

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 7**

Approved by: Deputy Administrator, Farm Programs



**Amendment Transmittal**

**A Reasons for Amendment**

Paragraph 175 has been amended to incorporate the benchmark farm yield definition and incorporate the ACRE plug yield.

Subparagraph 177 B has been amended to correct crops and intended uses eligible for the ACRE Program.

Subparagraph 332 B has been amended to make the producer telephone number optional. It was never the intent of this instruction to manually add the telephone number if the telephone number could not be prefilled from computer records.

Subparagraph 395 A has been amended to clarify the requirement to complete SDA or limited resource farmer or producer provision on CCC-509.

Subparagraphs 396 A and 445 C have been amended to clarify when advance direct payments and partial counter-cyclical payments may be requested.

Subparagraph 402 C has been amended to update policy for entering signature and enrollment dates for 2009 year only.

Part 9 has been added to provide policy for collecting and keeping production data for the ACRE Program and PTPP.

Paragraphs 471, 475, 476, 477, 478, and 480 have been amended to remove references to ACRE payments.

**Amendment Transmittal (Continued)**

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**175 ACRE Overview (Continued)****E Features of ACRE**

Paragraph 207 details the ACRE payment computation.

ACRE payments must trigger on both a State and farm basis for a covered commodity. Factors impacting the payment trigger include the State and farm triggers. In summary, a:

- State trigger occurs for a covered commodity when the State ACRE guarantee exceeds the actual State revenue
- farm trigger occurs when the farm's ACRE guarantee exceeds actual farm revenue.

Participation in ACRE requires production reports for planted acres that must be submitted no later than the last crop reporting date for the covered commodities planted on the farm in the year following the contract year of enrollment in ACRE. The production reports impact eligibility for ACRE payments in the current year and future year's benchmark farm yield for covered commodities.

**F Benchmark Farm Yield for Covered Commodities and Peanuts**

A benchmark farm yield is required for each covered commodity and peanuts to determine farm ACRE guarantee.

The farm ACRE guarantee for the crop year for a covered commodity or peanuts is determined by multiplying the average yield per planted acre for the covered commodity or peanuts on the farm for the most recent 5 crop years, excluding each of the crop years with the highest and lowest yields (benchmark farm yield), by the ACRE guarantee price for the applicable crop year for the covered commodity or peanuts in a State plus per acre producer-paid crop insurance premium for the covered commodity or peanuts.

175 ACRE Overview (Continued)

**F Benchmark Farm Yield for Covered Commodities and Peanuts (Continued)**

\*--Benchmark farm yield, means, except as otherwise provided, for a covered commodity and peanuts, the Olympic average of the average actual yield per **planted** acre or ACRE plug yield for the farm for the 5 most recent crop years.

<b>IF the benchmark farm yield is being calculated for...</b>	<b>THEN the 5 most recent crop years are...</b>
2009	2004 through 2008.
2010	2005 through 2009.
2011	2006 through 2010.
2012	2007 through 2011.

**Notes:** A benchmark farm yield is **required** to be established the first year a farm elects and enrolls in the ACRE Program and is updated each year with the actual production on the farm from planted acres.

An ACRE crop followed by the same ACRE crop with a different intended use is not considered double-cropping. The initial intended use is considered the ACRE crop and is the crop and intended use for which a benchmark farm yield must be established.

For the purposes of this paragraph, the most recent 5 crop years for the 2009 crop year, are crop years are 2004, 2005, 2006, 2007, and 2008, even if the farm has no production or yield records for any of these years.

In the event a farm submits production reports according to subparagraph G to support actual yields in any of the initial yield years, continuity is required according to subparagraph H.--\*

## 175 ACRE Overview (Continued)

**F Benchmark Farm Yield for Covered Commodities and Peanuts (Continued)**

For each covered commodity and peanuts planted on a farm having a valid CCC-509ACRE, the yield of each of the 5 most recent years will be the higher of either of the following:

- ACRE plug yield (subparagraph G)
- actual farm yield per planted acre determined by dividing the total actual production on the farm by the farm's total planted acres provided the continuity rule of subparagraph G is met.\*

In subsequent years, the farm's actual yield will be used to compute the benchmark farm yield.

**Exception:** Farms that have zero planted acres (that is prevented planted or managerial decision) shall receive the plug yield.

**\*-G ACRE Plug Yield**

To establish an initial benchmark farm yield, a report of actual farm yield per planted acre is required for each covered commodity or peanuts planted for harvest (or grazing) on a farm in particular applicable year (see subparagraph 501 C) for the immediately preceding 5 crop years. Because producers may not have had control of the farm for the preceding 5 years, or the specific covered commodity or peanuts was not planted on the farm in 1 or more of the preceding 5 crop years, the ACRE plug yield was developed based on the average county yield established for each of the following:

- county
- covered commodities and peanuts
- irrigation status.

For the initial benchmark farm yield computation, the ACRE plug yield may be used as an alternative to actual farm yields per planted acre. In addition, the ACRE plug yield will assist producers by providing a starting point for production reporting.\*

175 ACRE Overview (Continued)

**\*--G ACRE Plug Yield (Continued)**

The ACRE plug yield was computed by compiling NASS data for each county and multiplying that figure by 95 percent. The ACRE plug yield can be found at [www.fsa.usda.gov/dcp](http://www.fsa.usda.gov/dcp), scroll down and CLICK “ACRE County Yields (ZIP; 2.14 MB; January 11, 2010)”. Producers may do either of the following:

- use the ACRE plug yield to establish the benchmark farm yield on FSA-658
- certify farm yields on FSA-658.

For each covered commodity and peanuts planted on a farm having a valid CCC-509ACRE, the initial first year benchmark farm yield of each of the 5 most recent years will be the higher of either of the following:

- 95 percent of the county-average NASS yield for the covered commodity or peanuts
- the actual farm yield per planted acre determined by dividing the total actual production on the farm by the farm’s total planted acres, provided the subparagraph H continuity rule is met.

The ACRE plug yield for the administrative county of the applicable farm shall be used.

In some situations, the ACRE plug yield will be blank for certain years for counties as shown in the following for 2006 grain sorghum yield and the 2004 oats yield for Coosa County, Alabama. The reason that an ACRE plug yield was not calculated for these crops is because there was no NASS data available.

FINAL ACRE COUNTY YIELD PLUGS (UNIT PER ACRE) As of May 26, 2009						ACRE CTY	ACRE CTY	ACRE CTY
State	County	Commodity	Unit	Yield Typ	Yld Plug	Yld Plug	Yld Plug	
					2004	2005	2006	
Alabama	Conecuh	Wheat	Bushels	All Yield	45.8	47.2	54.5	
Alabama	Coosa	Corn	Bushels	All Yield	99.9	103.6	72.6	
Alabama	Coosa	Grain Sorghum	Bushels	All Yield	37.1	49.7		
Alabama	Coosa	Oats	Bushels	All Yield		54.4	35.3	

If producers need an ACRE plug yield for a county’s missing year, State and County Offices will be tasked to accumulate production data and the State Office shall submit the production data to the National Office to be included in the ACRE plug yield spreadsheet.

**Note:** Information should be e-mailed through the State Office to Phil Sronce at [phil.sronce@wdc.usda.gov](mailto:phil.sronce@wdc.usda.gov). A subsequent spreadsheet will be posted to the Intranet and Internet displaying the approved ACRE plug yield.--\*

## 175 ACRE Overview (Continued)

**H Continuity of Actual Yield Records**

\*--If a production report is submitted for a farm, according to paragraph 501, the production report will only be considered if it is being filed to satisfy paragraph 501 requirements, or--\* if both of the following apply:

- the production report is for a previous crop year for which the farm had planted acres of the covered commodity or peanuts
- there is not a break in continuity for a later year in the benchmark farm yield base period.

**Note:** A break in continuity occurs when acreage is reported for a covered commodity or peanuts and no production is reported.

**Exception:** Small grains with an intended use of grazing will **not** break continuity because of no production records on acres grazed.

## 176 ACRE

**A Publicizing Availability of ACRE**

FSA offices will provide a notice to owners and producers about the availability of ACRE and signup provisions. The notice will include information:

- on the opportunity of owners and producers on a farm to make the election
- about the manner in which the election must be made, submitted, and the time periods for election mentioned in subparagraphs C and D.

The notice mentioned in this subparagraph may be incorporated into newsletters or issued as mailing at the discretion of the office.



**\*--177 Acre Crops**

**A Crops Eligible for ACRE Payments**

The following crops are eligible for ACRE payments:

- barley
- canola
- chickpeas, large
- chickpeas, small
- corn
- cotton, upland
- crambe
- flaxseed
- grain sorghum
- lentils
- mustard seed
- oats
- peanuts
- peas, dry
- rapeseed
- rice, long grain
- rice, medium grain (includes short grain rice)
- safflower
- sesame seed
- soybeans
- sunflower seed
- wheat.--\*

177 Acre Crops (Continued)

**B Intended Uses of ACRE Crops**

The following provides eligible intended uses for covered commodities and peanuts participating in ACRE.

Crop Name	Type Name	Intended Use
Barley Oats Wheat	All	*--FG, GR, GS, GZ, SD--*
Canola	All	SD
Chickpeas, Large	Garbanzo, Kabuli	DE, FG, PR, FH, SD
Chickpeas, Small	Garbanzo, Desi	
Corn	White Yellow	FG, GR, SD
Cotton, Upland		
Crambe		SD
Flaxseed	All	OL, SD
Grain Sorghum * * *	All	*--FG, GR, SD, SG--*
Sorghum, Dual Purpose		
Lentils		DE, FG, GZ
Mustard Seed	All	PR, SD
Peanuts	All	All
Peas, Dry	Austrian Green Umatilla Wrinkled Yellow	DE, FG, GZ, SD
Rapeseed Safflower Sesame Seed		*--FG, FH, GZ, SD--*
Rice, Long Grain	LGR	
Rice, Medium Grain	MGR SGR	
Soybeans	All	*--FG, FH, GR, SD
Sunflower Seed	All	FG, GR, SD--*

332 Overview of CCC-509 (Continued)

\*--B CCC-509 Instructions (Continued)

Item	Instructions
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> An entry can <b>not</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: <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.
10	Enter the number of direct payment acres of the commodity listed in item 8. For 2009 through 2011, this amount may be calculated by multiplying the number of base acres in item 9 times 83.3 percent. For 2012, this amount may be calculated by multiplying the number of base acres in item 9 times 85 percent.  <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.
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.

--\*

332 Overview of CCC-509 (Continued)

B CCC-509 Instructions (Continued)

Item	Instruction
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> If no payments are refused, no entry is required.
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.
16A	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.
16B	Check (✓) the box adjacent to: <ul style="list-style-type: none"> <li>• “YES” if the producer in item 12A chooses to receive a partial counter-cyclical payment if available</li> <li>• “NO” if the producer in item 12A chooses not to receive a partial counter-cyclical payment if available.</li> </ul>
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.

## 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.

**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 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 met by June 1 (August 14, 2009, for 2009) of the applicable contract period 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.--\*

**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 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.

**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.

However, if the signature or enrollment date information is actually **received** after June 1, the system is designed to prevent County Office users from updating the system with that information.

**Example:** Landowner signed CCC-509 to zero shares on September 30, 2009. The system will **not** allow any date after August 14, 2009, 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.

However, system validations do **not** allow County Offices to enter a producer signature or enrollment date later than June 1 of the contract period. Therefore, these 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)****C County Office Action**

For situations described in subparagraph B, County Offices shall:

- **\*--not** manipulate the system by entering a date **before** June 2 (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 June 1 (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.

**\*--Note:** 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.--\*

**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).

## 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 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.

Year of CCC-509	Signup Dates
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.--\*

**D Late-Filed CCC-509's**

There are **no** late-filed provisions for program years 2009 through 2012.

**470 Compliance Determinations (Continued)****F Destruction of Perennial FAV's and Wild Rice Before Harvest**

FAV and wild rice planting violations occur at planting. For compliance determinations, FAV's and wild rice are considered planted for harvest at the time of planting.

The destruction of perennial FAV's or wild rice before harvest does **not** negate the planting violation.

**Example:** FSN 1101 has 225 acres of cropland with the following:

- 80 acres of wheat base acres
- 80 acres of corn base acres
- 40 acres of soybean base acres.

Neither the farm nor the producer has a history of planting FAV's or wild rice.

Jack Green enrolls all 200 base acres in FY 2010. Mr. Green plants 195 acres of corn and 30 acres of apple trees. Mr. Green notifies COC that 5 acres of apple trees have been destroyed.

Mr. Green is in violation of the FAV and wild rice prohibitions for the 5 acres of apples in 2010. There is no provision to allow the destruction of perennial FAV's or wild rice planted on base acres to negate the planting violation. COC shall **not** modify FY 2010 FSA-578 for Farm 1101. COC shall handle the 5-acre FAV violation according to 4-CP.

**471 Examples of Basic Rule**

**A Basic Farm Data**

The following farm data applies to examples 1 through 6 of the basic rule:

- 300 acres of cropland
- 100 base acres for corn
- 100 base acres for wheat
- base acres are enrolled in DCP or ACRE
- there is only 1 producer on the farm
- neither the farm nor the producer has a history of planting FAV's or wild rice
- farm is not administratively located in FAV and wild rice double-cropping region.

**B Example 1**

Corn Base Acre	Wheat Base Acre	Other Cropland
100 acres corn	100 acres wheat	100 acres carrots harvested

There is no FAV or wild rice violation in this example. Any FAV or wild rice may be planted on nonbase acres. The direct and counter-cyclical payments are unaffected.--\*

471 Examples of Basic Rule (Continued)

C Example 2

Corn Base Acre	Wheat Base Acre	Other Cropland
50 acres lentils 50 acres mung beans	50 acres oats 50 acres dry peas	100 acres carrots harvested

Producers may plant mung beans and pulse crops on base acres. Nonbase acres may be planted to carrots (or any fruit, vegetable, or wild rice). There is no FAV or wild rice violation in this example.

\*--Direct and counter-cyclical payments are unaffected.--\*

**Note:** Lentils and dry peas are pulse crops.

D Example 3

Corn Base Acre	Wheat Base Acre	Other Cropland
100 acres corn	100 acres wheat	50 acres carrots harvested followed by 50 acres lettuce harvested followed by 50 acres watermelons harvested
		50 acres wild rice harvested

There is no FAV or wild rice violation in this example. FAV's and wild rice are permitted on nonbase acres.

In this example, the same 50 acres were planted and harvested 3 times to a fruit or vegetable (carrots, lettuce, and watermelons). For compliance purposes, there are only 100 acres of FAV's and wild rice on the farm in this example.

\*--Direct and counter-cyclical payments are unaffected.--\*

471 Examples of Basic Rule (Continued)

E Example 4

Corn Base Acre	Wheat Base Acre	Other Cropland
100 acres corn	100 acres wheat	<div style="text-align: center; border-bottom: 1px solid black; padding: 5px;">                     50 acres carrots planted June 15 and harvested July 30                 </div> <div style="text-align: center; padding: 5px;">                     50 acres watermelon planted August 15 and harvested September 30                 </div>

There is no FAV or wild rice violation in this example. FAV's and wild rice are permitted on nonbase acres.

In this example, there were never more than 50 acres of fruits or vegetables (carrots and watermelons) on the farm at any given time. However, for compliance purposes, there are 100 acres of FAV's on the farm in this example.

\*--Direct and counter-cyclical payments are unaffected.--\*

471 Examples of Basic Rule (Continued)

F Example 5

Corn Base Acre	Wheat Base Acre	Other Cropland
100 acres wheat	50 acres mung beans	100 acres carrots harvested
	50 acres wild rice harvested	

This is an example of an FAV and wild rice violation. Planting mung beans on base acres is permitted. Planting carrots (or any fruit, vegetable, or wild rice) is permitted on nonbase acres. Because neither the farm nor the producer has a history of FAV or wild rice plantings, the planting of wild rice (or any fruit, vegetable, or wild rice) on base acres enrolled in DCP or the ACRE Program is prohibited.

A violation, caused by FAV's or wild rice on base acres, may result in penalties ranging from termination of the contract to direct and counter-cyclical payment reductions based on the per acre value of the fruit, vegetable, or wild rice beginning with FAV or wild rice with the highest per acre value.

See 4-CP for payment reductions because of FAV's or wild rice violations on base acres enrolled in DCP or the ACRE Program.

471 Examples of Basic Rule (Continued)

G Example 6

Corn Base Acre	Wheat Base Acre	Other Cropland
100 acres wheat	98 acres mung beans	100 acres carrots harvested
	2 acres carrots planted, but destroyed before harvest	

There is no FAV or wild rice violation in this example. Planting mung beans on base acres is permitted. Planting carrots (or any fruit, vegetable, or wild rice) is permitted on nonbase acres. Because neither the farm nor the producer has a history of FAV or wild rice plantings, the 2 acres of carrots (or any fruit, vegetable, or wild rice) on base acres enrolled in DCP or the ACRE Program is prohibited.

However, in this example:

- the producer destroyed the 2 acres of carrots planted on base acres before harvest
- COC conducted a paid-for farm visit and verified the 2 acres of carrots were destroyed before harvest
- FSA-578 was modified to record the 2 acres of carrots destroyed without benefit.

\*--Direct and counter-cyclical payments are unaffected because FAV planted on base acres--\* enrolled in DCP or the ACRE Program was destroyed before harvest and verified by a paid-for farm visit.

**475 Examples of Double-Cropping Region Exception****A Basic Farm Data**

The following farm data applies to the double-cropping examples:

- 100 acres of cropland
- 100 base acres for wheat
- base acres are enrolled in DCP or the ACRE Program
- neither the farm nor producer has a history of FAV or wild rice plantings.

**B Example 1**

The farm in this example is administratively located in an established FAV and wild rice double-cropping region. COC determined that both commodities (wheat followed by carrots) can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period under normal growing conditions.

Wheat Base Acres

100 acres wheat harvested for grain followed by 100 acres carrots harvested
---

There is no FAV or wild rice violation in this example because all the following are met:

- the farm is administratively located in an established FAV and wild rice double-cropping region
- the carrots were double-cropped with a covered commodity (wheat)
- COC determined both commodities can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period under normal growing conditions.

\*--Direct and counter-cyclical payments are unaffected.--\*

## 475 Examples of Double-Cropping Region Exception (Continued)

**C Example 2**

The farm in this example is administratively located in an established FAV and wild rice double-cropping region. COC determined that all commodities (lettuce and carrots followed by soybeans and grain sorghum) can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period under normal growing conditions.

## Wheat Base Acres

<p>50 acres lettuce harvested and 50 acres carrots harvested followed by 75 acres soybeans harvested for grain and 25 acres grain sorghum harvested for grain</p>
---

There is no FAV or wild rice violation in this example because all the following are met:

- the farm is administratively located in an established FAV and wild rice double-cropping region
- both the lettuce and carrots were double-cropped with a covered commodity (soybeans or grain sorghum)
- COC determined all commodities can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period under normal growing conditions.

\*--Direct and counter-cyclical payments are unaffected.--\*

## 475 Examples of Double-Cropping Region Exception (Continued)

**F Example 5**

The farm in this example is administratively located in an established FAV and wild rice double-cropping region. COC determined that the 2 commodities (upland cotton followed by tomatoes) **cannot** be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period under normal growing conditions.

## Wheat Base Acres

100 acres upland cotton failed followed by 100 acres tomatoes harvested
---

The farm in this example is located in an established FAV and wild rice double-cropping region. The producer planted 100 acres of upland cotton that failed. After the upland cotton failed, the producer planted and harvested 100 acres of tomatoes on the failed upland cotton acreage.

In this example, there is a violation of the FAV and wild rice prohibition for the 100 acres of tomatoes on base acres because COC determined that upland cotton could not be harvested for lint followed by tomatoes in a double-cropping situation within a 12-month period, and again during the immediately succeeding 12-month period under normal growing conditions.

This violation of FAV and wild rice prohibitions may result in penalties ranging from contract termination to payment reductions based on the per acre value of the fruit, vegetable, or wild rice beginning with the fruit, vegetable, or wild rice with the highest per acre value.

See 4-CP for payment reductions because of FAV's or wild rice violations on base acres enrolled in DCP or the ACRE Program.

## 475 Examples of Double-Cropping Region Exception (Continued)

**G Example 6**

The farm in this example is administratively located in an established FAV and wild rice double-cropping region. COC determined that both commodities (wheat followed by carrots) can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period under normal growing conditions.

## Wheat Base Acres

100 acres prevented planted wheat followed by 100 acres carrots harvested
---

In this example, the producer submitted a request for prevented planted acreage credit for 100 acres of wheat according to this paragraph. COC approved the notice of loss for 100 acres of prevented planted wheat, and the farm maintained eligibility for the FAV and wild rice double-cropping exception.

The harvesting of 100 acres of carrots on base acres enrolled in DCP or the ACRE Program in this example is not a violation of the FAV and wild rice prohibitions because all of the following are met:

- the farm is administratively located in an established FAV and wild rice double-cropping region
- COC approved the notice of loss for prevented planted acreage credit for the farm to maintain eligibility for the FAV and wild rice double-cropping exception
- COC determined that both commodities can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period under normal growing conditions.

\*--Direct and counter-cyclical payments are unaffected.--\*

**476 FAV and Wild Rice Farm History Exception****A Farm History Exception**

The second exception to the prohibition of FAV's and wild rice on base acres enrolled in DCP or the ACRE Program is the farm history exception.

The farm history exception provides that FAV's and wild rice shall not be limited on a farm \*--with a history of planting fruits, vegetables or wild rice, except that direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or wild rice--\* planted on base acres enrolled in DCP or the ACRE Program.

**B Established History of Planting FAV's or Wild Rice for the Farm**

For the purposes of this exception, the farm has a history of planting FAV's or wild rice if the farm had a history of such plantings under AMTA or there is a record of such plantings on the farm in at least 1 of the 1998 through 2001 crop years.

FAV and wild rice plantings on a farm after 2001 shall **not** establish a history of such plantings for the provisions of this exception.

Provisions of this exception are **farm** specific. The FAV and wild rice planting history is established for the **farm**, not the producer, county, or area.

Provisions of this exception are **not** crop or acreage specific. The specific type of fruit, vegetable, or wild rice and the number of acres planted are not considered when determining the farm's history nor does it limit the type of FAV's or number of acres that may be planted to FAV's or wild rice on the farm's base acres.

## 476 FAV and Wild Rice Farm History Exception (Continued)

**C FAV and Wild Rice Farm History Flexibility and Payment Reductions**

FAV's or wild rice on base acres of a farm enrolled in DCP or the ACRE Program that has an established FAV and wild rice planting history:

- is **not** a violation of the FAV and wild rice prohibitions
- **shall result in an acre-for-acre reduction in direct and counter-cyclical payments.**

FAV's and wild rice on base acres enrolled in DCP or the ACRE Program will be used to calculate direct and counter-cyclical payment reductions only for FY in which they were planted, except for perennials.

**Perennial FAV's planted on base acres will be used to calculate direct and counter-cyclical payment reductions beginning FY in which they are planted, and each succeeding year they are on base acreage enrolled in DCP or the ACRE Program.**

Provisions of this exception allow planting of any fruit, vegetable, or wild rice on base acres enrolled in DCP or the ACRE Program with a corresponding reduction in direct and counter-cyclical payments. The farm does not have to be in an established FAV and wild rice double-cropping region nor must the producer on the farm have a history of planting any FAV's or wild rice.

477 Examples of Farm History Exception

**A Basic Farm Data**

The following farm data applies to the farm history examples:

- 300 acres of cropland
- 100 base acres for wheat
- 100 base acres for soybeans
- base acres are enrolled in DCP or the ACRE Program
- the farm has a history of planting FAV’s and wild rice based on the 1999 acreage report indicating 2 acres of pumpkins planted for harvest.

**B Example 1**

The farm in this example is **not** administratively located in an established FAV and wild rice double-cropping region nor does the producer have a history of planting FAV’s or wild rice.

Soybean Base Acres	Wheat Base Acres	Other Cropland
100 acres wheat	50 acres wheat	100 acres carrots harvested
	50 acres carrots harvested	

Because the farm has a history of FAV and wild rice plantings, the 50 acres of carrots on base acres is not a violation of the FAV and wild rice prohibitions. Under the FAV and wild rice farm history exception, an unlimited amount of any fruit, vegetable, or wild rice may be planted on base acres enrolled in DCP or the ACRE Program regardless of what fruit or vegetable or wild rice was planted to establish the farm’s history.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (carrots in this example) on base acreage. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV’s or wild rice on base acreage of a farm enrolled in DCP or the ACRE Program.

477 Examples of Farm History Exception (Continued)

C Example 2

The farm in this example is **not** administratively located in an established FAV and wild rice double-cropping region nor does the producer have a history of planting FAV's or wild rice.

Soybeans Base Acre	Wheat Base Acre	Other Cropland
20 acres lettuce harvested	20 acres wild rice harvested	100 acres carrots harvested
80 acres corn	80 acres wheat	

Because the farm has a history of FAV and wild rice plantings, the 20 acres of lettuce and 20 acres of wild rice on base acres is not a violation of the FAV and wild rice prohibitions. Under the FAV and wild rice farm history exception, any fruit or vegetable or wild rice may be planted on the base acres regardless of what fruit, vegetable or wild rice was planted to establish the farm's history.

\*--Direct and counter-cyclical payments will be reduced by an acre for each acre of FAV or--\* wild rice (lettuce and wild rice in this example) on the base acreage. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV's or wild rice on base acreage of a farm enrolled in DCP or the ACRE Program.

477 Examples of Farm History Exception (Continued)

D Example 3

The farm in this example is not administratively located in an established FAV and wild rice double-cropping region nor does the producer have a history of planting FAV's.

Soybeans Base Acre	Wheat Base Acre	Other Cropland
100 acres peanuts	100 acres wheat followed by 50 acres watermelons harvested	100 acres carrots harvested

Because the farm has a history of FAV and wild rice plantings, the 50 acres of watermelons on base acres is not a violation of the FAV and wild rice prohibitions.

In this example, double-cropping watermelons with a covered commodity results in an acre-per-acre reduction in direct and counter-cyclical payments because the farm is **not** administratively located in an established FAV and wild rice double-cropping region.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (watermelons in this example) on the base acreage. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV's or wild rice on base acreage of a farm enrolled in DCP or the ACRE Program.

477 Examples of Farm History Exception (Continued)

**E Example 4**

The farm in this example is **not** administratively located in an established FAV and wild rice double-cropping region nor does the producer have a history of planting FAV's or wild rice.

Soybean Base Acres	Wheat Base Acres	Other Cropland
100 acres onions harvested followed by 100 acres squash harvested followed by 50 acres tomatoes harvested	100 acres carrots harvested followed by 100 acres watermelons harvested	100 acres cantaloupes harvested followed by 100 acres lettuce harvested

Because the farm has a history of FAV and wild rice plantings, planting the entire acreage of the farm to FAV's is not a violation of the FAV and wild rice prohibitions.

Under this provision, the number of acres of fruits, vegetables, and wild rice on base acres is not limited.

In this example:

- the entire farm acreage is planted, harvested, replanted and harvested to FAV's
- for compliance purposes, there are only 300 acres of FAV's on the farm
- \*--the entire base acres being devoted to FAV's results in zero direct and counter-cyclical payments.--\*

See 4-CP for processing payment reductions because of FAV's or wild rice on base acreage of a farm enrolled in DCP or the ACRE Program.

477 Examples of Farm History Exception (Continued)

**F Example 5**

The farm in this example is **not** administratively located in an established FAV and wild rice double-cropping region nor does the producer have a history of planting FAV's or wild rice.

Soybean Base Acres	Wheat Base Acres	Other Cropland
100 acres soybeans	98 acres wheat 2 acres watermelons planted but destroyed before harvest	100 acres watermelons harvested

Because the farm has a history of FAV and wild rice plantings, the 2 acres of watermelons on base acres is not a violation of the FAV and wild rice prohibitions.

Any fruit or vegetable or wild rice may be planted on the base acreage regardless of what fruit, vegetable or wild rice was planted to establish the farm's history.

\*--In this example the producer did not want to incur a 2 acre direct and counter-cyclical--\* payment reduction for the 2 acres of watermelons on base acres enrolled in DCP or the ACRE Program. Therefore, the producer destroyed the 2 acres of watermelons on base acres enrolled in DCP or the ACRE Program before harvest and paid for a farm visit to verify the destruction.

There is no acre-for-acre payment reduction because all of the following are met:

- the producer destroyed the 2 acres of watermelons on base acres before harvest
- COC conducted a paid-for farm visit and verified the 2 acres of watermelons were destroyed before harvest
- FSA-578 was modified to record the 2 acres of watermelons destroyed without benefit.

## 478 FAV and Wild Rice Producer History Exception

### A Producer History Exception

The third exception to the prohibition of FAV's and wild rice on base acres enrolled in DCP or the ACRE Program is the producer history exception.

The producer history exception provides that a specific fruit, specific vegetable, or wild rice shall not be limited for a producer with an established planting history of that specific fruit, specific vegetable or wild rice, except that:

- the quantity planted may not exceed the producer's average annual planting history of the specific fruit, specific vegetable or wild rice in the 1991 through 1995 or 1998 through 2001 crop years, as determined by the producer, excluding any crop year with no plantings
- \*--direct and counter-cyclical payments shall be reduced by an acre for each acre of the--\* specific fruit, specific vegetable, or wild rice on base acres enrolled in DCP or the ACRE Program.

### B Basic Information

The **producer history exception is producer, crop, and acreage specific.**

For the purposes of this exception, the producer history is determined based on the producer's average annual plantings of the specific fruit, specific vegetable, or wild rice.

The producer's average annual plantings for each applicable commodity shall be determined using:

- FSA-578 or FCI-19 report of FAV and wild rice plantings
- either of the following time periods, as determined by the producer:
  - 1991 through 1995 crop years
  - 1998 through 2001 crop years.

The producer history is based on the number of acres of a **specific** fruit, vegetable, or wild rice, in which the producer had an interest, which was reported as planted for harvest on a farm in at least 1 of the 1991 through 1995 or 1998 through 2001 crop years.

**Important:** The producer must elect which crop year period, 1991 through 1995 or 1998 through 2001, to use to calculate the average annual plantings.

**479 Examples of Establishing Producer History (Continued)****C Example 2 (Continued)**

Producer B, in this example, has the following producer history using:

- 1991 through 1995 crop years
  - 4.5 acres of lettuce
  - 2.8 acres of onions
  - 2.5 acres of watermelons
  - 6.2 acres of wild rice
  
- 1998 through 2001 crop years:
  - 5.3 acres of lettuce
  - 7.5 acres of onions
  - 3.7 acres of carrots
  - 5 acres of wild rice.

Each producer must elect which crop year period, 1991 through 1995 or 1998 through 2001, to use to determine the producer history for each crop.

Each producer may elect a different crop year period for each crop.

**Important:** County Offices shall **not** sum the average annual plantings calculated for the different crop year periods to calculate a producer's history.

480 Examples of Producer History Exception

A Basic Farm Data

The following farm data applies to the producer history examples 1 through 9:

- 300 acres of cropland
- 100 base acres for wheat
- 100 base acres for corn
- base acres are enrolled in DCP or the ACRE Program
- is **not** administratively located in an FAV and wild rice double-cropping region
- does **not** have an established FAV and wild rice planting history.

Producer A has a producer history of 50 acres for carrots and 50 acres for lettuce.

B Example 1

Producer A in this example has no interest in any other farm.

Corn Base Acres	Wheat Base Acres	Other Cropland
100 acres wheat	50 acres wheat	100 acres tomatoes harvested
	50 acres carrots harvested	

There is no FAV and wild rice violation in this example. FAV's and wild rice are permitted on nonbase acres (100 acres of tomatoes in this example). The 50 acres of carrots on base acres is **not** a violation because Producer A has a producer history of 50 acres of carrots.

Planting FAV's or wild rice on this farm shall **not** establish an FAV or wild rice planting history for this farm for future years. Planting 100 acres of tomatoes shall **not** establish a producer history for tomatoes for Producer A.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (carrots in this example) on base acres. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

480 Examples of Producer History Exception (Continued)

**B Example 1 (Continued)**

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV’s or wild rice on base acreage on a farm enrolled in DCP or the ACRE Program.

**C Example 2**

Producer A in this example has no interest in any other farm.

Corn Base Acres	Wheat Base Acres	Other Cropland
100 acres corn	50 acres lettuce harvested	100 acres carrots harvested
	50 acres carrots harvested	

There is no FAV or wild rice violation in this example. FAV’s and wild rice are permitted on nonbase acres (100 acres of carrots in this example. The 50 acres of carrots and 50 acres of lettuce on base acres is **not** a violation because Producer A has a producer history of 50 acres for each commodity.

Planting FAV’s or wild rice on this farm shall not establish an FAV or wild rice planting history for this farm for future years. Planting 150 acres of carrots shall **not** increase the producer history for carrots for Producer A.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (carrots and lettuce in this example) on the base acreage. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV’s or wild rice on base acreage on a farm enrolled in DCP or the ACRE Program.

480 Examples of Producer History Exception (Continued)

D Example 3

Producer A in this example has no interest in any other farm.

Corn Base Acres	Wheat Base Acres	Other Cropland
100 acres corn	40 acres carrots harvested	100 acres carrots harvested
	60 acres lettuce harvested	

Producer A is in violation of FAV and wild rice prohibitions in this example because he planted 60 acres of lettuce on base acres. His producer history for lettuce is only 50 acres. Producer A violated the FAV and wild rice prohibitions by planting 10 acres more lettuce, on base acres, than the producer’s history allows.

Planting 60 acres of lettuce and 140 acres of carrots shall not establish or increase the producer history for such crops for Producer A.

A violation of FAV and wild rice prohibitions may result in penalties ranging from contract termination to payment reductions based on the per acre value of the fruit, vegetable or wild rice beginning with the fruit, vegetable, or wild rice with the highest per acre value.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (carrots and lettuce in this example) on the base acreage. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See to 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV’s or wild rice on base acreage of a farm enrolled in DCP or the ACRE Program.

480 Examples of Producer History Exception (Continued)

E Example 4

Producer A in this example has no interest in any other farm.

Corn Base Acre	Wheat Base Acres	Other Cropland
100 acres corn	51 acres carrots planted but 1 acre destroyed before harvest	100 acres tomatoes harvested
	49 acres lettuce harvested	

There is no FAV or wild rice violation in this example. FAV’s and wild rice are permitted on nonbase acres (100 acres of tomatoes in this example).

Producer A has a producer history of only 50 acres for carrots and only 50 acres for lettuce. Producer A planted 51 acres of carrots on base acres. However, in this example:

- the producer destroyed 1 acre of carrots planted on base acres before harvest
- COC conducted a paid-for farm visit and verified the 1 acre of carrots was destroyed before harvest
- FSA-578 was modified to record the 1 acre of carrots destroyed without benefit.

Therefore, there is no FAV or wild rice violation in this example.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (50 acres of carrots and 49 acres of lettuce in this example) on the base acreage. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV’s or wild rice on base acreage of a farm enrolled in DCP or the ACRE Program.

480 Examples of Producer History Exception (Continued)

F Example 5

Producer A in this example has no interest in any other farm.

Corn Base Acre	Wheat Base Acres	Other Cropland
100 acres corn	50 acres tomatoes harvest	100 acres watermelons harvested
	50 acres lettuce harvested	

Producer A is in violation of FAV and wild rice prohibitions in this example because he planted 50 acres of tomatoes on base acreage. Producer A’s producer history is for 50 acres of lettuce and 50 acres of carrots. Producer A is in violation of the FAV and wild rice prohibitions because the producer does not have a producer history for tomatoes and the farm does not have an FAV and wild rice planting history.

Planting FAV’s or wild rice on this farm shall not establish an FAV or wild rice planting history for this farm for future years. Planting 100 acres of watermelons and 50 acres of tomatoes shall **not** establish a producer history for such crops for Producer A.

A violation of FAV and wild rice prohibitions may result in penalties ranging from contract termination to payment reductions based on the per acre value of the fruit, vegetable or wild rice beginning with the fruit, vegetable, or wild rice with the highest per acre value.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (carrots and lettuce in this example) on the base acreage. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV’s or wild rice on base acreage of a farm enrolled in DCP or the ACRE Program.

**480 Examples of Producer History Exception (Continued)****G Example 6 (Continued)**

Planting FAV and wild rice on these farms shall **not** establish an FAV and wild rice planting history for the farms in future years. Planting 150 acres of carrots shall **not** increase the producer history for carrots for Producer A.

\*--Direct and counter-cyclical payments for each farm shall be reduced by an acre for each--\* acre of FAV or wild rice (carrots and lettuce in this example) on the base acres of the respective farm. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV's or wild rice on base acreage of a farm enrolled in DCP or the ACRE Program.

480 Examples of Producer History Exception (Continued)

H Example 7

Assume for this example that both Producer A and Producer B are on the farm. Neither Producer A nor Producer B has an interest in any other farm. Producer A has an FAV producer history of 50 acres of carrots.

Producer B has no FAV producer history.

Producer A and Producer B each:

- have a share in the acreage planted to wheat
- are signatories to CCC-509 and receive a share of DCP or ACRE payments for the farm.

Producer A has 100 percent interest in the acreage planted to carrots.

Corn Base Acres	Wheat Base Acres	Other Cropland
100 acres wheat	50 acres wheat	100 acres carrots harvested
	50 acres carrots harvested	

There is no FAV and wild rice violation in this example. FAV's and wild rice are permitted on nonbase acres (100 acres of carrots in this example). The 50 acres of carrots on base acres is **not** a violation because Producer A has a producer history of 50 acres of carrots.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (50 acres of carrots in this example) on base acres. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

480 Examples of Producer History Exception (Continued)

I Example 8

Assume for this example that both Producer A and Producer B are on the farm. Neither Producer A nor Producer B has an interest in any other farm. Producer A has an FAV producer history of 50 acres of carrots.

Producer B has no FAV producer history.

Producer A and Producer B each:

- have a share in all acreage on the farm, including the acreage planted to carrots
- are signatories to CCC-509 and receive a share of payments for the farm.

Corn Base Acres	Wheat Base Acres	Other Cropland
100 acres wheat	50 acres wheat	100 acres carrots harvested
	50 acres carrots harvested	

There is no FAV and wild rice violation in this example. FAV's and wild rice are permitted on nonbase acres (100 acres of carrots in this example). The 50 acres of carrots on base acres is **not** a violation because Producer A has a producer history of 50 acres of carrots.

**Note:** Producer B has no FAV producer history, but does have an interest in the carrots harvested on base acres. However, because Producer A's 50 acres of producer history for carrots is applicable to those acres, there is no FAV violation on the farm in this example.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (50 acres of carrots in this example) on base acres. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

480 Examples of Producer History Exception (Continued)

**J Example 9**

Assume for this example that both Producer A and Producer B are on the farm. Neither Producer A nor Producer B has an interest in any other farm. Producer A has an FAV producer history of 50 acres of carrots.

Producer B has no FAV producer history. Producer B has 100 percent interest in the acreage planted to carrots. Producer A and Producer B each:

- have a share in the acreage planted to wheat
- are signatories to CCC-509 and receive a share of payments for the farm.

Corn Base Acres	Wheat Base Acres	Other Cropland
100 acres wheat	50 acres wheat	100 acres carrots harvested
	50 acres carrots harvested	

There is a 50 acre FAV and wild rice violation on the farm in this example because the producer with the 50 acre producer history for carrots (Producer A) did not have an interest in the acreage planted to carrots.

**Note:** The producer with the FAV producer history for the FAV planted on base acres must have an interest in the FAV on base acres for the producer history exception to apply to those acres. Other producers on the farm cannot use other producer’s FAV producer history.

A violation of FAV and wild rice prohibitions may result in penalties ranging from contract termination to payment reductions based on the per acre value of the fruit, vegetable or wild rice beginning with the fruit, vegetable, or wild rice with the highest per acre value.

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (50 acres of carrots in this example) on base acres. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV’s or wild rice on base acres of a farm enrolled in DCP or the ACRE Program.

480 Examples of Producer History Exception (Continued)

**K Example 10**

The following farm data applies to this producer history example:

- 300 acres of cropland
- 200 base acres for wheat
- 100 base acres for corn
- base acres are enrolled in DCP or the ACRE Program
- is **not** administratively located in an FAV and wild rice double-cropping region
- does **not** have an established FAV and wild rice planting history.

Producer A has a producer history of 50 acres for carrots and 50 acres for lettuce. Producer B has no FAV producer history. Neither Producer A nor Producer B has an interest in any other farm. Producer A and Producer B each:

- have a share in the acreage planted to wheat
- are signatories to CCC-509 and receive a share of payments for the farm.

Producer A has 100 percent interest in 40 acres planted to carrots. Producer B has 100 percent interest in 10 acres planted to carrots.

Corn Base Acres	Wheat Base Acres	Wheat Base Acres
100 acres wheat	50 acres wheat	100 acres wheat
	50 acres carrots harvested	

There is a 10-acre FAV and wild rice violation on the farm in this example because the producer with the 50 acre producer history for carrots (Producer A) did not have an interest in 10 acres of carrots planted on base acres.

**Note:** The producer with the FAV producer history for the FAV planted on base acres must have an interest in the FAV on base acres for the producer history exception to apply to those acres. Other producers on the farm cannot use another producer’s FAV producer history.

A violation of FAV and wild rice prohibitions may result in penalties ranging from contract termination to payment reductions based on the per acre value of the fruit, vegetable, or wild rice beginning with the fruit, vegetable, or wild rice with the highest per acre value.

**480 Examples of Producer History Exception (Continued)**

**K Example 10 (Continued)**

\*--Direct and counter-cyclical payments shall be reduced by an acre for each acre of FAV or--\* wild rice (50 acres of carrots in this example) on base acres. The payment acreage will be reduced beginning with the covered commodity with the lowest value per acre.

See 4-CP for:

- calculating value per acre
- processing payment reductions because of FAV's or wild rice on base acres of a farm enrolled in DCP or the ACRE Program.

**481-500 (Reserved)**

**\*--Part 9 Reporting Production****501 FSA-658's****A Requirement**

**[7 CFR 1412.66] (a) As a condition of eligibility for payments, the operator or owner must accurately submit a report of all cropland acreage on the farm. (b) Participants enrolled in the PTPP and those enrolled under ACRE must accurately submit a report of production no later than the acreage reporting date for the crop in the year immediately following the crop year of the reported crop acreage, for each crop either enrolled in PTPP or for each covered commodity or peanuts on a farm enrolled in an ACRE program contract for which an acreage report greater than zero acres was filed according to paragraph (a) of this section.**

PTPP producers are required to file FSA-578's, FSA-658's, and provide evidence of disposition of the crop (paragraph 78).

**Note:** Disposition is evidence demonstrating how the harvested commodity was marketed.

Participants enrolling under an ACRE Program contract using CCC-509ACRE are required to file FSA-658's for covered commodities and peanuts planted for harvest on the farm as a condition of payment eligibility (paragraph 187).

Benchmark farm yields may be updated with FSA-658's according to paragraph 175.--\*

## \*--501 FSA-658's (Continued)

**B Producer Responsibilities**

Producers are responsible for providing accurate and complete information. It is the producer's responsibility to report the total amount of farm production of each PTPP commodity and, for farms enrolled in ACRE, the total farm's harvested production of each covered commodity and peanuts for which FSA-578 with planted acres greater than zero acres is filed. It is **not** CCC's responsibility to determine a farm's or a producer's amount of production. Producers participating in PTPP or ACRE responsibilities include, but are **not** limited to the following:

- providing an accurate FSA-658 that can be supported by acceptable production records, if production records are requested by FSA
- summarizing all the production evidence for a crop on a farm basis
- reporting disposition of crops planted for harvest on PTPP crop acreage
- filing FSA-658 by the acreage reporting date for the crop in the year immediately following the year in which the crop acreage was reported on FSA-578
- retaining production evidence for 3 crop years after the year the production is initially certified.

**C Who Can and How to Report**

FSA-658's shall be filed for the farm:

- similarly to the way FSA-578's are submitted
- by either of the following:
  - operator or owner of the farm for which FSA-578 was filed for the applicable year
  - producer with a share interest in acreage reported on the farm for the applicable year.

**Note:** For this subparagraph, "for the applicable year" means the operator, owner, or producer with a share interest in the reported crop acreage for the year of program participation. For example, producers on a farm enrolled in ACRE for 2009 are required to submit a 2009 FSA-658 by the crop reporting date in 2010. The operator, owner, and/or producer of record on the farm in 2009 are the persons from whom FSA-658 is required and acceptable. 2010 farm operators, owners, or producers **cannot** report 2009 production for the farm unless they had a 2009 crop year interest in the crop or farm as operator, owner, or a share interest in the 2009 crop acreage.--\*

\*--501 FSA-658's (Continued)

**D Failure to File FSA-658**

Failure to file FSA-658 on a farm enrolled in PTPP or ACRE for a contract period will result in the farm's producers being ineligible for any CCC-509 payments for that applicable contract period. In addition, the actual yield per planted acre is zero for if no FSA-658 is filed. If records are required to substantiate FSA-658 and acceptable records are **not** furnished, a zero will be entered (paragraph 512).

**Note:** Participants on a farm filing FSA-658 certifying zero production is **not** a failure to report production.

**E Summary of Terms**

The following table summarizes terms used relative to production.

<b>Term</b>	<b>Usage and Meaning</b>
Actual Farm Production	All of a farm's harvested and appraised production, including grazed acres, of a covered commodity or peanuts on a farm.
Appraised Production	FSA will <b>not</b> perform appraisals for DCP, PTPP, or ACRE purposes. However, appraised production of covered commodities or peanuts on a farm can be reported.
Harvested Production	The total amount of harvested production from the farm reported by a farm operator, owner, or producer with a share interest in such production.
Salvage Value	Salvage value is <b>not</b> production to count for any DCP, PTPP, or ACRE purpose.  Evidence of salvage value may be needed to show disposition for PTPP.

--\*

**\*--502 Production****A Definition of Actual Farm Production**

Actual farm production means the entire farm's harvested and appraised production, including grazed acres, of a covered commodity or peanuts, or PTPP commodity, as applicable. Appraisals shall be performed by appraisers acceptable to FSA. Appraisals performed according to NAP or crop insurance guidelines are generally deemed acceptable to FSA for DCP, PTPP, and ACRE purposes.

Actual farm production of a covered commodity or peanuts or PTPP commodity for a year is divided by the farm's planted and considered planted acres to arrive at the average yield per acre for either of the following:

- covered commodity or peanuts
- PTPP.

**Note:** See paragraph 175 updating benchmark farm yields for actual yields for planted acre.

**B Definition of Appraised Production**

Appraised production means production determined by FSA, RMA, FCIC, company reinsured by FCIC, or other appraiser acceptable to CCC, that was unharvested, but reflected the crop's yield potential at the time of appraisal.

FSA does **not** perform appraisals for DCP, PTPP, or ACRE purposes. However, appraisals performed according to NAP or crop insurance guidelines are generally deemed acceptable to FSA for DCP, PTPP, or ACRE purposes.--\*

**\*--502 Production (Continued)****C Definition of Harvested Production**

Harvested production means all production of the eligible crop from the farm that can be supported by an acceptable record, including, but not limited to, production:

- gathered by hand
- grazed by livestock
- mechanically harvested.

The harvested production of eligible crop acreage harvested more than once in a crop year shall include the total harvested production from all harvests.

**D Definition of Salvage Value**

Salvage value means the dollar amount or equivalent received by or available to the producer for the quantity of the commodity that **cannot** be marketed or sold in any market for which a price or yield is established by FSA or CCC.

The quantity of a commodity that is damaged and has no dollar or equivalent value for any intended use of the crop for which a price or yield is established by FSA or CCC shall:

- be treated as salvage
- **not** be considered production of the crop for **any** purpose.

**Note:** Evidence that a commodity was disposed of as salvage may be required to satisfy PTPP disposition evidence requirements.--\*

**503–509 (Reserved)**



**\*--510 Establishing the Benchmark Farm Yield**

**A Reporting Requirement**

For farms that are participating in the ACRE Program, a benchmark farm yield is **required** for any covered commodity or peanuts planted on the farm. One of the following persons shall file FSA-658 for the farm to compute the benchmark farm yield:

- farm operator
- farm owner
- tenants and share-croppers, but only for crop production for which the person has a share.

All production from covered commodities and/or peanuts on the farm must be certified.

**B Reporting Requirement Deadline**

For the initial year of participation in the ACRE Program, production to compute the farm benchmark yield must be reported by the subsequent crop year's acreage reporting deadline.--\*

**\*--511 Records of Production****A Acceptable Records**

FSA **may** require producers participating in PTPP or ACRE to submit records of production to substantiate FSA-658's for the farm, production records acceptable to CCC include the following verifiable or reliable:

- commercial receipts, settlement sheets, warehouse ledger sheets, pick records, or load summaries if the eligible crop was sold or otherwise disposed of through commercial channels
- documentary evidence, such as contemporaneous measurements, truck scale tickets, pick records, and contemporaneous diaries, as necessary, to verify information provided by the producer if the eligible crop was stored, sold, fed to livestock, or otherwise disposed of other than through commercial channels
- appraisal information from LA acceptable to CCC.

**Note:** FSA will **not** perform appraisals for DCP, PTPP, or ACRE purposes. However, FSA will generally accept appraisals performed for NAP or crop insurance purposes provided the appraisal is deemed an acceptable record of production for the farm (or part of the farm, as applicable) as enrolled in DCP, PTPP, or ACRE.

The following paragraphs provide guidance for various situations of production:

- 512, for commodities sold, stored, or disposed of commercially off the farm
- 513, for grain production used or stored on the farm
- 514, for acreage that was either hayed or grazed or silaged, if production records will be **not** be available
- 515, for acreage silaged, if records of production (measurements or weight before silaging) is available.--\*

**\*--511 Records of Production (Continued)****B Verifiable Records**

Verifiable records of production include contemporaneous records provided by the producer that may be verified by CCC through an independent source and can be used to substantiate the amount of production reported. Verifiable records must:

- be dated
- show disposition of the crop's production, including both quantity and price
- be seasonal or crop specific for crops that are produced more than once in a calendar year
- be provided if production records are requested by FSA if they exist.

**C Reliable Records**

If submitting production records is required and verifiable records are **not** available, the producer shall provide any documentation available, including, but **not** limited to:

- copies of receipts
- ledgers of income corresponding to production
- income statements of deposit slips
- register tapes
- invoices for custom harvesting
- pick records.--\*

**\*--511 Records of Production (Continued)**

**D COC Responsibilities**

COC shall follow this table when receiving and reviewing production records.

Step	Action
1	Date stamp original hard copy records with county name.
2	Photocopy original date-stamped production records submitted by the producer.
3	Place photocopied date-stamped records in the producer's county file.
4	Return original date-stamped production evidence to the producer.  <b>Note:</b> The original date-stamped production evidence can only be returned to the producer if the photocopies have been made and placed in the producer's file.
5	Review the producer's file for previously submitted production evidence. Ensure that the records have <b>not</b> been duplicated.
6	Ensure that the producer understands that the production records <b>must</b> be: <ul style="list-style-type: none"> <li>• complete and represent the farm's total harvested production</li> <li>• for the correct farm, crop year, and acreage.</li> </ul>
7	Review <b>all</b> production records provided by the producer and farm and determine whether the records support the farm producer's certification or report of production. If the records: <ul style="list-style-type: none"> <li>• support the producer's certification for the farm but are not verifiable, follow step 8</li> <li>• support the producer's certification for the farm and are verifiable, the records are acceptable</li> <li>• do <b>not</b> support or agree with the producer's farm certification, advise the producer the production records are not acceptable and will not be used; the ACRE plug yield shall be used.</li> </ul> <b>Note:</b> After copies of production records have been placed in the producer's file in the County Office, they shall <b>not</b> be removed or returned to the producer.

\*--511 Records of Production (Continued)

D COC Responsibilities (Continued)

Step	Action	
8	Compare the producer’s record of production with either of the following: <ul style="list-style-type: none"> <li>• neighboring producers of the crop who have provided verifiable or reliable reports of production</li> <li>• the ACRE plug yield.</li> </ul>	
	<b>IF...</b> similar levels of production were experienced on neighboring farms or the level of production is consistent with the ACRE plug yield	<b>THEN ...</b> the producer’s certification, supported by some record of production may be considered reliable and acceptable.
	record do not support the producer’s certification or the producer’s certification is either not a zero FSA-658 or FSA-658 consistent with the ACRE plug yield	COC shall determine that the farm did not furnish an acceptable record of production. Follow subparagraph 501 D.  <b>Notes:</b> Under no circumstances shall COC assign production for a lack of acceptable production evidence.  See paragraph 335 for inaccurate representation, misrepresentation, and scheme or device.

**\*--512 Commodities Sold, Stored, or Disposed of Commercially Off the Farm****A Required Information**

For commodities commercially sold, stored, or disposed of off the farm, evidence must show the following:

- producer's name
- crop year, may be certified or provided by producer
- commodity
- class, if applicable
- buyer or storing facility
- transaction or delivery date

**Note:** COC may consider production evidence acceptable, if transaction or delivery dates are not shown, if **all** of the following apply:

- the evidence is a summary provided by the buyer or warehouse
  - the crop year is indicated on the evidence
  - COC is satisfied that the evidence accurately represents the production from the farm for the applicable crop year.
- net quantity (bushels, pounds, or hundredweight, as applicable).

**Note:** If the evidence indicates dockage and/or excessive moisture, and an adjustment is **not** shown on the evidence, County Offices shall make the applicable adjustments according to the applicable 2-LP.--\*

**\*--512 Commodities Sold, Stored, or Disposed of Commercially Off the Farm (Continued)****B Supporting Evidence**

Production can be substantiated by the following documentation:

- LDP or MAL records

**Note:** Various rules and examples in this notice reference LDP quantities. Loan quantities shall be considered synonymous with LDP quantities, as the producers may receive a loan or LDP, but not both, on eligible quantities.

- warehouse receipts
- delivery evidence
- warehouse ledgers
- sales evidence
- load summaries from warehouse, processor, or buyer
- settlement sheets
- scale tickets or weight slips with all required information
- computer-generated documents from a warehouse that contain required information
- gin records
- RMA yield production records

**Note:** This includes certified yields within the APH database.--\*

\*--512 Commodities Sold, Stored, or Disposed of Commercially Off the Farm (Continued)

**B Supporting Evidence (Continued)**

**Example:** The following RMA worksheet is an example of actual production evidence. The production values displayed on this worksheet are considered an example of acceptable production evidence for crop years 2004 through 2008. The actual production evidence supporting this RMA information is **not** required unless COC questions the accuracy of this data.

Year	Production to Count
2004	6573.3 Bushels
2005	5159.0 Bushels
2006	2709.0 Bushels
2007	4976.0 Bushels
2008	2299.5 Bushels

**Note:** Certain PII data was redacted.

Unit	Line #	2009 - MS - Qultman - Soybeans Insurance Plan: CRC - Coverage Level: 65%		
Farm #:		Block:		
Farm Name:				
Practice: NFAC (Non-Irrigated)(053)		Type: No Type Specified (997)		
Other Entities:				
Legals/Other Land Identifier:				
New Producer? <input type="checkbox"/>		Added Land P/T/V? <input type="checkbox"/>		
Year	Production	Acres	Yield	APH
1999	3,127.0	156.6	20 A	20
2000	987.7	156.6	6 A	6
2001	100.0	7.3	14 A	14
2002	4,312.0	142.5	30 A	30
2003	3,010.0	141.8	21 A	21
2004	6,573.3	127.6	52 A	52
2005	5,159.0	127.6	40 A	40
2006	2,709.0	127.6	21 A	21
2007	4,976.0	91.0	55 A	55
2008	2,299.5	84.0	27 A	27
RMA Y Yield: 22		Total (of Yield History): 286		
Prior APH Yield: 28		Average Yield: 29		
		Approved APH Yield: 29		
Yield Limit: Inconsistent Yield				
Required: <input type="checkbox"/> Inspection <input type="checkbox"/> Field Review		Insured Share: 1.000		
Record Types <sup>a</sup> :				
Land Other County: <input type="checkbox"/> Yes <input type="checkbox"/> No				
Processor Number/Name and/or Number of Trees or Vines:				
Other (Remarks):				
Final Plant Date: 6/15/2009		Acreage Reporting Date: 7/15/2009		

--\*

**\*--512 Commodities Sold, Stored, or Disposed of Commercially Off the Farm (Continued)****B Supporting Evidence (Continued)**

- RMA records of loss appraisals

**Note:** This includes proof of loss forms generated by multi-peril insurance providers when indemnities are paid.

- measured quantities of farm-stored production according to paragraph 513
- measured quantities performed by uninterested third parties.

**Important:** COC shall carefully review all documents to ensure duplicate records are not submitted for the same production. Additionally, COC shall:

- require additional evidence if it has reason to:
  - question existing evidence
  - believe existing evidence does not represent correct production
- limit combinations of production evidence according to subparagraph C.

**C Ensuring That Evidence Is Not Duplicated**

COC's shall carefully review documents submitted, according to subparagraph B, to ensure that duplicate records have not been submitted for the same production. Additionally, COC's shall **not** authorize either of the following combinations:

- farm-stored measurement records with **any other** form of supporting evidence
- loan and/or LDP records with **any other** form of supporting evidence.

**Exception:** Combinations may be authorized when production records clearly remove any probability of duplication. For example, a producer sells 10 loads of corn, with delivery dates from October 1 to October 15. FSA farm-stored measurement date for LDP is November 15.--\*

**\*--513 Acceptable Records for Farm-Stored Production or Production Used on the Farm****A Crops Remaining in Farm Storage**

Either of the following may be considered acceptable production evidence for crops remaining in farm storage:

- measured quantities if measurements were completed and documented by an FSA or crop insurance representative

**Note:** Farm-stored measurement records may be used if the production was later marketed; however, they may **not** be used in conjunction with certain other evidence (subparagraph 512 C).

- LDP and/or loan records.

**B Production Used for Seed**

Production used for seed for the producer's own use may be considered acceptable if **both** of the following apply:

- producer provides written certification, indicating the following:
  - disposition was by planting
  - production is not included in LDP, loan, or any other record
  - seeding rate
  - number of acres planted
- COC determines that:
  - the quantity used for seed is reasonable, considering the number of acres planted and the seeding rate
  - the evidence is satisfactory and represents the applicable farm and year
  - it is customary in the area for producers to use farm-raised seed to produce the specific crop.

Producers may also provide cleaning tickets for seeds as production evidence.--\*

**\*--513 Acceptable Records for Farm-Stored Production or Production Used on the Farm (Continued)**

**C Fed Production**

Acceptable proof that production was used on the farm as livestock feed shall be limited to existing FSA records or crop insurance records that indicate the crop was fed or was to be used for livestock feed.

<b>IF...</b>	<b>AND...</b>	<b>THEN...</b>
grain was measured by FSA or crop insurance representative and/or producer obtained LDP or loan	records are on file to indicate the grain was fed or will be used for feed	LDP, loan, or measured quantity is acceptable.
grain was measured by FSA or crop insurance representative	records were <b>not</b> filed to indicate the grain was fed or will be used for feed	the measured quantity is acceptable, <b>only if</b> other production records dated after the measurement date are <b>not</b> submitted.
grain was <b>not</b> measured	LDP or loan was either: <ul style="list-style-type: none"> <li>• <b>not</b> obtained</li> <li>• obtained on a portion of the production</li> </ul>	the ACRE plug yield will be used.

**Note:** The manner of disposition must have been timely filed for the applicable crop year. It is **not** permissible for a producer to revise any document, or to certify at this time, to show that grain production was fed to receive production credit.--\*

**\*--514 Acceptable Records When All Acres Are Grazed, Silaged, or Hayed****A General Information**

This paragraph authorizes an exception to the requirement that production evidence must be verifiable when disposition of the production does not lend itself to providing verifiable production records. The provisions in this paragraph shall be used **only** in situations where **all** of the following apply:

- submitted production evidence does not meet the requirements of paragraph 512 or 513
- disposition of the crop on all the acreage was grazing, silage, or haylage
- disposition or intended disposition was timely documented on FSA or crop insurance records for the applicable crop years, according to subparagraph B.

**Note:** It is **not** permissible for a producer to revise a previous certification of a crop acreage that was or was intended to be grazed, silaged, or hayed.

**B Documenting Disposition and Acreage**

The disposition and acres applicable to each crop use must have been timely documented on FSA or crop insurance records for the applicable crop years. COC shall consider either of the following to be acceptable documentation that the applicable acreage was grazed, silaged, or hayed:

- FSA records, including LDP records, NAP records, or FSA-578, documented during the applicable crop year or by the final date to request LDP, show the number of acres that were grazed, silaged, or hayed
- crop insurance records, including loss adjustment records or appraisal records, documented during the applicable crop year or by the final date to file claims, show the number of acres that were grazed, silaged, or hayed.

**Note:** Revisions to update existing records to document haying, grazing, or used for silage are **not** authorized (subparagraph C).--\*

**\*--514 Acceptable Records When All Acres Are Grazed, Silaged, or Hayed (Continued)**

**C Revisions Not Allowed**

If existing records do not indicate the acreage was grazed, silaged, or hayed (that is abandoned, left standing, plowed down, short rated, etc.), the credited production from the applicable acreage is **zero**, in which case subparagraph D is **not** applicable.

**D No Verifiable Records of Production for Silage Only**

If documentation of disposition and acreage is available according to subparagraph B, but verifiable **production** records are unavailable for acreage of the crop on the farm, COC shall assign a yield for each applicable crop year, according to the following.

<b>IF...</b>	<b>THEN...</b>
LDP was approved for the entire farm	credit the farm and crop with the applicable amount of <b>grain</b> production, based on the approved LDP's.  <b>Note:</b> Yields assigned by COC for LDP shall be used as a record of production for ACRE purposes.
LDP was approved for only part of the production	COC shall assign the ACRE plug yield for the entire planted acreage.
farm records document both of the following: <ul style="list-style-type: none"> <li>• production on all of the silaged acreage was weighed</li> <li>• records were maintained for all production (that is number of loads of silage)</li> </ul>	credit the farm and crop with the applicable amount of <b>grain</b> production, using conversions in paragraph 521. If COC is not satisfied that the certified quantity represents an accurate amount, then COC shall assign the ACRE plug yield.
LDP's were not approved for acreage on a farm or production records were not maintained indicating amount of silage	COC shall assign the ACRE plug yield.

**E Production for Grazing and Haylage Only**

If farm records document that all acreage was hayed and/or grazed, then COC shall assign the ACRE plug yield for the applicable year.--\*

**\*--515 Acceptable Records When Some Acres Are Grazed, Silaged, or Hayed****A LDP's Approved on All Production**

If part of the crop acreage was harvested as grain and part was grazed, silaged, or hayed, LDP and/or loan production approved for the entire farm and crop may be used as actual production.

**B Production for Acres Harvested as Grain**

Production for the acreage harvested as grain shall be either of the following:

- production from verifiable production records, including LDP's
- assigned production.

**C Production for Acres Grazed, Silaged, or Hayed**

Production for acreage grazed, silaged, or hayed shall receive production credit equal to the following, **only if** existing FSA or crop insurance records show the number of acres harvested as grain separately from the number of acres grazed, silaged, or hayed. If acceptable production evidence for the acreage grazed, silaged, or hayed, is:

- available, such as LDP for silage, use the acceptable production records
- not available, and actual, verifiable production records for grain harvested on the farm in the same year are:
  - available, COC shall assign production for acreage grazed, silaged, or hayed based on the actual yield per acre for grain production on the farm
  - not available, COC shall assign production for acreage grazed, silaged, or hayed based on the provisions of paragraph 514.--\*

**\*--516 Establishing Yields for Farms with Both Irrigated and Nonirrigated Practices**

**A COC Authority**

COC's are authorized to establish both irrigated and nonirrigated yields on a farm in a year for a crop, **only if all** of the following conditions are met:

- producer planted both irrigated and nonirrigated acreage
- both irrigated and nonirrigated practices were reported on FSA-578
- acceptable production evidence is available for the total crop acres for the farm
- existing production records from the irrigated and nonirrigated acreage were maintained separately at the time of harvest
- both irrigated and nonirrigated yields have been established for the county.--\*

**\*--516 Establishing Yields for Farms with Both Irrigated and Nonirrigated Practices (Continued)****B Existing Records**

Existing records, as required in subparagraph A, are limited to documentation that was available at the time the crop was harvested. Existing records:

- must clearly substantiate whether the production was harvested from irrigated acreage or nonirrigated acreage
- may include records that producers create to document production from irrigated acreage or nonirrigated acreage.

**Note:** An example of this type of record is a computer-generated harvesting record.

Existing records may be used at COC's discretion.

**Example 1:** Producer submits existing multi-peril crop insurance records that indicate the amount of irrigated production and nonirrigated production separately.

**Example 2:** FSA-578 indicates different crop shares for irrigated acreage and nonirrigated acreage of the same crop, and sales evidence reflects FSA-578 crop shares.

**Example 3:** Producer submits existing harvesting records that clearly indicate the amount of irrigated production and nonirrigated production separately and COC is thoroughly satisfied records reflect actual production.

**C Nonallowable Existing Records**

Producer submitted production evidence that is marked with either of the following is **not allowed**:

- “from irrigated land”
- “from nonirrigated land”.

If COC determines production evidence does **not** clearly reflect actual production, the evidence is **not allowed**.

**Note:** See subparagraph 520 G for an example of prorating production on irrigated and nonirrigated land.--\*

**\*--517 Determining Production for Farms Where Production Is Not Available****A COC Authority**

For a variety of reasons, certain owners are unable to submit acceptable production evidence for all of the harvested acreage on a farm. The procedure in this paragraph is applicable **only** to the specific acreage of a crop for which **both** of the following apply to both the current owners and producers of a farm:

- did not have an interest in the crop
- are unable to obtain acceptable production records from a previous producer.

**B Multiple Producers**

Owners of a farm with multiple producers may not be able to obtain production evidence from **former** producers on the farm for all of the applicable crop years. COC shall assign the ACRE plug yield for acreage from which production evidence is unavailable, provided existing records at FSA or crop insurance clearly document the planted acreage of the crop on the farm.

**C No Interest in Acreage**

Owners may be unable to obtain production evidence for the entire farm, as it is constituted in the year of benchmark yield establishment because they did not have an interest in all or a portion of the acreage of the crop in 1 or more of these years and cannot obtain verifiable production records from the previous producers. COC shall assign the ACRE plug yield for planted acreage in the crop year or years in which the current owner or current producer did not have an interest in the crop and verifiable production records cannot be obtained from the previous producers.

**518 Using Similar Farms****A Assigning Production Based on Similar Farms**

Using similar farms for assigning production is **not** authorized.

**B Protecting PII**

Because of PII issues, using similar farms to assign production is **not** authorized.--\*

**\*--519 Hybrid Seed - Corn and Sorghum**

**A Hybrid Seed**

If acceptable production evidence for hybrid corn or hybrid sorghum is submitted to COC as production evidence for the benchmark farm yield, COC shall convert the hybrid seed production to commercial production according to this paragraph.

**B Separate Methods**

The following methods apply separately to corn and sorghum, and to each crop year. If more than 1 method is applicable to a farm:

- the farm owner may select the method to be used
- COC shall use the applicable method in the order stated, if the owner does not make a selection.

<b>IF...</b>	<b>AND...</b>	<b>THEN...</b>
both commercial crop acreage and hybrid seed acreage are grown on the farm	both the commercial and the hybrid acres are irrigated or nonirrigated	COC shall assign the actual per acre production from the commercial acreage to the hybrid seed acreage.
the producer and company entered into an agreement to use a commercial equivalent yield to calculate payments under the seed contract based on harvested commercial production	the producer has evidence that the calculation was based on actual harvested yields  <b>Note:</b> Evidence may include the nomination form, selection of field form, or other form showing actual harvested commercial production.	the commercial equivalent production used for payment by the seed company shall be used, not to exceed 120 percent of the ACRE plug yield.
neither of the above apply or the owner elects not to use either of the above		COC shall assign the ACRE plug yield.

--\*

**\*--520 Commingled Production****A Overview**

The best available production records may include production that has been commingled between:

- farms
- years
- irrigation status
- a combination of these items.

COC is authorized to apportion commingled production according to this paragraph.

**Note:** COC shall only apportion production that is represented by acceptable records, but cannot be identified with a specific farm or year.

**B Basic Option, Planted Acres**

If commingled production cannot be separated by year or by farm, COC shall apportion production based on **planted** acres in each applicable year or each applicable farm (example in subparagraph F).

**Exception:** COC **may** allow alternative methods to apportion production, as requested by owners or producers, according to subparagraph E.

**C Commingled Years and Farms**

If production is commingled between crop years and farms, COC shall apportion the production to applicable **crop years before** apportioning production to farms.--\*

**\*--520 Commingled Production (Continued)****D Commingled Irrigated and Nonirrigated Acres**

If commingled production cannot be separated by irrigated and nonirrigated status on a farm, COC shall apportion production based on **planted** acres in each applicable farm times the ratio of the irrigated verses nonirrigated ACRE plug yield (example in subparagraph G).

**E Alternative Methods of Apportioning**

COC must be satisfied that apportioning production by any method, other than using **planted** acres, according to subparagraph B, results in yields comparable to other similar farms for the applicable years and farm.

**Note:** The alternative method requested by owners or producers of a farm shall be documented on or attached to FSA-658. COC shall limit apportioning based on **planted** acreage according to subparagraph B, if an alternative method results in questionable or inequitable yields between farms or crop years.

COC **may** allow the apportioning of acceptable production evidence, based on the following:

- harvested acres in each applicable year or each applicable farm
- crop insurance records for each year
- other available records COC determines can reasonably be used for apportioning, such as custom harvesting records, producer load summaries, or weight tickets.

**Note:** See subparagraphs F through I for examples of apportioning production based on alternative methods approved by COC.--\*

**\*--520 Commingled Production (Continued)****F Apportion Based on Planted Acres (Between Years)**

This example apportions acceptable production evidence between crop years based on planted acres, according to subparagraph B. A producer has the following farm information:

- settlement sheet for 10,000 bushels after the 2006 crop was harvested
- settlement sheet for 20,000 bushels after the 2007 harvest, but before any 2008 harvest
- planted acres were:
  - 90 acres in 2006
  - 110 acres in 2007
- the producer has not requested COC to consider an alternative method of apportioning, according to subparagraph E.

In this example, production must be prorated between the years, based on the harvested acres each year, as follows:

- total the harvested acres from each year ( $90 + 110 = 200$ )
- divide the harvested acres for each applicable year by the sum of harvested acres for all years, to determine a percentage of acres applicable to each year as follows:
  - (2006):  $90 \div 200 = .4500$
  - (2007):  $110 \div 200 = .5500$
- multiply the acreage percentage for each year times the commingled production:
  - 30,000 Bushels x .45 = 13,500 Bushels Attributed to 2006
  - 30,000 Bushels x .55 = 16,500 Bushels Attributed to 2007.--\*

**\*--520 Commingled Production (Continued)**

**G Apportion Based on Irrigated/Nonirrigated ACRE Plug Yields and Acres**

This example apportions acceptable production evidence between the crop statuses based on planted acres and irrigated and nonirrigated yields, according to subparagraph D. A producer has the following farm information:

- settlement sheet for 40,000 bushels after the 2004 crop year
- planted acres in 2004 were:
  - 25 acres of nonirrigated corn
  - 135 acres of irrigated corn
- the production evidence does not sufficiently differentiate between nonirrigated and irrigated corn
- the producer has not requested COC to consider an alternative method of apportioning, according to subparagraph E
- 2004 ACRE plug yields for Osage County, Kansas are as follows.

Kansas	Osage	Corn	Bushels	Nonirrigated	120.7
Kansas	Osage	Corn	Bushels	Irrigated	151.6

In this example, production must be prorated between the irrigated and nonirrigated acres, based on the harvested acres and ACRE plug yield for each year, as follows:

- Irrigated Yield ÷ Nonirrigated Yield = Irrigation Factor.  
(151.6 Irrigated ÷ 120.7 Nonirrigated = 1.2560) (4 decimal places)
- Factored Irrigated Acres = Irrigated Acres x Irrigation Factor.  
(135 acres x 1.2560 = 169.5600 acres) (4 decimal places)
- Factored Nonirrigated Acres = Nonirrigated Acres x 1.0 (25 acres x 1 = 25.0000)  
(4 decimal places)
- Total Factored Acres = Factored Irrigated Acres + Factored Nonirrigated Acres  
(169.5600 + 25.0000 = 194.5600) (4 decimal places)
- Production Proration for Irrigated Acreage = Total Production x Factored Irrigated Acres ÷ Total Factored Acres (40,000 Total Bushels x 169.5600 ÷ 194.5600 = 34,860 Bushels or about 258 Bushels Per Acre) (round to nearest whole bushel or pound)
- Production Proration for Nonirrigated Acreage = Total Production - Irrigated Production Proration (40000 - 34860 = 5,140 Bushels or about 206 Bushels Per Acre).--\*

**\*--520 Commingled Production (Continued)****H Apportion Based on LDP Records (Between Farms)**

In this example, the producer requested to apportion production evidence between farms for the 2005 crop year, based on LDP records for each respective farm.

**Note:** Although LDP quantities may be considered acceptable production evidence, this producer is requesting that commingled production on settlement sheets be apportioned based on the respective LDP quantities.

The producer has the following information:

- 6,000 bushels certified LDP, FSN 100
- 4,000 bushels certified LDP, FSN 200
- settlement sheet with commingled production totaling 10,150 bushels.

In this example, COC may allow apportioning of the production on settlement sheets, based on the LDP quantities, as follows:

- total LDP quantities for the 2005 crop ( $6,000 + 4,000 = 10,000$ )
- divide LDP quantities for each respective FSN by the sum of LDP quantities for the 2005 crop year, to determine a percentage applicable to each FSN, as follows:
  - FSN 100  $6,000 \div 10,000 = .6000$  (4 decimal places)
  - FSN 200  $4,000 \div 10,000 = .4000$  (4 decimal places)
- multiply the commingled production on the settlement sheets times LDP percentage for each FSN, as follows (rounded to nearest whole bushel or pound):
  - $10,150 \text{ Bushels} \times .6000 = 6,090 \text{ Bushels}$  Attributed to FSN 100
  - $10,150 \text{ Bushels} \times .4000 = 4,060 \text{ Bushels}$  Attributed to FSN 200.

**Note:** COC shall limit options according to subparagraph B, if an alternative method results in questionable or inequitable yields between farms or crop years.--\*

**\*--520 Commingled Production (Continued)****I Apportion Based on RMA Records (Between Farms)**

In this example, the producer requested to apportion production evidence between farms for the 2008 crop year, based on multi-peril crop insurance APH records.

**Note:** Certified quantities for APH purposes are considered to be acceptable production evidence and these quantities may be used to apportion commingled production evidence to the satisfaction of COC.

The producer has the following information:

- 20,000 bushels production certified on multi-peril units 1, 2, and 3 (FSN 100)
- 35,000 bushels production certified on multi-peril units 4, 5, and 6 (FSN 200)
- settlement sheets with commingled production totaling 54,650 bushels.

In this example, COC may allow apportioning of the production on settlement sheets, based on the quantities certified for APH purposes, as follows:

- total APH quantities for the 2008 crop ( $20,000 + 35,000 = 55,000$ )
- divide APH quantities for each respective FSN by the sum of APH quantities for the 1999 crop year, to determine a percentage applicable to each FSN, as follows:
  - FSN 100  $20,000 \div 55,000 = .3636$  (4 decimal places)
  - FSN 200  $35,000 \div 55,000 = .6364$  (4 decimal places)
- multiply the commingled production on the settlement sheets times the APH quantity percentage for each FSN, as follows (rounded to nearest whole bushel or pound):
  - 54,650 Bushels x .3636 = 19,871 Bushels Attributed to FSN 100
  - 54,650 Bushels x .6364 = 34,779 Bushels Attributed to FSN 200.

**Note:** COC shall limit options according to subparagraph B, if an alternative method results in questionable or inequitable yields between farms or crop years.--\*

**\*--521 Silage Production Evidence****A Silage Production**

Acceptable records of silage production shall be converted from tons to bushels by multiplying the tonnage times the following factors:

- 6.47 for barley
- 7.94 for corn
- 5.51 for dry peas
- 3.114 cwt for grain sorghum
- 4.30 for lentils
- 4.08 for oats
- 6.00 for small chickpeas
- 5.00 for soybeans
- 6.99 for wheat.

**Example:** Producer A sells his or her corn crop to XYZ Dairy. All production is weighed. XYZ Dairy purchased 739.5 tons of corn silage from Producer A. The actual corn production for that year would be 5,872 bushels (739.5 Tons x 7.94 Bushels Per Ton = 5,872 Bushels).

**B Silage Measurements**

Actual measurements to verify production for a particular year **must** have been taken **before** harvesting the next year's crop to document the year of production. Acceptable farm-stored forage measurements are measurements taken by the following:

- FSA employees, if done as part of an official measurement service
- FSA certified LA's
- Extension Service or USDA employees acting in an official capacity
- feed company consultants approved by COC
- private feed and forage consultants approved by COC
- RMA or reinsured company appraisers.

**Note:** Using sales receipts to document production eliminates the need for an on-farm hay or forage measurement.

**C COC Guidelines for Approving Silage Measurements**

COC's shall review applicant's documents from feed and forage consultants and make approvals based on whether or not the documents meet the requirements of this part. It is evident that feed and forage consultants do **not** necessarily provide the same service to all customers.--\*

**\*--522 Multiple Producers on a Farm**

**A Production Using Crop Shares**

If a producer's share of the total production and the producer's production are known, this data may be used to compute the farm's total production.

**B Computing Production Using Crop Shares**

Compute the farm's total production using the following example:

- the producer's share of the total production is .3333 and the producer's production records show he or she received 1,000 bushels
- COC may establish the farm's production at 3,000 bushels if the producer's share is a matter of record and the production evidence is acceptable.--\*

**523–530 Reserved**

\*--Section 2 FSA-658's

531 Submitting FSA-658's

**A Production or ACRE Plug Yield Information on FSA-658**

All production or ACRE plug yield information for each crop year shall be documented by completing FSA-658 by crop and irrigation status by farm.

**Notes:** Producers are not required to submit production evidence when filing FSA-658. However, production evidence will be required at a later date to verify the producer's reported yield information.

County Office may use an Excel program workbook that was developed by the National Office for the initial benchmark farm yield. This workbook will data fill the ACRE plug yields (95 percent of the ACRE plug yields), determine the benchmark farm yield based on the production certifications, and print FSA-658 for producer signature. This workbook (FSA-Generatorv\_.xls) is to be used by County Offices only and is available on the DAFP Intranet at <http://intranet.fsa.usda.gov/dafp/>.

**B Completing FSA-658's**

Complete FSA-658 according to the following.

Item	Instructions
1	Enter name and address of the producer completing FSA-658. The producer must have an interest in the farm for 2009.
2	Enter: <ul style="list-style-type: none"> <li>• year of ACRE election, if the benchmark farm yield is being developed</li> <li>• current year, if reporting the actual farm yield.</li> </ul>
3	Enter the applicable FSN, as constituted in the applicable year, for which the production evidence is applicable.
4	Enter commodity.
5	Enter irrigated status of the applicable commodity.

--\*

\*--531 Producer's Report of Production on FSA-658 (Continued)

**B Completing FSA-658's (Continued)**

Item	Instructions	
6	If applicable, enter the type of evidence document available; such as assembly sheet, settlement sheet, gin receipt, scale tickets, etc.; with buyer's name, etc.  <b>Note:</b> It may be necessary to apportion commingled production from a document, between years and/or farms (paragraph 520).	
7	<b>IF production evidence is...</b>	<b>THEN...</b>
	applicable to certain acreages	then enter the number of acres
	<b>not</b> applicable to certain acreages	<b>no</b> entry is required.
8A through 8E	<b>IF...</b>	<b>THEN...</b>
	establishing the benchmark farm yield	enter the amount of production from the associated production evidence in item 6.  <b>Note:</b> An entry is <b>not</b> required in all years; however, continuity could be broken if production is not report (subparagraph 510 C).
	reporting actual production	an entry is only required in 1 year and should be designated with the appropriate program year.
8F	Total all production for each year in columns A, B, C, D, and E.	
8G	Enter total planted acres of the crop for the applicable year. Enter all planted acreage including failed acreage and double-cropped acreage.  <b>Note:</b> If the producer uses the ACRE plug yield, <b>no</b> report is required.	
8 H	Enter total prevented planted acres of the crop for the applicable year.  <b>Note:</b> If the producer uses the ACRE plug yield, <b>no</b> report is required.	
8 I	<b>IF establishing the...</b>	<b>THEN divide item 8F by...</b>
	benchmark farm yield	item 8G and enter result in this item for each applicable crop year. A check (✓) indicates the producer selected this yield in computing the benchmark farm yield.  <b>Note:</b> There <b>cannot</b> be a check (✓) in both items 8I and 8J; one <b>must</b> be selected.
	actual farm yield	the total of items 8G and 8H and enter result in this item for the crop year.

--\*

\*--531 Producer's Report of Production on FSA-658 (Continued)

**B Completing FSA-658's (Continued)**

Item	Instructions	
8 J	<b>IF...</b> establishing the benchmark farm yield	<b>THEN...</b> enter the ACRE plug yield for each of the years in the base period. A check (✓) indicates the producer selected this yield in computing the benchmark farm yield.  <b>Note:</b> There <b>cannot</b> be a check (✓) in both items 8I and 8J; one <b>must</b> be selected.
	entering the actual farm yield	no entry is required, <b>unless</b> the farm is totally prevented from planted.
9 A	Enter County Office name and address of the county in which the farm is participating in ACRE.	
9 B	Enter County Office telephone number.	
10 A	Signature of producer completing the certification. This producer shall also be responsible for providing the evidence, upon request.	
10 B	<b>IF individual signing in item 10A is...</b> signing in a representative capacity for the participant	<b>THEN...</b> a title/relationship shall be listed.
	the signatory	then <b>no</b> entry is required.
11	Date the producer or person signing in a representative capacity completes the certification.	
12	Enter benchmark farm yield.	
13 A	COC member shall sign after COC has completed a review of the production evidence.	
13 B	Enter date the review is completed and the production evidence is either approved or disapproved.	
14	Enter remarks.	

--\*







**\*--532 Examples of Completed FSA-658's (Continued)**

**D FSA-658 Completed for a PTPP Production**

This is an example of FSA-658 completed for lima bean production in Illinois for a farm participating in PTPP.

Year	Certified Production	Acres
2009	133120 pounds	52.0

**This form is available electronically.**

<b>FSA-658 U.S. DEPARTMENT OF AGRICULTURE</b> (06-17-09) Farm Service Agency  <b>RECORD OF PRODUCTION AND YIELD</b>		1. Producer Name and Address Roger Moore 7 Bond Rd Kirkland, IL 60146		2. Program Year  2009		
		3. Farm No. 123	4. Crop Lima Beans	5. IRR/NI NI		
<p><b>NOTE:</b> The primary authority for requesting and safeguarding the information described on this form is the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246 and any amendments to such act as may follow). The information requested is necessary to document actual crop yields and production. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in a determination of ineligibility for certain program benefits and other financial assistance administered by USDA. The information collected as a result of this form may be released to USDA employees, USDA contractors, or authorized USDA cooperators who are bound to safeguard the information under Section 1619 of the Food, Conservation, and Energy Act of 2008, the Privacy Act of 1974, the E-Government Act of 2002, and related authorities.</p> <p>The 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). The provisions of criminal and civil, and privacy statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b></p>						
<b>PART A - RECORD OF PRODUCTION AND YIELD</b>						
6. Type of Evidence and Name of Buyer, Warehouse, Etc.		7. Acres	8. Year And Quantity			
			A. YR. 2009	B. YR.	C. YR.	D. YR.
Weight Certificate Detail		52.0	133120			
9A. County FSA Office Name and Address (Including Zip Code) Flatt County FSA 549 Lincoln Rd Wilsonland, IL 27549		<b>F. TOTALS</b>		133120		
		G. Planted Acres		52.0		
		H. Prevented Acres				
		I. Calculated Yield		2560		
9B. Telephone (Include Area Code)		J. 95% of ACRE County Yield				
<b>PART B - PRODUCER'S CERTIFICATION</b>						
<p>I hereby certify that the information listed above includes a complete and accurate record of the production for the crop, farm and years shown. The production is accurately assigned to the farm and year of production. I understand that this report may be spotchecked and failure to certify accurately may result in loss of program benefits. I also hereby direct the purchaser, warehouseman, ginner, or any person who otherwise stores or purchases crops listed on this form to disclose the production records of such crops to USDA representatives for purposes of verification.</p>						
10A. Producer's Signature (BY)  <b>/s/ Roger Moore</b>		10B. Title/Relationship (Individual Signing in the Representative Capacity)		11. Date (MM-DD-YYYY)  01/08/2010		
<b>PART C - COC'S APPROVAL</b>						
12. Benchmark Farm Yield N/A		13A. Signature <b>/s/ John Chair</b>		13B. Date (MM-DD-YYYY) 01/11/2010		
14. Remarks:						

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## Reports, Forms, Abbreviations, and Redelegations of Authority

### Reports

None

### Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026	Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification		6, 7, 352, 429, Ex. 4
AD-1153	Application for Long-Term Contracted Assistance Through the _____ Program		427
CCC-505	Voluntary Permanent Direct and Counter-Cyclical Program (DCP) Base Acres Reduction	66	Text, Ex. 19
CCC-509 (04-16-09)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		Text, Ex. 2,
CCC-509 (10-01-09)	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract	332	Text, Ex. 2,
CCC-509ACRE	Average Crop Revenue Election (ACRE) Program Irrevocable Election		Text, Ex. 14
CCC-509 Appendix (04-24-09)	Appendix to Form CCC-509, Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		11, 332, 395, 426
CCC-509B ACRE Worksheet	2009-ACRE CCC-509B Worksheet		10
CCC-510	DCP or ACRE Program Cash Rent Certification Statement	Ex. 14	352, 394, 402
CCC-517	Tract Redistribution Form		334
CCC-527	Request for Action for Subsidiary/Payment Limitation		10
CCC-528	Designation of Payment Acres for Planted and Considered Planted (P&CP) Crops of Covered Commodities and Peanuts for the Average Crop Revenue Election (ACRE) Program	187	
CCC-529	Program Adjustment to Payment Limitation Because of Participation in ACRE Program	10	
CCC-576	Notice of Loss and Application for Payment Noninsured Crop Disaster Assistance Program		78

## Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

## Forms (Continued)

Number	Title	Display Reference	Reference
CCC-749	Request to Participate in the 20__ Planting Transferability Pilot Project	80	76, 79, 81, 82, 333
CCC-770 DCP	Direct and Counter-Cyclical Program Contract Checklist	Ex. 17	353
CCC-770 Eligibility	Eligibility Checklist		Ex. 17
CCC-902 Continuation	Continuation Sheet for Leased or Owned Land		6, 7, 352, Ex. 4
CCC-902E	Farm Operating Plan for Entity 2009 and Subsequent Program Years		6, 7, 352, Ex. 4
CCC-902I	Farm Operating Plan for Individual 2009 and Subsequent Program Years		6, 7, 352, Ex. 4
CCC-903	Worksheet for Payment Eligibility and Payment Limitation Determinations		352
CCC-920	Grassland Reserve Program Contract		66, 427
CCC-926	Average Adjusted Gross Income (AGI) Statement		6, 7, 352, Ex. 4
CRP-1	Conservation Reserve Program Contract		Text, Ex. 2
CRP-2	Conservation Reserve Program Worksheet		427
CRP-2C	Conservation Reserve Program Worksheet (For Continuous Signup)		427
CRP-15	Agreement for Reduction of Bases, Allotments and Quotas		67, 331, 425
FCI-19	Crop Insurance Acreage Report		478
FSA-156-EZ	Abbreviated 156 Farm Record and Tract Listing		82, 426, 427, Ex. 19
FSA-325	Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		400
FSA-578	Report of Acreage		Text, Ex. 2, 17
FSA-658	Record of Production and Yield		175, 187, Part 9
FSA-910	Wetland Reserve Program Projected DCP Base Reduction Worksheet	Ex. 19	426

**Reports, Forms, Abbreviations, and Delegations of Authority (Continued)**

**Abbreviations Not Listed in 1-CM**

The following abbreviations are not listed in 1-CM.

<b>Approved Abbreviations</b>	<b>Term</b>	<b>Reference</b>
BCAP	Biomass Crop Assistance Program	426
P&CP	planted and considered planted	187
PTPP	Planting Transferability Pilot Project	76-82, 333, 445, 501, 502, 532

**Delegations of Authority**

COC may redelegate authority to approve CCC-505's, CCC-509's, and CCC-509ACRE's to CED for routine cases. Redlegation shall be documented in COC minutes.



## Definitions of Terms Used in This Handbook

### ACRE

ACRE means Average Crop Revenue Election Program addressed in this handbook.

### ACRE Guarantee Price

ACRE guarantee price means the simple average of the national average market prices of the covered commodity or peanuts for the most recent 2 crop years as determined by CCC. For example, in 2009, the ACRE guarantee price of a covered commodity or peanuts is equal to the simple average of the national average market prices of the covered commodity or peanuts in 2007 and 2008.

### ACRE Payment

ACRE payment is a payment that is limited to the total base acres on a farm and is predicated on specific planted and considered planted acres of a covered commodity or peanuts.

### ACRE Price

ACRE price means the higher of either of the following, as determined by CCC, for the covered commodity or peanuts:

- the national average price received by producers during the 12-month marketing year of the covered commodity or peanuts
- 70 percent of the marketing assistance loan rate for the covered commodity or peanuts under Pub. L. 110-246, Section 1202 or 1307.

### ACRE Program Guarantee

The ACRE Program guarantee for a crop year of a covered commodity or peanuts is equal to 90 percent of the result of multiplying the benchmark State yield times the ACRE Program guarantee price.

### Actual Farm Production

Actual farm production means all of a farm's harvested and appraised production of a covered commodity or peanuts. Appraisals shall be performed by appraisers acceptable to FSA. Appraisals performed according to NAP or crop insurance guidelines are generally deemed acceptable to FSA for DCP and ACRE purposes.

**Definitions of Terms Used in This Handbook (Continued)****Actual Farm Revenue**

Actual farm revenue means the actual farm yield of a covered commodity or peanuts times the ACRE price for the crop year.

**\*--Actual Farm Production**

Actual farm production means the entire farm's harvested and appraised production, including grazed acres, of a covered commodity or peanuts, or PTPP commodity, as applicable. Appraisals shall be performed by appraisers acceptable to FSA. Appraisals performed according to NAP or crop insurance guidelines are generally deemed acceptable to FSA for DCP, PTPP, and ACRE purposes.--\*

**Actual Farm Yield**

Actual farm yield means for the current year in which ACRE benefits are sought (but not for trend yields) the amount determined by dividing the actual farm production of a covered commodity or peanuts by the farm's total planted and considered planted acres of the covered commodity or peanuts. For trend yields for purposes of determining an ACRE benchmark farm yield, yields on planted acres only will be considered except to the extent that the farm does not have a sufficient history in the opinion of CCC to make a fair yield determination in which case a yield may be assigned by CCC. Unless CCC decides otherwise, between crop year yields will be weighted based on the amount of actual planted acres on the farm.

**Actual State (County) Yield**

Actual State (county) yield means the total amount of actual production of the covered commodity or peanuts in a crop year divided by the total planted acres of the covered commodity or peanuts in the State (county).

**Actual State Revenue**

Actual State revenue means for a crop year of a covered commodity or peanuts the actual state planted yield for the covered commodity or peanuts times the ACRE price.

**Agricultural Use Land**

Agricultural use land is land for which either of the following applies:

- the land met the definition of cropland at the time it was enrolled in PFC and the land is currently being used for an agricultural or related activity
- the land met the definition of cropland on or after April 4, 1996, and the land continues to be devoted to an agricultural or related activity.

## Definitions of Terms Used in This Handbook (Continued)

### \*--Appraised Production

Appraised production means production determined by FSA, RMA, FCIC, company reinsured by FCIC, or other appraiser acceptable to CCC, that was unharvested, but reflected the crop's yield potential at the time of appraisal.--\*

### Approved Status

Approved status is a contract with:

- enrolled shares totaling 100 percent
- producer signatures for all shares
- an enrollment date entered in the system
- a COC approval date entered in the system.

### Average Crop Revenue Election (ACRE)

The Average Crop Revenue Election program is authorized by the Food, Conservation, and Energy act of 2008, Section 1105 (7 U.S.C. 8715) according to 7 CFR Part 1412, Subpart G and participation requires the following 2-step process by the producer:

- an election according to 7 CFR Part 1412, Subpart G
- enrollment.

### Base Acre Payment

Base acre payment is a direct or counter-cyclical payment that is predicated on a farm's base acres of a specific covered commodity or peanuts.

### Base Acres

Base acres mean the number of acres for the covered commodity or peanuts on the farm specified on CCC-509. Base acres may be increased if CRP-1 applicable to the farm expires or is voluntarily terminated. The adjustment in the base acres of a crop, if any, will be determined by the Secretary of Agriculture. The producer's total base acres on the farm for all covered commodities and peanuts can never exceed the amount equal to the currently available cropland plus eligible double-cropping acreage on the farm minus that amount of that cropland that is enrolled in 1 of the following:

- the Department's CRP
- the Department's WRP
- a conservation program for which payments are made in exchange for not producing an agricultural commodity on the acreage.

**Definitions of Terms Used in This Handbook (Continued)****Benchmark Farm Yield**

Benchmark farm yield means, except as otherwise provided, for a covered commodity or peanuts \*-the Olympic average of the average actual yield per **planted** acre or ACRE plug yield for the-\* farm for the 5 most recent crop years according to paragraph 175.

**Benchmark State Yield**

Benchmark State yield means for a covered commodity or peanuts a yield based, to the extent practicable, on data from NASS equal to the Olympic average of the average yield per planted acre for the State for the 5 most recent crop years. The benchmark State yield is used in determining the State ACRE guarantee. CCC may make such adjustments in these yield as it deems needed to provide for a fair yield and insure the integrity of the program.

**Commercial Agricultural Production**

Commercial agricultural production is the propagation and raising of agricultural products for commercial sale or barter having gross receipts or sales annually in excess of \$1,000. This includes pastures and land devoted to approved conserving uses.

**Considered Planted**

Considered planted is acreage approved as prevented planted according to 7 CFR 718.103 or the acreage considered planted to a covered commodity according to 7 CFR 1412.48.

## Definitions of Terms Used in This Handbook (Continued)

### Farm ACRE Guarantee

Farm ACRE guarantee means for a crop year of a covered commodity or peanuts the per acre producer-paid crop insurance premium (if any) added to the result of multiplying the benchmark farm yield times the ACRE guarantee price. Farm ACRE guarantee is used in determining whether a farm is eligible for ACRE payments for a covered commodity or peanuts.

### Harvested

Harvested means the producer has removed the crop from the field by hand, mechanically, or by grazing of livestock. The crop is considered harvested once it is removed from the field and placed in or on a truck or other conveyance or is consumed by livestock through the act of grazing. Crop normally placed in a truck or other conveyance and taken off the crop acreage, such as hay, are considered harvested when in the bale, whether removed from the field or not.

### \*--Harvested Production

Harvested production means all production of the eligible crop from the farm that can be supported by an acceptable record, including, but not limited to, production:

- gathered by hand
- grazed by livestock
- mechanically harvested.--\*

### Home Garden

Home garden is an area of fruits or vegetables on a farm of 2 acres or less and is planted for the consumption and home use of a producer. Home gardens are excluded from acreage considered as FAV. If the total garden acreage on a farm is greater than 2 acres, the entire garden acreage will be considered as FAV.

### Initiated Status

Initiated status is a contract that has been started in the automated system but does **not** have either of the following:

- shares with producer signatures totaling 100 percent
- an enrollment date entered in the system.

### Landlord

A landlord is someone who rents or leases farmland to another.

## Definitions of Terms Used in This Handbook (Continued)

### Limited Resource Farmer

Limited resource farmer means a farmer or rancher who meets both of the following criteria:

- the person did not have, counting both direct and indirect interests, total gross farm sales for all farms in which that person has an interest of not more than the triggering level, as defined below, in both of the 2 calendar years that precede the calendar year in which the contract year begins

**Note:** The triggering level is an indexed number that was originally for other programs, \$100,000. Beginning in October 2004, that number has been adjusted for inflation using the Prices Paid by the Farmer Index compiled by NASS. The triggering level for this contract shall be the indexed number as adjusted for the fiscal year that begins on the first day of the contract period.

- the person's total household income is at or below the national poverty level for a family of 4 or less than 50 percent of county median household income in each of the previous 2 years determined annually using U.S. Commerce Department Data.

For purposes of making these determinations, interested persons are encouraged to use the USDA Limited Resource Farmer and Rancher Only Self Determination Tool at <http://www.lrftool.sc.egov.usda.gov/tool.asp>.

### Loan Commodity

Loan commodity means wheat, corn, grain sorghum, barley, oats, upland cotton, extra long staple cotton, rice, soybeans, other oilseeds, wool, mohair, honey, dry peas, lentils, and small chickpeas.

### Marketing Year

A marketing year is the 12-month period beginning the calendar year the crop is normally harvested as follows:

- barley, oats, and wheat - June 1 through May 31
- canola, dry edible peas, flaxseed, lentils, and rapeseed - July 1 through June 30
- upland cotton, peanuts, and rice - August 1 through July 31
- corn, crambe, grain sorghum, mustard, safflower, sesame, soybeans, sunflowers, and chickpeas - September 1 through August 31.