



January 23, 2009

STRONG BEGINNING FARMER PROVISIONS

The 2008 Farm Bill has new provisions that beginning farmers need to pursue. There are new programs available to help transition beginning farmers who will be our future in agriculture.

Of note is a Conservation Reserve Program (CRP) change. The new provision is about land that will be coming back into production between now and 2012. There is a CRP provision of two years of extra payments to landowners if land is sold to an eligible beginning farmer or the land is leased or rented. There are rules in place that require producers to follow a conservation plan when CRP is transitioned back into cropland.

There is a new provision concerning the selling of land on land contract. If a landowner sells land to an eligible beginning farmer on land contract, there now are provisions that give the landowner the same USDA loan guarantee that a lending institution would receive.

Another farm bill provision allows for 15 million dollars in competitive grants nationwide for education through extension and outreach to assist beginning farmers. Hopefully, UNL extension can take advantage of that opportunity. Written in the farm bill is information about a 15 state pilot program for a new matching fund for low resource beginning farmers. This provision is currently unfunded but there is a possibility it could be funded during the life of the farm bill. It takes time for local Farm Services Agency administrators to receive the final rules about new provisions.

Low interest loans for grain bin storage was authorized in the new farm bill. Check with Farm Services Agency on those rules if you are interested in additional grain storage.

Rural Development has a new micro enterprise assistance program where there is 4 million dollars in competitive grants. The idea is to assist rural businesses with 10 employees or less involved in agriculture to acquire new skills, loans, technical assistance and support networks. The key will be to contact your Nebraska Rural Development office as more rules get funneled down to the local level. The website is www.rurdev.usda.gov.

Debra Yocum, Energy/Cooperative Development Specialist, is in charge of saving energy grants, including converting irrigation equipment to lower energy use solutions or getting more efficient refrigeration for food in a grocery store or locker. Many producers in our area have benefited from these programs. Her contact information is debra.yocum@ne.usda.gov or call (402) 437-5554.

Sign-up for the regular farm commodity program has started. My recommendation is to go ahead and sign up now for the regular commodity program. We can always change later to the ACRE election once the full rules are announced and if you felt that was a better way to go.

The SURE program has now separated livestock disaster assistance versus crop disaster assistance when counties become eligible because of weather related disasters. In a disaster year,



to be eligible for livestock disaster assistance, producers need NAP insurance or the new PRF insurance. The new PRF insurance through private industry uses a green index from satellite history of 5 mile grids. The guarantee is much better than the NAP program and something to check into. Talk to your insurance agent about this and what it costs on your farm. More information on the 2008 Farm Bill will be presented at the Wilber Crop Clinic on Friday, February 13th at Sokol Hall in Wilber.

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