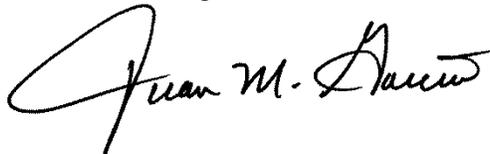


For: State and County Offices

Eligible ACRE Crops

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

1-DCP, paragraph 177 defines an eligible ACRE crop as:

- the initial crop
- a double-crop where both crops in the double-cropping pattern are covered commodities.

Producers are planting a variety of cover crops as part of conservation practices to conserve water, prevent erosion, and add organic material to cropland. Planting cover crops could prevent an otherwise eligible ACRE crop from receiving payment.

B Purpose

This notice provides guidance to State and County Offices on a policy change for adding or revising eligible crop status codes when determining ACRE eligible crops for 2011 and 2012 only.

This change in policy is applicable to all counties, not just the counties listed in 7 CFR § 1412.47 (e).

Disposal Date	Distribution
January 1, 2013 4-9-12	State Offices; State Offices relay to County Offices

Notice DCP-260

2 ACRE Eligible Crops

A New Eligible ACRE Crop Statuses

For 2011 and 2012 ACRE, the following crop status codes, in addition to “D” and “T”, will now be eligible.

Code	Description
E	Covered commodity followed by FAV or wild rice or vice versa – meets double-cropping definition.
G	Noncovered commodity/non-FAV followed by covered commodity or vice versa-meets double-cropping definition.

For 2011 and 2012, ACRE software will **not** be modified to accommodate additional eligible crop status codes. For the ACRE payment software to accurately calculate ACRE payment acres with additional crop status codes, County Offices must revise FSA-578.

B 2011 FSA-578

Revise any previously certified crops with a crop status code of “E” or “G” for a covered commodity or peanuts on FSA-578 to “D” for any farm participating in ACRE. The signature of the other tenant, operator, or owner is not required; however, note in item 22 A, Operators Signature, “See Notice DCP-260”.

Note: Revision of FSA-578 will only be required if the State triggers for the applicable crop.

There are approximately 75 farms nationwide that certified an “E” or “G” in 2011 and are participating in ACRE. A report of these farms will be furnished by the National Office to assist County Offices in identifying affected farms.

C 2012 FSA-578

Record any covered commodity or peanuts’ crop status as “D” when the actual crop status should be “E” or “G” on a farm participating in ACRE. Note on FSA-578, item 22 A, Operators Signature, “See Notice DCP-260”.

Note: Revision of FSA-578 will only be required if the State triggers for the applicable crop.

D Other Actions

As a result of adding the new crop status codes, the following systems may require changes:

- Production Reporting System (PRS)
- ACRE Designation
- ACRE Insurance.

Review the reports in each of the systems to determine the action to be taken.

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3 ACRE Software Action

A 2011 PRS

If FSA-578 has been modified according to subparagraph 2 B, **and** the crop has a certified and approved FSA-658 in PRS, PRS will automatically cancel the affected FSA-658's. Producers will have to certify any production reported on additional acreage. County Offices must enter the additional production in PRS, if applicable, and generate FSA-658's. FSA-658's must be re-certified and approved.

If FSA-578 has been modified according to subparagraph 2 B, and the crop **did not** have a certified and approved FSA-658 in PRS, PRS will automatically pull in the additional acreage for the crop. County Offices shall ensure that the acreage in PRS coincides with acreage on the modified FSA-578 and be aware of the potential for additional production reported on those acres.

B 2012 PRS

Program Year 2012 is not currently available in PRS. Any increase in acreage should be captured on the 2012 FSA-578 according to subparagraph 2 C.

C 2011 ACRE Designation

When the 2011 FSA-578 is modified according to subparagraph 2 B, the 2011 ACRE designation will be canceled. Immediately upon cancellation, an automated process will run and will default designate the ACRE payment acres according to 1-DCP, subparagraph 187 C. Producers shall **not** be given the option to make a manual designation.

D 2012 ACRE Designation

2012 ACRE designations are not required to be completed until September 30, 2012. Any increase in acreage shall be captured on the 2012 FSA-578 and the producer(s) shall designate acreage, if necessary, of the eligible crop.

E Insurance Cancellation

When FSA-578 is modified according to subparagraph 2 B, the ACRE insurance record **may** be canceled. If the ACRE insurance record is canceled, access the system and re-enter the data, including the previous signature dates.

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4 Action

A County Office Action

County Offices shall:

- for **2011**:
 - review the list of ACRE farms certified with an “E” or “G” in the crop status code of a covered commodity or peanuts in a State that triggered ACRE payments for the covered commodity or peanuts
 - change the status code from “E” or “G” to “D” on FSA-578 for any affected farms
 - allow production certifications to be:
 - corrected to reflect the additional eligible acreage according to subparagraph 3 A
 - reported on the additional eligible acreage
 - re-enter ACRE insurance data if the record is canceled
- for **2012**:
 - allow ACRE farms to certify crops with a status code of “E” or “G”, according to 2-CP, to report the crop with a status code of “D”
 - accept production certifications on the additional eligible acreage
 - accept ACRE designations on the additional eligible acreage if necessary
 - re-enter ACRE insurance data if the record is canceled.

B State Office Action

State Offices shall:

- ensure that County Offices understand the contents of this notice
- provide the report of 2011 ACRE farms with a status code of “E” or “G” to County Offices.