



“SCOOP”

ARKANSAS FARM SERVICE AGENCY - - STATE OFFICE

December 2011

2010 SUPPLEMENTAL REVENUE ASSISTANCE PAYMENTS (SURE) PROGRAM SIGN-UP HAS BEGUN

Producers who suffered crop losses for 2010 may apply for disaster assistance at FSA County Offices through the Supplemental Revenue Assistance Payments (SURE) Program. The signup began November 14, 2011 and will end on June 1, 2012. The SURE program will help provide financial assistance to producers who have suffered crop losses due to a natural disaster.

2012 WHEAT AND OATS PREVENTED PLANTED PROVISIONS

Producers should report prevented planted acreage to their local FSA Office when the crop acreage is not planted due to disaster-related conditions.

- To be considered timely filed, prevented planted acres should be reported no later than 15 calendar days after the final planting date established by Federal Crop Insurance.
- Final planting date for wheat and oats is **November 30, 2011**, so the final date to report prevented planted wheat and oats is **December 15, 2011**.
- To receive credit in accordance with applicable rules, and regulations, County Committee review and action are required.

2012 DCP and ACRE SCHEDULED TO BEGIN JANUARY 23, 2012

FSA national office has announced that 2012 Direct and Counter-Cyclical Program (DCP) and the Average Crop Revenue Election (ACRE) Program will begin:

- January 23, 2012.
- The signup ends June 1, 2012.
- Producers are reminded: that the 2008 Farm Bill contained a requirement stating that FSA cannot issue advance payments for year 2012.
- To sign up in the program electronically, producers must have an active USDA authentication Level 2 account.
- This requires completing an online registration form at www.eauth.egov.usda.gov followed by a visit to the local USDA Service Center for identity verification.

Producers are encouraged to mark their calendar and allow plenty of time for enrollment.

Direct and Counter-Cyclical Program (DCP)

General Provisions –

There are two types of **DCP** payments:

1. Direct payments and
2. Counter-cyclical payments.

Both are calculated using the base acres and payment yields established for the farm.

To be eligible for DCP payments, 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 conservation and wetland protection requirements on all of their land
- comply with planting flexibility requirements
- use the base acres for agricultural or related activities
- protect all base acres from erosion, including providing sufficient cover as determined necessary by the county FSA committee, and controlling weeds
- meet average adjusted gross income provisions
- meet actively engaged, cash-rent tenant, and foreign person rules.

Planting Flexibility –

Producers who participate in DCP may plant any commodity on base acres except:

- wild rice
- fruits, or
- vegetables.

The farm bill has some exceptions built in for planting of wild rice, fruits, and vegetables on base acres, these need to be discussed and verified by the county office before planting.

Even if in past years, one of the exceptions was met, producers should work with their local FSA to ensure all criteria are met.

Unfortunately, some producers have incurred large penalties because something changed in their operation, such as, but not limited to a reduction of cropland.

Average Crop Revenue Election (ACRE)

General Provisions - The optional ACRE Program is an alternative revenue-based safety net to the price-based safety net provided by counter-cyclical payments. ACRE is a two step enrollment process. Producers must first elect ACRE by signing form CCC-509 ACRE. Once the election deadline passes this election is irrevocable through the life of the farm bill. Secondly, producers must annually enroll the farm in ACRE by signing the form CCC-509. The ACRE Program provides producers an option to protect against declines in market revenue. The ACRE Program involves state and farm revenue changes from guarantee revenue levels that are based on national prices, state planted yields, and farm planted yields.

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

- have base acres on the farm
- share in the risk of producing a crop on base acres on a farm enrolled in ACRE
- annually report the use of the farm's cropland acreage and **submit production reports**

Average Crop Revenue Election (ACRE) continued:

- comply with conservation and wetland protection requirements on all of their land
- 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 control weeds
- meet average adjusted gross income provisions
- meet actively engaged, cash-rent tenant, and foreign person rules.

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 rates for all commodities produced on the farm is eligible for ACRE payments.

ACRE payments are tied to current plantings on the farm, as opposed to counter-cyclical payments, which are tied to the farm's base acres.

Planting Flexibility –

Producers who participate in ACRE may plant any commodity on base acres except:

- wild rice,
- fruits, or
- vegetables.

The farm bill has some exceptions built in for planting of wild rice, fruits, and vegetables on base acres, these need to be discussed and verified by the county office before planting.

Even if in past years, one of the exceptions was met, producers should work with their local FSA to ensure that all criteria are met.

Unfortunately, some producers have incurred large penalties because something changed in their operation such as, but not limited to a reduction of cropland.

ACRE Payment Triggers –

ACRE payments are issued when two conditions are met for a commodity.

- The first condition is met when the Actual State Revenue falls below the State ACRE Guarantee.
- The second condition is met when the Actual Farm Revenue falls below the Farm ACRE Guarantee.

***Crop insurance or NAP is not required for participation in ACRE.

ACRE payments will be made after the end of the marketing year for the respective commodity, but no sooner than October 1, as required by statute.

Advance ACRE payments are not authorized under the 2008 Farm Bill.

For crop year 2012, ACRE payments, if applicable, will be made as follows:

- October 2013 for wheat, oats, peanuts, upland cotton, corn, grain sorghum, soybeans
- February 2014 for long grain rice and medium/short grain rice.

FARM LEASES AFFECT DCP

Crop leases that provide for both:

- Guaranteed amount, such as fixed dollar amount or quantity
- Share of the crop or crop proceeds

will be considered cash leases and the landlord will not be eligible for DCP or ACRE Program payments for the leased acreage.

Producers are also reminded that the terms of all leases, whether they only contain a fixed dollar value or only a share of the crop, will directly impact the DCP program payments.

For example: When base acres are leased on a share basis, neither the landlord nor the tenant will be eligible to receive 100 percent of the contract payment.

DEMAND LETTERS MAY BE COMING YOUR WAY

Producers who have failed to successfully show compliance with the *2009 and 2010* Adjusted Gross Income Provisions will soon receive demand letter(s) requesting all benefits to be repaid if the payments were subject to the adjusted gross income requirements.

Producers are encouraged to read the letter(s) carefully and follow the instructions provided.

Producers are also reminded that offset of future payments will occur for non-compliance of the 2009 and 2010 Adjusted Gross Income Provision.

LIVESTOCK INDEMNITY PROGRAM (LIP) SIGNUP PERIOD FOR 2011

For 2011 calendar year losses, livestock owners and contract growers who suffer a loss of livestock shall file a **notice of loss** the earlier of:

- **30 calendar days of when the loss of livestock is apparent to the participant**
- **October 31, 2011**

An **application for payment** is to be filed no later than 30 calendar days after the end of the calendar year in which the loss of livestock occurred.

Important: There are **no** late-filed provisions for LIP. FSA shall not refuse to accept a producer's request to file FSA-914.

- However, FSA-914 submitted by participants after the end of the applicable filing date shall be disapproved, because they did not file during the application period.
- The application period for LIP is a matter of general applicability to all participants.
- Therefore, disapproval of FSA-914 s filed after the end of the applicable application period is not appealable.

LIVESTOCK FEED PROGRAM SIGNUP FOR 2011

A general signup period and ending date are **not** applicable for the Livestock Feed Program (LFP). County Committees will only announce that producers may make application for LFP benefits in their respective county:

- after the State and County Office are notified by the National Office that the county has a qualifying drought based on the U.S. Drought Monitor severity rating
- the County Office receives notification from a Federal agency of a qualifying fire on rangeland managed by the Federal agency

LIVESTOCK FEED PROGRAM SIGNUP FOR 2011 continued:

- eligible livestock producers are prohibited from grazing their normal permitted livestock on the rangeland managed by the Federal agency because of a qualifying fire

Note: Producers can receive LFP payments for grazing losses because of drought or fire on rangeland that is managed by a Federal agency, but not both for the same loss.

For 2009, and subsequent year, calendar year losses, eligible livestock producers must submit a completed FSA-925 for payment, and required supporting documentation, no later than 30 calendar days after the end of the calendar year in which the grazing loss occurred.

Notes: The livestock producer must also provide a copy of their grower contract, if a contract grower, by no later than 30 calendar days after the end of the calendar year in which benefits are requested. There are **no** late filed provisions for LFP for 2009 and subsequent calendar years.

NAP Deadlines (Noninsured Crop Disaster Assistance Program)

2012 NAP APPLICATION CLOSING DATES	
CROP	CLOSING DATE
Honey	12/01/2011
Broccoli, Cabbage (Spring and Fall Plantings) Carrots, Greens (Spring and Fall Plantings), Onions, Pecans (Native & Improved) Potatoes (Spring and Fall Plantings)	01/01/2012

2012 NAP ACREAGE REPORTING DATES	
CROP	REPORTING DATE
Wheat or Oats, for grain	12/15/2011
Strawberries	12/15/2011
Fescue (Red), Fescue (Tall), Orchardgrass, Annual Rye, Mixed Forage (cool season grasses), FOR GRAZING	12/15/2011
Small Grains, (grass/small grain interseeded (SSG), and 2 or more interseeded small grains (MSG)) FOR GRAZING *Small grain forage is a stand of pure wheat, barley, oats, triticale, or rye intended for forage for animal consumption.	12/15/2011
Wheat, Barley, Oats and Rye (fall plantings) - FOR FORAGE OR GRAZING	12/15/2011
Honey	01/01/2012
Apples, Asparagus, Blueberries, Caneberries (blackberries and raspberries), Figs, Grapes (all varieties), Peaches, and Pears.	01/15/2012

OTHER PROGRAM DEADLINES

Final date to file prevented planting credit for wheat and oats	December 15, 2011
Final date to inform FSA of crop losses	Before Crop Disposition
2012 DCP & ACRE Enrollment Begins	January 23, 2012
Final Date to report wheat and oats planted acreage	May 15, 2012
Final date to file a 2012 ACRE Election Final date to have all signatures on an ACRE Election Final date to file a 2012 DCP and/or ACRE (yearly) enrollment Final date to have returned signatures for producers who have a share in a DCP and/or ACRE contract Final date to file a successor-in-interest DCP or ACRE contract if the change occurred by June 1, 2012	June 1, 2012
The date FSA uses to look at the structure of farming operations to calculate direct attributions	June 1, 2012
Final Date for Sign-up for 2010 Losses for the SURE Program	June 1, 2012
Final Date to Report 2012 Spring Seeded Crops	July 15, 2012
Last date to request a 2012 reconstitution on a DCP or ACRE farm	August 1, 2012
Final date to prioritize crop to receive ACRE Payments Final date to file a 2012 successor-in-interest DCP or ACRE contract if the change occurred after June 1, 2012 Final date to have returned signatures for producers who have a share in a DCP and/or ACRE contract that had a 2012 successor-in-interest contract filed after June 1, 2012	September 30, 2012

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