

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice LD-636**

**For:** State and County Offices

**Farm Bill Extension of DIPP**

**Approved by:** Deputy Administrator, Farm Programs



**1 DIPP Extension**

**A Background**

The authority provided by the Continuing Appropriations Act, 2014, to authorize DIPP expired on January 15, 2014.

On February 7, 2014, the President signed the Agricultural Act of 2014 (2014 Farm Bill). The 2014 Farm Bill authorizes the extension of DIPP through September 30, 2018.

**B Purpose**

This notice provides State and County Offices with general information about the continuation of DIPP through September 30, 2018.

**Note:** A forthcoming 3-LD amendment will incorporate the contents of this notice.

**C Contact**

For questions about this notice, contact Dani Cooke by either of the following:

- e-mail at **danielle.cooke@wdc.usda.gov**
- telephone at 202-720-1919.

**Disposal Date**

December 1, 2014

**Distribution**

State Offices; State Offices relay to County Offices

## 2 DIPP Claims

### A Sequestration

The Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011, requires a reduction, known as sequester, in many Federal payments newly obligated in 2014. As a result, new payments issued under DIPP after October 1, 2013, are to be reduced by 7.2 percent because of sequester-related reductions.

The DIPP spreadsheet calculators have been updated to apply the 7.2 Sequestration percentage to DIPP claims. The spreadsheet calculators can be accessed from the PSD web site at [www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=landing](http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=landing) under “Hot Links”, by clicking either of the following:

- “DIPP Calculator”
- “Net Payment Price Calculator”.

Effective immediately, County Offices shall use the updated versions of the DIPP spreadsheet calculators when computing DIPP claims until further notified.

### B Processing DIPP Claims

County Offices shall:

- continue to accept and approve DIPP claims, according to 3-LD, subparagraph 17 B
- submit a copy of the complete DIPP claim, including required documentation, through the State Office, to PSD National Office for review and approval **before** issuing a DIPP payment to an applicant, according to 3-LD, subparagraph 44 D.

If the DIPP claim is approved by the PSD National Office, the State Office will be notified by memorandum and appropriate funds for the approved payment amount will be allocated through the Electronic Funds Management System to the State Office.

### C Availability of Funds

Payment of DIPP claims is contingent upon the authority and availability of funds. Claims will be paid from available funds on a first-come, first-served basis, based on the date of approval of the DIPP claim, until available funds have been expended. Claims received after all available funds have been expended may not be paid, unless additional funds are appropriated.

**3 Action**

**A County Office Action**

County Offices shall:

- comply with the instructions provided in this notice
- see 3-LD for DIPP policy and procedures.

**B State Office Action**

State Offices shall:

- ensure that County Offices follow the instructions provided in this notice
- see 3-LD for DIPP policy and procedures
- contact the National Office as necessary according to subparagraph 1 C.