

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Crop Assistance Program 1-CAP	Amendment 4
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Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

This amendment provides additional instructions on processing timely filed FSA-860's with share errors and assertions of County Office error on recorded FSA-578 shares.

Paragraphs 22 and 78 have been amended to provide instructions on processing manual share corrections of producers who had zero shares recorded because of County Office error.

Subparagraph 141 H has been amended to clarify that producers can withdraw or amend FSA-860's to remove crops or farms after the application period ended.

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1	Reports, Forms, Abbreviations, and Delegations of Authority
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22 Crop and Acreage Eligibility

A Definition of Farm

Farm means, for determining CAP eligibility, the FSA FSN. Any FSN with eligible crop acreage in a tract or tracts located in an eligible disaster county shall be considered eligible as long as all other eligibility requirements are met.

Note: Producers interested in filing FSA-860's must do so in the 2009 administrative county for their FSN. However, eligible crop acreage for the producer on that FSN is limited to the eligible crop acreage present in a disaster county or counties. If 50 percent or more of a tract's acreage physically resides in the disaster county, the tract will be considered in the disaster county for CAP purposes.

B Definition of Crop

Crop means all acres based on crop, type, and IU.

C Definition of Eligible Crops

Eligible crops mean the reported or determined 2009 crop year planted or considered planted acreage of long grain rice, medium or short grain rice, upland cotton, soybean, or sweet potato crop acreage for a producer on a farm in an eligible disaster county as reflected on 2009 crop year FSA-578 as of October 22, 2010.

Note: FSA-770 CAP, item 10 requires verifying that eligible crop acreage be limited to that shown on FSA-578 as of COB October 22, 2010.

D Late-Filed FSA-578's

Late-filed FSA-578's, including FSA-578's filed according to 2-CP, subparagraph 21 A, will **not** be accepted for CAP purposes after October 22, 2010.

E Revised FSA-860's for Share Errors

Revised FSA-578's, including FSA-578's revised according to 2-CP, subparagraph 22 B will **not** be accepted for CAP purposes.

22 Crop and Acreage Eligibility (Continued)

E Revised FSA-860's for Share Errors (Continued)

A manual FSA-860 will have to be processed for producers who meet **all** of the following requirements:

- producer is on FSA-578 as of October 22, 2010, with a share greater than zero for 1 or *--more CAP crops or the producer does not have a share greater than zero but equitable relief according to subparagraph F has been approved
- because of error, the producer share for the CAP crop was recorded and reported in error
- all producers who share in the CAP crop agree to the share corrections for the CAP crop on FSA-860.

Note: If all producers who have a reported share of CAP crops on the farm do not agree with the share revisions, no action will be taken on the request for share revision.

Producers having a reported share of CAP crops greater than zero or those for which relief is approved according to subparagraph F or crops that meet the requirements for revision of--* shares on FSA-860 will have shares calculated manually.

Example: Producer A applies for a CAP benefit on soybeans on FSN 1 in County B. There are 3 tracts on the farm all located within County B.

FSA-578 information: Tract 1 has 50 acres of soybeans with 1.000 share to Producer A. Tract 2 has 100 acres of soybeans with .2500 share to Producer A and .7500 share to Producer C. Tract 3 has 150 acres of soybeans with .7500 share to producer A and .2500 share to Producer D.

The excel FSA-860 for Producer A has 300 acres of soybeans with a share of .6250. In reviewing the FSA-578 information used to generate the excel FSA-860, Producer A reported that the shares were incorrectly recorded on Tract 2. The correct share should have been .7500 to Producer A and .2500 to Producer C. The correct weighted share will be calculated manually:

Tract 1: 50 acres x 1.0 = 50.0 acres
 Tract 2: 100 acres x .75 = 75.0 acres (Producer A and Producer C must initial here)
 Tract 3: 150 acres x .75 = 112.5 acres
 237.5 acres/300 acres = .7917

22 Crop and Acreage Eligibility (Continued)

E Revised FSA-860's for Share Errors (Continued)

Provided that Producers A and C agree in writing, then Producer A's FSA-860 will be corrected manually by lining through .6250 and replacing with the manually calculated share of .7917. The CAP benefit for FSN 1 will be recalculated manually. Both Producer A and Producer C must initial the manual share calculation for Tract 2. Producer A must also initial the corrected manual share on FSA-860.

Producer C applies for CAP in County B on FSN 1 but has Tract 2 (100 acres of soybeans) as the only CAP eligible crop on excel FSA-860. A manual share calculation is not required. However a manual FSA-860 will be generated by lining through the .7500 share and inserting the correct .2500 share. The CAP benefit will need to be calculated manually and both Producer A and Producer C must initial the corrected share on the FSA-860.

Both producer shares on these applications **must** be recalculated if both producers apply for CAP. Producers **cannot** change 1 share and not the other. In the example provided, both Producer A and Producer C **must** have their shares corrected. Producer A and Producer C are not required to apply for payment; however, each may do so only with correct shares.

22 Crop and Acreage Eligibility (Continued)

***--F Equitable Programmatic Relief for County Office Errors**

County Offices will follow 2-CP for general policy about revisions to FSA-578's for all programs. Under no circumstances will share revisions to FSA-578 be permitted unless all the requirements of 2-CP are met.

The following policy applies to share revisions and CAP applications filed by the application deadline. In no case will this policy change the CAP application deadline or allow someone an opportunity to now submit a CAP application for consideration or seek relief for a late-filed application.

Note: See paragraph 141 about the application deadline.

<p>IF a producer has filed FSA-860 by the deadline but the producer did not have a share greater than zero for the CAP crop and the CAP crop was certified on FSA-578 by October 22, 2010, and...</p>	<p>THEN COC...</p>
<p>there is documentary evidence available to show that the producer's share was incorrectly recorded as zero on FSA-578 because of County Office error</p>	<p>may, with concurrence of DD, grant programmatic relief to permit the producer to have manual share corrections performed according to subparagraph E.</p>
<p>COC determines there is not documentary evidence that the producer's share was incorrectly recorded as zero on FSA-578 because of County Office error</p>	<p>will not consider or issue any sort of relief decision. County Offices will process FSA-860 according to subparagraph 7 C.</p>

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23 Eligible Disaster as Cause of Loss

A Definition of Eligible Disaster

Eligible disaster is a producer's loss of an eligible crop on a farm in a disaster county because of disaster as specified in 7 CFR Part 760, Subpart H as excessive moisture or related condition, including flood, flash flooding, excessive rain, moisture, humidity, severe storms, thunderstorms, ground saturation or standing water, hail, winter storms, ice storms, snow, blizzard, hurricane, typhoons, tropical storms, or cold wet weather.

24 Disaster County

A Disaster County Eligibility

CAP is available only to an eligible producer of eligible crop acreage on farms in a disaster county. Disaster counties are described in subparagraph 1 B.

A list of disaster counties is available at <http://www.disaster.fsa.usda.gov>.

25-45 (Reserved)

Part 4 Eligible Acreage**76 Acres Eligible for CAP****A Definition of CAP Acreage**

CAP acreage is the reported or determined 2009 crop year acreage of an eligible crop on a farm or tract in a disaster county.

B Determining Eligible Acreage

Eligible acreage is determined on a crop-by-crop basis using the definition of eligible crop in subparagraph 22 C. Eligible crop acreage must be initial crop long grain rice, medium or short grain rice, upland cotton, soybeans, or sweet potatoes that are planted and considered planted as reflected on FSA-578 as of October 22, 2010.

--Eligible acreage for CAP will be based on the crop acreage planted or prevented planted to-- an eligible CAP crop in a disaster county. Subsequently planted or subsequently prevented planted acreage is eligible for CAP **only** if the subsequently planted or prevented planted crop acreage meets **double-cropping rules** according to 2-CP.

77 Considered Planted Acres**A Prevented Planting Eligibility**

Only those acres of an eligible crop where an approved CCC-576 is on file, according to 2-CP, paragraph 24, and the acres are recorded in a disaster county on FSA-578 as of October 22, 2010, will be eligible for CAP.

Note: There are **no** provisions for revising 2009 crop year acreage reports to increase planted and considered planted acreage for CAP.

78 Limitation on Counties, Shares, and Acreage Imposed by Program Authorization

A FSA-578 and CAP Acreage

The regulation announcing CAP specifically stated that the disaster counties and eligible crop acreage cannot be increased after October 22, 2010. The amount of acreage for each crop that will be used to determine CAP payment acres and the producer's ownership share of the crop is based on the 2009 crop year FSA-578 that is on file with FSA as of October 22, 2010.

The regulations specifically stated that for the purposes of CAP, a producer cannot revise a crop acreage report for the 2009 crop year (such reports are filed using FSA-578) to increase the payment or to create an eligibility. This is because the counties and acreage that existed on the database as of October 22, 2010, were used by FSA to determine payment rates and maximum extent of CAP.

If a producer needs to amend or correct 2009 FSA-578 for other programs, the producer may be able to do so under the rules for that other program and only for that other program. However, no amended 2009 FSA-578 that includes increased crop acreage or shares of producers who as of October 22, 2010, were **not** shown on FSA-578 with a share greater *--than zero on a farm or who were not granted relief according to subparagraph 22 F, will be considered in calculating CAP payments. Likewise, producers are **not** entitled to any sort of decision, relief, or other consideration on any request to increase crop acreage or to add a producer to FSA-578.

For CAP, FSA offices and committees will **not** do any of the following:

- consider or render any sort of adverse decision or relief decision on acres or tax ID's **not** included on FSA-578 as of October 22, 2010, regardless of whatever reason those acres or tax ID's are **not** shown on FSA-578--*
- forward any sort of recommendation of relief for inclusion of acres, * * * producers, or counties for CAP
- provide any right of appeal or appealability to anyone making an inquiry about eligible acres, shares, or counties because the eligible disaster counties, shares, and acres are conditions of eligibility or parameter of CAP as provided in 7 CFR Part 760, Subpart H, published in FR on October 25, 2010, and effective October 22, 2010.

Note: Producers have a right of review or appeal on any adverse decision on FSA-860, **not** FSA-578, where there are legitimate disputes of fact. See paragraph 7 and 1-APP.

79-110 (Reserved)

141 Applying for Benefits (Continued)**F General Signature Requirements**

Signatures must meet the requirements of this handbook and 1-CM. An applicant must sign in the applicant's individual capacity.

G Delegation of Authority Requirements

COC or CED must act on all completed and signed FSA-860's submitted.

H Amending or Withdrawing FSA-860's

An approved FSA-860 may be amended or withdrawn at any time until the end of signup December 9, 2010; however, copies of any and all FSA-860's that have already been submitted must always be kept in the file.

Producers may, at any time from October 25, 2010, through December 9, 2010, do any of the following, as applicable:

- apply for CAP on FSA-860
- amend FSA-860 to add additional farms or crops to FSA-860, item 7
* * *
- amend FSA-860, item 8 for any farm or crop.
* * *

*--Producers may at any time amend FSA-860 to remove a farm or crop from item 7, or withdraw 1 or more or all farms and crops from CAP.

Note: Producers must repay all CAP payments received for any farm or crop under FSA-860 that is withdrawn or where an amended FSA-860 was filed to remove a farm or crop.--*

I Submitting FSA-860's

FSA-860's may be submitted in person at the appropriate County Office. FSA-860's may also be submitted by FAX according to 1-CM.

142 FSA-860

A Parts of FSA-860

FSA-860 includes data for long grain rice, medium or short grain rice, upland cotton, soybeans, and sweet potatoes in which the producer has an interest within the disaster county. This paragraph provides a general overview of FSA-860’s parts and itemizes when a part has to be completed by the producer or by the administrative county.

The following describes the parts of FSA-860.

Part		Description	Completed by
A	Producer Information	Provide producer’s name, address, and phone number.	<ul style="list-style-type: none"> Administrative County Office in CAP Workbook (items 3 and 4) Producer (item 5).
B	Farm and Crop Information	Indicate eligible losses and type of loss for CAP crops for each farm number.	<ul style="list-style-type: none"> Producer (items 7, 8, and 11) Administrative County Office in CAP Workbook (items 6, 9, 10, 12, and 13).
C	Producer Certifications	Record of producer’s agreement with information on FSA-860 and request to participate.	Producer after entry of all data.
D	Administrative COC Approval	Record of COC approval or disapproval of FSA-860.	Administrative COC after producer signs FSA-860.

B Crops Recorded on FSA-860

Crops that will be included on FSA-860 are long grain rice, medium or short grain rice, upland cotton, soybeans, and sweet potatoes for which a producer 2009 crop acreage in a disaster county on FSA-578. If a producer’s FSA-578 did not include acreage for 1 or more of these crops for the 2009 crop year in a disaster county, the crop or crops will not appear on the application. If a producer did not have crop acreage for a crop on FSA-578 in a disaster county, that crop is not eligible for payment consideration under CAP.