FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

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Direct and Counter-cyclical Payment Program Fruit, Vegetable, and Wild Rice Provisions

Overview

The Food, Conservation, and Energy Act of 2008 (2008 Act) re-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 fruits, vegetables and wild rice (FAV/WILD RICE).

Applicable Crops

FAV/WILD RICE planting provisions apply to the following commodities:

- fruits (including nuts);
- vegetables, other than mung beans and pulse crops; and
- wild rice.

FAV/WILD RICE Planting Provisions on DCP Base Acreage

In general, harvesting FAV/WILD RICE on DCP base acres is a violation of the DCP contract. Also, planting perennial FAV/WILD RICE on DCP base acres is a violation of the DCP contract even if the FAV/WILD RICE is destroyed without benefit before harvest.

FAV/WILD RICE 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:

Double-Cropping Exception

FAV/WILD RICE may be 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 region approved for double-cropping DCP eligible commodities with FAV/WILD RICE. These regions were established by FSA state committees and are published in the Federal Register (7 CFR 1412).

Farm History Exception

FAV/WILD RICE may be planted on a farm with an established history of planting FAV/WILD RICE. 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 FAV/WILD RICE.
- FAV/WILD RICE farm history is based on the farm's plantings for crop years 1991-1995 or 1998-2001.

Producer History Exception

A producer with an interest in planting a specific FAV/WILD RICE has an established history of planting that specific FAV/WILD RICE. 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 FAV/WILD RICE.
- The planting must not exceed the producer's average annual planting history for the specific FAV/WILD RICE for either (but not both) the 1991-1995 or 1998-2001 crop years, as chosen by the producer and determined by FSA.

Failure to Comply with FAV/WILD RICE Planting Restrictions

In general, if FAV/WILD RICE are planted on DCP base acres and one of the above three exceptions does not apply, the DCP contract

has been violated and may be terminated by FSA.

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 FAV/WILD RICE planted on base acres. FSA will also assess an additional payment reduction based on the market value of the FAV/WILD RICE. FSA state committees establish the per-acre market value of the FAV/WILD RICE planted. The reductions cannot exceed the total amount of DCP payments for the farm for that crop year.

FAV/WILD RICE Planting Provisions on DCP Non-Base Acreage

Planting FAV/WILD RICE 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 FAV/WILD RICE history.

FAV/WILD RICE Planting Provisions for Non-DCP Farms

- If a farm is eligible to participate in DCP but is not enrolled in DCP for a particular year, unlimited FAV/WILD RICE can be planted and harvested for that year:
- 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 FAV/WILD RICE rules or other DCP program matters, please contact your local USDA Service Center, or visit FSA's Web site at: www.fsa.usda.gov.

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