



United States
Department of
Agriculture

FARM SERVICE AGENCY

Montana State
Producer Handbook

July 2008

Fact Sheet

**Direct and Counter-cyclical Payment
Program Wild Rice, Fruit, and
Vegetable Provisions-
According to the 2008 Farm Bill**



Overview

The 2008 Farm Bill authorized the Direct and Counter-cyclical Program (DCP), which is administered by USDA's Farm Service Agency (FSA). DCP provides payments to eligible producers for the 2008 through 2012 crop years.

Producers who participate in DCP are subject to certain restrictions on the planting of wild rice, fruits, and vegetables (WR/FAV).

Applicable Crops

WR/FAV planting provisions apply to the following commodities:

- wild rice;
- fruits (including nuts); and
- vegetables, other than lentils, chickpeas (Desi and Kabuli Garbanzo beans), mung beans, and dry peas (Dry peas include Austrian, wrinkled seed, green, yellow, and umatilla. Peas grown for the fresh, canning, or frozen market are not dry peas.

WR/FAV Planting Provisions on DCP Base Acreage

Planting perennial WR/FAVs on DCP base acres is a violation of the regulations (and will result in reduced payment acres), even if the WR/FAVs are destroyed without benefit before harvest.

In general, planting non-perennial WR/FAVs on DCP base acres is not a violation (and will not result in

reduced payment acres) if the WR/FAVs are destroyed without benefit before harvest. The WR/FAV destruction must be verified by FSA through a farm visit paid for by the producer.

However, any WR/FAVs may be planted on DCP base acres and a DCP contract violation WILL NOT occur if any of the following three exceptions to the planting restriction rule apply:

1. Double-Cropping Regions --

WR/FAVs are planted in a double-cropping practice with a DCP eligible commodity. The following provisions apply to this exception:

- DCP payment acres are not reduced for such plantings.
- The farm must be in a county approved for double-cropping DCP eligible commodities with WR/FAVs. There are no WR/FAV double-cropping regions in Montana.

2. Farm History --

WR/FAVs are planted on a farm with an established history of planting WR/FAVs.

The following provisions that apply to this exception are farm-specific:

- Although no contract violation will result, the DCP payment acres will be reduced by an acre for each acre of base acreage planted to WR/FAVs.
- WR/FAV farm history is based on the farm's plantings for crop years 1991-1995 or 1998-2001.

3. Producer History --

A producer with an interest in planting a specific WR/FAV has an established history of planting that WR/FAV. The following provisions apply to this exception:

- Although no contract violation will result, the DCP payment acres will be reduced by an acre for each acre of base acreage planted to WR/FAVs.
- The planting must not exceed the producer's average annual planting history for the specific WR/FAV for either (but not both) the 1991-1995 or 1998-2001 crop years, as chosen by the producer.
- To calculate a producer's average annual planting history, all years in which the producer did not plant the specific WR/FAV, as applicable, are excluded.

Failure to Comply with WR/FAV Planting Restrictions

In general, if WR/FAVs are planted on DCP base acres and one of the above exceptions does not apply, the DCP contract has been violated and may be terminated.

If FSA determines the violation does not warrant contract termination, the farm's payment acres will be reduced by an acre for each acre of WR/FAV planted on base acres. FSA will also assess an additional payment reduction based on the market value of the WR/FAV. FSA state committees

establish the per acre market value of the WR/FAV planted. The reductions cannot exceed the total amount of DCP payments for the farm for that crop year.

WR/FAV Planting Provisions on DCP Non-Base Acreage

Planting WR/FAVs on acres that are not considered DCP base acres is not a DCP contract violation and will not result in payment reductions. This rule applies regardless of whether or not the farm or producer has a WR/FAV history.

WR/FAV Planting Provisions for Non-DCP Farms

If a farm is not enrolled in DCP, unlimited WR/FAVs can be planted and harvested and:

- the farm will not receive any DCP payments for the applicable year;
- the farm may be enrolled in DCP in succeeding years and be eligible for DCP benefits; and,
- production of loan commodities from the farm is eligible for marketing assistance loans and loan deficiency payments.

For More Information

For additional information on WR/FAV rules or other DCP program matters, please contact your local USDA Service Center, or visit FSA's Web site at:

<http://www.fsa.usda.gov/mt>

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