The “ACRE” Program...

- **Average Crop Revenue Election (ACRE)** is a revenue-based program:
  - Started in 2009 as a whole-farm, irrevocable alternative to receiving counter-cyclical payments (CCPs);
  - Enrolling requires a 20% reduction in direct payments and a 30% reduction in loan rates on all program crops.

- **ACRE payments are triggered when**:
  - Actual state revenue < ACRE state guarantee revenue; and
  - Actual farm revenue < ACRE farm benchmark revenue.
ACRE Participation...

- In 2009:
  - Eight percent of eligible farms enrolled in ACRE, about 130,000 farms.
  - This represents 33 million acres; 13 percent of total program base.
  - Highest participation was for—
    - Corn (13 million base acres: IL, NE, and IA account for 60%)
    - Wheat (9 million base acres: OK, ND, WA, and SD account for 70%)
    - Soybeans (8 million base acres: IL and IA account for 40%)

- For 2010:
  - Preliminary data indicate that an additional 1.2 million acres of program crop base and 4,000 new farms (not in the program in 2009) enrolled in ACRE.
...And Expected Payments

- For the 2009 crop year, we expect $435 million in ACRE payments—
  - Wheat accounts for $305 million (about 70 percent)
  - Corn, $100 million
  - Less than $20 million each for barley, sunflower, other minor crops.

- Six states are expected to receive 80 percent of 2009 ACRE payments—
  - Oklahoma, Washington, Illinois, South Dakota, North Dakota, and Idaho

2008 Farm Bill
Permanent Disaster Programs

Disaster Trust Fund

- "SURE"—Assistance to farmers who suffer crop losses due to natural disasters; combines all farming interests to determine loss threshold; designed to replace ad hoc assistance.

- "LFP"—Assistance to ranchers who suffer grazing losses due to drought.

- "TAP"—Assistance to orchardists whose vines or trees are lost due to a natural disaster.

- "LIP"—Assistance to ranchers who suffer livestock losses in a natural disaster.

- "ELAP"—Funds for losses that are not covered by any other program.
2008-2010 LFP Payments

2008-2010 LIP Payments
Conservation Reserve Program

• General signup will occur soon—
  • This is the first general signup since April 2006.
  • Strong interest is anticipated given the uncertain commodity situation and the 4.4 million acres expiring on September 30.
  • USDA can enroll about 4 million acres (which leaves room for continuous signup acreage and keeps within the 32 million acre mandated cap).
  • Goal is to have CRP enrollment as close to 32 million acres as possible.

CRP General Signup Acres
Expiring on 9/30/10
Looking Forward…

• Five pillars to promote rural growth—

  - New markets, both in the U.S. and abroad.
  - Small business growth through rural broadband access and increased focus on buying locally.
  - Green jobs through renewable energy production.
  - Natural resource conservation and the promotional of recreational uses to create jobs.
  - Research to help farmers remain competitive in world markets.