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Farm Service Agency Electronic News Service

NEWSLETTER

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Nebraska FSA State Office Newsletter

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A Message from the State Executive Director

Usually when you read this newsletter, you find the Dates To Remember section, which includes the impending deadlines for important FSA programming, near the bottom. You'll note for this edition, those dates can be found directly below this column.

There is a specific reason for that. Nebraska County FSA offices already were managing some big programs when 2021 started, but in the first two weeks of the month, USDA has announced three additional ones: Conservation Reserve Program (CRP) general signup, Quality Loss Adjustment (QLA) Program, and just last

Geoff Ruth Lonnie Starke Mark Jagels

Program Chiefs:

Cathy Anderson, *Production/Compliance* Doug Klein, *Conservation/Price Support* Mark Wilke, *Farm Loans*

Patty Wilke, *Administrative Officer* Bobbie Kriz-Wickham, *Public Affairs and Outreach*

To find more information about FSA programming or contact information for your local office, go to www.fsa.usda.gov/ne. week, additional assistance through the Coronavirus Food Assistance Program (CFAP).

Regarding the QLA and CFAP programs, please check out the articles below for the details. There is quite a bit to these programs, and our producer customers can help their county FSA offices out a great deal just by having a general understanding of the programs before contacting an office for assistance. The <u>farmers.gov</u> website really is a great resource for accessing program information in an easy-to-use format. Simply type farmers.gov into your internet browser, and you'll be taken to the website.

Even as we roll out these two new programs, important routine work continues, such as the annual election and enrollment in the Agriculture Risk Coverage (ARC)/Price Loss Coverage (PLC) programs, the main commodity crop safety net. The deadline for ARC/PLC election and enrollment is March 15, so commodity crop producers need to stay engaged with their county FSA office to timely complete this process and maintain their eligibility for program benefits. More information on this process can be found in the article below.

In closing, I also want to highlight the Feb. 1 deadline to apply for 2020 drought-related assistance through the Livestock Forage Disaster (LFP) Program. Twenty-seven Nebraska counties were included in this program, mostly in the northeast, south central and western parts of the state. If you are a livestock producer whose forage resources were negatively impacted by drought last year, contact your county office to determine whether you qualify for LFP assistance.

That's all for this month.

--Tim Divis, acting SED

Dates To Remember

February 1, 2021 – Deadline to apply for Livestock Forage Disaster Program (LFP) assistance for 2020 losses

February 12, 2021 – Application period closes for Conservation Reserve Program (CRP) general signup

February 15, 2021 – USDA Service Centers closed for federal holiday

February 26, 2021 – Deadline to apply for Coronavirus Food Assistance Program (CFAP) Additional Assistance

March 5, 2021 – Deadline to submit an application for the Quality Loss Adjustment (QLA) Program **March 15, 2021** – Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) election and enrollment application deadline for 2021 crop season

March 15, 2021 – Application period opens for Conservation Reserve Program (CRP)-Grasslands signup

March 15, 2021 – Noninsured Crop Disaster Assistance Program (NAP) application closing date for 2021 NAP coverage on barley, beans, cantaloupe, corn, cucumbers, eggplant, hemp, herbs, hops,

millet, oats, peas, peppers, potatoes, pumpkins, sorghum, sorghum-dual purpose, sorghum forage, squash, sunflowers, tomatoes and watermelon.

***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.

USDA Offers Additional Assistance for Certain Producers Through Coronavirus Food Assistance Program

The United States Department of Agriculture has announced additional assistance through the Coronavirus Food Assistance Program (CFAP), expanding eligibility for some agricultural producers and commodities as well as updating payments to accurately compensate some producers who already applied for the program. Producers who are now eligible and those who need to modify existing applications due to these updates can contact USDA's Farm Service Agency (FSA) now through Feb. 26. Some of these changes are being made to align with the recently enacted Consolidated Appropriations Act of 2021, while others are discretionary changes being made in response to ongoing evaluation of CFAP.

It should be noted that FSA has not yet announced payment provisions for the cattle sector or dairy sector, or additional per-acre crop payments, as outlined in the recently passed Consolidated Appropriations Act of 2021. FSA continues to work on these provisions and will announce them at a later time.

Provisions announced in early January include:

Expanded Eligibility for CFAP 2

Contract producers of swine, broilers, laying hens, pullets, chicken eggs and turkeys who suffered a drop in revenue in 2020 as compared to their 2019 revenue because of the pandemic now are eligible to apply for assistance. Producers could receive up to 80% of their revenue loss, subject to the availability of funds.

Producers of pullets and turfgrass sod also now are eligible to apply for CFAP payments. The commodities were not explicitly included in the initial CFAP 2 rule. Payments are based on eligible sales and the payment calculation in the updated rule includes crop insurance indemnities, Noninsured Crop Disaster Assistance Program (NAP) payments, and Wildfire and Hurricane Indemnity Program – Plus (WHIP+) payments.

Updated Payment Calculations for CFAP 2

Similarly, FSA adjusted the payment calculation on "sales commodities" under CFAP 2 to use the producer's eligible 2019 calendar year sales, and 2019 crop insurance indemnities, NAP, and WHIP+ payments, multiplied by the applicable payment rate. CFAP 2 sales commodities include specialty crops, aquaculture, specialty livestock, nursery crops and floriculture. Producers who applied during the sign-up period that closed Dec. 11, 2020, can modify an existing CFAP 2 application now through the Feb. 26 deadline to reflect any insurance indemnities and NAP or WHIP+ payments.

Additionally, FSA adjusted the payment calculation for certain row crops for CFAP 2, specifically those where a producer had crop insurance coverage but not an available 2020 Actual Production

History (APH) approved yield. FSA, in some particular situations, is now using 100% of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield to calculate payments when an APH is not available rather than 85%, which was in the original CFAP 2 calculations. This calculation changes only for producers with crop insurance coverage who grow barley, corn, sorghum, soybeans, sunflowers, upland cotton and wheat. Producers who applied during the sign-up period that closed Dec. 11, 2020, can request to modify an existing CFAP 2 application now through the Feb. 26 deadline.

CFAP 1 'Top-up' Payments for Swine

FSA is providing an additional CFAP 1 inventory payment for swine to help producers who face continuing market disruptions from changes in U.S. meat consumption due to the pandemic. Swine producers with approved CFAP 1 applications will soon automatically receive a "top-up" payment of \$17 per head, increasing the total CFAP1 inventory payment to \$34 per head.

More Information

Newly eligible producers can submit a new CFAP 2 application or producers who need to modify an existing one can do so now through Feb. 26, 2021, by contacting their local USDA Service Center. New applicants also can obtain one-on-one support with applications by calling 877-508-8364.

In addition to the changes being made to CFAP, per language in the Consolidated Appropriations Act of 2021, FSA will extend 2020 Marketing Assistance Loans to provide additional flexibilities for farmers.

To learn more about this additional assistance, visit farmers.gov/cfap.

Election, Enrollment Deadline Approaching for Agriculture Risk Coverage and Price Loss Coverage Programs

Agricultural producers can make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The signup period is open now through March 15, 2021. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

Producers are encouraged to <u>contact their county FSA office now</u> to schedule an election and enrollment appointment.

ARC and PLC are key U.S. Department of Agriculture (USDA) safety-net programs that help producers weather fluctuations in either revenue or price for certain crops. Producers can learn more about the ARC and PLC options by reviewing a recorded webinar on the topic, which can be accessed online at <u>farm.unl.edu/webinars</u>. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Producers can elect coverage and enroll in ARC-County or PLC on a crop-by-crop basis, or ARC-Individual for the entire farm, for the 2021 crop year. If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and wants to make an election change for 2021, it will be necessary for all producers on the farm to sign a new contract.

For more information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the <u>ARC and PLC</u> <u>webpage</u>.

Quality Loss Assistance Now Available for Eligible Producers Affected by 2018, 2019 Natural Disasters

Farm Service Agency (FSA) has announced that signup for the Quality Loss Adjustment (QLA) Program is under way now through March 5, 2021. Funded by the Further Consolidated Appropriations Act of 2020, this new program provides assistance to producers who suffered eligible crop quality losses due to natural disasters occurring in 2018 and 2019.

Eligible Crops

Eligible crops include those for which <u>federal crop insurance</u> or <u>Noninsured Crop Disaster</u> <u>Assistance Program</u> (NAP) coverage is available, except for grazed crops and value loss crops, such as honey, maple sap, aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery, Christmas trees, and turfgrass sod.

Additionally, crops that were sold or fed to livestock or that are in storage may be eligible; however, crops that were destroyed before harvest are not eligible. Crop quality losses occurring after harvest, due to deterioration in storage, or that could have been mitigated, are also not eligible.

Assistance is based on a producer's harvested affected production of an eligible crop, which must have had at least a 5% quality loss reflected through a quality discount; or for forage crops, a nutrient loss, such as total digestible nutrients.

Qualifying Disaster Events

Losses must have been a result of a qualifying disaster event (such as excessive moisture, flood, qualifying drought, tornado, snowstorm, or wildfire) or related condition that occurred in calendar years 2018 and/or 2019.

Assistance is available for eligible producers in counties that received a qualifying Presidential Emergency Disaster Declaration or Secretarial Disaster Designation because of one or more of the qualifying disaster events or related conditions.

Lists of counties with Presidential Emergency Disaster Declarations and Secretarial Disaster Designations for all qualifying disaster events for 2018 and 2019 are available <u>here</u>. For drought, producers are eligible for QLA if the loss occurred in an area within a county rated by the <u>U.S.</u> <u>Drought Monitor</u> as having a D3 (extreme drought) or higher intensity level during 2018 or 2019.

Producers in counties that did not receive a qualifying declaration or designation may still apply but must also provide supporting documentation to establish that the crop was directly affected by a qualifying disaster event.

To determine QLA eligibility and payments, FSA considers the total quality loss caused by all qualifying natural disasters in cases where a crop was impacted by multiple events.

Applying for QLA

When applying, producers are asked to provide verifiable documentation to support claims of quality loss or nutrient loss in the case of forage crops. For crops that have been sold, grading must have been completed within 30 days of harvest, and for forage crops, a laboratory analysis must have been completed within 30 days of harvest.

Some acceptable forms of documentation include sales receipts from buyers, settlement sheets, truck or warehouse scale tickets, written sales contracts, similar records that represent actual and specific quality loss information, and forage tests for nutritional value.

Payments Calculations and Limitations

QLA payments are based on formulas for the type of crop (forage or non-forage) and loss documentation submitted. Based on this documentation FSA is calculating payments based on the producer's own individual loss or based on the county average loss. More information on payments can be found on <u>farmers.gov/quality-loss</u>.

FSA will issue payments once the application period ends. If the total amount of calculated QLA payments exceeds available program funding, payments will be prorated.

For each crop year, 2018, 2019 and 2020, the maximum amount that a person or legal entity may receive, directly or indirectly, is \$125,000. Payments made to a joint operation (including a general partnership or joint venture) will not exceed \$125,000, multiplied by the number of persons and legal entities that comprise the ownership of the joint operation. A person or legal entity is ineligible for QLA payment if the person's or legal entity's average Adjusted Gross Income exceeds \$900,000, unless at least 75% is derived from farming, ranching or forestry-related activities.

Future Insurance Coverage Requirements

All producers receiving QLA Program payments are required to purchase crop insurance or NAP coverage for the next two available crop years at the 60% coverage level or higher. Wildlife and Hurricane Indemnity Program Plus (WHIP+) participants who already met the WHIP+ requirement to purchase crop insurance or NAP coverage are considered to have thereby met the requirement to purchase crop insurance or NAP coverage for QLA. If eligible, QLA participants may meet the insurance purchase requirement by purchasing <u>Whole-Farm Revenue Protection</u> coverage offered through USDA's Risk Management Agency.

More Information

For more information, visit <u>farmers.gov/quality-loss</u>, or contact your local <u>USDA Service</u> <u>Center</u>. Producers can also obtain one-on-one support with applications by calling 877-508-8364.

Loans for Targeted Underserved Producers

The Farm Service Agency (FSA) has several loan programs to help you start or continue a farm or ranch operation. Farm ownership and operating loans are available.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved applicants.

A targeted underserved applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

For more information about farm loans, contact your local Farm Service Agency office.

FSA Offers Loan Options for Beginning Farmers, Ranchers

The Farm Service Agency (FSA) assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

For more information about farm loans, contact your local Farm Service Agency office.

January FSA Loan Interest Rates

OPERATING/OWNERSHIP

Farm Operating: 1.375% Microloan Operating: 1.375% Farm Ownership: 2.5% Farm Ownership - Joint Financing: 2.5% Farm Ownership - Down Payment: 1.5% Emergency - Actual Loss: 2.375%

FARM STORAGE

Farm Storage Facility Loan 3 year term: 0.250% Farm Storage Facility Loan 5 year term: 0.375% Farm Storage Facility Loan 7 year term: 0.625% Farm Storage Facility Loan 10 year term: 0.875% Farm Storage Facility Loan 12 year term: 1%

MARKETING ASSISTANCE

Commodity Loan: 1.125%

Livestock Inventory Records Important for Disaster Programs

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster and are an important part of disaster assistance program applications, including applications for the Livestock Indemnity Program (LIP) and the Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP).

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

To be eligible for livestock deaths, producers must submit evidence to support their losses. Some examples of records that could be used to help support a claim include: veterinary records, contemporaneous producer records, veterinary certification existing at the time of the event, balance sheets, brand inspection records, loan records, docking records, bank statements, shearing records, farm credit balance sheets, property tax records, ear tag records, trucking and/or livestock hauling records, sales and purchase receipts, inventory records used for tax purposes, private insurance documents, chattel inspections, and canceled check documentation.

To be eligible for livestock injuries, producers must submit one of the following documents that indicate an injured animal: sales receipt from a livestock auction, sale barn or other similar livestock sales facility; private insurance documents; or processing plant receipt. At a minimum, these records must include livestock kind, type, and weight, and the price for which the animal was sold.

For more information on documentation requirements associated with receiving disaster-related assistance, contact your local FSA office.

USDA Offers Secure New Options for Signing, Sharing Documents Online

Farmers and ranchers working with USDA's Farm Service Agency or Natural Resources Conservation Service can now sign and share documents online in just a few clicks. By using Box or OneSpan, producers can digitally complete business transactions without leaving their homes or agricultural operations. Both services are free, secure, and available for multiple FSA and NRCS programs.

Box is a secure, cloud-based site where FSA or NRCS documents can be managed and shared. Producers who choose to use Box can create a username and password to access their secure Box account, where documents can be downloaded, printed, manually signed, scanned, uploaded, and shared digitally with Service Center staff. This service is available to any FSA or NRCS customer with access to a mobile device or computer with printer connectivity. OneSpan is a secure eSignature solution for FSA and NRCS customers. Like Box, no software downloads or eAuthentication is required for OneSpan. Instead, producers interested in eSignature through OneSpan can confirm their identity through two-factor authentication using a verification code sent to their mobile device or a personalized question and answer. Once identity is confirmed, documents can be reviewed and e-signed through OneSpan via the producer's personal email address. Signed documents immediately become available to the appropriate Service Center staff.

Box and OneSpan are both optional services for customers interested in improved efficiency in signing and sharing documents with USDA, and they do not replace existing systems using eAuthentication for digital signature. Instead, these tools provide additional digital options for producers to use when conducting business with FSA or NRCS.

USDA Service Center staff are available to help producers get started with Box and OneSpan through a few simple steps. Please visit <u>farmers.gov/service-locator</u> to find your local office and let Service Center staff know you're interested in signing and sharing documents through these new features. In most cases, one quick phone call will be all that is needed to initiate the process.

Visit <u>farmers.gov/mydocs</u> to learn more about Box and OneSpan, steps for getting started, and additional resources for conducting business with USDA online.

To learn more about program flexibilities and Service Center status during the coronavirus pandemic, visit <u>farmers.gov/coronavirus</u>.

Nebraska NRCS is Hiring at Locations Across the State

The Natural Resources Conservation Service (NRCS) is hiring full-time soil conservationists in many locations across Nebraska. Applications are being reviewed regularly, even though the USAJobs listing shows a deadline of July 15, 2021.

As a Soil Conservationist, you would be working with farmers, ranchers, and other land users implementing Farm Bill programs. You would be responsible for developing conservation plans, program contracts and providing technical assistance to private landowners. Successful applicants must be reliable, have a professional attitude, and enjoy working with the public.

If you are interested or know of someone who might be interested, please share this USAJobs link information with them: <u>https://www.usajobs.gov/GetJob/ViewDetails/588912600#</u>

Contact Doug Wagner at (402) 423-9683 ext.124, or James Huntwork at (308) 392-3514 if you have specific questions regarding the position.

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