

U.S. DEPARTMENT OF AGRICULTURE

Nebraska FSA and NRCS State Office Newsletter - November 2023

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

In This Issue:

- A Message from the FSA Acting State Executive Director
- Dates to Remember
- Sign-up Ongoing at FSA Offices for Emergency Relief Program 2022
- Conservation Compliance Critical to Eligibility for Benefits
- <u>Deadline is Dec. 4 for FSA County Committee Votes to be Returned or Postmarked</u>
- FSA Reminds Direct Loan Borrowers of Assistance Options
- FSA November Loan Interest Rates
- Section 22007 Program to Assist Those Who Experienced Discrimination
- NRCS Announces Extended Application Cutoff for Conservation Financial Assistance

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 to provide the food that we will enjoy during this upcoming season of celebrations.

I also want to offer my thanks to all of our Nebraska FSA employees. They work every day to deliver programs and services to current and potential new customers in order to support and grow the agriculture industry in our state. Our offices will be closed for Thanksgiving so these folks can enjoy a well-deserved day off. I hope you can agree these employees deserve our "thanks" and that you will share such sentiment with them next time you are in the office.

As I close this column, I also want to offer a note of appreciation to all those producers who serve on our FSA County Committees across the state. Every FSA county office has an elected County Committee whose members make important program and management decisions. These folks are producers themselves, who are elected to their positions by the farmers and ranchers they serve. We appreciate all you do.

--Tim Divis

Dates to Remember

Nov. 23, 2023 – USDA Service Centers closed for federal holiday

Dec. 4, 2023 – Deadline to return FSA County Committee election ballots (or postmark ballots)

Dec. 31, 2023 – FSA deadline for distressed farm loan borrowers to request assistance under Inflation Reduction Act Section 22006 provisions

Jan. 2, 2024 – FSA acreage certification deadline for honey

Jan. 30, 2024 – FSA deadline for applications for Livestock Forage Disaster Program (LFP) and Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP) benefits for 2023 losses

Jan. 31, 2024 – FSA deadline for producers to apply for an LDP for wool and unshorn pelts

***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.

Sign-up Ongoing at FSA Offices for Emergency Relief Program 2022

Farm Service Agency is accepting applications for the <u>Emergency Relief Program (ERP)</u> 2022, a program designed to provide more than \$3 billion to commodity and specialty crop producers impacted by natural disaster events in 2022.

ERP 2022 covers losses to crops, trees, bushes and vines due to qualifying, calendar year 2022 natural disaster events including wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought and related conditions.

ERP 2022 program benefits are being delivered to eligible producers through a two-track process. It's important to note that disaster-impacted producers may be eligible for ERP 2022 assistance under one or both tracks. To avoid duplicative benefits, if a producer applies for both tracks, the Track 2 payment calculation will take into account any payments received through Track 1.

ERP 2022 Application Process – Track 1

ERP 2022 Track 1 leverages existing federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) data as the basis for calculating payments for eligible crop producers who received indemnities through these risk management programs. FSA is sending pre-filled ERP 2022 Track 1 application forms to producers who have crop insurance and NAP data already on file with USDA. Receipt of a pre-filled application is not confirmation that a producer is eligible to receive an ERP 2022 Track 1 payment, and those who received a pre-filled application must still apply for the assistance.

ERP 2022 Application Process – Track 2

Track 2 is a revenue-based certification program designed to assist eligible producers who suffered an eligible decrease in revenue resulting from 2022 calendar year disaster events when compared with revenue in a benchmark year using revenue information that is readily available from most tax records. In cases where revenue does not reasonably reflect a normal year's revenue, Track 2 provides an alternative method for establishing revenue. Likewise, Track 2 affords producers of crops that are used within an operation and do not generate revenue from the sale of the crop a method for establishing revenue for the purpose of applying for ERP 2022 benefits. Producers are not required to submit tax records to FSA unless requested by the County Committee if required for an FSA compliance spot check.

Although not required when applying for ERP 2022 Track 2, applicants might find useful to the application process a schedule F (Form 1040) or *Profit or Loss from Farming* or similar tax documents for tax years 2018, 2019, 2022 and 2023.

Track 2 targets gaps in emergency relief assistance for eligible producers whose eligible losses were not covered by crop insurance or NAP including revenue losses too small (shallow loss) to be covered by crop insurance.

Producers interested in applying for ERP 2022 Track 2, should contact their local FSA county office. Additional reference resources can be found on FSA's emergency reliefwebsite.

More Information

The ERP 2022 application deadline has not yet been determined and will be announced at a later date.

ERP 2022 eligibility details and payment calculation factor tables are available on the emergency relief website, in the ERP Track 1 and ERP Track 2 fact sheets and through your local FSA county office.

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.

Deadline Is Dec. 4 for FSA County Committee Votes to be Returned or Postmarked

The 2023 Farm Service Agency County Committee Elections are under way with a Dec. 4, 2023, deadline to return ballots to local FSA offices or to be postmarked by that date.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive, indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must:

- Be of legal voting age or, if not of legal voting age, supervise and conduct the farming operation of an entire farm.
- Have an interest in a farm or ranch as either:
 - o An individual who meets one or more of the following:
 - Is eligible and capable to vote in one's own right.
 - Is a partner of a general partnership.
 - Is a member of a joint venture.
 - Is an authorized representative of a legal entity.
 - Participates or cooperates in any FSA program that is provided by law. A
 cooperating producer is someone who has provided information to FSA
 about their farming or ranching operation(s) but may not have applied or
 received program benefits.

Eligible voters, in Local Administrative Areas that are up for election, who do not receive a ballot can obtain one from their local FSA county office. Customers can identify which LAA they or their farming operation is in by using the GIS locator tool available at fsa.usda.gov/elections.

Newly elected committee members will take office Jan. 1, 2024.

More information on county committees can be found at <u>fsa.usda.gov/elections</u> or by contacting the County FSA office.

FSA Reminds Direct Loan Borrowers of Assistance Options

Requests for Cash Flow-Based or Extraordinary Measures Assistance Must be Received by Dec. 31, 2023

USDA's Farm Service Agency (FSA) continues to accept and review individual assistance requests from: (1) direct Farm Loan Programs (FLP) borrowers who missed a recent installment or are unable to make their next scheduled installment, and (2) borrowers who took certain extraordinary measures to avoid delinquency on their direct FLP loans.

FSA direct loan borrowers with qualifying FLP loans who are unable to pay their upcoming installments or have already missed a recent installment payment can request a cash flow analysis from FSA using a recent balance sheet and operating plan to determine their eligibility. This assistance is currently limited to installments due August 1, 2022, through January 15, 2024. If FSA determines that a borrower qualifies for cash flow-based assistance due to an inability to develop a feasible plan for the current production cycle, FSA will make a one-time credit to the borrower's account in the amount of the missed or upcoming direct loan installment(s). Consistent with other Section 22006 assistance provided to FSA direct loan borrowers, cash flow-based assistance is only available to borrowers who have not received prior IRA Section 22006 assistance that covered a forward direct loan installment.

Assistance is also available for borrowers who took certain extraordinary measures between February 28, 2020, through October 18, 2022, to avoid delinquency on their loans, such as monetizing long term or essential assets, incurring additional non-FSA debt, or deferring other essential payments, resulting in reduced farm and household viability. If FSA determines that a borrower qualifies for extraordinary measures assistance, the borrower will receive a direct payment equaling the amount of funds obtained through the extraordinary measure(s) that were used to make the payment(s) to FSA, with a maximum payment being the full amount of the installment paid. Borrowers may also be eligible to receive a payment covering their next loan installment due on all FLP direct loans if they have not received prior IRA Section 22006 assistance that covered a forward installment.

Borrowers can submit requests for extraordinary measures or cash flow-based assistance in person at their local FSA office or by sending in a direct request using the farmers.gov 22006 assistance request portals at farmers.gov/loans/inflation-reduction-

investments/assistance. All requests for assistance must be received by December 31, 2023

Borrowers can learn more about extraordinary measures and cash flow-based assistance, including complete eligibility requirements, at farmers.gov/loans/inflation-reduction-investments/assistance.

FSA November Loan Interest Rates

OPERATING/OWNERSHIP LOANS

Farm Operating: 5.375%

Farm Operating - Limited Resource: 5%

Microloan Operating: 5% Farm Ownership: 5.5%

Farm Ownership - Limited Resource: 5% Farm Ownership - Joint Financing: 3.5% Farm Ownership - Down Payment: 1.5%

Emergency - Actual Loss: 3.75%

FARM STORAGE FACILITY LOANS

3-year term: 4.875% 5-year term: 4.75% 7-year term: 4.75% 10-year term: 4.75% 12-year term: 4.75%

MARKETING ASSISTANCE

Commodity Loan: 6.5%

Section 22007 Program to Assist Those Who Experienced Discrimination

The application period is open for a new financial assistance program under Section 22007 of the Inflation Reduction Act (IRA), for farmers, ranchers, and forest landowners who experienced discrimination in USDA farm lending programs prior to January 2021. The application process will close on January 13, 2024.

Borrowers will have the option to apply for assistance online via <u>22007apply.gov</u> or through a paper-based form.

Details about the program, including an application and e-filing portal, are available at 22007apply.gov. The website includes an English and Spanish language application that applicants can download or submit via an e-filing portal, information on how to obtain technical assistance in-person or virtually, and additional resources and details about the program. Applicants can also call the free call center at 1-800-721-0970, or visit one of several dozen brick-and-mortar offices the program has set up around the country. Locations are provided on the program website and vendors will update the local events

schedule with more information as it becomes available. It is important to note that filing an application is FREE and does not require a lawyer.

NRCS Announces Extended Application Cutoff for Conservation Financial Assistance

Producers Now Have Until March 1, 2024, to Sign Up

Nebraska farmers and ranchers who are interested in planning and competing for potential funding from the Inflation Reduction Act (IRA) authorization should ACT NOW. Applications are currently being received for the Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP) at your local USDA Natural Resources Conservation Service (NRCS) office for consideration under ACT NOW.

ACT NOW is a funding process where applications will have a shorter turnaround time compared to the traditional process and be processed in the order received. Based on the availability of funds, eligible applications with a score greater than a predetermined ranking threshold will be preapproved once assessed and ranked until funds have been depleted.

The ACT NOW process Nebraska will be using targets applications that implement Climate Smart Agricultural and Forestry (CSAF) Mitigation activities such as cover crops, nutrient management, prescribed grazing for livestock, and irrigation efficiency improvements, to name a few. A complete list of eligible activities can be found here and at your local NRCS office.

The application cut off for Fiscal Year 2024 consideration is Friday March 1, 2024.

For more information about conservation programs and other assistance available, contact your local NRCS field office or visit www.nrcs.usda.gov/NE.



Nebraska FSA and NRCS State Office Information

Farm Service Agency 7131 A Street Lincoln, NE 68510 Natural Resources Conservation Service 100 Centennial Mall North, Suite 152 Lincoln, NE 68508 Phone: (402) 437-5300 Phone: (402) 437-5581 Fax: (844) 930-0237

Tim Divis, FSA

Acting State Executive Director timothy.divis@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

Robert Lawson, NRCS State Conservationist robert.lawson@usda.gov

FSA State Committee

Roy Stoltenberg, Cairo, Chair Bill Armbrust, Elkhorn Aaron LaPointe, Winnebago Becky Potmesil, Alliance Paula Sue Steffen, Humboldt

Visit the Nebraska FSA website at www.fsa.usda.gov/ne. Visit the Nebraska NRCS website at www.nrcs.usda.gov/ne.

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