

Nebraska FSA and NRCS State Office Newsletter - July 2021

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

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A Message from the Acting FSA State Executive Director

On behalf of county Farm Service Agency offices across the state, I want to thank all of our farmer and rancher customers for your assistance with the annual spring acreage certification process, which ended July 15. Our office operational status is more challenging due to covid protocols, but you've been cooperative and adaptive, and we appreciate it.

As you'll note in the newsletter below, FSA has announced a couple of new program signups since our last newsletter.

- * County offices are now accepting contract offers for the Conservation Reserve Program (CRP) Grasslands, which is a working lands CRP program, through Aug. 20. The CRP application process can take some time, so if you are interested in this program, please contact us as soon as possible for more information and to get started.
- * The Pandemic Livestock Indemnity Program (PLIP) is designed to financially assist producers of swine, chickens and turkeys, who depopulated animals as a result of insufficient

processing access due to the pandemic. The depopulation had to have occurred between March 1, 2020, and Dec. 26, 2020. Check below for additional program details.

While there has been some rain here and there, drought conditions continue to hang around in parts of the state. CRP Emergency Haying and Grazing is available in some Nebraska counties as a drought management tool. Anyone interested in this program should contact their county FSA office prior to taking any haying or grazing action on CRP acres to ensure the option is available in their county and to maintain contract compliance. More information on this option can be found below.

That's all for July. Stay cool.

--Tim Divis, acting State Executive Director

Nominations Close Aug. 2 for FSA County Committee Elections Across the State

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) encourages all farmers, ranchers and FSA program participants to take part in their County FSA Committee election nomination process.

FSA's county committees are a critical component of FSA and allow grassroots input and local administration of federal farm programs. Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. The candidate nomination period is now open and runs through Aug. 2, 2021.

Each FSA County Office has a county committee comprised of three to 11 members, each from a local administrative area (LAA). Each member serves a three-year term. One-third of the seats on the committee is open for election each year.

To be eligible for nomination and hold office as a committee member or alternate, a person must fulfill each of the following requirements: (1) be a producer with an interest in farming or ranching operations, (2) participate or cooperate in any FSA program provided for by law, (3) be a U.S. citizen, (4) be of legal voting age, (5) meet the basic eligibility requirements, and (6) reside in the county or multi-county jurisdiction in which they will be serving.

County committees may have an appointed adviser to further represent the local interests of underserved farmers and ranchers. Underserved producers are beginning, women and other minority farmers and ranchers and landowners, and/or operators who have limited resources.

All nomination forms for the 2021 election must be postmarked or received in the local USDA service center by Aug. 2, 2021. For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: *Eligibility to Vote and Hold Office as a COC Member* available online at: fsa.usda.gov/elections.

FSA Accepting Grasslands Conservation Reserve Program Applications Through Aug. 20

Agricultural producers and landowners in Nebraska can apply for the <u>Grasslands Conservation Reserve Program (CRP)</u> signup now through August 20. This year, the U.S. Department of Agriculture (USDA) updated signup options to provide greater incentives for producers and increased the program's conservation and climate benefits, including setting a minimum rental rate and identifying two national priority zones.

The Grasslands CRP signup is competitive, and USDA's Farm Service Agency (FSA) will provide for annual rental payments for land devoted to conservation purposes.

Grasslands Signup

Grasslands CRP helps Nebraska landowners and operators protect grasslands, including rangeland, and pastureland and certain other lands, while maintaining the areas as working grazing lands. Protecting grasslands contributes positively to the economy of many regions, provides biodiversity of plant and animal populations, and provides important carbon sequestration benefits.

FSA has updated the Grasslands CRP signup to establish a minimum rental rate of \$15 per acre.

How to Sign Up

To enroll in the Grasslands CRP signup, producers and landowners should contact USDA by the August 20 deadline. Service Center staff are working with customers in person by appointment, or via phone or email and other digital tools. Contact your <u>Service Center</u> to set up an appointment.

More Information on CRP

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits. The program marked its 35-year anniversary this past December.

FSA Accepting Applications for Pandemic Assistance to Livestock Producers for Animal Losses

Livestock and poultry producers who suffered losses during the pandemic due to insufficient access to processing can apply for assistance for those losses and the cost of depopulation and disposal of the animals. The U.S. Department of Agriculture (USDA) Secretary Vilsack announced the Pandemic Livestock Indemnity Program (PLIP) in [recorded] remarks at the National Pork Industry Conference in Wisconsin Dells, WI. The announcement is part of USDA's Pandemic Assistance for Producers initiative. Livestock and poultry producers can

apply for assistance through USDA's Farm Service Agency (FSA) July 20 through Sept. 17, 2021.

The Consolidated Appropriations Act, 2021, authorized payments to producers for losses of livestock or poultry depopulated from March 1, 2020 through December 26, 2020, due to insufficient processing access as a result of the pandemic. PLIP payments will be based on 80% of the fair market value of the livestock and poultry and for the cost of depopulation and disposal of the animal. Eligible livestock and poultry include swine, chickens and turkeys.

PLIP Program Details

Eligible livestock must have been depopulated from March 1, 2020, through December 26, 2020, due to insufficient processing access as a result of the pandemic. Livestock must have been physically located in the U.S. or a territory of the U.S. at the time of depopulation.

Eligible livestock owners include persons or legal entities who, as of the day the eligible livestock was depopulated, had legal ownership of the livestock. Packers, live poultry dealers and contract growers are not eligible for PLIP.

PLIP payments compensate participants for 80% of both the loss of the eligible livestock or poultry and for the cost of depopulation and disposal based on a single payment rate per head. PLIP payments will be calculated by multiplying the number of head of eligible livestock or poultry by the payment rate per head, and then subtracting the amount of any payments the eligible livestock or poultry owner has received for disposal of the livestock or poultry under the Natural Resources Conservation Service (NRCS) Environmental Quality Incentives Program (EQIP) or a state program. The payments will also be reduced by any Coronavirus Food Assistance Program (CFAP 1 and 2) payments paid on the same inventory of swine that were depopulated.

There is no per person or legal entity payment limitation on PLIP payments. To be eligible for payments, a person or legal entity must have an average adjusted gross income (AGI) of less than \$900,000 for tax years 2016, 2017 and 2018.

Applying for Assistance

Eligible livestock and poultry producers can apply for PLIP starting July 20, 2021, by completing the FSA-620, Pandemic Livestock Indemnity Program application, and submitting it to any FSA county office. Additional documentation may be required. Visit farmers.gov/plip for a copy of the Notice of Funding Availability and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit farmers.gov/service-locator. Livestock and poultry producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

Emergency Haying, Grazing of CRP: A Drought Management Tool in Some Nebraska Counties

Interested Parties Must Contact County FSA Office Prior to Starting Any Activities

Emergency haying and grazing of Conservation Reserve Program (CRP) acres is available in several Nebraska counties in response to ongoing drought conditions. CRP contract holders who would like to use this option must contact their county FSA office to confirm haying and grazing has been authorized and to receive written approval prior to conducting any haying or grazing activity.

There are some restrictions to CRP emergency having and grazing.

EMERGENCY GRAZING

CRP emergency grazing is eligible on all practices and at 100 percent of contract acreage. Grazing duration cannot exceed 90 days total within the time period from Oct. 1, 2020 to Sept. 30, 2021, and must be stopped when the minimum grazing height is reached, as established within the CRP conservation plan for the acres.

EMERGENCY HAYING

CRP emergency haying is eligible on all practices and at 100 percent of contract acreage, as long as the stand is in condition to support such activity. Haying is limited to one cutting within the time period from Oct. 1, 2020 to Sept. 30, 2021, and must be removed within 15 calendar days of being baled.

OTHER PROVISIONS

- CRP emergency haying and grazing is not allowed during the Primary Nesting Season, which for Nebraska is May 1-July 15.
- If the Livestock Forage Program (LFP) triggers for implementation in the county, the
 provisions for CRP emergency haying and grazing change, with restrictions on grazing
 carrying capacity and restrictions on the practices which can be hayed. The county
 FSA office will be able to outline these changes for CRP contract holders.
- CRP acreage cannot be both hayed and grazed within a time period from Oct. 1, 2020 to Sept. 30, 2021.
- CRP contract holders must specify the number of acres, and location of acres, to be hayed/grazed on a map.
- CRP acres must be considered fully established before having or grazing under emergency provisions.

Producers can use the CRP acreage under the emergency grazing provisions for their own livestock or may grant another livestock producer use of the CRP acreage. Livestock producers accessing CRP acres held by someone other than themselves must notify the FSA county office prior to grazing. The eligible CRP acreage is limited to acres located within the approved county. There will be no CRP annual rental payment reduction for emergency haying and grazing authorizations.

All hayed and grazed acres are subject to FSA spot-check at any time during the authorization period.

It is important to contact your local FSA office prior to any haying or grazing activities on CRP acres to ensure your contract remains in compliance. To find contact information for your local office, visit offices.usda.gov.

Program Participants Must Maintain Acres Enrolled in ARC/PLC, CRP; Includes Control of Noxious Weeds

Producers enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC or PLC, the County Committee may elect to terminate the contract for the program year.

Conservation Reserve Program (CRP) participants are responsible for ensuring adequate, approved vegetative and practice cover is maintained to control erosion throughout the life of the contract after the practice has been established. Participants also must control undesirable vegetation, weeds (including noxious weeds), insects and rodents that may pose a threat to existing cover or adversely impact other landowners in the area.

All CRP maintenance activities, such as mowing, burning, disking and spraying, must be conducted outside the primary nesting or brood rearing season for wildlife, which for Nebraska is May 1 through July 15. Annual mowing of CRP for generic weed control, or for cosmetic purposes, is prohibited at all times.

For reference, the Nebraska Department of Agriculture has designated 12 weeds in the state as noxious: Canada thistle, leafy spurge, musk thistle, plumeless thistle, purple loosestrife, spotted and diffuse knapweeds, saltcedar, phragmites, sericea lespedeza, Japanese knotweed, Bohemian knotweed and giant knotweed.

County FSA offices will complete field visits and spot-checks of ARC/PLC and CRP acreage and will consult with county weed authorities as necessary. This effort usually begins the later part of May and continues through the summer months.

Deadline is Aug. 2 for Requesting Farm Reconstitutions for 2021

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.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, the request will be denied. Although there are exceptions regarding the Stafford Act and emergencies, it's important to wait until you receive written approval of your project proposal before starting any actions.

Applications cannot be approved until FSA has copies of all permits and plans.

Contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

FSA Has Direct Farm Ownership Loans to Improve, Expand Operations

The USDA Farm Service Agency's (FSA) <u>Direct Farm Ownership loans</u> are a resource to 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 <u>Direct Farm Ownership Microloan</u> option for smaller financial needs up to \$50,000.

Direct Farm Ownership Loans can be used to construct, purchase or improve farm dwellings, service buildings or other facilities, and to make improvements essential to an operation. Applicants must provide FSA with an estimate of the total cost of all planned development that completely describe the work, prior to loan approval and must show proof of sufficient funds to pay for the total cost of all planned development at or before loan closing. In some instances, applicants may be asked to provide certified plans, specifications or contract documents. The applicant cannot incur any debts for materials or labor or make any expenditures for development purposes prior to loan closing with the expectation of being reimbursed from FSA funds.

Construction and development work may be performed either by the contract method or the borrower method. Under the contract method, construction and development contractors perform work according to a written contract with the applicant or borrower. If applying for a direct loan to finance a construction project, the applicant must obtain a surety bond that guarantees both payment and performance in the amount of the construction contract from a construction contractor.

A surety bond is required when a contract exceeds \$100,000. An authorized agency official determines that a surety bond appears advisable to protect the borrower against default of the contractor or a contract provides for partial payments in excess of the amount of 60 percent of the value of the work in place.

Under the borrower method, the applicant or borrower will perform the construction and development work. The borrower method may only be used when the authorized agency official determines, based on information from the applicant, that the applicant possesses or arranges to obtain the necessary skill and managerial ability to complete the work satisfactorily and that such work will not interfere with the applicant's farming operation or work schedule.

Potential applicants should visit with FSA early in the initial project planning process to ensure environmental compliance.

For more eligibility requirements and information about FSA Loan programs, contact the farm loan team at your county FSA office or visit <u>fsa.usda.gov</u>.

FSA Loan Interest Rates: July

OPERATING/OWNERSHIP

Farm Operating: 1.875% Microloan Operating: 1.875% Farm Ownership: 3.25%

Farm Ownership - Joint Financing: 2.5% Farm Ownership - Down Payment: 1.5% Emergency - Actual Loss: 2.875%

FARM STORAGE

Farm Storage Facility Loan 3 year term: 0.375%

Farm Storage Facility Loan 5 year term: 0.75% Farm Storage Facility Loan 7 year term: 1.25% Farm Storage Facility Loan 10 year term: 1.5% Farm Storage Facility Loan 12 year term: 1.750%

MARKETING ASSISTANCE

Commodity Loan: 1.125%

Nebraska NRCS Welcomes Britt Weiser as Acting State Conservationist

The U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) is pleased to announce Britt Weiser as the Acting Nebraska State Conservationist.

Craig Derickson had served as the Nebraska State Conservationist for NRCS for the past 10 years. He retired on Dec. 31, 2020, after 35 years of federal service. Upon Derickson's retirement Jeff Vander Wilt was asked to serve as the acting Nebraska State Conservationist where he served in this role for the past six months. His appointment ended June 18, 2021.

Weiser will serve as the Acting State Conservationist for Nebraska NRCS until August 13, 2021. After his term, Nebraska NRCS will have one more acting state conservationist until a permanent state conservationist is hired this fall.

Weiser has worked for NRCS for 32 years in three states, including Kansas and Illinois. He joined Nebraska NRCS in 2009. For six years, he managed an area of 32 field offices in central Nebraska. Since 2015 he has served as the State Resource Conservationist, supervising the state Ecological Sciences team.

USDA to Invest \$5 Million in Wetland Mitigation Banks

The USDA is investing up to \$5 million in the Wetland Mitigation Banking Program (WMBP), a grant program that supports the development of mitigation banks for use by agricultural producers seeking to maintain eligibility for USDA programs. Funds are available to Tribes, government entities, nonprofits, and other organizations.

To participate in most USDA programs, agricultural producers agree to comply with the wetland conservation provisions, which means producers will not farm converted wetlands or convert wetlands to enable agricultural production. In situations where avoidance or on-site mitigation is challenging, the Farm Bill allows for off-site mitigation through the purchase of mitigation banking credits.

About the Wetland Mitigation Banking Program

NRCS awarded the first WMBP grants in 2016 and so far, has supported the creation or expansion of wetland mitigation banks in 11 states. So far, 21 wetland bank sites have been

established through the program, totaling 313 acres. Several more sites have been secured and are in various stages of the restoration process.

NRCS is prioritizing funds in states with large amounts of wetlands as well as large amounts of producers with wetland determination requests. This includes Georgia, Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

Awardees may use WMBP funding to support mitigation bank site identification, development of a mitigation banking instrument, site restoration, land surveys, permitting and title searches, and market research. WMBP funding cannot be used to purchase land or a conservation easement.

NRCS is accepting proposals through <u>Grants.gov</u> by 11:59 p.m. ET on August 16, 2021. To learn more, visit the <u>WMBP webpage</u>.

Dates to Remember

July 12, 2021 – FSA begins accepting applications for Conservation Reserve Program (CRP) Grasslands

July 20, 2021 – FSA begins accepting applications for the Pandemic Livestock Indemnity Program

July 30, 2021 - Grant submission deadline for Urban Ag and Innovation Production projects

August 2, 2021 – FSA deadline to request farm transfers or reconstitutions for 2021

August 2, 2021 – FSA deadline to submit a candidate nomination for <u>FSA County Committee</u> election

August 6, 2021 – FSA deadline to submit applications for CRP CLEAR30 signup 55

August 15, 2021 - NRCS Wetland Reserve Enhancement Partnership proposal deadline

August 15, 2021 - NRCS Wetland Mitigation Bank proposal deadline

August 20. 2021 – FSA deadline to submit applications for CRP Grasslands

September 17, 2021 – FSA deadline to submit applications for the Pandemic Livestock Indemnity Program



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