

## USDA Announces Additional Program Payment for Rice Producers in California

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*Second production payment for rice farmers impacted by record high input costs in 2022*

The U.S. Department of Agriculture (USDA) today announced that rice producers will receive an additional payment through the Farm Service Agency's (FSA) [Rice Production Program](#), which provides up to \$250 million in assistance to rice farmers based on 2022 rice acres.

"While increased input costs have impacted many agricultural producers, record high increases in 2022 had a disproportionate economic impact on rice producers," said Blong Xiong, State Executive Director for FSA in California. "I am pleased that Congress authorized the funding needed to not only provide one payment to State's rice producers, but also sufficient funding to now provide an additional payment. This financial assistance provides a much-needed capital inject for rice production."

On Dec. 29, 2022, President Biden signed into law H.R. 2617, the Consolidated Appropriations Act, 2023, which provided the authority and funding for USDA to make payments to rice producers based on data already on file with USDA, including planted acres and acres prevented from being planted.??

### **Payments**

As part of FSA's efforts to streamline and simplify the delivery of additional Rice Production Program benefits, producers are not required to submit a new application for the additional Rice Production Program payment. Rice producers having a previously approved Rice Production Program application and who received an initial program payment, will receive an additional payment of .28 cent per pound based on previously reported data.

FSA made an initial payment to eligible producers at a reduced payment rate of one cent per pound, making the total overall payment rate \$1.28 cent per pound. ??

### **Payment Limitation??**

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 an average AGI of less than 75% of their average 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.

In advance of the initial payment, rice farmers were to 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*) by Sept. 8, 2023, if they were requesting the higher payment limit.???

### **More Information?**

For more information, view the [Rice Production Program fact sheet](#) or [contact your local USDA service center](#).

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America and committing to equity across the department by removing systemic barriers and building a workforce more representative of America. To learn more, visit [usda.gov](#).???

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