



# FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE  
FARM SERVICE AGENCY

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## GRAZE-OUT Program

### Overview

The Food, Conservation, and Energy Act of 2008 (Pub. L. 110-234) (2008 Farm Bill) provides for GRAZE-OUT payments for 2008 through 2012 crop years to eligible producers who elect to use their acreage planted to wheat, barley, oats, or triticale for grazing by livestock and agree to forgo any other harvesting of the commodity on such acreage during the applicable crop year.

### Payment Eligibility Requirements

GRAZE-OUT payments are subject to the same basic eligibility requirements as commodity loans and loan deficiency payments (LDPs) including, but not limited to:

- payment limitation;
- person determination;
- beneficial interest;
- misaction or misinformation;
- offset or;
- adjusted gross income.

### Application Period

The application period for GRAZE-OUT begins on the first day the crop is normally, mechanically harvested as determined by the county office committee (COC), and ends on March 31 of the calendar year following the year the crop is normally harvested.

Producers may file an application for GRAZE-OUT anytime during this application period. Applications may not be cancelled or withdrawn once submitted.

Eligible producers must request GRAZE-OUT payments at the local Farm Service Agency (FSA) county office.

### Eligible Producer

Producers eligible for the GRAZE-OUT program are those considered eligible for a marketing assistance loan and who also meet all of the following requirements:

- Requests GRAZE-OUT payments on loan deficiency payment certification and application (Form CCC-633 GRAZING) before March 31 of the calendar year following the year the crop is normally harvested;
- Agrees to forgo any other harvesting of the commodity on the acreage planted for grazing by livestock;
- Retains beneficial interest through the date the crop is grazed out.

### Eligible Acreage

Acreage eligible for the GRAZE-OUT program include those planted in wheat, barley, oats or triticale that is not harvested by any means other than grazing.

NOTE: Crop acreage requested for GRAZE-OUT is not eligible for:

- Any other marketing assistance loan or LDP;

- A crop insurance indemnity or;
- Noninsured Crop Disaster Assistance Program (NAP).

### Eligibility and Ineligibility for Grazing Leases

Producers who lease cropland to a second party for grazing on the acreage or per head basis are:

- Not considered to have lost beneficial interest and;
- Eligible for GRAZE-OUT payments on the eligible commodity if all other eligibility requirements are met.

Producers are not eligible for GRAZE-OUT payments if any of the following occur:

- Grazing occurred on nurse crops that would not have met the definition of the crop if harvested as grain;
- Beneficial interest is lost and later regained;
- The crop is leased to a third party for grazing on a flat per acre rate;
- No grazing occurred or;
- Mechanical harvest occurred.

### Filing Grazing Application Form CCC-633 GRAZING

Producers must use the farm serial number (FSN) when requesting GRAZE-OUT payments on the application form CCC-633 GRAZING.

If multiple producers share in the acreage, the shared acreage must equal 100 percent of the grazed acreage and all signatures must

be obtained before the request is considered complete.

To be considered eligible for GRAZE OUT, all applications, including applications received in person, by mail, fax or downloaded from the Internet, must be completed correctly, signed and returned to the local FSA county office on or before the final loan availability date, which is March 31 of the calendar year following the year the crop is normally harvested.

Eligible producers must request the GRAZE-OUT application form CCC-633 GRAZING:

- After the date COC determines that wheat, barley, oats, or triticale is normally, mechanically harvested for the crop year for that applicable county and;
- No later than March 31 of the calendar year following the year the crop is normally harvested.

### **Producer Certification**

Eligible producers must show on their application form CCC-633 GRAZING the actual tract and field location for acres grazed or to be grazed. In addition, the acreage and intended use must be certified on FSA-578 (Report of Acreage).

Note: Producers must indicate “grazing” as the intended use.

Because the producer certifies that this information is correct, no additional documentation is requested from the producer at time of the request.

### **GRAZE-OUT Payment Rate and Calculations**

GRAZE-OUT payment rates are calculated by multiplying the actual grazed acreage requested times the applicable yield times the payment rate. For triticale, the payment rate is calculated based on the predominant class of wheat in the county where the producer’s farm is located.

The GRAZE-OUT payment rate is determined by the amount that the applicable commodity loan rate exceeds the CCC-determined value for the county where the acreage is grazed.

The GRAZE-OUT payment rate is the rate in effect on the day the request is completed.

The request date is the day the local FSA county office receives a signed and completed CCC-633 GRAZING application form from all applicable producers on the farm. All entries on form CCC-633 GRAZING must be completed when the application is submitted.

### **Applicable Payment Yield**

For GRAZE-OUT, applicable payment yields are defined as the yield in effect for the calculation of the direct payments according to 7 CFR, Part 1412.

In the case of a farm for which a direct payment yield under the Direct and Counter-cyclical Program (DCP) yield is unavailable for a covered commodity, the producer may submit actual production harvested as grain on the same farm or another farm in the same area, or the COC may establish a yield based on their judgment and knowledge of practices and

growing conditions in the county with documentation supporting the COC established yield.

### **Records**

Producers requesting GRAZE-OUT payment should maintain records for a period of three years after the date of the payment to document eligibility.

For more information about this and other FSA programs, please contact a local USDA Service Center, or visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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