UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

For: State and County Offices

Refunding Service Fees to SDA or Beginning Farmers (BF) for 2014 and 2015 Crop Years

Approved by: Acting Deputy Administrator, Farm Programs

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1   Overview

A Background

The Agricultural Act of 2014 (Pub. L. 113-79) authorizes a NAP service fee waiver for SDA or BF and ranchers, effective for 2014 and subsequent crop years. Beginning with the 2014 crop year, service fees for NAP coverage have been waived for producers who meet the definitions for SDA or BF and ranchers, according to 1-CM, paragraph 950.

For crop year 2014 and part of 2015, refund requests were previously submitted and processed by the National Office via SharePoint according to Notice NAP-167. The process for these refunds has been revised for the remaining authorized refunds. Additional refund requests for crop year 2014 and 2015 will no longer be accepted.

B Purpose

This notice informs State and County Offices:

- that a refund of NAP service fees has been authorized for producers who:

  - meet the definitions for SDA or BF and ranchers, according to 1-CM, paragraph 950

  - purchased 2014 and/or 2015 NAP coverage and paid the applicable service fees

  - were previously listed on the National Office SharePoint site according to Notices NAP-167 and NAP-162

- of the modified instructions for processing remaining authorized NAP service fee refunds for:

  - 2014 collections that were manually recorded directly in NRRS

  - 2015 collections that were manually recorded directly in NRRS and not through the NAP automated collection software

- refund requests for crop year 2014 and 2015 are no longer being accepted.

Disposal Date	Distribution
February 1, 2017	State Offices; State Offices relay to County Offices

2   Processing NAP Fee Refunds for SDA and BF

A   Instructions for Processing NAP Fee Refunds for SDA and BF

This table provides the steps that must be taken for SDA and BF producers who previously requested a NAP fee refund.

Step	Software	Action
1	NAP	For 2014 refunds, County Offices shall ensure the SDA or BF producer has been flagged in NAP as "Limited Resource", per instructions in 1-NAP (Rev 1), paragraph 1537C, as 2014 NAP did not have selection for SDA or BF. For 2015 refunds, County Offices shall ensure the SDA or BF producer has been flagged in NAP as "Socially Disadvantaged" or "Beginning Farmer/Rancher", as applicable, per instructions in 3-NAP, paragraph 87C. **Note:** If there is no Application for Coverage entered in the automated system (a manual was taken and never loaded), the Application for Coverage must be loaded in the automated system before completing this step.
2	NAP	Ensure the "Service Fee Due" = $0.00. If the "Service Due" is negative, as shown below, contact the State Office to authorize the refund request according to 3-NAP subparagraphs 99A through 99C. **Note:** Do **not** execute the actions in 3-NAP subparagraph 99D.

2 Processing NAP Fee Refunds for SDA and BF (Continued)

A Instructions for Processing NAP Fee Refunds for SDA and BF (Continued)

Step	Software	Action
3	**OLP**	Create a refund payment using the Online Payment System by following 1-FI, paragraph 64 using one of the following codes: • 2014 Refund code – 14NAPFEEREFUND • 2015 Refund code – 15NAPFEEREFUND. **Notes:** Refunds must be processed in the same county that entered the original remittance. Make certain the correct remitter is receiving the refund, there may be some instances where the program participant and the remitter are not the same. Prompt payment interest does not apply
4	**NRRS**	Follow 64-FI, subparagraph 43 F for instructions to add the following remarks to the remittance: • 20*XX* NAP service fee was refunded per Notice NAP-186 via OLP on (*xx/xx/xx*) and the payable ID number is (*XXXXXX*). **Note**: eFunds must be loaded by the National Office before establishing establishment of the refund payment.
5	**NPS**	County Office users must: • verify that the refund amount in NPS is correct • certify and sign the payment.

B eFunds

Allotments will be provided to each County Office through the eFunds control process. Specific allotments will be determined by the National Office based on previously uploaded spreadsheets and producer eligibility.

State Offices will have read-only access to eFund allocations for County Offices. If additional funds are required, County Offices shall contact the appropriate State Office specialist. State Offices shall contact the National Office to request additional allotments by sending an e-mail to Devon Marsden according to subparagraph 3 C with the following information:

• State code
• county code
• year
• producer name
• refund amount
• reason for additional allotment.

3   Action

A   State Office Action

State Offices must:

- ensure that County Offices are notified of the contents of this notice

- follow the instructions in paragraph 2 to process NAP fee refunds to certified SDA or BF and ranchers who have purchased 2014 and/or 2015 NAP coverage and paid the applicable service fees

- monitor eFunds allocations. Contact the National Office according to subparagraph C if additional funds are needed.

B   County Office Action

County Offices shall ensure that:

- eligible producers seeking SDA or BF and rancher status have filed CCC-860 certification for SDA or BF according to 1-CM, paragraph 950

- certified SDA or BF and ranchers who purchased 2014 and/or 2015 NAP coverage and paid the applicable service fees receive a refund by following the instructions in paragraph 2.

C   Contact Information

Refer to the following table for contact information if there are questions about this notice:

Issue	Contact
eFund allocations/general questions	**Devon.Marsden@wdc.usda.gov**
NAP software	**Todd.Pfeifer@wdc.usda.gov**
NRRS procedures	**Cari.McQueen@kcc.usda.gov**
NRRS policy	**Tom.Harris@wdc.usda.gov**
Software related problems on NRRS	National help desk at 800-255-2434 or 816-926-1552 **Note**: Select option 3 for hardware and application software.