

For: State and County Offices

2010 Final DCP Counter-Cyclical (CC) Payments for Peanuts

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Food, Conservation, and Energy Act of 2008 (2008 Act) provides for CC payments for covered commodities and peanuts for crop years 2008 through 2012.

Partial CC payments for peanuts were issued in June 2011.

B Purpose

This notice:

- informs State and County Offices:
 - of the 2010 final CC payment rate for peanuts
 - that the 2010 final CC payments for peanuts are scheduled to start processing on or about October 7, 2011
 - that DCP CC payment and overpayment reports are available through the Common Payment Reports System and the DCP/ACRE Payments Menu according to subparagraph 3 A
- provides:
 - a detailed explanation of how the 2010 final CC payment rate is determined
 - instructions on issuing 2010 final CC peanut payments
 - guidance for issuing payments to producers with special circumstances.

Disposal Date	Distribution
October 1, 2012	State Offices; State Offices relay to County Offices

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2 2010 Final CC Payment Rate for Peanuts

A Calculating 2010 Final CC Payment Rate for Peanuts

The following table illustrates and provides the calculation for the 2010 final CC payment rate for peanuts.

Notes: The effective price equals the direct payment rate, plus the higher of the national average loan rate or the national average price received by producers.

Peanuts are due a final payment because the effective price is below the target price.

Item	Peanuts
	\$/lb
Target Price	0.247500
National Average Loan Rate	0.177500
National Average Farm Price	0.225000
Higher of Loan Rate or Farm Price	0.225000
Direct Payment Rate	0.018000
Effective Price	0.243000
Final CC Payment Rate (Target Price Minus Effective Price)	0.004500
Partial CC Payment Rate (40 percent)	0.002600
Final CC Payment Rate Less Partial Payment Rate	0.001900

B Web Site for National Average Prices Received by Producers

The national market year average prices received by producers for contract commodities may be found by:

- accessing the FSA Internet Home Page at <http://www.fsa.usda.gov/>
- completing the following:
 - ENTER “foa” in the search box and CLICK “Go”
 - CLICK “Counter-Cyclical Payment Rates and Average Market Prices”.

C Update to CC Payment Parameter Table

The National Office will update the Payment Parameter Table with the 2010 final payment rate for peanuts.

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3 DCP CC Payment Reports

A DCP CC Payment Reports

The DCP CC payment reports are available according to the following.

Access Through	Available Payment Reports	Handbook	Paragraph
DCP-ACRE Payment Menu		2-DCP	218-220
	Estimated Calculated Payment Report	(Rev. 1)	221
Common Payment Reports System		9-CM	52
	Submitted Payment Report		63
	Submitted Overpayment Report		64
	Pending Overpayment Report		65
	Nonpayment/Reduction Report		66
	Payments Computed to Zero Report		68
	Payment History Report - Summary		69
	Payment History Report - Detail		70

B Insufficient Funds Report

The Insufficient Funds Report is no longer applicable because e-funds for DCP and ACRE payments are now maintained at the National Level.

4 Issuing Payments in Special Circumstances

A Bankruptcy

County Offices shall see 58-FI, paragraphs 177 and 330 for producers who have filed bankruptcy.

B Deceased Producers

County Offices shall follow policy in 1-DCP, paragraph 400 for deceased producers.

C Successor-in-Interest

County Offices shall follow policy in 1-DCP, paragraph 398 for successor-in-interest.

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5 State and County Office Action

A State Office Action

State Offices shall ensure that County Offices are informed of the contents of this notice.

B County Office Action

County Offices:

- are advised that 2010 final CC payments for peanuts are scheduled to start processing on or about October 7, 2011
- shall follow procedure in 2-DCP (Rev. 1), Part 5 for payment and overpayment processing
- shall see subparagraph 3 A for available payment and overpayment reports.