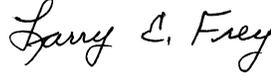


For: County Offices

Paragraphs 60 and 65, 5-DAP

Approved by:

Larry E. Frey, State Executive Director



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1 Overview

A Background

Paragraph 65, 5-DAP gives instructions to adjust yields downward if the historic yield cannot be produced in a normal year. On this date, we have received verbal instructions from the National Office that significantly change paragraph 65, 5DAP.

2 Action

A County Average Yield

As instructed by the National Office, if the county average yield is an average of all areas of the County, then there shall be no reduction according to the third bullet of paragraph 65, 5-DAP. NASS data is an average of all areas of the County. For many crops NASS data is used for the county average. Therefore, crops like wheat and barley that have a NASS county average shall not be reduced because an area of the County cannot normally produce the historic yield.

B Change in Practice – Paragraph 65, 5DAP

The COC may adjust the historic yield downward if the participant has adopted a practice that results in a yield lower than the practice used for the APH. However, if the practice change is from summer fallow to continuous cropping and the participant will receive a payment based on the county average yield, then do not adjust the yield downward. A downward adjustment is not authorized because the county average is already an average of summer fallow and continuous cropping.

Disposal Date
September 1, 2004

Distribution
STO, DDs, COF, COR

Oregon Notice DAP-11

2 Action, Continued

C Production Assignment Authorized Under Paragraph 60

All adjustments under paragraph 60 may be authorized. For instance, an adjustment may be authorized if a producer has management practices that result in losses that are attributed to an ineligible cause. In these cases, refer to paragraph 60 and ensure that the specific reasons for assigning production are thoroughly documented.