

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Direct and Counter-Cyclical Program and Average Crop Revenue Election for 2009 and Subsequent Crop Years 1-DCP (Revision 3)	Amendment 20
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Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reason for Amendment

This handbook has been amended to reference the extending of DCP/ACRE for 1 year by the American Taxpayer Relief Act of 2012.

Page Control Chart		
TC	Text	Exhibit
1-4	1-1, 1-2 1-7 through 1-10 1-13 through 1-16 1-19 through 1-22 2-1, 2-2 2-5 through 2-10 2-31 through 2-40 4-1 through 4-4 4-5 through 4-8 4-11 through 4-28 4-61, 4-62 6-1, 6-2 6-2.5 through 6-2.10 6-3, 6-4 6-4.5, 6-4.6 (add) 6-5, 6-6 6-63, 6-64 6-67 through 6-70 6-151 through 6-156 6-156.5, 6-156.6 6-157, 6-158 6-165 through 6-172 6-177, 6-178 7-61, 7-62 7-62.5 through 7-62.8 7-63, 7-64	1, pages 1, 2 page 3 page 4 (add) 2, pages 5, 6 pages 11, 12 4, pages 1-6 pages 6.5, 6.6 (add) 5, pages 1, 2 page 3

Table of Contents

Page No.

Part 1 Basic Information

1	Handbook Coverage.....	1-1
2	Automation	1-3
3	STC Responsibilities.....	1-3
4	SED Responsibilities	1-4
5	DD Responsibilities	1-5
6	COC Responsibilities.....	1-7
7	CED Responsibilities	1-9
8	Program Technician Responsibilities	1-10
9	Basic Program Information.....	1-11
10	Payments and Limitations.....	1-14
11	Contract Requirements.....	1-18
12	Eligible Producers.....	1-19
13	General Signature Requirements	1-20
14	Withdrawing 2013 CCC-509's	1-20
15	Terminating DCP or ACRE Program Contracts.....	1-22
16-63	(Reserved)	

Part 2 Base Acres

Section 1 Non-PTPP Base Acre Reductions

64	Definition and Limitation	2-1
65	Base Acreage Reductions	2-1
66	Completing CCC-505	2-3
67	Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release	2-7
68-75	(Reserved)	

Section 2 Planting Transferability Pilot Project

76	General Information.....	2-31
77	Features of PTPP.....	2-32
78	2009 PTPP General Information.....	2-33
79	PTPP Signup.....	2-34
80	Completing CCC-749	2-36
81	Processing PTPP Offers.....	2-39
82	Changes Occurring Following Enrollment and PTPP Offer Approval	2-40
83-99	(Reserved)	

Table of Contents (Continued)

Page No.

Part 3 (Reserved)

100-174 (Reserved)

Part 4 ACRE Program

Section 1 ACRE and Features

175	ACRE Overview	4-1
176	ACRE	4-4.7
177	ACRE Crops	4-9
178-186	(Reserved)	

Section 2 ACRE Program Enrollment and Features

187	ACRE Program Requirements and Features.....	4-25
188	Per Acre Producer-Paid Crop Insurance Premium	4-31
189-195	(Reserved)	
196	Violations of ACRE Program Contract	4-41
197-206	(Reserved)	

Section 3 ACRE Program Payments

207	Overview.....	4-61
208-254	(Reserved)	

Part 5 (Reserved)

255-330 (Reserved)

Part 6 Annual Enrollment

Section 1 General Information

331	Annual Enrollment Period	6-1
332	Overview of CCC-509	6-2
333	Enrollment and Election Options on Reconstituted Farms.....	6-3
334	(Withdrawn--Amend. 17)	
335	Inaccurate Representation and Misrepresentations and Scheme or Device.....	6-6
336-351	(Reserved)	

Table of Contents (Continued)

Page No.

Part 6 Annual Enrollment (Continued)

Section 2 Division of Payments

352	Eligibility to Receive Payments and Determining Cash or Share Leases	6-61
353	Approving CCC-509	6-69
354	(Reserved)	
355	Division of Payments, Rules, and Examples	6-71
356	Protecting Interests of Tenants, Sharecroppers, and Landowners	6-73
357	Division of Payment Disputes	6-76
358	Division of Payment Dispute Examples	6-80
359-393	(Reserved)	

Section 3 DCP or ACRE Program Contract Requirements

394	CCC-509	6-151
395	10-Acre Rule Exception Signature Requirements	6-154
396	Other Signature Requirements	6-155
397	Missing Signatures	6-156
398	Succession-in-Interest	6-157
399	Succession-in-Interest Examples	6-162
400	Participants Who Are Deceased, Incompetent, or Have Disappeared	6-165
401	Reviewing CCC-509's Modified After End of Enrollment Period	6-166
402	Updating Producer Signature and Enrollment Dates After End of Enrollment Period	6-169
403	Web-Based DCP State Office Administrative Access	6-171
404	Applicability of Finality and Relief	6-173
405	Finality and Types of Relief Applicable to DCP and ACRE	6-175
406-424	(Reserved)	

Part 7 Eligibility and Compliance Rules

Section 1 Farm Eligibility

425	General Information	7-1
426	Eligible and Ineligible Land Uses for Base Acres	7-2
427	Acre Reductions for CRP, GRP, or WRP Enrollment	7-17
428	Protection of Base Acres	7-26
429	Highly Erodible Land Conservation and Wetland Conservation	7-27
430	Planting Flexibility	7-28
431-444	(Reserved)	

Table of Contents (Continued)

Page No.

Part 7 Eligibility and Compliance Rules (Continued)

Section 2 Producer Eligibility

445	General Information.....	7-61
445.5	Enrollment.....	7-62
446	Payment Limitation and AGI.....	7-64
447	Commodities Grown Under Contract on Base Acres.....	7-64
448	Minor Child.....	7-66
449	Handling Bankruptcy.....	7-66
450	Federal and State Agencies.....	7-66
451-468	(Reserved)	

Part 8 FAV’s and Wild Rice

469	Basic Information.....	8-1
470	Compliance Determinations.....	8-4
471	Examples of Basic Rule.....	8-10
472	FAV and Wild Rice Double-Cropping Region Exception.....	8-19
473	Prevented Planting Provisions for FAV and Wild Rice Double-Cropping Exception.....	8-22
474	(Reserved)	
475	Examples of Double-Cropping Region Exception.....	8-25
476	FAV and Wild Rice Farm History Exception.....	8-31
477	Examples of Farm History Exception.....	8-33
478	FAV and Wild Rice Producer History Exception.....	8-38
479	Examples of Establishing Producer History.....	8-45
480	Examples of Producer History Exception.....	8-50
481-500	(Reserved)	

Part 9 Production Evidence

Section 1 Collecting Production Evidence

501	Production Evidence Overview.....	9-1
502	Production.....	9-4
503-509	(Reserved)	
510	Establishing Benchmark Farm Yields and FSA-658 Signature Requirements ...	9-11
510.5	Reconstitution of Benchmark Farm Production, Acreage, and Yields.....	9-12.7
510.6	Farm or Tract Combinations.....	9-12.7
510.7	Farm Divisions.....	9-12.10
510.8	Tract Divisions.....	9-12.12
511	Acceptable Production Evidence.....	9-12.17
511.5	Modifications to Production Certifications.....	9-15

Part 1 Basic Information**1 Handbook Coverage****A Handbook Purpose**

This handbook provides instructions for implementing DCP and ACRE authorized by the *--Food, Conservation, and Energy Act of 2008, as amended by the American Taxpayer Relief Act of 2012. Included in this handbook are instructions about the following:

- enrolling farms under CCC-509--*
- eligibility and compliance rules for participating in DCP or ACRE.

B Related Handbooks

Related handbooks include the following:

- 1-APP for appeals
- 1-CM for common provisions
- 2-CM for farm reconstitutions
- 3-CM for procedure to update farm, tract, and crop data through a maintenance application
- 2-CP for acreage reports
- 4-CP for acre-for-acre payment reductions and CCC-509 violations
- 6-CP for HELC and WC provisions
- 7-CP for equitable relief provisions
- 2-DCP (Rev. 1) for automated DCP processes
- 1-FI for issuing payments
- 3-FI for depositing remittances

1 Handbook Coverage (Continued)

B Related Handbooks (Continued)

* * *

- *--58-FI for debts and claims--*
- 61-FI for handling prompt payment interest penalties
- 62-FI for reporting data to IRS
- *--63-FI for Financial Services Web Application--*

* * *

- *--2-INFO for Freedom of Information Act--*
- 5-LP for commodity inspections
- 2-PL for subsidiary files
- *--3-PL (Rev. 1) for web-based subsidiary files--*
- 4-PL for payment limitations and payment eligibility provisions.

C Sources of Authority

Title I of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246), as amended, *--provides authority for DCP and the ACRE Program. The American Taxpayer Relief Act of 2012 (Pub. L. 112-240), enacted on January 2, 2013, amends the Food, Conservation, and Energy Act of 2008 and provides for a 1-year extension of DCP and ACRE Programs.--* The regulations are in 7 CFR Part 1412.

D DCP and ACRE Purpose

DCP and ACRE provide producers an income safety net in the form of * * * direct payments. DCP also offers assistance through counter-cyclical payments when commodity prices are below certain levels. ACRE protects against crop revenue shortfalls resulting from price and/or production declines at the State and farm levels.

6 COC Responsibilities

A Responsibility

COC shall ensure that CED follows provisions in this handbook.

B Redelegation of Authority

COC may redelegate authority to approve CCC-505's, CCC-509's, CCC-509ACRE's, and FSA-658's to CED, in routine cases. Redelegations of authority to sign for COC shall be in writing.

***--Notes:** Routine cases for 2012 and prior years include approval of successor-in-interest cases and CCC-509's late-file enrolled through August 1. For 2013 only, routine cases include approval of successor-in-interest cases and CCC-509's through September 3, 2013.--*

Delegated authority to approve FSA-658's is for the 2009 crop year and all future years.

C Providing Information

COC shall ensure that producers receive complete and accurate program information about DCP and the ACRE Program by providing information through the following:

- program leaflets, newsletters, and print media
- meetings
- radio, television, and video.

COC shall ensure that DCP and ACRE Program provisions are publicized timely and that outreach efforts are documented, to include information about the following general provisions and other important items:

- planting flexibility, including whether the county is designated as a double-cropping region
- payment calculations
- limitations and restrictions on FAV and wild rice planting, including acre-for-acre payment reduction and violation provisions

6 COC Responsibilities (Continued)

C Providing Information (Continued)

- signature requirement to enroll resulting farms, following a farm reconstitution
- signature requirements for **all** producers on a farm for designating CCC-509 shares, revising CCC-509 for successions-in-interest, and filing AD-1026, CCC-902's, *--CCC-931 for applicable years, CCC-933 for 2013, and any other applicable forms--*
- consequences of not meeting deadlines
- refunding of any unearned partial counter-cyclical payment when actual market prices exceed the projected market prices used in determining the partial payment rates.

Note: The Average Crop Revenue Election (ACRE) Program Fact Sheet and Background (Exhibit 4) and the Direct and Counter-Cyclical Payment Program (DCP) Fact Sheet (Exhibit 5) may be used to provide some of the information in this subparagraph.

D Appeals

COC shall:

- handle appeals according to 1-APP
- record and document determinations in the COC minutes.

E Documenting Program Determinations

In a timely manner, COC shall ensure thorough documentation of program determinations in the COC minutes and include the following:

- all factors considered
- justification and rationale of all determinations
- reference to applicable handbook procedures.

7 CED Responsibilities

A Responsibility

CED shall ensure that County Offices follow provisions issued by COC, DD, State Offices, and this handbook.

B Automated Processing

CED shall:

- ensure that all automated processes are completed in a timely manner
- report incorrect software calculations, discrepancies, and problems to SED and State Office Program Specialist, through DD.

C Handbook Procedure

CED shall report to SED and the State Office Program Specialist, through DD, incomplete or incorrect procedures in this handbook.

7 CED Responsibilities (Continued)

D Monitoring Signature Deadlines

CED shall ensure that all pertinent information and program deadlines are publicized according to subparagraph 6 C and copies are maintained in appropriate file.

In addition to publicizing program information, CED's shall ensure that:

- signature deadlines are carefully monitored for reconstituted farms, designating payment shares, and necessary supporting documentation, such as AD-1026, CCC-902's, *--CCC-931, and CCC-933--*

Important: Although it is suggested that County Offices attempt to remind producers of deadlines, failure to provide the additional reminder does not constitute misaction/misinformation.

Note: As allowed by time and resources, County Offices may attempt to contact applicable producers in advance of critical deadlines by using second reminder letters and/or telephone contacts. Those contacts or attempted contacts, if made, shall be documented.

- Producer Payment Selection Reports are processed, as often as necessary, to ensure that payments are issued timely and according to producer requests.

8 Program Technician Responsibilities

A Responsibility

Program technicians shall follow the provisions in this handbook.

B Reporting to CED

Program technicians shall report the following to CED:

- incorrect software calculations and discrepancies
- incomplete or incorrect procedures in this handbook.

9 Basic Program Information (Continued)

C Payment Yield

[7 CFR 1412.3] Payment yield means:

- (1) For peanuts, the yield established pursuant to section 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911) as in effect on September 30, 2007.
- (2) For covered commodities, the yield established in accordance with 7 CFR Part 1412, subpart C, for a farm for a covered commodity.
- (3) For designated oilseeds or pulse crops, the yield established in accordance with 7 CFR Part 1412, subpart C, for a farm for a crop of a designed oilseed and pulse crop.

D Definition of Contract Period

The contract period is the compliance period set out below for the contract for the particular program year. The “program year” is designated in item 1 of the contract. Contracts for different program years will be referenced by their program year. Thus, for example, a reference to the “2009 Contract” means the contract for the 2009 program year. The compliance periods for the various program years are as follows:

- for the 2009 Contract, the period that begins on October 1, 2008, and carries through September 30, 2009
- for the 2010 Contract, the period that begins on October 1, 2009, and carries through September 30, 2010
- for the 2011 Contract, the period that begins on October 1, 2010, and carries through September 30, 2011
- for the 2012 Contract, the period that begins on October 1, 2011, and carries through September 30, 2012
- *--for the 2013 Contract, the period that begins on October 1, 2012, and carries through September 30, 2013.--*

9 Basic Program Information (Continued)

*--E Deadlines

The following table lists dates for the 2013 ACRE and DCP program.

Date	Event
February 19, 2013	2013 ACRE, DCP, and PTPP signups begin
April 5, 2013	PTPP signup ends; CCC-749's to the State Office
April 8, 2013	The State Office conducts PTPP lottery, if necessary
April 9, 2013	The State Office notifies the County Office of PTPP lottery results, if necessary
April 16, 2013	The County Office notifies PTPP of lottery results, if necessary
June 3, 2013	2013 ACRE signup ends
July 15, 2013	Final date to report 2012 production for ACRE farms
August 2, 2013	2013 DCP signup ends
September 3, 2013	2013 DCP late-filed period for County Offices ends
September 30, 2013	End of 2013 contract period
	Final date for all contractual matters, including successor-in-interest contracts
	2013 DCP late-filed period for STC's ends
	Final date to designate ACRE payment acres
	Complete adjustment to 2013 payment limitation for farms participating in ACRE
July 15, 2014	Final date to report 2013 production for ACRE farms

--*

10 Payments and Limitations

A Direct Payment Amounts

Subject to limits otherwise provided for, the direct payment for each covered commodity or peanuts will be computed by multiplying the following:

- *--83.3 percent (85 percent in 2012 and 2013) of the covered commodity's or peanut's--* base acres, times
- the covered commodity's or peanut's program payment yield, times
- the payment rate for the covered commodity or peanuts, times
- the producer's share of the covered commodity or peanuts.

Note: For farms enrolled in ACRE, direct payments are reduced by 20 percent.

B Advance Direct Payments

*--For program years 2012 and 2013, advance direct payments will **not** be available.--*

10 Payments and Limitations (Continued)

C Refunds of Direct Payments

A producer must refund any payment to CCC which exceeds the amount actually earned under the contract, including the refund of unearned payments for a crop year resulting from another owner or producer assuming an interest in the base acres for the crop year. Interest on such refunds shall be assessed according to 2-DCP (Rev. 1).

Note: Interest only accrues from date of disbursement in cases where COC determines misrepresentation, scheme, or device according to paragraph 335.

D Final Direct Payments

A final direct payment will be made to producers as soon as practical after October 1 following the contract year.

E Counter-Cyclical Payment Amounts

Counter-cyclical payments are authorized for a covered commodity or peanuts when the effective price for the commodity is less than the target price of the commodity. The effective price for a covered commodity or peanuts is equal to the sum of the following:

- higher of the national average market price received by producers during the 12-month marketing year for the covered commodity or peanuts, as determined by the Secretary, or the national average loan rate for the commodity in 7 CFR Part 1412, as applicable
- direct payment rate in effect for the covered commodity or peanuts according to 7 CFR Part 1412.

The amount of a producer's counter-cyclical payment, if any, for each covered commodity or peanuts will be computed by multiplying the following:

- 85 percent of the covered commodity's or peanut's base acres, times
- payment yield for the covered commodity or peanuts, times
- payment rate for the covered commodity or peanuts, times
- producer's share of the payment for the covered commodity or peanuts as designated on CCC-509.

Note: Counter-cyclical payments are **not** available to farms enrolled in ACRE.

10 Payments and Limitations (Continued)**E Counter-Cyclical Payment Amounts (Continued)**

Counter-cyclical payments are **not** available for 2009 crops of canola, crambe, flax, mustard, rapeseed, safflower, sesame, or sunflowers, because the sum of the national loan rate and the direct payment rate for those covered commodities is equal to or greater than the target price. Payments for other eligible oilseeds, if any, shall be as determined by the Secretary.

F Partial Counter-Cyclical Payments

CCC may authorize partial counter-cyclical payments for a covered commodity or peanuts, if before the end of the applicable 12-month marketing year for the commodity, the Secretary estimates that counter-cyclical payments will be required. In this event, producers may request a 40 percent partial payment of the projected payment amount, to be made after completing the first 6 months of the marketing year for that crop. Partial counter-cyclical payments are not applicable for program years 2011, 2012, and 2013.--*

G Final Counter-Cyclical Payments

A final counter-cyclical payment for the crop year, if applicable, will be made to producers beginning October 1, or as soon as practical, after the end of the 12-month marketing year for the applicable commodity.

H Refunding Counter-Cyclical Payments

A producer must refund any payment to CCC which exceeds the amount actually earned under CCC-509, including the refund of any unearned partial counter-cyclical payment when actual market prices exceed the projected market prices used in determining the partial payment rates. CCC may, at its discretion, automatically reduce any partial, advance, or final direct payments or counter-cyclical payments earned by, or which would otherwise be received by the producer, affiliated person, or entity according to 7 CFR Part 1403, in any current or future year to help satisfy any obligation to repay any unearned partial, advance, or final direct or counter-cyclical payment for the current year or any other year under this CCC-509. Likewise, such other payments may be withheld in the case of partial or advance payments pending a determination of whether those payments would themselves be subject to a refund because of a recalculation made when final payments are due.

11 Contract Requirements (Continued)

C Transfer of or Change in Farming Interest or Change in Base Acres

A transfer of or change in the interest of any producer or change in any base acres on CCC-509 in a FY for a farm shall result in terminating the contract for FY, unless the producers succeeding to the acreage enter into CCC-509 for the farm and agree to assume all obligations of the contract no later than September 30 of the contract period.

Note: See paragraphs 187, 207, and 397 for the ACRE Program.

12 Eligible Producers

A Background

--The Food, Conservation, and Energy Act of 2008, as amended by the American Taxpayer Relief Act of 2012, authorizes the Secretary to issue direct, counter-cyclical, and ACRE-- payments to producers. A producer is defined by statute as “an owner, operator, landlord, tenant, or sharecropper that shares in the risk of producing a crop and is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced”. The statute further requires the Secretary to “provide for the sharing of payments among the producers on a farm on a fair and equitable basis”.

B Individuals and Entities Eligible for Payment

The following individuals and entities may share in payments if the individual or entity is entitled to an ownership share of a crop and is:

- an owner on an eligible farm who assumes all or part of the risk of producing a crop on base acres, or if an ACRE Program contract, acreage of a covered commodity or peanuts
- a producer, other than an owner, on an eligible farm with a share-rent arrangement or cash-lease agreement.

Notes: An owner whose only interest is that the owner cash leases land to another is not a producer on that land and, therefore, is ineligible to share in payments for this land.

See:

- paragraphs 187 and 207 for the ACRE Program
- paragraph 352 for information on sharing payments.

C Loss of Interest in a Farm

If a producer loses interest in the base acres or acres of a covered commodity or peanuts on an ACRE Program contact on a farm, the producer is not eligible to retain payments for those acres. Any payments received on the acreage shall be immediately refunded as required by paragraph 398.

13 General Signature Requirements

A Common Management Provisions

*--Follow 1-CM for policy concerning signatures.

14 Withdrawing 2013 CCC-509's

A Withdrawing 2013 CCC-509 During the Enrollment Period

The 2013 DCP enrollment period ends August 2, 2013. Approved CCC-509's for DCP may be withdrawn by August 2, 2013, if all producers on CCC-509 request in writing to withdraw CCC-509 by August 2, 2013.--*

Notes: See subparagraphs B through E for examples.

Producers must repay all payments received under CCC-509 that was withdrawn during an enrollment period.

See:

- 2-DCP (Rev. 1) for instructions on canceling CCC-509 in the automated system
- subparagraph 176 B
- subparagraph 394 E for withdrawing enrollment
- subparagraph 445.5 C for withdrawing 2010 and subsequent enrollments during the authorized late-filed enrollment period.

***--B 2011 Example**

Situation

Mike Jones signs CCC-509 on May 1, 2011. Mr. Jones:

- requested 100 percent share of all payments
- received advance direct payments.

On May 8, 2011, Mr. Jones requests in writing to withdraw CCC-509.--*

COC determines that Mr. Jones requested to withdraw CCC-509 during the contract period.

Result

Mr. Jones is allowed to withdraw CCC-509.

--14 Withdrawing 2013 CCC-509's (Continued)*C 2012 Example****Situation**

Jane Brown and Joe Green sign CCC-509 on May 15, 2012, for the 2012 crop year. Mrs. Brown and Mr. Green each share 50 percent in payments.

On August 14, 2012, Mrs. Brown and Mr. Green both request in writing to withdraw--* CCC-509.

Result

Mrs. Brown and Mr. Green are **not** allowed to withdraw CCC-509 because withdrawal is **not** *--allowed after August 1, 2012.

D 2013 Example 1**Situation**

Jan Smith signs CCC-509 on May 1, 2013, for the 2013 crop year. Mrs. Smith:

- shares 100 percent in all base acre payments
- plants green beans on base acres.

On May 4, 2013, Mrs. Smith planted 100 acres of green beans. Neither the farm nor Mrs. Smith has a FAV history; therefore, if the green beans are harvested, Mrs. Smith will be in violation of the terms and conditions of CCC-509.

On June 1, 2013, before the green beans are harvested, Mrs. Smith requests in writing to withdraw CCC-509.--*

COC approves the withdrawal of CCC-509. Therefore, Mrs. Smith is not in violation of any of the terms and conditions of CCC-509.

Important: Mrs. Smith is not in violation of the FAV provisions because she elected to *--withdraw by August 2, 2013.--*

Result

Mrs. Smith is allowed to withdraw her CCC-509.

--14 Withdrawing 2013 CCC-509's (Continued)*E 2013 Example 2****Situation**

Jay Black signs CCC-509 on May 6, 2013, for the 2013 crop year. Mr. Black:

- shares 100 percent in all payments
- plants green beans on base acres.

On April 1, 2013, Mr. Black planted 100 acres of green beans. Neither the farm nor Mr. Black has a FAV history; therefore, if the green beans are harvested on the enrolled farm, Mr. Black will be in violation of the terms and conditions of CCC-509.

On May 25, 2013, Mr. Black harvests the 100 acres of green beans.

On August 10, 2013, Mr. Black requests in writing to withdraw CCC-509.

Result

Mr. Black is allowed to withdraw his CCC-509 during the enrollment period. Once the enrollment period ends, Mr. Black cannot withdraw CCC-509 to negate the terms and conditions (violation) of CCC-509.--*

15 Terminating DCP or ACRE Program Contracts**A Terminating CCC-509**

CCC-509 will be terminated if there is a transfer or change in the interest of any producer or change in any of the base acres on the farm occurring before September 30 of the contract period. Producers may succeed to the acreage and enter into a contract for the farm and agree to assume all obligations of CCC-509 no later than September 30 of the contract period.

CCC-509 may be terminated for violations and other reasons. See paragraphs 196, 335, 398, and 470.

See paragraphs 187 and 207 for ACRE Program contracts.

16-63 (Reserved)

Part 2 Base Acres

Section 1 Non-PTPP Base Acre Reductions

64 Definition and Limitation

A Definition of Base Acres

[7 CFR 1412.3] “Base acres” are the number of acres established with respect to a covered commodity and peanuts on a farm pursuant to sections 1101 and 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911) as in effect on September 30, 2007, subject to any adjustment in accordance with subpart B of 7 CFR part 1412.

B Limitation on Base Acres

The total of the following shall not exceed the DCP cropland acreage on the farm, except to the extent there is an established double-cropping history on the farm:

- all base acres on the farm, including peanut base acres
- any cropland acreage enrolled in:
 - CRP
 - EWP
 - WBP
 - WRP
- any cropland or DCP cropland acreage enrolled in GRP
- any cropland acreage on the farm enrolled in any **Federal** conservation program for which payments are made in exchange for not producing an agricultural commodity.

Notes: Enrollment in State conservation programs has no impact on DCP or ACRE Program payments.

See subparagraph 426 I if the agreement allows haying and/or grazing on the land under normal conditions.

65 Base Acreage Reductions

A Voluntary Permanent Base Acres Reduction

Owners may permanently reduce base acreage at any time. A reduction:

- shall be recorded on CCC-505

Note: Complete and process CCC-505 according to paragraph 66.

65 Base Acreage Reductions (Continued)

A Voluntary Permanent Base Acres Reduction (Continued)

- may be for a part or all of 1 or more crops' base acres

Note: Base acres for the farm and crop are recorded at the tract level. Therefore, owners must designate the tract level reduction on CCC-505.

- is effective for the program year entered in CCC-505, item 4, when all applicable owners' signatures, including the signatures of owners having an undivided ownership interest, are obtained on CCC-505

Notes: If CCC-505 is being completed as a result of entering into a CRP agreement, the effective date of CCC-505 is equal to the effective date of CRP-1.

File a copy of CCC-505 in the CRP folder.

- shall not be reinstated after the reduction in base acres becomes effective

Note: Reductions of base acres are permanent.

Exception: Base acres reduced because of cropland enrollment into CRP may be restored to the farm if CRP-1 is voluntarily terminated, expired, *--or early released before August 3, 2013.--*

- cannot be made to negate an FAV or wild rice violation or a violation found as the result of a spot check; however, all producers on a farm may choose to withdraw CCC-509 for the applicable year.

Note: Participants must refund any overpayments caused by a reduction.

B Producer Requested Base Acres Reduction

The owners on the farm may request that the reduction of DCP cropland and base acreage be immediately completed. In this situation, the following actions shall be taken:

- adjust the DCP cropland in farm maintenance according to 3-CM
- owners shall complete CCC-505 to permanently reduce base acres and/or CCC-517 to redistribute base acres
- adjust the base acres in farm maintenance according to 3-CM
- revise CCC-509 according to 2-DCP (Rev. 1)
- request a refund of any DCP or ACRE overpayments.

Provided the provisions of paragraph 333 are satisfied, all signatures must be obtained on the *--new CCC-509 by the later of August 2 of the 2013 contract period or 30 calendar days--* following producer notification of the completion of the reconstitution.

66 Completing CCC-505 (Continued)

B Processing CCC-505

Process CCC-505's according to the following.

Step	Action
1	Ensure that all base acreages and reductions are listed.
2	Ensure that all affected owner signatures are present and properly executed.
3	<p>If all applicable affected owners do not sign CCC-505, within 30 calendar days, COC shall:</p> <ul style="list-style-type: none"> • act on the request if a reduction is required to comply with DCP or the ACRE Program • disapprove, sign, and date, if a reduction is not required to comply with DCP or the ACRE Program. <p>If all applicable signatures are obtained, COC or designee may approve CCC-505; however, approval is not necessary.</p>
4	<p>Reduce the base acreage that exceeds effective DCP cropland in farm maintenance according to 3-CM.</p> <p>Note: Ensure that CCC-505 is properly executed before making these reductions or processing CCC-509.</p>
5	Date stamp and retain CCC-505.

Notes: CCC-505 (dated 02-21-12) is required effective February 24, 2012. Before this date, CCC-505 (dated 02-05-09) is acceptable.

--CCC-505 (dated 01-22-13) is required effective February 5, 2013. Before this date, CCC-505 (dated 02-21-12) is acceptable.--

66 Completing CCC-505 (Continued)

C Example of CCC-505

The following is an example of CCC-505.

*--

This form is available electronically.

CCC-505 (01-22-13)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		1. STATE AND COUNTY CODE 30 043	2. FARM NO. 1525	3. PROGRAM YEAR 2013
VOLUNTARY PERMANENT BASE ACRES REDUCTION				4. REASON FOR REDUCTION OF BASE ACRES		
				<input checked="" type="checkbox"/> CRP Enrollment <input type="checkbox"/> Other _____		
<p>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1412, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) as amended by the American Taxpayer Relief Act of 2012 (Pub. L. 112-240). The information will be used to process a request for a permanent reduction of the base acres established for identified crops. The information collected on the form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in an inability to process a request for a permanent reduction of the base acres established for identified crops.</p> <p>This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246, Title I, Subtitle F - Administration) as amended by American Taxpayer Relief Act of 2012 (Pub. L. 112-240, Title VII, Extension of Agricultural Programs.)</p> <p>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p>						
PART A - REQUEST						
<p>The undersigned requests a permanent reduction of the base acres established for the following crop(s) for the farm identified in Item 2 above. However, I/we understand that the authority expires to: (1) maintain base acres on the farm after September 30, 2013; and 2) restore base acres in any subsequent year. The existence of base acres and the restoration of those base acres after September 30, 2013, can only be determined by any subsequent statute that specifically applies to such subject and that applies beyond September 30, 2013.</p>						
5. TRACT NO.	6. COMMODITY	7. DIRECT YIELD	8. COUNTER CYCLICAL YIELD	9. COMMODITY BASE ACRES ON TRACT BEFORE REDUCTION	10. COMMODITY BASE ACRES ON TRACT TO BE REDUCED	11. COMMODITY BASE ACRES ON TRACT AFTER REDUCTION (Column 9 MINUS Column 10)
1621	Corn	85	127	42.3 -	4.3 =	38.0
10423	Soybean	37	45	39.0 -	3.0 =	36.0
				-	=	
				-	=	
12. Total Base Acres to be Reduced (Total of Column 10)					7.3	
13. Total Base Acres on Farm Before Reduction			14. Total Base Acres on Farm After Reduction (Item 13 minus Item 12)			
81.3			74.0			
15A. Requestor's Signature (By)			15B. Title/Relationship (of the individual signing in the Representative Capacity)		15C. Date (mm/dd/yyyy)	
/s/ A Producer					02-19-2013	
16A. Owner's Signature (By)			16B. Title/Relationship (of the individual signing in the Representative Capacity)		16C. Date (mm/dd/yyyy)	
/s/ W Landowner			Spouse		02-19-2013	
17A. Owner's Signature (By)			17B. Title/Relationship (of the individual signing in the Representative Capacity)		17C. Date (mm/dd/yyyy)	
18. REMARKS (If the base acres are being reduced because of cropland enrollment into CRP, enter the CRP-1 number and the effective date of CRP-1).						
CRP #327 Effective Date 10/01/2012						
PART B- APPROVAL (COUNTY OFFICE USE ONLY)						
19. REDUCTION IS:				20. COUNTY FSA OFFICE NAME AND ADDRESS (Including Zip Code)		
APPROVED <input checked="" type="checkbox"/> DISAPPROVED <input type="checkbox"/>				Jefferson County FSA 2 Whitetail RD Whitehall, MT 59759		
21. COC'S SIGNATURE		DATE (mm/dd/yyyy)		TELEPHONE NUMBER (Area Code):		
/s/ B CED		02-19-2013		406-287-3260		
<p>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.</p>						

--*

67 **Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release****A Policy**

The same land cannot be enrolled in both DCP or the ACRE Program and CRP at the same *--time. However, if during the 2013 contract year CRP-1 expires, is voluntarily terminated, or is early released after September 30, 2012, and before August 3, 2013, producers may enroll the following acreage and applicable yields, previously enrolled under CRP-1 in FY 2013--* DCP or the ACRE Program, as applicable:

- CAB's reduced from applicable CRP-15
- PFC acreage that was reduced on CCC-505 to be enrolled in CRP
- base acres that were reduced on CCC-505 to be enrolled in CRP.

Important: Only applicable acreage from CRP-1's that expire, are voluntarily terminated, *--or early released between **October 1, 2012**, and **August 2, 2013**, is eligible to be enrolled in FY 2013 DCP or the ACRE Program, as applicable.--*

The applicable acreage:

- may be distributed to the tract enrolled into CRP or to the tract from which it was removed
- shall receive a direct and counter-cyclical yield equal to the tract level yield for this crop at the time the applicable acreage was removed.

See 3-CM for updating the farm maintenance system.

Notes: When CAB's or previously reduced PFC acreage is enrolled in DCP or the ACRE Program, CAB's and PFC acreage become base acres.

See Exhibit 2 for the definition of "voluntarily terminated".

--ACRE enrollment ends on June 3, 2013.--

67 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)**B Limitation on Base Acres**

The total base acres on a farm shall not exceed DCP cropland according to paragraph 64.

Applicable acreage previously under CRP-1 shall not be enrolled in DCP or the ACRE Program unless the total DCP cropland for the farm is sufficient to support the additional base acres. Therefore, County Offices must determine the amount of CAB, previously reduced PFC acreage, or previously reduced base acres that may be enrolled in DCP or the ACRE Program.

Before enrolling acreage previously under CRP-1, a farm may be combined with another farm to increase the amount of DCP cropland to support the additional acreage, if both of the following are met:

- all provisions of 2-CM for farm combinations are met
- the combination is completed before the final date to enroll the applicable acreage previously under CRP-1.

C Timing of Adjustment and Payments

Participants who elect to voluntarily terminate CRP-1 or who have acres affected by early release before the CRP-1 expiration date:

- cannot receive both a CRP payment and DCP or ACRE Program payment on the same land for the same FY
- must elect to receive **either** of the following for FY in which CRP-1 was voluntarily terminated:
 - direct, counter-cyclical, and ACRE payments
 - CRP payment, if applicable.

67 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)

C Timing of Adjustment and Payments (Continued)

Adjustments to base acres on a farm because of CRP-1 that expires, is voluntarily terminated, or early released after September 30, 2008, and before October 1, 2013, may be made according to the following, if all other eligibility requirements are met.

IF CRP-1...	THEN...	AND...
expired before FY 2009	eligible producers may adjust base acres on the farm by enrolling eligible acreage: <ul style="list-style-type: none"> • after CRP-1 expires • by August 14, 2009 	be paid full DCP and ACRE Program payments, as applicable, for FY in which acreage is enrolled in DCP or the ACRE Program.
is voluntarily terminated, expires, or early released in FY 2009 through 2013, as applicable, before CRP-1 expiration date	eligible producers may adjust base acres on the farm by enrolling eligible acreage by June 1 (August 14, 2009, for 2009, June 3, 2013, for 2013 ACRE, or August 2, 2013, for 2013 DCP) of the applicable year eligible producers may adjust base acres on the farm by enrolling eligible acreage after September 30 of FY in which CRP-1 is voluntarily terminated, but no later than June 1 (August 14, 2009, for 2009, June 3, 2013, for 2013 ACRE, or August 2, 2013, for 2013 DCP) of the following FY	

Note: Eligible acreage must be enrolled by June 1 (August 14, 2009, for 2009, June 3, 2013, for 2013 ACRE, or August 2, 2013, for 2013 DCP) of the applicable year to be eligible for DCP or ACRE Program payments.

67 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)

D Example 1

Jane Smith enrolled 100 acres of cropland on FSN 56 in CRP during signup. CRP-1 became effective on October 1, 2008. Before enrollment of the 100 acres of cropland into CRP, FSN 56 had:

- 500 acres DCP cropland
- 410 base acres
- 0 CRP acres.

The total amount of base acres plus CRP acres cannot exceed the farm's DCP cropland plus double-cropping history. Accordingly, Jane Smith executed CCC-505 to reduce the base acres on FSN 56 to 400 acres. After enrollment of the 100 acres of cropland into CRP, FSN 56 has:

- 500 acres DCP cropland
- 400 base acres
- 100 CRP acres
- 10 DCP wheat base acres reduced on CCC-505.

On September 1, 2009, Jane Smith voluntarily terminates 2.3 acres from CRP. The 2.3 acres will be used for a horse pasture. The voluntary termination of 2.3 acres from CRP was approved by the applicable CCC official. Once the voluntary termination of the 2.3 acres of CRP is approved, and all other eligibility requirements are met, the County Office shall:

- notify all producers and owners in writing that the 2.3 wheat base acres are available for enrollment into DCP or the ACRE Program
- increase the base acres on FSN 56 to 402.3 if the producer enrolls the base acres by June 1 of FY 2010
- notate the 2.3 base acre reinstatement in the remarks section of CCC-505.

After the modifications to FY 2010 farm records have been completed, FSN 56 has:

- 500 acres DCP cropland
- 402.3 base acres
- 97.7 CRP acres
- 7.7 base acres reduced on CCC-505.

Section 2 Planting Transferability Pilot Project

76 General Information

A Overview

--Section 1107 of the Food, Conservation, and Energy Act of 2008, as amended by the American Taxpayer Relief Act of 2012, authorizes PTPP, which permits the planting of cucumbers, green peas, lima beans, pumpkins, snap beans, sweet corn, and tomatoes grown for processing on base acres enrolled in DCP or the ACRE Program, in certain States during each of the 2009 through 2013 crop years.--

A farm must:

- have DCP cropland that is physically located in a pilot State
- submit CCC-749 and be approved to participate.

Generally, to be eligible to participate in PTPP, producers on a farm must also demonstrate that they:

- have entered into a contract to produce a crop of 1 of the specified commodities for processing
- agree to produce the crop as part of a program of crop rotation on the farm to achieve agronomic and pest and disease management benefits.

The base acres on a farm for a crop year will be reduced by an acre for each acre planted under PTPP. Following the crop year, base acres reduced for PTPP participation are restored. Implementation of PTPP begins with the 2009 crop year.

B Eligible States and Acreage Limitation

Land eligible for PTPP participation must be enrolled in base acres physically located in 1 or more States shown in the following table. The States and the maximum base acres eligible in each PTPP State during each crop year for PTPP are as follows.

State	Acre Limitation
Illinois	9,000
Indiana	9,000
Iowa	1,000
Michigan	9,000
Minnesota	34,000
Ohio	4,000
Wisconsin	9,000

76 General Information (Continued)**B Eligible States and Acreage Limitation (Continued)**

If land is physically located in 1 or more States in the table in this subparagraph, yet administratively controlled in another State, CCC-749 shall be filed with the administrative County Office and forwarded to State Offices where the land is physically located.

Note: Annotate on CCC-749 the name of the State where land offered for PTPP participation is physically located.

77 Features of PTPP**A Planting Flexibility Provisions and Prohibitions of DCP and the ACRE Program**

Any crop may be planted on DCP cropland in excess of the base acres on a farm.

Generally, however, with some exceptions, the planting of fruits, vegetables (except mung beans and pulse crops), or wild rice, as determined by FSA, is prohibited on base acres of a farm enrolled in a DCP or ACRE Program contract. Harvesting fruits, vegetables (except mung beans and pulse crops), or wild rice, as determined by FSA, is prohibited on enrolled base acres. There are certain exceptions to this general prohibition for double-cropping in certain instances. Those general prohibitions and exceptions continue to apply to 2009

--through 2013 crop years.--

B PTPP Option for Enrolled Farms

Notwithstanding the prohibition of planting and harvesting fruits, vegetables, or wild rice on enrolled base acres for each of the 2009 and subsequent crop years, PTPP permits, according to limitations and provisions of this section, the planting of the crops identified in subparagraph 76 A for processing in certain States on base acres without violating CCC-509. Base acres on farms participating in PTPP will be reduced an acre (or portion thereof) for every acre (or portion thereof) planted in PTPP, for the year in which the farm is participating in PTPP.

C Crop and Producer Eligibility Provisions of PTPP

Under PTPP, crops permitted on base acres are cucumbers, green peas, lima beans, pumpkins, snap beans, sweet corn, and tomatoes. These crops eligible for PTPP participation must be grown for processing.

77 **Features of PTPP (Continued)****C Crop and Producer Eligibility Provisions of PTPP (Continued)**

Producers interested in participating in PTPP must:

- first be enrolled under CCC-509
- submit an offer for PTPP participation accompanied by a copy of the processing contract *--mentioned in paragraph 78 no later than April 5, 2013, of the 2013 contract year.--*

Notes: Irrespective of whether payments were issued before enrollment in PTPP, participants acknowledge that, for the particular year of PTPP participation, payments will be calculated on or limited to base acres after reduction.

* * * In the event that CCC-509 is approved after enrollment in PTPP, CCC-509 participants acknowledge that, for the particular year of PTPP participation, payments will be calculated on base acres after reduction.

78 **2009 PTPP General Information****A Responsibility of Producers Participating in PTPP to Determine Offer**

Participation in PTPP is voluntary. Although FSA can provide information about a particular farm's DCP cropland and base acres, FSA offices will **not** provide advice about the decision to participate in PTPP.

B Agreement of Producers Participating in PTPP

Producers on a farm must:

- first be enrolled under CCC-509 and PTPP signup according to subparagraph 79 A
- do all of the following for the commodity specified in subparagraph 77 C:
 - have entered or enter into a contract to produce the commodity for processing
 - agree to produce the crop as part of a program of crop rotation on the farm to achieve agronomic and pest and disease management benefits
 - report acreage and production of the crop and provide evidence of disposition of the crop.

79 PTPP Signup

A Signup Period

--The signup for 2013 PTPP begins on February 19, 2013, and ends on April 5, 2013. There-- are **no** late-filed provisions for PTPP. CCC-749 must be completed following enrollment on CCC-509 for PTPP participation.

Note: Each State has a limit on the number of acres for which PTPP can be approved. Accordingly, a lottery (paragraph 81) of timely submitted PTPP offers may be conducted to select and approve PTPP offers.

B Availability of Enrolled Farms and Producers

PTPP is only available for enrolled base acres. Offers for PTPP participation will **not** be considered on farms that have **not** first completed enrollment in DCP on CCC-509. For those farms and producers who have enrolled under CCC-509 and who are interested in PTPP, all of the producers who signed CCC-509 must also sign CCC-749 and accompany the offer for PTPP participation with a copy or copies of the contract or agreement to produce the commodity for processing.

The same signature requirements for CCC-509 apply to CCC-749. This means that all producers sharing in base acres with more than a zero share must enroll and sign CCC-749. For those producers with an interest in the farm but a zero share of base acres (before reduction for PTPP), CCC-749 will **not** be approved before all producers have either signed CCC-509 and CCC-749 or have provided supportive and necessary contractual documents, such as cash leases instead of signing for a zero share.

CCC-509 and CCC-749 **not** having all required signatures on or before the applicable enrollment or PTPP signup deadline shall **not** be considered submitted for any PTPP purpose, as applicable, and will **not** be acted on or approved.

Note: The failure of producers to sign either CCC-509 or CCC-749 is **not** a compliance violation or a failure to fully comply. There is no compliance or compliance violations on farms that are **not** enrolled. Additionally, incomplete offers to participate in PTPP are also **not** a failure to comply.

79 PTPP Signup (Continued)

C Withdrawal of CCC-509 or PTPP Offer

--Enrolled CCC-509's that are withdrawn during the 2013 enrollment period ending August 2, 2013, are likewise considered withdrawn from PTPP for that same year.--

Exception: CCC-509's that FSA treats as withdrawn because of the filing of CCC-509 ACRE during the specific enrollment period are still considered withdrawn; however, at the time of the ACRE Program CCC-509 enrollment during the same enrollment period, producers on CCC-509 shall do either of the following:

- enroll the farm with base acres reduced according to CCC-749
- enroll CCC-509 and withdraw CCC-749 during this specific enrollment period.

*--Eligible producers who signed CCC-749 by April 5, 2013, may withdraw CCC-749 by August 2, 2013. If the withdrawal is by April 5, 2013, of the 2013 contract year, CCC-509 on the farm that had been enrolled before CCC-749 will be treated the same as if **no** CCC-749 had been submitted.

Eligible producers who sign CCC-749 may withdraw CCC-749 from April 5 through August 2 of the 2013 contract year if all signatories to CCC-749 agree to the withdrawal.--*
The withdrawal must be provided in writing to FSA.

Note: If producers on CCC-509 are different than those shown on CCC-749, all producers on CCC-509 must agree to the withdrawal of CCC-749.

If CCC-749 is withdrawn:

- *--before CCC-749 was approved and by August 2, 2013, of the 2013 contract year,--*
CCC-509 will be considered enrolled the same as if no offer for PTPP had been made

Note: Producers on the farm may choose to enroll the farm during the enrollment period that may remain.

- and CCC-749 has already been approved, CCC-509 will also be considered withdrawn.

For farms reconstituted after CCC-509 and CCC-749 are approved, follow subparagraph 82 B.

--Farms enrolled in ACRE may not withdraw from ACRE after June 3, 2013.--

79 * * * PTPP Signup (Continued)

D Effect of PTPP on Base Acres

If a PTPP offer is approved, the base acres will be reduced for each acre planted to vegetables under contract for that contract year. The total base acres remaining on the farm that were **not** reduced for PTPP participation will be considered enrolled for DCP and ACRE Program purposes.

Notes: The 10-acre provision applies to farms before reductions of base acres for PTPP participation. In other words, the prohibition of payments on a farm having 10 or less base acres applies only if the farm, before base reduction for PTPP, had 10 or less base acres. PTPP participation will **not** result in payment ineligibility if the farm’s base acres before the reduction on the farm were greater than 10 acres before the PTPP offer is approved.

Acres **not** planted to vegetables according to CCC-749 will **not** cause a reduction in enrolled base acres.

80 **Completing CCC-749**

A Instructions for Completing CCC-749

Complete CCC-749 according to this table.

Item	Instruction
Title Box	Enter the applicable contract year.
1	No action required.
2A	Enter the County Office name and address where CCC-749 is being completed.
2B	Enter the County Office telephone number where CCC-749 is being completed.
3	Enter the State code where CCC-749 is being completed.
4	Enter the county code where CCC-749 is being completed.
5	Enter the farm number of the farm where base acres will be reduced for PTPP participation.
6	Enter the total number of base acres on the farm to be reduced for PTPP participation.
7	For the farm entered in item 5, enter the tract number of the tract where base acres will be reduced for PTPP participation.
8	For the tract entered in item 7, enter the name of the applicable crop base acres to reduce for PTPP participation. Note: The vegetable planted under PTPP does not need to be planted on the same tracts that had base acres reduced. The vegetable can be planted anywhere on the farm.
9	For the crop entered in item 8, enter the number of base acres to reduce for PTPP participation.
10A	Required participants shall add their name, address, and last 4 digits of their tax identification number. See subparagraph 79 C.
10B	Participants identified in item 10A shall sign.
10C	If the individual signing in item 10B is signing in a representative capacity for the participant in item 10A, a title/relationship shall be listed. If the individual in item 10A is the signatory in item 10B, then no entry is required.
10D	The participant shall enter the date CCC-749 was signed.
11A	COC or designee shall sign CCC-749 when notified to approve.
11B	COC or designee shall enter date of approval.

80 **Completing CCC-749 (Continued)**

B Example of CCC-749

The following is an example of CCC-749.

This form is available electronically.

CCC-749 (04-22-09)	U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	1. Vegetables Included in the Pilot Project: Cucumbers Green Peas Lima Beans Pumpkins Snap Beans Sweet Corn Tomatoes						
REQUEST TO PARTICIPATE IN THE 2012 PLANTING TRANSFERABILITY PILOT PROJECT		2A. County FSA Office Name and Address (Including Zip Code) Barron County FSA Office 330 E La Salle Av Barron, WI 54812						
		2B. County Office Telephone Number (Including Area Code) 715-537-5645						
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">3. State Code</td> <td style="width: 33%;">4. County Code</td> <td style="width: 33%;">5. Farm Number</td> </tr> <tr> <td style="text-align: center;">55</td> <td style="text-align: center;">005</td> <td style="text-align: center;">12286</td> </tr> </table>	3. State Code	4. County Code	5. Farm Number	55	005	12286
3. State Code	4. County Code	5. Farm Number						
55	005	12286						

This pilot project is applicable to base acres on land physically located in Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, and Wisconsin.

NOTE: *The primary authority for requesting and safeguarding the information described on this form is the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246 and any amendments to such act as may follow). The information requested is necessary for CCC to administer the Planting Transferability Pilot Project. Failure to furnish the requested information will result in a determination of ineligibility for certain program benefits and other financial assistance administered by USDA. The information collected as a result of this form may be released to USDA employees, USDA contractors, or authorized USDA cooperators who are bound to safeguard the information under Section 1619 of the Food, Conservation and Energy Act of 2008, the E-Government Act of 2002, and related authorities.*

This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-246, Title I, Subtitle F - Administration). The provisions of criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.

RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.

THIS REQUEST is presented to the Commodity Credit Corporation (CCC) by the undersigned producer(s) in reference to base acres on this farm. The producer(s) on the farm request that base acres on the attached enrolled CCC-509 be reduced by the amount identified in Item 6. The base acres reduced on this farm will be returned at the end of the contract year. By signing this request, the undersigned producers on the farm: (1) shall plant the vegetables in Item 1 on the base acres reduced, (2) shall provide a contract to produce a crop in Item 1 for processing, (3) agree to produce the crop as part of a program of crop rotation on the farm to achieve agronomic and pest and disease management benefits, (4) provide evidence of the disposition of the crop, and (5) authorize FSA to reduce base acres on the farm identified in Item 5 by this amount(s) listed in Item 6 if this offer is accepted.

If CCC approves this CCC-749, the producers signing page 2 of CCC-749 acknowledge that direct, counter-cyclical, and ACRE payments, as applicable, will be based on base acres after reduction. If following approval of the CCC-749 by CCC, this CCC-749 is withdrawn, producers acknowledge that any CCC-509 associated with the CCC-749 is likewise considered withdrawn.

Note: FSA may receive requests for PTPP participation in excess of a State's acreage limitation. In that case, a lottery will be used to determine which offers CCC can approve.

6. Number of Base Acre reduction required to participate in the Planting Transferability Pilot Project: 30.0

7. Tract	8. Crop Base Acres to Reduce	9. Number of Base Acres to Reduce
352	30.0	30.0

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

80 Completing CCC-749 (Continued)

B Example of CCC-749 (Continued)

*--

<p>CCC-749 (04-22-09) Page 2</p>		
<p>10A. Owner or Producer's Name and Address (Including Zip Code) Bob Fribber 121 Junction Blvd Barron, WI 54812</p>	<p>10B. Signature of Owner or Producer (By) <i>/s/ Bob Fribber</i></p>	
	<table border="1"> <tr> <td> <p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p> </td> <td> <p>10D. Date (MM-DD-YYYY) 04-01-2013</p> </td> </tr> </table>	<p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p>
<p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p>	<p>10D. Date (MM-DD-YYYY) 04-01-2013</p>	
<p>10A. Owner or Producer's Name and Address (Including Zip Code)</p>	<p>10B. Signature of Owner or Producer (By)</p>	
	<table border="1"> <tr> <td> <p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p> </td> <td> <p>10D. Date (MM-DD-YYYY)</p> </td> </tr> </table>	<p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p>
<p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p>	<p>10D. Date (MM-DD-YYYY)</p>	
<p>10A. Owner or Producer's Name and Address (Including Zip Code)</p>	<p>10B. Signature of Owner or Producer (By)</p>	
	<table border="1"> <tr> <td> <p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p> </td> <td> <p>10D. Date (MM-DD-YYYY)</p> </td> </tr> </table>	<p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p>
<p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p>	<p>10D. Date (MM-DD-YYYY)</p>	
<p>10A. Owner or Producer's Name and Address (Including Zip Code)</p>	<p>10B. Signature of Owner or Producer (By)</p>	
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<p>10C. Title/Relationship of the Individual Signing in a Representative Capacity</p>	<p>10D. Date (MM-DD-YYYY)</p>	
<p>11A. Signature of CCC Representative</p>	<p>11B. Date (MM-DD-YYYY)</p>	

--*

81 Processing PTPP Offers

A CCC-509 and CCC-749

* * * CCC-509 containing all required signatures must be accompanied by CCC-749. Instructions and an example of a completed CCC-749 are in paragraph 80.

B Evaluating CCC-749's Against State Limitation

--County Offices shall submit a copy of each 2013 contract year CCC-749 to the State Office no later than April 5, 2013.--

State Offices with PTPP offers that have **not** exceeded the amount indicated in subparagraph 76 B may instruct County Offices to approve all CCC-749's. However, if the State total of PTPP offers exceeds the amount indicated in subparagraph 76 B, a lottery must be used to limit PTPP participation.

State Offices shall inform each County Office with completed CCC-749's of either of the following:

- each CCC-749 may be approved if the number of acres for PTPP participation is equal to or less than the amount in subparagraph 76 B
- a lottery must be used to determine PTPP participation if the number of acres offered for PTPP participation is greater than the amount in subparagraph 76 B.

County Offices with completed CCC-749's and State Offices that will be conducting a lottery shall use this table.

Step	Action
1	State Office specialists shall conduct the lottery by the first Friday in March *--(April 8, 2013, for 2013) of the applicable contract year to select the applicants who can be approved for PTPP.
2	State Office specialists shall notify applicable County Offices of the results of the lottery by the first Monday after the first Friday in March (April 9, 2013, for 2013) of the applicable contract year.
3	County Offices shall notify producers who filed CCC-749 of the lottery results no later than 1 week after the Monday (April 16, 2013, for 2013) identified in step 2--*

Note: The lottery must be conducted so that all farms have an equal chance of being selected.

81 Processing PTPP Offers (Continued)**C Limiting PTPP Participation**

State Offices that use the lottery method may encounter the situation where the last participant selected in the lottery has more PTPP acres offered than is available. In these cases, the State Office shall instruct the County Office to notify the participant that the number of acres offered for PTPP will be limited. Producers on a farm who cannot have their entire offer for PTPP approved must choose either of the following:

- participate with a reduced offer of base acres for PTPP
- decline to participate in PTPP.

If producers who cannot have their entire offer approved without reduction because of the State limitation fail to respond to the notification or decline to participate in PTPP, the signup shall be considered closed. No further offers for participation shall be considered. The County Office shall notify the State Office of the participant's decision.

82 Changes Occurring Following Enrollment and PTPP Offer Approval**A Basic Rule for Successions**

After CCC-509 having an approved CCC-749 is approved, any of the following changes may occur and be considered a basis for successions-in-interest:

- a transfer or change in the interest of a producer on the farm
- sale of land
- foreclosure, bankruptcy, or involuntary loss of the farm
- change in producer shares to reflect changes in shares originally approved on CCC-509.

Note: Successors are **not** eligible for payments in any FY in which they do **not** meet the definition of a producer.

See 2-CM before reconstituting any enrolled farm participating in PTPP.

Part 4 ACRE Program

Section 1 ACRE and Features

175 ACRE Overview

A Election Period

*--Section 1105 of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246), as amended by the American Taxpayer Relief Act of 2012 (Pub. L. 112-240), authorizes ACRE as an alternative to the counter-cyclical component of DCP. Once ACRE is elected on CCC-509ACRE by all producers on a farm in any of the 2009 through 2012 crop years according to the following, it is irrevocable for the effective period of election through the 2012 crop year. An election must be made on CCC-509 for 2013 by June 3, 2013. An election made on or after June 4, 2013, will **not** apply to 2013.

IF an election by all producers on the farm is in the period of time...	THEN the election is irrevocably effective for...
ending on August 14, 2009	2009, 2010, 2011, and 2012 crop years.
of August 15, 2009, through June 1, 2010	2010, 2011, and 2012 crop years.
of June 2, 2010, through June 1, 2011	2011 and 2012 crop years.
of June 2, 2011, through June 1, 2012	2012 crop year.
of February 19, 2013, through June 3, 2013	2013 crop year.
beginning June 4, 2013	no year whatsoever. The election is not valid and will not be processed.

For 2013, the ACRE election will be made on CCC-509.--*

Notes: An election may be withdrawn according to subparagraph 176 F.

Another tenant that is a producer on noncropland acres only is **not** required to sign
--CCC-509ACRE (CCC-509 for 2013).--

B Comparing DCP and ACRE Program

Similar to DCP, there are 2 components to the ACRE Program. Producers who enroll a farm in the ACRE Program for which there is a valid election under ACRE will receive direct payments, but with a 20 percent reduction and will be eligible for MAL's with a 30 percent reduction in loan rates.

175 ACRE Overview (Continued)

B Comparing DCP and ACRE Program (Continued)

The following compares some features of DCP and the ACRE Program.

Payments		DCP	ACRE
Direct	Payment Rate	100 percent of the DCP direct payment rate.	80 percent of the DCP direct payment rate.
	Payment Formula	Uses farm's base acreage.	Uses farm's base acreage.
	Advances	Available through 2011.	Available through 2011.
Counter-Cyclical	Payment Formula	Uses farm's base acreage.	
	Trigger	Low national market prices.	
	Advances	40 percent advance of projected payment through 2010.	
ACRE	Payment Formula		Uses planted and considered planted acreages of commodity crops and peanuts.
	Triggers		Revenue must be below the historical State average and the farm average.
	Advances		Not available.
Loan Rates		100 percent of MAL rates.	70 percent of MAL rates.

C Election and Subsequent Enrollment

*--For 2013 only, the election of ACRE will occur on CCC-509.

For 2012 and prior years, enrollment in ACRE is a 2-step process.--*

Step	Action
1	Require all owners and producers on a farm to elect the ACRE option on CCC-509ACRE according to paragraph 176. Election does not enroll the producers or the farm.
2	Enroll under CCC-509.

Important: Election on CCC-509ACRE does **not** enroll the farm or producers under CCC-509. Prior enrollment on CCC-509 for DCP and an election on CCC-509ACRE shall in no way be construed to be an intention to participate or enroll in the ACRE Program. ACRE Program enrollment is a separate and subsequent step to election. See paragraph 176.

Note: Another tenant that is a producer on noncropland acres **only** is **not** required to sign CCC-509ACRE.

175 ACRE Overview (Continued)

D Irrevocability of Election

[7 CFR 1412.72] Eligible producers on a farm who elect the ACRE option are making the irrevocable election for all of the farm as constituted on the date of election irrespective of whether the same producers are present on the farm in subsequent years and irrespective of whether there is a change of ownership. That is, the election is binding on the farm, not just the producers on the farm at the time of the election. An election is for the entire farm and not for part of a farm.

Unless timely withdrawn according to subparagraph 176 F, the election of ACRE on CCC-509ACRE is irrevocable. This means that a farm having a valid CCC-509ACRE by the end of an applicable election period will remain subject to ACRE provisions for the effective period of election identified in subparagraph A. The election applies to all covered commodities and peanuts on the farm.

See paragraph 176 for provisions about who must sign and withdraw CCC-509ACRE.

*--The election of ACRE on a farm's base acres is irrevocable from the end of the 2009, 2010, 2011, or 2012 election period through the 2012 crop year. An election of ACRE on a farm's base acres in 2013 is irrevocable after June 3, 2013.

See paragraph 176 for the impact of reconstitutions on election and the requirement to provide signatures by June 3, 2013.--*

E Features of ACRE

Paragraph 207 details the ACRE payment computation.

ACRE payments must trigger on both a State and farm basis for a covered commodity. Factors impacting the payment trigger include the State and farm triggers. In summary, a:

- State trigger occurs for a covered commodity when the State ACRE guarantee exceeds the actual State revenue
- farm trigger occurs when the farm's ACRE guarantee exceeds actual farm revenue.

Participation in ACRE requires production reports for planted acres that must be submitted for the covered commodities and peanuts planted on the farm by July 15 of the year following the contract year of enrollment in ACRE. The production reports impact eligibility for ACRE payments in the current year and future year's benchmark farm yield for covered commodities.

Eligibility for ACRE payments is based on the administrative county of the elected and enrolled farm, not the physical location of the land.

175 ACRE Overview (Continued)

F Benchmark Farm Yield for Covered Commodities and Peanuts

A benchmark farm yield is required for each covered commodity and peanuts to determine farm ACRE guarantee.

The farm ACRE guarantee for the crop year for a covered commodity or peanuts is determined by multiplying the average yield per planted acre for the covered commodity or peanuts on the farm for the most recent 5 crop years, excluding each of the crop years with the highest and lowest yields (benchmark farm yield), by the ACRE guarantee price for the applicable crop year for the covered commodity or peanuts in a State plus per acre producer-paid crop insurance premium for the covered commodity or peanuts.

Benchmark farm yield, means, except as otherwise provided, for a covered commodity and peanuts, the Olympic average of the average actual yield per **planted** acre or ACRE plug yield for the farm for the 5 most recent crop years.

IF the benchmark farm yield is being calculated for...	THEN the 5 most recent crop years are...
2009	2004 through 2008.
2010	2005 through 2009.
2011	2006 through 2010.
2012	2007 through 2011.
--2013	2008 through 2012.--

Notes: A benchmark farm yield is **required** to be established the first year a farm elects and enrolls in the ACRE Program and is updated each year with the actual production on the farm from planted acres.

An ACRE crop followed by the same ACRE crop with a different intended use is not considered double-cropping. The initial intended use is considered the ACRE crop and is the crop and intended use for which a benchmark farm yield must be established.

For the purposes of this paragraph, the most recent 5 crop years for the 2009 crop year, are crop years are 2004, 2005, 2006, 2007, and 2008, even if the farm has no production or yield records for any of these years.

In the event a farm submits production reports according to subparagraph G to support actual yields in any of the initial yield years, continuity is required according to subparagraph H.

176 ACRE (Continued)

B Who Must Sign

***--[7 CFR 1412.72] ACRE elections on CCC-509ACRE or CCC-509 will not be approved unless all producers, including owners, on a farm at time of election have signed the form electing the option. The ACRE election will not be approved before all producers, including owners, on a farm have signed the CCC-509ACRE or CCC-509. A producer's signature with other producers on a CCC-509 enrolled prior to the submission of a CCC-509ACRE or CCC-509 will not be deemed evidence of the producer's agreement with those other producers with regard to election. A CCC-509ACRE or CCC-509 not having all requisite signatures of producers on a farm by the election deadline of the year in which election is made will not be considered submitted for the purpose of election and will not be acted on or approved.**

For 2013, the election of ACRE will occur on CCC-509. CCC-509ACRE is **not** applicable for 2013.

In all cases, it is the responsibility of the operator and owners of a farm to obtain and submit all necessary signatures of producers on CCC-509ACRE or CCC-509, as may be applicable.

COC shall:

- only consider and act on CCC-509ACRE's or CCC-509's that are submitted according to this paragraph
- **not** act, approve, or disapprove any CCC-509ACRE or CCC-509 that does **not** have--* signatures of all individuals or entities with an interest in the farm, regardless of whether the individual or entity has a share interest in any crop being produced or grown on the farm, at the time of election.

Example: Bill Smith cash leases Farm 100. Owner John Doe does not have a share interest in any crop or base acres on the farm. In addition, Mary Jones short-term cash subleases 75 acres of forage crop acreage on the farm from Mr. Smith; however, Ms. Jones has no interest in either base acres or covered commodities or peanuts being grown on the farm.

In this example, Mr. Smith, Mr. Doe, and Ms. Jones each would have to sign CCC-509ACRE for a valid election to occur.

Notes: Provided 2-CM requirements are met, a reconstitution could be requested and performed to remove Mr. Smith's leased land from the farm.

Notwithstanding the signature requirements on CCC-509ACRE in this example, provided all other requirements are satisfied, such as cash lease instead of Mr. Smith's signature, Mr. Smith may be the only required signature on an ACRE Program contract. See paragraph 394.

Another tenant that is a producer on noncropland acres only is **not** required to sign CCC-509ACRE.

176 ACRE (Continued)

***--C CCC-509ACRE or CCC-509 Filing Deadline**

Unless an exemption for completing a reconstitution requested by the end of the ACRE election period applies according to subparagraph D, the election periods and effective period of elections for ACRE are as follows.

IF an election by all producers on the farm is for the election period...	THEN the election is irrevocably effective for the farm's base acres for...
ending on August 14, 2009	2009, 2010, 2011, and 2012 crop years.
of August 15, 2009, through June 1, 2010	2010, 2011, and 2012 crop years.
of June 2, 2010, through June 1, 2011	2011 and 2012 crop years.
of June 2, 2011, through June 1, 2012	2012 crop year.
of February 19, 2013, through June 3, 2013	2013 crop year.

For 2013, the election of ACRE will occur on CCC-509. Signature rules for CCC-509 govern the election and enrollment in ACRE.

D Reconstitution of Farm's Impact on Election Period for CCC-509ACRE or CCC-509

If a valid FSA-155 is filed by June 1 of the applicable crop year (August 1, 2009, for 2009 or August 1, 2013, for 2013), farms resulting from that reconstitution shall have until the later of the following:

- June 1 of the applicable crop year (August 14, 2009, for 2009 or August 1, 2013, for 2013) to submit the ACRE election according to subparagraph C
- 30 calendar days following notification to resulting farms, operators, and owners of completing the reconstitution to submit the ACRE election according to subparagraph C without regard to the election **not** being made before June 1 of the applicable crop year (August 14, 2009, for 2009 or August 1, 2013, for 2013).--*

Example: A request to divide Farm 100 is filed on July 15, 2009. The reconstitution results in Farms 1001 and 1002. Notification of completing the reconstitution is issued on July 27, 2009. The operators, owners, and producers on Farms 1001 and 1002 have 30 calendar days from July 27, 2009, to make a valid ACRE election on CCC-509ACRE for the 2009 and subsequent crop years and must enroll the farm within 30 calendar days from July 27, 2009. Any CCC-509ACRE filed after this date will be considered an election made in the subsequent election period.

***--Note:** August 1, 2013, is used because of policy in 2-CM.--*

176 ACRE (Continued)

**E Impact of Transfers of Land, Successions-in-Interest, and Reconstitutions on Valid
*--CCC-509ACRE or CCC-509--***

[7 CFR 1412.77] Land subject to an ACRE election will continue to be subject to the election even if there is a transfer of land or change in interest of any producer on the farm. If a new owner or operator or producer purchases or obtains the right and interest in, or right to occupancy of, the land subject to an ACRE election option, such new owner or operator or producer, upon the approval of CCC, may choose to become a participant to a new ACRE Program contract with CCC with respect to such transferred land in accordance with § 1412.41.

*--For 2013, CCC-509 is the control document for the ACRE election.

A valid election on CCC-509ACRE (CCC-509 for 2013) is unaffected by subsequent--* changes in:

- producers on the farm
- the constitution of the farm or tracts on the farm.

In the event that a change to a farm's constitution occurs, a copy of the parent farm's valid *--CCC-509ACRE (CCC-509 for 2013) shall be placed in each resulting farm's farm folder.--*

Follow 2-CM for reconstitutions. Farms or tracts with a valid ACRE election cannot be combined with farms **not** having a valid ACRE election.

Follow Part 6, Section 3 for ACRE Program contract requirements.

See paragraphs 187, 207, and 397 for the ACRE Program.

176 ACRE (Continued)

--F Withdrawing CCC-509ACRE or CCC-509--

[7 CFR 1412.72(k)] Any producer with an interest in a farm having made the ACRE election according to subparagraph A may unilaterally revoke the election for all of the farm if the election and revocation are both filed by the producer prior to the election deadline established for the initial year of election. The revocation must be submitted in writing to CCC no later than close of business on the date of the election deadline of the initial year of election. There are no late file provisions available for withdrawal of the ACRE election. No other withdrawals or revocations of the ACRE election will be permitted in order to comply with the irrevocability mandated in law. Accordingly, relief provisions in part 718, subpart D, of this title are not applicable to revocation of the ACRE election.

***--For 2013, CCC-509 is the control document for the ACRE election. The 2013 election or withdrawal of a farm from ACRE is completed on CCC-509. The last day to withdraw from a 2013 election is June 3, 2013.**

In the event a valid ACRE election on CCC-509ACRE or CCC-509 is withdrawn according to this subparagraph, any CCC-509:

- signed after the filing of CCC-509ACRE or CCC-509 will likewise be considered timely withdrawn according to paragraph 394
- that may have existed before the valid election on CCC-509ACRE or CCC-509 shall continue to be treated as withdrawn and **not** be recognized for any purpose.

Note: Producers on a farm who have withdrawn CCC-509ACRE or CCC-509 according--* to this paragraph who are interested in participating in DCP must timely file a new CCC-509 according to paragraph 394.

Any and all payments issued under any CCC-509 that is withdrawn must be refunded. See paragraph 14.

Note: Another tenant that is a producer on noncropland acres only is **not** required to sign ***--CCC-509ACRE or CCC-509--***

177 Acre Crops (Continued)

C Eligible ACRE Crop Status

For all situations in any crop year, excluding double-cropping, the initial crop is the only crop eligible for ACRE payments.

For double-cropping situations in any crop year, the second crop is also an eligible ACRE crop as long as the second crop meets the double-cropping definition according to 2-CP.

The following are crop status codes for the first character field on FSA-578 that are eligible ACRE.

Code	Description
I	Initial – the first crop planted on the acreage.
D	Covered commodity followed by a different covered commodity – meets double-cropping definition.
*-- E	Covered commodity followed by FAV or wild rice or vice versa – meets double-cropping definition.
G	Noncovered commodity/non-FAV followed by covered commodity or vice versa – meets double-cropping definition.

For 2011 and 2012, ACRE software will **not** be modified to accommodate additional eligible crop status codes. For the ACRE payment software to accurately calculate ACRE payment acres with additional crop status codes, County Offices must revise FSA-578. Revise FSA-578 in the following years.

- **2011 FSA-578.** Revise any previously certified crops with a crop status code of “E” or “G” for a covered commodity or peanuts on FSA-578 to “D” for any farm participating in ACRE. The signature of the other tenant, operator, or owner is not required; however, note on FSA-578, item 22 A, Operators Signature, “See 1-DCP, paragraph 177”.

Notes: Revision of FSA-578 will only be required if the State triggers for the applicable crop.

There are approximately 75 farms nationwide that certified an “E” or “G” in 2011 and are participating in ACRE. A report of these farms will be provided by the National Office to assist County Offices in identifying affected farms.

- **2012 and 2013 FSA-578.** Record any covered commodity or peanuts’ crop status as “D” when the actual crop status should be “E” or “G” on a farm participating in ACRE. Note on FSA-578, item 22 A, Operators Signature, “See 1-DCP, paragraph 177”.

Note: Revision of FSA-578 will only be required if the State triggers for the applicable crop.--*

177 Acre Crops (Continued)

C Eligible ACRE Crop Status (Continued)

*--As a result of adding the new crop status codes, the following systems may require changes:

- PRS
- ACRE Designation
- ACRE Insurance.

Review the reports in each of the systems to determine the action to be taken.--*

Note: 2-CP has very specific rules about crops eligible for double-cropping. State and County Offices shall ensure that double cropping policy has been followed.

D Prevented Planted Crops

Situations will occur when crops are prevented from being planted and a subsequent crop is planted on the acreage that was prevented from being planted. According to 2-CP, land is ineligible for prevented planted credit when that land had a previous or subsequent crop planted that does not meet the double-cropping definition. For ACRE purposes **only**, when the initial crop is a covered commodity that is prevented from being planted and a subsequent crop is planted on the prevented planted acreage, the prevented planted crop will be considered the ACRE crop if **all** of the following apply:

- approved prevented planted by COC
- prevented planted crop is ineligible for prevented planted credit because of restrictions according to 2-CP.

Examples: FSN 100 in George County has 100.0 acres of approved prevented planted wheat. The operator of FSN 100 decides to plant 100.0 acres of grain sorghum behind the 100.0 acres of prevented planted wheat. Double-cropping of wheat and grain sorghum is **not** approved in George County. For ACRE purposes only, the 100.0 acres of wheat would be considered the ACRE crop.

FSN 200 in Jackson County has 100.0 acres of disapproved prevented planted wheat. The operator of FSN 200 decides to plant 100.0 acres of grain sorghum behind the 100.0 acres of disapproved prevented planted wheat. Double-cropping of wheat and grain sorghum is **not** approved in Jackson County. For ACRE purposes only, the 100.0 acres of grain sorghum would be considered the ACRE crop.

178-186 (Reserved)

Section 2 ACRE Program Enrollment and Features

187 ACRE Program Requirements and Features

A Overview

See paragraph 394 for procedure about enrollment in the ACRE Program.

Enrollment in the ACRE Program is the second step of a process that first requires a valid election on CCC-509ACRE.

B ACRE Program Contract Requirements

Participants enrolling under an ACRE Program contract agree to all the provisions of subparagraph 11 B. In addition, participants agree to:

- accurately record shares of planted and prevented planted acres reported on FSA-578 so that producers on the farm receive ACRE payments that are fair and equitable, as determined by COC
- accurately submit a report of production for the farm and tract no later than July 15 in--* the year immediately following the crop year of the reported crop acreage, for each covered commodity or peanuts for which an acreage report of planted acres greater than zero acres was filed.

--Notes: See Exhibit 9 for an optional example letter notifying producers of the production reporting requirement.--

Zero production reports are acceptable.

At FSA's discretion, documentation may be requested to substantiate a production report. Records of production acceptable to FSA may include those specified in:

- crop insurance and NAP records which may include loss records or take actual yield from the APH data base
- commercial receipts, settlement sheets, warehouse ledger sheets, or load summaries of the crop that were sold or otherwise disposed of through commercial channels provided the records are reliable or verifiable as determined by FSA
- documentary evidence, such as contemporaneous measurements, truck scale tickets, and contemporaneous diaries, as is necessary to verify the information provided if the crop has been fed to livestock or otherwise disposed of other than through commercial channels, if the records are reliable or verifiable as determined by FSA
- loan and LDP records.

187 ACRE Program Requirements and Features (Continued)

C Choosing the Commodity or Commodities for Which the ACRE Program Option Will Apply

[7 CFR 1412.72] If the total number of planted and considered planted acres of all covered commodities and peanuts on a farm exceeds the total base acres of the farm enrolled under a CCC-509, the producers on the farm may choose which commodity or commodities the ACRE Program option will apply to under this section.

If the total of the planted and considered planted acres of covered commodities or peanuts on a farm are in excess of 120 percent (118 percent in crop years 2012 and 2013) of the farm's total base acres, all producers may choose the number of each planted or considered planted covered commodity and peanuts that may receive an ACRE payment.

Note: Maximum ACRE payment acres are limited by the planted and considered planted acres of **each** covered commodity and peanuts (separated by irrigation status, if applicable) multiplied by 83.3 percent (85 percent in crop years 2012 and 2013).

On CCC-528, producers on the farm may designate the covered commodity or peanuts that may receive ACRE payments if planted and considered planted acres exceed the limitations designated in this subparagraph. All producers with a share of the covered commodity or peanuts (separated by irrigation status, if applicable) must sign CCC-528. CCC-528 must be completed by September 30 of the contract period.

If CCC-528 is not signed or if all producers with a share of covered commodities and peanuts can not agree on the allocation by the end of the contract period, COC shall allocate the ACRE payment acres based on the percentage of P&CP acres of a covered commodity and peanuts to the total P&CP acres of covered commodities and peanuts on the farm.

CCC-528 is **not** required if either of the following applies:

- only 1 crop is planted
- the sum of the P&CP acres of covered commodities and peanuts is less than 120 percent (118 percent in crop years 2012 and 2013) of the total base acres on the farm.

D Farm Example When Total Planted Acres on Farm Does Not Exceed Total Bases

In the following example, the total planted acres on the farm equal 240 acres, which is 120 percent of the total base acres on the farm.

- Farm is enrolled in ACRE.
- 300 acres of cropland.
- 100 base acres for corn.
- 100 base acres for soybeans.
- Farm plants 150 acres on corn and 90 acres of beans.

187 ACRE Program Requirements and Features (Continued)

D Farm Example When Total Planted Acres on Farm Does Not Exceed Total Bases (Continued)

--The producers on the farm will to eligible to receive ACRE payments on 125 acres of corn and 75 acres of soybeans.--

Note: Producers on a farm do not need to elect which acres and crops may be eligible for ACRE payments when total planted acres on the farm is less than or equal to 120 percent of the total base acres on the farm.

E Farm Example When Total Planted Acres on Farm Exceeds Total Bases

In the following example, the total planted acres on the farm equal 290 acres, which is 145 percent of the total base acres on the farm.

- Farm is enrolled in ACRE.
- 300 acres of cropland.
- 100 base acres for corn.
- 100 base acres for soybeans.
- Farm plants 150 acres on corn; 90 acres of soybeans; and 50 acres of wheat.

The producers on the farm will to eligible to receive ACRE payments on 200 acres (290 planted acres times 83.3 percent, not to exceed the 200 base acres). Producers may *--select up to 125 acres of corn (150 x .833), 75 acres of soybeans (90 x .833), and 41.7 acres of wheat (50 x .833), not to exceed 200 acres for which they may be eligible for ACRE--* payments.

If the producers do not make a selection or do not agree to a selection, then the payment acres will be prorated based on the percentage of planted acres according to the following formula.

- Payment acres are 200 acres.
- Corn planted acres divided by total planted acres is 0.5172 (150 divided by 290).
- Soybean planted acres divided by total planted acres is 0.3103 (90 divided by 290).
- Wheat planted acres divided by total planted acres is 0.1724 (50 divided by 290).
- Corn payment acres are 103.4 acres (0.5172 corn factor multiplied times 200 payment acres).
- Soybean payment acres are 62.1 acres (0.3103 soybean factor multiplied times 200 payment acres).
- Wheat payment acres are 34.5 acres (0.1724 wheat factor multiplied times 200 payment acres).

187 ACRE Program Requirements and Features (Continued)

F Completing CCC-528

Complete CCC-528 according to the following.

Item	Instructions
1A	Enter County Office name and address.
1B	Enter County Office telephone number.
	Note: This is an optional entry.
2	Enter applicable crop year.
3	Enter applicable State code.
4	Enter applicable county code.
5	Enter applicable farm number.
6	County Office shall enter total base acres on the farm. Enter in whole numbers and tenths.
7	No entry required.
8	<p>Enter the maximum number of potential ACRE payment acres. Maximum potential ACRE payment acres are calculated by multiplying the planted and considered planted acres for each covered commodity and peanuts (separated by irrigation status) times 83.3 percent *--(85 percent in crop years 2012 and 2013). Enter in whole numbers and tenths.--*</p> <p>No entry is required when the covered commodity or peanuts is not planted.</p> <p>Note: If the State has only an “All Yield”, an entry should only be made in the “NI” row for the applicable crop.</p>
9	<p>Enter the number of potential ACRE payment acres of each covered commodities and peanuts on the farm. Enter in whole numbers and tenths.</p> <p>Important: The total of all item 9 columns shall not exceed the number of acres in item 6.</p>
10	<p>Enter the total of all item 9 columns. Enter in whole numbers and tenths.</p> <p>Important: Item 10 shall not exceed item 6.</p>
11A	The County Office employee accepting the completed CCC-528 shall sign.
11B	Enter the date the County Office accepted CCC-528.
12A	<p>All producers on the farm with a certified interest in planted and prevented planted covered commodities and peanuts on the farm shall agree to the prioritization. If all producers do not agree or if the prioritization is not completed and filed by the end of the contract period, then the ACRE payment acres for covered commodities and peanuts shall be apportioned based on the percentage of P&CP acres of a covered commodity and peanuts to the total P&CP acres of covered commodities and peanuts on the farm.</p>
12B	<p>If the individual signing in item 12A is signing in a representative capacity for the participant, a title/relationship shall be listed. If the individual in item 12A is the signatory, then no entry is required.</p>
12C	<p>Date the shareholder or person signing in a representative capacity completes the designation.</p>

Section 3 ACRE Program Payments

207 Overview

A Division of Payments and Shares on ACRE Program Contract

The direct payment shares shall be based on a producer's share of base acres on the farm according to paragraph 352 as reflected on CCC-509.

Note: Part 6, Section 2 applies to ACRE.

In addition to the provisions mentioned in Part 6, Section 2, for the purpose of determining a producer's share of ACRE Program payments of any covered commodity or peanuts that is planted or considered planted on a farm enrolled in the ACRE Program, the producer's share shall be equal to the FSA-578 share.

The shares and covered commodities listed on CCC-509 and FSA-578 do **not** have to be the same. However, if FSA-578 shows that a producer has a share greater than zero of any covered commodity and that producer is **not** enrolled on CCC-509, that producer is **not** eligible for an ACRE Program payment. Only enrolled producers are eligible for payments. See paragraphs 352 and 397.

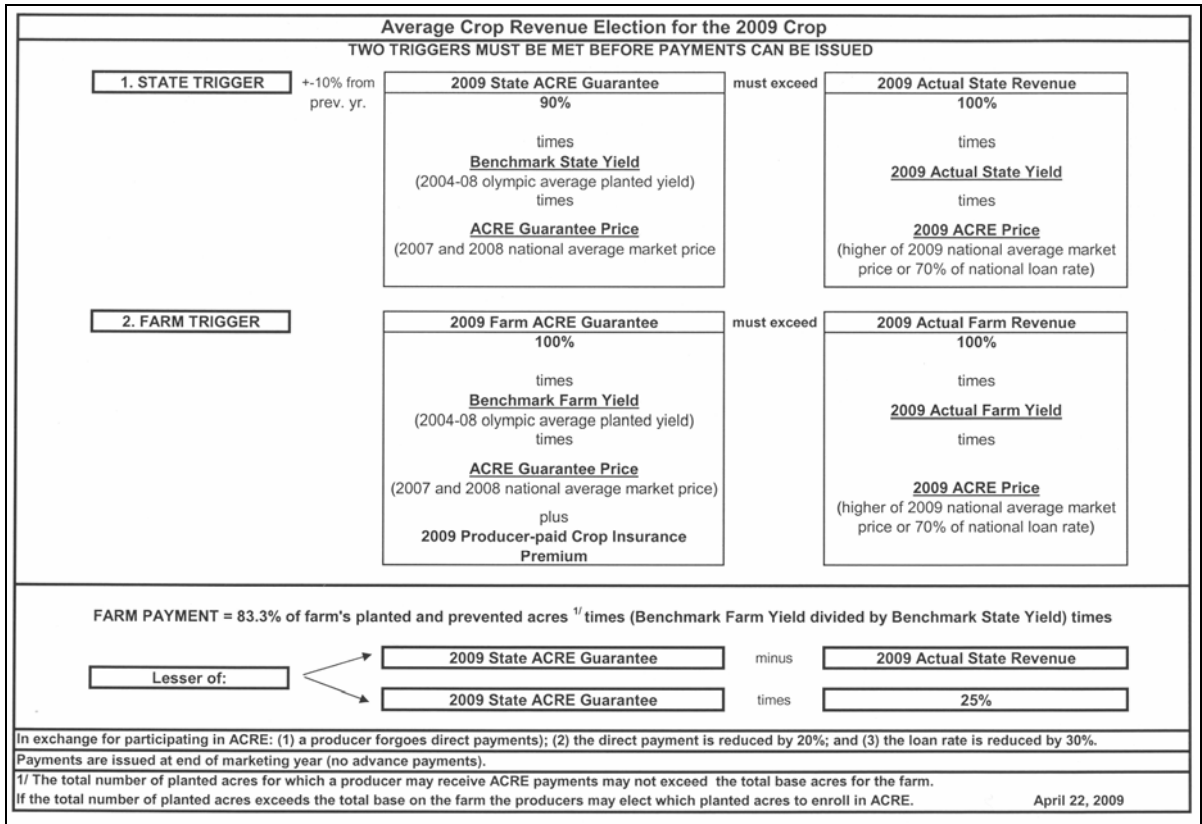
Example: Dale Farmer has a share of oats planted on a farm enrolled in ACRE. Dale Farmer is not on the ACRE Program contract. For Dale Farmer to potentially be eligible for an ACRE payment on the oats, Dale Farmer must sign the ACRE Program contract during the contract period.

Dale Farmer's decision or election not to sign the ACRE Program contract, in this example, during the contract period, will only impact Dale Farmer's eligibility for ACRE payments. However, all other eligibility requirements of the ACRE Program contract apply to enrolled participants.

207 Overview (Continued)

B ACRE Program Payment Computation

--The following is an example of the 2009 ACRE Program payment computation.--



C Farm Payment Calculation

If payments are required to be made for a crop, the payment for each eligible crop on the farm is determined by multiplying:

- the farm's planted and prevented acres for the crop by 83.3 percent (85 percent in 2012 *--and 2013) times--*
- the benchmark farm yield divided by the benchmark State yield times
- the State ACRE guarantee minus the actual State Revenue (not to exceed the State ACRE guarantee times 25 percent).

Note: The total number of planted and prevented planted acres of the covered commodity and peanuts on the farm for which the producers on a farm may elect to receive ACRE payments may not exceed the total bases acres on the farm. If the total number of planted and prevented planted acres of the covered commodity or peanuts exceed the total base acres on the farm, the producers on the farm must elect which crops and planted acres to enroll in the program. See subparagraph 187 C.

Part 6 Annual Enrollment

Section 1 General Information

331 Annual Enrollment Period

A Enrollment Dates

Enrollment in either DCP or ACRE is on an annual basis.

- The 2009 DCP enrollment period began December 23, 2008, and ended August 14, 2009.
- The 2009 ACRE Program enrollment period began April 27, 2009, and ended August 14, 2009.
- The 2012 DCP/ACRE enrollment period begins January 23, 2012, and ends June 1, 2012.
- *--The 2013 DCP enrollment period begins February 19, 2013, and ends August 2, 2013.
- The 2013 ACRE election and enrollment period begins February 19, 2013, and ends June 3, 2013.--*

ACRE Program enrollment occurs **after** election of ACRE. See paragraph 176 for ACRE.

B Farms With CRP-1

Farms with CRP-1's that expire, are voluntarily terminated, or early released after *--September 30, 2008, and before June 3, 2013, for 2013 ACRE or August 3, 2013, for 2013 DCP may enter into or expand CCC-509 to the extent:--*

- CAB's reduced under CRP-15 were released
- PFC acreage was reduced on CCC-505
- base acres were reduced on CCC-505.

Note: See subparagraph 67 C for adjustments to base acres and yields because of CRP-1 that expires, is voluntarily terminated, or is early released. See 3-CM for updating the farm maintenance system.

C Reconstitution of Enrolled Farms

Farms enrolled during the prescribed annual enrollment period are no longer considered to be enrolled following a farm reconstitution. Farms resulting from a reconstitution are not deemed to have CCC-509 and, therefore, may not earn benefits associated with DCP or the ACRE Program unless timely enrolled in DCP or the ACRE Program.

See paragraph 333 for enrollment of reconstituted farms.

Note: ACRE elections are irrevocable and continue to apply following reconstitutions.

332 Overview of CCC-509

A CCC-509

CCC-509 includes the following for each covered commodity and peanuts on the farm:

- base acres, direct payment acres, direct payment yields, and counter-cyclical payment yields, if applicable
- producer payment shares for direct and, if applicable, counter-cyclical
- advance direct and counter-cyclical payment selections, as applicable

Note: Although advance direct payments are available under an ACRE Program contract, there are no advance ACRE ACRE payments.

- signatures of the producer and CCC representative.

CCC-509 is available at <http://fsaintranet.sc.egov.usda.gov/fsa/>.

The following provides which version of CCC-509 is acceptable for each contract year.

IF contract year is...	THEN the acceptable version of CCC-509 is...
2008	“06-20-08”.
2009	<ul style="list-style-type: none"> • “04-16-09” • “11-14-08”.
2010	<ul style="list-style-type: none"> • “10-01-09” • “04-27-10”.
2011	<ul style="list-style-type: none"> • “04-27-10” • “10-06-10”.
2012	“10-01-11”.
--2013	“01-22-13”.--

For ACRE Program contracts, CCC-509 will also reflect those potentially eligible for ACRE payments even though the producer may not have a share of base acres. See paragraphs 187, 209, and 397.

B CCC-509 Instructions

Complete CCC-509 according to the following.

Item	Instruction
1	Enter the applicable program year. Note: This will be prefilled if generated in DCP/ACRE software.
2	Enter the State code for the farm serial number in item 4. Note: This will be prefilled if generated in DCP/ACRE software.

332 Overview of CCC-509 (Continued)

B CCC-509 Instructions (Continued)

Item	Instructions
3	Enter the county code for the farm serial number in item 4. Note: This will be prefilled if generated in DCP/ACRE software.
4	Enter the applicable farm serial number. Note: This will be prefilled if generated in DCP/ACRE software.
5A	Enter the County Office name and address of the farm serial number in item 4. Note: This will be prefilled if generated in DCP/ACRE software.
5B	Enter the telephone number of the County Office identified in item 5A (optional). Note: This will be prefilled if generated in DCP/ACRE software.
6	Check (✓) the box adjacent to: <ul style="list-style-type: none"> • “DCP” if the farm serial number in item 4 is participating in DCP • “ACRE” if the farm serial number in item 4 is participating in the ACRE Program. An entry cannot be made in both boxes. If the farm is participating in ACRE, an approved CCC-509 ACRE must be on file for either the current year or a previous year, *--not applicable for 2013.--*
7	This item is only applicable to farms with 10.0 base acres or less. The farm operator or farm owners shall check (✓) the box adjacent to “YES” if the ownership interest of the farm is at least 50 percent held by SDA or limited resource farmer or rancher or group of farmers or ranchers.
8	Enter the commodity or peanuts that have base acres on the farm listed in item 4. Note: This will be prefilled if generated in DCP/ACRE software.
9	Enter the number of base acres of the commodity or peanuts listed in item 8. Note: This will be prefilled if generated in DCP/ACRE software.
10	Enter 85 percent of the base acres listed in item 9 for the commodity identified in item 8. This amount may be calculated by multiplying the number of base acres in item 9 times *--85 percent. This percentage is used for calculating DCP direct and counter-cyclical payment acres for 2013 only.--* Note: This will be prefilled if generated in DCP/ACRE software.
11A	Enter the direct payment yield for the crop in item 8. Note: This will be prefilled if generated in DCP/ACRE software.
11B	Enter the counter-cyclical yield for the crop in item 8. Notes: This will be prefilled if generated in DCP/ACRE software. This yield is not applicable for ACRE payments.

332 Overview of CCC-509 (Continued)

B CCC-509 Instructions (Continued)

Item	Instruction
12A	Enter the name and address of the farm operator, owner, or other tenant for the farm identified in item 4. Note: This will be prefilled if generated in DCP/ACRE software.
--12B	Manually enter the e-mail address for the producer in item 12A (optional).--
12C	Enter the telephone number for the producer in item 12A (optional). Note: This will be prefilled if generated in DCP/ACRE software.
13	Enter the commodity or peanuts that have base acres on the farm listed in item 4. Note: This will be prefilled if generated in DCP/ACRE software.
14	Enter the percentage interest of direct, counter-cyclical, and direct ACRE payments that the producer in item 12A has in the covered commodity or peanuts listed in item 13. Note: This percentage is not applicable to ACRE payments.
15A	The producer shall check (✓) any box to refuse: <ul style="list-style-type: none"> • all direct payments • all counter-cyclical payments • all ACRE payments. If no payments are refused, no entry is required.
15B	The producer refusing the payment shall initial. If no payments are refused, no entry is required.
15C	The producer refusing the payment shall enter the date the payment was refused. If no payments are refused, no entry is required.
16A	The producer identified in item 12A shall sign.
16B	If the individual signing in item 16A is signing in a representative capacity for the participant, a title/relationship shall be listed. If the individual in item 16A is the signatory, then no entry is required.
16C	Date the shareholder or person signing in a representative capacity signs CCC-509.
17A	The CCC representative or delegated representative shall sign indicating approval of CCC-509.
17B	Enter the date the CCC representative signs item 17A.
18	Enter any applicable remarks.
19	An optional entry used to track employee updates of producer information by adding the employee's initials and date.

332 Overview of CCC-509 (Continued)

C Example of CCC-509

The following is an example of CCC-509.

*--

This form is available electronically. CCC-509 (01-22-13)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		(See Page 3 for Privacy Act and Paperwork Reduction Act Statements)								
2013 DIRECT AND COUNTER-CYCLICAL PROGRAM (DCP) CONTRACT OR AVERAGE CROP REVENUE ELECTION (ACRE) CONTRACT		1. Program Year: 2013		2. State Code 30		3. County Code 043		4. Farm Number 1525				
		5A. County FSA Office Name and Address (Including Zip Code) Jefferson County Farm Service Agency 3 Whitetail RD Whitehall, MT 59759										
		5B. County Office Telephone/Fax Number(s) (Including Area Code): 406-287-3260 / 406-287-3205										
		THIS CONTRACT TO PARTICIPATE is entered into between the Commodity Credit Corporation (CCC) and the undersigned producers on the farm identified above for the commodities identified in Item 8. If this contract is for ACRE, all producers with a share greater than zero must execute this contract by June 3, 2013. If this contract is for DCP, all producers with a share greater than zero must execute this contract by August 2, 2013. The terms and conditions of the DCP and ACRE contract are contained in the CCC-509 Appendix (01-22-13), entitled "2013 Appendix to Form CCC-509, Direct and Counter-Cyclical Program (DCP) Contract or Average Crop Revenue Election (ACRE) Program Contract", and the Regulations in 7 CFR Part 1412 and are subject to change. By signing this contract, the undersigned producers on the farm identified in Item 4 are participating in the DCP or ACRE Program subject to CCC approval. By signing this contract, producers: (1) acknowledge receipt of the CCC-509 Appendix; (2) agree to abide by the terms contained therein; (3) agree to comply with the regulations governing the applicable program and payment eligibility and limitation provisions; (4) acknowledge and agree that the terms and benefits under DCP and ACRE are subject to change based upon change to applicable statute; and (5) certify to the accuracy of the information set out on this form.										
6. This contract is for the following program (Check one): <input checked="" type="checkbox"/> DCP <input type="checkbox"/> ACRE												
7. At least 50 percent of the ownership interest of the farm is held by a socially disadvantaged or limited resource farmer or rancher <input type="checkbox"/> YES. (See CCC-509 Appendix for definitions and rules). Producer's Initials: _____												
Items 8 through 16 specify the details for the commodity, base acres, direct and counter-cyclical payment acres, yields and payment share for the farm in Item 4.												
8. Commodity	9. Base Acres	10. Direct and Counter-Cyclical Payment Acres 85% of Base Acres	11. Payment Yield		8. Commodity	9. Base Acres	10. Direct and Counter-Cyclical Payment Acres 85% of Base Acres	11. Payment Yield				
			A. Direct	B. Counter-Cyclical				A. Direct	B. Counter-Cyclical			
Corn	38.0	32.3	85	127	soybean	36.0	30.6	37	45			
12A. Owner or Producer's Name and Address (Including Zip Code) A Producer Box 123 Whitehall, MT 59759					13. Commodity		14. Payment Share		13. Commodity		14. Payment Share	
					Corn		50%		Soybean		50%	
12B. Email Address												
12C. Telephone No. (Include Area Code):												
15A. Refused Payment Information: <input type="checkbox"/> All Direct Payments are Refused <input type="checkbox"/> All Counter-Cyclical Payments are Refused <input type="checkbox"/> All ACRE Payments are Refused								15B. Producer's Initials		15C. Date Initialed (MM-DD-YYYY)		
16A. Producer's Signature (By) /s/ A Producer				16B. Title/Relationship of the Individual Signing in the Representative Capacity				16C. Date (MM-DD-YYYY) 02-19-2013				
FOR FSA USE ONLY												
17A. Signature of CCC Representative /s/ B CED								17B. Date (MM-DD-YYYY) 02-19-2013				
18. Remarks												
19. Employee 's Initials:												

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332 Overview of CCC-509 (Continued)

C Example of CCC-509 (Continued)

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CCC-509 (01-22-13)			Page 2 of 3	
1. Program Year 2013	2. State Code 30	3. County Code 043	4. Farm Number 1525	
CONTINUATION OF OWNER'S OR PRODUCER'S CROP INFORMATION (From Page 1)				
12A. Owner or Producer's Name and Address <i>(Including Zip Code)</i> T Landowner Box 456 Whitehall, MT 59759	13. Commodity	14. Payment Share	13. Commodity	14. Payment Share
	Corn	50%	Soybean	50%
12B. Email Address				
12C. Telephone No. <i>(Include Area Code)</i> :				
15A. Refused Payment Information: <input type="checkbox"/> All Direct Payments are Refused <input type="checkbox"/> All Counter-Cyclical Payments are Refused <input type="checkbox"/> All ACRE Payments are Refused			15B. Producer's Initials	
			15C. Date Initialed (MM-DD-YYYY)	
16A. Producer's Signature (By) <i>/s/ W Landowner</i>		16B. Title/Relationship of the Individual Signing in the Representative Capacity Spouse		16C. Date (MM-DD-YYYY) 02-19-2013
12A. Owner or Producer's Name and Address <i>(Including Zip Code)</i>	13. Commodity	14. Payment Share	13. Commodity	14. Payment Share
12B. Email Address				
12C. Telephone No. <i>(Include Area Code)</i> :				
15A. Refused Payment Information: <input type="checkbox"/> All Direct Payments are Refused <input type="checkbox"/> All Counter-Cyclical Payments are Refused <input type="checkbox"/> All ACRE Payments are Refused			15B. Producer's Initials	
			15C. Date Initialed (MM-DD-YYYY)	
16A. Producer's Signature (By)		16B. Title/Relationship of the Individual Signing in the Representative Capacity		16C. Date (MM-DD-YYYY)
12A. Owner or Producer's Name and Address <i>(Including Zip Code)</i>	13. Commodity	14. Payment Share	13. Commodity	14. Payment Share
12B. Email Address				
12C. Telephone No. <i>(Include Area Code)</i> :				
15A. Refused Payment Information: <input type="checkbox"/> All Direct Payments are Refused <input type="checkbox"/> All Counter-Cyclical Payments are Refused <input type="checkbox"/> All ACRE Payments are Refused			15B. Producer's Initials	
			15C. Date Initialed (MM-DD-YYYY)	
16A. Producer's Signature (By)		16B. Title/Relationship of the Individual Signing in the Representative Capacity		16C. Date (MM-DD-YYYY)

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332 Overview of CCC-509 (Continued)

C Example of CCC-509 (Continued)

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CCC-509 (01-22-13)

Page 3 of 3

NOTE: *The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1412, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) as amended by the American Taxpayer Relief Act of 2012 (Pub. L. 112-240). The information will be used by CCC to assist in determining DCP or ACRE program eligibility, to determine the correct producers on the DCP or ACRE contract, and to consider and approve the contract to enter into the DCP or ACRE program. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for entry into the DCP or ACRE program.*

This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246, Title I, Subtitle F – Administration), as amended by American Taxpayer Relief Act of 2012 (Pub. L. 112-240, Title VII, Extension of Agricultural Programs.)

*The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. **RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.***

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To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

--*

332 Overview of CCC-509 (Continued)**D CCC-509 Appendix**

CCC-509 Appendix contains the terms and conditions of CCC-509. By signing CCC-509, participants:

- acknowledge receiving CCC-509 Appendix
- agree to abide by the terms of CCC-509 Appendix.

CCC-509 Appendix is available from the FFAS Employees Forms/Publications Online Website at <http://165.221.16.90/dam/ffasforms/currentforms.asp>.

- *--CCC-509 Appendix (04-24-09) shall be used for crop years 2010 and 2011.
- CCC-509 Appendix (01-23-12) shall be used for crop year 2012.
- CCC-509 Appendix (01-22-13) shall be used for crop year 2013.--*

333 Enrollment and Election Options on Reconstituted Farms**A Authorized Reconstitutions**

Subject to the provisions of subparagraph B, the following reconstitutions are allowed, if FSA-155 is made before August 1 of the effective FY and all payments for the parent farm or farms made during the current FY, if applicable, have been refunded (or receivables have been established for unearned payments):

- divisions of all farms
- farm combinations in limited situations.

***--Notes:** Parent farms having a valid ACRE election cannot be combined with farms not having a valid ACRE election for the same effective year of election.

The validity of an ACRE election is not impacted by reconstitution. Valid ACRE elections shall continue to be recognized following reconstitution.--*

CCC-509's may only be withdrawn according to paragraph 14.

Farms participating in PTPP that are subsequently reconstituted shall follow subparagraph B.

See subparagraph 445.5 C for late-filed enrollment provisions for 2010 and subsequent crop years.

333 Enrollment and Election Options on Reconstituted Farms (Continued)

***--B Enrollment and Election Eligibility and Options Following Reconstitutions for Years 2009 Through 2012**

This table discusses enrollment and election eligibility options following reconstitutions.

<p>IF...</p>	<p>THEN by the later of June 1 (August 1, 2009, for 2009) of the--* contract period or 30 calendar days following issuance of the notification of the completion of the reconstitution...</p>
<p>the parent farms of a reconstitution are enrolled under a DCP or ACRE Program contract</p>	<p>resulting farms may likewise be enrolled in a DCP or ACRE Program contract, as applicable.</p> <p>Notes: Notification issued to the operator of record constitutes notice to all producers (operator, owner, and other producers) on the farm regardless of whether copies of the notice are actually sent to all producers.</p> <p>A valid CCC-509ACRE must be effective and apply to a farm before an ACRE Program contract can be enrolled.</p>
<p>a valid CCC-509ACRE exists for the parent farm</p>	<p>CCC-509ACRE shall continue to apply to all farms resulting from the reconstitution. See subparagraph D.</p> <p>Note: Valid elections on CCC-509ACRE are not impacted by reconstitutions.</p>
<p>a reconstitution request is filed according to 2-CM by June 1 (August 1, 2009, for 2009)</p>	<p>farms resulting from the reconstitution may:</p> <ul style="list-style-type: none"> • if a valid CCC-509ACRE had not been filed for the parent farm, file CCC-509ACRE and have CCC-509ACRE considered effective for the same period that would have applied if CCC-509ACRE was filed on the date of filing of the reconstitution request <p>Example: A reconstitution request is filed on May 20, 2010. Producers on a farm resulting from that reconstitution that want to elect ACRE for 2010, must submit CCC-509ACRE for the 2010 and subsequent FY's by the later of June 1 of the contract period or 30 calendar days following issuance of the notification of the completion of the reconstitution. If this election is made, a copy of the notification of completion of the reconstitution and copy of reconstitution request shall be attached to CCC-509ACRE.</p> <p>Note: Late-filed enrollment provisions of subparagraph 445.5 C do not apply to the election.</p>

333 Enrollment and Election Options on Reconstituted Farms (Continued)

--B Enrollment and Election Eligibility and Options Following Reconstitutions for Years 2009 Through 2012 (Continued)--

IF...	THEN by the later of June 1 (August 1, 2009, for 2009) of the contract period or 30 calendar days following issuance of the notification of the completion of the reconstitution...
a reconstitution request is filed according to 2-CM by June 1 (August 1, 2009, for 2009) (Continued)	<ul style="list-style-type: none"> • enroll under either a DCP or ACRE Program contract, as applicable. <p>Notes: Notification issued to the operator of record constitutes notice to all producers (operator, owner, and other producers) on the farm regardless of whether copies of the notice are actually sent to all producers.</p> <p>A valid CCC-509ACRE must be effective and apply to a farm before an ACRE Program contract can be enrolled. See subparagraph D.</p>
a reconstitution of a farm or farms enrolled under a DCP or ACRE Program contract and participating in PTPP is performed	<p>resulting farms may, in addition to any and all other options that may apply according to this table, elect to continue PTPP participation on any of the resulting farms for no more than the acres approved for PTPP on CCC-749's before the reconstitution or reconstitutions. Resulting farms may also elect to enroll under a DCP or ACRE Program contract without any reduction for or participation in PTPP.</p> <p>Note: See subparagraph D.</p>

***--C Enrollment and Election Eligibility and Options Following Reconstitutions for 2013**

For 2013, the control document for the ACRE election is CCC-509.

This table discusses enrollment and election eligibility options following reconstitutions.

IF...	THEN by the later of June 3, 2013, or 30 calendar days following issuance of the notification of the completion of the reconstitution...
the parent farms of a reconstitution are enrolled under a DCP or ACRE Program contract	<p>resulting farms may likewise be enrolled in a DCP or ACRE Program contract, as applicable.</p> <p>Notes: Notification issued to the operator of record constitutes notice to all producers (operator, owner, and other producers) on the farm regardless of whether copies of the notice are actually sent to all producers.</p> <p>A valid ACRE election must be effective and apply to a farm before an ACRE Program contract can be enrolled.</p>

--*

333 Enrollment and Election Options on Reconstituted Farms (Continued)

*--C Enrollment and Election Eligibility and Options Following Reconstitutions for 2013 (Continued)

<p>IF...</p>	<p>THEN by the later of June 3, 2013, or 30 calendar days following issuance of the notification of the completion of the reconstitution...</p>
<p>a valid ACRE election exists for the parent farm</p>	<p>the ACRE election shall continue to apply to all farms resulting from the reconstitution. See subparagraph D.</p> <p>Note: Valid ACRE elections are not impacted by reconstitutions.</p>
<p>a reconstitution request is filed according to 2-CM by August 1, 2013</p>	<p>farms resulting from the reconstitution may:</p> <ul style="list-style-type: none"> • if a valid ACRE election had not been filed for the parent farm, file the ACRE election and have the election considered effective for the same period that would have applied if the ACRE election was filed on the date of filing of the reconstitution request <p>Example: A reconstitution request is filed on May 20, 2013. Producers on a farm resulting from that reconstitution that want to elect ACRE for 2013, must submit CCC-509 for 2013 by the later of June 3, 2013, or 30 calendar days following issuance of the notification of the completion of the reconstitution. If this election is made, a copy of the notification of completion of the reconstitution and copy of reconstitution request shall be attached to CCC-509.</p> <p>Note: Late-filed enrollment provisions of subparagraph 445.5 C do not apply to the election and enrollment in ACRE.</p> <ul style="list-style-type: none"> • enroll under either a DCP or ACRE Program contract, as applicable. <p>Notes: Notification issued to the operator of record constitutes notice to all producers (operator, owner, and other producers) on the farm regardless of whether copies of the notice are actually sent to all producers.</p> <p>A valid ACRE election must be effective and apply to a farm before an ACRE Program contract can be enrolled. See subparagraph D.</p>

--*

333 Enrollment and Election Options on Reconstituted Farms (Continued)

***--C Enrollment and Election Eligibility and Options Following Reconstitutions for 2013 (Continued)**

IF...	THEN by the later of June 3, 2013, or 30 calendar days following issuance of the notification of the completion of the reconstitution...
a reconstitution of a farm or farms enrolled under a DCP or ACRE Program contract and participating in PTPP is performed	resulting farms may, in addition to any and all other options that may apply according to this table, elect to continue PTPP participation on any of the resulting farms for no more than the acres approved for PTPP on CCC-749's before the reconstitution or reconstitutions. Resulting farms may also elect to enroll under a DCP or ACRE Program contract without any reduction for or participation in PTPP. Note: See subparagraph D.

--*

D Evidence of Election * * * or PTPP (CCC-749)

If applicable, a copy of the following shall be placed in each resulting farm's reconstitution farm folder:

- evidence of election of parent farm or farms * * *
- CCC-749 for parent farm or farms supporting the PTPP for resulting farm or farms.

Note: For 2009, a reconstitution will not allow anyone or any farm to signup for PTPP. For 2009 reconstituted farms, PTPP participation may be continued according to subparagraph B.

334 (Withdrawn--Amend. 17)

335 Inaccurate Representation and Misrepresentations and Scheme or Device**A Inaccurate Representation**

Producers are required to report and certify to program matters accurately. However, from time to time, errors in reporting or certification are detected which may impact eligibility or extent of eligibility.

If an error was made by a producer that did not meet the requirements of DCP or the ACRE Program, but the producer made a good faith effort to fully comply, equitable relief provisions in 7-CP may be considered.

Program benefits and eligibility determinations shall be based on the most accurate information available. Producers shall be responsible for refunding any program benefits that were paid based on incorrect information.

B Misrepresentations and Scheme or Device

COC's are given the discretion and authority to determine when an inaccurate representation or certification rises to the level of misrepresentation, scheme, or device.

A producer is ineligible to receive DCP or ACRE Program payments and shall have the producer's interest in all contracts terminated if it is determined that such producer has done any of the following:

- adopted any scheme or device that tends to defeat the purpose of DCP or the ACRE Program
- made any fraudulent representation under DCP or the ACRE Program
- misrepresented any fact affecting a DCP or ACRE Program or person determination
- violated or been determined ineligible under 7 CFR 1400.5.

Note: See paragraph 196 for ACRE Program contracts.

352 Eligibility to Receive Payments and Determining Cash or Share Leases (Continued)

B Review of Leases

--[7 CFR 1412.54] For the 2009 through 2013 crop years:--

- (1) A lease will be considered to be a cash lease if the lease provides for only a guaranteed sum certain cash payment, or a fixed quantity of the crop (for example, cash, pounds, or bushels per acre).
- (2) If a lease contains provisions that require the payment of rent on the basis of the amount of crop produced or the proceeds derived from the crop, or the interest such producer would have had if the crop had been produced, or combination thereof, such agreement will be considered to be a share lease.
- (3) If a lease provides for a guaranteed amount and share of the crop or crop proceeds, such agreement will be considered a cash lease if the lease provides for both:
 - (i) A guaranteed amount such as a fixed dollar amount or quantity; and
 - (ii) A share of the crop proceeds.
- (4) If the lease is a cash lease, the landlord is not eligible for direct, counter-cyclical, or ACRE Program payments. The leasing of grazing or haying privileges is not considered cash leasing.

Notes: Lease terms and CCC's view about whether a lease is cash or share impact a decision about who must sign CCC-509. They also could impact claimed shares on CCC-509, or for the ACRE Program, shares of covered commodities reflected on FSA-578.

There are no requirements in DCP or the ACRE Program that specify that leases comport with any sort of reasonableness test. These matters could impact other decisions, such as payment limitation or eligibility provisions.

Important: FSA-578 shares are used to determine shares of ACRE payments. Offices should not enter acreage certifications using defaulted shares from CCC-509 if those share interests do not reflect the actual producer crop share of the covered commodity or peanuts on the farm.

352 Eligibility to Receive Payments and Determining Cash or Share Leases (Continued)

C Current Regulations About Division of Payment Shares

7 CFR 1412.54 regulations provide the following provisions about lease types applicable for DCP or ACRE Program purposes.

Type of Lease	Definition
Cash	<p>A <u>cash lease</u> provides for only a guaranteed sum, certain cash payment, or a fixed quantity of the crop.</p> <p>Example: Cash, pounds, or bushels per acre.</p> <p>A fixed or standing commodity payment is the payment a tenant or operator provides a landlord for using the land and the landlord’s reduced risk on the crop, including the following:</p> <ul style="list-style-type: none"> • a fixed amount of production, such as 10,000 bushels or pounds • an amount of production per acre, such as 40 bushels or pounds per acre • a guaranteed amount and share of the crop or crop proceeds • both a: <ul style="list-style-type: none"> • guaranteed amount, such as a fixed dollar amount of quantity • share of the crop proceeds.
Share	<p>A <u>share lease</u> contains provisions that require any of the following:</p> <ul style="list-style-type: none"> • payment of rent based on the amount of crop produced • proceeds derived from the crop • interest the producer would have had, if the crop had been produced.

D Example 1

In this example, the lease agreement specifies that the rent is based on a share of the gross revenue of the crop proceeds. The rental amount is equal to \$142.80 per acre based on the following variables:

- rent equal to 40 percent of the gross crop value
- guaranteed minimum yield of 170 bushels per acre
- actual price of \$2.10 per bushel.

While the landowner does not actually receive 40 percent of the crop produced, this lease shall be considered a cash lease because other rental amount is based on a guaranteed sum or minimum amount.

352 Eligibility to Receive Payments and Determining Cash or Share Leases (Continued)

I Lease Expiration and Eligibility

The time period for lease arrangements vary significantly by different regions and by different crops.

If crops are produced on base acres:

- to be eligible to receive payments, persons must have an entitlement to an owner's share of the crop and that person must share in the risk of production of those crops
- all persons that have an entitlement to an owner's share of the crop and who share in the risk of production of crops on base acres must share in the payments.

An annual crop year lease may have a beginning date in one FY, and an ending date in another FY. However, because the lease is an annual lease for 1 crop year, it shall not be used to claim payments in more than 1 crop year. A producer is only eligible for payments applicable for that 1 crop year, if the lease is for only 12 months.

J Supportive and Necessary Contractual Documents

Supportive and necessary contractual documents must be in the FSA office before approving CCC-509. These include, but are not limited to, those items substantiating shares on CCC-509, such as leases, deeds, signatures, owners, operators, and other tenant signatures. These must be submitted during the enrollment period.

The following may be considered acceptable supportive and necessary contractual documents even if received after the end of the enrollment period:

- signatures from landowners signing to zero shares
- a copy of the cash lease agreement
- CCC-510 from the producer (Exhibit 14).

Reminders: COC's shall **not** approve CCC-509's until the signature from the landowner, a copy of the cash lease, or CCC-510 is received (Exhibit 14).

A valid CCC-509ACRE is required before an ACRE Program contract can be acted on or approved.

***--Note:** See subparagraph 445.5 C for late-filed enrollment provisions for 2010 and subsequent crop years.--*

352 Eligibility to Receive Payments and Determining Cash or Share Leases (Continued)**K Documents Required for Payment Issuance**

The following are required before payments can be issued:

- approved CCC-509
- AD-1026
- CCC-902 determination (**CCC-903**)
- ***--CCC-931 or CCC-933--***
- any other document necessary for the producer to be eligible for payment.

Notes: See 2-CP for acreage reporting requirements. FSA-578 is required; however, advance payments may be available before FSA-578.

Payment limitation and eligibility decisions must be made before any advance or final payment issuance. Under no circumstances will payments be issued to participants who have not had required eligibility determinations made by FSA.

Producers not receiving payments, directly or indirectly, are not required to complete CCC-902 or CCC-931.

353 Approving CCC-509**A Approving CCC-509 for DCP or ACRE Program Contract and Payment**

CCC-509 may be approved if all of the following are met:

- all persons who are producers on base acres on the farm:
 - agree to the payment shares
 - sign CCC-509

- Note:** See paragraphs 187 and 207 for ACRE Program contracts.

- owner signature requirements for cash-rented land according to paragraph 395 are met

- COC determines that:
 - producer and payment shares do not attempt to circumvent payment limitation rules
 - interest of tenants, sharecroppers, and landowners are protected according to paragraph 356
 - payment shares:
 - are not in dispute
 - meet division of payment guidelines according to paragraph 356.

Note: See paragraphs 187 and 207 for ACRE Program contracts.

--Approval of CCC-509 may be made after all the conditions in this subparagraph are met. CED's, with delegated authority from COC, have the authority to approve CCC-509 electronically. In the event that a change, such as a change to farm records, removes the approval date, the approving official may use the current date as the approval date for CCC-509. The change that removed the approval date may require the producer or County Office to take additional action on CCC-509 before approval.--

B Payment Shares' Disapproval

If, for any FY, COC determines that an owner or operator does not meet the terms and conditions of DCP or the ACRE Program, COC shall:

- not approve CCC-509 for payment for such FY

- obtain DD concurrence according to subparagraph B

- notify the owner, operator, and all other persons signing CCC-509 of the payment disapproval

353 Approving CCC-509 (Continued)

B Payment Shares' Disapproval (Continued)

- document COC findings in the COC minutes and file a copy of the minutes in the farm folder
- provide applicable appeal rights.

Note: A decision by COC not to act or render a decision on disputed share contracts is **not** an adverse decision giving rise to any sort of appeal or appealability review.

See paragraph 196 for violations and terminations.

C Revising CCC-509

Except as may be permitted according to paragraphs 397 and 398, revisions to CCC-509 ~~shall~~ **not** be made after June 1 (August 14, 2009, for 2009, June 3, 2013, for 2013 ACRE, or August 2, 2013, for 2013 DCP) of the applicable year. ~~---~~

Note: See 2-DCP (Rev. 1) for County Office procedure for revising CCC-509.

D Completing CCC-770 DCP

See Exhibit 17 for information about the following:

- completing CCC-770 DCP's
- the required number of CCC-770 DCP's to complete.

354 (Reserved)

Section 3 DCP or ACRE Program Contract Requirements

394 CCC-509

A CCC-509 Signatures

[7 CFR 1412.41] Eligible producers must execute and submit a DCP or ACRE program contract and furnish supportive and necessary contractual documents to the county FSA office where the records for the farm are administratively maintained not later than June 1 (August 14, 2009, for 2009) of the fiscal year in which the direct and counter-cyclical or ACRE payments are requested.

--The enrollment deadline is June 3, 2013, for 2013 ACRE and August 2, 2013, for 2013 DCP.--

B Who Must Sign

[7 CFR 1412.41] Under no circumstances will enrollment be permitted except as specified in 7 CFR 1412.41. Contracts will not be approved unless all producers sharing in base acres with more than a zero share have enrolled. For those producers with an interest but a zero share of base acres, the contract will not be approved before all producers have signed the contract or furnished supportive and necessary contractual documents (such as cash leases in lieu of signing for a zero share). A contract not having all requisite signatures of producers having more than a zero share of base acres on or before the enrollment deadline will not be considered submitted to CCC for any purpose and will not be acted on or approved. Those contracts enrolled by a producer on or before June 1 (August 14, 2009, for 2009) that were not signed by other producers according to this section will be deemed withdrawn and will not be approved. Producers on a farm are solely responsible for ensuring that enrollment occurs.

--The enrollment deadline is June 3, 2013, for 2013 ACRE and August 2, 2013, for 2013 DCP.--

COC shall:

- only consider and act on CCC-509's that are enrolled in DCP or the ACRE Program, as applicable, according to this paragraph or according to subparagraph 445.5 C
- neither approve nor disapprove CCC-509 that does not have signatures of all producers sharing in base acres on the farm

Exception: CCC-509 with signatures of producers having zero shares may be acted on provided the provisions of subparagraph 352 J are met.

394 CCC-509 (Continued)

B Who Must Sign (Continued)

- not consider or recommend equitable relief under any provision for CCC-509 that is not enrolled.

Notes: The failure of producers to sign CCC-509 is **not** a failure to comply. There can be no compliance or compliance violation on a farm that is not enrolled.

--Incomplete CCC-509's are not complete requests and require no action by FSA.--

C Cash Lease Signature Requirements

COC shall determine whether a lease is considered a cash lease according to paragraph 352. If the lease is a cash lease, COC's shall require any of the following if the landowner or landowners receive a zero share of the crop:

- written lease, rental arrangement, or other document signed by the owner that proves that the producer has the land cash leased for FY

Notes: Keep a copy of the document in the County Office folder.

If the farm is a multiple ownership farm, and none of the tracts owned by an owner have DCP cropland on them, the signature of that landowner or proof of cash lease provisions do not apply.

- the landowner's signature on CCC-509

Note: When both spouses are joint owners of a farm and proof of a cash lease is not provided, the signature of 1 spouse is sufficient for a "0" share, unless the spouse has notified FSA that the other spouse may not sign for both.

- CCC-510, but only if **all** of the following apply:
 - a producer is requesting a payment to be made after June 1
 - the farm was cash leased by the producer in the previous FY and the producer was *--properly designated to receive payment on CCC-509 for that same year--*

Exception: This provision is **not** applicable if an ownership change on the farm has occurred since the previous FY.

- *--except for the 2012 or 2013 contract year, COC shall **not** approve CCC-509 until after June 1. CCC-509's for 2012 and 2013 may be approved any time in the--* enrollment period once all requirements are determined to be met.

See Exhibit 14 for additional information about using CCC-510.

394 CCC-509 (Continued)

D No Partial Enrollments

[7 CFR 1412.41] Eligible producers who elect to enter into a contract with CCC must enroll all base acres on the farm. Enrollment of fewer than all base acres on the farm is not allowed.

E Withdrawing Enrollment

[7 CFR 1412.41] Eligible producers may withdraw from a DCP or ACRE Program at *--any time by June 1 (August 14, 2009, for 2009, June 3, 2013, for 2013 ACRE, or August 2, 2013, for 2013 DCP) of the year of the contract provided all signatories to--* the contract, including CCC, agree to the withdrawal. CCC-509's enrolled prior to the decision of producers on a farm to elect the ACRE option for a fiscal year on CCC-509ACRE are considered withdrawn pursuant to § 1412.72. Producers electing the ACRE option according to § 1412.72(d) must subsequently decide whether or not to enroll the farm on a CCC-509. Producers on a farm are solely responsible for ensuring that enrollment occurs.

In the event that a timely withdrawal of a valid CCC-509ACRE is filed according to subparagraph 176 B, any subsequent ACRE Program contract shall likewise be considered withdrawn. Additionally, any CCC-509 that may have preceded CCC-509ACRE in the same *--enrollment period is also considered withdrawn. For 2013, CCC-509ACRE is **not** applicable.--*

See subparagraph 445.5 C for late-filed enrollment provisions applicable to 2010 and subsequent crop years.

F Expiration of Contracts

[7 CFR 1412.41] All contracts expire on September 30 of the fiscal year of the contract unless:

- (1) Withdrawn in accordance with 7 CFR § 1412.41(b);**
- (2) Terminated in accordance with 7 CFR §§1412.41(d) or (e); or**
- (3) Terminated at an earlier date by mutual consent of all parties, including CCC.**

See paragraph 14.

394 CCC-509 (Continued)**G Required Signatures on CCC-509**

CCC-509's on which all signatures for producers sharing in base acres are not obtained by *--June 1 (August 14, 2009, for 2009, June 3, 2013, for ACRE, or August 2, 2013, for 2013 DCP) of the applicable year are not considered filed for any purpose.--*

Notes: See subparagraphs 397 D and 445.5 C for exceptions.

For cash lease situations, signatures or other applicable documentation can be *--submitted after June 1 (August 14, 2009, for 2009 or August 2, 2013, for 2013) of--* the applicable year provided all signature requirements were timely obtained for producers sharing in the base acres. See subparagraph C for cash lease signature requirements.

See paragraphs 187 and 207 for ACRE Program contracts.

No action whatsoever will be taken on any CCC-509 that does not contain all required signatures. CCC-509 shall not be disapproved, approved, or considered under any equitable relief provision. Incomplete CCC-509's are not due any sort of decision from FSA.

395 10-Acre Rule Exception Signature Requirements**A Signatures of Owners Certifying SDA or Limited Resource Farmers or Ranchers on CCC-509**

The farm operator or owners that are applying for the SDA or limited resource farmer or rancher exception, so that a producer on the farm may receive payment, must complete CCC-509, item 7 if all of the following apply:

- the farm has 10 base acres or less
- 1 of the following apply:
 - the owner is an individual and is SDA or limited resource farmer or rancher
 - the owner is a group of individuals and 50 percent of the ownership interest are SDA or limited resource farmers or ranchers
 - the owner is an entity and 50 percent of the ownership interest of the entity are SDA or limited resource farmers or ranchers
- the participant on the contract wishes to receive benefits.

395 10-Acre Rule Exception Signature Requirements (Continued)**A Signatures of Owners Certifying SDA or Limited Resource Farmers or Ranchers on CCC-509 (Continued)**

Notes: State and County Offices should **not** provide guidance to an owner about either of the following:

- their inclusion in SDA or limited resource group
- propriety of the owner seeking an exception.

If the farm operator has knowledge that the owners of the farm meet the exception in this subparagraph, the operators of the farm shall be allowed to certify on CCC-509, item 7.

SDA or limited resource farmer or rancher certification is an eligibility condition. As an eligibility condition, the certification may be updated at any time before payment.

1-CM requires FSA-217 to be completed by all producers requesting eligibility consideration based on the applicable certification. DCP and ACRE are unique in that the limited resource or socially disadvantaged status of the participant has no bearing on eligibility of the farm for payment. Because CCC-509, item 7 verifies the limited resource or socially disadvantaged status of each farm, FSA-217 is **not** required for DCP and ACRE participants beginning in 2010. This instruction supersedes the instruction in 1-CM.

396 Other Signature Requirements**A Approving CCC-509 and Advance Payments**

--For 2009 through 2011, CCC-509 participants may receive a 22 percent advance direct-- payment at any time after enrollment, but no later than September 30 of the contract period. COC can approve CCC-509's for payments if:

- signature requirements have been met according to paragraph 394
- all required documents have been provided
- the participant has specified the month payments are requested.

CCC-509 participants may request to receive a partial counter-cyclical payment at any time after enrollment through the date the final payment rate becomes effective. If the Secretary estimates that counter-cyclical payments will be required, a partial payment of no more than 40 percent may be made after completion of the first 6 months of the marketing year.

Notes: See 2-DCP (Rev. 1) for entering requests for advances in the system.

*--Advance direct payments are **not** authorized for 2012 or 2013.

Partial counter-cyclical payments are **not** authorized for 2011, 2012, and 2013.--*

396 Other Signature Requirements (Continued)

B Processing Revised CCC-509's

If it is necessary to revise shares on an approved CCC-509 before September 30 of the contract period and before issuing payments, follow these steps.

Step	Action
1	Use automated procedures in 2-DCP (Rev. 1) to remove COC approval date when producer signature requirements have not been met.
2	Use the automated procedure in 2-DCP (Rev. 1) to process share revisions.
3	Print a revised CCC-509 and obtain signatures for producers revising shares.
4	On the revised CCC-509, ENTER "See Attached" in the signature block for owners who previously designated shares and producers whose shares were not affected by a transfer or change in interest of land.
5	Attach the revised CCC-509 to the original CCC-509.

COC shall approve payment shares on the revised CCC-509.

Notes: COC CCC-509 approval date should reflect the date COC approves the revised CCC-509 for payment.

See paragraphs 175, 187, and 207 for ACRE Program CCC-509's.

397 Missing Signatures

A Incomplete Enrollments With a Share Greater Than Zero

[7 CFR 1412.41(a)(3)] Under no circumstances will enrollment be permitted except as provided at 7 CFR 1412.41. DCP or ACRE Program contracts will not be approved unless all producers sharing in base acres with more than a zero share have enrolled.

If anyone who has an entitlement to a share of base acres has not signed CCC-509:

- COC shall take no action on CCC-509
- *--by June 1 (August 14, 2009, for 2009, June 3, 2013, for 2013 ACRE, or August 2, 2013, for 2013 DCP), consider CCC-509 withdrawn.--*

Note: See subparagraph D for exception.

See subparagraph 445.5 C for late-filed enrollment provisions applicable to 2010 and subsequent crop years.

See subparagraph 394 G.

397 Missing Signatures (Continued)**A Incomplete Enrollments With a Share Greater Than Zero (Continued)**

If an individual or entity has an FSA-578 share of covered commodity or peanuts and the individual or entity wants to make themselves potentially eligible for ACRE Program payments under an ACRE Program contract, the individual or entity must sign the ACRE Program contract by September 30 of the contract year.

The failure of any producer who does not have a share of base acres but who, according to FSA-578, has a share of covered commodities or peanuts planted or considered planted on a farm enrolled under an ACRE Program contract, to sign the ACRE Program contract during the contract period shall render that producer's share ineligible for ACRE payment consideration for that or any other producer.

See paragraph 207 for ACRE Program contracts.

B Incomplete Enrollments of Persons With an Interest But a Zero Share

[7 CFR 1412.41] For those producers with an interest but a zero share of base acres, the DCP or ACRE Program contract will not be approved before all producers have signed the CCC-509 or furnished supportive and necessary contractual documents (such as cash leases in lieu of signing for a zero share).

CCC-509 with missing signatures of producers with an interest, but a zero share of base acres, may be acted on and approved if the provisions of subparagraph 352 J are met. Missing signatures that are provided according to this subparagraph may be submitted at anytime.

If anyone who has an interest, but a zero share of base acres, fails to satisfy the provisions of this paragraph and/or subparagraph 352 J, COC will take no action on CCC-509. CCC-509 will be considered incomplete and requires no action or decision from FSA.

C Undivided Ownership Shares of Owners With Missing Signatures

If all producers other than an owner having less than a majority **undivided ownership** interest in the farm sign, COC may approve CCC-509 if all of the following apply:

- owners representing a majority of the undivided ownership interest shares of the farm signed CCC-509

Note: Majority interest is greater than 50 percent of the collective undivided interest owners' share.

397 Missing Signatures (Continued)**C Undivided Ownership Shares of Owners With Missing Signatures (Continued)**

- shares are acceptable to COC
- documentation indicates the signatories expended a reasonable effort to obtain missing signatures.

Note: Set a refuse payment flag in the CCC-509 automated process for the owner with the missing signature.

D Example for Undivided Ownership Shares of Owners With Missing Signatures

The following example illustrates when to approve payments if all owners with undivided ownership interest do not sign.

Operator A has a 60 percent payment share.
 Owner A has a 10 percent payment share.
 Owner B has a 10 percent payment share.
 Owner C has a 10 percent payment share.
 Owner D has a 10 percent payment share.

Each owner has a 25 percent interest of the owners' undivided collective share of the farm. Owners A, B, and C signed CCC-509. Owner D did not sign CCC-509. Because Owners A, B, and C have a majority share of the owners' interest of the farm, approve payments for the owners who signed. Set the refuse payment flag for Owner D.

E Divided Ownership Shares of Owners With Missing Signatures

COC shall not approve CCC-509 for payment if an owner having a **divided** ownership interest share does not sign.

On farms for which 1 or more owners may be unwilling to sign CCC-509, or may be unable to timely sign CCC-509, another owner or producer on the farm may wish to request a farm division according to 2-CM.

Note: Payments may be earned on each resulting farm for which all necessary signatures are obtained by September 30 of the applicable FY.

398 Succession-in-Interest

A Basic Rule

[7 CFR 1412.41] A transfer or change in the interest of an owner or producer in the farm or in acreage on the farm subject to a DCP or ACRE Program contract will result in the termination of the contract, and a refund of all direct, counter-cyclical, and ACRE payments, as applicable, issued for the farm. The contract termination will be effective on the date of the transfer or change. Successors to the interest in the farm or crops on the farm subject to the contract may enroll the farm in a new DCP or ACRE Program contract and assume all obligations under the contract, only after all payments previously issued for the farm have been refunded to CCC.

After CCC-509 is approved, any of the following changes may occur and be considered a basis for successions-in-interest:

- a transfer or change in the interest of a producer on the farm
- sale of land
- foreclosure, bankruptcy, or involuntary loss of the farm
- change in participant shares to reflect changes in shares originally approved on CCC-509.

Notes: Successors are not eligible for payments in any FY in which they do not meet the provisions of paragraphs 12 and 352.

See paragraph 400 if a participant who is entitled to a payment dies, becomes incompetent, or disappears.

Exception: Producers who have no share of base acres and who do not appear on an ACRE Program contract may be permitted to sign an ACRE Program contract for their FSA-578 share interest in covered commodities or peanuts on a farm according to paragraphs 207 and 397. Such action shall not be considered a succession-in-interest.

B Farm Reconstitutions

[7 CFR 1412.41] In the event a farm reconstitution is completed of a properly enrolled farm or farms in accordance with 7 CFR part 718, FSA will issue notices to the operator and owners of record on a farm that all producers with an interest in the base acres on the farm must sign a new DCP or ACRE Program contract and provide supporting documentation such as leases and other contractual supportive documents not later than September 30 of the fiscal year direct, counter-cyclical, or ACRE payments are requested, or 30 days after receiving written notification by the county committee indicating the reconstitution is completed. It is the responsibility of the operator and owners on a farm that producers with an interest in base acres are notified of the reconstitution and requirement for a new contract. If all producers have not signed the new DCP or ACRE Program contract by September 30, no producers on the contract will be eligible for a direct, counter-cyclical payment, or ACRE payments for that farm for the year the contract was terminated.

398 Succession-in-Interest (Continued)**B Farm Reconstitutions (Continued)**

The provision of this regulation applies only if enrollment of the parent farm was filed by *--June 1 (August 1, 2013, for 2013) and FSA-155 is completed by August 1 of the--* applicable year. See paragraph 333.

C Deadline for Notification of Succession

After CCC-509 has been approved, the farm operator, producer, owner, or participant must inform COC of changes in interest by:

- August 1 of the applicable year, if the change requires a reconstitution (paragraph 333)
- September 30, if the change does **not** require a reconstitution.

Note: It is important that producers understand that if a succession CCC-509 is generated, all necessary signatures must be entered on the succession CCC-509 or the farm will not be considered enrolled. Producers should not wait until the end of an enrollment or contract period to report changes. Failure to report changes timely **and** enter all necessary signatures is a responsibility of those participating on CCC-509. It is **not** FSA's responsibility to obtain signatures.

If a change occurs requiring a succession to CCC-509, but CCC-509 is not revised and signed by all producers sharing in the revised CCC-509 by the end of the contract period:

- none of the predecessors or potential successors are eligible for the applicable year payments on the farm
- all payments under the contract must be refunded.

Notes: See subparagraph G for assessing refunds.

The requirement for a reaffirmed CCC-509 by all producers, whether or not the producer's specific interest or share itself was impacted by succession, is the same as that which is specified in paragraph 397.

400 Participants Who Are Deceased, Incompetent, or Have Disappeared**A Basic Rule**

An individual who has died, disappeared, or been declared incompetent, but meets the definition of a producer for the contract period, is eligible for payments if a completed CCC-509 submitted by June 1 of the applicable year was approved. However, if payment is not to be issued to the participant, FSA-325 must be completed according to this paragraph. This situation is not considered a succession.

B Requesting Payments

FSA-325 must be completed, according to 1-CM, by the individuals or entities requesting payments **earned** by a participant who has died, disappeared, or been declared incompetent. Payments shall be issued to the individuals or entities requesting payment using the deceased, missing, or incompetent participant's ID number. A revised CCC-509 is not required to be completed when payments are issued under the deceased, missing, or incompetent participant's ID number.

Note: CCC-509 shall not be revised to show the estate ID number after September 30 of the applicable year.

--401 Reviewing CCC-509's Modified After End of Enrollment Period--**A Introduction**

Except as may be provided according to paragraphs 397 and 398, subparagraph:

- 353 C specifies that revisions to CCC-509 shall **not** be made after June 1 *--(August 14, 2009, for 2009 or August 2, 2013, for 2013) of the applicable year
- 394 A specifies that the final date for participants to provide all necessary signatures on CCC-509 is June 1 (August 2, 2013, for 2013) of the applicable FY to be eligible for--* payments for that FY.

Note: See subparagraph 445.5 C for late-filed enrollment provisions applicable to 2010 and subsequent crop years.

2-DCP (Rev. 1) provides procedure or updating producer signature and enrollment date information in the system.

To accommodate the policy provisions about enrollment, CCC-509 software has been modified to:

- *--allow the enrollment date to be entered after June 1 (August 14, 2009, for 2009 or August 2, 2013, for 2013)
- ensure that the **actual** date entered is **not** later than August 1 (August 2, 2013, for 2013.--*

--401 Reviewing CCC-509's Modified After End of Enrollment Period (Continued)--**B Updates Affecting Enrollment Date**

The enrollment date is automatically removed when any of the following changes are made to data in the farm records management system:

- operator is changed
- other tenant with CCC-509 share is removed from the farm
- owner is added to a tract associated with the farm
- base acres are modified
- direct and/or counter-cyclical payment yields are modified
- an out-of-balance condition is created because of changes to DCP cropland.

In addition, the enrollment date will be removed if CCC-509 base acre shares are revised.

Note: Changes to counter-cyclical advance payment request information will **not** result in the enrollment date being removed from CCC-509's.

Updates to the system for any of these reasons constitute a modification of existing CCC-509's; therefore, the enrollment date is automatically removed from the system when the update occurs.

--401 Reviewing CCC-509's Modified After End of Enrollment Period (Continued)--**C State Office Review Process**

Except as provided in this handbook, subparagraph 353 C specifies that revisions to CCC-509's shall **not** be made after June 1 (August 14, 2009, for 2009 or August 2, 2013, for 2013) of the applicable year. Therefore, the All Farms with Enrollment Date Modifications After End of Enrollment Period Report will be available to State Office specialists that identifies all CCC-509's with an enrollment date that was updated during the previous month. This report is available to State and National Office users **only**. See 2-DCP (Rev. 1) for instructions for printing the report.

Reminder: The enrollment date can be entered in the system after June 1; however, the **date actually entered** cannot be later than August 1 (August 14, 2009, for 2009 and August 2, 2013, for 2013). See paragraph 402 for additional information about valid situations where the enrollment date should be updated to a date later than the end of the late-filed period.

State Offices are required to review the All Farms with Enrollment Date Modifications After End of Enrollment Period Report detailing where the enrollment date has been updated during the previous month. State Offices shall:

- conduct a review of CCC-509's listed on the monthly report to ensure that DCP policy has been administered properly
- take corrective action, if applicable, with County Offices if CCC-509's were updated in error

Note: SED's may delegate the review to DD's.

--402 Updating Producer Signature and Enrollment Dates After End of Enrollment Period--**A Introduction**

County Offices shall ensure that all information recorded in the automated system accurately reflects actual signature, enrollment, and approval date information. See 2-DCP (Rev. 1) for additional information about how data shall be entered in the web-based system.

If a valid signature of a producer with a share greater than zero or enrollment date information is actually **received** after August 2, 2012, for 2012 or after September 3, 2013, for 2013, the system is designed to prevent County Office users from updating the system with that information.

If a valid signature of a landowner with zero share, cash lease, or CCC-510 is actually **received** after September 30 of the contract period, the system is designed to prevent County Office users from updating the system with that information.

Example: Landowner signed a 2010 CCC-509 to zero shares on October 13, 2010. The system will **not** allow any zero share signature after September 30, 2010, to be entered as a producer signature date.

Because there are some instances where a date after June 1 of the applicable year should be entered in the system for a producer signature or enrollment date, a process has been developed that allows the system to be updated properly with the producer signature and enrollment date information.

B Situations That Warrant Producer Signature or Enrollment Dates To Be Later Than the End of the Enrollment Period--*

The enrollment date in the system is determined by the later of the following:

- the last signature date that was obtained for all producers on CCC-509
- date the cash lease or CCC-510 is provided to the County Office.

As specified in subparagraph 352 J, the following documentation is considered supporting documentation even if received after the end of the enrollment period:--*

- landowner signing CCC-509 to zero shares
- a copy of a cash lease agreement
- CCC-510
- late-filed enrollment for 2010 or subsequent crop years is applicable according to subparagraph 445.5 C.

Some cases require State Office intervention so the system can be updated to accurately reflect when the signature was actually obtained and/or when CCC-509 was actually enrolled in DCP.

***--402 Updating Producer Signature and Enrollment Dates After End of Enrollment Period
(Continued)**

B Situations That Warrant Producer Signature or Enrollment Dates To Be Later Than the End of the Enrollment Period (Continued)--*

For 2010, system validations do **not** allow County Offices to enter a producer signature with a:

- share greater than zero later than June 30 of the contract period
- zero share, cash lease agreement, or CCC-510 later than September 30 of the contract period.

For 2011 and subsequent years, system validations do **not** allow County Offices to enter a producer signature with a:

- share greater than zero later than August 1 of the contract period
- zero share, cash lease agreement, or CCC-510 later than September 30 of the contract period.

*--For 2013 and subsequent years, system validations do **not** allow County Offices to enter a producer signature with a:

- share greater than zero later than September 3 of the contract period
- zero share, cash lease agreement, or CCC-510 later than September 30 of the contract period.--*

C County Office Action

For situations described in subparagraph B, County Offices shall:

- *--**not** manipulate the system by entering a date **before** September 3 (June 1, 2010, for 2010, August 15, 2009, for 2009, or September 3, 2013, for 2013) of the calendar year as the signature date for any signature that was obtained after June 1 (August 14, 2009, for 2009 or August 2, 2013, for 2013) of that same calendar year
- **not** manipulate the system by entering an incorrect enrollment date for signatures or cash lease documentation that were obtained after September 30 (August 14, 2009, for 2009 or August 2, 2013, for 2013) of the applicable year--*
- submit a copy of the completed CCC-509 and cash lease documentation, if applicable, to the State Office with a cover memorandum requesting that the system be updated with either or both of the following:
 - landowner's signature date
 - CCC-509 enrollment date.

--402 Updating Producer Signature and Enrollment Dates After End of Enrollment Period--
(Continued)

C County Office Action (Continued)

Notes: For 2009 **only**, County Offices are authorized to enter signature dates and enrollment dates of signatures described in subparagraph 402 B that are on or before September 30, 2009, in DCP/ACRE software.

For 2010 and subsequent years, County Offices are authorized to enter enrollment and approval dates described in subparagraph B that are on or before August 30
--(September 3, 2013, for 2013) of the contract year, in DCP/ACRE software.--

D State Office Action

After verifying that the situation warrants intervention based on supporting documentation, State Office Program Specialists shall update the signature and/or enrollment date according to 2-DCP (Rev. 1).

403 Web-Based DCP State Office Administrative Access

A Requesting Web-Based DCP State Office Administrative Access

State Offices may request State Office administrative access be granted to State Office users or DD's. The State Office program specialist in charge of DCP shall select the employees who are to have State Office administrative access to DCP, and submit the following information to SLR:

- State Office name
- employee's legal first and last name
- employee's job title
- employee's USDA eAuthentication user ID.

SLR's shall do 1 of the following:

- disapprove and return the request to the State Office specialist in charge of DCP
- approve the request and FAX the information to 202-690-2130.

Note: The subject of the FAX should be "Requesting DCP State Office Administrative Access".

SLR may contact Brent Orr, PECD, DCP Program Manager by e-mail at **brent.orr@wdc.usda.gov** with any questions or concerns.

B Changing or Terminating User Roles With DCP State Office Administrative Access

If a user needs to be changed, use the process outlined in subparagraph A. The request shall include the user information to be added, and the user information to be removed.

403 Web-Based DCP State Office Administrative Access (Continued)

*--C Adding DD as a State User

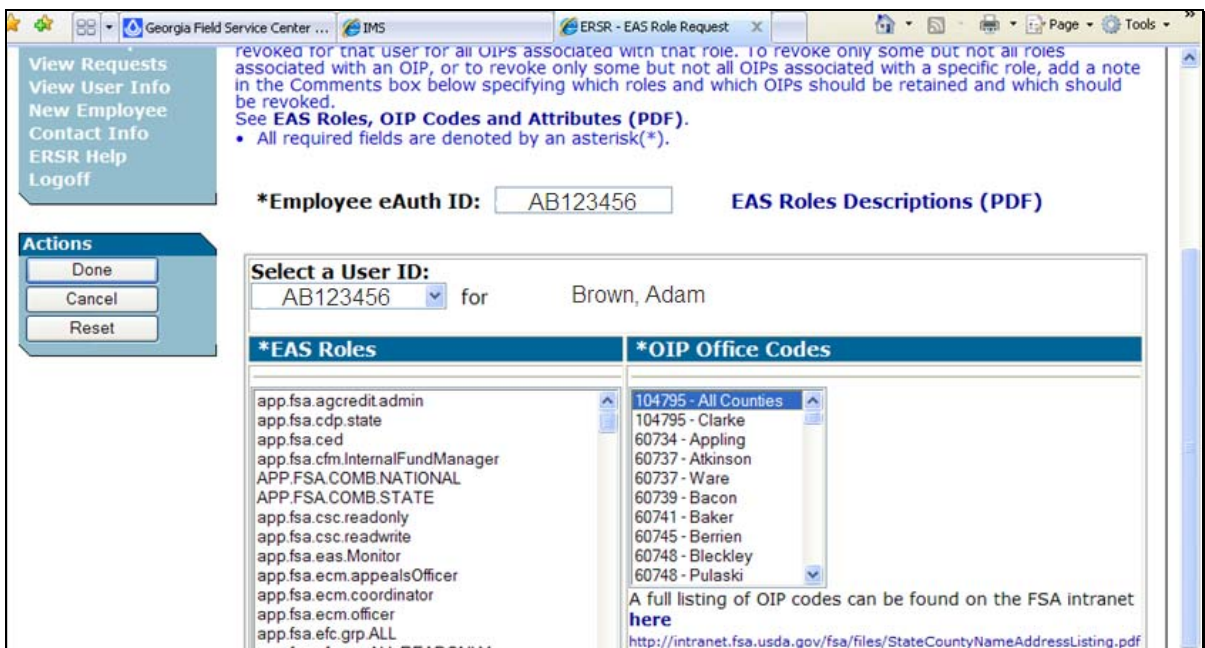
In many States, DD is not a “State User” in the ERSR system. For the administrative access granted according to subparagraph B to be valid, each DD must be given access by adding the “All Counties” OIP Access Code to each user’s profile in ERSR.

To obtain this access, FSA-13A must be submitted to SLR.

Important: FSA-13A, item 18 **must** be completed to obtain access.

After FSA-13A is approved, SLR shall:

- access ERSR
- find and click on employee’s name
- CLICK “Extensible Authorization System (EAS)”
- enter employee’s eAuthentication ID and highlight OIP Office Codes for “All Counties” as shown in the example
- CLICK “Done”
- CLICK “Submit”.



--*

405 Finality and Types of Relief Applicable to DCP and ACRE (Continued)

E Program Relief

In individual circumstances or cases, under 7 CFR 1412.2, DAFP has the authority to allow STC's and COC's to waive or modify deadlines, except statutory deadlines and basic contract law provisions such as the end of a contract period, and other nonstatutory requirements where DAFP determines the lateness or failure to meet the requirement not adverse to the operation of the program. The regulations specify that producers have no "right" to seek an exception under this provision. At FSA's discretion, FSA may (but does not have to) consider the matter.

***--Note:** See paragraph 445.5.--*

Example: An individual was involved in an automobile accident and suffered short-term memory loss that was documented by a physician. When COC disapproved CCC-509 as being late-filed, COC recognized what it believed were extenuating circumstances and recommended that relief be granted to approve the late-filed enrollment. In turn, STC referred the case to DAFP for consideration.

Result: DAFP approved the case because it was determined that circumstances warranted that action and the relief approved did not give the producer any unfair advantage over others who met the program requirements.

Example: FSA learns of a producer who had an interest in base acres on a farm but did not sign the DCP contract and did not receive a share of DCP payments.

Result: Depending on when the error was first discovered and why, and assuming no other factors such as misinformation or misaction on the part of FSA, DAFP may, at its discretion, grant program relief to producers on CCC-509 as follows.

- Allow timely entered signatures of producers to retain and continue to receive payments based on corrected shares if it can be determined that those who did timely sign did not intentionally misrepresent themselves. FSA will not authorize and not issue payments to the shares not represented by a timely signature, if the share is represented by either a missing signature or a signature for the producer share in discrepancy is entered after the contract period elapsed (September 30).

Note: In instances where a person or legal entity has not signed CCC-509, that person or legal entity is not entitled to any sort of agency decision, eligibility decision, or relief decision, and that person or legal entity has no standing to contest or challenge any decision of FSA because the person or legal entity has made no application or requested a decision from FSA. See 1-APP, paragraph 10.

- If it can be determined that there was no intentional misrepresentation by any of the producers, provided there was a timely submitted CCC-509, allow producers to sign a corrected CCC-509 by the end of the contract period with correct shares and have payments recomputed.

405 Finality and Types of Relief Applicable to DCP and ACRE (Continued)**F Base Restoration**

Base restorations, except for statutory restorations, are limited to the adjustments shown in this subparagraph. Base adjustments needed during CLU certification are no longer authorized as all CLU's have been certified.

Statutory allowed base adjustments are:

- CRP entered into Section 1231 of the Food Security Act of 1985 with respect to the farm expires or is voluntarily terminated, or was terminated or expired during the period *--beginning on October 1, 2007, and ending on the date of enactment of the American Taxpayer Relief Act of 2012
- cropland is released from coverage under a conservation reserve contract by the Secretary, or was released during the period beginning on October 1, 2007, and ending on the date of enactment of the American Taxpayer Relief Act of 2012--*
- eligible pulse crop acreage
- eligible oilseed acreage, if the Secretary designates additional oilseeds.

Example: A County Office employee realized an improper base reduction was entered into the Farm Records Management System.

Result: DAFP may authorize restoration of the base acres as a result of the documentation submitted.

406-424 (Reserved)

Section 2 Producer Eligibility

445 General Information

A Eligible Producer

Producers eligible to enter into CCC-509 are:

- an owner of a farm who has a share of contract acreage and assumes all or part of the risk of producing a crop on base acres
- a producer (other than an owner) on base acres with a share- or cash-rent lease for the crop year covered by the FY contract.

Important: A producer on a farm with an interest in only nonbase acres and who has no share interest in any covered commodity or peanuts on the farm is **not** eligible to enter into CCC-509 on that farm.

The amount of nonbase acres available to be planted to FAV and wild rice without resulting in a payment reduction or contract violation may be reduced when there is a producer on a farm with interest in only nonbase acres. See:

- paragraph 472 for examples
- 4-CP to calculate nonbase acres on a farm available to be planted to FAV or wild rice without resulting in a payment reduction or contract violation.

Only producers who sign CCC-509 can be considered to have applied for a direct, counter-cyclical, or ACRE Program payment. Producers who have a reported share of a covered commodity or peanuts reported on FSA-578, but who may not have signed CCC-509, are **not** eligible for any program payments unless they sign CCC-509.

B Terms of Enrollment

Producers who participate in DCP or the ACRE Program must fully comply with the terms and conditions of CCC-509, and in return will receive direct payments and counter-cyclical payments, if applicable.

445 General Information (Continued)

C Producer Agreement to Program Requirements

Before producers on a farm may receive direct, counter-cyclical, or ACRE Program payments, with respect to the farm, the producers shall agree, during the crop year for which payments are made and in exchange for the payments to:

- maintain compliance with HELC/WC provisions on all their land
- use acreage equal to the base acres for an agricultural or conserving use
- not plant perennial FAV's or harvest annual FAV's (other than lentils, mung beans, and dry peas) or harvest wild rice on base acres

Note: See Part 8 for exceptions to FAV and wild rice planting limitations.

- timely submit a report of all cropland acreage on the farm on an annual basis
- if participating in PTPP or the ACRE Program, satisfy production and reporting requirements according to Parts 2 and 4, as applicable.

445.5 Enrollment

A Signup Dates * * *

Eligible producers on a farm with established bases and yields shall have an opportunity to enroll the farm into an annual CCC-509 for each of the years 2009 through 2012 according to the following.

Year of CCC-509	Signup Dates
2009	December 22, 2008, through June 1, 2009
2010	October 1, 2009, through June 1, 2010
2011	October 1, 2010, through June 1, 2011
2012	October 1, 2011, through June 1, 2012
--2013	February 19, 2013, through June 3, 2013, for ACRE February 19, 2013, through August 2, 2013, for DCP--

* * *

445.5 Enrollment (Continued)**B Enrollment of Base Acres on a Farm**

Producers who enroll a farm in DCP shall enroll all base acres on the farm. Enrollment of only part of the base acres of a farm is not allowed.

C Late-Filed CCC-509's

*--There are no late-filed provisions for 2008 and 2009 or 2013 ACRE.

The CCC-509 enrollment deadline is June 1 (August 14, 2009, for 2009 or August 2, 2013, for 2013) of the applicable contract year.--*

The following apply to the 2010 contract year and subsequent contract years.

- DAFP has authorized a late-filed CCC-509 enrollment period through August 1 *--(September 3, 2013, for 2013) of the applicable contract year. Unless there is some prohibition in 1-APP, CCC-509's for 2010 or subsequent crop year enrollments, or requests to withdraw (1-DCP, paragraph 14), that satisfy all other program requirements and that are submitted to FSA by August 1 (September 3, 2013, for 2013) of the applicable contract year, will be considered timely filed.
- STC's are delegated program relief authority and equitable relief authority under the misaction/misinformation provisions to approve 2013 CCC-509's satisfying all other program requirements that are submitted from August 2 through August 31 (September 4 through September 30, 2013, for a 2013 contract year) of a contract year.

Notes: The 2013 enrollment deadline is August 2, 2013. STC's have this delegated relief authority; however, producers seeking relief are responsible for explaining why equitable relief is warranted.

For misaction/misinformation provisions involving 2013 contracts, STC will process those requests under 2013 delegated authority. See subparagraph E.

- STC's may consider and make appropriate recommendations of equitable relief, under the misinformation/misaction provisions **only**, for 2010, 2011, or 2012 CCC-509's--* enrolled from September 1 through September 30 of the contract year. STC's should only submit cases that have documentation of erroneous information, advice, or action of an authorized FSA representative on which the enrollee relied to the enrollee's detriment. STC is under no obligation to consider any request for relief nor is STC obligated to forward any request for relief to DAFP. The enrollment deadline is June 1 of the *--applicable 2010, 2011, or 2012 contract year. STC's are merely given the--* discretionary authority.

445.5 Enrollment (Continued)

--D Timeline for DCP/ACRE Enrollment for 2010, 2011, and 2012--

The following table and legend provide the timeline for DCP/ACRE enrollment over the course of one FY implementing the rule in subparagraph C.

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep

IF enrollments occur in the contract year from...	THEN contract approval authority is...	AND authority to load software is...
October 1 through June 1	COC or CED, if redelegated	County Office.
June 2 through August 1		County Office for 2011 and subsequent years.
August 2 through August 31	STC	State Office.
September 1 through September 30	DAFP	State Office.

***--E Timeline for DCP Enrollment for 2013**

The following table and legend provide the timeline for DCP/ACRE enrollment over the course of one FY implementing the rule in subparagraph C.

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep

IF enrollments occur in the contract year from...	THEN contract approval authority is...	AND authority to load software is...
February 19 through August 1, 2013	COC or CED, if redelegated	County Office.
August 2 through September 3, 2013		
September 4 through September 30, 2013	STC	State Office.

There are no late-filed provisions for ACRE.--*

445.5 Enrollment (Continued)

F Prohibition on Enrollments Following Conclusion of the Contract Year

The contract period for CCC-509's ends on September 30. No offer or enrollment attempt after September 30 of a contract year will be considered by COC or STC. COC is not authorized to enter into contracts after a contract period has already passed. Producers are **not** entitled to any sort of decision, relief, or other consideration on any request to enroll after the contract period has passed. Accordingly, FSA offices and committees shall **not** take any of the following action:

- consider or render any sort of adverse decision or relief decision on CCC-509's signed by anyone after the contract year has passed, **regardless** of the reason the individual or entity did not enroll before the contract period passed
- forward any recommendation of approval or relief for anyone who offered to enroll a contract after the contract period passed
- provide any right of appeal or appealability to anyone making an inquiry about enrollment after the contract period passed.

Note: Producers have a right of review or appeal **only** on adverse decisions and **only** where there are legitimate disputes of fact. See 1-APP.

Actions permitted when CCC-509's are received after September 30 of the contract year include the following:

- filing the original CCC-509 with producer's signature in the farm file
- not acting on, approving, or disapproving CCC-509's for the previous contract year
- sending a letter advising those submitting CCC-509 after the end of the contract period that CCC-509 will not be processed by FSA. See subparagraph G.

Notes: County Offices will **not** discourage any producer from signing CCC-509's at any time. FSA is **not** required to issue a determination on CCC-509's submitted after the contract year ends. COC's and STC's will follow this subparagraph for all CCC-509's submitted after the contract year expires.

No letter of determination will be issued to producers who choose to submit CCC-509's after the end of a contract year.

445.5 Enrollment (Continued)**G Communication to Those Submitting Offers of Enrollment After the Contract Period Ends**

FSA will follow subparagraph F in acknowledging offers to enroll in a contract after the end of the contract period. FSA will acknowledge receipt of CCC-509's submitted after the end of the contract period with a communication stating the following.

Dear [*Enter names of all those signing CCC-509 submitted after September 30 of a contract period.*]

This letter acknowledges receipt of an offer to enter into a contract with the Commodity Credit Corporation under a form CCC-509, Direct And Counter-Cyclical Program (DCP) Contract And Average Crop Revenue Election (ACRE) Contract. You submitted the request to enroll after the end of the contract period.

7 CFR § 1412.41(a)(2)(ii) specifies that enrollment is not allowed after September 30 of the fiscal year in which the DCP or ACRE program payments are requested.

The Farm Service Agency (FSA) appreciates your interest. Your offer to enroll after the end of the contract period will be kept on file; however, FSA cannot process the offer because there is no contract period remaining for enrollment.

Thank you again for your interest.

Sincerely,

County Executive Director

Note: FSA's stating that the offer of enrollment cannot be processed is not a program decision.

H Effective on ACRE Election

The policy included in this paragraph is for DCP and ACRE enrollment only. The deadline to complete ACRE election is in subparagraph 176 C. There are **no** provisions for late-filed ACRE elections.

446 Payment Limitation and AGI

A Payment Limitations

See subparagraph 10 I for payment limitations.

B AGI

See 4-PL for AGI provisions.

447 Commodities Grown Under Contract on Base Acres

A Background

In recent years, the number of and kinds of commercial grower contracts have increased. These contracts differ greatly in the amount of risk borne by the company and the grower.

Under commercial grower contracts, any of the following may occur:

- the grower has no share of the crop but may have risk

Note: The grower in this instance is actually an independent contractor or custom farmer for the company.

- both the company and the grower share in the crop and in the risk of producing the crops
- only the grower shares in the crop and in the risk of producing the crops.

Note: This paragraph does **not** apply to hybrid seed contracts.

B Eligibility for Payments

The following provides guidance for determining eligibility for payments when crops under a commercial grower contract are produced on base acres.

IF the grower has...	THEN, if otherwise eligible, the grower is...
a share of the crop and has all or some of the risk in producing the crop or crops grown on base acres	eligible to receive all of a DCP or ACRE payment for those acres.
no share of the crop under the grower contract but may have some or none of the risk in producing a crop that is grown on base acres	not eligible to receive a DCP or ACRE payment for those acres because the grower does not meet the definition of a producer on those acres.
a share of the crop under the grower contract and also some, but not all of the risk in producing a crop that is grown on base acres	<ul style="list-style-type: none"> • eligible to receive a portion of a DCP or ACRE payment if all other requirements are met • not eligible to receive the entire DCP or ACRE payment for those acres.

Note: Growers who have no share of a crop grown on base acres are always ineligible for payments on those acres, regardless of risk.

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026	Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification		6, 7, 352, 429, Ex. 4
AD-1153	Application for Long-Term Contracted Assistance Through the _____ Program		427
CCC-505 (02-05-09)	Voluntary Permanent Direct and Counter-Cyclical Program (DCP) Base Acres Reduction		Text, Ex. 19
CCC-505 (02-21-12)	Voluntary Permanent Base Acres Reduction		Text, Ex. 19
CCC-505 (01-22-13)	Voluntary Permanent Base Acres Reduction	66	Text, Ex. 19
CCC-509 (06-20-08)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		Text, Ex. 2
CCC-509 (11-14-08)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		Text, Ex. 2
CCC-509 (04-16-09)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		Text, Ex. 2
CCC-509 (10-01-09)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		Text, Ex. 2
CCC-509 (04-27-10)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		Text, Ex. 2
CCC-509 (10-06-10)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		Text, Ex. 2
CCC-509 (10-01-11)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		Text, Ex. 2
CCC-509 (01-22-13)	2013 Direct and Counter-Cyclical Program (DCP) Contract or Average Crop Revenue Election (ACRE) Contract	332	Text, Ex. 2

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-509ACRE	Average Crop Revenue Election (ACRE) Program Irrevocable Election		Text, Ex. 14
CCC-509 Appendix (04-24-09)	Appendix to Form CCC-509, Direct and Counter-Cyclical Program (DCP) Contract or Average Crop Revenue Election (ACRE) Program Contract		11, 332, 395, 426
CCC-509 Appendix (01-23-12)	Appendix to Form CCC-509, Direct and Counter-Cyclical Program (DCP) Contract or Average Crop Revenue Election (ACRE) Program Contract		11, 332, 395, 426
CCC-509 Appendix (01-22-13)	2013 Appendix to Form CCC-509, Direct and Counter-Cyclical Program (DCP) Contract or Average Crop Revenue Election (ACRE) Program Contract		11, 332, 395, 426
CCC-509B ACRE Worksheet	2009-ACRE CCC-509B Worksheet		10
CCC-510	DCP or ACRE Program Cash Rent Certification Statement	Ex. 14	352, 394, 402
CCC-527	Request for Action for Subsidiary/Payment Limitation		10
CCC-528	Designation of Payment Acres for Planted and Considered Planted (P&CP) Crops of Covered Commodities and Peanuts for the Average Crop Revenue Election (ACRE) Program	187	
CCC-529	Program Adjustment to Payment Limitation Because of Participation in ACRE Program	10	
CCC-538	Producer-Paid Crop Insurance Premium	188	
CCC-576	Notice of Loss and Application for Payment Noninsured Crop Disaster Assistance Program		78
CCC-749	Request to Participate in the 20__ Planting Transferability Pilot Project	80	76, 79, 81, 82, 333
CCC-770 DCP	Direct and Counter-Cyclical Program Contract Checklist	Ex. 17	353
CCC-770 Eligibility	Eligibility Checklist		Ex. 17
CCC-902 Continuation	Continuation Sheet for Leased or Owned Land		6, 7, 352, Ex. 4
CCC-902E	Farm Operating Plan for Entity 2009 and Subsequent Program Years		6, 7, 352, Ex. 4
CCC-902I	Farm Operating Plan for Individual 2009 and Subsequent Program Years		6, 7, 352, Ex. 4

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-903	Worksheet for Payment Eligibility and Payment Limitation Determinations		352
CCC-920	Grassland Reserve Program Contract		66, 427
CCC-931	Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information		6, 7, 352
CCC-933	Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information		6, 7, 352
CRP-1	Conservation Reserve Program Contract		Text, Ex. 2
CRP-2	Conservation Reserve Program Worksheet		427
CRP-2C	Conservation Reserve Program Worksheet (for Continuous Signup)		427
CRP-15	Agreement for Reduction of Bases, Allotments and Quotas		67, 331, 425
FCI-19	Crop Insurance Acreage Report		478
FSA-155	Request for Farm Reconstitution		176, 333, 398
FSA-156-EZ	Abbreviated 156 Farm Record and Tract Listing		82, 426, 427, Ex. 19
FSA-217	Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification		395
FSA-325	Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		400
FSA-578	Report of Acreage		Text, Ex. 2, 17
FSA-658	Record of Production and Yield		6, 175, 187, Part 9
FSA-910	Wetland Reserve Program Projected DCP Base Reduction Worksheet	Ex. 19	426

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviations	Term	Reference
CIMS	Comprehensive Information Management Systems	188
ERSR	Electronic Repository of Security Request	403
PRS	Production Reporting System	177, 510.5-510.8
PTPP	Planting Transferability Pilot Project	76-82, 333, 445, 501, 502, 532

Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

Redelegations of Authority

COC may redelegate authority to approve CCC-505's, CCC-509's, CCC-509ACRE's, and FSA-658's to CED, in routine cases. Redlegation shall be documented in COC minutes.

Definitions of Terms Used in This Handbook (Continued)

Contract Period

Contract period means the compliance period set out below for the contract for the particular program year. The “program year” is designated in item 1 of the contract. Contracts for different program years will be referenced by their program year. Thus, for example, a reference to the “2009 Contract” means the contract for the 2009 program year. The compliance periods for the various program years are as follows:

- for the 2009 Contract, the period that begins on October 1, 2008, and carries through September 30, 2009
- for the 2010 Contract, the period that begins on October 1, 2009, and carries through September 30, 2010
- for the 2011 Contract, the period that begins on October 1, 2010, and carries through September 30, 2011
- for the 2012 Contract, the period that begins on October 1, 2011, and carries through September 30, 2012
- *--for the 2013 Contract, the period that begins on October 1, 2012, and carries through September 30, 2013.--*

Contract Year

Contract year is the particular year of the particular contract based on the compliance period for the contract. The compliance year will run from October 1 to the following September 30 and will have the same name as the corresponding FY.

Example: The 2009 contract years will be October 1, 2008, through September 30, 2009, and that year will be considered the 2009 crop year. The contract for the 2009 crop year will be considered the contract for the 2009 crop. The same references will apply to all other years.

Contracts

Contracts are CCC-approved standard, uniform forms and appendixes specified by CCC that constitute the agreement for participation in DCP or the ACRE Program, as applicable.

Corn

Corn means field corn or sterile high-sugar corn. Popcorn, corn nuts, blue corn, sweet corn, and corn varieties grown for decoration uses are not corn.

Definitions of Terms Used in This Handbook (Continued)

Counter-Cyclical Payment

Counter-cyclical payment is a payment made to eligible producers on a farm according to 7 CFR Part 1412, Subpart E for covered commodities and peanuts.

Covered Commodity

Covered commodity means wheat; corn; grain sorghum; barley; oats; upland cotton; long grain rice; medium grain rice; dry peas; lentils; small chickpeas (Desi Garbanzo beans); large chickpeas (Kabuli Garbanzo beans); sesame; soybeans; canola; crambe; flax; mustard; rapeseed; safflower; sunflowers; or other oilseeds, if any, as designated by the Secretary of Agriculture.

Crop Year

Crop year means the calendar year in which the crop is normally harvested or in which the majority of the crop, nationwide, would have been harvested.

Cropland

Cropland is land that COC determines meets 1 of the following conditions:

- currently being tilled for the production of a crop for harvest

Note: Land that is seeded by drilling broadcast or other no-till planting practices shall be considered tilled.

- not currently tilled, but it can be established that this land has been tilled in a prior year and is suitable for crop production
- currently devoted to a 1-row or 2-row shelter belt planting, orchard, or vineyard
- in terraces that, were cropped in the past, even though they are no longer capable of being cropped
- in sod waterways or filter strips planted to a perennial cover or is preserved as cropland according to 7 CFR Part 1410
- land that has newly been broken out for purposes of being planted to a crop that the producer intends to, and is capable of, carrying through to harvest, using tillage and cultural practice that are consistent with normal practice in the area; provided further that, in the event that these practices are not used other than for reasons beyond the producer's control, the cropland determination shall be void retroactive to the time at which the land was broken out.

Definitions of Terms Used in This Handbook (Continued)**Medium Grain Rice**

Medium grain rice includes short grain rice.

Minimum and Maximum Guarantee

--Minimum and maximum guarantee means in the case of each of the 2010 through 2013 crop-- years, the State ACRE guarantee for a crop year for a covered commodity or peanuts shall not decrease or increase more than 10 percent from the State ACRE guarantee for the preceding crop year.

National Average Market Price (in a State)

As determined by CCC for a crop year of a covered commodity or peanuts, the national average market price for a crop year of a covered commodity or peanuts shall equal the higher of either of the following:

- the average price received by producers during the 12-month marketing year of the covered commodity or peanuts
- 70 percent of the marketing assistance loan rate for the covered commodity or peanuts under Pub. L. 110-246, Section 1202 or 1307.

National Loan Rate

National loan rate means the loan rate established according to Sections 1202 (a), (b), and (c) and Section 1307 (b) of Pub. L. 110-246.

Nonagricultural Commercial or Industrial Use

Nonagricultural commercial or industrial use is land that is no longer suitable for producing annual or perennial crops, including conserving uses, or forestry products.

Nonbase Acres

Nonbase acres are the number of DCP cropland acres on the farm minus the total number of base acres on the farm.

Normal Planting Period

Normal planting period is a period during which the crop is normally planted in the area with the expectation of producing a normal crop.

Definitions of Terms Used in This Handbook (Continued)**Oilseeds**

Oilseeds are acreage of soybeans, sunflower seed, rapeseed, canola, crambe, safflower, flaxseed, mustard seed, sesame, or other oilseeds designated by CCC.

Operator

An operator is an individual, entity, or joint operation in general control of the farming operations on the farm during the current year as determined by COC.

Other Oilseeds

Other oilseeds is a crop of sunflower seed (oil and confectionary), rapeseed, canola, crambe, safflower, flaxseed, mustard seed, sesame, or, if designated by the Secretary, another oilseed.

Owner

An owner is 1 who has legal ownership of farmland.

Participant

A participant is someone who participates in, or receives payments or benefits in any program.

Pasture

Pasture is land that is used to, or has the potential to, produce food for grazing animals.

Payment Acres


Payment acres means:

- except as provided for each of the 2009 through 2011 crop years, 85 percent of the base acres of a covered commodity or peanuts on a farm according to 7 CFR 1412.71 or subpart B of 7 CFR Part 1412, as applicable, for which direct or counter-cyclical or ACRE payments are made
- for each of the 2009 through 2011 crop years, 83.3 percent of the base acres for a covered commodity or peanuts on a farm according to 7 CFR 1412.71 or subpart B of this part, as applicable, for which direct or ACRE payments are made.

Average Crop Revenue Election (ACRE) Program Fact Sheet and Backgrounder

*--A Average Crop Revenue Election (ACRE) Program Fact Sheet – 2013

The following is an example of the Average Crop Revenue Election (ACRE) Program Fact Sheet - 2013.



FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

January 2013

Average Crop Revenue Election (ACRE) Program - 2013

Overview

The American Taxpayer Relief Act of 2012, enacted on Jan. 2, 2013, amends the Food, Conservation, and Energy Act of 2008 and provides for a one-year extension of the Average Crop Revenue Election (ACRE) program. To be eligible for direct and ACRE payments for crop year 2013, producers must elect and enroll their farms in ACRE on or before June 3, 2013.

Producers who elect and enroll a farm in ACRE agree to: (1) forgo counter-cyclical payments, (2) a 20-percent reduction in their direct payments, and (3) a 30-percent reduction in the marketing assistance loan (MAL) rates for all commodities produced on the farm are eligible for ACRE payments. The loan deficiency payment (LDP) rate for commodities produced on farms enrolled in ACRE must include the 30 percent reduction from the MAL rate before determining the LDP rate.

Eligibility Requirements

To be eligible for ACRE, owners, operators, landlords, tenants or sharecroppers must:

- Share in the risk of producing a crop on base acres on a farm enrolled in ACRE, and be entitled to share in the crop available for marketing from the base acres or would have shared had a crop been produced;
- Annually report the use of the farm's cropland acreage;
- Annually report production to FSA by July 15, 2014. Failure to do so may result in ineligibility;
- Comply with highly erodible

- land conservation and wetland conservation requirements on all of their land;
- Comply with average adjusted gross income limitation provisions
- Meet requirements to be considered actively engaged in farming;
- Comply with planting flexibility requirements;
- Use the base acres for agricultural or related activities and;
- Protect all base acres from erosion, including providing sufficient cover as determined necessary by the county FSA committee, and controlling weeds.

Eligible commodities

The following planted or considered planted crops may be eligible for ACRE payments:

- Wheat, barley and oats;
- Grain sorghum and corn;
- Upland cotton;
- Rice (short/medium and long grain);
- Soybeans;
- Other oilseeds: canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sesame seed and sunflower seed;
- Peanuts;
- Dry peas, lentils and small and large chickpeas (garbanzo beans).

Farms with 10 or less base acres are not eligible for ACRE, except for farms whose owners are socially disadvantaged or limited resource farmers or ranchers.

ACRE Election and Enrollment - 2013

The sign-up period to enroll begins on February 19, 2013, and ends on June 3, 2013. Farms that are enrolled in the ACRE program cannot receive counter-cyclical payments

Farms that have enrolled in the Direct and Counter-Cyclical Program (DCP) for 2013 may elect to switch to ACRE, but must do so on or before June 3, 2013.

All producers may choose to enroll in either DCP or ACRE for the 2013 crop year. This means that producers who enrolled in ACRE for 2012 may elect to enroll in DCP in 2013, or vice versa.

Maximum Payment Amounts

Direct payments are limited to \$40,000 per person or entity minus the 20 percent direct payment reduction, and ACRE payments are limited to \$65,000 plus the 20 percent direct payment reduction amount. The limitation is applied by attributing both the amounts received directly by entities and persons, and indirect amounts received through entities.

Adjusted Gross Income (AGI)

Persons or legal entities whose average non-farm AGI exceeds \$500,000 are not eligible for direct or ACRE payments.

Persons or legal entities whose average farm AGI exceeds \$750,000 are not eligible for direct payments under the ACRE Program.

Persons or legal entities whose average total AGI exceeds \$1,000,000

Page 1

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Average Crop Revenue Election (ACRE) Program Fact Sheet and Backgrounder (Continued)

*--A Average Crop Revenue Election (ACRE) Program Fact Sheet – 2013 (Continued)

FACT SHEET		January 2013																																			
ACRE - 2013																																					
<p>are not eligible for direct payments.</p> <p>Farm Yields</p> <p>Yields for ACRE payments are based on an “Olympic” average of a combination of producer yields and average yields for the county for the five most recent crop years (2008 through 2012). If a producer certifies yield data for a year and it is higher than the county average, that yield will be used to calculate the ACRE farm yield (Benchmark Farm Yield).</p> <p>Direct Payments</p> <p>Direct payments are based on the farm’s base acres and program yields for covered commodities and peanuts. Direct payments for ACRE farms are 20 percent less than the direct payments for DCP farms. Similar to DCP, payment amounts are reduced if fruits or vegetables are planted on base acres, or the acres are used for non-agricultural purposes.</p> <p>ACRE Payments</p> <p>ACRE payments are revenue-based payments and are tied to crop production and the National Average Market Price for planted, and considered planted, covered commodity crops or peanuts on the farm. ACRE payments can only be issued for a crop if two triggers are met for the covered commodity crop or peanuts.</p> <p>State Trigger: The Actual State Revenue for the 2013 program year must be less than the State ACRE Guarantee.</p> <p>Farm Trigger: The participating farm’s Actual Farm Revenue for the 2013 program year must be less than the Farm ACRE Guarantee.</p> <p>Payment Acreage Limitation</p> <p>The maximum ACRE payment acreage is equal to 85 percent of the total planted and considered planted</p>	<p>acreage, not to exceed the total amount of base acres on the farm. If the planted and considered planted acreage exceeds 118 percent of the base acreage and there is more than one eligible crop, producers must designate payment acreage for each crop by Sept. 30, 2013.</p> <p>Planting Flexibility Provisions</p> <p>Producers who participate in ACRE may plant cropland in excess of the total base acreage on the farm to any commodity. However, producers are subject to certain restrictions on the planting of wild rice, fruits and vegetables (other than mung beans and pulse crops). Information on wild rice, fruits and vegetable restrictions is contained in the FSA fact sheet “ACRE and DCP: Wild Rice, Fruit, and Vegetable Provisions.” A 2013 fact sheet is available on FSA’s website at www.fsa.usda.gov; click on “find FSA fact sheets”, or follow this link: http://www.fsa.usda.gov/FSA/newsReleases?area=newsroom&subject=landing&topic=pfs&newstype=prfactsheet&type=detail&item=pf_20130123_insup_en_acredcp.html</p>	<p>Triggers</p> <p>Table a: DCP and ACRE Payment Comparisons (html, 18 KB)</p> <p>Table b: ACRE Payment Calculations (html, 10 KB)</p> <p>ACRE Payment Calculation Table (JPG, 73 KB)</p> <p>Table 1: ACRE and DCP Rates (html, 74 KB)</p> <p>Table 2: ACRE 2013 State Guarantee (html, 37 KB)</p> <p>Table 3: ACRE Triggers Payment Calculation for 2013 (html, 69 KB)</p> <p>Table 4: Projected Payment Comparison (html, 26 KB)</p> <p>Table 5: 2013 Program Timeline (html, 22KB)</p>																																			
Table a: 2013 DCP and ACRE Payment Comparisons																																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="background-color: #333; color: white; padding: 5px;">Payments</th> <th style="background-color: #333; color: white; padding: 5px;">DCP</th> <th style="background-color: #333; color: white; padding: 5px;">ACRE</th> </tr> </thead> <tbody> <tr> <td rowspan="2" style="background-color: #333; color: white; padding: 5px; vertical-align: top;">Direct</td> <td style="padding: 5px;">Payment Rate</td> <td style="padding: 5px;">100 percent of the DCP direct payment rate.</td> <td style="padding: 5px;">80 percent of the DCP Direct Payment Rate.</td> </tr> <tr> <td style="padding: 5px;">Payment Formula</td> <td style="padding: 5px;">Uses farm’s base acreage.</td> <td style="padding: 5px;">Uses farm’s base acreage.</td> </tr> <tr> <td rowspan="3" style="background-color: #333; color: white; padding: 5px; vertical-align: top;">Counter-Cyclical (CC)</td> <td style="padding: 5px;">Advances</td> <td style="padding: 5px;">Not available</td> <td style="padding: 5px;">Not available</td> </tr> <tr> <td style="padding: 5px;">Payment Formula</td> <td style="padding: 5px;">Uses farm’s base acreage.</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Trigger</td> <td style="padding: 5px;">Low National Market Prices.</td> <td style="padding: 5px;"></td> </tr> <tr> <td rowspan="3" style="background-color: #333; color: white; padding: 5px; vertical-align: top;">Average Crop Revenue Election (ACRE)</td> <td style="padding: 5px;">Advances</td> <td style="padding: 5px;">Not available</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Payment Formula</td> <td style="padding: 5px;"></td> <td style="padding: 5px;">Uses planted and considered planted (P&CP) acreages of commodity crops and peanuts.</td> </tr> <tr> <td style="padding: 5px;">Triggers</td> <td style="padding: 5px;"></td> <td style="padding: 5px;">Revenue must be below the historical state average and the farm average.</td> </tr> <tr> <td colspan="2" style="background-color: #333; color: white; padding: 5px;">Loan Rates</td> <td style="padding: 5px;">100 percent of the Market Assistance Loan rates.</td> <td style="padding: 5px;">70 percent of the Market Assistance Loan rates.</td> </tr> </tbody> </table>			Payments		DCP	ACRE	Direct	Payment Rate	100 percent of the DCP direct payment rate.	80 percent of the DCP Direct Payment Rate.	Payment Formula	Uses farm’s base acreage.	Uses farm’s base acreage.	Counter-Cyclical (CC)	Advances	Not available	Not available	Payment Formula	Uses farm’s base acreage.		Trigger	Low National Market Prices.		Average Crop Revenue Election (ACRE)	Advances	Not available		Payment Formula		Uses planted and considered planted (P&CP) acreages of commodity crops and peanuts.	Triggers		Revenue must be below the historical state average and the farm average.	Loan Rates		100 percent of the Market Assistance Loan rates.	70 percent of the Market Assistance Loan rates.
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Average Crop Revenue Election (ACRE) Program Fact Sheet and Backgrounder (Continued)

*--A Average Crop Revenue Election (ACRE) Program Fact Sheet – 2013 (Continued)

FACT SHEET		January 2013	
ACRE - 2013			
<p>Table b: 2013 ACRE Payment Calculations and ACRE Payment Calculation</p> <p>Triggers: The State and the farm trigger must be met to receive an ACRE payment for the planted or considered planted commodity crop or peanuts.</p>			
<p>ACRE State Trigger:</p> <p>State ACRE Guarantee must exceed the Actual State Revenue</p>	<div style="border: 1px solid black; padding: 5px; background-color: #f96; margin-bottom: 5px;">State ACRE Guarantee <small>(cannot change by more than 10 percent from the previous year's guarantee)</small></div> <p>90 percent multiplied by</p> <p>Benchmark State Yield (5 year "Olympic" average)</p> <p>multiplied by</p> <p>ACRE Guarantee Price (Previous 2-yr National Average Market Price)</p>	<p style="font-size: 2em;">></p>	<div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; margin-bottom: 5px;">Actual State Revenue</div> <p>Actual State Yield</p> <p>Multiplied by the ACRE Price: (higher of the National Average Market Price Or 70 percent of the National Loan Rate)</p>
<p>ACRE Farm Trigger:</p> <p>Farm ACRE Guarantee must exceed the Actual Farm Revenue</p>	<div style="border: 1px solid black; padding: 5px; background-color: #008000; color: white; margin-bottom: 5px;">Farm ACRE Guarantee</div> <p>Benchmark Farm Yield (5 year "Olympic" average)</p> <p>Multiplied by</p> <p>ACRE Guarantee Price plus Crop Insurance Premium per acre paid by producer</p>	<p style="font-size: 2em;">></p>	<div style="border: 1px solid black; padding: 5px; background-color: #ff9900; margin-bottom: 5px;">Actual Farm Revenue</div> <p>Actual Farm Yield</p> <p>multiplied by the ACRE Price: (higher of the National Average Market Price Or 70 percent of the National Loan Rate)</p>
<p>ACRE Payment Calculation: If both triggers are met for a planted or considered planted commodity crop, then an ACRE payment may be calculated for the eligible crop.</p> <p>ACRE Payment = P&CP acres multiplied by 85 percent multiplied by</p>			
<p>Multiplied by</p> <p style="color: blue;">lesser of:</p>	<div style="border: 1px solid black; padding: 2px; background-color: #f96; margin-bottom: 5px;">State ACRE Guarantee</div> <p>Minus</p> <div style="border: 1px solid black; padding: 2px; background-color: #0056b3; color: white; margin-bottom: 5px;">Actual State Revenue</div> <p>Multiplied by</p> <p>25 percent</p>	<p style="color: green;">Benchmark Farm Yield Benchmark State Yield (Farm Productivity Index Factor)</p>	

Average Crop Revenue Election (ACRE) Program Fact Sheet and Backgrounder (Continued)

*--A Average Crop Revenue Election (ACRE) Program Fact Sheet – 2013 (Continued)

FACT SHEET						
ACRE - 2013						
						January 2013
Projected Payment Calculations: Use the following tables to calculate projected ACRE program and DCP payments.						
Table 1: ACRE and DCP Rates	1.	2010 - 2013 ACRE		DCP 2010 – 2013		
	2011 National Avg. Market Price (NAMP)	2. Direct Rate	3. National Loan Rate	4. Direct Rate	5. National Loan Rate	6. CC Threshold: Payment will be issued if the NAMP is less than...
Wheat (bu)	7.24	0.416	2.06	0.52	2.94	3.65
Barley (bu)	4.91	0.192	1.37	0.24	1.95	2.39
Oats (bu)	3.49	0.0192	0.97	0.024	1.39	1.766
Corn (bu)	6.22	0.224	1.37	0.28	1.95	2.35
Grain Sorghum (bu)	5.99	0.28	1.37	0.35	1.95	2.28
Upland Cotton (lb)	0.883	0.05336	0.3640	0.0667	0.52	.6458
Med/Short Grain Rice (cwt)	16.50 (P)	1.88	4.55	2.35	6.50	8.15
Long Grain Rice (cwt)	13.40 (P)	1.88	4.55	2.35	6.50	8.15
Soybeans (bu)	12.50	0.352	3.50	0.44	5.00	5.56
Canola (cwt)	24.00	0.64	7.06	0.80	10.09	11.88
Crambe (cwt)	37.80	0.64	7.06	0.80	10.09	11.88
Mustard Seed (cwt)	33.60	0.64	7.06	0.80	10.09	11.88
Rapeseed (cwt)	27.00	0.64	7.06	0.80	10.09	11.88
Safflower (cwt)	24.40	0.64	7.06	0.80	10.09	11.88
Sesame Seed (cwt)	35.00	0.64	7.06	0.80	10.09	11.88
Sunflower Seed (cwt)	29.10	0.64	7.06	0.80	10.09	11.88
Flaxseed (bu)	13.90	0.3584	3.9536	0.4480	5.6504	6.6528
Peanuts (ton)	636.00	28.80	248.50	36.00	355.00	459.00
Dry Peas (cwt)	15.30		3.78		5.40	8.32
Lentils (cwt)	25.00		7.90		11.28	12.81
Sm. Chickpeas (cwt)	21.50		5.20		7.43	10.36
Lg. Chickpeas (cwt)	42.10		7.90		11.28	12.81

(P) = Preliminary

Table 2: Hypothetical 2013 State ACRE Guarantee	Ex. Wheat	For Each Planted or Prevented Planted Crop:			
1. Estimated 2013 Benchmark State Yield (Your estimate of the Olympic average of state yields from 2008—2012) *	88 bu/acre				
2. Estimated 2013 ACRE Guarantee Price (Average of 2011 NAMP in Table 1, Item 1 and your projected 2012 NAMP.)	\$ 6.14 per bu				
3. 2013 Calculated Estimated State ACRE Program Guarantee (90 percent x Item 1 x Item 2)	\$486.29				
4. 2012 State ACRE Program Guarantee*	\$439.29				
5. Is Item 3 greater than Item 4? (Yes, No)	If Yes, Go to Item 6 If No, Go to Item 8 Yes				
6. Maximum Estimated State ACRE Program Guarantee (Item 4 times 110 percent)	\$483.22				
7. Hypothetical 2013 State ACRE Program Guarantee (lower of Item 3 and Item 6). <i>Do not continue.</i>	\$483.22				
8. Minimum Estimated State ACRE Program Guarantee (Item 4 times 90 percent)					
9. Hypothetical 2013 State ACRE Program Guarantee (higher of Item 3 and Item 8)					

*Resource Information available at www.fsa.usda.gov/FSA/webapp?area=home&subject=dccp&topic=landing

Average Crop Revenue Election (ACRE) Program Fact Sheet and Backgrounder (Continued)

*--A Average Crop Revenue Election (ACRE) Program Fact Sheet – 2013 (Continued)

FACT SHEET							
ACRE - 2013			January 2013				
Table 3: Hypothetical 2013 ACRE Triggers and Payment Calculation			Ex. Wheat	Enter each crop that is planted or prevented planted:			
State Trigger	ACRE Program Guarantee	1. Estimated Benchmark State Yield (Item 1 from Table 2)	88				
		2. Estimated ACRE Guarantee Price (Item 2 from Table 2)	\$6.14				
		3. Hypothetical State ACRE Program Guarantee (Item 7 or 9 of Table 2)	\$483.22				
	Actual State Revenue	4. Estimated 2013 Actual State Yield	84				
		5. Estimated 2013 National Average Market Price	\$5.50				
		6. ACRE National Loan Rate (Table 1, Item 3)	\$2.06				
		7. ACRE Price (Higher of Item 5 or Item 6)	\$5.50				
		8. Hypothetical Actual State Revenue (Item 4 times Item 7)	\$462.00				
	9. Item 3 greater than Item 8?	If Yes, State trigger has been met. If No, the trigger is not met.		Yes			
Farm Trigger	Farm ACRE Guarantee	10. Benchmark Farm Yield (Your estimate if not determined)	91				
		11. Crop Insurance Premium (per acre paid by producer for the crop)	\$10				
		12. Hypothetical Farm ACRE Guarantee (Item 10 x Item 2) plus Item 11)	\$568.74				
	Actual Farm Revenue	13. Estimated 2013 Actual Farm Yield	83				
		14. Hypothetical Actual Farm Revenue (Item 13 times Item 7)	\$458.50				
15. Item 12 greater than Item 14?	If Yes, Farm trigger has been met. If No, the trigger is not met.		Yes				
ACRE Payment	16. Item 9 and Item 15 are both "Yes"?	If both are "Yes", then the crop is eligible for ACRE payments. Continue to Item 17. If not, the crop is not eligible for ACRE payments. Do not continue.		Yes			
	17. Share of the crop's planted or prevented planted acreage on the farm			100 Pct			
	18. Maximum Acres (Total base acreage on the farm)			125			
	19. Planted and Prev. Planted Acreage of the crop			140			
	20. Payment Acreage (Item 19 times 85 percent). Total Payment Acreage for the farm cannot exceed Item 18			119.0			
	21. Farm Productivity Index Factor (Item 10 divided by Item 1)			1.0341			
	Payment Rate	22. APG minus ASR (Item 3 minus Item 8)			\$21.22		
		23. 25% of APG (Item 3 times 25 percent)			\$120.81		
		24. Payment Rate (Lesser of Item 22 or Item 23)			\$21.22		
	25. Projected Estimated ACRE Payment (Item 17 times Item 20 times Item 21 times Item 24)			\$2,611			

Average Crop Revenue Election (ACRE) Program Fact Sheet and Backgrounder (Continued)

*--A Average Crop Revenue Election (ACRE) Program Fact Sheet – 2013 (Continued)

FACT SHEET			
ACRE - 2013		January 2013	
Table 4: Projected Payment Comparison		Example:	
Note: Direct and CC Payments are reduced if fruits, vegetables or wild rice are planted on base acreage.		Wheat	
Basic Information	1. Base Acreage for the crop	125	
	2. Direct and Counter-Cyclical Payment Share	100 pct	
	3. Direct Payment Yield	86	
	4. Direct Payment Rate (Table 1, Item 4)	0.52	
	5. Counter-cyclical (CC) Payment Yield	88	
	6. Counter-cyclical Payment Rate (Zero, if negative) _____ minus (higher of _____ or _____) Table 1, Item 6 (CC Threshold) Table 1, Item 5 (DCP Loan Rate) Table 3, Item 5	(3.39 minus 4.60 = neg.) (Zero)	
DCP Payments	Direct 7. Calculation: Item 1 x Item 2 x Item 3 x Item 4 x 0.85	\$ 4,752	
	Counter-Cyclical 8. If Item 6 is zero, enter zero. If Item 6 is greater than zero, calculate the CC payment as follows: Item 1 x Item 2 x Item 5 x Item 6 x 0.85	0	
	9. Total DCP Payments	\$ 4,752	
ACRE Program Payments	Direct 10. Calculation: Item 7 times 80%	\$ 3,802	
	ACRE 11. See Table 3, Item 25	\$ 2,611	
	12. Total ACRE Program Payments	\$ 6,413	

Table 5:		2013 Signup: On or Before June 3, 2013	
2013 Timetable		ACRE Program ACRE Payments issued if eligible.	DCP Program Counter-Cyclical Payments (CC) issued if authorized
Year	Month or Date		
2012-2013	Varies by county and crop	File 2013 Acreage Report	File 2013 Acreage Report
2013	June 3	Final date to elect and enroll in 2013 ACRE Program.	Final date to enroll in 2013 DCP Program.
	July 15	File 2012 Production Reports and Establish Benchmark Farm Yields.	
	August 1	Final date to request reconstitution of the farm.	Final date to request reconstitution of the farm.
	September 30	Final date to designate payment acreage, if necessary.	
	October	Begin issuing Final Direct Payments	Begin issuing Final Direct Payments
2014	July 15	File 2013 Production Reports and Establish Benchmark Farm Yields.	
2014	October	ACRE payments for all crops (including soybeans) except rice, other oilseeds, and chickpeas.	CC payments for all crops (including soybeans) except rice, other oilseeds, and chickpeas.
	December	ACRE payments for other oilseeds and chickpeas.	CC payments for other oilseeds and chickpeas.
2015	February	ACRE payments for rice.	CC payments for rice.

Page 6

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Average Crop Revenue Election (ACRE) Program Fact Sheet and Backgrounder (Continued)

***--A Average Crop Revenue Election (ACRE) Program Fact Sheet – 2013 (Continued)**

FACT SHEET		
ACRE - 2013		January 2013
<hr/>		
Information or Estimations Needed to Project 2013 ACRE Payments		
A. Projected National Average Market Price: 1) 2011 _____; 2) 2012 _____; 3) 2013 _____		
B. Benchmark Farm Yield: 1) Benchmark Farm Yield _____ OR Farm's Est. Avg 2008 - 2012 _____		
C. Benchmark State Yield: 1) Benchmark State Yield _____ OR State's Est. Avg 2008 - 2012 _____		
D. Estimated Actual 2013 Yields: 1) State _____; 2) Farm _____		
<hr/>		
Frequently Asked Questions		
Q1: In previous years, an owner was required to agree to the ACRE election. Is this still required for 2013?	increases the Farm Acre Guarantee and, thus the probability of meeting the "Farm Trigger." tee and, thus the probability of meeting the "Farm Trigger."	Q9: If a producer designates payment for a crop, but the crop does not "trigger" payments, are the designated payment acres transferred to another crop?
No. Since the decision to participate in ACRE is for 2013 only, the owner does not need to agree. All other signature requirements must be met by June 3, 2013.	Q6: If both state and farm "triggers" are met, will the ACRE payment calculation provide benefits for prevented planted acres of covered commodity crops or peanuts?	No. In the event a crop does not trigger the designated payment acres become "unpaid."
Q2: Does a producer have to enroll all farms in ACRE?	Yes. Prevented planted acres are "considered planted."	<i>The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).</i>
No. Election and enrollment for the ACRE Program is on a farm by farm basis.	Q7: Can ACRE payments be calculated for eligible commodity crops that do not have base acres on the farm?	<i>To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay).</i>
Q3: Can a farm enroll some base acres and not others?	Yes. ACRE payments are based on planted and considered planted acres of eligible commodity crops, without regard to whether the farm has base acres for that crop. However, the maximum acreage eligible for ACRE payments cannot exceed the total base acres on the farm.	<i>USDA is an equal opportunity provider and employer.</i>
No, the enrollment is for the farm and all of the base acres.	Q8: If the National Average Market Price for a covered commodity crop or peanuts is higher than average, will this result in no ACRE payments?	
Q4: Can base acres be established to participate in the ACRE Program?	Not necessarily. Since the ACRE "triggers" are based on revenue (yield and prices) reductions, a significant yield loss for the State could result in ACRE payments.	
No. There is no authority to establish base acres to participate in the ACRE Program.		
Q5: Is crop insurance or NAP required to receive ACRE payments?		
No. There are no risk management purchase requirements for the DCP or the ACRE Programs. However, higher levels of insurance due to higher premiums		
Page 7		

Direct and Counter-Cyclical Payment Program (DCP) Fact Sheet

The following is an example of the Direct and Counter-Cyclical Payment (DCP) Program Fact Sheet - 2013.



FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

January 2013

Direct and Counter-Cyclical Payment Program (DCP) - 2013

Overview

The American Taxpayer Relief Act of 2012, enacted on Jan. 2, 2013, amends the Food, Conservation, and Energy Act of 2008 and provides for a one-year extension of the Direct and Counter-Cyclical (DCP) program. To be eligible for direct and counter-cyclical payments, producers must enroll their farms in DCP on or before Aug. 2, 2013.

There are two types of DCP payments: direct payments and counter-cyclical payments. Both are calculated using the base acres and payment yields established for the farm. DCP is administered by the U.S. Department of Agriculture's Farm Service Agency (FSA). Regulations covering the provisions for DCP appear at 7 CFR Part 1412.

Eligibility Requirements

To be eligible for DCP, owners, operators, landlords, tenants or sharecroppers must:

- Share in the risk of producing a crop on base acres on a farm enrolled in DCP, and be entitled to share in the crop available for marketing from the base acres or would have shared had a crop been produced;
- Annually report the use of the farm's cropland acreage;
- Comply with highly erodible land conservation and wetland conservation requirements on all of their land;
- Comply with average adjusted gross income limitation provisions;

- Meet requirements to be considered actively engaged in farming;
- Comply with planting flexibility requirements;
- Use the base acres for agricultural or related activities and;
- Protect all base acres from erosion, including providing sufficient cover as determined necessary by the county FSA committee, and controlling weeds.

Eligible Commodities

Base acres and payment yields are established for the following commodities:

- Wheat;
- Corn;
- Grain sorghum, including dual purpose varieties that can be harvested as grain;
- Barley;
- Oats;
- Upland cotton;
- Long grain rice and medium grain rice (which includes short grain rice), excluding wild rice;
- Soybeans;
- Canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sesame seed and sunflower seed, including oil and non-oil varieties, or any oilseed designated by the USDA secretary;
- Peanuts and ;
- Dry peas, lentils, small chickpeas (Garbanzo bean, Desi), and large chickpeas (Garbanzo bean, Kabuli).

Farms with 10 or less base acres are not eligible for DCP payments, except for farms whose owners are

socially disadvantaged or limited resource farmers or ranchers.

DCP Election and Enrollment — 2013

The sign-up period to enroll begins on Feb. 19, 2013 and ends on Aug. 2, 2013.

All producers may choose to enroll in either DCP or Average Crop Revenue Election (ACRE) for the 2013 crop year. This means that producers who enrolled in ACRE for 2012 may elect to enroll in DCP in 2013, or vice versa.

Maximum Payment Amounts

Direct payments are limited to \$40,000 per person or entity and counter-cyclical payments are limited to \$65,000 per person or entity. The limitation is applied by attributing both the amounts received directly by entities and persons, and indirect amounts received through entities.

Adjusted Gross Income (AGI)

Persons or legal entities whose average non-farm AGI exceeds \$500,000 are not eligible for direct or counter-cyclical payments.

Persons or legal entities whose average farm AGI exceeds \$750,000 are not eligible for direct payments.

Persons or legal entities whose average total AGI exceeds \$1,000,000 are not eligible for direct payments.

Direct Payments

Direct payment rates for the eligible DCP commodities are as follows:

Page 1

Direct and Counter-Cyclical Payment Program (DCP) Fact Sheet (Continued)

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FACT SHEET		January 2013																																
Direct and Counter-Cyclical Payments																																		
<ul style="list-style-type: none"> • Wheat: \$0.52 per bushel; • Corn: \$0.28 per bushel; • Grain sorghum: \$0.35 per bushel; • Barley: \$0.24 per bushel; • Oats: \$0.024 per bushel; • Upland cotton: \$0.0667 per pound; • Rice, long grain: \$2.35 per hundredweight; • Rice, medium/short grain: \$2.35 per hundredweight; • Soybeans: \$0.44 per bushel; • Other oilseeds: \$0.80 per hundredweight; • Peanuts: \$36 per ton. <p>For each commodity, the total direct payment for producers on a farm is determined by multiplying 85 percent of the farm's base acreage multiplied by the farm's direct payment yield multiplied by the direct payment rate.</p> <p>Advance direct payments are not authorized and will not be issued.</p> <p>The following is an example for corn:</p> <p>Corn base acres:</p> <p>100 acres x 85 percent = 85 payment acres x 110 bushels direct payment yield x \$0.28 per bushel direct payment rate = \$2,618 direct payment</p> <p>Direct payments are not based on producers' current plantings of covered commodities or peanuts, but instead are calculated using the base acres and payment yields established for covered commodities and peanuts on the farm.</p> <p>Counter-cyclical Payments</p> <p>In addition to direct payments,</p> <p>Page 2</p>	<p>counter-cyclical payments are authorized, which provide income support as part of a "safety net" in the event of low crop prices. Counter-cyclical payments for a commodity are only issued if the effective price for a commodity is below the target price for the commodity. Target prices for each commodity are as follows:</p> <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Crop</th> <th style="text-align: center;">2013 Target Price</th> </tr> </thead> <tbody> <tr> <td>Barley</td> <td>\$2.63/bu</td> </tr> <tr> <td>Chickpeas, large (Garbanzo bean, Kabuli)</td> <td>\$12.81/cwt</td> </tr> <tr> <td>Chickpeas, small (Garbanzo bean, Desi)</td> <td>\$10.36/cwt</td> </tr> <tr> <td>Corn</td> <td>\$2.63/bu</td> </tr> <tr> <td>Dry Peas</td> <td>\$8.32/cwt</td> </tr> <tr> <td>Grain Sorghum</td> <td>\$2.63/bu</td> </tr> <tr> <td>Lentils</td> <td>\$12.81/cwt</td> </tr> <tr> <td>Oats</td> <td>\$1.79/bu</td> </tr> <tr> <td>Other Oilseeds</td> <td>\$12.68/cwt</td> </tr> <tr> <td>Peanuts</td> <td>\$495/ton</td> </tr> <tr> <td>Rice, long grain</td> <td>\$10.50/cwt</td> </tr> <tr> <td>Rice, medium/short grain</td> <td>\$10.50/cwt</td> </tr> <tr> <td>Soybeans</td> <td>\$6.00/bu</td> </tr> <tr> <td>Upland Cotton</td> <td>\$0.7125/lb</td> </tr> <tr> <td>Wheat</td> <td>\$4.17/bu</td> </tr> </tbody> </table> <p>The counter-cyclical payment rate is the amount by which the target price of each commodity exceeds its effective price. The effective price for each commodity equals the direct payment rate plus the higher of:</p> <ul style="list-style-type: none"> • The national average market price received by producers during the marketing year as determined by the USDA Secretary (see Example A) or; • The national loan rate for the commodity (see Example B). 	Crop	2013 Target Price	Barley	\$2.63/bu	Chickpeas, large (Garbanzo bean, Kabuli)	\$12.81/cwt	Chickpeas, small (Garbanzo bean, Desi)	\$10.36/cwt	Corn	\$2.63/bu	Dry Peas	\$8.32/cwt	Grain Sorghum	\$2.63/bu	Lentils	\$12.81/cwt	Oats	\$1.79/bu	Other Oilseeds	\$12.68/cwt	Peanuts	\$495/ton	Rice, long grain	\$10.50/cwt	Rice, medium/short grain	\$10.50/cwt	Soybeans	\$6.00/bu	Upland Cotton	\$0.7125/lb	Wheat	\$4.17/bu	<p>Example A:</p> <p>If the 2013 national average market price for soybeans is \$11.21 per bushel:</p> <p>\$0.44 direct payment rate + \$11.21 average market price* = \$11.65 effective price</p> <p>(*Average market price is used since it is higher than the 2013 national loan rate of \$5.00/bu)</p> <p>\$6.00 target price -\$11.65 effective price = \$0.00 counter-cyclical payment rate because the effective price is above the target price</p> <p>Example B:</p> <p>If the 2013 national average market price for corn is \$1.90 per bushel:</p> <p>\$0.28 direct payment rate +\$1.95 national loan rate* = \$2.23 effective price</p> <p>(*National loan rate of \$1.95/bu is used since it is higher than the average market price)</p> <p>\$2.63 target price \$2.23 effective price = \$0.40 counter-cyclical payment rate</p> <p>For each commodity, the total counter-cyclical payment for producers on a farm is determined by multiplying 85 percent of the farm's commodity base acres multiplied by the farm's commodity counter-cyclical payment yield multiplied by the counter-cyclical payment rate.</p>
Crop	2013 Target Price																																	
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Direct and Counter-Cyclical Payment Program (DCP) Fact Sheet (Continued)

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FACT SHEET						
Direct and Counter-Cyclical Payments						January 2013
2013 Scheduled Timetable for DCP Payments						
Month/Year	Commodity					
	Barley Oats Wheat	Dry Peas Lentils	Peanuts Rice Upland Cotton	Corn Sorghum Soybeans	"Other" Oilseeds	Large Chickpeas Small Chickpeas
Marketing Year	June 1 - May 31	July 1 - June 30	August 1 - July 31	Sept. 1 - August 31	Varies by crop	Sept. 1 - August 31
Beginning October 2013	Final Direct		Final Direct	Final Direct	Final Direct	
Beginning October 2014	Final CC	Final CC	Final CC for Peanuts & Upland Cotton	Final CC		
Beginning December 2014					Final CC	Final CC
Beginning February 2015			Final CC for Rice			

1/ By statute, counter-cyclical (CC) payments for crop year 2013 can be made no earlier than October 1, 2013.

An example for 2013 soybeans (using the counter-cyclical payment rate of \$0.26) is:

100 base acres of soybeans
85 payment acres
x 30 bushels per acre counter-cyclical payment yield
x \$0.26 per bushel counter-cyclical payment rate
= \$663 counter-cyclical payment

Timing of Payments

For 2013, no advance direct or partial CC payments are authorized.

Producers will receive the entire 2013 direct payment in Oct. 2013.

Final counter-cyclical payments are made beginning October 2014, or as soon as practicable thereafter, after the end of the marketing year for the crop.

Planting Flexibility Provisions

Producers who participate in DCP may plant cropland in excess of the total base acreage on the farm

to any commodity. However, producers are subject to certain restrictions on the planting of wild rice, fruits and vegetables (other than mung beans and pulse crops). Information on wild rice, fruits and vegetable restrictions is contained in the FSA fact sheet "Direct and Counter-cyclical Payment Program: Wild Rice, Fruit, and Vegetable Provisions." A 2013 fact sheet is available on FSA's website at www.fsa.usda.gov; click on "find FSA fact sheets, or follow this link: http://www.fsa.usda.gov/FSA/newsReleases?area=newsroom&subject=landing&topic=pfs&newstype=prfactsheet&type=detail&item=pf_20130123_insup_en_acredcp.html

For More Information

Further information on DCP is available at local FSA offices or on FSA's DCP website at: <http://www.fsa.usda.gov/dcp>.

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