

USDA Announces Amended Farm Bill Provisions and New Sign Up Deadline

Owners and operators of farms with 10 or fewer base acres now have the opportunity to receive payments for the 2008 Direct and Counter-cyclical Payment Program. On Oct. 13, 2008, President George W. Bush signed a bill that made amendments to the 2008 Farm Bill. These amendments apply to farms with crop acreage bases of 10 acres or less. These changes and clarifications allow some producers more flexibility in farming practices and create new sign-up opportunities with new deadlines for some farms. The amendments also apply to the new Supplemental Revenue Assistance (SURE) Program.

10-Base Acre Limit Changes

As originally enacted under the 2008 Farm Bill, direct and countercyclical payments (DCP) could not be made with respect to farms with crop acreage bases of 10 acres or less. The new law makes that provision inapplicable for the 2008 crop year. Related to this, producers on a farm with 10 acres or less of base may now, under the new law, enroll their farms until Nov. 26, 2008, in the 2008 DCP program. This extension of the original Sept. 30 deadline only applies to producers who were previously excluded because of the minimum acreage requirement. USDA began issuing payments to producers on farms with 10 base acres or less who had already enrolled in the DCP program soon after the President signed the new law. USDA's Farm Service Agency (FSA) will now resume allowing reconstitutions for farms with 10 acres of base or less according to normal reconstitution rules and policy. Eligible producers may sign up for DCP at any FSA office or enroll on the FSA website at: www.fsa.usda.gov/dcp click on Access eDCP Services.

Supplemental Revenue Assistance Program (SURE) Changes

Under SURE in the 2008 Farm Bill, producers seeking disaster benefits must generally have obtained crop insurance or coverage under the Non-insured crop disaster Assistance Program (NAP) for all crops on all farms. Under the new law (P.L. 110-398), producers with crops that had 2009 crop insurance sales closing dates before Aug. 14, 2008, may pay a fee through Jan. 12, 2009, to participate in SURE. Producers may make their SURE participation fee payments to their local FSA office at this time. The SURE program fee is equal to the fee for catastrophic coverage. Payment of the SURE program fee will not make the producer eligible for insurance coverage. Producers also have a new minimum loss threshold under SURE. Under the new law, to qualify for payments, there must be a production loss of at least 10 percent for at least one crop of economic significance on the farm. Under the SURE program, the new law provides that when a second crop is planted after the first crop was prevented from being planted, or if such first crop failed, the second planting will not count toward the SURE program guarantee or total farm revenue. This is true except in areas where double-cropping is a normal practice.

Producers also are not required to purchase crop insurance or a NAP policy for the second crop. By provision of the new statute, the purchase of insurance or a NAP policy for grazed acreage is no longer a requirement for the SURE program. However, such insurance is required as a condition for payment for the livestock feed program, tree

assistance program and the emergency livestock, honeybees and farm-related fish programs. In addition, the new law amends SURE eligibility so that crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10 percent of the value of the coverage. Producers can contact their local FSA office for more information regarding SURE program implementation.

NAP (Non-Insured crop disaster Assistance Program) Application Deadline Changes
NAP application closing dates for the 2009 crops have been extended to Dec. 1, 2008. This extension for 2009 NAP applies to those crops having an application closing date prior to Dec. 1, 2008. This extension was authorized due to the late enactment of the 2008 Farm Bill and to accommodate those applicants wanting to participate in disaster assistance programs under the 2008 Act's Supplemental Agricultural Disaster Assistance for their 2009 crops.