

For: State and County Offices

**Reminder of Requirement to Review DCP Base Acres
When Land Is Enrolled in Various Conservation Programs**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

OIG has issued a management alert about audit findings related to controls over DCP base acres on lands subject to conservation easements. The audit found that some DCP base acres were not reduced because of enrollment in the Wetlands Reserve Program (WRP), Emergency Watershed Program (EWP), and the Grassland Reserve Program (GRP) for the following reasons:

- NRCS did not ensure that FSA County Offices were aware of recorded conservation easements
- FSA County Offices did not ensure that DCP base acres were properly reduced when informed of the easements.

B Purpose

This notice reminds FSA County Offices:

- that producers are not eligible to receive DCP payments on land that is enrolled in WBP, WRP, EWP, CRP, GRP, and State or other conservation programs
- of the requirement to reduce DCP base acres, when necessary, to ensure that program benefits are not issued on ineligible land
- that action shall be taken immediately to notify producers of any overpayments that have resulted because DCP base acres were not reduced timely.

Disposal Date	Distribution
June 1, 2006	State Offices; State Offices relay to County Offices

Notice DCP-146

2 Reductions Required for DCP Base Acres

A Policy Provisions

3-CM, subparagraph 26 D defines effective DCP cropland as the amount calculated by subtracting from DCP cropland, cropland acres of the following:

- CRP
- WBP
- WRP/EWP
- State conservation
- other conservation
- GRP.

1-DCP:

- paragraph 53 provides provisions for DCP base limitations
- Part 7 provides guidelines for determining:
 - eligible and ineligible land uses for DCP base acreage
 - acreage reductions required for CRP and GRP enrollment.

B County Office Action

When notified by NRCS of the establishment of a conservation easement or cropland enrolled in CRP or GRP, County Offices shall **immediately**:

- take action to determine if DCP base acres are affected according to 3-CM and 1-DCP
- notify producers of the requirement to file FSA-505 to reduce base acres if the land enrolled in the conservation program results in an insufficient number of acres for DCP base purposes
- update the farm records system according to 3-CM to reflect the acreage applicable to each program.

Note: The farm records system shall be updated to reflect the base reduction even if the producer fails to file FSA-505. See 3-CM for additional information.

If it is determined that DCP payments have been issued to producers on ineligible DCP base acres, County Offices shall immediately initiate debt collection procedures by computing the overpayment amount and transferring the overpayment to CRS according to 2-DCP, Part 8.

Reminder: Submit FSA-321 to PECD for cases where relief is requested to allow producers to retain 2003 and 2004 DCP base acres that should have been reduced because of enrollment in GRP.