

For: FSA Offices

**Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)
Programs P&CP History Update**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The Agricultural Act of 2014 (2014 Farm Bill) authorizes owners of a farm a 1-time opportunity to do either of the following:

- retain all of a farm's base acres, as of September 30, 2013, for each covered commodity, **excluding** upland cotton that has now become "generic base acres"
- reallocate base acres of covered commodities on a farm, based on the 4-year average P&CP acres in the 2009 through 2012 crop years. The reallocation is permitted among base acres of covered commodities on the farm. An increase in total base acres on the farm is **not** allowed.

Note: Reallocation of base acres is based on the proportion of 2009 through 2012 average P&CP acres of covered commodities to the total of P&CP acres of all covered commodities on the farm.

The 2014 Farm Bill provides a one-time opportunity to update counter-cyclical yields under the 2008 Farm Bill for use as payment yields under PLC for covered commodities. The updated yield for each covered commodity is based on 90 percent of the farm's 2008 through 2012 average yield per planted acre, **excluding** any year when no acreage was planted to the covered commodity. All farms are eligible to update PLC yields on all covered commodities with base acres, **excluding** upland cotton that has now become "generic base acres". However, PLC yields are **only** used to determine payment amounts for the PLC program.

Because of the opportunity to reallocate base acres, each owner and farm operator will need to review P&CP history to ensure accuracy.

Disposal Date	Distribution
October 1, 2014	All FSA Offices; State Offices relay to County Offices

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1 Overview (Continued)

A Background (Continued)

The 2014 Farm Bill provides a 1-time opportunity to update base acres and/or payment yields for the following covered commodities.

Covered Commodities			
Barley	Canola	Chickpeas, Large	Chickpeas, Small
Corn	Crambe	Flaxseed	Grain Sorghum
Lentils	Mustard	Oats	Peanuts
Peas, Dry	Rapeseed	Rice, Long Grain	Rice, Long Medium
Safflower	Sesame	Soybeans	Sunflower Seed
Wheat			

Note: When reviewing P&CP history, the intended uses “Cover Only (CO)”, “Left Stand (LS)”, “Green Manure (GM)”, and “Leaves (LV)”, as outlined in 2-CP, are **excluded** as P&CP of a covered commodity.

B Purpose

This notice provides:

- a timeline for base reallocation, yield updates, program election and enrollment
- methods to research and find missing P&CP acreage of covered commodities by tract for farms for the years 2008 through 2012
- instructions to identify current (2014) farm numbers where a tract division, tract combination, and farm transfers were completed during the years 2009 through 2014

Note: Farms will be using acreage history information as the farm is constituted in 2014. As such, all tract divisions, combinations, and farm transfers before 2014 will **require** County Office research for the correct P&CP acreage of covered commodities.

- instructions to record P&CP acreage of covered commodities for impacted tracts and farms. This information **must** be loaded by tract into the Farm Bill Acreage History software if the producer requests to reallocate base acres. When software is available, County Offices will complete this load process after the producer has been issued the initial acreage history of covered commodities letter mentioned in this notice.

Note: Missing covered commodity P&CP acreage may be recorded in the Historical Acreage Excel spreadsheet that will be provided in the near future, according to subparagraph 3 F **only** for the years the 2014 tract number does **not** exist.

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2 Base Reallocation and Yield Updates

A Timeline for Base Reallocation and Yield Updates

The following table provides the projected timeline for base reallocation and yield updates.

Step	Assignment	Timeframe
1	County Offices receive Historical Acreage Excel spreadsheet.	Mid June 2014
2	Farm Bill Acreage History software arrives in County Offices.	Mid Summer 2014
3	All owners and operators receive their Notification of Covered Commodity Acreage History letter that includes all farms in all counties. Owners and operators are provided an opportunity to correct acreage history for years 2009 through 2012.	Mid Summer 2014
4	Owners make final base reallocation and yield update decision for the farm.	Late Summer/Fall 2014
5	County Offices dataload missing P&CP acreage history.	Fall 2014
6	Official 2014 Notice of Base and Yield (FSA-476) report mailed to all owners and operators on the farm, with appeal rights.	Winter 2014/2015
7	All owners and operators on the farm make program election for the farm.	Winter 2014/2015
8	Annual enrollment into PLC, ARC-CO, or ARC-IC program for 2014 and 2015.	Early 2015

B Notification of Covered Commodity Acreage History Letter to Owners and Operators

Each owner and operator will receive a letter to verify the accuracy and completeness of the computer-generated acreage history report. These letters will **not** reflect “missing acreage history” for tracts reconstituted or the farm was transferred between 2009 through 2014. Also, there may be situations where a **subsequent crop** was planted that may need to be researched. County Offices are to capture the acreage history for each respective covered commodity where an “**initial covered commodity crop**” is followed by a “**subsequent covered commodity**” and crops do not meet the double-cropping definition. The letter will instruct producers to carefully review the acreage history of covered commodities for the farm and, if necessary, visit the County Office to request any necessary corrections.

In the meantime, County Offices **must** start the process outlined in this notice to research and document the missing acreage history of covered commodities, including subsequent crops where the initial crop was a covered commodity along with the subsequent crop, on tracts and farms for which **tract divisions, tract combinations, and/or farm transfers** were completed for the years 2009 through 2014.

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2 Base Reallocation and Yield Updates (Continued)

D Historical Acreage Excel Spreadsheet Layout (Continued)

Field	Explanation
Crop	Any of the 21 covered commodities with a P&CP history in Crop Acreage Reporting System (CARS) for the tract in 2008 through 2012 will be displayed.
Planted Status	<p>History will be displayed, as follows:</p> <ul style="list-style-type: none"> • “Planted” from CARS for any of the 21 covered commodities with an initial code of “I” or “IF”. • “Prevented” from CARS for any of the 21 covered commodities with a code of “IP” • “Double” from CARS for any of the 21 covered commodities with an initial code of “D”, “DF”, “DP”, “E”, “EP”, or “EF” • “Subsequent” from CARS for any of the 21 covered commodities with an initial code of “J”, “JP” or “JF” • “PTPP” from Farm Records for any PTPP reduction recorded by year. <p>Note: Will only be displayed if there was a PTPP reduction on the farm.</p>
Years	2008 through 2012.

Displayed acreage is based on the information loaded in Farm Records and CARS. Zeroes displayed on the spreadsheet will indicate that there is FSA-578 on file for the specific year, but no acres were reported for that crop and/or status as defined in this table. Any field displayed as blank indicates that tract history is incomplete because of a tract reconstitution or farm transfer. If the “Crop” field is blank and there are zeroes for acreage, then FSA-578 was on file, but no covered commodity crops were planted.

Note: Data for any tracts that are reconstituted or transferred after this spreadsheet is made available will not be reflected on the spreadsheet under the new tracts. The data used for the producer letters issued will reflect the correct information.

E Accessing the ARC/PLC Historical Acreage Excel Spreadsheet

The Historical Acreage Excel spreadsheet will be posted on the ARC/PLC DAFP SharePoint site at <https://fsa.sc.gov.usda.gov/mgr/dafp/PECD/ARCPLC>. The spreadsheet will be split alphabetically by State and county and all ARC/PLC State Office specialists will be granted access to the SharePoint site. The spreadsheet will have Excel’s standard sort, filter, and print capabilities.

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3 Researching Missing Tract Covered Commodity Crop Acreage History

A Identifying Tracts with Missing Covered Commodity Acreage

County Offices shall take the following steps to find tracts with missing covered commodity acreage during the years 2008 through 2012.

Step	Action
1	Download the Historical Acreage Excel spreadsheet when made available.
2	Run the Reconstitution Status Report from Farm Records for 2009 through 2013 to identify parent tracts and farms. Each year must be completed separately.
3	Identify tracts from active 2014 farms requiring acreage history research.
4	From the tracts identified in step 3, manually search FSA-578 data or CARS to complete the Historical Acreage Excel spreadsheet.

B Downloading Reconstitution Status Reports for 2009 Through 2013 MIDAS Conversion

The **Reconstitution Status Report** can be accessed from the Reports Screen on the Farm Records web site located at <http://fsaintranet.sc.gov.usda.gov/fsa/applications.asp>.

Again, the reports provide County Offices with the parent tracts and farms that will be needed to complete the acreage history research project.

From the Intranet FSA Applications Screen, under “FSA Applications” “Applications Directory”, CLICK “**D-F**”. Under “Applications with names started from D to F”, scroll down and CLICK “**Farm Records**”. After being authenticated, on the Farm Records Screen, CLICK “**Reports**”. On the Report Selection Screen, CLICK “**Reconstitution Status Report**” link. For all reconstitutions for the 2009 year, do the following:

- on the Select a State and a County Screen that will be displayed, from the “County” drop-down list, select user’s county and CLICK “**Submit**”
- on the Reconstitution Status Report Screen that will be displayed, do the following:
 - from the “Year” drop-down list select “**2009**”
 - from the “Reconstitution type”, CLICK “**Tract**” radio button
 - for “From”, ENTER “**10/01/2008**”
 - for “To”, ENTER “**09/30/2009**”
- CLICK “**Submit**”.

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3 Researching Missing Tract Covered Commodity Crop Acreage History (Continued)

B Downloading Reconstitution Status Reports for 2009 Through 2013 MIDAS Conversion (Continued)

The following is an example of the Reconstitution Status Report that will be generated and displayed in a PDF file, with a list of all reconstitutions in number order.

Iowa Boone		U.S. Department Of Agriculture Farm Service Agency			Prepared: 3/28/14 10:50 AM Page: 1 of 3			
Selection Criteria		Reconstitution Status Report						
Year: 2010 Reconstitution Level: Tract Date Range: 10/01/2009 - 09/30/2010								
Number	Reconstitution Type	Reconstitution Status	Reconstitution Date	Date Approved	Parent		Resulting	
					Farm	Tract	Farm	Tract
2	Tract combination	Complete	11/3/2009		5211	2214 2215	5211	6665
3	Tract combination	Complete	11/4/2009		1568	1455 3375	1568	6666
4	Tract combination	Complete	11/4/2009		5174	4014	5174	6667

County Offices may print the report. Each year, from 2009 through 2013, will need to be generated separately. Adjust the “Year”, “From”, and “To” fields accordingly, resulting in 4 reports.

Note: The 2013 report will only reflect reconstitutions completed **before** MIDAS conversion.

C Identifying Active 2014 Tracts Requiring Acreage History Research

Identify active 2014 tracts requiring acreage history research using either of the following:

- **option 1**, search COC Executive Session Minutes to identify tracts with a 2009 through 2014 reconstitution
- **option 2**, download the Historical Acreage Excel spreadsheet, after it has been provided, that will identify the “current” tracts as of 2014, where “blanks” are missing to which research **must** be conducted according to this notice.

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3 Researching Missing Tract Covered Commodity Crop Acreage History (Continued)

D Determining Parent Farms and/or Parent Tracts

For reconstitutions completed from 2009 through 2013 MIDAS conversion, the parent farms and/or parent tract will be listed on the appropriate **Reconstitution Status Report** printed from the Farm Records web site according to subparagraph B.

For reconstitutions completed using MIDAS, County Offices could use the MIDAS Farm Records search fields “divided from Farm” or “combined in Farm”. The Farm Description may also help locate which farm was divided or combined.

For farm transfers completed from 2009 through 2014, FSA-179 receiving County Offices must manually review FSA-179 to identify the parent tracts and farms from which the current tracts came. The Farm Records Management System and/or MIDAS do **not** provide a report identifying the parent tracts or farms that were transferred to another county.

E Updating Acres for Reconstituted Tracts and/or Farm Transfers

After determining the parent farms and/or parent tracts, review FSA-578 and maps for that farm and tract to determine whether acres (P&CP) of a covered commodity were reported.

If acres were reported on FSA-578, for a tract that was subsequently:

- **divided**, determine how the acres of covered commodities should be divided among the resulting tracts

Note: Tract history is based on P&CP of the covered commodities in the tract acreage history, **not** prorated by the method of base division on the farm.

- **combined** with another tract, obtain the combined acreage of each applicable covered commodity from the parent tracts.
- **transferred** to another County Office during the years 2009 through 2014, obtain the acreage history from the parent tracts before the farm and tracts being transferred.

Note: All parent tracts **must** be researched to ensure that all reported P&CP acres of covered commodities are brought forward. For farm transfers, the current administrative County Office will be required to contact the transferring County Office to obtain copies of FSA-578 and maps, if the information was **not** sent.

After the correct covered commodity crop acreage history has been determined, P&CP acreage may be entered on the Historical Acreage Excel spreadsheet according to subparagraph F.

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3 Researching Missing Tract Covered Commodity Crop Acreage History (Continued)

F Instructions for Completing the Historical Acreage Excel Spreadsheet

County Offices will use the data gathered according to this notice to complete the entries in the Historical Acreage Excel spreadsheet. County Offices will gather missing acreage history data back to 2008 and enter any missing data into the spreadsheet by filling in the blanks.

After all the corresponding data has been entered into the Historical Acreage Excel spreadsheet, save for future use when the information is required to be dataloaded into the Web system for calculating the reallocation base acres.

G Attributing Acreage History

All acreage history **must** be attributed to the tract where the covered commodity crop was actually planted or considered planted. It is possible for land removed from cropland status to have covered commodity acreage history. This will occur if there was a crop planted on that land in at least 1 of the 4 years, 2009 through 2012.

Note: This notice **only** pertains to the calculation of acreage history and the attribution of the correct P&CP acreage to the correct tract for the covered commodity crop P&CP acreage history purposes.

H Examples

The following are examples of researching missing tract covered commodity crop acreage history.

- **Example 1:** Tract 100 was planted only to wheat. The tract had 50 acres of cropland and 50 acres of wheat planted.

Tract 100 50 Acres Cropland 50 Acres Wheat Planted
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10 acres of Tract 100 was taken out of cropland status in a subsequent year. This reduced the cropland from 50 acres to 40 acres. Because all acreage history **must** be attributed to the tract where it was planted, all 50 acres of wheat shall be attributed to Tract 100.

Tract 100 40 Acres Cropland 50 Acres Wheat Planted
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Tract 100 may or may not have DCP base acres in effect as of September 30, 2013.

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3 Researching Missing Tract Covered Commodity Crop Acreage History (Continued)

H Examples (Continued)

- **Example 2:** Tract 100 was planted only to wheat. The tract had 50 acres of cropland and 50 acres of wheat planted.

Tract 100 50 Acres Cropland 50 Acres Wheat Planted
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Tract 100 was divided into Tract 200 with 30 acres of cropland, and Tract 201 with 20 acres of cropland. On Tract 200, 15 acres was taken out of cropland status which left 15 acres of cropland on that tract. Based on County Office maps, it was determined that 30 acres of wheat was planted on what is now Tract 200 and 20 acres of wheat was planted on what is now Tract 201. Because all acreage **must** be attributed to the tract where it was planted, 30 acres of wheat shall be attributed to Tract 200 and 20 acres of wheat shall be attributed to Tract 201.

Tract 200 15 Acres Cropland 30 Acres Wheat	Tract 201 20 Acres Cropland 20 Acres Wheat
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The tract may or may not have DCP base acres.

4 Action

A State Office Action

State Offices shall provide guidance and training to County Offices about researching and dataloading the required missing tract acreage history of covered commodity crops for the years 2008 through 2012.

B County Office Action

County Offices shall follow this notice to research and identify the missing tract acreage history of covered commodity crops for the years 2008 through 2012.

After the acreage research has been completed for each current tract, County Offices can dataload the information into the Historical Acreage Excel spreadsheet. The spreadsheet can be saved for use at a later date when entering the missing acreage into the Farm Bill Acreage History software. This will allow County Offices to easily enter the missing acreage history data into the Web-based software to correct the planting history for farms as they are constituted in 2014.

After KCMO releases the Farm Bill Acreage History software, County Offices shall dataload covered commodity P&CP recorded on the Historical Acreage Excel spreadsheets completed according to this notice into the software.