



U.S. DEPARTMENT OF AGRICULTURE

Nebraska FSA and NRCS State Office Newsletter - August 2021

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A Message from the FSA Acting State Executive Director

After the rush of meeting the mid-July acreage certification deadline, staff at Nebraska FSA offices across the state haven't had a chance to slow down in the month of August. Most have turned their attention to the Conservation Reserve Program (CRP). We are busy finalizing applications for the Grasslands CRP, the deadline for which just closed. We also are hearing from customers who are interested in CRP Emergency Haying and Grazing. This drought mitigative tool has triggered for implementation in many counties, and those who are interested in using it need to contact their county office prior to beginning any haying or grazing activities.

Drought conditions, unfortunately, continue to deteriorate in some parts of Nebraska. The [U.S. Drought Monitor](#) serves as a trigger for both [CRP emergency haying and grazing](#) and the [Livestock Forage Disaster Program](#) (LFP). Lately our offices have had some questions from customers about the drought monitor, such as what factors influence the drought level determinations and who creates it. Although this is a trigger for FSA programs, FSA staff do not influence the drought level designations. We have included an article below on the U.S. Drought Monitor to help answer these questions. You also can read a blog about it - including a section about how producers can contribute information about local conditions - [at this link](#).

Our loan staff still is busy completing summer farm visits. It's an important part of the overall loan process, and as a state with one of the largest loan portfolios, it keeps us hopping. Please try to have patience and flexibility with our staff if you have been contacted for this review.

With irrigation season winding down, folks have started to think about the fall harvest. It will be here before we know it. If you are thinking about hauling grain from storage that is under a Farm Service Agency Marketing Assistance Loan, please remember to contact your county office before you move it.

That's all for this month. Talk to you in September.

--Tim Divis, acting State Executive Director

Understanding the U.S. Drought Monitor

Are drought conditions affecting your agricultural operation? The [U.S. Drought Monitor \(USDM\)](#) is a resource producers can use to help determine how to best respond and react to a drought as it develops or lingers.

The USDM is an online, weekly map showing the location, extent, and severity of drought across the United States. It categorizes the entire country as being in one of six levels of drought. The map is released on Thursdays and depicts conditions for the week.

The USDM provides producers with the latest information about drought conditions where they live, enabling producers to best respond and react to a drought as it develops or lingers. In some cases, the USDM may help a producer make specific decisions about their operation, such as reducing the stocking rate because forage is not growing. For others, it may provide a convenient big-picture snapshot of broader environmental conditions.

The USDM incorporates varying data – rain, snow, temperature, streamflow, reservoir levels, soil moisture, and more – as well as first-hand information submitted from on-the-ground sources such as photos, descriptions, and experiences. The levels of drought are connected to the frequency of occurrence across [several different drought indicators](#). What makes the USDM unique is that it is not a strictly numeric product. The mapmakers rely on their judgment and a nationwide network of 450-plus experts to interpret conditions for each region. They synthesize their discussion and analysis into a single depiction of drought for the entire country.

USDA uses the Drought Monitor to determine a producer's eligibility for certain drought assistance programs, like the [Livestock Forage Disaster Program](#) and [Emergency Haying or Grazing on Conservation Reserve Program acres](#).

Additionally, the Farm Service Agency uses the Drought Monitor to trigger and "fast track" Secretarial Disaster Designations which then provides producers impacted by drought access to emergency loans that can assist with credit needs.

[Learn more about the U.S. Drought Monitor.](#)

USDA Updates Pandemic Assistance for Livestock, Poultry Contract Producers and Specialty Crop Growers; Sets Oct. 12 as CFAP 2 Deadline

The U.S. Department of Agriculture (USDA) is updating the Coronavirus Food Assistance Program 2 (CFAP 2) for contract producers of eligible livestock and poultry and producers of specialty crops and other sales-based commodities. CFAP 2, which assists producers who faced market disruptions in 2020 due to COVID-19, is part of USDA's broader Pandemic Assistance for Producers Initiative. Additionally, USDA's Farm Service Agency (FSA) has set an Oct. 12 deadline for all eligible producers to apply for or modify applications for CFAP 2.

Assistance for Contract Producers

The Consolidated Appropriations Act, 2021, provides up to \$1 billion for payments to contract producers of eligible livestock and poultry for revenue losses from Jan. 1, 2020, through Dec. 27, 2020. Contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail may be eligible for assistance. This update includes eligible breeding stock and eggs of all eligible poultry types produced under contract.

Payments for contract producers were to be based on a comparison of eligible revenue for the periods of Jan. 1, 2019, through Dec. 27, 2019, and Jan. 1, 2020, through Dec. 27, 2020. Today's changes mean contract producers can now elect to use eligible revenue from the period of Jan. 1, 2018, through Dec. 27, 2018, instead of that date range in 2019 if it is more representative. This change is intended to provide flexibility and make the program more equitable for contract producers who had reduced revenue in 2019 compared to a normal production year. The difference in revenue is then multiplied by 80% to determine a final payment. Payments to contract producers may be factored if total calculated payments exceed the available funding and will be made after the application period closes.

Additional flexibilities have been added to account for increases to operation size in 2020 and situations where a contract producer did not have a full period of revenue from Jan. 1 to Dec. 27 for either 2018 or 2019. Assistance is also available to new contract producers who began their farming operation in 2020.

Updates for Sales-Based Commodities

USDA is amending the CFAP 2 payment calculation for sales-based commodities, which are primarily comprised of specialty crops, to allow producers to substitute 2018 sales for 2019 sales. Previously, payments for producers of sales-based commodities were based only on 2019 sales, with 2019 used as an approximation of the amount the producer would have expected to market in 2020. Giving producers the option to substitute 2018 sales for this approximation, including 2018 crop insurance indemnities and 2018 crop year Noninsured Disaster Assistance Program (NAP) and Wildfire and Hurricane Indemnity Program Plus (WHIP+) payments, provides additional flexibility to producers of sales-based commodities who had reduced sales in 2019.

Grass seed has also been added as an eligible sales commodity for CFAP 2. A complete list of all eligible sales-based commodities can be found at farmers.gov/cfap2/commodities. Producers of sales-based commodities can modify existing applications.

Applying for Assistance

Newly eligible producers who need to submit a CFAP 2 application or producers who need to modify an existing one can do so by contacting their local FSA office. Producers can find their local FSA office by visiting farmers.gov/service-locator. Producers can also obtain one-on-one support with applications by calling 877-508-8364. All new and modified CFAP 2 applications are due by the Oct. 12 deadline.

USDA Accepting Applications to Help Cover Costs for Organic Certification

USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for USDA funds to assist with the cost of receiving and maintaining organic certification through the [Organic Certification Cost Share Program](#) (OCCSP). Applications for eligible certification expenses paid between Oct. 1, 2020, and Sept. 30, 2021, are due Nov. 1, 2021.

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Producers can be reimbursed for expenses including application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

For 2021, OCCSP will reimburse 50 percent of a certified operation's allowable certification costs, up to a maximum of \$500 for each of the following categories or "scopes:"

- crops
- wild crops
- livestock

- processing/handling
- State organic program fees.

Organic farmers and ranchers may apply through an FSA county office or a participating state agency.

More Information

To learn more about organic certification cost share, please visit the [OCCSP webpage](#), visit usda.gov/organic, or contact your [local USDA Service Center](#).

USDA Announces Pandemic Assistance for Timber Harvesters, Haulers

The U.S. Department of Agriculture (USDA) is providing up to \$200 million to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19 as part of USDA's Pandemic Assistance for Producers initiative. Loggers and truckers can apply for assistance through USDA's Farm Service Agency (FSA) through Oct. 15, 2021. The Pandemic Assistance for Timber Harvesters and Haulers program (PATHH) is administered by FSA in partnership with the U.S. Forest Service.

The Consolidated Appropriations Act, 2021, authorized this critical assistance for the timber industry. Timber harvesting and hauling businesses that have experienced a gross revenue loss of at least 10% during the period of Jan. 1 and Dec. 1, 2020, compared to the period of Jan. 1 and Dec. 1, 2019, are encouraged to apply.

Program Details

To be eligible for payments, individuals or legal entities must be a timber harvesting or timber hauling business where 50% or more of its gross revenue is derived from one or more of the following:

- Cutting timber.
- Transporting timber.
- Processing of wood on-site on the forest land (chipping, grinding, converting to biochar, cutting to smaller lengths, etc.).

Payments will be based on the applicant's gross revenue received from Jan. 1, 2019, through Dec. 1, 2019, minus gross revenue received from Jan. 1, 2020, through Dec. 1, 2020, multiplied by 80%. FSA will issue an initial payment equal to the lesser of the calculated payment amount or \$2,000 as applications are approved. A second payment will be made after the sign-up period has ended based upon remaining PATHH funds.

The maximum amount that a person or legal entity may receive directly is \$125,000.

Applying for Assistance

Loggers and truckers can apply for PATHH by completing form FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers Program application, and certifying to their

gross revenue for 2019 and 2020 on the application. Additional documentation may be required. Visit farmers.gov/pathh for more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery, or via electronic means. To find a local FSA office, loggers and truckers can visit farmers.gov/service-locator. They can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

USDA Accepts 2.8 Million Acres Nationally for Conservation Reserve Program

The U.S. Department of Agriculture (USDA) has accepted 2.8 million acres in offers from agricultural producers and private landowners for enrollment into the Conservation Reserve Program (CRP) in 2021. This year, almost 1.9 million acres in offers have been accepted through the General CRP Signup, and USDA's Farm Service Agency (FSA) has accepted over 897,000 acres for enrollment through the Continuous Signup.

The Continuous Signup remains open and CRP Grasslands Signup closed last week, so USDA expects to enroll more acres into all of CRP than the 3 million acres that are expiring.

Like other USDA conservation programs, CRP is a voluntary program that has a variety of options that can be tailored to the specific conservation issues of a state or region and desires of the landowner. The options run the gamut from working lands such as CRP Grasslands to partnerships with states and private entities to target a specific joint concern such as water quality or quantity.

Continuous CRP Signup

Continuous CRP allows USDA to target the most sensitive land like highly erodible land, the most environmentally beneficial land like wetlands and buffers along streams and rivers, or locally identified critical habitat like State Acres For Wildlife. This targeted approach also reduces the whole-farm type enrollment in CRP that was more common when it first began and helps meet the conservation goals while maintaining the majority of the land in production agriculture. FSA has accepted offers from over 37,000 producers to enroll more than 897,000 acres through the Continuous Signup. This is double the enrollment from last year and three times the enrollment from 2018 and 2019. FSA expects this process to be completed by the end of September so contracts may start on October 1, 2021.

The growth in the targeted enrollment through Continuous Signup is due to a recommitment of USDA to incentives and partnerships that brought in nearly 1.4 million acres in 2016 and 2017. These efforts have also included the expansion of the Clean Lakes, Estuaries, and Rivers Initiative 30-year (CLEAR30) from two regions to nationwide as well as moving State Acres for Wildlife Enhancement (SAFE) practices from the General to the Continuous signup. This year, offers for 20,000 acres have been submitted for CLEAR30 and 296,000 acres in SAFE practices.

General CRP Signup

FSA opened the General CRP Signup 56 in January 2021 and extended the original deadline to July 23, 2021, to enable producers to consider FSA's new improvements to the program, which included higher rental payments and more incentivized environmental practices.

Additionally, FSA introduced a new Climate-Smart Practice Incentive to increase carbon sequestration and reduce greenhouse gas emissions. This incentive provides a 3%, 5% or 10% incentive payment based on the predominate vegetation type for the practices enrolled – from grasses to trees to wetland restoration.

Through CRP, producers and landowners establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality and enhance wildlife habitat on cropland. In addition to the other well-documented benefits, lands enrolled in CRP is playing a key role in mitigating impacts from climate change.

A full list of changes to CRP, including those to the Continuous and General Signups, can be found in our "What's New with CRP" [fact sheet](#).

Submitting Production Losses for Disaster Declarations

Farmers and ranchers know all too well that natural disasters can be a common, and likely a costly, variable to their operation. The Farm Service Agency (FSA) has emergency assistance programs to provide assistance when disasters strike, and for some of those programs, a disaster designation may be the eligibility trigger. When natural disaster occurs, there is a process for requesting a USDA Secretarial disaster designation for a county. You can play a vital role in this process.

If you have experienced a production loss as a result of a natural disaster, you may submit a request to your local FSA county office for your county to be evaluated for a Secretarial disaster designation. Once a request is received, the county office will collect disaster data and create a Loss Assessment Report. The County Emergency Board will review the Loss Assessment Report and determine if a recommendation is sent forward to the U.S. Secretary of Agriculture for the designation.

For more information on FSA disaster programs and disaster designations, contact your county USDA Service Center or visit fsa.usda.gov/disaster.

Applying for Beginning Farmer Loans; August FSA Interest Rates

The Farm Service Agency (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
- Does not own a farm in excess of 30 percent of the county's average size farm.

For more information contact your FSA farm loan team at your local USDA Service Center or visit fsa.usda.gov.

FSA August 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: 0.5%
- Farm Storage Facility Loan 5 year term: 0.875%
- Farm Storage Facility Loan 7 year term: 1.125%
- Farm Storage Facility Loan 10 year term: 1.375%
- Farm Storage Facility Loan 12 year term: 1.5%

MARKETING ASSISTANCE

- Commodity Loan: 1.125%

Maintaining Good Credit History

Farm Service Agency (FSA) loans require applicants to have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, see if bills are paid timely and to determine the impact on cash flow.

Information on your credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score:

- Make sure to pay bills on time

- Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt
- Keep your credit card balances low
- Avoid suddenly opening or closing existing credit accounts

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, contact your local USDA Service Center or visit fsa.usda.gov.

Conservation Stewardship Program Activity Information, Documentation Due to NRCS by Sept. 30

Producers with CSP contracts are reminded that the Conservation Stewardship Program (CSP) 2021 contract enhancements or activity records and supporting documentation are due prior to the end of the fiscal year, September 30, to be eligible to receive payment. Clients enrolled in the CSP program should make plans to schedule an appointment to certify those activities completed in 2021.

The practices or conservation activities must be implemented by the scheduled fiscal year printed in the Conservation Plan Schedule of Operations to remain in compliance with your contract obligations.

Please notify your local NRCS office immediately if any of the following changes have taken place on your operation:

- Loss of control of all or part of the land under contract
- Changes to your operation, including management system changes, land use changes or enrollment in another program
- Changes to your banking information that will affect direct deposit of program payments
- Changes to the desired distribution of payment shares
- A need to adjust your schedule of operations
- Changes to the membership of a business entity
- Name changes and changes in business structure

Contract your local NRCS office to schedule a meeting to certify the completed 2021 activities.

NRCS Welcomes Wilson as Acting State Conservationist in Nebraska

Nebraska Natural Resources Conservation Service (NRCS) has announced John Wilson as the Acting Nebraska State Conservationist. Wilson comes to Nebraska from Arkansas, where he has served as Deputy State Conservationist. He has over 35 years of experience with NRCS.

Craig Derickson had served as the Nebraska State Conservationist for NRCS for the past 10 years. He retired on Dec. 31, 2020, after 35 years of federal service.

Wilson replaces Jeff Vander Wilt and Britt Weiser, NRCS employees who each had served as acting Nebraska state conservationist in a temporary role. Wilson will serve as the acting state conservationist for Nebraska NRCS until the vacancy is permanently filled.

Wilson began his career with NRCS as a student trainee in Michigan, where he went on to serve as a soil conservationist, a district conservationist, and as an urban resource conservationist. He later held a series of roles with the Ohio NRCS, including the Assistant State Conservationist for Field Operations, the State Administrative Officer, and the Assistant State Conservationist for Programs.

Dates to Remember

September 6, 2021 – USDA Service Centers closed for federal holiday

September 17, 2021 – FSA deadline to submit applications for the Pandemic Livestock Indemnity Program

September 30, 2021 – Noninsured Crop Disaster Assistance Program (NAP) application closing deadline for coverage for rye, triticale, wheat in the 2022 production season

September 30, 2021 - Deadline for Conservation Stewardship Program participants to turn in activity information, documentation to NRCS

October 11, 2021 – USDA Service Centers closed for federal holiday

October 12, 2021 - FSA deadline to submit applications for the Coronavirus Food Assistance Program 2 (CFAP 2)

October 15, 2021 - NRCS deadline for applications to the Agricultural Conservation Easement Program

November 1, 2021 – FSA deadline for applications to the Organic Certification Cost Share Program



Nebraska FSA and NRCS State Office Information

Farm Service Agency

7131 A Street
Lincoln, NE 68510
Phone: (402) 437-5581
Fax: (844) 930-0237

Natural Resources Conservation Service

100 Centennial Mall North, Suite 152
Lincoln, NE 68508
Phone: (402) 437-5300

Tim Divis, FSA
Acting State Executive Director
timothy.divis@usda.gov

John Wilson, NRCS
Acting State Conservationist
john.wilson@usda.gov

FSA State Office Programs Chiefs
Cathy Anderson, *Production & Compliance*
Doug Klein, *Conservation & Price Support*
Mark Wilke, *Farm Loans*
Patty Wilke, *Administrative Officer*

FSA State Committee
Tim Divis, *Acting Committee*