



U.S. DEPARTMENT OF AGRICULTURE

Nebraska FSA and NRCS State Office Newsletter - February 2022

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A Message from the FSA State Executive Director

Early to mid-March is a critical time for Nebraska FSA offices across the state because we have several deadlines that all come due then. We need your attention to these deadlines so we can help you maintain or gain access to important program benefits.

Here is what's going on:

- I may sound like a broken record, but this is my last chance to remind you about the upcoming deadline for the **Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)** program election and enrollment. As the main commodity crop safety net, ARC can provide income support on historical base acres when crop revenues (formula looks at price and yield) decline below a guaranteed level, and PLC does the same when the effective price for a covered commodity falls below its reference price. These programs may or may not trigger for a 2022 crop payment, but if you haven't completed your enrollment (**the signing of a new contract for 2022**) by **March 15**, you won't be eligible if payments do trigger. We need all signatures on contracts by the deadline. Please contact your FSA office immediately to complete the process.
- Did you know the Risk Management Agency (crop insurance branch of USDA) is again offering a premium benefit for those who have planted, and reported, cover crops by March 15? The **Pandemic Cover Crop Program (PCCP)** was first implemented last year, and it was recently announced for this season as well. FSA's role in this assistance program is to receive your report of cover crop acres by **March 15**. For more details, read the article below, and if you have any questions, check with your crop insurance agent.
- FSA is accepting contract offers for **General Conservation Reserve Program (CRP)** acres **through March 11**. CRP provides landowners with annual rental payments for putting environmentally sensitive acres into resource-conserving practices. Contact your county FSA office for additional information about the CRP process.

In closing, I want to say a quick note about the status of our USDA Service Centers across the state and our FSA staff who work there on your behalf. We are coming up on two years since our employees began a new routine that required them to work from home periodically as the federal government responded to COVID-19. Nebraska FSA staff have adjusted and readjusted to continue service to the farmers and ranchers of this state throughout the pandemic. Thankfully as covid numbers have declined, our FSA offices have been able to reopen to in-person traffic by appointment. Please remember to call ahead, and please remember to thank your FSA office staff for their hard work and dedication during this challenging time period.

That's all for February. Talk to you in March.

--John Berge

Producers with Crop Insurance to Receive Premium Benefit for Cover Crops Reported by March 15 Deadline

Agricultural producers who have coverage under most crop insurance policies are eligible for a premium benefit from the U.S. Department of Agriculture (USDA) if they planted cover crops during the 2022 crop year. To receive the benefit from this year's Pandemic Cover Crop Program (PCCP), producers must report cover crop acreage to FSA by **March 15, 2022**.

PCCP, offered by USDA's Risk Management Agency (RMA), helps farmers maintain their cover crop systems, despite the financial challenges posed by the pandemic and is part of USDA's [Pandemic Assistance for Producers](#) initiative, a bundle of programs to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19 market disruptions.

PCCP provides premium support to producers who insured their crop with most insurance policies and planted a qualifying cover crop during the 2022 crop year. Qualifying cover crops include all that are reportable to FSA, including cereals and other grasses, legumes, brassicas and other non-legume broadleaves, and mixtures of two or more cover crop species planted at the same time. This program does not change the Nebraska FSA normal acreage reporting deadline for spring-seeded crops, but to receive the premium benefit, cover crops must be reported by the March 15 deadline. Producers will need to report cover crop type or variety; number of acres of the cover crop; map with boundaries for the cover crop; planting dates; planting pattern where applicable; producer shares; and irrigation practice.

The premium support is \$5 per acre, but no more than the full premium amount owed.

For more information on this program, visit farmers.gov/cover-crops or talk to your crop insurance provider.

USDA Extends Deadline to March 25 for Dairy Margin Coverage Program Enrollment

USDA has extended the deadline to enroll in Dairy Margin Coverage (DMC) and Supplemental Dairy Margin Coverage (SDMC) for program year 2022. The deadline to apply for 2022 coverage is now **March 25, 2022**. As part of the Biden-Harris Administration's ongoing efforts to support dairy farmers and rural communities, USDA's Farm Service Agency (FSA) opened DMC and SDMC signup in December 2021 to help producers manage economic risk brought on by milk price and feed cost disparities.

The DMC program, created by the 2018 Farm Bill, offers reasonably priced protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

Supplemental DMC will provide \$580 million to better help small- and mid-sized dairy operations that have increased production over the years but were not able to enroll the additional production. Now, they will be able to retroactively receive payments for that supplemental production.

After making any revisions to 2021 DMC contracts for Supplemental DMC, producers can sign up for 2022 coverage. DMC provides eligible dairy producers with risk management coverage that pays producers when the difference between the price of milk and the cost of feed falls below a certain level. So far in 2021, DMC payments have triggered for January through November for more than \$1 billion distributed nationwide.

To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the [online dairy decision tool](#).

If you are a dairy producer who is interested in DMC coverage for 2022, call your county FSA office to begin the application process.

County FSA Offices Continue Accepting CRP Offers for Migratory Birds, Butterflies and Pollinators Initiative

First Application Ranking Cutoff Extended to April 1

County Farm Service Agency (FSA) offices currently are accepting Conservation Reserve Program (CRP) contract offers under the Kansas/Nebraska CRP Migratory Birds, Butterflies, and Pollinators State Acres For Wildlife Enhancement (SAFE) project. Sign-up began on Dec. 13, 2021, in counties in Nebraska and Kansas where this program is available.

Offers can be submitted on a continuous basis, but will be reviewed periodically, ranked, and contracts offered. **Producers interested in having their contract offers reviewed and ranked in the first round should submit their applications by April 1, 2022.** This deadline was extended from the previous February cutoff date.

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.

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, and the maximum enrollment per offer is 160 acres.

Contracts will only be made available for acres that are located within designated playa areas. All or parts of 42 Nebraska counties are included in this initiative.

[Producers who are interested in learning more about this SAFE project are encouraged to view this fact sheet](#), found under the Programs tab at www.fsa.usda.gov/ne.

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.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) [Direct Farm Ownership loans](#) can help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

There are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a [Direct Farm Ownership Microloan](#) option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a joint financing loan is \$600,000, and the repayment period for the loan is up to 40 years.

The operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises, and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about farm loans, contact your nearest FSA farm loan office. To find your nearest office, go to farmers.gov/service-center-locator.

Conservation Compliance Critical to Eligibility for Benefits

Agricultural producers and landowners are reminded compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions is required to maintain eligibility for federal farm program and crop insurance premium benefits. HEL and WC provisions apply across a producer's entire farming operation and a violation of such provisions on one farm can result in a producer's loss of eligibility for applicable benefits on all farms in their operation.

Conservation compliance refers to the U.S. Department of Agriculture requirement that production of agriculture commodities on highly erodible lands maintains compliance with an approved conservation plan or system. This means highly erodible land must be farmed in a manner that maintains a certain level of surface residue and minimizes soil erosion. A conservation plan or system may include taking steps such as incorporating minimal or no-till operations or planting cover crops. To maintain compliance with wetland conservation provisions, producers must agree they will not plant an agricultural commodity on a converted wetland. Specifically, persons are ineligible for certain farm program benefits if they plant an agricultural commodity on wetlands that were converted after Dec. 23, 1985, or if they convert a wetland after Nov. 28, 1990. Some examples of the conversion of a wetland are draining, dredging, tiling, leveling or removing woody vegetation. Program regulations indicate that even accidental planting of a small portion of a converted wetland must be treated as a wetland violation, and therefore would make the producer ineligible for USDA benefits on all farms for which they receive benefits.

Producers should contact their local USDA Service Center to file Farm Service Agency (FSA) Form AD-1026 prior to breaking new ground and conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria. Once the AD-1026 is filed, the Natural Resources Conservation Service (NRCS) will identify highly erodible lands and wetlands based on the project and can provide further planning assistance, such as a conservation plan, to producers if requested.

For more information on conservation compliance provisions, contact your County FSA office.

Nebraska Welcomes Robert Lawson as State Conservationist

The U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) is pleased to announce Robert Lawson as the Nebraska State Conservationist. He began serving in this position on Feb. 13.

Lawson follows Craig Derickson, who served as Nebraska State Conservationist for 10 years. Derickson retired on Dec. 31, 2020, after 35 years of federal service.

Upon Derickson's retirement, Jeff Vander Wilt, Britt Weiser, John Wilson, and Stacy Riley acted as Nebraska's State Conservationist over the past 13 months.

Lawson has worked with NRCS for 18 years. He has served in several NRCS field offices in Iowa and Illinois, and in leadership positions with NRCS in Indiana and Wisconsin.

Lawson grew up on a family farm in southeast Iowa. He earned a Bachelor of Science in Public Service and Administration at Iowa State University.

NRCS provides farmers and ranchers with financial and technical assistance to voluntarily put conservation on the ground, helping improve agricultural operations and the environment. For more information about NRCS and the programs and services it provides, visit www.ne.nrcs.usda.gov.

Applications for Conservation Incentive Contracts Accepted Now

The Natural Resources Conservation Service (NRCS) is providing Nebraska's farmers and ranchers financial and technical assistance to plan and implement conservation practices through Conservation Incentive Contracts. Agricultural producers have until March 11, 2022, to apply to be considered for 2022 funding.

Conservation Incentive Contracts are an option available through the Environmental Quality Incentives Program (EQIP) that offers producers financial assistance to adopt conservation management practices on working landscapes. Conservation Incentive Contracts are available nationwide and help producers address priority resource concerns, like sequestering carbon and improving water quality.

Producers may use incentive contracts as a "steppingstone," from correcting resource issues on specific land units, to achieving sustainable stewardship on their entire operation. Conservation Incentive Contracts:

- Have an initial length of five years.
- Require producers to address at least one priority resource concern during the contract period.
- Offer two types of payments:
 - Practice Implementation Payments, which are paid after completion and certification of a conservation practice.
 - Management Practice Payments, which include management practices that will serve as annual payments and are paid as soon as practicable after October 1 of each fiscal year.

For more information on Conservation Incentive Contracts, contact NRCS at your local USDA Service Center, or click [here](#) for more information.

USDA to Invest \$1 Billion in Climate Smart Commodities, Expanding Markets, Strengthening Rural America

Funding Opportunity Opens to Pilot New Revenue Streams for America's Climate-Smart Farmers, Ranchers and Forest Landowners

Agriculture Secretary Tom Vilsack announced on February 7 that the U.S. Department of Agriculture is delivering on its promise to expand markets by investing \$1 billion in partnerships to support America's climate-smart farmers, ranchers and forest landowners. The new [Partnerships for Climate-Smart Commodities](#) opportunity will finance pilot projects that create market opportunities for U.S. agricultural and forestry products that use climate-smart

practices and include innovative, cost-effective ways to measure and verify greenhouse gas benefits. USDA is now accepting project applications for fiscal year 2022.

For the purposes of this funding opportunity, a climate-smart commodity is defined as an agricultural commodity that is produced using agricultural (farming, ranching or forestry) practices that reduce greenhouse gas emissions or sequester carbon.

Funding will be provided to partners through the USDA's Commodity Credit Corporation for pilot projects to provide incentives to producers and landowners to:

- implement climate-smart production practices, activities, and systems on working lands,
- measure/quantify, monitor and verify the carbon and greenhouse gas (GHG) benefits associated with those practices, and
- develop markets and promote the resulting climate-smart commodities.

Funding will be provided in two funding pools, and applicants must submit their applications via Grants.gov by 11:59 p.m. Eastern Time on:

- April 8, 2022, for the first funding pool (proposals from \$5 million to \$100 million), and
- May 27, 2022, for the second funding pool (proposals from \$250,000 to \$4,999,999).

A wide range of organizations may apply, but the primary applicant must be an entity, not an individual.

USDA is committed to equity in program delivery and is specifically seeking proposals from entities serving all types of producers, including small or historically underserved producers.

Visit usda.gov for additional information including Partnerships for Climate-Smart Commodities and resources to support your application.

New Online Tool Allows Farmers, Ranchers to Easily Report Anticompetitive Practices

Farmers, ranchers, and other producers and growers now have a one-stop shop to help ensure they are treated fairly. The new farmerfairness.gov portal developed jointly by the U.S. Department of Agriculture (USDA) and Department of Justice (DOJ) allows you to report potential violations of livestock and poultry antitrust laws, including the Packers and Stockyards Act.

[Read More](#)

February FSA Interest Rates

OPERATING/OWNERSHIP

Farm Operating: 2.250%
Microloan Operating: 2.250%
Farm Ownership: 2.875%
Farm Ownership - Joint Financing: 2.5%
Farm Ownership - Down Payment: 1.5%
Emergency - Actual Loss: 3.25%

FARM STORAGE FACILITY LOAN

3-year term: 1.125%
5-year term: 1.375%
7-year term: 1.625%
10-year term: 1.625%
12-year term: 1.750%

MARKETING ASSISTANCE

Commodity Loan: 1.375%

Dates to Remember

February 25, 2022 – FSA deadline for applications to the Spot Market Hog Pandemic Program (SMHPP)

March 3, 2022 – NRCS Nebraska State Technical Committee Meeting

March 11, 2022 – NRCS EQIP Conservation Incentive Contracts application cutoff

March 11, 2022 – FSA deadline for contract offers for 2022 Conservation Reserve Program (CRP) General signup

March 15, 2022 – FSA deadline for certification of eligible cover crop acres for Pandemic Cover Crop Program

March 15, 2022 – FSA Agriculture Risk Coverage, Price Loss Coverage (ARC/PLC) program deadline for elections and enrollment for 2022 production season

March 15, 2022 – ***FSA application closing date for Noninsured Crop Disaster Assistance Program (NAP) coverage for 2022 production season for most annual fruits and vegetables, millet, oats, forage sorghum, dry peas, hemp

March 25, 2022 – FSA deadline for applications to the Dairy Margin Coverage Program for 2022 production

April 1, 2022 – FSA deadline for first ranking period for applications to the CRP Migratory Birds, Butterflies and Pollinators State Acres for Wildlife Enhancement project; eligible in 42 Nebraska counties

April 4, 2022 – FSA opens signup period for Grassland Conservation Reserve Program (CRP) contract offers

April 13, 2022 – NRCS project deadline for RCPP Classic and AFA

May 13, 2022 – FSA deadline for contract offers for 2022 Grassland CRP signup

****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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