

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 11**

Approved by: Deputy Administrator, Farm Programs



**Amendment Transmittal**

**A Background**

1-DCP has been amended throughout to incorporate new references to a late-filed DCP and ACRE enrollment period. Effective with this amendment, for the 2010 and subsequent crop years:

- enrollments and withdrawals may be accepted if they occurred within the approved late-file period of June 2 through August 1 of the applicable contract year
- STC's have been delegated authority to act on enrollments submitted from August 2 through August 31 of a contract year
- 2010 cases that have been submitted to DAFP without action by DAFP, as of the date of this amendment, will be processed by FSA offices according to subparagraph 445.5 C
- FSA offices shall follow subparagraph 445.5 D for enrollment requests received after the end of the contract period.

**Note:** This policy has **no** impact on ACRE election.

**B Reasons for Amendment**

Paragraphs 14, 332, 333, 352, 357, 357, 394, 397, 398, 401, and 402 have been amended to clarify the new policy on late-filed DCP and ACRE enrollment.

Paragraph 332 has been amended to provide the new CCC-509 (10-06-10) version.

Paragraph 445.5 has been added to provide the new late-filed DCP and ACRE enrollment policy.

**Amendment Transmittal (Continued)**

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**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 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 contract 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

Signatures shall be accepted according to 1-CM.

## 14 Withdrawing CCC-509's

### A Withdrawing CCC-509 During the Enrollment Period

The DCP and ACRE Program enrollment period ends June 1 (August 14, 2009, for 2009) of the applicable year. Approved CCC-509's may be withdrawn by June 1 (August 14, 2009, for 2009) of the applicable year if all producers on CCC-509 request in writing to withdraw CCC-509 and the request to withdraw is filed by June 1 (August 14, 2009, for 2009) of the applicable year. Approved CCC-509's effective for the 2010 or subsequent crop years may be withdrawn by August 1 of the contract year.--\*

**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-file enrollment period.--\*

### B Example 1

#### Situation

Mike Jones signs CCC-509 on April 1, 2009, for the 2009 crop year. Mr. Jones:

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

On May 1, 2009, Mr. Jones:

- requests in writing to withdraw CCC-509
- refunds all direct payments he received.

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

#### Result

Mr. Jones is allowed to withdraw CCC-509.

**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 enrollment period for DCP for FY 2009 began December 23, 2008, and ends August 14, 2009. The 2009 ACRE Program enrollment begins April 27, 2009, and ends August 14, 2009.

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 October 1, 2012, 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 payments.

- signatures of the producer and CCC representative.

CCC-509 is available at <http://165.221.16.90/dam/ffasforms/currentforms.asp>.

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"> <li>• "04-16-09"</li> <li>• "11-14-08".</li> </ul>
2010	<ul style="list-style-type: none"> <li>• "10-01-09"</li> <li>• "04-27-10".</li> </ul>
2011 * * *	<ul style="list-style-type: none"> <li>• "04-27-10"</li> <li>• *--"10-06-10".--*</li> </ul>
*--2012	A revision is forthcoming to remove advance direct payment options.--*

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	<p>Enter the applicable program year.</p> <p><b>Note:</b> This will be prefilled if generated in DCP/ACRE software.</p>
2	<p>Enter the State code for the farm serial number in item 4.</p> <p><b>Note:</b> This will be prefilled if generated in DCP/ACRE software.</p>
3	<p>Enter the county code for the farm serial number in item 4.</p> <p><b>Note:</b> This will be prefilled if generated in DCP/ACRE software.</p>



## 332 Overview of CCC-509 (Continued)

## B CCC-509 Instructions (Continued)

Item	Instructions
4	Enter the applicable farm serial number. <b>Note:</b> 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. <b>Note:</b> This will be prefilled if generated in DCP/ACRE software.
5B	Enter the telephone number of the County Office identified in item 5A (optional). <b>Note:</b> This will be prefilled if generated in DCP/ACRE software.
6	Check (✓) the box adjacent to: <ul style="list-style-type: none"> <li>• “DCP” if the farm serial number in item 4 is participating in DCP</li> <li>• “ACRE” if the farm serial number in item 4 is participating in the ACRE Program.</li> </ul> <p>An entry <b>cannot</b> 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. Producer’s initials must be:</p> <ul style="list-style-type: none"> <li>• operator</li> <li>• any producer’s receiving a share of the direct ACRE payment</li> </ul>
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. <b>Note:</b> 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. <b>Note:</b> This will be prefilled if generated in DCP/ACRE software.
*--10A	Enter 83.3 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 83.3 percent. This percentage is used for calculating DCP direct payment acres for 2009 through 2011. <b>Note:</b> This will be prefilled if generated in DCP/ACRE software.
10B	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 payment acres for 2012 only and counter-cyclical payment acres for 2009 through 2012. <b>Note:</b> This will be prefilled if generated in DCP/ACRE software.--*
11A	Enter the direct payment yield for the crop in item 8. <b>Note:</b> This will be prefilled if generated in DCP/ACRE software.

## 332 Overview of CCC-509 (Continued)

## B CCC-509 Instructions (Continued)

Item	Instruction
11B	Enter the counter-cyclical yield for the crop in item 8.  <b>Notes:</b> This will be prefilled if generated in DCP/ACRE software.  This yield is <b>not</b> applicable for ACRE payments.
12A	Enter the name and address of the farm operator, owner, or other tenant for the farm identified in item 4.  <b>Note:</b> This will be prefilled if generated in DCP/ACRE software.
12B	Enter the telephone number for the producer in item 12A (optional).  <b>Note:</b> 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.  <b>Note:</b> 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.  <b>Note:</b> This percentage is not applicable to ACRE payments.
15A	The producer shall check (✓) any box to refuse:  <ul style="list-style-type: none"> <li>• all direct payments</li> <li>• all counter-cyclical payments</li> <li>• all ACRE payments.</li> </ul> <p>If no payments are refused, no entry is required.</p>
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.
16	If the producer in item 12A wishes to receive an advance direct payment for either DCP or ACRE, then the month and year shall be entered.
***	***
17A	The producer identified in 12A shall sign.
17B	If the individual signing in item 17A is signing in a representative capacity for the participant, a title/relationship shall be listed. If the individual in item 17A is the signatory, then no entry is required.
17C	Date the shareholder or person signing in a representative capacity signs CCC-509.
18A	The CCC representative or delegated representative shall sign indicating approval of CCC-509.
18B	Enter the date the CCC representative signs item 18A.
19	Enter any applicable remarks.

## 332 Overview of CCC-509 (Continued)

## C Example of CCC-509

The following is an example of CCC-509.

\*--

This form is available electronically.						(See Page 3 for Privacy Act Statement)									
<b>CCC-509</b> (10-06-10)						<b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation									
<b>DIRECT AND COUNTER-CYCLICAL PROGRAM (DCP)          CONTRACT AND AVERAGE CROP REVENUE          ELECTION (ACRE) CONTRACT</b>						1. Program Year: 2010									
						2. State Code 39		3. County Code 135		4. Farm Number 1525					
						5A. County FSA Office Name and Address (Including Zip Code) Preble County Farm Service Agency 1655 North Barron Street Eaton, OH 45320-1021									
						5B. County Office Telephone/Fax Number(s) (Including Area Code): 937-456-4211									
<p><b>THIS CONTRACT TO PARTICIPATE</b> 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. This contract must be executed by all producers, with a share greater than zero, by June 1 of the contract period. The terms and conditions of the DCP and ACRE contract are contained in the CCC-509 Appendix (04-24-09), entitled "Appendix to Form CCC-509, Direct and Counter-Cyclical Program (DCP) Contract and 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 DCP and ACRE and benefits under DCP and ACRE are subject to changes based upon change to applicable statute; and (5) certify to the accuracy of the information set out on this form.</p>															
6. This contract is for the following program (Check one and initial): <input checked="" type="checkbox"/> DCP <input type="checkbox"/> ACRE      Producer's Initials: <u>SP</u> If ACRE is checked, you must also complete the ACRE Election form (CCC-509ACRE) only if this is the first year for ACRE participation.															
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. Item 11B does not apply to ACRE. Items 13 and 14 do not apply to ACRE payments															
8. Commodity		9. Base Acres		10. Direct and Counter-Cyclical Payment Acres A. 83.3%    B. 85%		11. Payment Yield A. Direct    B. Counter-Cyclical		8. Commodity		9. Base Acres		10. Direct and Counter-Cyclical Payment Acres A. 83.3%    B. 85%		11. Payment Yield A. Direct    B. Counter-Cyclical	
Corn		38.0		31.7    32.3		85    127		Soybn		36.0		30.0    30.6		37    45	
12A. Owner or Producer's Name and Address (Including Zip Code)  Sara Producer 123 1st Street Eaton, OH 45320						13. Commodity		14. Payment Share		13. Commodity		14. Payment Share			
						Corn		50%		Soybn		50%			
12B. 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)									
16. Advance Payment Sections (for all commodities): Advance Direct Payments _____ (Month requested for receipt of Direct Payment.)															
17A. Producer's Signature (By)  <b>/s/ Sara Producer</b>						17B. Title/Relationship of the Individual Signing in the Representative Capacity				17C. Date (MM-DD-YYYY)  <b>02-01-2010</b>					
FOR FSA USE ONLY															
18A. Signature of CCC Representative <b>/s/ Dan CED</b>						18B. Date (MM-DD-YYYY) <b>03-01-2010</b>									
19. Remarks															

--\*

## 332 Overview of CCC-509 (Continued)

## C Example of CCC-509 (Continued)

\*--

CCC-509 (10-06-10)		Page 2 of 3	
1. Program Year 2010	2. State Code 39	3. County Code 135	4. Farm Number 1525
<b>CONTINUATION OF OWNER'S OR PRODUCER'S CROP INFORMATION (From Page 1)</b>			
12A. Owner or Producer's Name and Address (Including Zip Code)  Pam Owner 456 2nd St. Eaton, OH 45320  12B. Telephone No. (Include Area Code):	13. Commodity	14. Payment Share	13. Commodity
	Corn	50%	Soybn
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)	
16. Advance Payment Sections (for all commodities): Advance Direct Payments _____ (Month requested for receipt of Direct Payment).			
17A. Producer's Signature (By) <b>/s/ Pam Owner</b>		17B. Title/Relationship of the Individual Signing in the Representative Capacity	
17C. Date (MM-DD-YYYY)			
12A. Owner or Producer's Name and Address (Including Zip Code)      12B. Telephone No. (Include Area Code):	13. Commodity	14. Payment Share	13. Commodity
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)	
16. Advance Payment Sections (for all commodities): Advance Direct Payments _____ (Month requested for receipt of Direct Payment).			
17A. Producer's Signature (By)		17B. Title/Relationship of the Individual Signing in the Representative Capacity	
17C. Date (MM-DD-YYYY)			
12A. Owner or Producer's Name and Address (Including Zip Code)      12B. Telephone No. (Include Area Code):	13. Commodity	14. Payment Share	13. Commodity
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)	
16. Advance Payment Sections (for all commodities): Advance Direct Payments _____ (Month requested for receipt of Direct Payment.)			
17A. Producer's Signature (By)		17B. Title/Relationship of the Individual Signing in the Representative Capacity	
17C. Date (MM-DD-YYYY)			

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# 332 Overview of CCC-509 (Continued)

## C Example of CCC-509 (Continued)

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<p>CCC-509 (10-06-10)</p>	<p>Page 3 of 3</p>
<p><b>NOTE:</b> <i>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). The information will be used to 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.</i></p> <p><i>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).</i></p> <p><i>The provisions of criminal and civil fraud, privacy and other statutes may be applicable to the information provided.</i></p> <p><b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b></p>	
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--\*

**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 year 2010 and future years.--\***

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

Subject to the provisions of subparagraph B, the following reconstitutions are allowed, if the request for reconstitution 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 CCC-509ACRE cannot be combined with farms not having a valid CCC-509ACRE for the same effective year of election.

The validity of an election on CCC-509ACRE's is not impacted by reconstitution. Valid elections on CCC-509ACRE 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-file 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**

This table discusses enrollment and election eligibility options following reconstitutions.

<b>IF...</b>	<b>THEN by the end of enrollment for the contract period or 30 calendar days following issuance of the notification of the completion of the reconstitution...</b>
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><b>Notes:</b> 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>
a valid CCC-509ACRE exists for the parent farm	<p>CCC-509ACRE shall continue to apply to all farms resulting from the reconstitution. See subparagraph C.</p> <p><b>Note:</b> Valid elections on CCC-509ACRE are not impacted by reconstitutions.</p>
a reconstitution request is filed according to 2-CM by June 1 (August 1, 2009 for 2009)	<p>farms resulting from the reconstitution may:</p> <ul style="list-style-type: none"> <li>• 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 were filed on the date of filing of the reconstitution request</li> </ul> <p><b>*--Example:</b> 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 such 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><b>*--Note:</b> Late-file enrollment provisions of subparagraph 445.5 C do <b>not</b> apply to election.--*</p>



**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-file 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-926
- 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.

**357 Division of Payment Disputes (Continued)****E Payment When Disputes Are Settled**

Approval of CCC-509 should be handled in the normal manner for disputes resolved by the end of the enrollment period.

**Notes:** All interested parties who might be third parties according to 1-APP must receive a copy of determinations and be provided appeal rights.

\*--See subparagraph 445.5 C for 2010 and subsequent crop years.--\*

If the dispute is settled after September 30 of the applicable FY, CCC-509 may be approved and payments issued accordingly only if CCC-509 was filed before September 30 of the applicable FY with the correct payment shares for all producers sharing in the base acres.

**F Signature Requirements**

CCC-509 shall not be approved unless all producers sharing in the base acreage have signed the contract. If there is a dispute that is preventing 1 or more producers from signing, producers are responsible for ensuring that, as a condition of contract eligibility, CCC-509 with all necessary signatures of producers with shares entered is submitted to FSA no later than:

- June 1 (August 14, 2009, for 2009) of the applicable year to be considered timely enrolled
- \*--the late-file enrollment period ending on August 1 of the applicable 2010 and subsequent crop year--\*
- the end of the contract period to be considered at all.

**Note:** In no case will a contract not containing all required and necessary producer signatures be considered for any purpose or determination. COC shall render no determination or action on such a contract not having all necessary signatures and supportive and necessary contractual documents.

**358 Division of Payment Dispute Examples****A Examples**

The following are examples and should **not** be construed to be actual situations or rules. The examples are intended to illustrate potential disputes and remedies.

**B Basic Farm Data**

Unless otherwise annotated, assume the following is applicable for each of the examples in this paragraph.

**Farm Data**

200 acres of cropland  
100 base acres enrolled in DCP  
Participated in the prior FY

**C Example 1**

For FY 2009, a landowner cash leases the entire farm to Producer A. Producer A enrolls the farm in DCP claiming 100 percent of the FY 2009 payment. The landowner disputes Producer A's share and signs another CCC-509 for FY 2009 claiming 100 percent of the payment. The County Office generates CCC-509's for FY 2009, one with 100 percent shares to the landowner and another with 100 percent shares to Producer A.

Under DCP, the landowner who cash leases an entire farm cannot receive a share of the payment for any covered commodity. The landowner's dispute of payment shares is contrary to the lease agreement and regulations governing DCP. COC shall approve the FY 2009 CCC-509 for Producer A, and issue payments accordingly. The landowner's CCC-509 shall be disapproved, and the landowner shall be notified of their appeal rights according to 1-APP. Producer A shall be:

- copied with the adverse decision to landowner
- noticed on all appeals as a third party.

## 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.**

## 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.**

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.

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

**Note:** 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.

## 394 CCC-509 (Continued)

**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 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.

- COC shall **not** approve CCC-509 until after June 1.

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

**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.**

## 394 CCC-509 (Continued)

**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) 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.

\*--See subparagraph 445.5 C for late file 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.

**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) of the applicable year are not considered filed for any purpose.

**Notes:** See subparagraph 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) 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.

**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

CCC-509 participants may receive a 22 percent advance direct payment at anytime 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.

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

### 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), consider CCC-509 withdrawn.

**Note:** See subparagraph D for exception.

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

See subparagraph 394 G.

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.

**398 Succession-in-Interest (Continued)****D Signatures on New CCC-509**

Participants having an interest in CCC-509 impacted by a succession-in-interest, only if that specific participant's share changed, must sign a revised CCC-509 no later than either:

- June 1 of the applicable year, if the succession occurred before the end of the enrollment period

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

- the end of the contract period if the succession occurred after June 1 of the applicable year.

Before approving the revised CCC-509 for payment, COC's shall ensure that:

- all shares represented on CCC-509 have a valid signature on CCC-509
- payments have been refunded or debt collection activities have been initiated for the predecessor according to subparagraphs E and F.

Attach a copy of the original CCC-509 to the succession-in-interest CCC-509.

**Reminder:** The failure of participants to sign revised CCC-509's will result in a loss of payments to all producers (predecessors and successors) on the farm.

**E Payment Issued, Full Succession**

Participants who received payments on a farm and subsequently fail to meet the definition of a producer on the farm for the applicable contract year **shall refund** the payments. Debt collection activities shall be initiated immediately upon loss of interest by the predecessor.

**Note:** A refund is required, including cases where the predecessor was considered to be a producer at the time payments were issued. See subparagraph J.

**398 Succession-in-Interest (Continued)****F Payment Issued, Partial Succession**

Participants who received payments on a farm, and who subsequently agreed to a different or reduced payment share on a revised CCC-509, are responsible for refunding the amount of advance direct payments the participant cannot earn for the applicable contract year.

**Notes:** A refund is required, including cases where the predecessor was considered to be a producer at the time payments were issued. See the example in subparagraph K.

FSA generally does not demand the refund at the time of share revision. This shall in no way be construed to mean a refund of unearned advance payments will not be required.

**G Refunds From Predecessors**

Debt collection activities shall be initiated for predecessors according to subparagraph E or F, as applicable, **before** COC approves revised CCC-509 for succession.

**H Payments to Successors**

Successors may earn payments on a farm with respect to payment shares acquired from a predecessor. Debt collection activities shall be initiated for the predecessor according to subparagraph E or F **before** the contract can be approved for the successor.

**I Foreclosure Rule**

A participant who signs CCC-509 shall be required to make repayment if the farm was foreclosed on and the producer lost control of the farm.

Foreclosure does not void the contract nor the responsibilities of the participant under the contract if the producer continues or resumes operation or control of the farm.

Succession-in-interest rules shall apply to foreclosure.

**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 June 1

## 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) of the applicable year
- 394 A specifies that the final date for participants to provide all necessary signatures on CCC-509 is June 1 of the applicable FY to be eligible for payments for that FY.

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

2-DCP (Rev. 1) provides procedure for 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)
- \*--ensure that the **actual** date entered is **not** later than August 1.--\*

**401    Reviewing CCC-509's Modified After June 1 (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 June 1 (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) of the applicable year. Therefore, the All Farms with Enrollment Date Modifications After June 1 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). See paragraph 402 for additional information about valid situations  
\*--where the enrollment date should be updated to a date later than August 1--\*  
of the applicable year.

State Offices are required to review the All Farms with Enrollment Date Modifications After June 1 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 June 1****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 June 30 of the contract period, 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 June 1**

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 June 1:

- landowner signing CCC-509 to zero shares
- a copy of a cash lease agreement
- CCC-510
- **\*--late-file 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 June 1 (Continued)****B Situations That Warrant Producer Signature or Enrollment Dates To Be Later Than June 1 (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.--\*

**C County Office Action**

For situations described in subparagraph B, County Offices shall:

- **not** manipulate the system by entering a date **before** September 1 (June 1, 2010, for 2010 or August 15, 2009, for 2009) of the calendar year as the signature date for any--\* signature that was obtained after June 1 (August 14, 2009, for 2009) 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) 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.

**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 of the--\* contract year, in DCP/ACRE software.

**402 Updating Producer Signature and Enrollment Dates After June 1 (Continued)****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 that 2 users be granted State Office administrative access to web-based DCP. The State Office program specialist in charge of DCP shall select 2 State Office 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.

**Note:** The State Office program specialist in charge of DCP may be 1 of the 2 submitted names. DD's may **not** be 1 of the 2 submitted names.

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**

No more than 2 State Office users may be granted 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.

**404-424 (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 and Requesting Advance Payments**

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.

<b>Year of CCC-509</b>	<b>Signup Dates</b>
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

**Note:** See 1-CM, paragraph 2 if the enrollment deadline falls on a nonworkday.

Advance direct and counter-cyclical payments may be issued to producers who have an approved CCC-509, have filed all requisite forms, and who meet all other eligibility requirements. County Offices shall follow 2-DCP (Rev. 1) to determine when advance direct and counter-cyclical payments can be elected and issued.

**Note:** Requests to change advance payment options, including date to receive an advance payment, may be received by phone. Requests must be made by payee and the contact documented in CCC-509, item 19.

**\*--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.

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

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

- DAFP has authorized a late-file CCC-509 enrollment period through August 1 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 (see 1-DCP, paragraph 14), that satisfy all other program requirements and that are submitted to FSA by August 1 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 CCC-509's satisfying all other program requirements that are submitted from August 2 through August 31 of a contract year.
- STC's may consider and make appropriate recommendations of equitable relief, under the misinformation/misaction provisions only, for 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 on to the enrollee's detriment.

**D Timeline for DCP/ACRE Enrollment**

The following chart and legend provide the timeline for DCP/ACRE enrollment over the course of 1 FY year implementing the rule in subparagraph 445.5 C.

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

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

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**\*--445.5 Enrollment (Continued)****E 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. 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 will **not** do any of the following:

- 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.--\*

## 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	<b>not</b> 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"> <li>• eligible to receive a portion of a DCP or ACRE payment if all other requirements are met</li> <li>• <b>not</b> eligible to receive the entire DCP or ACRE payment for those acres.</li> </ul>

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