

“The Average Crop Revenue Election (ACRE) Program could prove to be a very viable option to Nebraska crop producers in 2013,” said Farm Service Agency Director Dan Steinkruger. The American Taxpayer Relief Act of 2012 provided a one-year extension of the ACRE program.

“Signup is underway and producers must elect and enroll their farms on or before June 3, 2013,” said Steinkruger.

Farms that were enrolled in either the Direct and Counter-cyclical Program (DCP) or ACRE in past years may elect ACRE for the one-year extension in 2013. Any farms that have already enrolled in DCP for 2013 may still elect to switch to ACRE on or before June 3. Producers who elect and enroll a farm in ACRE agree to forgo DCP counter-cyclical payments and accept a 20 percent reduction in their direct payments, plus a 30 percent reduction in marketing assistance loan rates.

ACRE payments are tied to current plantings on the farm as opposed to counter-cyclical payments, which are tied to the farm’s base acres.

ACRE payments are revenue-based payments and are tied to crop production and the National Average Market Price for commodity crops on the farm. Payments are issued for crops if two triggers are met for the crop. The state trigger must be less than the state ACRE guarantee and the farm trigger must be less than the farm ACRE guarantee.

During the 2008 Farm Bill, these triggers were met and payments issued in Nebraska in 2009 for barley, oats, dry peas, sunflower seed and wheat. In 2010, the triggers were met and payments issued for irrigated barley and dry peas.

According to the University of Nebraska-Lincoln Extension Cornhusker Economics bulletin, ag economists are predicting substantial payments for non-irrigated corn and soybeans for 2012 in Nebraska due to the size of the projected state payment rates.

“Based on currently published NASS yields, it appears that substantial ACRE revenue payments may be earned on certain 2012 non-irrigated crops,” said Steinkruger.

He encourages producers to contact UNL Extension Educators to assist in the analysis for 2013.

Additional information, including access to a free ACRE webinar for public viewing, is available at www.agecon.unl.edu/farmbill. Contact the local FSA County Office for additional information.

“It is very important for all producers to evaluate the ACRE decision before the June 3 deadline,” said Steinkruger.