



U.S. DEPARTMENT OF AGRICULTURE

Nebraska FSA and NRCS State Office Newsletter - May 2022

[Farm Service Agency](#) | [Natural Resources Conservation Service](#) | [Risk Management Agency](#)

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A Message from the FSA State Executive Director

This month I have a couple of quick reminders for you and want to call your attention to a newly-announced program.

I noted this last month but want to remind you that our county FSA offices are busy with spring acreage certification and need to hear from you as soon as you are done with planting. We have thousands and thousands of you to get through the acreage reporting process before the July 15 deadline so the sooner you contact us, the better. This includes those of you with perennial forage (pasture) and Conservation Reserve Program (CRP) acres.

Speaking of CRP, earlier this month we announced the results of the CRP General sign-up. In Nebraska 58,936 acres were accepted into the program. Landowners whose contract offers made it into the program should have received a letter from FSA alerting them to next steps, which include the need to work with their local NRCS office on a conservation plan for the approved acres. Once that is agreed upon, landowners will enroll

their acres with FSA for a contract start of October 1. Please work with your USDA Service Center staff to keep this process moving.

Over the past week we announced the opening of signup for the Emergency Relief Program. This program provides financial assistance to commodity and specialty crop producers impacted by natural disaster events in 2020 and 2021. The program uses existing Federal Crop Insurance and Noninsured Crop Disaster Assistance Program data as the basis for determining assistance, and FSA is sending pre-filled application forms to producers who already have this data on file. Read the article below for more information or [click here for additional details](#).

While many areas of the state have received some precipitation, the reality is that most of Nebraska is still in a significant drought. In some areas, the drought is significant enough to have triggered FSA program assistance. Learn more about the resources available through FSA [by viewing this recorded webinar](#), and then contact your county FSA office for additional information.

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

--John Berge

USDA to Provide \$6 billion to Commodity and Specialty Crop Producers Impacted by 2020, 2021 Natural Disasters

The U.S. Department of Agriculture (USDA) has announced that commodity and specialty crop producers impacted by natural disaster events in 2020 and 2021 will soon begin receiving emergency relief payments totaling approximately \$6 billion through the Farm Service Agency's (FSA) new [Emergency Relief Program \(ERP\)](#) to offset crop yield and value losses.

Background

On September 30, 2021, President Biden signed into law the *Extending Government Funding and Delivering Emergency Assistance Act* (P.L. 117-43), which includes \$10 billion in assistance to agricultural producers impacted by wildfires, droughts, hurricanes, winter storms, and other eligible disasters experienced during calendar years 2020 and 2021. FSA recently made payments to ranchers impacted by drought and wildfire through the first phase of the Emergency Livestock Relief Program (ELRP). ERP is another relief component of the Act.

For impacted producers, existing [Federal Crop Insurance](#) or [Noninsured Crop Disaster Assistance Program](#) (NAP) data is the basis for calculating initial payments. USDA estimates that phase one ERP benefits will reach more than 220,000 producers who received indemnities for losses covered by federal crop insurance and more than 4,000 producers who obtained NAP coverage for 2020 and 2021 crop losses.

ERP Eligibility – Phase One

ERP covers losses to crops, trees, bushes, and vines due to a qualifying natural disaster event in calendar years 2020 and 2021. Eligible crops include all crops for which crop insurance or NAP coverage was available, except for crops intended for grazing. Qualifying natural disaster events include wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought, and related conditions.

For drought, ERP assistance is available if any area within the county in which the loss occurred was rated by the U.S. Drought Monitor as having a:

- D2 (severe drought) for eight consecutive weeks; or
- D3 (extreme drought) or higher level of drought intensity.

Lists of [2020](#) and [2021](#) drought counties eligible for ERP is available on the emergency relief website.

To streamline and simplify the delivery of ERP phase one benefits, FSA will send pre-filled application forms to producers where crop insurance and NAP data are already on file. This form includes eligibility requirements, outlines the application process and provides ERP payment calculations. Producers will receive a separate application form for each program year in which an eligible loss occurred. Receipt of a pre-filled application is not confirmation that a producer is eligible to receive an ERP phase one payment.

Additionally, producers must have the following forms on file with FSA within 60 days of the ERP phase one deadline, which will later be announced by FSA's Deputy Administrator for Farm Programs:

- Form AD-2047, *Customer Data Worksheet*.
- Form CCC-902, *Farm Operating Plan* for an individual or legal entity.
- Form CCC-901, *Member Information for Legal Entities* (if applicable).
- Form FSA-510, *Request for an Exception to the \$125,000 Payment Limitation for Certain Programs* (if applicable).
- Form CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, if applicable, for the 2021 program year.
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 *Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification*) for the ERP producer and applicable affiliates.

Most producers, especially those who have previously participated in FSA programs, will likely have these required forms on file. However, those who are uncertain or want to confirm the status of their forms can contact their [local FSA county office](#).

ERP Payment Calculations – Phase One

For crops covered by crop insurance, the ERP phase one payment calculation for a crop and unit will depend on the type and level of coverage obtained by the producer. Each

calculation will use an ERP factor based on the producer's level of crop insurance or NAP coverage.

- **Crop Insurance** – the ERP factor is 75% to 95% depending on the level of coverage ranging from catastrophic to at least 80% coverage.
- **NAP** – the ERP factor is 75% to 95% depending on the level of coverage ranging from catastrophic to 65% coverage.

Full ERP payment calculation factor tables are available on the emergency relief website and in the program [fact sheet](#).

Applying ERP factors ensures that payments to producers do not exceed available funding and that cumulative payments do not exceed 90% of losses for all producers as required by the Act.

Also, there will be certain payment calculation considerations for area plans under crop insurance policies.

The ERP payment percentage for historically underserved producers, including beginning, limited resource, socially disadvantaged, and veteran farmers and ranchers will be increased by 15% of the calculated payment for crops having insurance coverage or NAP.

To qualify for the higher payment percentage, eligible producers must have a CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, form on file with FSA for the 2021 program year.

Because the amount of loss due to a qualifying disaster event in calendar years 2020 and 2021 cannot be separated from the amount of loss caused by other eligible causes of loss as defined by the applicable crop insurance or NAP policy, the ERP phase one payment will be calculated based on the producer's loss due to *all eligible causes of loss*.

Future Insurance Coverage Requirements

All producers who receive ERP phase one payments, including those receiving a payment based on crop, tree, bush, or vine insurance policies, are statutorily required to purchase crop insurance, or NAP coverage where crop insurance is not available, for the next two available crop years, as determined by the Secretary. Participants must obtain crop insurance or NAP, as may be applicable:

- At a coverage level equal to or greater than 60% for insurable crops; or
- At the catastrophic level or higher for NAP crops.

Coverage requirements will be determined from the date a producer receives an ERP payment and may vary depending on the timing and availability of crop insurance or NAP for a producer's particular crops. The final crop year to purchase crop insurance or NAP coverage to meet the second year of coverage for this requirement is the 2026 crop year.

Emergency Relief – Phase Two (Crop and Livestock Producers)

This announcement is only phase one of relief for commodity and specialty crop producers. Making the initial payments using existing safety net and risk management

data will both speed implementation and further encourage participation in these permanent programs, such as Federal crop insurance, as Congress intended.

The second phase of both ERP and ELRP programs will fill gaps and cover producers who did not participate in or receive payments through the existing programs that are being leveraged for phase one implementation. When phase one payment processing is complete, the remaining funds will be used to cover gaps identified under phase two.

Through proactive communication and outreach, USDA will keep producers and stakeholders informed as program details are made available. More information on ERP can be found in the [Notice of Funding Availability](#).

Additional Commodity Loss Assistance

The Milk Loss Program and On-Farm Stored Commodity Loss Program are also funded through the *Extending Government Funding and Delivering Emergency Assistance Act* and will be announced in a future rule in the Federal Register.

More Information

Additional USDA disaster assistance information can be found on farmers.gov, including the [Disaster Assistance Discovery Tool](#), [Disaster-at-a-Glance fact sheet](#), and [Farm Loan Discovery Tool](#). For FSA and Natural Resources Conservation Service programs, producers should contact their local [USDA Service Center](#). For assistance with a crop insurance claim, producers and landowners should contact their [crop insurance agent](#).

USDA Accepting Applications to Help Cover Costs of Organic, Organic Transitioning Producers

Agricultural producers and handlers who are certified organic, along with producers and handlers who are transitioning to organic production, can now apply for the U.S. Department of Agriculture's (USDA) [Organic and Transitional Education Certification Program](#) (OTECP) and [Organic Certification Cost Share Program](#) (OCCSP), which help producers and handlers cover the cost of organic certification, along with other related expenses. Applications for OTECP and OCCSP are both due October 31, 2022.

OTECP covers:

- Certification costs for organic producers and handlers (25% up to \$250 per category).
- Eligible expenses for transitional producers, including fees for pre-certification inspections and development of an organic system plan (75% up to \$750).
- Registration fees for educational events (75% up to \$200).
- Soil testing (75% up to \$100).

Meanwhile, OCCSP covers 50% or up to \$500 per category of certification costs in 2022.

This cost share for certification is available for each of these categories: crops, wild crops, livestock, processing/handling and State organic program fees.

Producers can receive cost share through both OTECP and OCCSP. Both OTECP and OCCSP cover costs incurred from October 1, 2021, to September 30, 2022. Producers have until October 31, 2022 to file applications, and FSA will make payments as applications are received.

To apply, producers and handlers should contact the Farm Service Agency (FSA) at their local USDA Service Center. As part of completing the OCCSP applications, producers and handlers will need to provide documentation of their organic certification and eligible expenses.

Additional details can be found on the [OTECP](#) and [OCCSP](#) webpages.

FSA Farm Reconstitutions Needed for Farm Ownership Changes

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all of the required signatures are on FSA-155 and all other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

- **Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate
- **Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method, the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding
- **DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract
- **Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

For questions on your farm reconstitution, contact your county FSA office.

FSA is Accepting CRP Continuous Enrollment Offers

The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the [Conservation Reserve Program \(CRP\) Continuous Signup](#).

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program's long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

In Nebraska this continuous enrollment option also includes enrollment in two special CRP initiatives in select areas of the state, the [Platte-Republican Resources Area CREP](#) and the [Migratory Birds, Butterflies and Pollinators State Acres for Wildlife Enhancement](#). Click on either link above for additional information.

For more information on Continuous CRP, including a list of acceptable practices, contact your USDA Service Center or visit fsa.usda.gov/crp.

Microloans Help Farmers, Ranchers with Operating Costs, Ownership

Farmers and ranchers can use the USDA microloan program to help with their ownership or operating needs. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

Microloans can help farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses or can help with farmland and building purchases and soil and water conservation improvements.

FSA designed the microloan program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$100,000 combined, with up to \$50,000 for a farm ownership loan and up to \$50,000 for an operating loan.

To learn more about the FSA microloan program, contact your USDA Service Center or visit fsa.usda.gov/microloans.

May FSA Interest Rates

OPERATING/OWNERSHIP

Farm Operating: 2.875%
Microloan Operating: 2.875%
Farm Ownership: 3.375%
Farm Ownership - Joint Financing: 2.5%
Farm Ownership - Down Payment: 1.5%
Emergency - Actual Loss: 3.750%

FARM STORAGE FACILITY LOAN

3-year term: 2.625%
5-year term: 2.625%
7-year term: 2.625%
10-year term: 2.625%
12-year term: 2.625%

MARKETING ASSISTANCE

Commodity Loan: 2.750%

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 USDA Service Center or visit fsa.usda.gov.

NRCS Offers Assistance for Farmers, Ranchers Impacted by Wildfire

Nebraska NRCS has funding available to assist agricultural producers whose land was impacted by recent wildfires. Landowners have until June 30 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.



NRCS staff works one-on-one with landowners to assess damage and develop approaches that lead to an effective recovery of the land.

The application signup for this wildfire assistance is ongoing through **June 30, 2022**. 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 [local NRCS office](#) in the USDA Service Center for applications and more information.

Producers Asked to Respond to NASS Survey on Conservation Practices

USDA's National Agricultural Statistics Service (NASS) will mail the Conservation Practice Adoption Motivations Survey beginning May 30 to 1,204 Nebraska farmers and ranchers. The new survey is a joint project between NASS and USDA's Natural Resources Conservation Service (NRCS) aimed at better understanding conservation practice adoption and the role of technical and financial assistance. The survey results will be used to guide the implementation of NRCS programs in the future.

There are two versions of the survey this year — one requesting information on crop conservation practices and one for confined livestock conservation practices. If NASS does not receive producers' completed surveys by June 13, they may reach out to schedule telephone interviews.

NASS encourages recipients to [respond securely online](#), using the 12-digit survey code mailed with the survey. Producers responding online will now use NASS's new Respondent Portal. On the portal, producers can complete their surveys, access data visualizations and reports of interest, link to other USDA agencies, get a local weather update and more. Completed questionnaires may also be mailed back in the prepaid envelope provided.

Results from both versions of the survey will be available [online](#) on Sept. 15, 2022, and in [NASS's Quick Stats database](#).

All information reported by individuals will be kept confidential, as required by federal law. For assistance with the survey, producers can call the NASS Nebraska Field Office at (800) 582-6443.

Dates to Remember

May 30, 2022 – USDA Service Centers closed for federal holiday

June 1, 2022 – FSA 2021 Marketing Assistance Loan availability deadline for corn, dry peas, grain sorghum, lentils, mustard seed, safflower seed, chickpeas, soybeans and sunflower seed

June 20, 2022 – USDA Service Centers closed for federal holiday

June 30, 2022 – NRCS deadline to apply for State Wildfire Assistance Initiative

July 15, 2022 – FSA deadline to report all spring-seeded crops, perennial forage and Conservation Reserve Program acreage

Aug. 1, 2022 – FSA deadline for producers to request a farm transfer or a farm reconstitution

Aug. 5, 2022 – FSA deadline for contract offers for CLEAR30 CRP special water quality initiative

Oct. 31, 2022 – FSA deadline for applications to the Organic Certification Cost Share Program and the Organic and Transitional Education Certification Program

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



Nebraska FSA and NRCS State Office Information

Farm Service Agency

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

John Berge, FSA

State Executive Director
john.berge@usda.gov

Natural Resources Conservation Service

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

Robert Lawson, NRCS

State Conservationist
robert.lawson@usda.gov

FSA State Office Programs Chiefs

Cathy Anderson, *Production & Compliance*
Pat Lechner, *Price Support & Conservation*
Mark Wilke, *Farm Loans*
Tim Divis, *Executive Officer*
Patty Wilke, *Administrative Officer*

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