

DCP Sign-up closes August 2nd

Written by Wauneta Breeze
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Nebraska Farm Service Agency (FSA) Director, Dan Steinkruger reminds Nebraska producers of the opportunity to enroll in the Direct and Counter-Cyclical Payment Program (DCP).

The American Taxpayer Relief Act of 2012 extended the authorization of the Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill) for DCP, among other Commodity Credit Corporation (CCC) programs, through 2013.

“DCP signup began in Nebraska on Feb. 19 and producer signatures may be accepted through Sept. 16, 2013,” said Steinkruger. Steinkruger noted the Farm Bill extension also gave producers the opportunity to enroll in the Average Crop Revenue Election (ACRE) Program for 2013. The signup period for ACRE began Feb. 19, 2013 and ended on June 3.

DCP has provided producers with two types of payments since the beginning of the 2008 Farm Bill, including direct payments and counter-cyclical payments.

“Nebraska farmers and landowners earned \$237,016,342 in DCP direct payments in 2012 and ACRE direct payments totaled \$71,296,964,” said Steinkruger. Direct payments are not based on producers’ current plantings of covered commodities, but instead are calculated using the base acres and payment yields established for covered commodities on the farm.

Counter-cyclical payments provide income support as part of a “safety net” in the event of low crop prices. Counter-cyclical payments are only issued if the effective price for a commodity is below the target price.

Because the effective prices did not fall below the target prices for any covered commodities in 2012, producers did not earn counter-cyclical payments. “The good thing is that the actual market prices were strong, however the safety-net was still there for the protection of Nebraska farmers,” said Steinkruger.

To be eligible for DCP, owners, operators, landlords, tenants or sharecroppers must, among

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other requirements, share in the risk of producing a crop on base acres and be entitled to share in the crop available for marketing; annually report the use of the farm's cropland acreage; comply with highly erodible land conservation and wetland conservation requirements; comply with average adjusted gross income (AGI) limitation provisions; and meet "actively engaged" in farming requirements.

For more information on DCP and to make an appointment to enroll, contact your local FSA County Office or visit us on the web at: www.fsa.usda.gov/ne.