program for an amount they are willing to accept as an annual payment. Contracts are for periods of 10-15 years. The minimum enrollment per offer is two acres. Offers can be submitted during batching periods, and then will be reviewed and ranked.

Producers who are interested in learning more about this SAFE project are encouraged to call their <u>county FSA office</u>.

# USDA Reminds Producers of Continuous Certification Option for Perennial Forage

The U.S. Department of Agriculture (USDA) reminds agricultural producers with perennial forage crops of an option to report their acreage once, without having to report that acreage in subsequent years, as long as there are no applicable changes on the farm. Interested producers can select the continuous certification option after USDA's Farm Service Agency (FSA) certifies their acreage report.

An acreage report documents a crop grown on a farm or ranch and its intended uses, including perennial crops like mixed forage, birdsfoot trefoil, chicory/radicchio, kochia (prostrata), lespedeza, perennial peanuts and perennial grass varieties. To access many USDA programs, producers must file an accurate and timely acreage report for all crops and land uses, including failed acreage and prevented planting acreage.

The perennial crop continuous certification process requires a producer to initially complete an acreage report certifying the perennial crop acreage. The producer may select the continuous certification option any time after the crop is certified. Once the continuous certification option is selected, the certified acreage will roll forward annually and does not require additional action on the producer's part in subsequent years unless the acreage report changes.

Once a producer selects continuous certification, then continuous certification is applied to all fields on the farm for the specific crop, crop type and intended use. If continuous certification is selected by any producers sharing in the crop, then the continuous certification is applied to fields in which the producer has a share for the specific crop, crop type and intended use.

Producers can opt out of continuous certification at any time. The continuous certification will terminate automatically if a change in the farming operation occurs.

Producers can contact their local FSA office to see if their crops are eligible for continuous certification or to make an appointment. Producers can make an appointment to report acres by contacting their local <u>USDA Service Center</u>.

# USDA Expands Eligibility, Enhances Benefits for Key Disaster Programs

Policy changes will help more producers recover from natural disasters

The U.S. Department of Agriculture (USDA) made updates to several conservation, livestock and crop disaster assistance programs to give more farmers, ranchers, and tribes the opportunity to apply for and access programs that support recovery following natural disasters. Specifically, USDA's Farm Service Agency (FSA) expanded eligibility and enhanced available benefits for a suite of its programs. These updates will provide critical assistance to producers who need to rebuild and recover after suffering catastrophic losses of production and infrastructure due to natural disasters.

FSA has updated the following programs: The Emergency Conservation Program (ECP), the Emergency Forest Restoration Program (EFRP), the Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish (ELAP) Program, the Livestock Forage

Disaster Program (LFP), the Livestock Indemnity Program (LIP) and the Noninsured Crop Disaster Assistance Program (NAP).

### **Conservation Disaster Assistance Updates**

FSA updated ECP to:

- Allow producers who lease Federally owned or managed lands, including tribal trust land, as well as State land the opportunity to participate.
- Provide advance payments, up to 25% of the cost, for all ECP practices before the restoration is carried out, an option that was previously only available for fence repair or replacement. The cost-share payment must be spent within 60 days.

ECP and EFRP provide financial and technical assistance to restore conservation practices like fencing, damaged farmland or forests.

### Livestock Disaster Assistance Updates

FSA also expanded eligible livestock under ELAP, LFP and LIP. Specifically, horses maintained on eligible grazing land are eligible for ELAP, LFP and LIP. Many family farms and ranches use their forage to raise horses to augment their other agriculture endeavors. FSA recognizes that animals maintained in a commercial agriculture operation, add value to the operation and could be available for marketing from the farm. FSA regulations have been updated to include these animals as eligible livestock.

Horses and other animals that are used or intended to be used for racing and wagering remain ineligible.

Ostriches are also now eligible for LFP and ELAP. This change for ostriches is effective for the 2022 program year for both LFP and ELAP. ELAP requires a notice of loss to be filed with FSA within 30 days of when the loss is first apparent. Because this deadline may have passed for 2022, FSA is extending the deadline for filing notices of loss through March 31, 2023.

LIP and ELAP reimburses producers for a portion of the value of livestock, poultry and other animals that died as a result of a qualifying natural disaster event or for loss of grazing acres, feed and forage. LFP provides benefits for grazing losses due to drought and eligible wildfires on federally managed lands.

### **Noninsured Crop Disaster Assistance**

NAP provides financial assistance to producers of non-insurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters. Basic NAP coverage is equivalent to the catastrophic level risk protection plan of insurance coverage, which is based on the amount of loss that exceeds 50% of expected production at 55% of the average market price for the crop.

Previously, to be eligible for NAP coverage, a producer had to submit an application (Form CCC-471) for NAP coverage on or before the application closing date. For 2022, if a producer has a *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification* (Form CCC-860) on file with FSA, it will serve as an application

for basic coverage for all eligible crops having a 2022 application closing date and all NAP-related service fees for basic coverage will be waived for these producers.

FSA will notify all eligible producers who already have the CCC-860 certification form on file of their eligibility for NAP basic coverage for 2022. To potentially receive NAP assistance, producers who suffered losses due to natural disasters in 2022 should file an acreage report as well as a notice of loss with the FSA at their local Service Center.

Producers who are interested in obtaining NAP coverage for 2023 and subsequent years should also contact their local FSA county office for information on eligibility, coverage options and applying for coverage.

For additional information on this story, please read the news release.

# LFP, ELAP Applications for 2022 Grazing Losses Due by Jan. 30, 2023

Farm Service Agency reminds ranchers and livestock producers if they are interested in accessing financial assistance available due to qualifying drought or fire impacts in 2022, now is the time to contact the county FSA office to learn more about the programs and apply.

The deadline to apply for 2022 assistance through the <u>Livestock Forage Disaster Program</u> (LFP) and the <u>Emergency Assistance for Livestock</u>, <u>Honeybees</u>, and <u>Farm-Raised Fish</u> <u>Program</u> (ELAP) is Jan. 30, 2023.

For the 2022 program year, <u>69 counties in Nebraska</u> have met drought severity levels that trigger LFP for native pasture. The program also may have triggered for other grazed forages in certain counties. For LFP, qualifying drought triggers are determined using the <u>U.S. Drought Monitor</u> classifications within the grazing season. ELAP also uses the U.S. Drought Monitor as a triggering mechanism, but also has other program triggers, depending on whether a producer is applying for assistance due to drought or due to losses related to wildfire.

LFP provides payments to eligible livestock producers and contract growers who also have risk in eligible grazing land or produce forage crops for grazing and who suffered losses due to a qualifying drought during the normal grazing period for the county. Producers must have risk in both the livestock and the grazing land.

ELAP provides eligible producers with compensation for certain feed losses not covered by LFP, including feed and grazing losses associated with wildfire, as well as assistance with transporting water to grazing livestock, transporting feed to grazing livestock and transporting livestock to new grazing locations. Producers must have risk in both the livestock and the grazing land.

In addition to cattle, eligible livestock for both programs can include alpacas, buffalo/bison, goats, sheep, and others that have been or would have been grazing the eligible grazing land or pastureland during the normal grazing period.

To expedite the application process, producers are encouraged to gather records important to the application, such as grazing leases and contract grower agreements for LFP and ELAP assistance and information associated with the transportation of livestock feed (number of loads and mileage) or water (number of loads and gallons), if applying for ELAP assistance.

For more information or to apply, visit your nearest USDA Service Center.

# Producers Urged to Begin ARC/PLC Election, Enrollment Process

Farm Service Agency offices across the state already are working with producers to complete their election and enrollment process for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2023 production season.

ARC and PLC are the main commodity crop safety net programs, providing support to help mitigate fluctuations in either revenue or prices for certain crops. Producers can elect coverage and enroll in ARC-CO or PLC, which are both crop-by-crop, or ARC-IC, which is for the entire farm. Although program election changes for 2023 are optional, producers must enroll through a signed contract each year.

The deadline for 2023 program elections and enrollment is March 15, 2023. Producers are encouraged to complete the election and enrollment process now and will be allowed to make changes, if so desired, at any point ahead of the March deadline. Producers should contact their county FSA office to schedule an ARC/PLC appointment if they do not already have one in place.

If program elections are not submitted by the deadline, the elections remain the same as the 2022 elections for crops on the farm. Also, if a producer has a multi-year contract on the farm and makes election changes for 2023 or has a change to producers or shares on the farm, it will be necessary to sign a new contract.

Farm owners cannot enroll in either program unless they have a share interest in the farm.

In partnership with USDA, the University of Illinois and Texas A&M University offer webbased decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- <u>Gardner-farmdoc Payment Calculator</u>, a tool available through the University of Illinois allows producers to estimate payments for farms and counties for ARC-CO and PLC.
- <u>ARC and PLC Decision Tool</u>, a tool available through Texas A&M that allows producers to obtain basic information regarding the decision and factors that should be taken into consideration such as future commodity prices and historic yields to estimate payments for 2022.

# **Applying for FSA Direct Loans**

FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain, or strengthen their farm or ranch. Direct loans are processed, approved and serviced by FSA loan officers.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance, and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan. See article below for current loan interest rates.

# FSA January Loan Interest Rates

### **OPERATING/OWNERSHIP**

Operating: 5.125% Operating – Limited Resource Rate: 5.0% Operating – Microloan: 5.125% Operating – Microloan Special Interest Rate (available for beginning and veteran farmers/ranchers): 5.0% Farm Ownership: 5.250% Farm Ownership – Limited Resource Rate: 5.0% Farm Ownership - Joint Financing: 3.250% Farm Ownership - Down Payment: 1.5% Emergency - Actual Loss: 3.750%

### FARM STORAGE FACILITY LOAN

3-year term: 4.125% 5-year term: 3.750% 7-year term: 3.750% 10-year term: 3.625% 12-year term: 3.625%

### MARKETING ASSISTANCE

Commodity Loan: 5.750%

## **Progression Lending from FSA**

Farm Service Agency (FSA) farm loans are considered progression lending. 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 USDA Service Center or visit <u>fsa.usda.gov</u>.

# Funds Available to Help Restore, Protect Rangeland in Specified Areas of Nebraska



NRCS has funding opportunities to help Nebraska landowners address the spread of invasive woody vegetation on rangeland. Landowners interested in receiving funding should apply at their local NRCS field office by **Feb. 17, 2023**.

Management practices eligible for financial assistance through the Great Plains Grassland Initiative include brush management, prescribed grazing, grazing deferment, prescribed burning, and more. NRCS is focusing this funding on farms and ranches in the Sandhills, Loess Canyons, southwest mixed-grass prairies, and the

Verdigris-Bazile creek watershed, so specific counties included are: Boyd, Holt, Knox, Antelope, Sheridan, Cherry, Brown, Rock, Morrill, Garden, Grant, Hooker, Thomas, Blaine, Loup, Garfield, Wheeler, Boone, Greeley, Arthur, McPherson, Logan, Custer, Keith, Lincoln, Dawson, Frontier, Hayes, Chase, Perkins, Dundy, Hitchcock, and Red Willow.

Removing Eastern redcedar at lower densities before they take over the rangeland is more cost-effective for the producer, reduces wildfire risk, protects wildlife habitat, and conserves and restores forage production. According to NRCS, in 2019 more than 419,000 tons of range production was lost in Nebraska to woody encroachment.

Individuals interested in applying for conservation funds may do so at any time, but applications need to be submitted by Feb. 17, 2023, to be considered for this year's funding.

# NRCS Assistance Available for Nebraska Farmers, Ranchers Impacted by Wildfire

The U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) has funding available to assist agricultural producers whose land was impacted by wildfires in 2022. Landowners have until May 31, 2023, to apply.

Through the Environmental Quality Incentives Program (EQIP) funding is available to help

producers plan and implement conservation practices on farms and ranches impacted by natural disasters. EQIP funding is available to assist in this wildfire recovery effort by planting cover crops on impacted cropland and to defer grazing on rangeland.

The application signup for this wildfire assistance is happening now and will run through **May 31, 2023**. Applications will be assessed, and even though some lands may be eligible for assistance, it is not guaranteed that all acres will receive financial assistance due to limited funding.

Interested landowners and operators should contact their <u>local NRCS office</u> in the USDA Service Center for applications and more information.

# What Are Your 2023 Conservation Resolutions?

The beginning of a new year means making New Year's Resolutions. If you would like to make a #ConservationResolution for 2023, here are some options to consider:

- Incorporate cover crops into your operation.
- Extend your growing season by using a high tunnel.
- Improve your soil health by utilizing no-till practices.
- Provide recreational opportunities and wildlife habitat by restoring wetlands.
- Reduce input costs by focusing on nutrient management.
- Protect topsoil and groundwater quality by devoting environmentally sensitive agricultural land to conservation benefits instead of farming.

To get started on your #ConservationResolutions, we recommend you stop by your <u>local</u> <u>USDA service center</u>, so we can discuss your vision for your land. The Natural Resources Conservation Service (NRCS) can provide you with free technical assistance and or advice.

Learn about the benefits of conservation practices directly from the farmers, ranchers, and forest landowners applying them with our series of 90-second videos. Explore the different types of conservation practices by watching the <u>Conservation at Work series</u>. You can also read producer profiles on <u>farmers.gov</u>.

# USDA Rural Development Accepting Applications for Energy Efficiency, Renewable Energy Projects

Agricultural producers and rural small business owners may now apply for loan guarantees or grant funding to support energy efficiency improvements. Applications for the <u>Rural Energy for America Program (REAP)</u> are now available through USDA Rural Development. The application period is year-round with the next cutoff for application consideration set for March 31, 2023. Through the Rural Energy for America Program (REAP), agricultural producers and rural small businesses are eligible for loan guarantees

and grants to develop renewable energy systems or to make energy efficiency improvements. Examples of projects that received funding support in the past include:

- Irrigation pump conversion from diesel fuel to electric irrigation motors;
- Electric, solar, or gravity pumps for sprinkler pivots;
- Replacement of grain dryers to more efficient grain dryers;
- Shop building energy efficiency improvements for ag operations such as lighting, HVAC systems replacement, and insulation to increase R-value.

Grants can be made for up to 40% of total eligible project costs, up to a maximum of \$500,000 for energy efficiency projects and up to a maximum of \$1 million for renewable energy systems. Loan guarantees for FY23 projects are for up to 80% of total eligible project costs.

Agricultural producers or rural small business owners interested in learning more about this program should contact Nebraska USDA Rural Development. Call Christopher Faber at (402) 437-5748 or Bill Sheppard at (402) 371-5350 ext. 104.



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