

May 9, 2023

USDA Announces Signup for Rice Production Program

On May 5, USDA announced that Farm Service Agency (FSA) will begin mailing pre-filled applications to rice producers the week of May 8 for the Rice Production Program (RPP). The program, authorized in the Consolidated Appropriations Act, will provide up to \$250 million in assistance to rice farmers based on 2022 planted and prevented planted acres.

Once received, producers should take their application to their local FSA office no later than July 10. FSA will make an initial payment to eligible producers at the rate of one cent per pound. If funds are available, a final payment will be issued to eligible producers.

For more information, see the attached fact sheet or contact your local FSA office.



For more information, contact Brandy Carroll at (501) 228-1268 or brandy.carroll@arfb.com

RICE PRODUCTION PROGRAM (RPP)



Overview

The Farm Service Agency (FSA) will provide a one-time payment under the Rice Production Program (RPP) to rice producers based on 2022 planted and prevented planted acres.

Eligibility

To be eligible for RPP, a producer must have reported a share interest in an eligible type of rice planted or prevented from being planted for the 2022 crop year, by the acreage reporting deadline.

- "Eligible type of rice" for RPP means short, medium, and long grain rice, including temperate japonica and sweet rice, reported as planted or prevented from being planted for crop year 2022.
- Industrial rice and wild rice are not eligible to receive a RPP payment.

Payment Calculation

FSA will make an initial payment to eligible producers at a reduced payment rate of 1 cent per pound. If funds remain at the end of the application period, a second payment, not to exceed 1 cent per pound may be issued to eligible producers. To be eligible a producer must have reported to FSA a share interest in eligible rice. As directed by the omnibus legislation, FSA will calculate RPP payments by multiplying the payment rate, individual average actual production history (APH), as reported to RMA, or the FSA-established yield, and the amount of certified rice acres determined by the number of planted acres and acres that were prevented from being planted. If applicable, a prevented planted factor of 60% will be applied to prevented planted acres.

Payment Limitations

The payment limitation for the program is set by statute and is higher if the farmer's average adjusted gross farm income (income from activities related to farming, ranching, or forestry) is more than 75% of their average adjusted gross income (AGI). Specifically, a person or legal entity with adjusted gross farm income of less than 75% of their overall AGI, cannot receive, directly or indirectly, more than \$125,000 in payments.

Farmers who derive 75% or more of their average AGI from farming qualify for a \$250,000 payment limit. AGI is based on the three taxable years preceding the most immediately preceding complete tax year.

Rice farmers may visit their local county office to submit the appropriate form and certification (FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs), if they qualify for and want to seek the higher payment limit.

Applying for Assistance

Rice producers will be mailed prefilled applications using information on file with USDA's Risk Management Agency (RMA) or FSA, as reported by rice producers through their crop insurance agents or FSA county offices.

To apply for RPP, producers must return the completed FSA-174, Rice Production Program Application, to their recording FSA county office by close of business on July 10, 2023. Applications may be submitted in person or by mail, email, or facsimile.

Producers who reported eligible rice to FSA by the acreage reporting deadline, but do not receive a pre-filled application may still apply by visiting their local FSA office and completing the application by July 10, 2023.

In addition to the prefilled applications, producers must also submit the following forms, if not already on file with FSA, within 60 days of the RPP application deadline:

- Form AD-2047, Customer Data Worksheet, for new customers or existing customers who need to update their customer profile;
- Form CCC-901, Member Information for Legal Entities, if applicable;
- Form CCC-902, Farm Operating Plan for an individual or legal entity as provided in 7 CFR part 1400;
- Form FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs, accompanied by a certification from a certified public accountant or attorney as to the person or legal entity's certification, for a legal entity and all members of that entity, for each applicable program year, including the legal entity's members, partners, or shareholders, as provided in 7-CFR part 1400; and
- Form AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification, for the RPP applicant and applicable affiliates as provided in 7-CFR part 12.



More Information

This fact sheet is provided for informational purposes only; other restrictions or requirements may apply. For more information about RPP, visit fsa.usda.gov or contact your local FSA office for details. To find your local FSA office, visit <u>farmers.gov</u>.

