

**FSA**  
**HANDBOOK**

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Coronavirus Food Assistance Program

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For State and County Offices

SHORT REFERENCE

1-CFAP

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



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Washington, DC 20250

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**Coronavirus Food Assistance Program  
1-CFAP**

**Amendment 1**

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**Approved by:** Deputy Administrator, Farm Programs



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**Amendment Transmittal**

**A Reason for Issuance**

This handbook has been issued to provide policy and procedure for the Coronavirus Food Assistance Program enacted by the Coronavirus Aid, Relief, and Economic Stability Act (CARES Act; Pub L. 116-136).

**B Obsolete Material**

Notice CFAP-4 is obsolete.



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**Part 1 Basic Information****1 Overview****A Handbook Purpose**

This handbook provides the following:

- State and County Offices with policy and procedures for administering CFAP
- specific eligibility and payment calculation provisions as applicable for designated commodities.

Provisions in this handbook **must not** be revised without prior approval from the National Office. Any requests or amendments must be sent to DAFP by e-mail to the PPB Mailbox according to 1-NAP (Rev. 2), paragraph 11. In the subject line, include State abbreviation, CFAP, and date. For example: NY/CFAP/06-01-2020.

The objective of CFAP is to provide direct payments to producers who have been impacted by COVID-19 resulting in:

- actual losses for agricultural producers where prices and market supply chains have been impacted
- lost demand and short-term oversupply for the 2020 marketing year.

**B Authority and Responsibility**

SND has the authority and responsibility for the programs prescribed in this handbook.

**C Sources of Authority**

Following are the sources of authority for CFAP:

- the Coronavirus Aid, Relief, and Economic Stability Act (CARES Act, Pub. L. 116-136)
- CCC Charter Act (15 U.S.C. 714c(b), (d), and (e)).
- 7 CFR Part 9.

# **1 Overview (Continued)**

## **D Related FSA Handbooks**

Handbooks related to CFAP include:

- 9-AO for investigating program violations
- 1-APP for appeals
- 32-AS for records management
- 1-CM for signature requirements, power of attorney, deceased individuals and dissolved entities, maintaining the name and address file, assignments and producer disqualification and debarment
- 3-CM for farm, tract, and crop data
- 11-CM for maintaining customer record
- 2-CP for acreage reporting
- 6-CP for HELC and WC provisions
- 7-CP for finality rule and equitable relief
- 1-FI for processing payments initiated
- 61-FI for prompt payment and interest penalties
- 62-FI for reporting data to IRS
- 63-FI for Assignment and Joint Payment System
- 64-FI for establishing and reporting receipts and receivables on NRRS
- 2-INFO for handling requests for information (FOIA)
- 3-PL (Rev. 2) for web-based subsidiary files for 2009 and subsequent years
- 5-PL for payment eligibility, payment limitation and AGI.

# 1 Overview (Continued)

## E Delegations of Authority and Approvals

The authority to approve routine CFAP applications prepared according to this handbook may be redelegated, in writing according to 16-AO, by COC to CED, except forms and documents in which CED has a monetary interest.

Follow this table for delegated authority for approval of CFAP applications.

<b>IF the producer is...</b>	<b>THEN the approval authority is...</b>
a Federal or non-Federal, State or County Office employee	CED.
COC member	
DD	
SED	
STC member	
CED	COC.
any producer in a recording county	

**Notes:** Questionable cases may be referred to the next higher authority for determination.

Any employee serving as Acting CED is viewed as CED.

## F CFAP Websites

The following websites provide information used to administer CFAP.

<b>Website Content</b>	<b>Website Address</b>
CFAP Application	<a href="https://intranet.fsa.usda.gov/fsa/applications.asp">https://intranet.fsa.usda.gov/fsa/applications.asp</a>
CFAP Payment Rates	<a href="https://www.farmers.gov/CFAP">https://www.farmers.gov/CFAP</a>
FFAS Employee Forms/Publications Online Website	<a href="http://intranet.fsa.usda.gov/dam/ffasforms/forms.html">http://intranet.fsa.usda.gov/dam/ffasforms/forms.html</a>
Notices	<a href="http://www.fsa.usda.gov/notices">http://www.fsa.usda.gov/notices</a>
eAuthentication	<a href="https://www.eauth.usda.gov/mainPages/index.aspx">https://www.eauth.usda.gov/mainPages/index.aspx</a>
FSA Box	<a href="https://nrcs.account.box.com/login">https://nrcs.account.box.com/login</a>
CFAP Training Materials and Payment Calculator	<a href="https://inside.fsa.usda.gov/program-areas/dafp/dap/cfap/index">https://inside.fsa.usda.gov/program-areas/dafp/dap/cfap/index</a>

## **2 Administrative Provisions**

### **A Forms**

Any document that collects data from a participant, regardless of whether the participants signature is required:

- is subject to the Privacy Act and information collection procedures
- requires approval or clearance by the following applicable office:
  - DAFP
  - FPAC
  - OMB.

Forms, worksheets, applications, and other documents other than those provided in this handbook or issued by the National Office are not authorized for CFAP and must not be used.

### 3 Responsibilities

#### A STC Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, STC's must:

- direct the administration of CFAP
- ensure that State and County Offices follow CFAP provisions
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP
- require reviews be conducted by DD to ensure that County Offices comply with CFAP provisions according to subparagraph 5 A

**Note:** STC may establish additional reviews to ensure CFAP is administered according to these provisions.

- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments
- STC may approve or disapprove any CFAP application except those in which a STC member has a monetary interest
- comply with all CFAP provisions.

### 3 Responsibilities (Continued)

#### B SED Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, SED's will:

- ensure that County Offices follow CFAP provisions
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP
- ensure that DD's or other designated employee(s) conduct reviews according to subparagraph 5 A

**Note:** SED may establish additional reviews to ensure CFAP is administered according to these provisions.

- ensure all County Offices publicize CFAP provisions
- immediately notify the National Office CFAP Program Manager of software problems, incomplete or incorrect procedures, specific problems, or findings
- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments
- STC may approve or disapprove any CFAP application except forms or documents in which a STC member has a monetary interest
- comply with all CFAP provisions.

### 3 Responsibilities (Continued)

#### C DD Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, DD's will:

- ensure that COC's and County Offices follow CFAP provisions
- review the first 5 CFAP applications for any commodity (reviewed by the CED) from each county to ensure:
  - signatures are included
  - values on the AD-3114 are correct in the software based on producer's certification
- provide CED authority to enter COC (or delegated) actions in the software upon completion of the first 5 CFAP applications for any commodity (reviewed by the CED) from each County
- conduct reviews as determined by SED according to subparagraph 5 A.

**Note:** SED may establish additional reviews to ensure CFAP is administered according to these provisions.

- ensure all County Offices publicize CFAP provisions
- immediately notify the National Office CFAP Program Manager of software problems, incomplete or incorrect procedures, specific problems, or findings
- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments.

### 3 Responsibilities (Continued)

#### D COC Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, COC's will:

- fully comply with all CFAP provisions
- ensure that CED directs the County Office to follow all CFAP provisions
- review, approve, and disapprove CFAP applications, and document in the COC minutes

**Note:** COC may redelegate authority to the CED to review and approve routine CFAP applications. Redlegation of authority must be documented in the COC minutes. All adverse actions must go to the COC for review.

- submit CFAP applications and documentation for specialty crops to AMS for review when COC questions the reasonableness of the application
- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- ensure that the County Office publicizes CFAP provisions
- take any oversight actions necessary to ensure that IPIA provisions are met to prevent the County Office from issuing any improper payments.
- ensure that FSA assists persons by providing program information as it becomes available, using a variety of different methods

**Notes:** Because of the limits of FSA resources, publication of program information may or may not be by direct mail or on an individual basis. FSA meets its publication responsibilities by making broad program announcements in press releases, print and electronic media, Federal Register documents, radio and television announcements, and through posting program information in USDA Service Centers.

The reality of limited resources has increased the participant's responsibility for being aware of program provisions. FSA cannot be responsible for reaching out to every potential program participant with all program information. Participants must seek information on program details and not wait for FSA to individually contact them about program provisions. As resources permit, COC will ensure that program provisions are publicized and maintain a record of any and all publicity efforts, including postings in Service Centers.

The CFAP Fact Sheet:

- may be used to provide general program information
- is available at <https://www.fsa.usda.gov/news-room/fact-sheets/index>.



### 3 Responsibilities (Continued)

#### E CED Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, CED's will:

- fully comply with all CFAP provisions
- ensure that all County Office employees fully comply with all CFAP provisions
- review first 5 CFAP applications for completeness and accuracy and send to DD to obtain authority to enter COC action in the software

**Note:** COC action must be entered in the software immediately upon receipt of authority from the DD.

- if so delegated, promptly review, approve routine CFAP applications, and document in the COC minutes

**Notes:** All adverse actions **must** go to the COC for review.

CED **may not** redelegate authority to review and approve routine CFAP applications to any other County Office employees.

- issue any adverse determination letter according to 1-APP
- ensure that all program eligibility requirements have been met by producers before issuing any payment to ensure that IPIA provisions are met
- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- immediately notify SED, through DD, of software problems, incomplete or incorrect procedures, specific problems, or findings
- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments
- ensure that FSA assists persons by providing program information as it becomes available, in a variety of different methods.

**3 Responsibilities (Continued)**

**F PT Responsibilities**

Within the authorities and limitations in this handbook and 7 CFR Part 9, PT's will:

- fully comply with all CFAP provisions
- immediately notify the CED of software problems, incomplete or incorrect procedures, or specific problems
- ensure that all program eligibility requirements have been met by producers before issuing any payment to ensure that IPIA provisions are met.

### 3 Responsibilities (Continued)

#### G Producer Responsibilities

The producer is responsible for being aware of program provisions and accurately reporting all required information as applicable on AD-3114.

Producers who are approved for participation in CFAP are required to retain documentation in support of their application for 3 years after the date of approval.

Participants receiving CFAP payments or any other person who furnishes such information to USDA must permit authorized representatives of USDA or the GAO during regular business hours, to enter the agricultural operation and to inspect, examine, and to allow representatives to make copies of books, records or other items for the purpose of confirming the accuracy of the information provided by the participant.

Programs administered by DAFP require accurate information from producers. Producers must understand that failure to provide complete and accurate information and records could result in any or all of the following:

- an application for CFAP assistance being disapproved, COC adjusted, or approved but ineligible for payment
- the producer(s) being determined ineligible for FSA programs for the year or multiple years
- the producer(s) being liable under any civil or criminal fraud statute or any statute or provision of law.

## **4 Erroneous Information and Misrepresentation**

### **A Impact of Providing Erroneous Information and Misrepresentation**

In the event that any application for a CFAP payment resulted from erroneous information reported by the producer, the payment will be recalculated, and the producer must refund any excess payment to USDA. If the error was the producer's error, the refund must include interest to be calculated from the date of the disbursement to the producer.

If USDA determines that the producer's application misrepresented either the total amount or producer's share of the crop, head of livestock, or production, or if the CFAP payment would exceed the payment as calculated based on the correct amount of production and share, the application will be disapproved and the participant must refund to USDA all CFAP payments made to the producer with interest from the date of disbursement.

If any corrections to the ownership interest in the crop are made and would result in a lower CFAP payment, the producer must refund the difference with interest from date of disbursement.

Any required refunds must be resolved in accordance with debt settlement regulations in 7 CFR Part 3.

### **B Perjury**

In either applying for or participating in CFAP, or both, the producer is subject to laws against perjury and any penalties and prosecution resulting therefrom, with such laws including but not limited to 18 U.S.C. 1621. If the producer willfully makes and represents as true any verbal or written declaration, certification, statement, or verification that the producer knows or believes not to be true, in the course of either applying for or participating in CFAP, or both, then the producer is guilty of perjury and, except as otherwise provided by law, may be fined, imprisoned for not more than 5 years, or both, regardless of whether the producer makes such verbal or written declaration, certification, statement, or verification within or without the United States.

### **C Joint and Several Liability**

All persons and legal entities with a financial interest in an operation or in an application for payment determined to have been paid incorrectly are jointly and severally liable for any refund, including related charges, that is determined to be due CCC for any reason.

## 5 Internal Controls

### A DD Reviews

DD's or other employee(s) designated by SED will review 5 of the first 10 CFAP applications filed in a Service Center to verify the following:

- a signed AD-3114 was filed by the person or authorized representative of a legal entity that includes the producer's self-certification of eligible commodities
- supporting eligibility documents have been filed that include:
  - a signed CCC-902 (or CCC-901 if applicable) by the person or authorized representative of a legal entity. CCC-902 must be completed to provide name(s), address(es), TIN, and citizenship status has been provided for all persons and members, partners, or stockholders of a legal entity. Contributions of foreign persons must also be provided.
  - a signed CCC-941 and CCC-942 (if applicable) for persons, legal entities, and all members, partners, or stockholders of the legal entity, except general partnerships and joint ventures.
  - AD-1026 is certified according to the agreement in AD-3114, Part A (items 7A, 7B, 7C, and 8).

### 6-14 (Reserved)



## Part 2 CFAP Policy and Procedures Provisions

### Section 1 CFAP General Program Policies and Provisions

#### 15 Producer Eligibility [7 CFR 9.3]

##### A Eligible Producer

An eligible producer is a person or legal entity who shares in the risk of producing a crop or livestock and who is entitled to a share in the crop or livestock available for marketing or would have shared had the crop or livestock been produced and marketed.

The CFAP program is available to persons and legal entities who had a share in the eligible commodity:

- on January 15, 2020; and/or from April 16 through May 14, 2020, for all commodities other than dairy
- for the months of January, February, and March 2020 for dairy.

To be eligible for a CFAP payment, a person or legal entity must be 1 of following:

- citizen of the United States
- resident alien (possessing a Resident Alien Card (I-551)
- partnership of citizens of the United States
- corporation, LLC, or other organizational structure organized under State law
- Indian Tribe or Tribal organization, as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)
- foreign person or foreign entity who meets Foreign Person Rules as described in 5-PL.

**15 Producer Eligibility [7 CFR 9.3] (Continued)****B Ineligible Producer**

The following persons or legal entities are **ineligible** for CFAP payments:

- Federal, State, and local governments, including public schools as defined in 5-PL
- persons or legal entities who did not have a reported ownership interest in any of the eligible commodities
- persons and legal entities that have been suspended or debarred or otherwise excluded from participating in Federal programs (1-CM, paragraph 823)
- persons and legal entities that do not meet payment limitation, payment eligibility, AGI and HELC/WC requirements for CFAP.



**16 Payment Limitation and Payment Eligibility Requirements****A Payment Limitation [7 CFR 9.7(e)(1)]**

The total amount of CFAP payments that a person or legal entity (excluding general partnerships and joint ventures) may receive is \$250,000, except as provided in subparagraph B.

Payments to a program applicant that is a joint operation, including a general partnership or joint venture, cannot exceed \$250,000 per person or legal entity that comprise first level ownership of the general partnership or legal entity, unless the first level member is another joint operation.

**B Optional Increase in Limitation for Corporations, LLC, and LP [7 CFR 9.6(e)(2)]**

For CFAP applicants that are a corporation, LLC, or LP, an authorized representative of the legal entity may seek an increase in the \$250,000 payment limitation based on the member's, stockholder's, or partner's contribution of active personal labor or active personal management, or a combination thereof (as defined in 5-PL).

A contribution of at least 400 hours of active personal labor, active personal management, or a combination thereof must be provided by a member, stockholder, or partner from any level of ownership in the organizational structure to qualify the legal entity for the optional increase in payment limitation.

The maximum limitation a corporation, LLC, or LP may receive is \$750,000.

The authorized representative of the legal entity must certify on form AD-3114, Part H the name(s) of the entity members providing at least 400 hours of active personal labor, active personal management, or a combination thereof.

**Note:** Spousal provisions as found in 5-PL do not apply.

**16 Payment Limitation and Payment Eligibility Requirements (Continued)****B Optional Increase in Limitation for Corporations, LLC, and LP [7 CFR 9.6(e)(2)]  
(Continued)**

The following table provides qualifying requirements for the optional increase in payment limitation.

<b>IF...</b>	<b>THEN the corporation's, LLC's, or LP's Payment Limitation is...</b>
none of the members, stockholders, or partners provide labor, management, or combination thereof	\$250,000.
1 person holding an ownership interest in the organizational structure provides at least 400 hours of active personal labor or active personal management or combination thereof	\$250,000.
2 persons holding an ownership interest in the organizational structure provides at least 400 hours of active personal labor or active personal management or combination thereof	\$500,000.
3 persons holding an ownership interest in the organizational structure provides at least 400 hours of active personal labor or active personal management or combination thereof	\$750,000.

# 16 Payment Limitation and Payment Eligibility Requirements (Continued)

## C Examples

The following examples illustrate qualifying requirements for corporations, LLC's and LP's necessary to recognize the increased payment limitation to either \$500,000 or \$750,000.

**Example 1:** Payment limitation for a single member corporation.

Entity/Members	Share	Current Pay Limit	Labor/Management Contribution	Payment Limitation Increased	Effective Payment Limitation
ABC Corporation		\$250,000		-0-	\$250,000
Individual A	100%		0 - <400 hours		\$250,000

**Example 2:** Payment limitation for a 2-member corporation (only 1 member provides 400+ hours of labor/management).

Entity/Members	Share	Current Pay Limit	Labor/Management Contribution	Payment Limitation Increased	Effective Payment Limitation
ABC Corporation		\$250,000		\$0	\$250,000
Individual A	50%		+400 hours		\$250,000
Individual B	50%		(0)		\$250,000

**Example 3:** Payment limitation for a 3-member corporation (only 2 members provide 400+ hours of labor/management).

Entity/Members	Share	Current Pay Limit	Labor/Management Contribution	Payment Limitation Increased	Effective Payment Limitation
ABC Corporation		\$250,000		+\$250,000	\$500,000
Individual A	33.33%		+400 hours		\$250,000
Individual B	33.34%		+400 hours		\$250,000
Individual C	33.33%		0 hours		\$250,000

## 16 Payment Limitation and Payment Eligibility Requirements (Continued)

## C Examples (Continued)

**Example 4:** Payment limitation for a 2-member corporation with embedded entities as members.

Entity/Members	Share	Current Pay Limit	Labor/Management Contribution	Payment Limitation Increased	Effective Payment Limitation
AB Corporation		\$250,000		\$500,000	\$750,000
<b>Corporation A – 50%</b>					\$250,000
Corporation X	50%				
Joe 50%			+400 hours		\$250,000
John 50%			+400 hours		\$250,000
Corporation Y	50%				\$250,000
Bob 50%			-0-		\$250,000
Larry 50%			-0-		\$250,000
<b>Corporation B – 50%</b>	50%				\$250,000
Sam	50%		+400 hours		\$250,000
Pete	50%		-0-		\$250,000

## D Attribution of Payments [7 CFR 9.6(e)(4)]

CFAP payments to persons and legal entities will be limited according to the rules for attribution in 7 CFR 1400.105.

CFAP payments made directly or indirectly to a person or legal entity will be combined and limited to the per person or legal entity.

CFAP payments to a legal entity will be tracked through 4 levels of ownership and will be reduced for members, partners or stockholders holding an ownership interest below the 4<sup>th</sup> level.

Rules for “common attribution” (such as minor children) do not apply to CFAP payments.

**17 AGI [7 CFR 9.6(d)]**

**A AGI Requirements**

Rules for AGI as found in 5-PL apply to CFAP payments.

To be eligible for payment, a person or legal entity (including members, stockholders or partners of the legal entity) must have an average AGI for program year 2020 that does not exceed the \$900,000 limitation, unless, at least 75 percent of the person's or legal entity's average AGI is derived from farming, ranching or forestry operations. See 5-PL for defining income from farming, ranching or forestry operations.

The 3 base years used to compute the average AGI and Farm AGI are 2016, 2017, and 2018.

CCC-941 must be completed by all CFAP applicants.

Applicants exceeding the \$900,000 limitation may complete form CCC-942 and obtain a certification from a licensed CPA or attorney verifying that 75 percent of the AGI is derived from farming, ranching or forestry operations.

## 18 Other Eligibility Provisions

### A HELC/WC Compliance

Certification of conservation compliance (HELC/WC compliance), AD-1026, and provisions of 6-CP (Highly Erodible Land Conservation and Wetland Conservation Provisions) statutorily apply to CFAP. The producer applying for CFAP agrees to conservation compliance provisions on AD-3114, Part A; items 7, 7A, 7B, and 8.

CFAP applicants that have AD-1026 continuous certification with box 5B, agreeing to Part A, item 7A on AD-3114, do not have to file new AD-1026. CFAP applicants filing AD-1026 for the first time can certify AD-1026 with box 5B if they meet those provisions. These producers do not have to establish farm records for which their certification of compliance applies (see 6-CP, subparagraph 641 D). A producer's certification of box 5B for CFAP is a certification that the producer:

- does not participate in any USDA benefits subject to HELC and WC compliance except Federal Crop Insurance **or CFAP**
- only has interest in land devoted to agriculture that is exclusively used for perennial crops (excluding sugar cane), such as tree fruits, tree nuts, grapes, olives, native pasture, and perennial forage

**Note:** If the applicant produces alfalfa, the applicant must contact NRCS to determine whether such production qualifies as the production of a perennial crop.

- has not converted a wetland after **December 23, 1985**.

**Note:** The December 23, 1985, AD-3114 wetland **conversion** certification date is used as low risk assessment of conservation compliance violation to forego farm records establishment for producers that have perennial crops only. A wetland converted December 24, 1985, through November 28, 1990 (determination of CW) is not a conservation compliance violation (those acreages may incur a wetland planting violation but not a conversion violation).

**18 Other Eligibility Provisions (Continued)****A HELC/WC Compliance (Continued)**

Livestock applicants that do not have any interest in agricultural land (such as cropland, pastureland, rangeland, or forestland) certify to compliance by checking box 5A of AD-1026 (discussed in AD-3114, Part A, item 7B), as they do with other USDA benefits subject to conservation compliance (farm records are not required; see 6-CP, subparagraph 641 D).

All other producers (discussed in AD-3114, Part A, item 7) that do not have continuous AD-1026 certification of compliance on file, must file a complete AD-1026 according to provisions in 6-CP (including certification of Part B HELC/WC compliance questions). 6-CP, subparagraph 641 D states these producers must establish farm records to which their certification of compliance applies before recording AD-1026 as “certified”. However, for CFAP, County Offices will record AD-1026 as “certified” when received. County Offices will keep these AD-1026’s in a “needs to establish farm records folder” if information is not readily available to establish them. The producers will be contacted to do so as workload and time allows. Certification of AD-1026, recorded in subsidiary is still required for the CFAP payment to process.

**B Controlled Substance**

State or Federal controlled substances convictions for planting, cultivating, growing, producing, harvesting, storing, trafficking, and possession apply to CFAP. See 1-CM, paragraph 871.

## 19 Eligibility Form Requirements

### A Payment Limitation, Payment Eligibility, and AGI Forms

The automated CCC-902 will be completed according to 5-PL and 3-PL (Rev.2) by **all** CFAP applicants to collect:

- names, addresses, taxpayer identification numbers for the person or legal entity (and its members)
- member information for legal entities (including joint operations)
- citizenship status for the person or legal entity (and its members)
- contributions of foreign persons.

**Notes:** The manual CCC-902I (Parts A and B), CCC-902E (Parts A, B, and C) and CCC-901 (if applicable) may be used to collect the required information for CFAP. Information collected on manual forms **must** be loaded in Business File according to 3-PL (Rev. 2).

Applicants who are foreign persons or foreign entities as defined in 5-PL must complete CCC-902 to collect contributions of the foreign persons.

CCC-903 will be used to document COC payment limitation, producer eligibility, and foreign person eligibility determinations.

CCC-941 will be used to collect the certification of AGI for the CFAP applicant.

CCC-942 will be used to collect farm AGI certifications from the CFAP applicant and CPA or attorney, as applicable.

### B HELC/WC Eligibility Forms

CFAP applicant and all affiliates will complete AD-1026 according to 6-CP.



**20 Timeframe for Filing Eligibility Documents [7 CFR 9.4(b)]**

**A Deadline for Filing Eligibility Documents**

CFAP applicants **must** file all CFAP eligibility documents within 60 calendar days from the date of signing a CFAP application.

Failure to timely provide all eligibility forms may result in no payment or a reduced payment.

## 21 Eligible Commodities and Signup Period

### A Eligible Commodities

CFAP provides financial assistance to eligible producers with an ownership interest in the following eligible commodities that have been determined to have been impacted by the effects of the COVID-19 outbreak.

<b>Commodity Category</b>	<b>Eligible Commodity</b>
Dairy (See Part 4)	<ul style="list-style-type: none"> <li>• Dairy (milk)</li> </ul>
Non-Specialty Crops and Wool (See Part 5)	<ul style="list-style-type: none"> <li>• Barley - Malting</li> <li>• Canola</li> <li>• Corn</li> <li>• Cotton – Upland</li> <li>• Millet</li> <li>• Oats</li> <li>• Sorghum</li> <li>• Soybeans</li> <li>• Sunflowers</li> <li>• Wheat – Durum</li> <li>• Wheat - Hard Red Spring</li> <li>• Wool (graded/clean and non-graded/greasy)</li> </ul>
Livestock (See Part 6)	<ul style="list-style-type: none"> <li>• Feeder Cattle: Less than 600 Pounds</li> <li>• Feeder Cattle: 600 Pounds or More</li> <li>• Slaughter Cattle: Fed Cattle</li> <li>• Slaughter Cattle: Mature Cattle</li> <li>• All Other Cattle</li> <li>• Pigs: Less than 120 Pounds</li> <li>• Hogs: 120 Pounds or More</li> <li>• Lambs and Yearlings</li> </ul>
Value Loss Crops (See Part 7)	<ul style="list-style-type: none"> <li>• Eligible value loss commodities will be identified in the future.</li> </ul>
Specialty Crops (See Part 8)	<ul style="list-style-type: none"> <li>• Almonds</li> <li>• Apples</li> <li>• Artichokes</li> <li>• Asparagus</li> <li>• Avocados</li> <li>• Beans</li> <li>• Blueberries</li> <li>• Broccoli</li> <li>• Cabbage</li> <li>• Cantaloupe</li> <li>• Caneberries - Raspberries</li> <li>• Carrots</li> <li>• Cauliflower</li> <li>• Celery</li> <li>• Cucumbers</li> <li>• Eggplant</li> <li>• Garlic</li> <li>• Grapefruit</li> <li>• Greens – Spinach</li> <li>• Kiwifruit</li> <li>• Lemons</li> <li>• Lettuce – Iceberg</li> <li>• Lettuce - Romaine</li> <li>• Mushrooms</li> <li>• Onions – Dry</li> <li>• Onions – Green</li> <li>• Oranges</li> <li>• Papayas</li> <li>• Peaches</li> <li>• Pears</li> <li>• Pecans</li> <li>• Peppers – Bell</li> <li>• Peppers – Other</li> <li>• Potatoes</li> <li>• Rhubarb</li> <li>• Squash</li> <li>• Strawberries</li> <li>• Sweet Corn</li> <li>• Sweet Potatoes</li> <li>• Tangerines</li> <li>• Taro</li> <li>• Tomatoes</li> <li>• Walnuts</li> <li>• Watermelon</li> </ul>

**21 Eligible Commodities and Signup Period (Continued)**

**B CFAP Signup Period**

Eligible producers who had an ownership share interest in 1 or more of the eligible CFAP commodities can file a CFAP application by submitting a completed AD-3114 to any USDA Service Center from **May 26, 2020, through August 28, 2020**. The recording county will be responsible for acting on the AD-3114.

AD-3114's submitted or postmarked after August 28, 2020, will be disapproved. See subparagraph 51 E.

## 22 CFAP Payments and Payment Rates

### A CFAP Payments

The CFAP payment is:

- available to eligible producers who had or still have an ownership interest in 1 or more of the eligible commodities
- **not** subject to sequestration
- not subject to offset.

The CFAP payment will be determined in 1, 2, and/or 3 payment parts, and a total payment will be calculated based on the combined parts. The total payment amount will be multiplied by a factor of 80 percent after applying payment limitation to determine the actual payment amount. FSA may issue a second payment if funds remain available.

Generally, the initial payment of 80 percent of the calculated total will be issued as a single payment for each producer nationwide; however, subsequent payments may be issued as more data is received from each producer. See paragraph 52 on revising AD-3114's.

## 22 CFAP Payments and Payment Rates (Continued)

## A CFAP Payments (Continued)

Payments will be determined according to the following table.

<b>Commodity Category</b>	<b>Part 1 (CARES Act Funds)</b>	<b>Part 2 (CCC Funds)</b>
Dairy (See Part 4)	For each eligible producer, a payment rate per pound of milk production including dumped milk for the months of January, February, and March 2020.	For each eligible producer, a payment rate per pound of milk production including dumped milk for the months of January, February, and March 2020, with an adjustment factor of 1.014.
Non-Specialty Crops and Wool (See Part 5)	For each eligible producer and commodity, eligible production will be based on the unsold production on hand on January 15, 2020, not to exceed 50 percent of the total 2019 production for that producer nationwide.	
	Fifty percent of production determined above will be paid using CARES Act funds.	Fifty percent of production determined above will be paid using CCC funds.
Livestock (See Part 6)	For each eligible producer, payment is calculated by multiplying the number of livestock sold between January 15, 2020, and April 15, 2020, by the payment rate per head.  <b>Note:</b> Livestock must have been owned by the producer on January 15, 2020. Any offspring born from that same inventory are eligible.	For each eligible producer, payment is calculated by multiplying the highest livestock inventory between April 16, 2020, and May 14, 2020, by the payment rate per head.
Value Loss Crops (See Part 7)	To be determined.	

## 22 CFAP Payments and Payment Rates (Continued)

## A CFAP Payments (Continued)

Commodity Category	Part 1 (CARES Act Funds)	Part 2 (CCC Funds)
Specialty Crops (See Part 8)	<p>There are 2 potential subparts to the payment:</p> <ul style="list-style-type: none"> <li>for specific specialty crops, a payment for each eligible producer will be based on the volume of production sold between January 15, 2020, and April 15, 2020</li> <li>a payment for each producer will be based on the volume of production shipped but not sold or for which no payment was received (unpaid) between January 15, 2020, and April 15, 2020.</li> </ul>	For each eligible producer, a payment will be based on the number of acres for which production was destroyed or not harvested due to lack of market from January 15, 2020, and April 15, 2020.

**Note:** All production, sales, and inventory of eligible commodities and livestock **must be subject to price risk** as of January 15, 2020. Unpriced (or subject to price risk) means **not** subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding document as of January 15, 2020. The producer's eligible commodity and/or livestock must still be at risk of price fluctuations after January 15, 2020, to be eligible for payment.

## 22 CFAP Payments and Payment Rates (Continued)

**B CFAP Payment Rates**

CFAP payment rates are determined by CCC.

The payment rates are available at <http://farmers.gov/CFAP>. Payments rates are established according to the following table.

<b>Commodity Category</b>	<b>Eligible Commodity</b>	<b>Unit of Measure</b>	<b>CARES Act Payment Rate</b>	<b>CCC Payment Rate</b>
Dairy	Dairy (Milk)	LBS	\$0.0471	\$0.0147
Non-Specialty Crops and Wool	Corn	BU	\$0.32	\$0.35
	Soybeans	BU	\$0.45	\$0.50
	HRS Wheat	BU	\$0.18	\$0.20
	Durum Wheat	BU	\$0.19	\$0.20
	Upland Cotton	LB	\$0.09	\$0.10
	Canola	LB	\$0.01	\$0.01
	Oats	BU	\$0.15	\$0.17
	Malting Barley	BU	\$0.34	\$0.37
	Millet	BU	\$0.31	\$0.34
	Sorghum	BU	\$0.30	\$0.32
	Sunflowers	LB	\$0.02	\$0.02
	Wool (Graded, Clean Basis)	LB	\$0.71	\$0.78
	Wool (Non-Graded, Greasy Basis)	LB	\$0.36	\$0.39
Livestock - Cattle	Feeder Cattle: Less Than 600 Pounds	HD	\$102.00	\$33.00
	Feeder Cattle: 600 Pounds or More	HD	\$139.00	\$33.00
	Slaughter Cattle: Fed Cattle	HD	\$214.00	\$33.00
	Slaughter Cattle: Mature Cattle	HD	\$92.00	\$33.00
	All Other Cattle	HD	\$102.00	\$33.00
Livestock - Swine	Pigs: Less Than 120 Pounds	HD	\$28.00	\$17.00
	Hogs: 120 Pounds or More	HD	\$18.00	\$17.00
Livestock - Sheep	Lambs and Yearlings (All Sheep Less Than 2 Years Old)	HD	\$33.00	\$7.00
Value Loss Crops	Payment rates for eligible value loss commodities (nursery/aquaculture) will be provided when available.			

## 22 CFAP Payments and Payment Rates (Continued)

**B CFAP Payment Rates (Continued)**

Payments rates for specialty crops are established according to the following table.

<b>Specialty Crops</b>	<b>CARES Act Payment Rate for Sales (\$/lb)</b>	<b>CARES Act Payment Rate for Production Delivered and Unpaid (\$/lb)</b>	<b>CCC Payment Rate for Production Not Delivered (\$/acre)</b>
Almonds	\$0.26	\$0.57	\$237.60
Apples		\$0.18	\$1,125.00
Artichokes	\$0.66	\$0.49	\$1,300.00
Asparagus		\$0.38	\$254.80
Avocados		\$0.14	\$153.60
Beans	\$0.17	\$0.16	\$233.79
Blueberries		\$0.62	\$795.60
Broccoli	\$0.62	\$0.49	\$1,563.00
Cabbage	\$0.04	\$0.07	\$367.30
Caneberries - Raspberries		\$1.45	\$3,780.00
Cantaloupe		\$0.10	\$478.80
Carrots	\$0.02	\$0.11	\$1,251.40
Cauliflower	\$0.11	\$0.31	\$1,327.20
Celery		\$0.07	\$560.00
Cucumbers	\$0.13	\$0.15	\$444.90
Eggplant	\$0.07	\$0.15	\$412.71
Garlic		\$0.85	\$2,635.00
Grapefruit		\$0.11	\$496.76
Greens - Spinach	\$0.37	\$0.37	\$1,022.00
Kiwifruit		\$0.32	\$1,404.00
Lemons	\$0.08	\$0.21	\$1,424.00
Lettuce - Iceberg	\$0.20	\$0.15	\$1,128.00
Lettuce - Romaine	\$0.07	\$0.12	\$623.60
Mushrooms		\$0.59	\$33,109.96
Onions – Other	\$0.01	\$0.05	\$540.10
Onions - Green		\$0.30	\$1,782.00
Oranges		\$0.14	\$634.83
Papaya		\$0.32	\$1,020.00
Peaches	\$0.08	\$0.32	\$1,099.20
Pears	\$0.08	\$0.18	\$966.00



## 22 CFAP Payments and Payment Rates (Continued)

## B CFAP Payment Rates (Continued)

<b>Specialty Crops</b>	<b>CARES Act Payment Rate for Sales (\$/lb)</b>	<b>CARES Act Payment Rate for Production Delivered and Unpaid (\$/lb)</b>	<b>CCC Payment Rate for Production Not Delivered (\$/acre)</b>
Pecans	\$0.28	\$0.93	\$116.46
Peppers - Bell type	\$0.14	\$0.22	\$1,267.20
Peppers - Other	\$0.15	\$0.22	\$644.80
Potatoes		\$0.04	\$449.00
Rhubarb	\$0.15	\$1.03	\$395.83
Squash	\$0.72	\$0.39	\$2,534.40
Strawberries	\$0.84	\$0.72	\$7,042.00
Sweet Corn	\$0.09	\$0.13	\$483.60
Sweet potatoes		\$0.18	\$871.60
Tangerines		\$0.22	\$1,224.88
Taro		\$0.23	\$481.50
Tomatoes	\$0.64	\$0.38	\$6,122.90
Walnut		\$0.45	\$322.20
Watermelons		\$0.02	\$0.00

23-34 (Reserved)



## Section 2 Eligibility Requirements

### 35 CFAP Eligibility

#### A General Eligibility for CFAP Commodities

Specific commodity eligibility policy can be found in:

- Part 4 for Dairy (Milk)
- Part 5 for Non-Specialty Crops and Wool
- Part 7 for Value Loss Crop
- Part 8 for Specialty Crops.

**36 Production, Sales, Inventory, and/or Acreage Reporting for CFAP Eligible Commodities****A Reporting Requirements**

The requirement to provide production, sales, inventory, and/or acreage certification on AD-3114 is based on each producer's nationwide ownership interest in the commodity, regardless of where the commodity was grown or is stored.

**Note:** Ownership interest does not mean interest as a landowner. In this context, ownership interest means as owners of the commodity with both control of and title to the commodity.

**B Documentation**

Producers must maintain documentation, as discussed in subparagraph 51 B, to support all certifications of production, sales, inventory, and or acreage.

**37 Payment Eligibility Requirements**

**A Payment Eligibility**

To be considered eligible for CFAP payment, in addition to submitting a completed AD-3114, persons or legal entities must have filed the following forms for the 2020 production year:

- AD-1026 according to 6-CP (See subparagraph 18 A for AD-1026)
- applicable CCC-902 according to 5-PL
- CCC-941 or CCC-942 for AGI certification according to 5-PL.

**Note:** 2016, 2017, and 2018 tax years are used to calculate AGI for 2020 CFAP. All required eligibility forms **must** be filed before an CFAP payment can be issued.

**38-49 (Reserved)**



**Part 3 Application Processing and Review for Approval****Section 1 Application Processing****50 Applying for CFAP****A Application Submission**

Producers will submit one application for their entire operation nationwide. A producer may submit an application using any of the following methods:

- in person, when available
- by mail
- electronically by:
  - FAX
  - e-mail with a scanned or photocopy of signed AD-3114 attached
  - other authorized method (provided by supplemental notice or other guidance) online at **www.farmers.gov**.

**Note:** Submitting AD-3114 online requires an active Level 2 eAuthentication account. Individual producers can register for a Level 2 eAuthentication account at **www.eauth.usda.gov**. A fillable format of AD-3114 will also be available for applicants to sign and submit by one of the above methods. Online applications are currently **not** available.

**50 Applying for CFAP (Continued)****B Signing and Certifying AD-3114**

By signing AD-3114, Part I, the individual is:

- applying for a CFAP payment for the producer listed on Part B and if applicable, members listed in Part H of the AD-3114
- certifying all of the following:
  - information provided on AD-3114 is true and correct
  - all production/sales/inventory eligible for payment is subject to price risk
- agreeing to:
  - provide all information that is necessary to verify that the information provided on the AD-3114 is accurate
  - allow USDA representatives access to all documents and records, including those in the possession of a third-party such as a warehouse operator, processor or packer
  - comply with maximum payment limitation and adjusted gross income provisions applicable to the CFAP by the required forms
  - provide to USDA all information required for program participation within 60 days from the date the producer signs this application
  - comply with the provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands
- acknowledging that:
  - providing false certification to FSA is cause for disapproval of AD-3114 and is punishable by imprisonment, fines, and other penalties
  - a CFAP payment will only be made with respect to a commodity produced in the United States and intended to be marketed for commercial production.



**50 Applying for CFAP (Continued)****C Signature Requirements**

A complete AD-3114, including the applicant's signature **must** be received no later than August 28, 2020. STC or COC do not have authority to approve late-filed AD-3114.

See 1-CM for signature requirements.

**D Recording Receipt of AD-3114's and Accessing CFAP Application**

Offices must make every effort to process the AD-3114 in the system and then have the producer sign the application. If the CFAP system is not available, a manual AD-3114 must be completed.

**Note:** COC's are not to approve any AD-3114 until **after** the AD-3114 has been loaded into the CFAP system.

If a producer submits a signed manual AD-3114 to the County Office, enter the application in the system. County Office will date stamp AD-3114 upon receipt of an AD-3114 signed in Part I by the producer.

If a producer submits an application to a County Office that is not the producer's recording County Office, the receiving County Office will date stamp the signed application and send a copy by e-mail or FAX to the recording County Office.

See Exhibit 20 for instructions on completing AD-3114.

**51     Reviewing and Acting on AD-3114's**

**A   Redefinition of Authority for AD-3114's**

COC may redelegate authority to CED to approve routine AD-3114's; however, CED **cannot** further redelegate authority to a PT.

All adverse actions must go to the COC for review.

**Important:**    Approved AD-3114's are subject to prompt pay interest; therefore, every effort must be made to complete the payment process as soon as possible for approved AD-3114's.

## 51 Reviewing and Acting on AD-3114's (Continued)

**B Reviewing AD-3114's for Reasonableness**

Production, sales, inventories, and/or acreage, as applicable, will be a self-certification by the producer and is subject to spot check. COC's may request additional documentation from a CFAP applicant to support a producer's certification of eligible commodities. The following table provides a list of examples of supporting documentation.

**Note:** If a producer fails to submit additional documentation in response to a request to substantiate production, sales, and/or inventories, as applicable, of any eligible commodity on the application, COC will make the applicable COC adjustments on the application for the commodity(s) and/or disapprove the application, as applicable.

Commodity	Source of Production Evidence
Dairy	<ul style="list-style-type: none"> <li>• milk marketing statements for the months of January, February, and March 2020</li> <li>• records documenting milk that was dumped during January, February, and March 2020</li> <li>• other records determined acceptable by COC.</li> </ul>
Non-Specialty, Specialty, Value Loss Crops, and Wool	<ul style="list-style-type: none"> <li>• sales receipts</li> <li>• other sales documents indicating when a commodity was forward priced</li> <li>• ledgers of income</li> <li>• income statements of deposit slips</li> <li>• register tapes</li> <li>• invoices for custom harvesting</li> <li>• records to verify production costs</li> <li>• contemporaneous measurements</li> <li>• truck scale tickets</li> <li>• contemporaneous diaries – determined acceptable by COC</li> <li>• other records determined acceptable by COC.</li> </ul>

51      **Reviewing and Acting on AD-3114's (Continued)****B   Reviewing AD-3114's for Reasonableness (Continued)**

Commodity	Source of Production Evidence
Livestock	<ul style="list-style-type: none"> <li>• breeding records</li> <li>• feeding records</li> <li>• inventory records</li> <li>• rendering receipts</li> <li>• sales receipts</li> <li>• veterinary records</li> <li>• other records determined acceptable by COC.</li> </ul>

The COC is not responsible for determinations for specialty crops. For specialty crop applications, if COC has concerns or questions the reasonableness of the information provided by the producer, then the application and all documentation must be provided to AMS for review. At AMS contact Charles Stephens, Associate Deputy Administrator, Specialty Crops Program by e-mail to **charlesd.stephens@usda.gov** or telephone at 202-720-6394. When contacting by e-mail, include "CFAP Inquiry" and the name of the State and county in the "Subject" line.

**51     Reviewing and Acting on AD-3114's (Continued)****C   Acting on AD-3114's**

The recording county's COC, or CED if delegated, will act on all completed and signed AD-3114's submitted. No action by COC is applicable to Part G, Specialty Crop Information.

**Important:** COC actions may **not** be entered into the software until DD has completed review of the first 5 AD-3114's according to subparagraph 3 C.

AD-3114 must be approved or disapproved as certified by the participant. However, COC does have the authority to make adjustments to information reported on AD-3114 when documentation warrants making adjustments. See subparagraph E.

**D   Approving AD-3114**

Before approving AD-3114's, COC or CED, if delegated must ensure that:

- all program eligibility requirements are met
- the person or legal entity applying for CFAP is determined to be an according to subparagraph 15 A
- signature requirements are met according to 1-CM, signed AD-3114 in Part I
- production, sales, and/or inventories as certified and as applicable, are reasonable
- AD-3114 was received or postmarked **by** August 28, 2020.

If all program eligibility requirements are met and COC or delegate has determined that the information on AD-3114 is reasonable and accurate, COC or delegate will approve AD-3114 and thoroughly document approval in the COC minutes.

**Note:** Situations may occur when contract approval is not available in the software. Contract approval is also not allowed "on paper" during these times.

## 51 Reviewing and Acting on AD-3114's (Continued)

**E COC Adjusting or Disapproving AD-3114's**

If it is determined that any of the information as certified on the AD-3114 is not reasonable or is questionable, evidence may be requested from the participant according to subparagraph A. If evidence provided by the participant differs from the information certified, COCs do have authority to make adjustments. See subparagraph 3 G on producer responsibilities.

The COC will disapprove AD-3114 if **any** of the following occur:

- program eligibility requirements are not met
- person or legal entity applying for CFAP is determined to not to be an eligible producer according to subparagraph 15 B
- information on AD-3114 or supporting documentation provided by the participant is not accurate or reasonable
- evidence that applicant did not have a reported ownership share interest in the eligible commodity
- signature requirements were not met according to 1-CM, signed AD-3114 in Part I

**Note:** If AD-3114 was completed but never signed by the producer or someone on behalf of the producer, take **no** action on AD-3114. It is not considered filed unless it is signed.

- AD-3114 was submitted or postmarked **after** August 28, 2020.

If COC disapproves AD-3114 for any reasons listed, or adjusts the AD-3114 for any reason, then the COC must take the following actions:

- adjust or disapprove AD-3114 as applicable
- notify the participant of the adjustment or disapproval
- provide participant applicable appeal rights according to 1-APP
- thoroughly document reasons for the adjustment or disapproval in COC minutes.

**52 Revised AD-3114's and Signature Requirements****A Revised AD-3114's**

AD-3114's can be revised after filing and after AD-3114 was approved and paid prior to the end of the signup period. The reasons for revision can vary. Some reasons may include:

- production, sales, or inventory reported was incorrect or entered in error
- additional production, sales, or inventory was not reported on original application.

For any revision to an approved and paid AD-3114, thoroughly document the reason for the revision in the COC minutes and provide the producer a copy of the revised AD-3114.

**B Revisions That Require New Producer Signatures and Approval**

Any revision to a previously approved and paid AD-3114 that would increase the calculated payment amount requires a new producer signature and new approval date entered.

**C Revisions That Do Not Require New Producer Signature**

A revision that adversely affects an application does not require a new producer signature. Notify the participant in writing of the revision, provide participant applicable appeal rights according to 1-APP, and thoroughly document reason for the revision in the COC minutes.

If a revision results in less payment acres, CED will issue a reduced payment letter along with a copy of the revised AD-3114.

Any revised AD-3114 must have a new approval entered.

**53-64 (Reserved)**





**Section 2 General Payment Provisions for CFAP****65 General Payment Provisions****A Introduction**

The CFAP payment process is an automated process that determines:

- whether the producer is eligible to receive payment
- the payment amount that can be sent to NPS for disbursement
- the overpayment amount that will be updated to the Pending Overpayment Report.

**B Frequency of Payment Processing**

CFAP payments are processed nightly for the following:

- applications for which an approval is updated in the software during the workday
- changes made to the application or eligibility flags that could affect the producer's payment or overpayment amount determination.

**C Obtaining FSA-325 for Deceased, Disappeared, or Incompetent Producers**

Follow 1-CM provisions for persons who have died, disappeared, or been declared incompetent.

**D Administrative Offset**

CFAP payments are **not** subject to administrative offset.

**65 General Payment Provisions (Continued)****E Assignments and Joint Payments**

A producer entitled to an CFAP payment may assign the payment according to 63-FI. CFAP payments and may be assigned, provided CCC-36 is submitted by the applicant or made to a joint payee, provided CCC-37 is submitted by the applicant before payment is made. County Offices will follow 63-FI to process assignments and joint payment authorizations.

**F Bankruptcy**

Bankruptcy status does **not** exclude a producer from requesting CFAP benefits.

**Important:** Contact the OGC Regional Attorney for guidance on issuing CFAP payments on all bankruptcy cases.

**G Payments Less Than \$1**

CFAP payment process will issue all payments.

**H Payment Due Date**

Follow the provisions of 61-FI for issuing interest payments.

**I Sequestering CFAP Payments**

CFAP payments are **not** subject to sequestration.

**65 General Payment Provisions (Continued)**

**J General Payment Policy**

See 9-CM, Part 2 for general payment policy for the following:

- eligible ID types and business types
- payment eligibility
- payment limitation and attribution of payments
- joint operations and entities
- general provisions for overpayments.

**66 Payment Limitation Provisions**

**A Payment Eligibility and Limitation Information for CFAP Payments**

CFAP has its own per person or legal entity payment limitation separate from other programs. The per person or legal entity payment limitation for CFAP is provided in subparagraphs 16 A and B and will be attributed through direct attribution.

As each payment is processed, the available payment limitation for the person or legal entity will be reduced until:

- all CFAP payments are issued for the person or legal entity
- the maximum payment limitation has been attributed to a person or legal entity.

**67 CFAP Subsidiary Eligibility**

**A Introduction**

The payment process reads the web-based eligibility system for the 2020 year to determine whether a producer or member of a joint operation is eligible to be paid. If the producer or member is ineligible to be paid, the payment will not be issued or will be reduced, and the producer or member will be listed on the Nonpayment Report with the applicable message.

**B Subsidiary Eligibility**

If a producer has multiple invalid subsidiary eligibility conditions, only the highest priority ineligible condition as provided in subparagraph C will be printed on the Nonpayment Report.

## 67 CFAP Subsidiary Eligibility (Continued)

**B Subsidiary Eligibility (Continued)**

The following table provides eligibility provisions that apply to CFAP payments.

Eligibility Determination/Certification	Value	Eligible for CFAP Payment	Exceptions
AD-1026	Certified	Yes	
	Not Filed	No	
	Good Faith Determination	Yes	
	COC Exemption	Yes	
	Awaiting Affiliate Certification	No	
	Affiliate Violation	No	
Conservation Compliance – Farm/Tract Eligibility	In Compliance	Yes	<u>1/</u> A partial compliance value of Yes” will result in an additional determination for the farm.
	Partial Compliance	Yes <u>1/</u>	
	In Violation	No	
	No Association	Yes	
	Past Violation	No	
	Reinstated	Yes	
AGI - \$900,000 Limitation  <b>Note:</b> See 5-PL for additional information about AGI determinations.	Not Filed	No	<u>2/</u> If an IRS determination has:  <ul style="list-style-type: none"> <li><b>not</b> been returned, then the payment process will use the producer certification value</li> <li>been returned, then the payment process will use the IRS returned value.</li> </ul> <u>3/</u> If the IRS value is <b>not</b> processed, then the payment process will use the producer certification value.
	Filed CCC-941	Yes <u>2/</u>	
	Exempt	Yes	
	Not Met - Producer	No	
	Not Processed	<u>3/</u>	
	Compliant - Producer	Yes	
	Compliant - Less than 3 years	Yes	
	Not Compliant	No	
	Failed Verification	No	

## 67 CFAP Subsidiary Eligibility (Continued)

**B Subsidiary Eligibility (Continued)**

<b>Eligibility Determination/Certification</b>	<b>Value</b>	<b>Eligible for CFAP Payment</b>	<b>Exceptions</b>
Adjusted Gross Income – 75% Farm AGI Rule	Yes	Yes	
	No	No	
Foreign Person Determination	Yes or Not Applicable	Yes	
	No or Pending	No	
Controlled Substance	No Violation	Yes	
	Growing	No	
	Trafficking	No	
	Possession	No	

**C Eligibility Conditions Priority**

If a person or legal entity has multiple invalid subsidiary eligibility conditions, only the highest priority ineligible condition will be printed on the Nonpayment Report and Pending Overpayment Reports. The following table provides the priority of conditions.

<b>Priority</b>	<b>Eligibility Provision</b>
1	Conservation Compliance
2	Controlled Substance
3	AD-1026

## 68 CFAP Payments

**A Supporting Files for Integrated Payment Processing**

The CFAP payment process is a web-based integrated process that uses a wide range of information and other program determinations and values to determine whether a payment should be issued, including the amount of gross payment, reductions, and the net payment amount. For payments to be calculated correctly, all supporting files must be updated correctly, including **all** of the following.

<b>Type of Information</b>	<b>How Information Is Used for Payment Processing</b>	<b>Source</b>
AD-3114 data	The information from AD-3114 is used to complete the Gross Payment Report for approved commodities which determines the CFAP Dairy, CFAP-Non-Specialty Crops, CFAP Wool, CFAP-Livestock, CFAP-Specialty Crops, and/or CFAP Value Loss Crops gross payment amount for the producer.	Application System
Payment Eligibility Information	Used to determine whether the producer (individual, entity, and/or member of a general partnership or joint operation) is eligible for payment for which AD-3114 was filed.	Web-Based Eligibility System
General Name and Address Information	Used to determine the producer's business type, citizenship status, and general name and address information.	Business Partner/SCIMS
Entity and Joint Operation Information	Used to determine the following for which AD-3114 was filed: <ul style="list-style-type: none"> <li>• entities</li> <li>• general partnerships</li> <li>• joint ventures.</li> </ul>	Business File
Available Payment Limitation	Used to determine payment limitation availability.	Payment Limitation System
Financial Related Information	<ul style="list-style-type: none"> <li>• Calculated payment information is provided to NPS.</li> <li>• Determined overpayment amount may be provided to NRRS.</li> </ul>	NPS or NRRS



## 68 CFAP Payments (Continued)

**B Prerequisites for Payment**

The following table details the actions that **must** be performed or verified as having been completed to properly issue payments. COC, CED, or designee will ensure that the actions are completed.

Step	Action
1	AD-3114 has been approved and the approval date has been recorded in the system.
2	AD-1026 is on file for the applicable year for those seeking payment and the eligibility information is recorded in the web-based eligibility system. See 6-CP and 3-PL (Rev. 2).
3	CCC-902 is on file and a determination made, as is applicable according to 5-PL for the applicable year for persons and legal entities.
4	CCC-941, and CCC-942 if applicable, is on file for the applicable year for persons and legal entities and the certification information is recorded in the web-based eligibility system. See 5-PL and 3-PL (Rev.2).
5	All other eligibility determinations have been updated according to the determinations made by COC for persons and legal entities. See 5-PL.
6	Joint operation and entity ownership structure information is updated in Business File for the applicable year. See 3-PL (Rev. 2).
7	Assignments and joint payees have been updated in NPS if CCC-36, CCC-37, or both were filed for CFAP. See 63-FI.
8	SF-3881 has been received and recorded in financial applications, or a hardship waiver is on file. See 1-FI.

## 69 CFAP Payment Reports

### A Displaying or Printing CFAP Payment Reports

CFAP Payment Reports are available to provide information about each payment or nonpayment. Most of the payment reports have information that is common between program areas. Information about these reports is in 9-CM. The CFAP Payment History Report – Detail has program-specific data so information for this report is in this handbook.

CFAP Payment Report information is available according to the following.

Report Name	Type of Data	Reference
Submitted Payments Report	Live	9-CM, paragraph 63
Submitted Overpayments Report	Live	9-CM, paragraph 64
Pending Overpayment Report	Live	9-CM, paragraph 65
<b>Note:</b> The Pending Overpayment Report is accessed through the Pending Overpayment Summary Report according to 9-CM, paragraph 64.5.		
Nonpayment/Reduction Report	Live	9-CM, paragraph 66
Insufficient Funds Report	Live	9-CM, paragraph 67
Payments Computed to Zero Report	Live	9-CM, paragraph 68
Payment History Report – Summary	Report Database	9-CM, paragraph 69
Payment History Report – Detail	Report Database	9-CM, paragraph 70

**Note:** See 9-CM for complete instructions on accessing the Common Payment Report System.

**70 Recording CFAP Payments**

**A Recording Payments**

Recording State and county for the producer is to complete the CFAP payment.

**Note:** The recording State and county for a producer is identified in the Subsidiary Eligibility System.

**71-84 (Reserved)**



**Part 4 Dairy****Section 1 Basic Information****85 Overview****A Introduction**

CFAP provides financial assistance to dairy operations due to market decline of the all milk price in the 1<sup>st</sup> quarter of calendar year 2020 and compensation for marketing channel disruption due to the coronavirus pandemic. To compensate dairy operations for losses, CFAP will use the eligible milk production for the months of January, February, and March 2020, as the basis to determine payments.

**B General Information**

For dairy producers, payments using funding from the CARES Act will be determined by multiplying a producer's milk production for the first quarter of calendar year 2020 by 80 percent of the decline in national prices as determined by USDA during that quarter. Payments under the CCC Charter Act will be determined by multiplying a producer's milk production for the first quarter of calendar year 2020, by a factor of 1.014, in order to account for increased production in the second quarter of calendar year 2020, by 25 percent of the decline in national prices as determined by USDA during the first quarter of calendar year 2020.

**86-95 (Reserved)**



**Section 2 General Program Policies and Provisions****96 CFAP Dairy Eligibility****A Eligible Dairy Operations**

Eligible Dairy Operations who commercially market milk in the United States are eligible for CFAP.

**B Eligible Milk Production**

CFAP eligible milk production is:

- milk commercially marketed for the months of January, February, and March 2020
- dumped milk during the months of January, February, and March 2020.

**Note:** CFAP eligibility is not affected because of participation in Dairy Margin Coverage, Dairy Revenue Protection, Livestock Gross Margin, and other dairy revenue insurance programs.

**C Dissolved Dairy Operations**

**Further instructions will be provided in the immediate future to process dissolved dairy operations through a subsequent notice or amendment.**

**D Joint Venture Dairy Operations**

Dairy operations that operate as a joint venture without a TIN and applying for CFAP will require the members of the operation to apply as individuals for their applicable milk production determined by their ownership level. In working with joint venture dairy operations, County Offices will provide guidance and direction to ensure the AD-3114 is completed correctly.

**97 Reporting Production****A Requirement**

Dairy operations will self-certify the eligible milk production for the months of January, February, and March 2020.

The following documents are recommended to assist producers in providing accurate information:

- milk marketing statements for the months of January, February, and March 2020
- records of dumped milk not listed on milk marketing statements for the months of January, February, and March 2020.

**Note:** These documents are not required at signup because the application is a self-certification.

**B AD-3114, Part C**

Following is an example of AD-3114, Part C, Dairy Production Information.

Each dairy operation must report the following eligible production in pounds:

- January 2020
- February 2020
- March 2020.

<b>PART C – DAIRY PRODUCTION INFORMATION</b>			
6. Unit of Measure	7. January 2020 Production	8. February 2020 Production	9. March 2020 Production
<b>LBS</b>	160,000	165,000	170,000

**98-110 (Reserved)**



### Section 3 Payments

#### 111 Dairy Payment Components

##### A Payment Rates

CFAP dairy payments are funded in two parts and by two sources:

- Part 1 (funded by CARES Act) will pay \$0.0471 per pound of the three-month milk production
- Part 2 (funded by CCC) will pay \$0.0147 per pound of the three-month milk production with an adjustment factor of 1.014.

##### B CFAP Dairy Payment Calculation

CFAP payments for eligible milk production will be the sum of results from the following two calculations:

<b>Eligible Dairy Payment Part 1 (CARES Act Funds)</b>	<b>Eligible Dairy Payment Part 2 (CCC Funds)</b>
For each eligible producer, payment is calculated by multiplying the pounds of milk production for the months of January, February, and March 2020, by \$0.0471.	For each eligible producer, payment is calculated by multiplying the pounds of milk production for the months of January, February, and March 2020, by \$0.0147.

**111 Dairy Payment Components (Continued)****C CFAP Dairy Application and Payment Examples****Example 1 – Easy Dairy LLC**

Easy Dairy LLC is a 100-cow family dairy farm and is interested in applying for CFAP. Easy Dairy LLC completes the AD-3114 online using the monthly production information from their marketing statements for January, February, and March 2020. In this example, Easy Dairy LLC did not dump any milk in the first 3 months of 2020. Once the monthly milk production is added to the AD-3114, and signed by the producer, the application is complete for CFAP.

Milk production is as follows:

- January - 160,000 pounds
- February - 170,000 pounds
- March - 180,000 pounds.

**Total - 510,000 eligible pounds**

The payment calculation is as follows:

- Part 1 – 510,000 lbs. x \$0.0471 = \$24,021
- Part 2 – 510,000 lbs. x 1.014 factor = 517,140 lbs. x \$0.0147 = \$7,601.96

**Easy Dairy LLC Total Payment - \$31,622.96**

## 111 Dairy Payment Components (Continued)

**C CFAP Dairy Application and Payment Examples (Continued)****Example 2 – McDonald Family Dairy Farm Joint Venture**

McDonald Family Dairy Farm Joint Venture is a 250-cow dairy operation, that operates without a TIN, with Old McDonald owning 90 percent and Sam McDonald owning 10 percent of the dairy operation.

For McDonald Family Dairy Farm Joint Venture to sign up for CFAP, Old McDonald and Sam McDonald must determine their eligible pounds of milk production for January, February, and March 2020, based on their ownership share and **individually** apply on separate AD-3114's.

McDonald Family Dairy Farm Joint Venture did not dump any milk in the first 3 months of 2020.

Milk production is as follows:

- January – 425,000 pounds
- February - 430,000 pounds
- March - 450,000 pounds.

**Total - 1,305,000 eligible pounds**

Eligible pounds are as follows:

- Old McDonald -  $1,305,000 \times 90 \text{ percent} = 1,174,500 \text{ lbs.}$
- Sam McDonald -  $1,305,000 \times 10 \text{ percent} = 130,500 \text{ lbs.}$

The payment calculation is as follows:

- Old McDonald's Payment Calculation:
  - Part 1 -  $1,174,500 \text{ lbs.} \times \$0.0147 = \$55,318.95$
  - Part 2 -  $1,174,500 \text{ lbs.} \times 1.014 = 1,190,943 \text{ lbs.} \times \$0.0147 = \$17,506.86.$

**Old McDonald's Total Payment - \$72,825.81**

- Sam McDonald's Payment Calculation:
  - Part 1 –  $130,500 \text{ lbs.} \times \$0.0471 = \$6,146.55$
  - Part 2 –  $130,500 \times 1.014 = 132,327 \text{ lbs.} \times \$0.0147 = \$1,945.21.$

**Sam McDonald's Total Payment - \$8,091.76**

**111 Dairy Payment Components (Continued)****C CFAP Dairy Application and Payment Examples (Continued)****Example 3 - Sky's the Limit Dairy**

Sky's the Limit Dairy is a large dairy operation with an annual milk production of approximately 100 million pounds.

Milk production is as follows:

- January - 8,150,000 pounds
- February - 8,250,000 pounds
- March - 8,300,000 pounds.

**Total - 24,700,000 pounds**

The payment calculation is as follows:

- Part 1 - 24,700,000 lbs. x \$0.0471 = \$1,163,370
- Part 2 - 24,700,000 lbs. x 1.014 x \$0.0147 = \$368,173.26.

**Sky's the Limit Total Payment - \$1,531,543.26**

**Note:** The \$250,000 payment limit applies, however Sky's the Limit Dairy may earn up to \$750,000 of limit if 3 persons holding an ownership interest in the organizational structure provides at least 400 hours of active personal labor, active personal management, or a combination thereof according to subparagraph 16 B.

**112-124 (Reserved)**

**Part 5 Non-Specialty Crops and Wool****Section 1 Basic Information****125 Overview****A Purpose**

CFAP for non-specialty crops and wool will provide aid to agricultural producers impacted by the effects of the COVID-19 outbreak. Those producers must have suffered a 5-percent-or-greater income loss because of COVID-19 and face additional significant market costs for currently held inventories, whether caused by lower prices because of significant declines in demand, surplus production, or by disruptions to shipping patterns and the orderly marketing of commodities.

**B General Information**

For non-specialty crops and wool, a single national average payment rate per unit (bushel, pound, or cwt.) is determined by the Secretary for each eligible commodity based on the decline in futures price (or cash price, if futures price is unavailable) between the weeks of January 13-17, 2020, and April 6-9, 2020. If the decline is 5 percent or greater, a payment for that commodity is triggered and producers are paid based on inventory held on January 15, 2020. Eligible inventory for the purpose of non-specialty crops and wool is the lower of self-certified inventory, subject to price risk, that an eligible producer has vested ownership in as of January 15, 2020, or 50 percent of the eligible producer's 2019 production of that commodity.

CFAP payments for non-specialty crops and wool will be administered in 2 parts. The first part is \$9.5 billion in appropriated funding provided in the CARES Act (Pub. L. 116-136), which compensates producers for losses because of price declines that occurred between mid-January 2020 and mid-April 2020. The second part is \$6.5 billion from section 5 (b), (d), and (e) of the CCC Charter Act (15 U.S.C. 714c).

Part 1 (CARES Act appropriated funding) will provide a payment on 50 percent of January 15, 2020, eligible inventory, multiplied by a portion of the price decline. Part 2 (CCC funding) will provide a payment on 50 percent eligible inventory on January 15, 2020, multiplied by a portion of the same price decline used in the Part 1 calculation. The producer receives 1 payment combining both parts.

125 Overview (Continued)

C Definitions [7 CFR 760.1802]

Unpriced (or subject to price risk) means **not** subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding document as of January 15, 2020.

Wool means the fiber sheared from a live sheep and includes, unless noted otherwise, graded and nongraded wool. Graded wool is paid on a clean basis, and ungraded wool is paid on a greasy basis.

126-135 (Reserved)

**Section 2 General Program Policies and Provisions****136 Eligible Commodities****A Eligible Non-Specialty Crops**

The following non-specialty crops are eligible for CFAP:

- barley (malting only)
- canola
- corn
- millet
- oats
- sorghum
- soybeans
- sunflowers
- upland cotton
- wheat, durum
- wheat, hard red spring.

**Note:** Other crops may be added by the Secretary.

**B Eligible Commodities**

Wool is also an eligible commodity. As noted in the definition, wool is divided in the following 2 categories and will have separate payment rates:

- clean
- greasy.

## 137 Eligible Commodities - Uses and Types

**A Intended Uses of Non-Specialty Crops**

The following table provides intended uses for non-specialty crops eligible for CFAP.

Crop Name	Type Name		Intended Use
Barley <u>1/</u>	All		FG, GR, SD
Canola	All		SD, GR, PR
Corn	<ul style="list-style-type: none"> <li>• Amylose</li> <li>• Blue</li> <li>• Grainless Forage</li> <li>• High Amylase</li> <li>• Popcorn</li> <li>• Red</li> </ul>	<ul style="list-style-type: none"> <li>• Strawberry Popcorn</li> <li>• Tropical</li> <li>• Waxy</li> <li>• White</li> <li>• Yellow</li> </ul>	FH, GR, PR, SD, SG
Millet	All		FG, GR, SD
Oats	All		FG, GR, SD
Sorghum	All		FG, GR, SD, SG
Sorghum, Forage	All		FG, PR, SD, SG
Sorghum, Dual Purpose	All		FG, GR, SD, SG
Soybeans	All		FG, FH, GR, SD, PR
Sunflowers	All		All
Upland Cotton			
Wheat, Durum	Hard Amber Durum, Winter Hard Amber Durum, Spring		FG, GR, SD
Wheat, Hard Red Spring	Hard Red Spring		FG, GR, SD

1/ Only barley delivered as malting barley is eligible for CFAP. Most barley grown for malting is under contract with a malting facility. Each producer will be required to certify to this amount.

**Note:** Crops intended for grazing are **not** eligible for CFAP.

There is **no** internal control preventing a producer from certifying production from a crop not identified in this subparagraph. County Offices must inform each producer that only the crops and intended uses listed in this subparagraph are eligible to receive a CFAP payment.

**B Classes of Eligible Wool**

For the purposes of CFAP, eligible wool will be separated in the following 2 categories:

- graded wool, paid on a clean basis
- nongraded wool, paid on a greasy basis.



**138 Production Reporting****A Requirement**

Producers must report production for each eligible commodity.

The requirement to report production is based on each producer's nationwide ownership interest in the commodity, regardless of where the commodity was produced or where the commodity is stored.

Production values required to be reported are:

- 2019 Total Production
- 2019 Production Not Sold (as of January 15, 2020).

**Note:** A landowner who cash-leases their land is not considered to have an ownership interest in a commodity produced on the cash-leased land.

**B 2019 Total Production**

To request a CFAP payment, producers must certify their ownership interest in the total 2019 production for each eligible commodity from all farms nationwide.

**Example:** Joe Farmer has 2 farms, 1 farm located in Kosciusko County, Iowa, and 1 farm located in Grenada County, Mississippi. Mr. Farmer has 100 percent ownership interest in 4,000 bushels of soybeans grown in Iowa and 50 percent ownership interest in 5,000 bushels of soybeans grown in Mississippi. Mr. Farmer will report 6,500 bushels (100 percent of 4,000 + 50 percent of 5,000) as the "2019 Total Production" on AD-3114.

**C 2019 Production Not Sold (as of January 15, 2020)**

To request a CFAP payment, producers must certify their ownership interest in the 2019 production subject to price risk not sold as of January 15, 2020, for each eligible commodity from all farms nationwide.

Unpriced (or subject to price risk) means **not** subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding document as of January 15, 2020.

The purpose of CFAP is to provide aid to producers who were affected by a price decline because of COVID-19. If a producer has a forward contract, agreement, or similar binding document that secures a price for a specific amount of an eligible commodity before January 15, 2020, that production is ineligible for CFAP.

## 138 Production Reporting (Continued)

**C 2019 Production Not Sold (as of January 15, 2020) (Continued)**

**Example:** Joe Farmer has 6,500 bushels in his bins on January 15, 2020. Mr. Farmer executed a forward price contract on 5,000 bushels on January 10, 2020, which locked in a specific price for the delivered quantity. Mr. Farmer will report 1,500 bushels of “2019 Production Not Sold (as of January 15, 2020)”.

**Note:** It is the producer’s responsibility to certify the production not sold as of January 15, 2020. County Offices are not required to review forward contracts, agreements, or other similar binding documents during the application process. Forward contracts, agreements, or other similar binding documents may be requested for verification.

**D AD-3114, Part D**

Following is an example of AD-3114, Part D, Non-Specialty Crop and Wool Information. Each producer must report their ownership interest in 2019:

- Total Production
- Production Not Sold (as of January 15, 2020).

PART D – NON-SPECIALTY CROP AND WOOL INFORMATION				COC USE ONLY	
13. Commodity	14. Unit of Measure	15. 2019 Total Production	16. 2019 Production Not Sold (as of Jan 15, 2020)	17. COC Adjusted 2019 Total Production	18. COC Adjusted 2019 Production Not Sold (as of Jan 15, 2020)

**Notes:** Ownership interest means the producer has title to the commodity.

For the purpose of CFAP **only**, any 2019 wool will include wool production from January 1, 2020, through April 15, 2020, as long as the sheep were owned by January 15, 2020.

**138 Production Reporting (Continued)****E Interaction With FSA-578**

CFAP does not interact with FSA-578. COC's are not required to document or verify planted acreage unless COC has reason to question ownership interest or quantity of the applicable commodity.

In some instances, the producer may not have filed FSA-578. In these cases, approval of AD-3114 is still permitted if COC does not question the quantity produced. If COC needs additional documentation from these producers, COC may request:

- evidence of purchase
- deliver and/or arrangement for seed, chemicals, and fertilizer
- land preparation measures for applicable acreage.

**Note:** COC may require an attachment of expense receipts to verify preparation measures. Retain copies of expense receipts only; return originals to the producer.

## 138 Production Reporting (Continued)

**F Examples of a Forward Contract**

Following are 4 examples.

Example	Type of Contract	Execution Date (Date Price or Basis is Locked In)	Risk of Price Change	Count as 2019 Production Not Sold (as of Jan 15, 2020)
1	Forward	March 3, 2020	Yes	Yes
2	Forward	March 24, 2020	Yes	Yes
3	Basis	October 4, 2019	Yes	Yes
4	Forward	December 20, 2019	No	No

**Example 1:**

Example 1 is a contract where the price is agreed upon at a future date. Under this contract the price was locked in on March 3, 2020, therefore the producer had not set a price and was subject to a price risk as of January 15, 2020.

Priced Purchase Contract AND CONFIRMATION			
Purchased From: [REDACTED]		Contract Date: 03/03/2020	
		Customer Number: [REDACTED]	
		Contract Number: [REDACTED]	
		Reference Number:	
Commodity:	Corn	Weights:	DESTINATION
Quantity/Units:	10,000.00 Bu.	Grades:	DESTINATION
Price:	\$ 4.6000	Grade:	2
Basis:	\$ 0.0000 00/00 CBOT		
Divd	Delivered - Truck		
Shipment Period: Mar 03, 2020 - Mar 31, 2020			
Premium/Discount:			
Special Instructions / Remarks:			
DELIVERED TO [REDACTED]			
<p align="center"><b>TERMS AND CONDITIONS</b></p> <p>1. If no objection is made to the contract immediately the same shall be considered final and will signify your acceptance of all conditions herein.</p> <p>2. You are to notify us on the last day of contract shipping time if unable to get grain shipped within contract time so that we may exercise our rights in cancelling the trade, discounting the contract, extending the time of shipment or buying the grain for your account.</p> <p>3. Seller guarantees that no car loads or other shipping units of the commodity covered by this contract shall be adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act.</p> <p>4. Seller agrees that the commodity sold hereunder shall be delivered free and clear of all claims, liens, encumbrances and penalties. Seller represents that said commodity is now free and clear.</p> <p>5. Acceptance of any delivery by buyer after breach of this contract by seller shall not waive any rights or remedies accruing to buyer as a result of such breach.</p>			
Accepted _____ (Seller)		Signed: [REDACTED]	
By: _____		Date: [REDACTED]	
Date: _____		Date: [REDACTED]	
PLEASE SIGN DUPLICATE AND RETURN			

## 138 Production Reporting (Continued)

## F Examples of a Forward Contract (Continued)

## Example 2:

Example 2 is a contract where the price is agreed upon at a future date. Under this contract the price was locked in on March 24, 2020, therefore the producer had not set a price and was subject to a price risk as of January 15, 2020.

PURCHASE CONTRACT CONFIRMATION - FP			
Buyer		Contract No. : Contract Date : Reference : Buyer's Trader : Seller's Contact : Contact Phone No. : Contact FAX No. :	
Seller			
USA			
Commodity & Grade : S #1 Yellow Soybeans			
Net Quantity : 5.00 Truck (Approximately: 4,500.00 BU)			
Price/Pricing Method/BU	BU	Price	
	4,500.00	9.0000	
Shipment Period : Mar/Apr 20		START: 3/24/2020 END: 4/3/2020	
Delivery Mode	Weights To Apply	Grades To Apply	Delivery Location/Freight Basis Point
Truck	Destination	Destination	
Discount Schedule Notes:			
Quality discounts in effect at time of delivery to apply.			
Trade Rules To Govern: National Grain & Feed Association Trade and Arbitration Rules			
Payment Terms: Net 0 days			
<p>IMPORTANT: This Purchase Contract Confirmation confirms the terms and conditions of the purchase contract (the "Contract") between the Seller and Buyer made on the date set forth above. The Seller hereby sells and agrees to deliver, and the Buyer hereby purchases, in the amounts and on the terms and conditions set forth above and on page 2 (which may be the reverse side hereof). Buyer requests written acknowledgement of receipt of this Purchase Contract Confirmation (upon receipt, please immediately sign and return one copy by mail, facsimile, or other electronic means the parties have agreed to use for confirmation of contracts). It is the Seller's duty to immediately notify Buyer of any objections or disagreements with the stated terms or conditions. Otherwise, all of the terms and conditions are binding upon both parties. The undersigned represents and warrants that he/she has been duly authorized to execute this confirmation and bind the Seller to the terms stated in this Purchase Contract Confirmation. Seller acknowledges that contracting for the sale and delivery of an agricultural commodity involves risks and this transaction is an ordinary buyer-seller relationship. The contractual risks may include future payments by Seller to maintain the Contract, a lower sales price, and other risks not specified.</p>			
Buyer: _____		Seller's Representative: _____	
By Buyer's Representative: _____		Name: _____	
3/24/2020 15:25:17			

## 138 Production Reporting (Continued)

## F Examples of a Forward Contract (Continued)

## Example 3:

Example 3 is a basis contract. In a basis contract, the basis is the difference between the local cash price of a commodity and the price of a specific future contract of the same commodity at any given point in time. By establishing a basis contract, the producer has not set a price. Under this contract the basis was locked in on October 4, 2019 and was subject to a price risk as of January 15, 2020.

PURCHASE CONTRACT CONFIRMATION - HA					
<b>Buyer</b> [Redacted] USA Phone: [Redacted] FAX: [Redacted]		PRINTED Contract No. : [Redacted] Contract Date : 10/4/2019 Reference : Buyer's Trader : [Redacted] Seller's Contact : [Redacted] Contact Phone No. : Contact FAX No. :			
<b>Seller</b> [Redacted] USA					
Commodity & Grade : S #1 Yellow Soybeans Net Quantity : 10,000.00 BU					
Price/Pricing Method/BU 10,000.00		Futures Reference Price 9.6250	Basis Option Month -0.4400 Nov/20 CBOT	Price 9.1850	
Shipment Period : Oct/Nov 20		START: 10/1/2020      END: 11/30/2020			
Delivery Mode Truck	Weights To Apply Destination	Grades To Apply Destination	Delivery Location/Freight Basis Point [Redacted]		
<b>Discount Schedule Notes:</b> Quality discounts in effect at time of delivery to apply.					
<b>Trade Rules To Govern:</b> National Grain & Feed Association Trade and Arbitration Rules					
<b>Payment Terms:</b> Net 0 days					
IMPORTANT: This Purchase Contract Confirmation confirms the terms and conditions of the purchase contract (the "Contract") between the Seller and Buyer made on the date set forth above. The Seller hereby sells and agrees to deliver, and the Buyer hereby purchases, in the amounts and on the terms and conditions set forth above and on page 2 (which may be the reverse side hereof). Buyer requests written acknowledgement of receipt of this Purchase Contract Confirmation (upon receipt, please immediately sign and return one copy by mail, facsimile, or other electronic means the parties have agreed to use for confirmation of contracts). It is the Seller's duty to immediately notify Buyer of any objections or disagreements with the stated terms or conditions. Otherwise, all of the terms and conditions are binding upon both parties. The undersigned represents and warrants that he/she has been duly authorized to execute this confirmation and bind the Seller to the terms stated in this Purchase Contract Confirmation. Seller acknowledges that contracting for the sale and delivery of an agricultural commodity involves risks and this transaction is an ordinary buyer-seller relationship. The contractual risks may include future payments by Seller to maintain the Contract, a lower sales price, and other risks not specified.					
<b>Buyer:</b> [Redacted]		<b>Seller's Representative:</b> _____			
<b>By Buyer's Representative:</b> _____		<b>Name:</b> _____			

## 138 Production Reporting (Continued)

## F Examples of a Forward Contract (Continued)

## Example 4:

Example 4 is a contract where the price is agreed upon at a future date. Under this contract the price was locked in on December 20, 2019, therefore the producer had set a price and was not subject to a price risk as of January 15, 2020.

Priced Purchase Contract AND CONFIRMATION			
Purchased From: [REDACTED]		Contract Date: 12/20/2019	
		Customer Number: [REDACTED]	
		Contract Number: [REDACTED]	
		Reference Number: [REDACTED]	
Commodity:	Corn	Weights:	DESTINATION
Quantity/Units:	5,000.00 Bu.	Grades:	DESTINATION
Price:	\$ 4.8000	Grade:	2
Basis:	\$ 0.0000 00/00 CBOT		
Dlvd	Delivered - Truck		
Shipment Period: Jun 01, 2020 - Jul 31, 2020			
Premium/Discount:			
Special Instructions / Remarks:			
DELIVERED TO [REDACTED]			
<p align="center"><b>TERMS AND CONDITIONS</b></p> <p>1. If no objection is made to the contract immediately the same shall be considered final and will signify your acceptance of all conditions herein.</p> <p>2. You are to notify us on the last day of contract shipping time if unable to get grain shipped within contract time so that we may exercise our rights in cancelling the trade, discounting the contract, extending the time of shipment or buying the grain for your account.</p> <p>3. Seller guarantees that no car loads or other shipping units of the commodity covered by this contract shall be adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act.</p> <p>4. Seller agrees that the commodity sold hereunder shall be delivered free and clear of all claims, liens, encumbrances and penalties. Seller represents that said commodity is now free and clear.</p> <p>5. Acceptance of any delivery by buyer after breach of this contract by seller shall not waive any rights or remedies accruing to buyer as a result of such breach.</p>			
Accepted	[REDACTED]	(Seller)	[REDACTED]
By:	[REDACTED]	Signed:	[REDACTED]
Date:	12-24-19	Date:	Monday, December 23, 2019
PLEASE SIGN DUPLICATE AND RETURN			

**Reminder:** There is no requirement for a producer to furnish a contract prior to approving an application. These examples are provided for reference only.

**138 Production Reporting (Continued)****G COC Adjustments**

COC may adjust the “2019 Total Production” or “2019 Production Not Sold”:

- if the quantity is determined to be unreasonable or inaccurate
- to reflect the actual production based upon submitted production evidence.

**Note:** See 1-APP for notification requirements.

**H Production Not Harvested by January 15, 2020**

Production not harvested by January 15, 2020 will fall into two categories. The following table outlines eligibility for CFAP for crops not harvested as of January 15, 2020.

<b>Harvest Date</b>	<b>Eligibility for CFAP</b>
After January 15, 2020	Production will be added to: <ul style="list-style-type: none"> <li>• 2019 Total Production, and</li> <li>• 2019 Production Not Sold (by Jan 15, 2020).</li> </ul>
Never harvested	Ineligible for CFAP.

Production from failed acres (appraised production) is **ineligible** for CFAP.

**139 Hybrid Seed or Popcorn****A Yield Certification**

A producer having hybrid seed or popcorn production may use for conversions:

- subparagraph B for hybrid seed
- subparagraph C for popcorn.

**B Hybrid Seed Methods**

A producer may use any of the following separate methods to certify production for any eligible commodity grown for hybrid seed. If more than 1 method is applicable, the producer may select the method to be used and that method will be used for all production on the farm. Choosing 1 method for some production and another method for other production is not allowed.



## 139 Hybrid Seed or Popcorn (Continued)

## B Hybrid Seed Methods (Continued)

IF...	AND...	THEN the producer may certify to the...
both commercial crop acreage and hybrid seed acreage is grown on the farm	both the commercial and the hybrid seed acres are irrigated or nonirrigated	yield per planted acre from the commercial acreage as the yield for the hybrid seed acreage.
the producer and company entered into an agreement to use a commercial equivalent yield to calculate payments under the seed contract based on harvested commercial production	the producer has evidence that the calculation was based on actual harvested yields  <b>Note:</b> Evidence may include the nomination form, election of field form, or other form showing actual harvested commercial production.	commercial equivalent production used for payment by the seed company, not to exceed 120 percent of the county average yield for the specific year the hybrid seed was grown, as determined by STC.
the entire county grows hybrid seed	neither of the previous 2 methods in this table apply	county average yield of an adjacent county for the specific year the hybrid seed was grown, as determined by STC.
neither of the previous 3 methods in this table apply		county average yield for the specific year the hybrid seed was grown, as determined by STC.

**Note:** In States where irrigated and nonirrigated yields exist for hybrid seed crops, commercial equivalents are limited to 120 percent of the applicable irrigated or nonirrigated county yield, as determined by STC. STC's may (**not** required) establish separate irrigated or nonirrigated county yields for hybrid seed acres for certification purposes **only**. If separate irrigated and nonirrigated yields are **not** established, the blended county average yield must be used.

## 139 Hybrid Seed or Popcorn (Continued)

**C Popcorn Yield Certification Conversion Policy**

A producer on a farm having popcorn may request to use a conversion factor of 29.7 to convert pounds to bushels for the specific years the crop was grown. This factor can only be used if a “commercial corn yield” from harvested acres is **not** available on the farm. If commercial corn was harvested on the farm, then the conversion factor must **not** be used, and the popcorn acres will be assigned the commercial corn yield associated with the farm. To convert popcorn yields (pounds) when an appropriate commercial corn yield is **not** available on the farm, divide the popcorn yield in pounds by 29.7 to obtain an equivalent commercial corn yield in bushels.

**Example:** A 5,000-pound popcorn yield divided by 29.7 would be equivalent to 168-bushel field corn yield, rounded to the nearest bushel.

<b>IF there is...</b>	<b>THEN...</b>
irrigated commercial corn on the farm	apply the same yield to the irrigated popcorn acres.
nonirrigated commercial corn on the farm	apply the same yield to the nonirrigated popcorn acres.
no commercial corn on the farm	use the factor to determine the popcorn yield, regardless if the popcorn is irrigated or nonirrigated.
irrigated commercial corn on the farm only and there is nonirrigated popcorn on the farm only	use the factor to determine the popcorn yield.
nonirrigated commercial corn on the farm only and there is irrigated popcorn on the farm only	use the factor to determine the popcorn yield.

**140 Silage and Hay Production****A Policy**

Silage or hay production (tonnage) that is a matter of record may be converted to bushels using conversion factors in this subparagraph.

**Note:** If RMA has converted silage to bushels, producers may certify and COC's may accept RMA production (bushels) as converted.

**B Silage Production**

Acceptable records of silage production **must** be converted from tons of silage to bushels of grain by multiplying the tonnage amount times the following conversion factors:

- 6.47 for barley
- 7.94 for corn
- 3.114 cwt. for grain sorghum multiplied by 100 divided by 56
- 4.08 for oats
- 5.00 for soybeans
- 6.99 for wheat.

**Example:** Farmer A's corn was harvested as silage. All production is weighed at 739.5 tons of corn silage. The actual corn grain production for that year would be 5,872 bushels. (739.5 tons x 7.94 bu. per ton = 5,872 bushels)

**C Hay Production**

Acceptable records of hay production must be converted to bushels by multiplying the tonnage amount times the following conversion factors:

- 18.49 for barley
- 22.69 for corn
- 8.89 cwt. for grain sorghum multiplied by 100 divided by 56
- 11.66 for oats
- 14.20 for soybeans
- 19.97 for wheat.

**141-150 (Reserved)**



### Section 3 Payments

## 151 Non-Specialty Crops and Wool CFAP Payment Components

### A Payment Rates

CFAP payment rates are determined by the Secretary. There is 1 payment rate nationwide per commodity and it applies to both CARES Act and CCC funding. CFAP payments are paid from 2 separate funds (CARES Act and CCC); however, the payment will be issued as 1 amount.

Payment rates for non-specialty crops and wool are listed in this table.

Commodity	Unit of Measure	CARES Act Payment Rate	CCC Payment Rate
Barley (malting barley only)	bushel	\$0.34	\$0.37
Canola	pound	\$0.01	\$0.01
Corn	bushel	\$0.32	\$0.35
Millet	bushel	\$0.31	\$0.34
Oats	bushel	\$0.15	\$0.17
Sorghum	bushel	\$0.30	\$0.32
Soybeans	bushel	\$0.45	\$0.50
Sunflowers	pound	\$0.02	\$0.02
Upland Cotton	pound	\$0.09	\$0.10
Wheat, Durum	bushel	\$0.19	\$0.20
Wheat, Hard Red Spring	bushel	\$0.18	\$0.20
Wool (graded, clean basis)	pound	\$0.71	\$0.78
Wool (non-graded, greasy basis)	pound	\$0.36	\$0.39

### B Production Certification Requirement

Subparagraph 138 A informed County Offices that the following 2 production values are required to be provided to compute a CFAP payment:

- 2019 Total Production
- 2019 Production Not Sold (as of January 15, 2020).

**Note:** The “2019 Production Not Sold (as of January 15, 2020)” only includes production that is subject to price risk. See subparagraph 138 C to clarify “subject to price risk”.

## 152 Non-Specialty Crops and Wool CFAP Payment Calculations

### A Computation

Payments for non-specialty crops and wool are computed by using the “2019 Production Not Sold (as of January 15, 2020)” (AD-3114, item 16) not to exceed 50 percent of the “2019 Total Production” (AD-3114, item 15).

Once the “2019 Production Not Sold (as of January 15, 2019)” not to exceed 50 percent of the “2019 Total Production” is determined, then 50 percent of that amount will be paid with CARES Act funds. The remaining 50 percent will be paid using CCC funds.

**Notes:** If COC adjusts the “2019 Total Production” or “2019 Production Not Sold (as of January 15, 2020)”, then the adjusted amounts will be used in the payment computation.

This computation results in the net payment for a producer and does not account for any reductions for eligibility or payment limitation.

### B Example

Joe Farmer has 2 farms, 1 farm located in Kosciusko County, Iowa, and 1 farm located in Grenada County, Mississippi. Mr. Farmer has 100 percent ownership interest in 4,000 bushels of soybeans grown in Iowa and 50 percent ownership interest in 5,000 bushels of soybeans grown in Mississippi. Mr. Farmer will report 6,500 bushels (100 percent of 4,000 + 50 percent of 5,000) as the “2019 Total Production” on AD-3114.

Joe Farmer has 6,500 bushels in his bins on January 15, 2020. Mr. Farmer executed a forward price contract on 5,000 bushels on January 10, 2020, which locked in a specific price for the delivered quantity. Mr. Farmer will report 1,500 bushels of “2019 Production Not Sold (as of January 15, 2020)”.

AD-3114 would be completed by Joe Farmer as follows.

13. Commodity	14. Unit of Measure	15. 2019 Total Production	16. 2019 Production Not Sold (as of Jan 15, 2020)
Soybeans	Bushel	6500.00	1500.00

**Note:** COC approves AD-3114 and does not make any adjustments.

**152 Non-Specialty Crops and Wool CFAP Payment Calculations (Continued)****B Example (Continued)**

The payment computation is as follows.

<b>Information</b>		<b>Instruction</b>	<b>Calculation</b>	<b>Result</b>
2019 Production Not Sold (as of Jan 15, 2020)		Production subject to price risk (AD-3114, item 16)		1,500 bushels
	Not to exceed	50% of the 2019 Total Production (AD-3114, item 15) multiplied by 50%	6,500 bushels multiplied by 50%	3,250 bushels
Eligible production				1,500 bushels
Eligible production for each fund			1,500 bushels multiplied by 50%	750 bushels <u>1/</u>
Eligible production for each fund multiplied by the applicable fund's payment rate		CARES Act funds	750 bushels multiplied by \$0.45 (soybean CARES Act rate)	\$337.50
		CCC funds	750 bushels multiplied by \$0.50 (soybean CCC rate)	\$375
Gross Payment				\$712.50

1/ 750 bushels of the 1,500 bushels will be paid using CARES Act funds. The remaining 750 bushels of the 1,500 bushels will be paid using CCC funds.

**153-164 (Reserved)**





**Part 6 Livestock****Section 1 Basic Information****165 Overview****A Purpose**

CFAP provides eligible livestock producers financial assistance intended to help offset market price declines and increased marketing costs resulting from the COVID-19 pandemic. Producers of eligible livestock commodities must have suffered a 5 percent-or-greater price loss due to COVID-19 and face additional significant marketing costs for current inventories that are eligible for compensation

Price declines, specifically in cattle, hogs and pigs, and lambs and yearlings occurred between mid-January 2020, and mid-April 2020.

**B General Information**

Livestock that realized a 5-percent-or-greater market price decline between the average for the week of January 13-17, 2020 relative to the average for the week of April 6-10, 2020, have been determined eligible for CFAP. National payment rates have been determined based on those price declines. For eligible livestock, Part 1 payments using CARES Act funds are based on actual sales of owned inventory as of January 15, 2020, between January 15, 2020, and April 15, 2020, multiplied by a national payment rate. Part 2, payments using CCC funds are based on the highest inventory between April 16, 2020, and May 14, 2020, multiplied by a national payment rate per head reflective of that same price decline.

**C Definitions [7 CFR 9.2]**

All other cattle mean commercially raised or maintained bovine animals not meeting the definition of another category of cattle in this rule excluding beefalo, bison, and animals used for dairy production or intended for dairy production.

Cattle means commercially raised or maintained bovine animals, excluding beefalo, bison, and animals used for dairy production or intended for dairy production.

## 165 Overview (Continued)

**C Definitions [7 CFR 9.2] (Continued)**

Cattle raised or maintained for breeding purposes means animals commercially raised or maintained for use as either a sire or dam for the production of livestock offspring or lactation.

Commodity means an agricultural commodity produced in the United States and intended to be marketed for commercial production that has been designated as eligible for payments under CFAP.

Feeder cattle 600 pounds or more means cattle weighing more than 600 pounds but less than slaughter cattle-fed cattle as defined.

Feeder cattle less than 600 pounds means cattle weighing less than 600 pounds.

Hogs means any swine 120 pounds or more.

Lambs and yearlings mean all sheep less than 2 years old.

Pigs means any swine weighing less than 120 pounds.

Producer means a person or legal entity who shares in the risk of producing a crop or livestock and who is entitled to a share in the crop or livestock available for marketing or would have shared had the crop or livestock been produced and marketed. A contract grower who does not own the livestock, will be considered a producer if the contract allows the grower to have risk in the livestock.

Slaughter cattle-fed cattle means cattle with an average weight of 1,400 pounds (including cattle with a weight of 1,200 – 1,600 pounds) which yield average carcass weights of 800 pounds and are intended for slaughter.

Slaughter cattle-mature cattle means culled cattle raised or maintained for breeding purposes, but which were removed from inventory and are intended for slaughter.

Unpriced (or subject to price risk) means **not** subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding document as of January 15, 2020.

**166-175 (Reserved)**

**Section 2 General Program Policies and Provisions****176 Producer Eligibility****A Eligible Livestock Producers**

An eligible producer is a person or legal entity who shares in the risk of producing a crop or livestock and who is entitled to a share in the crop or livestock available for marketing or would have shared had the crop or livestock been produced and marketed. A contract grower who does not own the livestock, will be considered a producer if the contract allows the grower to have risk in the livestock.

Livestock owners and contract growers who are at risk **and** have a share of the livestock available for marketing or would have a share had the livestock been marketed are eligible livestock producers.

**B Livestock Producers and Insurance Coverage**

An eligible livestock producer who purchased livestock insurance coverage that offers protection against market price declines as a risk management option for their operation, is eligible for CFAP, considering all other eligibility requirements have been met.

**177 Livestock Eligibility****A General Livestock Eligibility**

Eligible livestock, as listed in subparagraph B, are:

- livestock owned on January 15, 2020, and sold between January 15, 2020, and April 15, 2020
- offspring born from January 15, 2020 and April 15, 2020, inventory
- livestock in inventory owned between April 16, 2020, and May 14, 2020
- livestock that are no longer used for dairy production and entered the beef cattle market, if all other eligibility requirements are met.

**All** sales and inventory of livestock **must be subject to price risk** as of January 15, 2020. Unpriced (or subject to price risk) means **not** subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding document as of January 15, 2020.

Ineligible livestock are:

- livestock used for dairy production or intended for dairy production
- livestock purchased after January 15, 2020, and sold on or before April 15, 2020
- livestock subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding document as of January 15, 2020
- all other livestock not listed in subparagraph B.

**177 Livestock Eligibility (Continued)****B Eligible Livestock**

The following livestock are eligible for CFAP.

<b>Livestock Category</b>	<b>Eligible Livestock</b>
Cattle	Feeder Cattle: Less Than 600 Pounds
	Feeder Cattle: 600 Pounds or More
	Slaughter Cattle: Fed Cattle
	Slaughter Cattle: Mature Cattle
	All Other Cattle
Hogs & Pigs	Pigs: Less Than 120 Pounds
	Hogs: 120 Pounds or More
Lambs & Yearlings	Lambs and Yearlings (All Sheep Less Than 2 Years Old)

**178 Sales and Inventory Reporting Requirements for Livestock****A Producer Reporting Requirements**

The information required from producers to participate in CFAP will be a self-certification by the producer or authorized representative. The following sales and inventory information is required from livestock producers, as applicable:

- owned inventory as of January 15, 2020, and any offspring from that inventory, that were subject to price risk and sold between January 15, 2020, and April 15, 2020,
- highest owned inventory subject to price risk between April 16, 2020, and May 14, 2020.

**Note:** For livestock operations that have multiple eligible producers of livestock sales and inventories, producers must ensure that this self-certification is for their individual share of eligible livestock. The AD-3114 does not include a data entry for a share percentage.

The purpose of CFAP is to provide assistance to producers who were affected by a price decline due to COVID-19. If a producer has a forward contract, agreement, or similar binding document that secures a price for the eligible livestock on or before January 15, 2020, the sales and/or inventory is ineligible for CFAP.

**Note:** It is the producer's responsibility to certify **only** the sales and inventory that are **subject to price risk**. County Offices are not required to review forward contracts, agreements, or other similar binding documents during the application process. COC's have the authority to request copies of these agreements for verification and any other documentation to verify reasonableness. See subparagraph 51 B.

**178 Sales and Inventory Reporting Requirements for Livestock (Continued)****B AD-3114, Part E**

AD-3114, Part E, is the designated section for data entry for livestock information. The following is an example of AD-3114, Part E.

<b>PART E – LIVESTOCK INFORMATION</b>				<b>COC USE ONLY</b>	
19. Livestock	20. Unit of Measure	21. Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	22. Inventory (Highest Between April 16, 2020 - May 14, 2020)	23. COC Adjusted Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	24. COC Adjusted Inventory

**C COC Adjustments on AD-3114**

COC's have the authority to adjust the "Jan. 15, 2020 – April 15, 2020 Sales of Owned Inventory as of Jan. 15, 2020 & Any Offspring From Owned Inventory" in item 23 and/or "Adjusted Inventory" in item 14 on AD-3114:

- if the quantity is determined to be unreasonable or inaccurate
- to reflect the actual sales and/or inventory based upon submitted documentation.

**Note:** See subparagraph 51 E on COC adjustments.

**179-187 (Reserved)**





## Section 3 Payments

## 188 Livestock CFAP Payment Computations

## A Payment Rates

CFAP payment rates are determined by the Secretary and paid using two separate funds (CARES Act and CCC); however, the payment will be paid in one amount.

Payment rates for eligible livestock are listed in the following table.

Livestock	Eligible Livestock	Unit of Measure	CARES Act Part 1 Payment Rate	CCC Part 2 Payment Rate
Cattle	Feeder Cattle: Less Than 600 Pounds	Head	\$102.00	\$33.00
	Feeder Cattle: 600 Pounds or More	Head	\$139.00	\$33.00
	Slaughter Cattle: Fed Cattle	Head	\$214.00	\$33.00
	Slaughter Cattle: Mature Cattle	Head	\$92.00	\$33.00
	All Other Cattle	Head	\$102.00	\$33.00
Hogs & Pigs	Pigs: Less Than 120 Pounds	Head	\$28.00	\$17.00
	Hogs: 120 Pounds or More	Head	\$18.00	\$17.00
Lambs & Yearlings	All Sheep Less Than 2 Years Old	Head	\$33.00	\$7.00

## B Livestock Payment Calculation

CFAP payment for eligible livestock will be the sum of the results of the following two calculations:

Part 1 (CARES Act Funds) Payment	Part 2 (CCC Funds) Payment
For each eligible producer, payment is calculated by multiplying the number of livestock sold between January 15, 2020, and April 15, 2020, by the payment rate per head.	For each eligible producer, payment is calculated by multiplying the highest livestock inventory between April 16, 2020, and May 14, 2020, by the payment rate per head.
<b>Note:</b> Livestock must have been owned by the producer on January 15, 2020. Any offspring born before April 15, 2020, from that same inventory are eligible.	

## 188 Livestock CFAP Payment Computations (Continued)

### C CFAP Livestock Application and Payment Examples

#### Example 1 – Cow Calf Operation

Producer DJB Cattle Co had the following livestock in inventory on January 15, 2020:

- 500 bred cows
- 15 herd bulls
- 50 replacement heifers.

Between January 15, 2020, and April 15, 2020, DJB certified that he sold the following livestock:

- 10 cull cows
- 7 baby calves born after January 15, 2020.

DJB certified that the highest inventory on a day between April 16, 2020, and May 14, 2020, was the following:

- 480 cow/calf pairs
- 18 herd bulls
- 75 replacement heifers.

The AD-3114, Part E, would be completed as follows.

PART E – LIVESTOCK INFORMATION				COC USE ONLY	
19. Livestock	20. Unit of Measure	21. Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	22. Inventory (Highest Between April 16, 2020 - May 14, 2020)	23. COC Adjusted Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	24. COC Adjusted Inventory
Feeder Cattle: Less than 600 Pounds	Head	7	480	480 calves	
Slaughter Cattle: Mature Cattle	Head	10			
All Other Cattle	Head		573	480 cows + 18 bulls + 75 heifers = 573	

## 188 Livestock CFAP Payment Computations (Continued)

## C CFAP Livestock Application and Payment Examples (Continued)

## Example 1 – Cow Calf Operation (Continued)

If all eligibility requirements are met, the estimated gross CFAP payment calculation, before reductions, if applicable, would be the following.

		Part 1 (CARES Act) Payment			Part 2 (CCC) Payment		
		Sales Jan 15 - April 15	Payment Rate	Calculated Pmt	Highest Inventory April 16 - May 14	Payment Rate	Calculated Pmt
Livestock	Unit of Measure						
Feeder Cattle: Less Than 600 Pounds	Head	7	\$102.00	\$ 714	480	\$ 33.00	\$ 15,840
Slaughter Cattle: Mature Cattle	Head	10	\$ 92.00	\$ 920		\$ 33.00	\$ -
All Other Cattle	Head		\$102.00	\$ -	573	\$ 33.00	\$ 18,909
		Total CARES Act Part 1 Payment		\$ 1,634	Total CCC Part 2 Payment		\$ 34,749
Total Estimated <b>Gross</b> CFAP Payment Before Any Reductions (PL, etc.)							<b>\$ 36,383</b>

## 188 Livestock CFAP Payment Computations (Continued)

## C CFAP Livestock Application and Payment Examples (Continued)

## Example 2 – Cattle Feeder Operation

Producer 5R Feeders had 7500 feeder calves over 600 pounds in inventory on January 15, 2020.

Between January 15 and April 15, 2020, 5R certified that they sold 3500 fat steers at slaughter weight (over 1400 pounds).

5R certified that their highest inventory between April 16, 2020, and May 14, 2020, was the following:

- 150 fat steers at slaughter weight (over 1400 pounds)
- 5000 feeder calves over 600 pounds.

The AD-3114, Part E, would be completed as follows.

PART E – LIVESTOCK INFORMATION				COC USE ONLY	
19. Livestock	20. Unit of Measure	21. Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	22. Inventory (Highest Between April 16, 2020 - May 14, 2020)	23. COC Adjusted Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	24. COC Adjusted Inventory
Slaughter Cattle: Fed Cattle	Head	3500	150		
Feeder Cattle: 600 Lbs or More	Head		5000		

If all eligibility requirements are met, the estimated gross CFAP payment calculation, before reductions, if applicable, would be the following.

		Part 1 (CARES Act) Payment			Part 2 (CCC) Payment		
		Sales Jan 15 - April 15	Payment Rate	Calculated Pmt	Highest Inventory April 16 - May 14	Payment Rate	Calculated Pmt
Livestock	Unit of Measure						
Feeder Cattle: 600 Pounds or More	Head		\$139.00	\$ -	5000	\$ 33.00	\$ 165,000
Slaughter Cattle: Fed Cattle	Head	3500	\$214.00	\$ 749,000	150	\$ 33.00	\$ 4,950
		Total CARES Act Part 1 Payment		\$ 749,000	Total CCC Part 2 Payment		\$ 169,950
Total Estimated <b>Gross</b> CFAP Payment Before Any Reductions (PL, etc.)							<b>\$ 918,950</b>

**Note:** If 5R Feeders was owned by one individual, the CFAP payment would be reduced to \$250,000. See paragraph 16.

**188 Livestock CFAP Payment Computations (Continued)****C CFAP Livestock Application and Payment Examples (Continued)****Example 3 – Short Term Cattle Grazing Operation**

Producer Farr Cattle (Farr) purchased 750 lightweight feeder calves (less than 600 pounds) on February 1, 2020 to graze on wheat pasture. Farr sold the feeder calves (more than 600 pounds) on April 1, 2020. Farr's AD-3114 would be disapproved by the COC for the following reasons:

- Farr had livestock sales on April 1, 2020 but did not own the livestock on January 15, 2020; therefore, Farr did not have livestock eligible for the Part 1 payment
- Farr did not have any livestock in inventory from April 16, 2020 and May 14, 2020 therefore Farr did not have livestock that are eligible for Part 2 payment.

## 188 Livestock CFAP Payment Computations (Continued)

**C CFAP Livestock Application and Payment Examples (Continued)****Example 4 – Farrow to Wean Hog Operation**

Producer Cooper Floyd had the following livestock in inventory on January 15, 2020:

- 75 bred sows
- 5 boars.

Between January 15, 2020, and April 15, 2020, Floyd sold 500 weaned pigs.

Floyd certified that his highest inventory between April 16, 2020, and May 14, 2020, was the following:

- 100 sows
- 5 boars
- 25 gilts (less than 120 lbs.).

The AD-3114, Part E, would be completed as follows.

PART E – LIVESTOCK INFORMATION				COC USE ONLY	
19. Livestock	20. Unit of Measure	21. Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	22. Inventory (Highest Between April 16, 2020 - May 14, 2020)	23. COC Adjusted Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	24. COC Adjusted Inventory
Pigs: Less Than 120 lbs	<b>Head</b>	500	25		
Hogs: 120 lbs or More	<b>Head</b>		105		

**Note:** Floyd's 500 weaned pigs that he sold between January 15, 2020, and April 15, 2020, are eligible for Part 1 because they are offspring from the sows in inventory on January 15, 2020.

**188 Livestock CFAP Payment Computations (Continued)**

**C CFAP Livestock Application and Payment Examples (Continued)**

**Example 4 – Farrow to Wean Hog Operation (Continued)**

If all eligibility requirements are met, the estimated gross CFAP payment calculation, before reductions, if applicable, would be the following:

			Part 1 (CARES Act) Payment			Part 2 (CCC) Payment			
			Sales Jan 15 - April 15	Payment Rate	Calculated Pmt	Highest Inventory April 16 - May 14	Payment Rate	Calculated Pmt	
Livestock	Unit of Measure	Hogs & Pigs: Pigs Less than 120 lbs	Head	500	\$ 28.00	\$ 14,000	25	\$ 17.00	\$ 425
		Hogs & Pigs: Hogs 120 lbs or More	Head		\$ 18.00	\$ -	105	\$ 17.00	\$ 1,785
			Total CARES Act			\$ 14,000	Total CCC Part 2		\$ 2,210
Total Estimated <b>Gross</b> CFAP Payment Before Any Reductions (PL, etc.)									<b>\$ 16,210</b>

**189-199 (Reserved)**





## Part 7 Value Loss Crops

### Section 1 Basic Information

#### 200 Overview

##### A Background

A few crops and commodities, such as aquaculture and nursery, do not lend themselves to production-based situations and are referred to as value loss crops.

##### B General Information

USDA is continuing to review data associated with the impact of COVID-19 on value loss crops. Specific value loss crops that meet the eligibility criteria will be identified in the future.

#### 201 General Information

##### A Reporting Value

The value of sales or the value of inventory for each value loss commodity determined eligible may be necessary for FSA to compute a CFAP payment.

The value is based on each producer's nationwide ownership interest in the commodity, regardless of where the commodity was produced or where the inventory is maintained.

##### B AD-3114, Part F

Following is an example of AD-3114, Part F, Value Loss Information.

PART F - VALUE LOSS INFORMATION			COC USE ONLY	
25. Commodity	26. Value of Sales (Jan 15, 2020 – April 15, 2020)	27. Value of Inventory (as of April 15, 2020)	28. COC Adjusted Value of Sales (Jan 15, 2020 – April 15, 2020)	29. COC Adjusted Value of Inventory (as of April 15, 2020)

#### 202-210 (Reserved)



## Part 8 Specialty Crops

### Section 1 Basic Information

#### 211 Overview

##### A Purpose

Producers of specialty crops are eligible for CFAP payments for the following categories:

- Sales: Crops that suffered a national 5-percent-or-greater price loss between mid-January and mid-April as a result of the COVID-19 pandemic (using CARES Act funds)
- Delivered and unpaid: Crops that were shipped but subsequently spoiled due to loss of marketing channel (using CARES Act funds)
- Not delivered: Crops that had shipments that did not leave the farm or mature crops that remained unharvested (using CCC funds).

##### B General Information

For producers of eligible specialty crops that incurred a 5-percent-or-greater reduction in a national sales price between the average for the week of January 13-17, 2020, and the average for the week of April 6-10, 2020, payments will be based on the producer's volume of production subject to price risk during that timeframe multiplied by 80 percent of the given crop's mid-January to mid-April price change.

Producers of specialty crops that were shipped from the farm by April 15, 2020, but subsequently spoiled due to loss of marketing channels, are eligible for a payment equal to 30 percent of the crop's national sales value.

Producers with specialty crop shipments that did not leave the farm or mature crops that remained unharvested by April 15, 2020, and which are subject to price risk and have not been and will not be sold, are eligible for a payment equal to 5.875 percent of the crop's national value.

**Subject to price risk** means any production, sales, or inventory not subject to an agreed-upon price through a forward contract, agreement, or similar binding document.

#### 212-220 (Reserved)



## Section 2 General Program Policies and Provisions

### 221 Eligible Crops

#### A General Specialty Crop Eligibility

Only the designated specialty crops and uses listed in the table in subparagraph B are eligible for CFAP. Additional specialty crops may be added in the future as USDA continues to evaluate available data due to the impact of COVID-19.

#### B Eligible Specialty Crop Types and Uses

The following table provides the eligible types and intended uses of eligible specialty crops.

Crop Name	Crop Code	Type	Intended Use
Almonds	0028		
Apples	0054	All	FH, JU, PR
Artichokes	0458		FH, PR
Asparagus	0104		FH, PR
Avocados	0106		FH, PR
Beans	0047	All FAV	FH, PR
Blueberries	0108	All	FH, PR
Broccoli	0110		FH, PR
Cabbage	0116	All	FH, PR
Cantaloupe	0759		FH
Carrots	0120	All	FH, PR
Cauliflower	0124		FH, PR
Celery	0126		FH, PR
Cucumbers	0132	All	FH, PR
Eggplant	0318	All	FH, PR
Garlic	0423	All	FH, PR
Grapefruit	0030	All	FH, JU, PR
Kiwifruit	0463		FH, PR
Lemons	0035		FH, PR
Lettuce, iceberg	0140	Crisphead	FH
Lettuce, romaine	0140	Romaine	FH
Mushrooms	0403	All	FH, PR
Onions, dry	0142	All other than Green	FH, PR
Onions green	0142	Green	FH, PR
Oranges	0023	All	FH, JU, PR

## 221 Eligible Crops (Continued)

## B Eligible Specialty Crop Types and Uses (Continued)

Crop Name	Crop Code	Type	Intended Use
Papaya	0181	All	FH, PR
Peaches	0034	All	FH, PR
Pears	0144	All	FH, JU, PR
Pecans	0146	All	
Peppers, bell	0083	Green bell	FH, PR
Peppers, other	0083	All except green bell	FH, PR
Potatoes	0084	All	FH, PR
Raspberries (Caneberries)	6000	<ul style="list-style-type: none"> <li>• Black</li> <li>• Red</li> </ul>	
Rhubarb	0335		FH, PR
Spinach (Greens)	4000	<ul style="list-style-type: none"> <li>• Chinese</li> <li>• Leaf</li> <li>• Vine</li> <li>• Water</li> </ul>	FH, PR
Squash	0155	All	FH, PR
Strawberries	0154		FH, PR
Sweet corn	0041	<ul style="list-style-type: none"> <li>• Bicolor</li> <li>• White</li> <li>• Yellow/ golden early</li> <li>• Yellow/ golden late</li> </ul>	FH, PR
Sweet potatoes	0156	All	FH, PR
Tangerines	0048	All	FH, JU, PR
Taro	0535	All	FH, PR
Tomatoes	0087	All	FH, PR
Walnuts	0029	All	
Watermelon	0757	All	FH

**Note:** Crop name is what is identified on the application and may specify only 1 type; however, all types and uses identified in the above table are eligible. For example: Red Raspberries are a type (RED) within crop code 6000 (Caneberries). Although the drop down on the application may reflect Raspberry (6000)/RED, both black (BLK) and red (RED) types as specified in the above table are eligible for CFAP.

## 222 Production and Acreage Certification

**A Requirement**

Producers of specialty crops must certify the following for FSA to compute a CFAP payment:

- For crops that suffered a 5-percent-or-greater national price loss between mid-January and mid-April, the total volume of production subject to price risk that was sold between January 15, 2020, and April 15, 2020
- For crops that were shipped (delivered) but subsequently spoiled due to loss of marketing channel, the total volume of production that is shipped but not sold (unpaid) between January 15, 2020, and April 15, 2020
- For crops that had shipments that did not leave the farm or mature crops that remained unharvested (not delivered), the total number of acres left in the field or harvested but not shipped between January 15, 2020, and April 15, 2020.

The requirement to report production and/or acreage is based on each producer's nationwide ownership interest in the crop, regardless of where the crop was produced or where the crop is stored.

**Note:** Ownership interest does not mean as the interest of a landowner. In this context, ownership interest means as the owner of the crop, who has both control of the commodity and title to the commodity.

**B AD-3114, Part G**

Following is an example of AD-3114, Part G, Specialty Crop Information.

<b>PART G - SPECIALTY CROP INFORMATION (COC DETERMINATION NOT REQUIRED)</b>					<b>AMS USE ONLY</b>		
30. Crop	31. Unit of Measure	32. Volume of Production Sold (Jan 15, 2020 - April 15, 2020)	33. Volume of Production Shipped but Not Sold and Unpaid (Jan 15, 2020 - April 15, 2020)	34. Acres with Production Not Shipped or Sold (Jan 15, 2020 - April 15, 2020)	35. AMS Adjusted Volume of Production Sold (Jan 15, 2020 - April 15, 2020)	36. AMS Adjusted Volume of Production Shipped but Not Sold and Unpaid (Jan 15, 2020 - April 15, 2020)	37. AMS Adjusted Acres with Production Not Shipped or Sold (Jan 15, 2020 - April 15, 2020)

**222 Production and Acreage Certification (Continued)****C Sold Crops that Suffered a 5-Percent-or-Greater Price Loss**

Producers must certify their ownership interest in the volume of production subject to price risk that was sold between January 15, 2020, and April 15, 2020, of each eligible commodity nationwide.

**Example:** Jane Farmer has 2 greenhouses, 1 located in Kosciusko County, Iowa, and one in Grenada County, Mississippi. Ms. Farmer has 100 percent ownership interest in 3,000 pounds of cucumbers grown in Iowa and 50 percent ownership interest in 5,000 pounds of cucumbers grown in Mississippi that were sold to a supermarket chain. Ms. Farmer will certify to 5,500 (100 percent of 3,000 + 50 percent of 5,000) pounds as the Volume of Production Sold on AD-3114, item 32.

**D Crops that Were Shipped (Delivered) but Subsequently Spoiled**

Producers must certify their ownership interest in the volume of production that was shipped (delivered) between January 15, 2020, and April 15, 2020, for which no payment was received or will be received for each eligible commodity nationwide.

**Example:** Jane Farmer had 100 percent interest in 50 pounds of tomatoes delivered to a local restaurant on the 1<sup>st</sup> and 15<sup>th</sup> of each month from January 15, 2020, through April 15, 2020. Although there was a contract with an agreed-upon price, there was no price guarantee. The restaurant paid for the shipments received during January and February 2020, but beginning with the March 2020, shipments, the restaurant had limited customers, the tomatoes spoiled, and Ms. Farmer was not paid. Ms. Farmer will certify to 150 pounds as the Volume of Production Shipped but Not Sold and Unpaid on AD-3114, item 33.



**222 Production and Acreage Certification (Continued)****E Crops that Were Not Shipped (Delivered) or Remained Unharvested**

Producers must certify their ownership interest in the number of acres associated to production that did not leave the farm or the number of acres of mature crops that remained unharvested between January 15, 2020, and April 15, 2020, for each eligible commodity nationwide.

**Example:** Jane Farmer had 100 percent interest in 3 acres of carrots that were ready for harvest February 28, 2020. All acreage was harvested, and one-third of the production was shipped and sold to the contracted buyer. The buyer was unwilling to accept delivery of the remaining harvested carrots; therefore, they remained on the farm and were unable to be marketed to any other buyer before they spoiled. Ms. Farmer will certify to 2 acres (3 acres less 1/3 of production sold) as the Acres with Production Not Shipped or Sold on AD-3114, item 34.

**F AMS Adjustments**

AMS may adjust the “Volume of Production Sold”, “Volume of Production Shipped but Not Sold and Unpaid”, or “Acres with Production Not Shipped or Sold”:

- if the quantity is determined to be unreasonable or inaccurate
- to reflect the actual production and acres based upon submitted evidence.

**223-234 (Reserved)**



## Section 3 Payments

## 235 Specialty Crop Payment Components

## A Payment Rates

CFAP payment rates are determined by the Secretary. There is one payment rate nationwide per crop and for each of the 3 categories (sales, delivered and unpaid, and not delivered). CFAP payments are paid using two separate funds (CARES Act and CCC); however, the payment will be paid in 1 amount.

Payment rates for specialty crops are listed in this table.

Specialty Crop	CARES Act Sales (\$/pound)	CARES Act Delivered and Unpaid (\$/pound)	CCC Not Delivered (\$/acre)
Almonds	\$0.26	\$0.57	\$237.60
Apples		\$0.18	\$1,125.00
Artichokes	\$0.66	\$0.49	\$1,300.00
Asparagus		\$0.38	\$254.80
Avocados		\$0.14	\$153.60
Beans	\$0.17	\$0.16	\$233.79
Blueberries		\$0.62	\$795.60
Broccoli	\$0.62	\$0.49	\$1,563.00
Cabbage	\$0.04	\$0.07	\$367.30
Cantaloupe		\$0.10	\$478.80
Carrots	\$0.02	\$0.11	\$1,251.40
Cauliflower	\$0.11	\$0.31	\$1,327.20
Celery		\$0.07	\$560.00
Cucumbers	\$0.13	\$0.15	\$444.90
Eggplant	\$0.07	\$0.15	\$412.71
Garlic		\$0.85	\$2,635.00
Grapefruit		\$0.11	\$496.76
Kiwifruit		\$0.32	\$1,404.00
Lemons	\$0.08	\$0.21	\$1,424.00
Lettuce, iceberg	\$0.20	\$0.15	\$1,128.00
Lettuce, romaine	\$0.07	\$0.12	\$623.60
Mushrooms		\$0.59	\$33,109.96
Onions, dry	\$0.01	\$0.05	\$540.10
Onions green		\$0.30	\$1,782.00
Oranges		\$0.14	\$634.83

## 235 Specialty Crop Payment Components (Continued)

## A Payment Rates (Continued)

Specialty Crop	CARES Act Sales (\$/pound)	CARES Act Delivered and Unpaid (\$/pound)	CCC Not Delivered (\$/acre)
Papaya		\$0.32	\$1,020.00
Peaches	\$0.08	\$0.32	\$1,099.20
Pears	\$0.08	\$0.18	\$966.00
Pecans	\$0.28	\$0.93	\$116.46
Peppers, bell type	\$0.14	\$0.22	\$1,267.20
Peppers, other	\$0.15	\$0.22	\$644.80
Potatoes		\$0.04	\$449.00
Raspberries		\$1.45	\$3,780.00
Rhubarb	\$0.15	\$1.03	\$395.83
Spinach	\$0.37	\$0.37	\$1,022.00
Squash	\$0.72	\$0.39	\$2,534.40
Strawberries	\$0.84	\$0.72	\$7,042.00
Sweet corn	\$0.09	\$0.13	\$483.60
Sweet potatoes		\$0.18	\$871.60
Tangerines		\$0.22	\$1,224.88
Taro		\$0.23	\$481.50
Tomatoes	\$0.64	\$0.38	\$6,122.90
Walnut		\$0.45	\$322.20
Watermelon		\$0.02	\$0.00

## B Payment Calculation

Payments for eligible specialty crops will be computed as follows:

- Sales: Quantity (volume) sold (AD-3114, item 32) multiplied by the “Sales” payment rate in subparagraph A
- Delivered and Unpaid: Quantity (volume) shipped but not sold (AD-3114, item 33) multiplied by the “Delivered and Unpaid” payment rate in subparagraph A
- Not Delivered: Acres unharvested or with production not sold (AD-3114, item 34) multiplied by the “Not Delivered” payment rate in subparagraph A.

**Note:** The “Not Delivered” payment rate is based on a national crop yield multiplied a per pound payment rate.

**235 Specialty Crop Payment Components (Continued)****B Payment Calculation (Continued)**

If AMS adjusts the amounts certified in items 32 through 34 of AD-3114 (recorded in items 35 through 37, respectively, of AD-3114), the adjusted amounts will be used in the payment computation.

**Notes:** AMS does not have sufficient information to adjust the amounts until or unless records are provided; therefore, payments will be made based on producer certification subject to spot check.

If the county office has significant concerns about the amounts to which a producer certified on the AD-3114, contact Charles Stephens, Associate Deputy Administrator, Specialty Crops Program, by e-mail to **charlesd.stephens@usda.gov** or by telephone at 202-720-6394. If contacting by e-mail, include “CFAP Inquiry” and the State and County name in the “Subject” line.



## Reports, Forms, Abbreviations, and Redelegations of Authority

### Reports

None.

### Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026	Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification (Includes Form AD-1026 Appendix)		Text
AD-3114	Coronavirus Food Assistance Program (CFAP) Application	Ex. 20	Text
CCC-36	Assignment of Payment		65, 68
CCC-37	Joint Payment Authorization		65, 68
CCC-901	Members Information		5, 19
CCC-902	Farm Operating Plan for Payment Eligibility 2009 and Subsequent Program Years		5, 19, 37, 68
CC-902I	Farm Operating Plan for an Individual		19
CCC-902E	Farm Operating Plan for an Entity		19
CCC-903	Worksheet For Payment Eligibility and Payment Limitation Determinations		19
CCC-941	Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information - Agricultural Act of 2014		5, 17, 19, 37, 67, 68
CCC-942	Certification of Income From Farming, Ranching, and Forestry Operations		5, 17, 19, 37, 68
FSA-325	Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		65
FSA-578	Report of Acreage		138
SF-3881	ACH Vender/Miscellaneous Payment Enrollment Form		68

## Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

### Abbreviations Not Listed in 1-CM

This table lists all abbreviations not listed in 1-CM.

Approved Abbreviations	Term	Reference
CARES Act	Coronavirus Aid, Relief, and Economic Stability Act	Text
CFAP	Coronavirus Food Assistance Program	Text
IPIA	Improper Payments Information Act	3
LP	limited partnership	16

### Redelegations of Authority

This table lists the redelegations of authority in this handbook.

Redelegation	Reference
In routine cases, COC may redelegate, in writing, to CED the authority to review and approve AD-3114.	1, 51
The redelegation <b>must</b> define what COC considers routine.	



**Definitions of Terms Used in This Handbook****All Other Cattle**

All other cattle mean commercially raised or maintained bovine animals not meeting the definition of another category of cattle in this rule excluding beefalo, bison, and animals used for dairy production or intended for dairy production.

**Cattle**

Cattle means commercially raised or maintained bovine animals, excluding beefalo, bison, and animals used for dairy production or intended for dairy production.

**Cattle Raised or Maintained for Breeding Purposes**

Cattle raised or maintained for breeding purposes means animals commercially raised or maintained for use as either a sire or dam for the production of livestock offspring or lactation.

**Commodity**

Commodity means an agricultural commodity produced in the United States and intended to be marketed for commercial production that has been designated as eligible for payments under CFAP.

**Feeder Cattle 600 Pounds or More**

Feeder cattle 600 pounds or more means cattle weighing more than 600 pounds but less than slaughter cattle-fed cattle as defined.

**Feeder Cattle Less Than 600 Pounds**

Feeder cattle less than 600 pounds means cattle weighing less than 600 pounds.

**Hogs**

Hogs means any swine 120 pounds or more.

**Lambs and Yearlings**

Lambs and yearlings mean all sheep less than 2 years old.

**Pigs**

Pigs means any swine weighing less than 120 pounds.

**Definitions of Terms Used in This Handbook (Continued)****Producer**

Producer means a person or legal entity who shares in the risk of producing a crop or livestock and who is entitled to a share in the crop or livestock available for marketing or would have shared had the crop or livestock been produced and marketed. A contract grower who does not own the livestock, will be considered a producer if the contract allows the grower to have risk in the livestock.

**Slaughter Cattle-Fed Cattle**

Slaughter cattle-fed cattle means cattle with an average weight of 1,400 pounds (including cattle with a weight of 1,200 – 1,600 pounds) which yield average carcass weights of 800 pounds and are intended for slaughter.

**Slaughter Cattle-Mature Cattle**

Slaughter cattle-mature cattle means culled cattle raised or maintained for breeding purposes, but which were removed from inventory and are intended for slaughter.

**Subject to Price Risk**

Subject to price risk means any production, sales, or inventory not subject to an agreed-upon price through a forward contract, agreement, or similar binding document.

**Unpriced (or Subject to Price Risk)**

Unpriced (or subject to price risk) means **not** subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding document as of January 15, 2020.

**Wool**

Wool means the fiber sheared from a live sheep and includes, unless noted otherwise, graded and nongraded wool. Graded wool is paid on a clean basis, and ungraded wool is paid on a greasy basis.

**AD-3114, Coronavirus Food Assistance Program (CFAP) Application**

**A Completing AD-3114**

The following table provides instructions for completing a manual AD-3114.

**Note:** For FSA County Offices, enter the data for all AD-3114s received in the County Office in the CFAP application system to print the completed AD-3114 (CFAP application) for the applicant.

<b>Item</b>	<b>Instructions</b>
<b>For COC Use Only</b>	
1	Enter the producer's recording State.
2	Enter the applicable program year.
3	Enter the producer's recording county.
4	Enter application number
	<b>Note:</b> This number is assigned by the automated system.
<b>Part A – Producer Agreement</b>	
For Informational Purposes	
Applicants who are an individual person must complete automated CCC-902 or manual CCC-902, Parts A and B, and provide name, address, taxpayer identification number, and citizenship status. An individual who is not a U.S. resident or lawful alien must also report contributions of labor, capital and land contributions to the farming operation.	
Applicants who are a legal entity, including General Partnership or Joint Venture, must complete automated CCC-902 or manual CCC-901 and provide the name, address and taxpayer identification number for the legal entity and all members, partners or stockholders with an ownership interest. If any member, partner or stockholder is not a U.S. resident or lawful alien, CCC-902 must be completed to report contributions of labor to the legal entity.	
<b>Part B Producer Information</b>	
5	Enter the producer's name and address, including the ZIP code.
<b>Part C – Dairy Production Information</b>	
6	Displays the unit of measure for dairy production as pounds (LBS).
7	Enter the total January 2020 production, including dumped milk, in pounds (LBS).
8	Enter the total February 2020 production, including dumped milk, in pounds (LBS).
9	Enter the total March 2020 production, including dumped milk, in pounds (LBS).
10	COC may enter the adjusted January 2020 production, if applicable.
	<b>Note:</b> An entry is only required when COC determines the January 2020 production is different than what is certified to by the producer in item 7.
11	COC may enter the adjusted February 2020 production, if applicable.
	<b>Note:</b> An entry is only required when COC determines the February 2020 production is different than what is certified to by the producer in item 8.

**AD-3114, Coronavirus Food Assistance Program (CFAP) Application (Continued)**

**A Completing AD-3114 (Continued)**

<b>Item</b>	<b>Instructions</b>
<b>Part C – Dairy Production Information (Continued)</b>	
12	COC may enter the adjusted March 2020 production, if applicable.  <b>Note:</b> An entry is only required when COC determines the March 2020 production is different than what is certified to by the producer in item 9.
<b>Part D – Non-Specialty Crop and Wool Information</b>	
13	Enter the eligible non-specialty crop
14	Enter the applicable unit of measure for the crop entered in item 13.
15	Enter the 2019 total production from all farms for the crop entered in item 13.
16	Enter the 2019 production from all farms not sold of non-specialty crops to be eligible to submit loss claim as of January 15, 2020.
17	COC may enter the adjusted 2019 total production, if applicable.  <b>Note:</b> An entry is only required when COC determines the 2019 total production is different than what is certified to by the producer in item 15.
18	COC may enter the adjusted 2019 production not sold, if applicable.  <b>Note:</b> An entry is only required when COC determines the 2019 production not sold is different than what is certified to by the producer in item 16.
<b>Part E – Livestock Information</b>	
19	Enter the name of the eligible livestock.
20	Enter the applicable unit of measure for the livestock entered in item 19.
21	Enter the total sales between January 15, 2020, and April 15, 2020, for owned inventory as of Jan 15, 2020, and any offspring from owned inventory for the livestock entered in item 19, if applicable.
22	Enter the highest inventory between April 16, 2020, and May 14, 2020, for the livestock entered in item 19, if applicable.
23	COC will enter the adjusted total sales between January 15, 2020, and April 15, 2020, for owned inventory as of Jan 15, 2020, and any offspring from owned inventory, if applicable.  <b>Note:</b> An entry is only required when COC determines the total sales is different than what is certified to by the producer in item 21.
24	COC will enter the adjusted inventory, if applicable.  <b>Note:</b> An entry is only required when COC determines the inventory is different than what is certified to by the producer in item 22.

AD-3114, Coronavirus Food Assistance Program (CFAP) Application (Continued)

A Completing AD-3114 (Continued)

Item	Instructions
<b>Part F – Value Loss Information</b>	
25	Enter the eligible value loss commodity.
26	Enter the total value of sales from all farms between January 15, 2020, and April 15, 2020, for the value loss commodity entered in item 25.
27	Enter the total value of marketable inventory from all farms as of April 15, 2020, for the value loss commodity entered in item 25.
28	COC may enter the adjusted value of sales between January 15, 2020, and April 15, 2020, if applicable.  <b>Note:</b> An entry is only required when COC determines the total value of sales is different than what is certified to by the producer in item 26.
29	COC may enter the adjusted value of inventory as of April 15, 2020, if applicable.  <b>Note:</b> An entry is only required when COC determines the value of inventory is different than what is certified to by the producer in item 27.
<b>Part G – Specialty Crop Information (COC Determination Not Required)</b>	
30	Enter the eligible specialty crop.
31	Enter the unit of measure for the crop in item 30.
32	Enter the total volume of production sold between January 15, 2020, and April 15, 2020, for the crop in item 30.
33	Enter the total volume of production shipped but not sold between January 15, 2020, and April 15, 2020, for the crop in item 30.
34	Enter the total number of per unit of output basis left in the field or harvested but not shipped between January 15, 2020, and April 15, 2020, for the crop in item 30.
35	Leave blank. AMS will enter an adjusted number if application is selected for audit.  <b>Note:</b> No action required by producer.
36	Leave blank. AMS will enter an adjusted number if application is selected for audit.  <b>Note:</b> No action required by producer.
37	Leave blank. AMS will enter an adjusted number if application is selected for audit.  <b>Note:</b> No action required by producer.

AD-3114, Coronavirus Food Assistance Program (CFAP) Application (Continued)

A Completing AD-3114 (Continued)

Item	Instructions
<b>Part H – Increased Payment Limitation for Corporations, Limited Liability Companies and Limited Partnerships</b>	
38 A-C	Enter the member/partner or stockholder name(s) who provide 400 hours or more of active personal labor or active personal management, or combination thereof, to the farming operation identified in Part A, item 5.  <b>Note:</b> Entry only required to be completed by Corporations, LLC's and LP's.
<b>Part I – Producer Certification</b>	
39A	Producer applying for CFAP benefits must sign.
39B	Enter title and/or relationship to the individual when signing in a representative capacity.  <b>Note:</b> If the producer signing is not signing representative capacity, this field should be left blank.
39C	Enter the date the AD-3114 is signed in item 39A.
<b>Part J – COC Determination</b>	
40	Displays the Payment Parts – CARES and CCC.
41	COC or their representative's signature.  <b>Note:</b> COC must complete for both payment parts in item 40.
42	Date COC or their representative signs the AD-3114.
43	Check (✓) either "Approved" or "Disapproved" for both payment parts in item 40.  <b>Important:</b> AD-3114 will be approved or disapproved as certified by the producer after applicable COC adjustment fields are completed.

# AD-3114, Coronavirus Food Assistance Program (CFAP) Application (Continued)

## B Example of AD-3114

The following is an example of AD-3114.

<p>This form is available electronically.</p>				<p>Form Approved - OMB No. 0560-0295 OMB Expiration Date: 11/30/2020</p>			
<p><b>AD-3114</b>      <b>U.S. DEPARTMENT OF AGRICULTURE</b></p> <p>(05-19-20)</p> <p><b>CORONAVIRUS FOOD ASSISTANCE PROGRAM (CFAP) APPLICATION</b></p>				<p>1. Recording State</p>		<p>2. Program Year</p>	
				<p>3. Recording County</p>		<p>4. Application Number</p>	
<p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 9, the CARES Act (Pub. L. 116-136), and 15 U.S.C. 714b and 714c. The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, and Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits. Payments may be made under the program to which the form applies only to the extent permitted by applicable authorities.</p> <p><b>Public Burden Statement (Paperwork Reduction Act):</b> Public reporting burden for this collection is estimated to average 60 minutes per response, including reviewing instructions, gathering and maintaining the data needed, completing (providing the information), and reviewing the collection of information. You are not required to respond to the collection, or USDA may not conduct or sponsor a collection of information unless it displays a valid OMB control number. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b></p>							
<p><b>PART A PRODUCER AGREEMENT</b></p>							
<p>The Department of Agriculture (USDA) will make payments under the CFAP to producers who meet the requirements of the program. The following information is needed in order for USDA to make a determination that the applicant is eligible to receive a CFAP payment. By submitting this application, and upon approval by USDA, the applicant agrees:</p>							
<ol style="list-style-type: none"> <li>1. To comply with regulations set forth in 7 CFR Part 9 and any Notice of Funds Availability published by USDA. Copies of these documents may be found at <a href="http://www.regulations.gov/docket?D=FSA-2020-0004">www.regulations.gov/docket?D=FSA-2020-0004</a>.</li> <li>2. That a CFAP payment will only be made with respect to a commodity produced in the United States and intended to be marketed for commercial production;</li> <li>3. Any production/sales/inventory eligible for payment must be subject to price risk.</li> <li>4. To provide to USDA all information that is necessary to verify that the information provided on this form is accurate and to allow USDA representative access to all documents and records of the producer, including those in the possession of a third-party such as a warehouse operator, processor or packer;</li> <li>5. To comply with maximum payment limitation and adjusted gross income provisions applicable to the CFAP by completing forms: <ul style="list-style-type: none"> <li>• CCC-902, Farm Operating Plan for Payment Eligibility (NOTE: <i>Only Parts A and B of the form are required</i>).</li> <li>• CCC-901, Member Information for Legal Entities, if applicable</li> <li>• CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information</li> <li>• CCC-942, Certification of Income From Farming, Ranching and Forestry Operations, optional</li> </ul> </li> <li>6. To provide to USDA all information required for program participation within 60 days from the date the applicant signs this application. Failure of an individual, entity, or member of an entity to timely submit all information required may result in no payment or a reduced payment.</li> <li>7. To comply with the provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands. All applicants must complete and submit all portions of form AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification unless: <ol style="list-style-type: none"> <li>7A. <ul style="list-style-type: none"> <li>i. The applicant does not participate in USDA benefits subject to HELC and WC compliance except Federal Crop Insurance or CFAP, and</li> <li>ii. The applicant only has an interest in land devoted to the production of agricultural commodities that are perennial crops, excluding sugar cane, such as tree fruits, tree nuts, grapes, olives, native pasture and perennial forage. If the applicant produces alfalfa, the applicant must contact the Natural Resources Conservation Service to determine if such production qualifies as the production of a perennial crop; and</li> <li>iii. The applicant has not converted a wetland after December 23, 1985; or</li> </ul> </li> <li>7B. <ul style="list-style-type: none"> <li>i. The applicant does not own or rent land devoted to an agricultural activity including cropland, rangeland, pastureland or forestland;</li> <li>ii. The applicant is a producer of livestock, nursery crops, honey or similar commodity that is not produced from tillage of land</li> </ul> </li> </ol> </li> <li>8. If the applicant meets either the conditions in section 7A (certification with box 5 B on AD-1026) or 7B (certification with box 5 A on AD-1026), the applicant is only required to complete Parts A and D of form AD-1026.</li> </ol>							
<p><b>PART B PRODUCER INFORMATION</b></p>							
<p>5. Producer's Name and Address (City, State and Zip Code)</p>							
<p><b>PART C DAIRY PRODUCTION INFORMATION</b></p>				<p><b>COC USE ONLY</b></p>			
6. Unit of Measure	7. January 2020 Production	8. February 2020 Production	9. March 2020 Production	10. COC Adjusted Jan 2020 Production	11. COC Adjusted Feb 2020 Production	12. COC Adjusted March 2020 Production	
LBS							
<p><b>PART D NON SPECIALTY CROP AND WOOL INFORMATION</b></p>				<p><b>COC USE ONLY</b></p>			
13. Commodity	14. Unit of Measure	15. 2019 Total Production	16. 2019 Production Not Sold (as of Jan 15, 2020)	17. COC Adjusted 2019 Total Production	18. COC Adjusted 2019 Production Not Sold (as of Jan 15, 2020)		

AD-3114, Coronavirus Food Assistance Program (CFAP) Application (Continued)

B Example of AD-3114 (Continued)

AD-3114 (05-19-20)					Page 2 of 2		
<b>PART E LIVESTOCK INFORMATION</b>					<b>COC USE ONLY</b>		
19. Livestock	20. Unit of Measure	21. Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	22. Inventory (Highest Between April 16, 2020 - May 14, 2020)	23. COC Adjusted Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	24. COC Adjusted Inventory		
<b>PART F VALUE LOSS INFORMATION</b>					<b>COC USE ONLY</b>		
25. Commodity	26. Value of Sales (Jan 15, 2020 - April 15, 2020)	27. Value of Inventory (as of April 15, 2020)	28. COC Adjusted Value of Sales (Jan 15, 2020 - April 15, 2020)		29. COC Adjusted Value of Inventory (as of April 15, 2020)		
<b>PART G SPECIALTY CROP INFORMATION (COC DETERMINATION NOT REQUIRED)</b>					<b>AMS USE ONLY</b>		
30. Crop	31. Unit of Measure	32. Volume of Production Sold (Jan 15, 2020 - April 15, 2020)	33. Volume of Production Shipped but Not Sold and Unpaid (Jan 15, 2020 - April 15, 2020)	34. Acres with Production Not Shipped or Sold (Jan 15, 2020 - April 15, 2020)	35. AMS Adjusted Volume of Production Sold (Jan 15, 2020 - April 15, 2020)	36. AMS Adjusted Volume of Production Shipped but Not Sold and Unpaid (Jan 15, 2020 - April 15, 2020)	37. AMS Adjusted Acres with Production Not Shipped or Sold (Jan 15, 2020 - April 15, 2020)
<b>PART H INCREASED PAYMENT LIMITATION FOR CORPORATIONS, LIMITED LIABILITY COMPANIES AND LIMITED PARTNERSHIPS</b>							
38. Applicants who are Corporations, Limited Liability Companies, and Limited Partnerships may seek an increase in the per-person payment limitation from \$250,000 to either \$500,000, if such entity has two members, partners, or stockholders who each provided at least 400 hours or more of personal labor or active personal management, or combination thereof, to the farming operation as defined in 7 CFR Part 1400, or a maximum of \$750,000 if such entity has three members, partners, or stockholders who each provided at least 400 hours or more of personal labor or active personal management, or combination thereof, to the farming operation as defined in 7 CFR Part 1400. Identify the names of members, partners, or stockholders who provided at least 400 hours of active personal labor or active personal management, or combination thereof, to the farming operation identified in Part B Item 5:							
A.		B.			C.		
<b>PART I PRODUCER CERTIFICATION</b>							
<i>I hereby sign and acknowledge under penalty of perjury in accordance with 28 U.S.C. § 1746 and 18 U.S.C. § 1621 that the foregoing is true and correct.</i>							
39A. Signature (By)		39B. Title/Relationship of the Individual Signing in the Representative Capacity				39C. Date (MM/DD/YYYY)	
<b>PART J COC DETERMINATION</b>							
40. Payment Part	41. COC or Designee Signature			42. Date (MM/DD/YYYY)	43. Determination		
CARES					APPROVED	DISAPPROVED	
CCC					APPROVED	DISAPPROVED	

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