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- 2014 ARC and PLC Payments to be Determined
- Report Forage and Fall-Seeded Crops by November 16th
- USDA Encourages Producers to Consider Risk Protection Coverage before Fall Crop Sales Deadlines
- Dairy Margin Protection Program Deadline Extended
- Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)
- Commodity Loans Available to Nebraska Producers
- CRP Incentives for Working Grass and Pasture Lands
- Direct Loans
- Guaranteed Loan Program
- Farmers to Receive Documentation of USDA Services
- Producers are Reminded to Complete NASS Crop Surveys
- USDA Commits \$2.5 Million to Expand New Farmer Education
- October FSA Interest Rates
- Dates to Remember

Nebraska FSA Newsletter

Nebraska Farm Service Agency

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www.fsa.usda.gov/ne

State Committee:

Bill Armbrust Fred Christensen Susan Frazier, Chairperson Leo Hoehn Linda Kleinschmit

2014 ARC and PLC Payments to be Determined

FSA is working to finalize determinations to calculate 2014 payment rates under the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. The final 2014 Marketing Year Average (MYA) prices have been published for several covered commodities. These prices are used in calculating payments under both the PLC and ARC programs. The final 2014 county average yields have not yet been announced. These yields will be a key factor in determining payments earned under the ARC-County (ARC-CO) program. ARCPLC prices and yields are published at www.fsa.usda.gov/arc-plc. Click on

Dan Steinkruger

State Executive Director: "ARCPLC Program Data" under "Related Topics" in the left-hand column.

Division Chiefs:

Cathy Anderson Doug Klein Greg Reisdorff Mike Sander Mark Wilke

Please contact your local FSA Office for questions specific to your operation or county.

PLC payments are earned when the MYA price is less than a crop's reference price. It has been determined that 2014 PLC payments will not be made for wheat, barley, oats, corn, grain sorghum or dry peas, as the MYA for each of these crops exceeded the reference price set by the 2014 Farm Bill. Final 2014 MYA prices are still being determined for other covered commodities. The MYA is a weighted average price based upon monthly surveys by the National Agriculture Statistics Service (NASS) of approximately 2000 buyers nationwide.

As ARC-CO payment rates are announced, it's important to remember that ARC-CO is a program designed to compensate a county's specific loss in revenue for a crop in a particular year. A crop's revenue loss is determined by comparing the county's guaranteed revenue for that crop (based upon 86% of the historical average prices and yields) to the county's actual revenue for that crop. Both historical revenue and actual revenue will vary from county to county, primarily due to the differences in county average yields. As a result, payment rates will differ accordingly.

Report Forage and Fall-Seeded Crops by November 16th

November 16, 2015 is the deadline to report perennial forage and fall-seeded crops for the 2016 crop year. NAP policy holders should note that the acreage reporting date for NAP covered crops is the earlier of November 16th or 15 calendar days before grazing or harvesting of the crop begins. If a crop has not been planted by the acreage reporting deadline, then the acreage must be reported no later than 15 calendar days after planting is complete. If a producer acquires additional acreage after November 16th, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Prevented planted acreages must be reported within 15 days of the RMA final planting date. Failed acreage must be reported before final disposition of the crop. Additional requirements may apply for NAP participants.

Acreage reports are required to remain eligible for most FSA program benefits, including the Noninsured Crop Disaster Assistance Program (NAP), Livestock Forage Disaster Program (LFP), and the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. Since acreage reports determine program eligibility, it's important to provide accurate information. including crop types, acreage, intended uses and irrigation practices. If a crop's intended use later changes, producers may update their report with the actual use. Perennial forage that is "leftstanding" does not have to be reported until July 15, 2016.

USDA Encourages Producers to Consider Risk Protection Coverage before Fall Crop Sales Deadlines

Deadlines are quickly approaching to purchase coverage for fall-seeded crops. Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program (NAP). The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local FSA office. To find your local FSA office go to http://offices.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx, to predict insurance premium costs.

Dairy Margin Protection Program Deadline Extended

The deadline to enroll for the dairy Margin Protection Program for coverage in 2016 has been extended until November 20, 2015. The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating farmers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the farmer.

Producers are encouraged to use the online Web resource at www.fsa.usda.gov/mpptool to calculate the best levels of coverage for their dairy operation. The secure website can be accessed via computer, smartphone or tablet.

Producers who were enrolled in 2015 will need to make a coverage election for 2016 and pay the \$100 administration fee. Although any unpaid premium balances for 2015 must be paid in full by the enrollment deadline to remain eligible for higher coverage levels in 2016, premiums for 2016 are not due until September 1, 2016. Also, producers can work with milk marketing companies to remit premiums on their behalf.

To enroll in the Margin Protection Program for Dairy, contact your local FSA office. To find your local FSA county office, visit http://offices.usda.gov.

Payments under the program may be reduced by a certain percentage due to a sequester order required by Congress and issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. Should a payment reduction be necessary, FSA will reduce the payment by the required amount.

Emergency Assistance for Livestock, Honeybee, and Farm- Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from October 1, 2014 to September 30, 2015 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by November 1, 2015
- An application for payment by November 1, 2015
- The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.

Commodity Loans Available to Nebraska Producers

Farm Service Agency (FSA) reminds producers that USDA offers interim financing at harvest time to help producers meet cash flow needs without having to sell commodities when market prices are at harvest-time lows. The programs, known as Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs), were authorized by the 2014 Farm Bill for the 2014-2018 crop years.

A producer who is eligible to obtain a marketing loan, but agrees to forgo the loan, may obtain a loan deficiency payment if such a payment is available. The programs provide financing and marketing assistance for wheat, feed grains, soybeans and other oilseeds, pulse crops, wool and honey. For eligibility, producers must control the commodity or a title to the commodity until the loan is repaid.

FSA is now accepting applications for all eligible commodities. For expedited service, interested producers are encouraged to schedule an appointment. Other program restrictions may apply, including limits on total payments or gross income thresholds. Consult your local FSA office for further details. For more information, visit www.fsa.usda.gov/pricesupport/pricesupport/pricesupport/pricesupport. To find your local FSA office, go to http://offices.usda.gov/.

CRP Incentives for Working Grass and Pasture Lands

Farmers and ranchers can apply for financial assistance to help conserve working grasslands, rangeland and pastureland while maintaining the areas as livestock grazing lands.

The initiative is part of the voluntary Conservation Reserve Program (CRP), that for 30 years has assisted agricultural producers with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat. In return, the U.S. Department of Agriculture (USDA) provides participants with rental payments and cost-share assistance.

The CRP-Grasslands initiative will provide participants who establish long-term, resource-conserving covers with annual rental payments up to 75 percent of the grazing value of the land. Cost-share assistance also is available for up to 50 percent of the covers and other practices, such as cross fencing to support rotational grazing or improving pasture cover to benefit pollinators or other wildlife. Participants may still conduct common grazing practices, produce hay, mow, or harvest for seed production, conduct fire rehabilitation, and construct firebreaks and fences.

The Farm Service Agency is accepting applications on an ongoing basis, with hose applications scored against published ranking criteria, and approved based on the competitiveness of the offer. The ranking period will occur at least once per year and be announced at least 30 days prior to its start. The end of the first ranking period will be November 20, 2015.

To learn more about participating in CRP-Grasslands or SAFE, visit www.fsa.usda.gov/crp or consult with the local Farm Service Agency office. To locate a nearby Farm Service Agency office, visit http://offices.usda.gov. To learn more about the 30th anniversary of CRP, visit www.fsa.usda.gov/CRPis30 or follow on Twitter using #CRPis30.

Direct Loans

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan offices process, approve and service direct loans. Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate. Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements. The maximum loan amount for both direct farm ownership and operating loans is \$300,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid

within seven years and farm ownership loans are not to exceed 40 years. Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes. Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt. Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,399,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years. Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

Farmers to Receive Documentation of USDA Services

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs.

As part of FSA's mission to provide enhanced customer service, producers who visit FSA will receive documentation of services requested and provided. From December through June, FSA issued more than 327,000 electronic receipts.

The 2014 Farm Bill requires a receipt to be issued for any agricultural program assistance requested from FSA, the National Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity.

In some cases, a form or document – such as a completed and signed program enrollment form – serve as the customer receipt instead of a printed or electronic receipt. A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

To learn more about FSA, visit www.fsa.usda.gov or to find your local USDA office, visit http://offices.usda.gov.

Producers are Reminded to Complete NASS Crop Surveys

The National Agricultural Statistics Service (NASS) Field Offices are currently completing 2015 small grain yield surveys and will contact growers in December to complete row crop yield surveys. If you are one of the producers contacted to complete a 2015 yield survey, we encourage your participation and cooperation as many USDA agencies including the Farm Service Agency (FSA) and Risk Management Agency (RMA) use the NASS yield data for their programs.

FSA uses NASS county yield data for farm credit, conservation, disaster programs, loan and commodity programs. Under the 2014 Farm Bill, FSA uses the NASS county yield data to calculate Agriculture Risk Coverage – County (ARC-CO) benchmark revenues and current year county revenues. For example, the 2014 NASS county yield, along with the crop's marketing year average

price (MYA), are used to determine the county's current year revenue to determine if the county will trigger an ARC-CO payment. An ARC-CO payment is triggered for a county when the current year revenue falls below the guarantee revenue for the crop and crop year. In cases where NASS county yield data is not available, the FSA State Committee must determine a county yield using RMA yield data or the best available yield data, including assigning a county yield using neighboring county yields from NASS or RMA.

Any information that producers provide to NASS is kept confidential and protected by federal law. NASS publishes only aggregate-level data, ensuring that no individual operation or producer can be identified. All reports will be available at www.nass.usda.gov.

USDA Commits \$2.5 Million to Expand New Farmer Education

U.S. Department of Agriculture (USDA) has announced that \$2.5 million in grants is now available for projects to educate new and underserved farmers about more than 20 Farm Service Agency (FSA) programs that can provide financial, disaster or technical assistance to the agricultural community.

The grants will be awarded to nonprofits and public higher education institutions that develop proposals to improve farmer education on topics such as financial training, value-added production, recordkeeping, property inheritance, and crop production practices.

USDA will conduct four evaluation periods to review applications, with the deadlines of November 20, 2015, January 22, 2016, March 18, 2016, and May 27, 2016. Awards between \$20,000 and \$100,000 per applicant will be available. To learn more about the funding solicitation and the related Farm Service Agency programs, details can be found at www.grants.gov with the reference number USDA-FSA-CA-2015-001. Additional information is posted on the Web at www.fsa.usda.gov/outreach.

October FSA Interest Rates

Farm Operating: 2.625% Microloan: 2.625% Farm Ownership: 3.75%

Farm Ownership - Joint Financing: 2.50% Farm Ownership - Down Payment: 1.50%

Emergency - Actual Loss: 3.625%

Farm Storage Facility Loan 7 year term: 1.875% Farm Storage Facility Loan 10 year term: 2.125% Farm Storage Facility Loan 12 year term: 2.375%

Commodity Loan: 1.375%

Dates to Remember

November 2, 2015 - Deadline to submit 2015 ELAP application for payment and supporting documentation

November 16, 2015 - Deadline to report 2016 perennial forage or fall-seeded crops

November 20, 2015 – CRP Grassland first ranking signup cutoff; Deadline to register and elect buy-up coverage for 2016 MPP-Dairy Program

December 1, 2015 - 2016 sales closing date for honey, apples, cherries, plums, strawberries, asparagus, and grapes (NAP)

December 1, 2015 - CRP General signup begins

December 7, 2015 - Deadline for ballots postmarked or returned to County Office for COC elections **January 4, 2016** – NAP deadline for 2016 honey; 2016 initial reports for honeybee colonies and locations

February 2, 2016 - Deadline to submit 2015 LIP and LFP applications for payment and supporting documentation

February 1, 2016 - Deadline to submit 2015 LIP application for payment and supporting documentation

February 1, 2016 - Deadline to request 2015 MAL or LDP for mohair, unshorn pelts (LDP Only), and wool

February 26, 2016 - Deadline for CRP General signup

March 15, 2016 - 2016 sales closing date for alfalfa, mixed forage, spring-seeded annual crops, grass, and sorghum forage (NAP)

March 31, 2016 - Deadline to request 2015 MAL or LDP for barley, canola, crambe, flaxseed, honey, oats, rapeseed, wheat, and sesame seed

May 31, 2016 - Deadline to request 2015 MAL or LDP for corn, dry peas, grain sorghum, lentils, mustard seed, safflower seed, chickpeas, soybeans, sunflower seed

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