Average Crop Revenue Election (ACRE) Program

ACRE Election and Enrollment
2009 Producer Flowchart

Eligible DCP Farm

No

ACRE Election (CCC-509ACRE)?

Farm can only enroll in DCP by August 14

Not all producers agree

Direct and CC Payments

CCC-509

22
2009 Producer Flowchart

Eligible DCP Farm

Farm can only enroll in ACRE Program by August 14

ACRE Election (CCC-509ACRE)?

No

Farm can only enroll in DCP by August 14

Not all producers agree

All producers agree to ACRE Election by August 14

Direct and CC Payments

Direct and CC Payments

CCC-509

Acreage Reports, Notice of Loss, and Production Reports

Revise Crop Priority by Sept. 30

CCC-509
2009 Producer Flowchart

Eligible DCP Farm

Farm can only enroll in ACRE Program by August 14

ACRE Election (CCC-509ACRE)?

No

Not all producers agree

Yes

All producers agree to ACRE Election by August 14

Oct. 2010: Both Triggers Met?

No

No ACRE Payments

Yes

Issue ACRE Payments based on priority

Establish Benchmark Farm Yield

Accept Preliminary BFY (95%) or certify production by Production Report Date

Accept Preliminary BFY (95%) or certify production by Production Report Date

CCC-509

Direct and CC Payments

Direct Payments

Revise Crop Priority by Sept. 30

Acreage Reports, Notice of Loss, and Production Reports

Issue ACRE Payments based on priority

No ACRE Payments

Direct and CC Payments

Direct Payments

Revise Crop Priority by Sept. 30

Acreage Reports, Notice of Loss, and Production Reports
Farms with 10 or less acres of base acres are not eligible for DCP or ACRE Program payments

Exception: Farms whose owners are socially disadvantaged or are limited resource producers

Under this definition of “socially disadvantaged”, gender is a consideration. The waiver applies if the farm is owned by women, or at least 50% owned by women.

10-Acre farms may be eligible if combined with other farms and the resulting farm’s base acreage exceeds 10 acres.
What is needed to be provided by the producer to participate in the ACRE Program?

- Know what farms to elect ACRE Program
- Completion of Form CCC-509 ACRE
- Enrollment into the ACRE Program on Form CCC-509
- Certify previous year production on FSA-658 to increase the preliminary Benchmark Farm Yield (optional)
- Annually report acreage and production
- File a Notice of Loss for prevented planted acreage and acreage that is not harvested.
Prior to election, operators should ensure the farm meets the definition of “farm” and is properly constituted

- Request a reconstitution, if necessary, by August 1
- Producers of each resulting farm can elect the ACRE Program or remain in DCP

- Division of an ACRE farm results in ACRE farms
- ACRE farms can only be combined with other ACRE farms
## DCP vs. ACRE Program Payment Limitation

<table>
<thead>
<tr>
<th>Program</th>
<th>Payment</th>
<th>Payment Limitation</th>
<th>Adjusted Gross Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>DCP</td>
<td>Direct</td>
<td>$40,000</td>
<td>nonfarm AGI exceeds $500,000 or the average farm AGI exceeds $750,000</td>
</tr>
<tr>
<td>DCP</td>
<td>Counter-cyclical</td>
<td>$65,000</td>
<td>nonfarm AGI exceeds $500,000</td>
</tr>
<tr>
<td>ACRE</td>
<td>Direct</td>
<td>$40,000 minus the 20% reduction</td>
<td>nonfarm AGI exceeds $500,000 or the average farm AGI exceeds $750,000</td>
</tr>
<tr>
<td>ACRE</td>
<td>ACRE</td>
<td>$65,000 plus the 20% reduction</td>
<td>nonfarm AGI exceeds $500,000</td>
</tr>
</tbody>
</table>
Producers can elect to participate in the ACRE Program by the deadline

- Once elected, the farm must then enroll in the ACRE Program by the deadline if they wish to receive benefits.
- ACRE farms are no longer eligible for DCP through 2012.
- To participate in the ACRE Program in subsequent years, the farm must annually enroll by June 1.

Note: Even though elected into the ACRE Program, farms do not have to enroll in the program.
ACRE Elections
The deadline to elect and enroll in the ACRE Program for 2009 has been extended from June 1 to August 14, 2009.

After election, producers must then enroll the farm in the ACRE Program to receive payments.
Producer Signatures

All producers on the farm MUST sign the ACRE election
If enrolling in ACRE, all producers on a farm must agree to the ACRE Program election.
Cancellations

ACRE elections can be cancelled at any time for any reason during the first year of the election through:

- August 14 for 2009
- June 1 for all future years
Cancellations

- Farm records modifications will automatically cancel the ACRE election up through the program deadline.

- The only cancellation reason that will be available for selection after the program deadline is “Out-transfer.”
DCP/ACRE Contract

Enrollment
DCP/ACRE Contract

FSA Modified the previously existing DCP contract application to include the ACRE contract
Changes

All contracts that are were loaded in the system by COB Friday, April 24 were defaulted to a selection of “DCP”
Changes

- A selection of “DCP” or “ACRE” must be made for all contracts loaded in the system after Friday, April 24.

- If producers switch from DCP to ACRE, all previously entered information will be removed and new signatures will be required.
Options Not Applicable to ACRE

- The following options are not available for ACRE contracts:
  - Advance CC
  - Refuse CC Payments
Additional Information

- The ACRE contract can not be approved until the ACRE election is approved.
- The ACRE contract must be cancelled before the ACRE election can be cancelled.
Average Crop Revenue Election (ACRE) Program

- Production Requirements
  - Producers may certify previous yields to establish the Benchmark Farm Yield (historical crop yield for the farm)
  - Actual year production must be certified or provided to determine actual farm revenue
    - Failure to provide may result in ineligibility
ACRE Program is another option for farms that are eligible to participate in DCP.

Payments may be issued for planted and prevented planted covered commodity crops and peanuts.

Farms do not have to have base acreage of the planted (or prevented) crop to receive ACRE payments.
Summary

- ACRE election must be signed by all producers on the farm by the applicable deadline.

- Election is on a farm by farm basis. However, all crops are considered to be in the ACRE program once elected.

- Farms that do not elect to participate in the ACRE Program, may elect to participate in the following year.

- Farms that elect to participate in the ACRE program are not eligible to participate in DCP through 2012.