U.S. DEPARTMENT OF AGRICULTURE

Nebraska FSA and NRCS State Office Newsletter - November 2021

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

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A Message from the FSA Acting State Executive Director

I want to start this month's message by wishing you, our FSA farmer and rancher customers, a Happy Thanksgiving. We are thankful for all you do each and every day to provide the food that we will enjoy during this upcoming season of celebrations.

From a business standpoint, Farm Service Agency offices will be closed for Thanksgiving so our staff can enjoy a well-deserved day off. In line with the holiday, I will say I am thankful for our employees, who continue to provide FSA service under unique circumstances due to the pandemic. I hope you will join me in thanking them for their work.

At this point in the year, you likely are starting to make production plans for 2022. Please give some thought to the farm commodity crop safety net, the Agriculture Risk Coverage

(ARC) and Price Loss Coverage (PLC) (ARC/PLC) programs. The election and enrollment period for these is under way at your local FSA through **March 15, 2022**. ARC and PLC provide farmers financial protections from substantial drops in crop prices or revenues. See the article below for details.

Occasionally I like to call attention to educational opportunities that I believe may be beneficial to our FSA customers. Over the winter months, University of Nebraska Extension will be presenting "Building Farm and Ranch Resiliency in the Age of Financial Uncertainty" workshops at 19 locations across the state. In addition to showing a presentation on FSA loan programming, Extension plans to cover cash rental rates, land values, leasing strategies and other important farm and ranch business information. Check out the article below to learn more and find a workshop location near you.

That's all for this month. Please enjoy a happy and safe Thanksgiving holiday.

--Tim Divis, acting State Executive Director

USDA Provides $1.8 Billion Through ARC/PLC Programs to Offset Market Fluctuations

Safety Net Program Election, Enrollment Period Open for 2022 Production Season

The U.S. Department of Agriculture (USDA) is in the process of issuing $1.8 billion in payments to agricultural producers who enrolled in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2020 crop year. These payments provide critical support to help mitigate fluctuations in either revenue or prices for certain crops. These two USDA safety-net programs help producers of certain crops build back better after facing the impacts of COVID-19 and other challenges.

In addition, USDA's Farm Service Agency (FSA) is encouraging producers to contact their local USDA Service Centers to make or change elections and to enroll for 2022 ARC or PLC, providing future protections against market fluctuations. The election and enrollment period is open now through March 15, 2022.

2020 Payments and Contracts

ARC and PLC payments for a given crop year are paid out the following fall to allow actual county yields and the Market Year Average prices to be finalized. This month, FSA processed payments to producers enrolled in 2020 ARC-County (ARC-CO), ARC-Individual (ARC-IC) and PLC for covered commodities that triggered for the crop year.

For ARC-CO, view the 2020 ARC-CO Benchmark Yields and Revenues online database for payment rates applicable to their county and each covered commodity.

For PLC, payments have triggered for barley, canola, chickpeas (large and small), dry peas, flaxseed, lentils, peanuts, seed cotton and wheat. More information on rice payments will be announced later this fall and in early 2022.

For ARC-IC, producers should contact their local FSA office for additional information pertaining to 2020 payment information, which relies on producer-specific yields for the crop and farm to determine benchmark yields and actual year yields when calculating revenues.

By the Numbers

More than 1.7 million contracts were signed in 2019. In 2020, producers signed nearly 1.8 million ARC or PLC contracts, and 251 million out of 273 million base acres were enrolled in the programs. In 2021, signed contracts surpassed 1.8 million.

Since the ARC and PLC were authorized by the 2014 Farm Bill and reauthorized by the 2018 Farm Bill, these safety-net programs have paid out more than $32.5 billion to producers of covered commodities.

2022 Elections and Enrollment

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 election changes for 2022 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm and makes an election change for 2022, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2022, the election remains the same as the 2021 election for crops on the farm. Farm owners cannot enroll in either program unless they have a share interest in the farm.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed, and wheat.

Web-Based Decision Tools

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

- Gardner-farmdoc Payment Calculator, a tool available through the University of Illinois allows producers to estimate payments for farms and counties for ARC-CO and PLC.
- ARC and PLC Decision Tool, a tool available through Texas A&M allows producers to estimate payments and yield updates and expected payments for 2022.

Crop Insurance Considerations

ARC and PLC are part of a broader safety net provided by USDA, which also includes crop insurance and marketing assistance loans.

Producers are reminded that ARC and PLC elections and enrollments can impact eligibility for some crop insurance products.

Producers on farms with a PLC election have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider; however, producers on farms where ARC is the election are ineligible for SCO on their planted acres for that crop on that farm.

Unlike SCO, the Enhanced Coverage Option (ECO) is unaffected by an ARC election. Producers may add ECO regardless of the farm program election.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres for that farm.

More Information

For more information on ARC and PLC, visit the ARC and PLC webpage or contact your local USDA Service Center.

Submit Loan Requests Early for FSA Financing

Farm loan teams in FSA offices across the state already are working with customers on operating loans for spring 2022. Potential borrowers should submit their requests early so they can be timely processed. The farm loan team can help applicants determine which loan programs may work best for them.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to $50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to $500,000 per loan**.**

For more information on these and other FSA loan programs, visit farmers.gov/loans or contact your nearest FSA farm loan office.

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 fsa.usda.gov.

2021 Farm Service Agency County Committee Elections Under Way

The U.S. Department of Agriculture (USDA) has mailed ballots for the Farm Service Agency (FSA) county committee elections to all eligible agricultural producers and private landowners across the country. Elections are occurring in certain Local Administrative Areas (LAA) for these committee members who make important decisions about how federal farm programs are administered locally. To be counted, producers and landowners must return ballots to their local FSA county office, or be postmarked by, Dec. 6, 2021.

Producers must participate or cooperate in an FSA program to be eligible to vote in the county committee election. A cooperating producer is someone who has provided information about their farming or ranching operation but may not have applied or received FSA program benefits. Also, for County Committee elections, producers who are not of legal voting age, but supervise and conduct the farming operations of an entire farm, are eligible to vote.

Producers can find out if their LAA is up for election and if they are eligible to vote by contacting their local FSA county office. Eligible voters who do not receive a ballot in the mail can request one from their local FSA county office. To find your local USDA Service Center, visit farmers.gov/service-locator. Visit fsa.usda.gov/elections for more information.

Each committee has from three to 11 elected members who serve three-year terms of office, and at least one seat representing an LAA is up for election each year. Newly elected committee members will take office Jan.1, 2022.

You’re Invited: Extension Land Management, Farm Resiliency Workshops Planned Statewide

The University of Nebraska-Lincoln’s Center for Agricultural Profitability has scheduled a series of land management workshops to address the financial resiliency necessary for agriculture operations to sustain risk while remaining profitable.

Nebraska Extension educators will present “Building Farm and Ranch Resiliency in the Age of Financial Uncertainty” at 19 locations across the state between December and February. The workshops will cover cash rental rates, land values, leasing strategies, landlord-tenant communication, and farm and ranch succession planning. A presentation on USDA Farm Service Agency farm loans programs will be included as a part of the workshops.

Each meeting is free to attend and expected to last approximately three hours. Virtual options will be announced for some locations. Registration is required with the local county Extension office by one day prior to each workshop. More information is available on the Center for Agricultural Profitability's website, https://cap.unl.edu/.

The workshop schedule, with registration phone numbers (all times local), are:

- **Lincoln:** Dec. 1, 10:30 a.m.-2 p.m (Lancaster County Extension Office, 444 Cherrycreek Road, Suite A), 402-441-7180
- **West Point:** Dec. 14, 1-4 p.m. (Nielsen Center, 200 Anna Stalp Ave.), 402-372-6006
- **Wayne:** Dec. 15, 9 a.m.-noon (Wayne Fire Hall, 510 Tomar Drive), 402-375-3310
- **Bloomfield:** Dec. 15, 1-4 p.m. (Community Center, 101 S. Broadway St.), 402-254-6821
- **Syracuse:** Dec. 20, 1-4 p.m. (Fair Center, 135 Plum St.), 402-269-2301
- **Beatrice:** Dec. 21, 9 a.m.-noon (Gage County Extension Office, 1115 W. Scott St.), 402-223-1384
- **Kimball:** Jan. 10, 2:30-4:30 p.m. (Kimball County Fairgrounds, High School St. & 6^{th} St.), 308-235-3122
- **Sidney:** Jan. 11, 9 a.m.-noon (Security First Bank, 1205 Jackson St.), 308-254-4455
- **Alliance:** Jan. 11, 1-4 p.m. (Alliance City Library, 1750 Sweetwater Ave., #101), 308-762-5616
- **Scottsbluff:** Jan. 12, 9 a.m.-noon (Panhandle Research, Extension and Education Center, 4502 Ave. I), 308-632-1230
- **Burwell:** Jan. 18, 9 a.m.-noon (Senior Citizens Center, 411 Grand Ave.), 308-346-4200
- **O'Neill:** Jan. 18, 1-4 p.m. (Holt County Extension Office), 402-336-2760
- **Ashland:** Jan. 31, 1-4 p.m. (Round the Bend, 30801 E. Park Highway), 402-267-2205
- **Broken Bow:** Feb. 1, 1-4 p.m. (Custer County Fairgrounds, 4-H Building, 44100 Memorial Drive), 308-872-6831
- **Kearney:** Feb. 2, 9 a.m.-noon (Buffalo County Extension Office, 1400 E. 34^{th} St.), 308-236-1235
- **McCook:** Feb. 2, 1-4 p.m. (Red Willow County Fairgrounds, 4-H Building, W. 5^{th} St.), 308-268-3105
- **Grant:** Feb. 3, 9 a.m.-noon (Perkins County Extension Office, 6025 Road 329), 308-352-4340
- **Fullerton:** Feb. 7, 1-4 p.m. (Nance County Fairgrounds, 406 N. Ida), 308-536-2691

- **Geneva:** Feb. 8, 9 a.m.-noon (Fillmore County Fairgrounds, Ag Hall), 402-759-3712.

USDA Builds Pandemic Support for Certified Organic and Transitioning Operations

The U.S. Department of Agriculture (USDA) will provide pandemic assistance to cover certification and education expenses to agricultural producers who are certified organic or transitioning to organic. USDA will make $20 million available through the new Organic and Transitional Education and Certification Program (OTECP) as part of USDA's broader Pandemic Assistance for Producers initiative, which provides new, broader and more equitable opportunities for farmers, ranchers and producers.

During the COVID-19 pandemic, certified organic and transitional operations faced challenges due to loss of markets, and increased costs and labor shortages, in addition to costs related to obtaining or renewing their organic certification, which producers and handlers of conventionally grown commodities do not incur. Transitional operations also faced the financial challenge of implementing practices required to obtain organic certification without being able to obtain the premium prices normally received for certified organic commodities.

Eligible Expenses

OTECP funding is provided through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Certified operations and transitional operations may apply for OTECP for eligible expenses paid during the 2020, 2021 and 2022 fiscal years. For each year, OTECP covers 25% of a certified operation's eligible certification expenses, up to $250 per certification category (crop, livestock, wild crop, handling and State Organic Program fee). This includes application fees, inspection fees, USDA organic certification costs, state organic program fees and more.

Crop and livestock operations transitioning to organic production may be eligible for 75% of a transitional operation's eligible expenses, up to $750, for each year. This includes fees charged by a certifying agent or consultant for pre-certification inspections and development of an organic system plan.

For both certified operations and transitional operations, OTECP covers 75% of the registration fees, up to $200, per year, for educational events that include content related to organic production and handling in order to assist operations in increasing their knowledge of production and marketing practices that can improve their operations, increase resilience and expand available marketing opportunities. Additionally, both certified and transitional operations may be eligible for 75% of the expense of soil testing required under the National Organic Program (NOP) to document micronutrient deficiency, not to exceed $100 per year.

Applying for Assistance

Signup for 2020 and 2021 OTECP is available now through Jan. 7, 2022, at Farm Service Agency (FSA) offices. Those interested also can obtain one-on-one support with applications by calling 877-508-8364. Visit farmers.gov/otecp to learn more.

Additional Organic Support

OTECP builds upon USDA's Organic Certification Cost Share Program (OCCSP) which provides cost share assistance of 50%, up to a maximum of $500 per scope, to producers and handlers of agricultural products who are obtaining or renewing their certification under the NOP. This year's application period for OCCSP ended Nov. 1, 2021.

Additionally, USDA's Risk Management Agency announced improvements to the Whole-Farm Revenue Program including increasing expansion limits for organic producers to the higher of $500,000 or 35%. Previously, small and medium size organic operations were held to the same 35% limit to expansion as conventional practice producers. Also, producers can now report acreage as certified organic, or as acreage in transition to organic, when the producer has requested an organic certification by the acreage reporting date.

To learn more about USDA's assistance for organic producers, visit usda.gov/organic.

Livestock Inventory Records Important for Disaster Programs

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster and are an important part of disaster assistance program applications, including applications for the Livestock Indemnity Program (LIP) and the Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP).

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, 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. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

To be eligible for livestock deaths, producers must submit evidence to support their losses. Some examples of records that could be used to help support a claim include: veterinary records, contemporaneous producer records, veterinary certification existing at the time of the event, balance sheets, brand inspection records, loan records, docking records, bank statements, shearing records, farm credit balance sheets, property tax records, ear tag records, trucking and/or livestock hauling records, sales and purchase receipts, inventory records used for tax purposes, private insurance documents, chattel inspections, and canceled check documentation.

To be eligible for livestock injuries, producers must submit one of the following documents that indicate an injured animal: sales receipt from a livestock auction, sale barn or other similar livestock sales facility; private insurance documents; or processing plant receipt. At a minimum, these records must include livestock kind, type, and weight, and the price for which the animal was sold.

For more information on documentation requirements associated with receiving disaster-related assistance, contact your local FSA office.

Farmers Encouraged to Keep the Stubble During "No-till November"

The Natural Resources Conservation Service (NRCS) is encouraging Nebraska farmers to keep the tillage equipment in the machine shed during No-Till November.

First launched in 2017, the NRCS project is a conservation twist on the national cancer awareness "No Shave November" campaign that encourages people not to shave during the entire month.

The NRCS campaign encourages farmers to "keep the stubble" on their harvested crop fields. NRCS recommends producers to not till and leave the stalks and leaves, called residue, in place.

By not tilling, soil organic matter is enhanced, increasing water infiltration and reducing erosion. No-till is a conservation practice that improves soil health by leaving the crop residue undisturbed from harvest. Improving soil health increases soil biological activity, which provides erosion control, nutrient benefits, and can simulate tillage.

For more information about soil health and no-till, please go to www.ne.nrcs.usda.gov.

USDA Issuing Approximately $270 Million in Pandemic Assistance to Poultry, Livestock Contract Producers

USDA has begun issuing approximately $270 million in payments to contract producers of eligible livestock and poultry who applied for Pandemic Assistance. Earlier this year, USDA's Farm Service Agency (FSA) identified gaps in assistance including in the initial proposal to assist contract growers. In August, USDA released the improved program for contract producers to fill these gaps, providing support as part of USDA's broader Pandemic Assistance for Producers initiative.

The Consolidated Appropriations Act, 2021, provided funding 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, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail were eligible for assistance, along with eligible breeding stock and eggs of all eligible poultry types produced under contract. Signup ran from Aug. 24, 2021, through Oct. 12, 2021.

In total, the Coronavirus Food Assistance Program 2 (CFAP 2), of which assistance for contract producers is part, provided more than $18.8 billion to producers whose operations were impacted by the coronavirus pandemic. CFAP 2 had a fourfold increase in participation by historically underserved producers since the program reopened in April 2021. This highlights USDA's commitment to increase outreach, education and technical assistance to historically underserved farmers and ranchers, including by investing [$4.7 million to assist in targeted outreach] for FSA programs.

November FSA Interest Rates

OPERATING/OWNERSHIP
Farm Operating: 1.750%
Microloan Operating: 1.750%
Farm Ownership: 2.875%
Farm Ownership - Joint Financing: 2.5%
Farm Ownership - Down Payment: 1.5%
Emergency - Actual Loss: 2.750%

FARM STORAGE
Farm Storage Facility Loan 3 year term: 0.625%
Farm Storage Facility Loan 5 year term: 1%
Farm Storage Facility Loan 7 year term: 1.375%
Farm Storage Facility Loan 10 year term: 1.5%
Farm Storage Facility Loan 12 year term: 1.625%

MARKETING ASSISTANCE
Commodity Loan: 1.125%

Dates to Remember

November 25, 2021 – USDA Service Centers closed for federal holiday
December 6, 2021 – Deadline to return FSA County Committee election ballots to USDA Service Center
January 2, 2022 – FSA acreage certification deadline for honey
January 7, 2022 - FSA application deadline for Organic and Transitional Education and Certification Program (OTECP)
January 31, 2022 – FSA deadline for applications for 2021 Livestock Forage Disaster Program assistance for eligible producers in eligible counties

****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.*

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