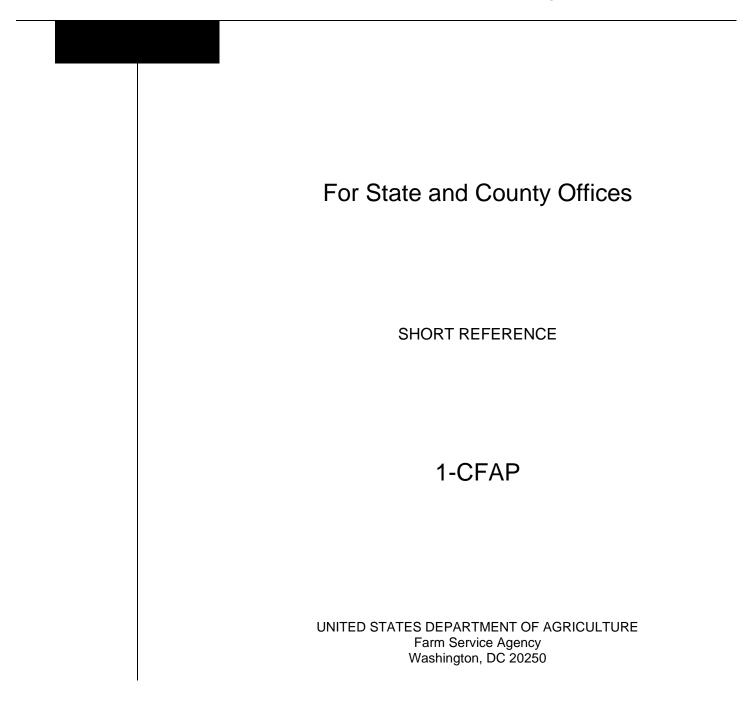


# Coronavirus Food Assistance Program



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#### UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington, DC 20250

Coronavirus Food Assistance Program 1-CFAP

Amendment 12

Approved by: Acting Deputy Administrator, Farm Programs

Bradley Karmen

#### **Amendment Transmittal**

#### **A** Reasons for Amendment

Subparagraph 1 C has been amended to update the sources of authority.

Subparagraph 16 D has been amended to remove the deadline for revising an application to request an additional increase in limitation.

Subparagraph 21 C has been added to include late-file provisions.

Subparagraphs 50 C, 51 D, and 51 E have been amended to include notes referencing late-file provisions.

Subparagraphs 165 B, 188 A, and 188 B have been amended to add cattle to Part 3 payments.

Exhibit 9 has been added to include example letter to producers submitting CFAP 1 application (AD-3114) after the sign-up period has ended.

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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))
- •\*--the Consolidated Appropriations Act, 2021--\*
- 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.

IF the producer is	THEN the approval authority is
a Federal or non-Federal, State or County	CED.
Office employee	
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.

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

#### 2 Administrative Provisions

- A Applicability and Administration [7 CFR 9.1]
  - (a) This part specifies the eligibility requirements and payment calculations for the Coronavirus Food Assistance Program (CFAP). CFAP will provide payments with respect to commodities that have been significantly impacted by the effects of the COVID-19 outbreak. Payments will be made with respect to only
  - \*--commodities produced in the United States; commodities other than livestock that are imported into the United States may not be used to determine any payment made under this part. For livestock, "produced in the United States" means physically located in the United States:
    - (1) On January 15, 2020, and remaining in the United States until sold between January 15, 2020, and April 15, 2020; or
    - (2) On the applicable date selected for livestock in inventory between April 16, 2020, and May 14, 2020.--\*
  - (b) The program is administered under the general supervision and direction of the Administrator, Farm Service Agency (FSA) with the assistance of the Agricultural Marketing Service (AMS).
  - (c) The FSA State committee will take any action required by this part that an FSA county committee has not taken. The FSA State committee will also:
    - (1) Correct, or require an FSA county committee to correct, any action taken by such county FSA committee that is not in accordance with the regulations of this part; or
    - (2) Require an FSA county committee to withhold taking any action that is not in accordance with this part.
  - (d) No provision or delegation to an FSA State or county committee will preclude the FSA Administrator, the Deputy Administrator, or a designee or other such person, from determining any question arising under the programs of this part, or from reversing or modifying any determination made by an FSA State or county committee.

#### 2 Administrative Provisions (Continued)

#### **B** 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.

#### **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.

#### **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
- •\*--ensure the CED's review of the first 5 CFAP applications from each county are sufficiently thorough to confirm:
  - signatures are included
  - values on the AD-3114 are correct in the software based on producer's certification
  - eligibility requirements are understood
  - payments are proper
- on the basis of the review documentation received, 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. If the initial documentation received contains evidence of misunderstood policy, provide clarification of that policy to the county employees until authorization to make payments is warranted.--\*
- 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 through their State FSA Office specialist responsible for CFAP 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.

#### **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. Redelegation of authority must be documented in the COC minutes. \*--All adverse actions must go to the COC for review, except for sending spot check letter (Exhibit 6) to producers failing to comply with requirements of spot check process. The CED is authorized to make that decision.--\*
- 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.

#### **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 the first 5 CFAP applications and eligibility documentation 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, except for sending spot check letter (Exhibit 6) to producers failing to comply with requirements of spot check process. The CED is authorized to make that decision.--\*

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.

## 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.

#### **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.

#### A DD Reviews

A DD or other employee designated by SED will review 5 of the first 10 CFAP applications filed in a Service Center, assigned by the internal control's software, 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
    - **Note:** CCC-902 must be completed to provide that name(s), address(es), TIN, and citizenship status have 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 7, 7A, 7B, and 8).

#### \*--6 CFAP National Compliance Reviews and Spot Check

#### A National Producer Selection Process

A selection of producers with an approved AD-3114 receiving CFAP benefits will be made by the National Office using a statistical sampling method developed by NASS.

The National Office provided the list of producers selected for CFAP compliance reviews and spot check on the Intranet at https://inside.fsa.usda.gov/program-areas/dafp/special-programs/cfap/index.

The national producer selection list will display the following:

- Recording State/Code
- Recording County/Code
- Producer Name.

Note: Not all States and counties will have producers selected for spot check and review.--\*

#### **B** Producer Notification of Selection for Spot Check

The County Office must immediately notify producers by letter of their selection for spot check and of the requirement for the selected producer to provide supporting documentation for the producer's CFAP certifications. See Exhibits 5 through 8 for template notification language for various instances and adverse results of submission of documentation or failures to submit documentation.

# Template letters will also be provided on the Intranet at https://inside.fsa.usda.gov/program-areas/dafp/special-programs/cfap/index.

A producer selected for spot check must provide documentation within 14 calendar days from the date of receipt of the selection notification.

**Note:** The selected producer must provide documentation to support every commodity on AD-3114 for which the producer certification and application was made.

Failure to provide documentation as required will result in COC determining the applicant ineligible for program benefits and the producer will be required to refund all payments issued under CFAP.

#### **C** Performing the Review

The national producer selection process discussed in subparagraph A is uploaded into the IRDTS software that will record and track the CFAP national spot checks. The software will generate an e-mail to notify the reviewers. The e-mail will go to the DD and will include a link to access the review questionnaire for the sample records selected and will identify the specific producer applications selected to be reviewed.

- **Reminder:** DD may forward the request to only 1 individual. Send to the appropriate County Office representative for the producer selected for spot check.
- All CFAP compliance reviews must be completed and recorded by December 18, 2020.
- **Note:** IRDTS is the system used to complete the internal control reviews mentioned in paragraph 5 and Notice IA-5.--\*

# **D** CFAP Compliance Review Questions

The following questions must be answered by the County Office reviewer designated to complete the reviews in IRDTS.

	Application Questions	
1.	Did the producer provide documentation to support the certification of share and risk in producing and marketing Dairy and/or Eggs production as certified in Part C of the AD-3114? (1-CFAP, subparagraph 51 B)	Yes, No, or Not Applicable
2.	Did the producer provide documentation to support the certification of share and risk in producing and marketing Non-Specialty crops and/or Wool production as certified in Part D of the AD-3114? (1-CFAP, subparagraph 51 B)	Yes, No, or Not Applicable
3.	Did the producer provide documentation to support the certification of share and risk in producing and marketing Livestock sales and/or inventory as certified in Part E of the AD-3114? (1-CFAP, subparagraph 51 B)	Yes, No, or Not Applicable
4.	Did the producer provide documentation to support the certification of share and risk in producing and marketing Aquaculture and/or Nursery/Floriculture inventory and value of inventory as certified in Part F of the AD-3114? (1-CFAP, subparagraph 51 B)	Yes, No, or Not Applicable
5.	Did the producer provide documentation to support the certification of share and risk in producing and marketing Specialty Crops production and/or acreage of production as certified in Part G of the AD-3114? (1-CFAP, subparagraph 51 B)	Yes, No, or Not Applicable
6.	Did the producer seek an increase in payment limitation? (1-CFAP, subparagraph 16 B)	Yes or No
7.	Were the persons identified in Part H of the AD-3114, members, partners, stockholders, beneficiaries, or heirs of the legal entity identified on form CCC-902, Farm Operating Plan, or other supporting documentation (i.e. organizational documents)? (1-CFAP, subparagraph 16 B)	Yes, No, or Not Applicable
8.	Did the farming operation add persons (including spouses) to the farming operation for CFAP with the producer certifying members contributing 400+ hours of labor/management and qualifying the legal entity for an increased payment limitation and are the changes adequately documented to have occurred to the satisfaction of the COC?	Yes, No, or Not Applicable
9.	Did the producer and its members, partners, stockholders, beneficiaries, or heirs of the legal entity provide acceptable evidence documenting the certification of contributing 400+ hours of active personal labor or active personal management to the satisfaction of the COC? Document where that evidence exists.	Yes, No, or Not Applicable

#### E Discrepancy in Production, Sales, Inventories, and/or Acreage

The following instructions provide guidance when there is a discrepancy by commodity (for example; dairy, corn, beans, wool, cattle, etc.) between the:

- production, sales, inventories, and/or acreage certification and risk, as applicable, as certified on AD-3114
- actual production, sales, inventories, and/or acreage certification and risk as determined from the documentation provided by the producer.

**Note:** COC will not act on AD-3114, Part G. See subparagraph F for details on Specialty Crops.

IF determined production, sales,	
inventories, and/or acreage, as	
applicable, are	THEN COC
equal to or greater than the certified production, sales, inventories, and/or	has no action required.
acreage, as applicable	Note: Do not enter the determined production, sales, inventories, and/or acreage, as applicable, in the "COC Adjusted" fields. No additional payment will be issued.
less than but within 15 percent of the	must make a determination of eligibility after the
certified production, sales, inventories,	producer has been notified of the discrepancy and the
and/or acreage, as applicable	producer has provided an explanation for the discrepancy.
	Based on the explanation, COC must make an eligibility determination after considering and documenting all of the following:
	• all persons directly or indirectly involved
	• the unique circumstances of the case, including, but <b>not</b> limited to, how the matter was discovered
	• if the matter was or was not the result of or related to a misrepresentation, scheme, or device.

--\*

IF determined production, sales,			
inventories, and/or acreage, as			
applicable, are	THEN COC		
<b>less than but within</b> 15 percent of the certified production, sales, inventories, and/or acreage, as applicable (Continued)	If COC determines the producer may retain eligibility for CFAP and the determined documented production, sales, inventories, and/or acreage, as applicable, is less than the amount certified, COC must enter the correct amount on AD-3114 in the applicable COC adjusted field, approve the application, and notify the applicant producer of the adjustment and explanation of the discrepancy. The letter must mention that the applicant producer will be notified by separate communication of any amount owned. The applicant producer can appeal the COC adjustment and reason for the adjustment according to 1-APP. The appeal is limited to the accuracy of FSA's facts relative to determined documented production, sales, inventories, and/or acreage, as applicable. See the sample letter in Exhibit 7. After the notification letter is issued, process the overpayment through NRRS.		
	If COC determines the producer <b>did not</b> comply with CFAP provisions, adjust the production, sales, inventories, and/or acreage to " <b>0</b> ", on AD-3114 in the applicable COC adjusted field, disapprove the application, and list reasons for the disapproval. Notify the producer, provide appeal rights, and after issuing that notification process the overpayment through NRRS.		
more than 15 percent below the certified	must:		
production, sales, inventories, and/or acreage, as applicable	<ul> <li>determine the producer did not comply with CFAP provisions</li> <li>adjust the production, sales, inventories, and/or acreage to "0" on AD-3114 in the applicable COC</li> </ul>		
	<ul><li>adjusted field, take disapproval action on AD-3114, notify the producer, and process the overpayment through NRRS.</li><li>COC will also consider whether there is misrepresentation according to paragraph 4.</li></ul>		

# E Discrepancy in Production, Sales, Inventories, and/or Acreage (Continued)

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#### E Discrepancy in Production, Sales, Inventories, and/or Acreage (Continued)

PART C – DAIRY/EGG PRODUCTION INFORMATION						COC USE ONLY	
6.	7.	8.		9.	10.	11.	12.
Commodity/	January 2020	February 2	2020	March 2020	COC Adjusted Jan	COC Adjusted Feb	COC Adjusted March
Unit of Measure	Production	Production	on	Production	2020 Production	2020 Production	2020 Production
/lilk-lbs	101,250	110,00	0	107,750			
		L					
PART D - NON-	SPECIALTY CROP	AND WOOL INFO	ORMATION	l		COC USE O	NLY
	13. Commodity Unit c		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)
Soy	/beans	bushels	ushels 150,00		50,000.00		
	10112201	+ +					
PART E – LIVEST	OCK INFORMATIO	N				COC USE O	NLY
	19.	20.		21.	22.	23.	24.
Live	estock	Unit of Measure	(Betwee	Sales n Jan 15, 2020 – ril 15, 2020)	Inventory (Highest Between April 16, 2020 - May 14, 2020)	COC Adjusted Sales (Between Jan 15, 2020 - April 15, 2020) of Inventory Owned as of Jan. 15, 2020	COC Adjusted Inventor (Highest Between April 16, 2020 - May 14, 2020)
laughter Cattle: Matu	re Cattle	Head		65	100		

**Example:** The following are excerpts from AD-3114.

Upon review of the documentation provided by the producer, COC found the following discrepancies.

- January 2020 milk production of 101,520 lbs. Total milk production on AD-3114, items 6 through 8 was 319,000 lbs. Correct milk production is 319,270 lbs. The difference is greater than the amount certified to (319,270 minus 319,000 = 270). If COC determines the producer may retain eligibility for the dairy portion of the CFAP payment, no change is made to AD-3114 because the determined production is more than the certified and applied for production.
- 2019 soybean production not sold of 48,000 bushels. 2019 soybean production included in AD-3114, item 16 was 50,000 bushels. The difference is within 15 percent (50,000 minus 48,000 = 2,000 divided by 50,000 = .04). If COC determines the producer may retain eligibility for the non-specialty crops portion of the CFAP payment, 48,000 bushels must be entered in AD-3114, item 18 because the determined and documented production is less than the applied for and certified production. Two letters must be issued; the first is the notification of adjustment letter and appeal right (Exhibit 7), the second is the letter that follows when processing the overpayment through NRRS.
- Slaughter cattle sales of 35 head January 15, 2020, through April 15, 2020. Sales included in AD-3114, item 21 was 65 head. The difference is more than 15 percent (65 minus 35 = 30 divided by 65 = .46). Because the discrepancy is more than 15 percent below certified sales, COC must determine that the producer did not comply with the CFAP provisions for livestock and ENTER "0" (zero) in AD-3114, item 23. Two letters must issue; the first is the notification of adjustment letter and appeal right (Exhibit 8), the second is the letter that follows when processing the overpayment through NRRS.--\*

#### **F** Specialty Crops

COC is not responsible for completing reviews for Part G specialty crops. AMS will be conducting the reviews for applications selected with specialty crops. However, County Offices will be assisting with collecting the supporting documentation for AMS.

The following table shows the steps that will happen for Specialty Crop reviews.

Step	Action	Result
1	County Offices will send letters according to subparagraph B.	Receive all the supporting documentation from producer within 14 calendar days of sending letter.
2	County Offices must scan and e-mail the following to the National Office:	The National Office will forward AD-3114 and the producer-submitted documentation to AMS.
	• AD-3114	
	• supporting documentation submitted by producer.	
	E-mails must be sent to Brittany Ramsburg at <b>brittany.ramsburg@usda.gov</b> and/or Jenae Prescott at <b>jenae.prescott@usda.gov</b> .	
	The e-mail format is as follows:	
	<ul> <li>Subject: "CFAP 1 Specialty Crop Spot Check – State, County, and Producer"</li> </ul>	
	• e-mail text:	
	• State	
	• county	
	• producer name	
	<ul><li>application number</li><li>attached documents.</li></ul>	
3	• attached documents. The National Office will provide weekly reports every	State and County Offices will be able
	Friday during the review process with AMS review	to view the review results completed
	results. The report will be posted on the Intranet at	by AMS.
	https://inside.fsa.usda.gov/program-	
	areas/dafp/special-programs/cfap/index.	
4	The County Office must record the results in IRDTS for	
	question 5. If adjustments or disapprovals were made	
	by AMS, COC must provide notification to the producer. AMS will provide reasoning.	
	<b>Note:</b> AMS will make adjustments in the CFAP software, as applicable. The County Office will not need to update the CFAP software.	

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#### **G** Increased Payment Limitation

When COC determines that the members, partners, stockholders, heirs, or beneficiaries of a legal entity approved for an increased payment limitation did not provide 400+ hours of active personal labor or active personal management, COC must disapprove AD-3114, notify the producer, provide the reason for the adverse decision, and process the overpayment in NRRS to require a refund of the entire CFAP payment.

Under appeal, COC or STC may determine that equitable relief is warranted for meritorious reasons. COC's will recommend cases for equitable relief to STC for consideration.

DAFP delegates authority to STC to act on COC's recommendation for equitable relief on adverse decisions related to the optional increase in payment limitation only.

STC's are authorized to approve equitable relief for adverse determinations appealed to STC when supported by meritorious reasons.

STC's authority to grant equitable relief is limited to allowing the producer to retain the maximum pay limit of \$250,000 or \$500,000 based on the number of members actually determined to have contributed 400+ hours of active personal labor or active personal management.

COC's and STC's will thoroughly document adverse determinations and equitable relief in the COC or STC minutes, including citing reasons for decision on relief.

#### **H** Additional Instructions

If the record provided and reviewed is an acceptable record (subparagraph 51 B), the third party shown on the record can be contacted regarding the accuracy of information shown on the record. If this contact is made and the third party does not affirm the record, the record no longer supports the certification and may result in other adverse action or decision for the applicant.

**Note:** Provisions in 7-CP for failure to fully comply apply to CFAP.

#### I Discovery of Fraud or Abuse

During the spot-check review, if COC suspects a discrepancy or violation may rise to the level of fraud or abuse with the intent to defeat the purpose of CFAP, COC will handle these cases according to 1-CM, Part 29.--\*

#### 7-14 (Reserved)

#### Part 2 CFAP Policy and Procedures Provisions

#### Section 1 CFAP General Program Policies and Provisions

#### \*--15 Producer Eligibility [7 CFR Part 9 Subpart B §9.101]--\*

#### A \*\*\* Producer

A \* \* \* 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 or eggs
- for the months of January, February, and March 2020 for dairy and eggs.
- \*--[7-CFR Part 9 Subpart A §9.3] 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 Part 9 Subpart B §9.101] (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.

## \*--A Payment Limitation [7 CFR Part 9 Subpart A §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 joint venture, unless the first level member is another joint operation.

# \*--B Optional Increase in Limitation for Corporations, LLC's, and LP's, Trusts, or Estates [7 CFR Part 9 Subpart A §9.7]--\*

For CFAP applicants that are a corporation, LLC, LP, trust, or estate, an authorized representative of the legal entity may seek an increase in the \$250,000 payment limitation based on the member's, stockholder's, partner's, beneficiary's, or heir'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 an individual person who is a member, stockholder, partner, beneficiary, or heir from any level of ownership in the organizational structure to qualify the legal entity for the optional increase in payment limitation.

**Note:** The sole-member of an embedded LLC or grantor of a revocable trust using an SSN may qualify the corporation, LLC, or LP for the optional increase in payment limitation.

The maximum limitation a corporation, LLC, LP, trust, or estate 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.

**Notes:** For embedded members who are a sole-member LLC or grantor of a revocable trust using an SSN, record the individual person's name contributing at least 400 hours of active personal labor, active personal management, or a combination thereof.

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

#### \*--B Optional Increase in Limitation for Corporations, LLC's, and LP's, Trusts, or Estates [7 CFR Part 9 Subpart A §9.7]--\*

Revocable trusts using an SSN may seek an increase in payment limitation if the trust provides evidence, to COC's satisfaction, documenting there is more than 1 beneficiary of the trust, such as a husband and a wife. The evidence must document who the beneficiaries are. Evidence may include, but is not limited to, a copy of the executed trust agreement.

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

IF	THEN the corporation's, LLC's, or LP's payment limitation is
none of the members, stockholders,	\$250,000.
partners, beneficiaries, or heirs provide	
labor, management, or combination thereof	
1 person holding an ownership interest as a	\$250,000.
member, partner, stockholder, beneficiary,	
or heir in the organizational structure	
provides at least 400 hours of active	
personal labor or active personal	
management or combination thereof	
2 persons holding an ownership interest as	\$500,000.
a member, partner, stockholder,	
beneficiary, or heir in the organizational	
structure provides at least 400 hours of	
active personal labor or active personal	
management or combination thereof	
3 persons holding an ownership interest as	\$750,000.
a member, partner, stockholder,	
beneficiary, or heir in the organizational	
structure provides at least 400 hours of	
active personal labor or active personal	
management or combination thereof	

#### **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

# **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
Corporation A – 50%					\$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
Corporation B – 50%	50%				\$250,000
Sam	50%		+400 hours		\$250,000
Pete	50%		-0-		\$250,000

# **\*--Example 5:** Payment limitation for an estate with 3 heirs each contributing 400+ hours labor or management.

Entity/Momhons	Share	Current Pay Limit	Labor/Management Contribution	Payment Limitation	Effective Payment Limitation
Entity/Members	Share		Contribution	Increased	
AB Estate		\$250,000		\$500,000	\$750,000
Heir No. 1	33.33%		+400 hours		\$250,000
Heir No. 2	33.33%		+400 hours		\$250,000
Heir No. 3	33.34%		+400 hours		\$250,000

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#### D Payment Limitation Increases Due to Authorization of Additional Program Benefits

Corporations, LLC's, LP's, trusts, and estates qualifying for additional assistance because of rule changes may seek an increase in the legal entity's payment limitation to either \$500,000 or \$750,000 in accordance with this paragraph.

An authorized representative of the legal entity may revise the previously filed CFAP application to provide names of 2 or 3 persons who are members of the legal entity that provided 400 or more hours of active personal labor, active personal management, or a combination thereof. The authorized representative must sign the revised application and COC must review and approve or disapprove the revised application as applicable.

The deadline for applicants to request an optional increase in limitation on a revised \*--application has not been established.--\*

### E Attribution of Payments [7 CFR Part 9 Subpart A §9.7(e)(3)]

CFAP payments to persons and legal entities that do not qualify for the increased payment limitation 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 person or legal entity.

CFAP payments to corporations, LLC's, LP's, trusts and estates qualified for the increase payment limitation will be limited to the lesser of the increased limitation or the sum of the amount that each member, stockholder, heir, or beneficiary of the legal entity may receive, regardless of ownership share.

**Example 1:** ABC Corporation pay limit is increased to \$500,000 based on 2 members contributing labor or management. Member 1 (90 percent ownership share) maximum payment limitation is \$250,000. Member 2 (10 percent ownership share) maximum payment limitation is \$250,000. In this example, each eligible member may receive (directly or indirectly) is \$250,000. The sum of the payments the eligible members may receive is \$500,000 (\$250,000 + \$250,000), regardless of ownership share. Total payment to ABC Corporation would be \$500,000.

CFAP 1 payments to a legal entity wholly owned by an embedded legal entity will be limited to the lesser of the increased limitation or the sum of the amount that each eligible member, stockholder, partner, heir or beneficiary of the *first level embedded legal entity* may receive, regardless of ownership share.

# \*--E Attribution of Payments [7 CFR Part 9 Subpart A §9.7(e)(3)] (Continued)--\*

Example 2: Corporation A pay limit is increased to \$500,000 based on 2 individual persons contributing labor or management. The first-level shareholder of Corporation A is wholly owned by YZ LLC. Shareholders of YZ LLC are Joe (90% ownership share) and Jon (10% ownership share). Joe and Jon are each pay limited at \$250,000. The pay limit is increased for Corporation A and YZ LLC to the sum of payments that both Joe and Jon may receive, which is \$500,000 (\$250,000 + \$250,000), regardless of ownership share.

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  $4^{th}$  level.

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

### \*--F Changes in Farming Operations to Add Spouses

Applicants seeking to add spouses to a farming operation for CFAP, resulting in an increase in the number of persons to which payment limitation applies, must be legitimate, documented, and effective for the year which the commodity was produced and CFAP--\* benefits are being sought. For example, if the farming operation is requesting CFAP benefits for 2019 crop corn, the addition of a spouse must be effective for the 2019 program year and all contracts, applications, and eligibility forms must be corrected to reflect the change.

For legal entities, including general partnerships, the farming operation must provide the organizational documents to COC, and the documents must show evidence the spouse was legally added as a member, partner, or stockholder to the legal entity.

For informal joint ventures, the spouse must provide acceptable documentation to COC's satisfaction and prove the spouse made "at-risk" contributions, commensurate with their claimed share of the farming operation. Documentation may include, but is not limited to, signed loan notes and security agreements, and proof of payment for capital, land, or equipment contributions.

For farming operations seeking to qualify for the optional increase in payment limitation, COC must consider whether the spouse contributed at least 400 hours of active personal labor or active personal management.

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

#### \*--F Changes in Farming Operations to Add Spouses (Continued)--\*

- Example 1: An applicant is seeking CFAP benefits for 2019 corn, requesting consideration to add a spouse (stockholder) to the corporate business structure and requesting the optional increase in payment limitation applicable to corporations. The addition of the stockholder must be documented to have occurred before June 1, 2019 (following FSA's rules for attribution in 7 CFR Part 1400). Additionally, COC must consider whether the added stockholder contributed at least 400 hours of labor or management for the increased payment limitation. In this situation, the farming operation must also correct its representations on all 2019 contracts, applications, acreage reports, and eligibility document to reflect the change in the farming operation within applicable program or activity policy.
- **Example 2:** An applicant is seeking CFAP benefits for 2020 dairy and requesting consideration to recognize the farming operation as a husband and wife joint venture. COC must consider the couple's marital status for the time period CFAP benefits are requested and whether the spouse made at-risk contributions to the farming operation commensurate with the claimed share of the farming operation for the year which CFAP benefits are being sought. If the farming operation participated in DMC and received program benefits, the DMC contract must also be revised to recognize the addition of the spouse to the farming operation within applicable program or activity policy.

The addition of a spouse to a farming operation must be documented on CCC-902, with COC determination documented on CCC-903, and will apply to all programs in which the farming operation participates.

#### \*--17 AGI [7 CFR Part 9 Subpart A §9.7]--\*

#### 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).

#### A HELC/WC Compliance (Continued)

\*--Livestock, nursery, and aquaculture 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 Part 9 Subpart A §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.

## 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.

Commodity	
Category	Eligible Commodity
Dairy	• Dairy (milk)
(See Part 4)	
Eggs	• Liquid Eggs
(See Part 4)	Frozen Eggs
Non-Specialty	Barley * * *     Sorghum
Crops and	Canola     Soybeans
Wool	Corn     Sunflowers
(See Part 5)	Cotton – Upland     Wheat – Durum
	Millet     Wheat – Hard Red Spring
	Oats     Wool (graded/clean and non-graded/greasy)
Livestock	• Feeder Cattle: Less than 600 Pounds
(See Part 6)	• Feeder Cattle: 600 Pounds or More
	Slaughter Cattle: Fed Cattle
	Slaughter Cattle: Mature Cattle
	All Other Cattle
	Pigs: Less than 120 Pounds
	Hogs: 120 Pounds or More
	• Lambs and Yearlings (All Sheep Less Than 2 Years Old)
	All Other Sheep (All Sheep Greater Than 2 Years Old)
Aquaculture	• Crayfish
(See Part 7.5)	Catfish sold for food fish
	• Largemouth bass and carp sold live as food fish
	Hybrid striped bass sold for food fish
	Red drum sold for food fish
	Salmon sold for food fish
	• Sturgeon sold for food fish
	Tilapia sold for food fish
	• Trout sold for food fish
	Ornamentals/tropicals
	Recreational Sportfish
Nursery	• Nursery
(See Part 7.5)	• Floriculture (cut flowers or cut greenery)

# 21 Eligible Commodities and Signup Period (Continued)

# A Eligible Commodities (Continued)

Commodity Category		Eligible Commodity	
Specialty Crops	Alfalfa Sprouts	• Filberts (Hazel Nuts)	• Peppers – Bell
(See Part 8)	Almonds	•*Frisee (Greens)*	• Peppers – Other
	Aloe Leaves	• Garlic	Persimmons
	• Anise	Grapefruit	• Pineapples
	Apples	• Greens – Others Not	Pistachios
	Artichokes	Listed	Plantains
	• Arugula (Greens)	• Greens – Spinach	Pomegranates
	<ul> <li>Asparagus</li> </ul>	• Guava	• Potatoes – Fresh,
	<ul> <li>Avocados</li> </ul>	Horseradish	Other
	• Bananas	• Kale (Greens)	• Potatoes – Fresh,
	• Basil (Herb)	Kiwifruit	Russets
	• Batatas	• Kohlrabi	• Potatoes – Processing
	Bean Sprouts	Kumquats	• Potatoes – Seed
	• Beans	• Leeks	<ul> <li>Pummelos</li> </ul>
	• Beets	• Lemons	Pumkins
	Blueberries	• Lettuce – Boston	Radicchio
	Bok Choy	• Lettuce – Green Leaf	Rhubarb
	• Broccoli	• Lettuce – Iceberg	• Rosemary
	• Cabbage	• Lettuce – Lolla Rosa	(Herb)Rutabagas
	• Caneberries –	• Lettuce – Oak Leaf,	• Sage (Herb)
	Blackberries	Green	• Sapote
	• Caneberries – Raspberries	• Lettuce – Oak Leaf, Red	• Savory (Herb)
	Cantaloupe	• Lettuce – Red Leaf	Shallots
	Carambola (Start Fruit)	• Lettuce – Romaine	• Sorrel (Greens)
	Carrots	Maple Sap	• Spearmint (Herb)
	Cauliflower	• Marjoram (Herb)	• Squash
	Celeriac (Celery Root)	•*Mesculin Mix	<ul> <li>Strawberries</li> </ul>
	• Celery	Microgreens*	• Sugarcane (Table)
	Cherimoya	(all other)	Sweet Corn
	Chervil, French Pastry	• Mint (Herb)	<ul> <li>Sweet Potatoes</li> </ul>
	(Herb)	Mushrooms	• Swiss Chard (Greens)
	• Chives (Herb)	• Mustard (Greens)	Tangelos
	• Cilantro/Coriander (Herb)	Nectarines	<ul> <li>Tangerines</li> </ul>
	Citron	• Okra	• Taro
	Coconuts	• Onions – Dry	• Thyme (Herb)
	Collard Greens	• Onions – Green	<ul> <li>Tomatoes</li> </ul>
	Cucumbers	• Oranges	• Turmeric (Herb)
	Curry Leaves	• Oregano (Herb)	• Turnip Tops (Green)
	• Daikon (Radish)	Papayas	Turnips
	Dandelion Greens	• Parsley, Other (Herb)	Upland/Winter Cress
	• Dates	Parsnips	Walnuts
	• Dill (Herb)	Passion Fruit	Watercress
	• Donaqua (Winter Melon)	• Peaches	Watermelon
	• Dragon Fruit (Red Pitaya)	• Pears	Yautia/Malanga
	• Eggplant	• Peas, Green	(Dasheen)
	• Endive (Greens)	• Pecans	• Yuca (Cassava)
	• Escarole (Greens)	• Peppermint (Herb)	

•

#### 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 September 11, 2020**. The recording county will be responsible for acting on the AD-3114.

AD-3114's submitted or postmarked after September 11, 2020, will be disapproved. See subparagraph 51 E.

#### \*--C Late-Filed AD-3114

If an AD-3114 is submitted after the September 11, 2020, CFAP application deadline, the application **must** be accompanied by a written explanation from the applicant explaining the reasons for the late filing.

**Note:** Applications filed by the date arranged for filing the application under an approved register are not considered late-filed.

The late-filed AD-3114 and written explanation will be presented to COC for review and action according to the following table.

IF AD-3114	THEN COC
is filed by October 9, 2020	is delegated authority to approve or disapprove programmatic relief for the producer's application provided the AD-3114 was accompanied by the required producer written explanation for late-filing. If COC grants relief and approves the application, the FSA representative will sign and date AD-3114, for CARES, CCC, or both, as applicable, with the effective COC decision date.
	<b>Notes:</b> COC is under no obligation to grant relief. However, if the producer filed the written explanation for late-filing, COC must determine if relief is warranted.
	A late-filed AD-3114 not accompanied by the required producer written explanation will be considered incomplete and will not be processed or acted on by FSA.
is filed <b>with</b> the required producer written explanation after October 9, 2020, and on or before	will either disapprove the late-filed AD-3114 or make a recommendation for relief to STC. If COC recommends relief, STC is delegated authority to approve or disapprove programmatic relief for the producer's application provided the AD- 3114 was accompanied by the required producer written explanation for late-filing. STC will review the participant's request and COC recommendation.
November 6, 2020	<b>Note:</b> COC is under no obligation to recommend relief.
	If STC:
	• grants relief, the State Office will advise COC to notify the applicant of the approval
	<b>Note:</b> The FSA representative will sign and date AD-3114 for CARES, CCC, or both, as applicable with the effective DAFP decision date.
	• denies relief, the State Office will advise COC to disapprove the application and notify the participant in writing that relief has been disapproved. The letter must include appropriate appeal rights according to 1-APP.

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

#### \*--C Late-Filed AD-3114 (Continued)

**Notes:** Generally, a participant's assertion of not being aware of an application deadline is not a valid reason for finding the applicant was prevented, by reasons beyond the applicant's control, from filing a timely application. Information on application deadline is available in the public domain or by contacting FSA.

If a producer submits an application after November 6, 2020, COC must disapprove the application and the producer will be notified using the letter in Exhibit 9.--\*

#### 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. See subparagraph 22 C for additional CFAP payments to eligible hogs and pigs authorized under **7 CFR 9.102**.

# A CFAP Payments (Continued)

Commodity				
Category	Part 1 (CARES Act Funds)	Part 2 (CCC Funds)		
Dairy (See Part 4) *Eggs	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.		
(See Part 4)	For each eligible producer, a payment rate per pound of liquid and/or frozen egg production for the months of January, February, and March 2020.	For each eligible producer, a payment rate per pound of liquid and/or frozen egg production for the months of January, February, and March 2020*		
Non-Specialty Crops and Wool (See Part 5)	<ul> <li>For each eligible producer and commodity, eligible production</li> <li>will be based on the unsold production on hand on January 15,</li> <li>2020, not to exceed 50 percent of the total 2019 production for that</li> <li>producer nationwide.</li> </ul>			
	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)	<ul> <li>For each eligible producer, payment is calculated by multiplying the number of owned and unpriced livestock sold between January 15, 2020, and April 15, 2020, by the payment rate per head.</li> <li>Note: Livestock must have been owned and unpriced as of January 15, 2020. Any offspring born and sold by April 15, 2020, from that</li> </ul>	For each eligible producer, payment is calculated by multiplying the highest owned livestock inventory on a date selected by the producer between April 16, 2020, and May 14, 2020, by the payment rate per head.		
* * *	same inventory are also eligible. * * *			

Payments will be determined according to the following table.

# A CFAP Payments (Continued)

Commodity		
Category	Part 1 (CARES Act Funds)	Part 2 (CCC Funds)
Specialty Crops (See Part 8)	<ul> <li>There are 2 potential subparts to the payment:</li> <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> </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: Specialty crops that were under an agreed upon set price as of January 14, 2020, and were or will be paid at that price or higher do not qualify*	
	• 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.	

## **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.

Commodity Category	Eligible Commodity	Unit of Measure	CARES Act Payment Rate	CCC Payment Rate
Dairy	Dairy (Milk)	LBS	\$.0471	\$.0147
Eggs	Liquid Eggs	LBS	\$0.05	\$0.02
	Frozen Eggs	LBS	\$0.06	\$0.02
Non-Specialty	Corn	BU	\$0.32	\$0.35
Crops and Wool	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
	* * * 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 -	Pigs: Less Than 120 Pounds	HD	\$28.00	\$17.00
Swine	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
	All Other Sheep (All Sheep Greater Than 2 Years Old)	HD	\$24.00	\$7.00

# **B** CFAP Payment Rates (Continued)

Payments rates for aquaculture and nursery crops are established according to the following table.

	CARES Act	CARES Act Payment Rate for	CCC Payment Rate for
Aquaculture	Payment Rate	Inventory Delivered	Inventory Not
Species	for Sales (\$/lb)	and Unpaid	Sold (\$/lb)
Crayfish	\$0.65	N/A	*\$0.05*
*Catfish for food fish	N/A	N/A	\$0.07
Largemouth Bass/Carp	\$0.51	N/A	\$0.39
(live, as food fish)			
Hybrid Striped Bass for	N/A	N/A	\$0.25
food fish			
Red Drum for food fish	N/A	N/A	\$0.24
Salmon for food fish	\$1.14	N/A	\$0.31
Sturgeon for food fish	N/A	N/A	\$0.29
Tilapia for food fish*	N/A	N/A	\$0.16
Trout for food fish			\$0.11
Tropicals/Ornamentals	N/A	N/A	\$0.03 per piece
Sportfish/Gamefish	N/A	N/A	\$0.27
		CARES Act	CCC
	CARES Act	<b>Payment Rate for</b>	<b>Payment Rate for</b>
	Payment Rate	<b>Inventory Delivered</b>	<b>Inventory Not</b>
Сгор	for Sales (\$/lb)	and Unpaid	Sold (\$/lb)
Nursery/Floriculture	N/A	15.55%	13.45%

# **B CFAP Payment Rates (Continued)**

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

	CARES Act Sales	CARES Act Delivered that Spoiled or Unpaid	CCC Not Delivered (Unharvested)
Specialty Crops	(\$/pound)	(\$/pound)	(\$/acre)
Alfalfa Sprouts		\$8.14	\$5,465.63
Almonds	\$0.26	\$0.57	\$237.60
Aloe Leaves	\$0.06	\$0.19	\$2,848.00
Anise	\$0.88	\$0.81	\$96.00
Apples	\$0.05	\$0.22	\$1,500.00
Artichokes	\$0.88	\$0.69	\$1,690.00
Arugula		\$4.64	\$9,100.00
Asparagus		\$0.25	\$182.00
Avocados		\$0.14	\$153.60
Bananas	\$0.34	\$0.20	\$752.00
Basil	\$0.30	\$1.65	\$1,920.00
Batatas		\$0.32	\$1,307.40
Bean Sprouts		\$0.26	\$60.00
Beans	\$0.17	\$0.16	\$233.79
Beets		\$0.30	\$2,160.00
Blueberries	\$0.20	\$0.93	\$1,193.40
Bok Choy	\$0.22	\$0.23	\$700.00
Broccoli	\$0.62	\$0.49	\$1,563.00
Brussels Sprouts	\$0.26	\$0.34	\$1,260.00
Cabbage	\$0.04	\$0.07	\$367.30
Caneberries – Blackberries	\$1.72	\$2.11	\$2,615.80
Caneberries – Raspberries	\$0.44	\$1.69	\$4,455.00
Cantaloupe		\$0.14	\$718.20
Carambola (Star Fruit)		\$0.58	\$4,400.00
Carrots	\$0.02	\$0.11	\$1,251.40
Cauliflower	\$0.11	\$0.31	\$1,327.20
Celeriac-Celery Root		\$0.52	\$2,000.00
Celery		\$0.07	\$560.00

# **B** CFAP Payment Rates (Continued)

		CARES Act	CCC
	CARES Act Sales	Delivered that Spoiled or Unpaid	Not Delivered (Unharvested)
Specialty Crops	(\$/pound)	(\$/pound)	(Unital Vesteu) (\$/acre)
Cherimoya	\$1.83	(¢, <b>p</b> ound) \$0.98	\$1,922.80
Chervil, French Parsley	\$2.74	\$8.09	\$15,800.00
Chives	+	\$1.32	\$4,680.00
Cilantro/Coriander	\$0.19	\$0.23	\$860.00
Citron	\$0.32	\$0.26	\$1,780.00
Coconuts	·	\$0.25	\$450.00
Collard Greens	\$0.04	\$0.21	\$560.00
Cucumbers	\$0.18	\$0.17	\$444.90
Curry Leaves	\$2.40	\$5.25	\$927.00
Daikon (Radish)		\$0.19	\$368.00
*Dandelion Greens*	\$0.06	\$.26	\$700.00
Dates		\$1.44	\$2,234.40
Dill		\$5.38	\$5,250.00
Donaqua (Winter Melon)	\$1.42	\$0.60	\$4,800.00
Dragon Fruit (Red Pitaya)		\$1.03	\$3,800.00
Eggplant	\$0.07	\$0.15	\$412.71
Endive	\$0.04	\$0.15	\$900.00
Escarole	\$0.11	\$0.18	\$1,200.00
Filberts (Hazel Nuts)	\$0.41	\$0.67	\$228.80
Frisee		\$0.69	\$4,200.00
Garlic	\$0.17	\$1.10	\$3,410.00
Grapefruit		\$0.11	\$496.76
Greens – Others Not	\$0.08	\$0.16	\$420.00
Listed			
Greens – Spinach	\$0.37	\$0.37	\$1,022.00
Guava	\$1.52	\$1.73	\$6,800.00
Horseradish		\$3.72	\$4,380.00

# **B** CFAP Payment Rates (Continued)

\*\_\_

*	CARES Act	CARES Act Delivered that	CCC Not Delivered
	Sales	Spoiled or Unpaid	(Unharvested)
Specialty Crops	(\$/pound)	(\$/pound)	(\$/acre)
Kale		\$0.22	\$748.00
Kiwifruit		\$0.44	\$2,106.00
Kohlrabi		\$0.24	\$189.06
Kumquats	\$1.28	\$1.76	\$2,822.00
Leeks	\$0.14	\$0.18	\$480.00
Lemons	\$0.08	\$0.21	\$1,424.00
Lettuce – Boston	\$0.09	\$0.34	\$1,523.20
Lettuce – Green Leaf	\$0.44	\$0.60	\$2,611.20
Lettuce – Iceberg	\$0.20	\$0.15	\$1,128.00
Lettuce – Lolla Rossa		\$1.69	\$7,180.80
Lettuce – Oak Leaf, Green		\$1.69	\$7,180.80
Lettuce – Oak Leaf, Red		\$1.69	\$7,180.00
Lettuce – Red Leaf	\$0.42	\$0.60	\$2,611.20
Lettuce – Romaine	\$0.07	\$0.12	\$623.60
Maple Sap (For Maple	\$0.07	\$0.20	\$30.49
Syrup)*			
Marjoram	\$1.06	\$1.42	\$1,124.20
Mesculin Mix		\$0.79	\$2,560.00
Microgreens – All other		\$7.15	\$3,850.00
Mint		\$0.93	\$2,772.00
Mushrooms		\$0.58	\$33,110.00
Mustard – Greens		\$0.21	\$636.00
Nectarines		\$0.30	\$1,038.00
Okra	\$0.31	\$0.46	\$1,080.00
Onions – Dry	\$0.01	\$0.05	\$540.10
Onions – Green	\$0.51	\$0.70	\$4,158.00
Oranges		\$0.14	\$634.83
Oregano		\$1.22	\$784.08
Papaya		\$0.31	\$1,020.00
Parsley	\$0.19	\$0.23	\$400.00
Parsnips	\$0.06	\$0.40	\$1,600.00
Passion Fruit	\$0.89	\$3.21	\$17,640.00
Peaches		\$0.30	\$1,099.20
Pears	\$0.08	\$0.18	\$966.00
Peas – English/Garden,	\$0.10	\$0.36	\$275.10
Snap, Sugar, Snow			*

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# **B** CFAP Payment Rates (Continued)

\*\_.

Specialty Crong	CARES Act Sales	CARES Act Delivered that Spoiled or Unpaid	CCC Not Delivered (Unharvested)
Specialty Crops	(\$/pound)	(\$/pound)	(\$/acre)
Pecans	\$0.28	\$0.93	\$116.46
Peppermint	\$1.60	\$5.40	\$97.52
Peppers – Bell type	\$0.14	\$0.22	\$1,267.20
Peppers – Other	\$0.15	\$0.22	\$644.80
Persimmons		\$0.53	\$1,352.00
Pineapples		\$0.23	\$1,500.00
Pistachios	\$0.22	\$1.28	\$640.00
Plantains	\$0.18	\$0.15	\$549.00
Pomegranates		\$0.54	\$1,100.00
Potatoes – Other, Fresh	\$0.01	\$0.04	\$449.00
Potatoes – Russets, Fresh	\$0.07	\$0.09	\$898.00
Potatoes – Processing	\$0.02	\$0.03	\$449.00
Potatoes – Seed	\$0.02	\$0.04	\$449.00
Pummelos		\$0.21	\$400.00
Pumpkins	\$0.72	\$0.39	\$2,534.40
Radicchio		\$0.72	\$1,470.00
Rhubarb		\$0.76	\$296.85
Rosemary		\$2.60	\$8,994.36
Rutabagas	\$0.08	\$0.19	\$1,440.00
Sage	\$0.72	\$3.06	\$3,747.00
Sapote	\$0.56	\$0.92	\$900.00
Savory		\$0.62	\$1,440.00
Shallots	\$0.51	\$0.70	\$4,158.00
Sorrell		\$2.85	\$7,840.00
Spearmint	\$1.60	\$4.80	\$116.56
Spinach	\$0.37	\$0.37	\$1,022.00
Squash	\$0.72	\$0.39	\$2,534.40
Strawberries	\$0.84	\$0.72	\$7,042.00
Sugarcane – Table		\$0.14	\$2,094.00
Sweet Corn	\$0.09	\$0.13	\$483.60
Sweet Potatoes		\$0.18	\$871.60
Swiss Chard		\$0.25	\$750.00

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# **B** CFAP Payment Rates (Continued)

\*\_\_

Specialty Crops	CARES Act Sales (\$/pound)	CARES Act Delivered that Spoiled or Unpaid (\$/pound)	CCC Not Delivered (Unharvested) (\$/acre)
Tangelos	\$0.05	\$0.22	\$561.60
Tangerines	\$0.05	\$0.25	\$1,531.10
Taro	\$0.12	\$0.29	\$577.80
Thyme		\$2.63	\$2,731.05
Tomatoes	\$0.64	\$0.38	\$6,122.90
Turmeric		\$1.05	\$8,860.00
Turnip Tops		\$0.19	\$560.00
Turnips		\$0.20	\$960.00
Upland/Winter Cress		\$2.18	\$1,182.50
Walnuts	\$0.26	\$0.34	\$250.60
Watercress		\$2.18	\$1,182.50
Watermelons	\$0.04	\$0.06	\$363.90
Yautia/Malanga	\$0.48	\$0.42	\$11,840.00
Yuca/Cassava		\$0.16	\$2,964.00

\*The rates for Maple Sap (Maple Syrup) are \$/gallon.--\*

### 23-34 (Reserved)

#### \*--C Additional CFAP 1 Payments Authorized Under 7 CFR 9.01 for Hogs and Pigs

Additional assistance is authorized to help swine producers who face continuing market disruptions from changes in U.S. meat consumption due to the pandemic. FSA is not reopening the CFAP 1 application period. Only producers who previously applied for CFAP 1 are eligible to receive this additional assistance. Eligible producers do not need to submit a new AD-3114 or take any action to receive the additional payment. Producers are subject to a payment limitation of \$250,000 for all CFAP 1 payments, including this additional assistance, as provided in 7 CFR 9.7(e).

The additional CFAP 1 payment (Part 3) has been authorized under 7 CFR 9.01 for hog and pig inventory owned between April 16, 2020 to May 14, 2020, as certified by the eligible producer on the AD-3114, multiplied by a payment rate of \$17 per head.

**Note:** This payment rate is in addition to the CCC payment already approved and paid to an eligible producer's owned inventory of hogs and pigs and includes all subcategories of hogs and pigs.--\*

#### 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) and Eggs
- Part 5 for Non-Specialty Crops and Wool
- Part 6 for Livestock
- \* \* \*
- Part 7.5 for Aquaculture and Nursery/Floriculture
- 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)

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#### 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. The application may include any or all commodities currently eligible and may be revised to add:

- existing commodities
- commodities determined eligible in the future.--\*

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)

# Par. 50

## **C** Signature Requirements

A complete AD-3114, including the applicant's signature **must** be received no later than \*--September 11, 2020. See 1-CM for signature requirements. See subparagraph 21 B for late-filed AD-3114's.--\*

## 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 Redelegation 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.

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

- \*--Production, sales, inventories, and/or acreage, as applicable, as certified by the producer are subject to spot check. In addition to those selected for spot check, COC's may request additional documentation from any CFAP applicant to support the 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 selection by spot check or a COC 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 disapprove the application, as applicable. Two letters will issue; the first is the letter explaining why the producer is not eligible with appeal rights (Exhibit 6); the second letter is the letter that issues after the overpayment is processed in NRRS.--\*

Commodity	Source of Production Evidence
Dairy	• milk marketing statements for the months of January, February, and March 2020
	• records documenting milk that was dumped during January, February, and March 2020
	• other records determined acceptable by COC.
Eggs	• egg marketing statements during the months of January, February, and March 2020
	• contracts
	• sales receipts
	• other records determined acceptable by COC.
Non-Specialty,	sales receipts
Specialty,	• other sales documents indicating when a commodity was forward priced
*Aquaculture and Nursery/ Floriculture,* and Wool	ledgers of income
	income statements of deposit slips
	• register tapes
	invoices for custom harvesting
	records to verify production costs
	<ul> <li>contemporaneous measurements</li> <li>truck scale tickets</li> </ul>
	<ul> <li>Truck scale fickets</li> <li>*contemporaneous diaries – documenting production amounts at certain</li> </ul>
	times and determined acceptable by COC*
	* * *

Commodity	Source of Production Evidence
Livestock	breeding records
	• feeding records
	• inventory records
	• rendering receipts
	• sales receipts
	• veterinary records
	• other records determined acceptable by COC.

#### **B** Reviewing AD-3114's for Reasonableness (Continued)

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.

#### 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:** Payments cannot be authorized until DD has approved the CED's review of the first 5 AD-3114's according to subparagraph 3 C.

#### 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 the end of the signup period.
- \*--Note: See subparagraph 21 B for late-filed AD-3114's.--\*

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.

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

Completing eligibility forms (AD-1026, CCC-902, CCC-941, etc.) are not a condition of COC, or CED, approving AD-3114. However, these forms must be filed within 60 calendar days of the producer signing AD-3114. Failure to timely provide all eligibility forms may result in no payment or a reduced payment. County Offices must immediately update the Business File and Subsidiary record when the eligibility forms are filed.

The revised AD-3114 must be used for applications initiated after June 26, 2020.

**Exception:** If a producer submits the original AD-3114 dated May 19, 2020, that application is acceptable.

### 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, COC's 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 eligibly 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 September 11, 2020.

\*--Note: See subparagraph 21 B for late-filed AD-3114's.--\*

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 of 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)

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#### 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)

		Eligible for		
Eligibility		CFAP		
Determination/Certification	Value	Payment	Exceptions	
AD-1026	Certified	Yes		
	Not Filed	No		
	Good Faith	Yes		
	Determination			
	COC	Yes		
	Exemption			
	Awaiting	No		
	Affiliate			
	Certification			
	Affiliate	No		
	Violation			
Conservation Compliance –	In	Yes	<u><b>1</b></u> / A partial compliance	
Farm/Tract Eligibility	Compliance		value of Yes" will result	
	Partial	Yes <u>1</u> /	in an additional	
	Compliance		determination for the	
	In Violation	No	farm.	
	No	Yes		
	Association			
	Past Violation	No		
	Reinstated	Yes		
AGI - \$900,000 Limitation	Not Filed	No	2/ If an IRS	
	Filed CCC-941	Yes <u>2</u> /	determination has:	
<b>Note:</b> See 5-PL for additional	Exempt	Yes		
information about AGI	Not Met -	No	• <b>not</b> been returned,	
determinations.	Producer		then the payment	
	Not Processed	<u>3</u> /	process will use	
	Compliant -	Yes	the producer	
	Producer		certification value	
	Compliant -	Yes		
	Less than 3		• been returned, then	
	years		the payment	
	Not Compliant	No	process will use	
	Failed	No	the IRS returned	
	Verification		value.	
			<u>3</u> / If the IRS value is <b>not</b>	
			processed, then the	
			payment process will	
			use the producer	
			certification value.	

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

# 67 CFAP Subsidiary Eligibility (Continued)

# **B** Subsidiary Eligibility (Continued)

Eligibility Determination/Certification	Value	Eligible for CFAP Payment	Exceptions
Adjusted Gross Income – 75% Farm		Yes	<b>F</b> == = = = = =
AGI Rule	No	No	
Foreign Person Determination	Yes or Not	Yes	
	Applicable		
	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.

Priority	Eligibility Provision	
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.

How Information Is Used for Payment Processing e information from AD-3114 is used to complete Gross Payment Report for approved nmodities which determines the CFAP Dairy and/or CFAP Eggs, CFAP-Non-Specialty*	Source Application System
e information from AD-3114 is used to complete Gross Payment Report for approved nmodities which determines the CFAP Dairy and/or CFAP Eggs, CFAP-Non-Specialty*	Application
Gross Payment Report for approved nmodities which determines the CFAP Dairy and/or CFAP Eggs, CFAP-Non-Specialty*	
nmodities which determines the CFAP Dairy and/or CFAP Eggs, CFAP-Non-Specialty*	System
and/or CFAP Eggs, CFAP-Non-Specialty*	
and/or CFAP Eggs, CFAP-Non-Specialty*	
ops, CFAP Wool, CFAP-Livestock, CFAP-	
ecialty Crops, and/or CFAP Value Loss Crops	
ss payment amount for the producer.	
ed to determine whether the producer	Web-Based
lividual, entity, and/or member of a general	Eligibility System
tnership or joint operation) is eligible for	
ment for which AD-3114 was filed.	
ed to determine the producer's business type,	Business Partner/
zenship status, and general name and address	SCIMS
ormation.	
ed to determine the following for which	Business File
-3114 was filed:	
entities	
general partnerships	
joint ventures.	
ed to determine payment limitation availability.	Payment
	Limitation
	System
Calculated payment information is provided to	NPS or NRRS
NPS.	
Determined overpayment amount may be	
	cialty Crops, and/or CFAP Value Loss Crops ss payment amount for the producer. ed to determine whether the producer lividual, entity, and/or member of a general mership or joint operation) is eligible for ment for which AD-3114 was filed. ed to determine the producer's business type, zenship status, and general name and address ormation. d to determine the following for which -3114 was filed: entities general partnerships joint ventures. ed to determine payment limitation availability. Calculated payment information is provided to

# 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)

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### \*--Part 4 Dairy and Eggs

# Section 1 Basic Information

#### 85 Overview

### **A** Introduction

CFAP provides financial assistance to dairy and egg operations due to market decline of the all milk price and a five percent or greater price decline for frozen and liquid eggs 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 and egg operations for losses, CFAP will use the eligible milk and frozen or liquid egg 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.

\*--CFAP payments will be made to producers of liquid and frozen eggs. Payments using funding from the CARES Act will be determined by multiplying a producer's frozen and/or liquid egg production for the first quarter of calendar year 2020 by the payment rate listed for the appropriate egg type in the table in subparagraph 22 B. Payments under the CCC Charter Act will be determined by multiplying a producer's frozen and/or liquid egg production for the first quarter of calendar year 2020 by the appropriate egg type payment rate in the table in subparagraph 22 B. Payments and/or liquid egg production for the first quarter of calendar year 2020 by the appropriate egg type payment rate in the table in subparagraph 22 B.--\*

86-95 (Reserved)

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# Section 2 General Program Policies and Provisions

# 96 CFAP Dairy and Egg Eligibility

# A Eligible Dairy and Egg Operations

Eligible dairy operations who commercially market milk from bovine in the United States are eligible for CFAP.

\*--Eligible egg operations who commercially market frozen or liquid eggs from chickens in the United States are eligible for CFAP.

Egg operations with a risk in the egg sales, whether an owner of layers or a processor, may be eligible for CFAP payments. COC must determine who has risk.

Egg operations with a guarantee price on their eggs are not eligible for CFAP.--\*

# **B** Eligible Milk and Egg 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.

CFAP eligible egg production is frozen and/or liquid eggs produced for the months of January, February, and March 2020.

\*--If the eggs are sold/processed as liquid or frozen eggs and do not already have a guarantee payment to the producer, then they are eligible for CFAP. This includes eggs that are sold to be broken but are still in the shell, which includes nest eggs.--\*

# **C** Dissolved Dairy Operations

Dairy operations that dissolve during the first 2 quarters of 2020 are eligible for CFAP for their applicable pounds of milk production. A dairy operation that dissolved during:

- January 1, 2020, through March 31, 2020 (1<sup>st</sup> quarter), are **only** eligible for the CARES Act, Part 1 funding, and **not** CCC, Part 2 funding
- April 1, 2020, through June 30, 2020 (2<sup>nd</sup> quarter), are eligible for the CARES Act, Part 1 payment and a prorated CCC, Part 2 payment according to the days the dairy operation produced milk.

# 96 CFAP Dairy and Egg Eligibility (Continued)

# **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 Dairy and Egg 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.

Liquid and/or frozen egg producers will self-certify to their liquid/frozen egg production, as dollars per pounds, for the months of January, February, and March 2020.

If the producer sells his/her frozen and/or liquid eggs still in the shell, the following formula can be used to convert to pounds:

Number of pounds = Number of cases (30 dozen eggs in a case) X 48 pounds X .83.

If the producer reports his/her eggs in dozens instead of cases, use the following formula:

Number of pounds = Number of dozen eggs X 1.6 pounds X .83.

**Notes:** The standard weight for a case of 30 dozen eggs is 48 pounds. It is assumed that 83 percent of the shell egg is liquid egg.

# 97 Reporting Dairy and Egg Production (Continued)

# **B** AD-3114, Part C

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

Each dairy and/or egg operation must report the following eligible production in pounds:

- January 2020
- February 2020
- March 2020.

PART C – DAIRY/EGG PRODUCTION INFORMATION			COC USE ONLY			
6. Commodity/ 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

# C Processing AD-3114 for Dissolved Dairy Operations

CFAP software can process applications for dissolved dairy operations. County Offices will use the revised AD-3114 (8-14-20), which requires the date a dairy operation stopped producing milk for a dissolved dairy operation. The software will determine eligible payments for dissolutions occurring from:

- January 1, 2020, through March 31, 2020 (1<sup>st</sup> quarter), will be paid under the CARES Act (Part 1) and **not** CCC funding (Part 2)
- April 1, 2020, through June 30, 2020 (2<sup>nd</sup> quarter), will be paid under the CARES Act (Part 1) and pro-rated payment for CCC funding according to the number of days producing milk.

In the CFAP software, County Offices will enter the date the dairy operation stopped producing milk, which is the dissolution date.

**Note:** The system will not accept a date in the future before January 1, 2020. COC will have the capability to adjust the dairy operation dissolution date if necessary.

# 98-110 (Reserved)

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## \*--111 Dairy and Egg 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.

\*--CFAP frozen egg payments are funded in two parts and by two sources:

- Part 1 (funded by CARES Act) will pay \$0.06 per pound of the three-month frozen egg production
- Part 2 (funded by CCC) will pay \$0.02 per pound of the three-month frozen egg production.

CFAP liquid egg payments are funded in two parts and by two sources:

- Part 1 (funded by CARES Act) will pay \$0.05 per pound of the three-month liquid production
- Part 2 (funded by CCC) will pay \$0.02 per pound of the three-month liquid egg production.--\*

# \*--111 Dairy and Egg Payment Components (Continued)

# **B** CFAP Dairy and Egg Payment Calculation

CFAP payments for eligible milk and/or liquid/frozen egg production will be the sum of results from the following two calculations:

	Eligible Payment	Eligible Payment
Eligible Commodity	Part 1 (CARES Act Funds)	Part 2 (CCC Funds)
Dairy	For each eligible producer,	For each eligible producer,
	payment is calculated by	payment is calculated by
	multiplying the pounds of	multiplying the pounds of
	milk production for the	milk production for the
	months of January, February,	months of January, February,
	and March 2020, by \$0.0471.	and March 2020, by \$0.0147.
Liquid/Frozen Eggs	For each eligible producer, a	For each eligible producer, a
	payment rate per pound of	payment rate per pound of
	liquid and/or frozen egg	liquid and/or frozen egg
	production for the months of	production for the months of
	January, February, and March	January, February, and March
	2020.	2020.
		*

# \*--111 Dairy and Egg 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 and Egg 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 signup 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 x 90 percent = 1,174,500 lbs.
- Sam McDonald 1,305,000 x 10 percent = 130,500 lbs.

The payment calculation is as follows:

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

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

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

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

# \*--111 Dairy and Egg 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.

# \*--111 Dairy and Egg Payment Components (Continued)

# **D** CFAP Egg Application and Payment Examples

## Example 1 – EZ Eggs LLC

EZ Eggs LLC is a liquid egg operation with around 1 million layers and is interested in applying for CFAP. EZ Eggs LLC completes the AD-3114 online using monthly production information for January, February, and March 2020. Once the monthly egg production is added to the AD-3114, and signed by the producer, the application is complete for CFAP.

Egg production is as follows:

- January production for liquid eggs 2,697,558 pounds
- February production for liquid eggs 2,400,345 pounds
- March production for liquid eggs 2,520,000 pounds.

#### **Total Egg Production- 7,617,903 eligible pounds**

The payment calculation is as follows:

- Part 1 for liquid eggs 7,617,903 lbs. x \$0.05= \$380,895.15
- Part 2 for liquid eggs -7,617,903 lbs. x 0.02 = 152,358.06.

#### EZ Eggs LLC Total Payment - \$533,253.21

**Note:** The \$250,000 payment limit applies, however EZ Eggs LLC 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-percentor-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 9.2]

<u>Unpriced inventory</u> means any production not subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding.--\*

<u>Wool</u> 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)

## **136** Eligible Commodities

## A Eligible Non-Specialty Crops

The following non-specialty crops are eligible for CFAP:

- barley \* \* \*
- 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

Crop Name	Тур	e Name	Intended Use
Barley * * *	All		FG, GR, SD
Canola	All		SD, GR, PR
Corn	<ul> <li>Amylose</li> <li>Blue</li> <li>Grainless Forage</li> <li>High Amylase</li> <li>Popcorn</li> <li>Red</li> </ul>	<ul> <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

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

#### \* \* \*

Notes: Crops intended for grazing are not eligible for CFAP.

Commodities used on the farm, such as silage, are eligible for CFAP.

CFAP applications will only process and decisions will be made only for crops and intended uses listed in this subparagraph.

# **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.

<u>Unpriced</u> (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).

T D - NON-SPECI/	ALTY CROP AND WOOL I	NFORMATION		COC U	SE 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.

\*--Upland cotton will be reported in pounds of lint.--\*

### **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 \* \* \*.

\*--COC can examine FSA-578 and request evidence of production or sales if it has any 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 production or sale, and
- number of acres planted.--\*

\* \* \*

#### **F** 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.

### **138 Production Reporting (Continued)**

# \*--G Crop Not Harvested by Time of Application

A 2019 crop not harvested at the time of application is not eligible for CFAP. The producer may amend the application before the end of the signup period if the crop is eventually harvested.

Production from failed acres or appraised production that is not harvested is **ineligible** for CFAP.

# H Upland Cotton Not Ginned

Any upland cotton that has not been ginned at the time of application will not be entered as production on AD-3114. When cotton is ginned, that production may be added to:

- 2019 Total Production, and
- 2019 Production Not Sold (by Jan 15, 2020).

**Note:** To be considered as "2019 Production Not Sold (by Jan 15, 2020)", this upland cotton must be subject to price risk components.

Upland cotton must be ginned by the end of the signup period in order to apply 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.

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

IF there is	THEN
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.

# 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
- 19.6 for earlage or snaplage
- 3.114 cwt. for grain sorghum multiplied by 100 divided by 56 (use for all sorghum)
- 6.00 for millet
- 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 (use for all sorghum)
- 17.00 for millet
- 11.66 for oats
- 14.20 for soybeans
- 19.97 for wheat.

**Note:** If a commodity was harvested as grain and then the stalks were harvested for hay, that hay is ineligible for CFAP.

# D High Moisture Grain

High moisture grain is eligible for CFAP; however, the producer must certify production to reflect the applicable moisture standard in 2-LP Grains and Oilseeds.

### 141 Contracts to Purchase a Commodity

#### A Subject to Price Risk

\*--Nonspecialty crops and wool, must be unpriced on January 15, 2020, to be eligible for--\* CFAP. There are many different types of contracts available to producers to market their crop with a "future" price component.

Any contract that has a potential for a futures loss or basis loss is considered to have price \*--risk and that commodity is subject to price risk. These can be viewed as unpriced. See the--\* table in subparagraph B.

### **B** Types of Contracts

The following table details various types of purchase contracts with their relationship to price loss.

Marketing Contract Eligibility for CFAP				
Type of Contract in Existence				
before Jan. 15, 2020	Explanation			
Contracts Eligi	ble for CFAP			
Basis Contract	Producer locks in a basis leaving the			
Basis Fixed Contract	future price to be set later.			
No Price Established	Producer delivers commodity without			
Delayed Price	*setting a sales price (does not need			
Deferred Price Contract	to have ownership as of			
	January 15, 2020.)*			
Contracts Inelig				
Cash Contract	*Contract provides that the*			
Fixed Price Contract	producer receives a cash price for a			
	commodity when sold.			
Forward Price Contract	*Contract provides that the*			
Cash Forward Contract	producer receives a cash price for a			
	commodity based on a future delivery.			
Minimum Price Contract	*Contract provides that the*			
Option Contract	producer locks in the cash price and			
Window Contract	buys a call option to establish a			
	minimum price. The net cash price			
	will never be less than the original			
	cash value minus the cost of the call			
	option.			
Hedge to Arrive	*Contract provides that the*			
Futures Fixed Contract	producer locks in a futures price			
Futures Contract	leaving the basis to be set later.			

\*--Note: Positions taken on the Board of Trade (not selling an actual commodity) will not cause the commodity to be viewed as priced.--\*

# Par. 141

## C Pool-Marketed Cotton

Upland cotton producers utilize a variety of marketing contracts and marketing channels designed to reduce price risk and improve their total return. A producer may choose to market upland cotton as an individual or in a marketing pool provided by a marketing cooperative or association or merchant. In each of these arrangements, the producer retains price risk in the market unless a fixed and final price has been established by the producer or their designated marketer.

Cooperatives and other pool marketers manage their upland cotton marketing pools on behalf of their grower members. Pool marketers may report to their members the percentage (pounds) of the total volume of cotton from the 2019 upland cotton crop that is unpriced as of January 15, 2020, in each pool, regardless of the bale has been shipped, in transit, in storage, etc.--\*

# **D** Examples of a Forward Contract

Example	Type of	Execution Date	<b>Risk of Price</b>	Count as 2019
	Contract	(Date Price or Basis	Change	Production Not Sold
		is Locked In)		(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

Following are 4 examples.

# 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.

AND CONFIRMATION					
Purchased Fro	n	Cus	tract Date: tomer Number: tract Number: erence Number		
Commodity:	Corn	Weights:	DESTINATIO	DN .	
Quantity/Units:	10,000.00 Bu.	Grades:	DESTINATIO	ON	
Price:	\$ 4.6000	Grade:	2		
Basis:	\$ 0.0000 00/00 CBOT				
lvd	Delivered - Truck				
DELIVER	ED TO				
1. If no objective	TERMS AND CO	NDITIONS			
<ol> <li>Conditions here</li> <li>You are to not mayexercise our your account.</li> <li>Seller guarant misbranded withi</li> <li>Seller agrees</li> <li>penalties, Seller r</li> </ol>	is made to the contract immediately the sar in. fy us on the last day of contract shipping tin rights in cancelling the trade, discounting th sets that no car loads or other shipping units the meaning of the Federal Food, Drug an hat the commodity sold hereunder shall be epresents that said commodity is now free a any delivery by buyer after breach of this co	ne shall be conside the if unable to get g a contract, extendir of the commodity of d Cosmetic Act. delivered free and und clear	rain shipped within g the time of shipr covered by this cor clear of all claims,	a contract time so that we nent or buying the grain for ntract shall be adulterated or liens, encumbrances and	
<ol> <li>conditions here</li> <li>You are to not mayexercise our your account.</li> <li>Seller guarant misbranded withi</li> <li>Seller agrees penalties. Seller r</li> <li>Acceptance of buyer as a result</li> </ol>	is made to the contract immediately the sar in. fy us on the last day of contract shipping tin rights in cancelling the trade, discounting th sees that no car loads or other shipping units the meaning of the Federal Food, Drug an hat the commodity sold hereunder shall be epresents that said commodity is now free any delivery by buyer after breach of this co of such breach.	ne shall be conside the if unable to get g a contract, extendir of the commodity of d Cosmetic Act. delivered free and und clear	rain shipped within g the time of shipr covered by this cor clear of all claims,	a contract time so that we nent or buying the grain for ntract shall be adulterated or liens, encumbrances and	
<ol> <li>conditions here</li> <li>You are to not mayexercise our your account.</li> <li>Seller guarant misbranded withi</li> <li>Seller agrees penalties. Seller r</li> <li>Acceptance of buyer as a result</li> </ol>	is made to the contract immediately the sar in. fy us on the last day of contract shipping tin rights in cancelling the trade, discounting th sets that no car loads or other shipping units the meaning of the Federal Food, Drug an hat the commodity sold hereunder shall be epresents that said commodity is now free a any delivery by buyer after breach of this co	ne shall be conside the if unable to get g a contract, extendir of the commodity of d Cosmetic Act. delivered free and und clear	rain shipped within g the time of shipr covered by this cor clear of all claims,	a contract time so that we nent or buying the grain for ntract shall be adulterated or liens, encumbrances and	
2. You are to not mayexercise our your account. 3. Seller guarant misbranded withi 4. Seller agrees penalties. Seller r 5. Acceptance of buyer as a result	is made to the contract immediately the sar in. fy us on the last day of contract shipping tim rights in cancelling the trade, discounting th ease that no car loads or other shipping units the meaning of the Federal Food, Drug an hat the commodity sold hereunder shall be epresents that said commodity is now free a any delivery by buyer after breach of this co of such breach. (Seller)	ne shall be conside the if unable to get g contract, extendir of the commodity of d Cosmetic Act. delivered free and d und clear. untract by seller sha	rain shipped within g the time of shipr covered by this cor clear of all claims,	a contract time so that we nent or buying the grain for ntract shall be adulterated or liens, encumbrances and	

# **D** 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.

		URCHASE CON	TDACT CONFIDERATION	
	P	UNCHASE CON	TRACT CONFIRMATION	1 - FP
	3			
			Contract No.	
			Contract Date :	
Buyer			Reference : Buyer's Trader :	
			Seller's Contact :	
			Contact Phone No. :	
			Contact FAX No. :	
Seller				
Gener				
	USA			
Commodity & Grade Net Quantity	: S #1 Yellow Soybeans	500 00 PL		
-	: 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: 3/24/202	20 END: 4/3/2020	
Delivery Mode	Weights To	Apply Grades To Apply	Delivery Logeties (Freinte Bruth Bruth	
Truck	Destination	Destination	Delivery Location/Freight Basis Point	
Discount Schedule Not				
Quality discounts in effe	ect at time of delivery to apply.			
Quality discounts in effe Trade Rules To Govern	ct at time of delivery to apply. n: National Grain & Feed Assoc	iation Trade and Arbitration F	Rules	
Quality discounts in effe Trade Rules To Govern Payment Terms:	et at time of delivery to apply. n: National Grain & Feed Assoc Net 0 days thase Contract Confirmation confi	mo the terms and an it's		
Quality discounts in effe Trade Rules To Govern Payment Terms: IMPORTANT: This Purcl and Buyer made on the	Antional Grain & Feed Assoc Net 0 days thase Contract Confirmation confi date set for boost	rms the terms and conditions	s of the purchase contract (the "Contract") b	etween the Seller ne amounts and on
Quality discounts in effe Trade Rules To Govern Payment Terms: IMPORTANT: This Purcl and Buyer made on the the terms and conditions of this Purchase Contract	A time of delivery to apply. National Grain & Feed Assoc Net 0 days hase Contract Confirmation confi date set forth above. The Seller s set forth above and on page 2 ( Confirmation /uncor excited above	rms the terms and conditions hereby sells and agrees to de which may be the reverse sid	s of the purchase contract (the "Contract") bi eliver, and the Buyer hereby purchases, in t le hereof). Buyer requests written acknowle	ne amounts and on edgement of receipt
Quality discounts in effe Trade Rules To Govern Payment Terms: IMPORTANT: This Purcl and Buyer made on the the terms and conditions of this Purchase Contrac parties have agreed to u the stated terms or comd	ct at time of delivery to apply. n: National Grain & Feed Assoc Net 0 days hase Contract Confirmation confi date set forth above. The Seller is set forth above and on page 2 (i confirmation of contracts). ses for confirmation of contracts).	rms the terms and conditions hereby sells and agrees to d which may be the reverse sid ase immediately sign and ret It is the Seller's duty to imm and needlars	s of the purchase contract (the "Contract") b eliver, and the Buyer hereby purchases, in t le hereof). Buyer requests written acknowl um one copy by mail, facsimile, or other ele cidately notify Buyer of any objections or dir	ne amounts and on adgement of receipt ctronic means the agreements with
Quality discounts in effe Trade Rules To Govern Payment Terms: IMPORTANT: This Purcl and Buyer made on the the the terms and conditions of this Purchase Contrac parties have agreed to u the stated terms or cond that he/she has been dui Seller acknowledges that	ct at time of delivery to apply. 11: National Grain & Feed Assoc Net 0 days hase Contract Confirmation confi date set forth above. The Seller is set forth above and on page 2 ( 4 Confirmation (upon receipt, ple- ses for confirmation of contracts). Itions. Otherwise, all of the terms by authorized to execute this confi- toration the the one of the self.	rms the terms and conditions hereby sells and agrees to d which may be the reverse sid ase immediately sign and ret It is the Seller's duty to imm and conditions are binding irmation and bind the Seller t	s of the purchase contract (the "Contract") b leliver, and the Buyer hereby purchases, in the le hereof). Buyer requests written acknowlu um one copy by mail, facsimile, or other ele ediately notify Buyer of any objections or di upon both parties. The undersigned represe or the terms stated in this Purchase Contrac	ne amounts and on adgement of receipt ctronic means the agreements with nts and warrants t Confirmation.
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# **D** 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.

Buyer			PRINTED Contract No. Contract Date Reference	: : 10/4/2019 :
USA			Buyer's Trader Seller's Contact Contact Phone No. Contact FAX No.	
Phone: FAX:				
Seller				
	USA Yellow Soybeans 00.00 BU			
Price/Pricing Method/BU	BU	Futures Reference Price	e Basis Option Month	Price
Theor nong metrou be	10,000.00	9.6250	-0.4400 Nov/20 CBOT	9.1850
Shipment Period : Oct/N	lov 20	START: 10	D/1/2020 END: 11/30/2020	
<b>Delivery Mode</b> Truck	Weight Destina	ts To Apply Grades To A ation Destination	Apply Delivery Location/Fre	ight Basis Point
Discount Schedule Notes: Quality discounts in effect at time	e of delivery to apply	у.		
Quality discounts in effect at time Trade Rules To Govern: Nation Payment Terms: Net (	onal Grain & Feed A 0 days	Association Trade and Arbitr	ditions of the nurchase contract	(the "Contract") between the Seller
Quality discounts in effect at timm           Trade Rules To Govern: Natit           Payment Terms: Nati           IMPORTANT: This Purchase Conditions and Buyer made on the date set the terms and conditions set fort of this Purchase Contract Confir parties have agreed to use for out the stated terms or conditions. (In that he/she has been duly author)	onal Grain & Feed A 0 days intract Confirmation forth above. The S h above and on pag mation (upon receip onfirmation of contra Otherwise, all of the rized to execute this cling for the sale and	Association Trade and Arbitr confirms the terms and cor Seller hereby sells and agree ge 2 (which may be the reve to the seller's duty it is the Seller's duty it erms and conditions are bis s confirmation and bind the deliver of an androitlural	ditions of the purchase contract as to deliver, and the Buyer herel rise side hereof). Buyer request and return one copy by mail. facts to immediately notify Buyer of an inding upon both parties. The un Seller to the terms stated in this commonity invalves risks and th	by purchases, in the amounts and s written acknowledgement of rece simile, or other electronic means the y objections or disagreements with dersigned represents and warrants Purchase Contract Confirmation.
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# **D** 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.

	P	riced Purch	ase Contr	act	
					*
urchased Fron	n		Cu Co	ntract Date: 12/20/2 stomer Number: ntract Number: ference Number:	2019
Commodity:	Corn		Weights:	DESTINATION	
Quantity/Units:	5,000.00 Bu.		Grades:	DESTINATION	1
Price:	\$ 4.8000		Grade:	2	
Basis:	\$ 0.0000 00/00	CBOT			
Divd	Delivered - Truck				1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Shipment Period	I: Jun 01, 2020 - Jul 31, 2	020			
Premium/Discou	unt:				
Presiel Instuat	ions / Remarks:				
and a service of the	the second s				
DELIVER	ED TO				
					1
	1 - C. 1- 1- 1- 1- 1- 1- 1- 1- 1- 1- 1- 1- 1-				
conditions her	n is made to the contract imm		e shall be cons	idered final and will signify you t grain shipped within contrac	
mayexercise our	rights in cancelling the trade	e, discounting the	contract, exten	ding the time of shipment or t ty covered by this contract sh	buying the grain for
misbranded with 4 Seller agrees	in the meaning of the Federa	al Food, Drug and reunder shall be d	Cosmetic Act.	d clear of all claims, liens, en	
5. Acceptance of	represents that said commo of any delivery by buyer after It of such breach.	breach of this co	ntract by seller	shall riot waive any rights or re	emedies accruing t
Accepted		(Seller)	-		1. 1. C. M. C.
By:	and a second	(Gener)	Signed:		
	2-24-19			Monday, December 23, 2	2019
Data			Date:	nonday, December 23, 2	
Date: 1		E SIGN DUPL			

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

#### 142-150 (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.

	Unit of	CARES Act	CCC Payment
Commodity	Measure	<b>Payment Rate</b>	Rate
Barley * * *	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)

Turfor		In strue of on	Coloulation	Doguel4
	mation	Instruction	Calculation	Result
2019 Produ	ction Not	Production subject		1,500 bushels
Sold (as of .	Jan 15, 2020)	to price risk		
		(AD-3114, item 16)		
	Not to	50% of the 2019	6,500 bushels	3,250 bushels
	exceed	Total Production	multiplied by 50%	
		(AD-3114, item 15)		
		multiplied by 50%		
Eligible pro	duction			1,500 bushels
Eligible pro	duction for		1,500 bushels	750 bushels <u>1</u> /
each fund			multiplied by 50%	_
Eligible pro	duction for	CARES Act funds	750 bushels	\$337.50
each fund m	nultiplied by		multiplied by \$0.45	
the applicab	ole fund's		(soybean CARES	
payment rat	e		Act rate)	
		CCC funds	750 bushels	\$375
			multiplied by \$0.50	
			(soybean CCC rate)	
Gross Paym	ient			\$712.50

The payment computation is as follows.

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)

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#### 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 sheep are those that are determined to have 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 and continuing market disruptions from changes in U.S. meat consumption due to the pandemic. 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. Part 3

\*--payments for hogs and pigs as authorized by §9.102, and cattle as authorized by the Consolidated Appropriations Act of 2021, are based on the highest owned inventory of--\* eligible livestock between April 16, 2020, and May 14, 2020, multiplied by a national payment rate per head. This calculation is subject to availability of funds and will be factored, if needed. FSA is not reopening the CFAP 1 application period for Part 3. Only producers who previously applied for CFAP 1 are eligible to receive this additional assistance. Eligible producers do not need to submit a new CFAP 1 application or take any action to receive the additional payment.

#### C Definitions [7 CFR 9.2]

<u>All other cattle</u> 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.

All other sheep mean sheep 2 years of age or older.

<u>Cattle</u> 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)

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

<u>Commodity</u> 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.

<u>Feeder cattle 600 pounds or more</u> 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.

<u>Producer</u> 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.

\*--<u>Slaughter cattle-fed cattle</u> means cattle with a weight of 1,200 pounds or more that are intended for slaughter.--\*

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

<u>Unpriced</u> \* \* \* 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 and unpriced on January 15, 2020, and sold between January 15, 2020, and April 15, 2020
- offspring born from the January 15, 2020 owned inventory **and** sold between January 15, 2020, and April 15, 2020
- owned livestock in inventory 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** livestock sold between January 15, 2020, and April 15, 2020, **must be unpriced** as of January 15, 2020. Unpriced 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. Livestock is considered unpriced until livestock is priced in the cash market. Positions that producers take on the futures market for risk protection on their livestock will not cause a producer to be determined ineligible for CFAP.

- \*--CFAP payments will be made with respect to only commodities produced in the United States; commodities other than livestock that are imported into the United States may not be used to determine any payment. For livestock, "produced in the United States" means physically located in the United States:
  - on January 15, 2020, and remaining in the United States until sold between January 15, 2020, and April 15, 2020; or
  - on the applicable date selected for livestock in inventory between April 16, 2020, and May 14, 2020.--\*

Ineligible livestock are:

- livestock used for dairy production or intended for dairy production
- •\*--livestock purchased after January 15, 2020, and sold by 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.

Livestock Category	Eligible Livestock				
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)				
Sheep	All Other Sheep (All Sheep Greater Than 2 Years Old)				

#### 178 Sales and Inventory Reporting Requirements for Livestock

#### A Producer Reporting Requirements

The information required from producers to apply for CFAP will be a **self-certification** by the producer or authorized representative. Livestock producers must self-certify the following sales and inventory information, as applicable, for the CFAP application:

- owned unpriced inventory as of January 15, 2020, and any offspring from that inventory, that were sold between January 15, 2020 and April 15, 2020, and/or
- highest owned inventory on a date selected by the eligible producer between April 16, 2020, and May 14, 2020.
- **Note:** For livestock operations that have multiple owners, each individual producer or entity must ensure that the self-certification only represents their individual share of eligible livestock. The AD-3114 does not include a data entry for a share percentage.
- **Example:** DJB Cattle Co. (DJB) and River Cattle Co. (River) own livestock together. DJB has 50 percent ownership and River has 50 percent ownership of 75 cows and 6 bulls. DJB and River will each have a separate CFAP application. DJB and River agree how the number of animals will be reported to represent each of their livestock interest on each CFAP application, since 75 cows and 6 bulls equal 81 animals for "All Other Cattle" for Part 2 CCC payment calculation. DJB agrees to certify their highest owned inventory for CCC Part 2 of "All Other Cattle" is 40 head and River agrees to certify their highest owned inventory for CCC Part 2 of "All Other Cattle" is 41 head.

### Par. 178

### 178 Sales and Inventory Reporting Requirements for Livestock (Continued)

### A Producer Reporting Requirements (Continued)

If a producer has a forward contract, agreement, or similar binding document that secures a price for the eligible livestock as of January 15, 2020, the livestock sales between January 15, 2020, and April 15, 2020, are ineligible for CFAP.

- Note: It is the producer's responsibility to self-certify **only** the livestock sold between January 15, 2020, and April 15, 2020, that are owned and **unpriced as of** January 15, 2020, and the highest **owned** inventory on a date between April 16, 2020, and May 14. 2020. 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.
- \*--Exception: COVID-19 caused processing plant closures and other disruptions to shipping patterns and the orderly marketing of commodities. Eligible owned livestock on January 15, 2020, that were slaughtered from January 15, 2020, through April 15, 2020, and were priced and/or intended to be priced and sold between the respective dates but because of COVID-19 conditions out of the producer's control prevented the actual pricing or sales transaction, these livestock sent to slaughter during that timeframe would be considered sales for CFAP and are eligible to be included in AD-3114, item 21. This provision should only apply to very specific and special circumstances and should be documented and reviewed by COC. The producer must ensure that they certify to the correct livestock category, the number of head that were slaughtered meeting these special provisions of slaughtered and intended to be sold under normal market conditions, and if requested by COC, provide documentation to support the exception. This provision is for commercially produced and marketed livestock and not for livestock slaughtered for personal use and consumption.--\*

# 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.

ART E – LIVESTOCK INFORMATION				COC USE ONL	Y
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)

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### 188 Livestock CFAP Payment Computations

### A Payment Rates

\*--CFAP payment rates are determined by the Secretary and Part 1 and Part 2 payments are paid using two separate funds (CARES Act and CCC); however, these payments will be paid in 1 amount. The Part 3 payments, as authorized by § 9.102 and the Consolidated Appropriations Act, 2021 are subject to availability of funds and will be factored, if needed.--\*

Livestock	Eligible Livestock	Unit of Measure	CARES Act Part 1 Payment Rate	CCC Part 2 Payment Rate	Part 3 Payment Rate
Cattle	Feeder Cattle: Less Than 600 Pounds	Head	\$102.00	\$33.00	*\$7.00
	Feeder Cattle: 600 Pounds or More	Head	\$139.00	\$33.00	\$25.50
	Slaughter Cattle: Fed Cattle	Head	\$214.00	\$33.00	\$63.00
	Slaughter Cattle: Mature Cattle	Head	\$92.00	\$33.00	\$14.75
	All Other Cattle	Head	\$102.00	\$33.00	\$17.25*
Hogs & Pigs	Pigs: Less Than 120 Pounds	Head	\$28.00	\$17.00	\$17.00
	Hogs: 120 Pounds or More	Head	\$18.00	\$17.00	\$17.00
Lambs & Yearlings	Lambs and Yearlings (All Sheep Less Than 2 Years Old)	Head	\$33.00	\$7.00	
Sheep	All Other Sheep (All Sheep Greater				
	Than 2 Years Old)	Head	\$24.00	\$7.00	

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

#### **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)	Part 2 (CCC Funds)	Part 3 Payment For
Payment	Payment	*Cattle, Hogs & Pigs*
For each eligible producer, payment is calculated by multiplying the number of owned and unpriced 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 owned livestock inventory on a date selected by the producer between April 16, 2020, and May 14, 2020,	For each eligible producer, payment is calculated by multiplying the highest owned inventory between April 16, 2020, to May 14, 2020, by the payment rate per
Note: Livestock must have been owned by the producer and unpriced as of January 15, 2020. Any offspring born and sold by April 15, 2020, from that same inventory are eligible.	by the payment rate per head.	head.

### C CFAP Livestock Application and Payment Examples

#### **Example 1 – Cow Calf Operation**

- \*--Producer DJB Cattle Co had the following owned and unpriced 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 owned 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 IN	FORMATIO	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 48	30 calves	
Slaughter Cattle: Mature Cattle	Head	10			
All Other Cattle	Head		573 48	30  cows + 18  bulls + 75  h	eifers = 573

# 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 Ac	t) Pa	ayment	Part 2 (CCC) Pay		CCC) Pay	Payment	
						Highest				
		Sales				Inventory				
	Unit of	Jan 15 -	Payment	Ca	alculated	April 16 -	Pa	yment	Ca	lculated
Livestock	Measure	April 15	Rate		Pmt	May 14		Rate		Pmt
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 Estimat	Total Estimated Gross CFAP Payment Before Any Reductions (PL, etc.) \$ 36,383							36,383		

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

### **Example 2 – Cattle Feeder Operation**

\*--Producer 5R Feeders had 7500 feeder calves over 600 pounds owned and unpriced--\* 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 owned inventory on a date 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 IN	FORMATIO	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				ent	
						Highest				
		Sales				Inventory				
	Unit of	Jan 15 -	Payment	Ca	alculated	April 16 -	Pa	ayment	Ca	alculated
Livestock	Measure	April 15	Rate		Pmt	May 14		Rate		Pmt
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 Estima	Total Estimated Gross CFAP Payment Before Any Reductions (PL, etc.) \$ 918,950						918,950			

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

# 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.

# C CFAP Livestock Application and Payment Examples (Continued)

### **Example 4 – Farrow to Wean Hog Operation**

- \*--Producer Cooper Floyd had the following owned and unpriced 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 owned inventory on a date 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 IN	FORMATIO	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 Ibs	Head	500	25		
Hogs: 120 lbs or More	Head		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 owned inventory--\* on January 15, 2020.

# 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		t 2 (CCC) Pa	yment
	Unit of	Sales Jan 15 -	Payment	Calculate	Highest Inventory d April 16 -	Payment	Calculated
Livestock	Measure	April 15	Rate	Pmt	May 14	Rate	Pmt
Hogs & Pigs: Pigs Less than 120 lbs	Head	500	\$ 28.00	\$ 14,00	) 25	\$ 17.00	\$ 425
Hogs & Pigs: Hogs 120 lbs or More	Head		\$ 18.00	\$-	105	\$ 17.00	\$ 1,785
		Total C	ARES Act	\$ 14,00	Total CO	CC Part 2	\$ 2,210
Total Estimated Gross CFAP Payment Before Any Reductions (PL, etc.) \$ 16,210						\$ 16,210	

\*--The additional CFAP 1 Part 3 payment for Floyd's eligible livestock would be \$2,210 (130 head of hogs/pigs x \$17.00) before payment reductions.--\*

### 189-199 (Reserved)

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# Part 7 (Withdrawn--Amend. 6)

# Section 1 (Withdrawn--Amend. 6)

200, 201 (Withdrawn--Amend. 6)

202-204 (Reserved)

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#### \*--Part 7.5 Aquaculture and Nursery/Floriculture

#### Section 1 Basic Information

#### 205 Overview

#### A Background

Eligible aquaculture and nursery/floriculture commodities are identified in NOFA; CFAP. CFAP provides eligible aquaculture and nursery/floriculture producers financial assistance intended to help offset market price declines and increased marketing costs resulting from the COVID-19 pandemic.

For eligible aquaculture species (excluding crayfish), they must have suffered a 5 percentor-greater price loss due to COVID-19 between January 15, 2020, and April 15, 2020, or inventory of the aquaculture species (excluding crawfish) that was not sold but was market size and available to be marketed between January 15, 2020, and April 15, 2020.

For eligible crayfish producers, they must have suffered a 5 percent-or-greater price loss due to COVID-19 between January 15, 2020, and April 15, 2020, or inventory that was not sold as of April 15, 2020, due to lack of market and will not be sold in calendar year 2020.

For eligible nursery/floriculture commodities inventory that was shipped but subsequently spoiled or is unpaid due to loss of marketing channels between January 15, 2020, and April 15, 2020 or inventory that did not leave the farm between January 15, 2020, and April 15, 2020, due to a complete loss of marketing channel.

#### **B** General Information

Aquaculture commodities are unique because they require continued feeding and care, and they continue to grow and may ultimately exceed the size range that is preferred by buyers. In addition, many aquaculture producers cannot begin raising new commodities while still maintaining the commodities intended to be sold prior to April 15, 2020. For eligible aquaculture species (including crayfish) that realized a 5 percent-or-greater market price decline between January 15, 2020, and April 15, 2020, the payment will be calculated using CARES Act funding. Additionally, for eligible aquaculture species (excluding crayfish) the inventory that was market ready between January 15, 2020, and April 15, 2020, but was not sold, payments calculated will use CCC funding. Crayfish inventory that was not sold as of April 15, 2020, will use CCC funding.--\*

## \*--205 Overview

## **B** General Information (Continued)

For nursery/floriculture commodities, there is no traditional market mechanism able to capture the price of thousands of different varieties of commodities of nursery crops and cut flowers; therefore, payments will be based on a percentage of the producer's wholesale value of inventory. For those commodities that were delivered but were unpaid, the portion of the payment calculated will be paid with CARES Act funding. Additionally, for the inventory that will never be sold, payments calculated will be paid with CCC funding.

# C AD-3114, Part F

Following is an example of AD-3114, Part F, Aquaculture & Nursery/Floriculture Information.

PART F - AQUAC INFORM	ULTURE & NU	RSERY/FLORIC		COC USE	ONLY			
25 Commodity	26A Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	26B Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	27A Volume of Available Inventory (see instructions)	27B Value of Inventory Not Sold (as of April, 15, 2020)	28A COC Adjusted Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	28B COC Adjusted Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	29A COC Adjusted Volume of Available Inventory (See Instructions)	29B COC Adjusted Value of Inventory Not Sold (as of April 15, 2020)

206 (Reserved)

### Section 2 General Program Policies and Provisions

## 207 Aquaculture

### A Eligible Species

\*--Eligible aquaculture must be grown and harvested in controlled environments, including raceways, ponds, tanks, and recirculating systems. Wild caught aquaculture commodities are not eligible for CFAP. The eligible aquaculture species are:

- Crayfish
- Catfish sold for food fish
- Largemouth Bass, sold live as food fish
- Carp, sold live as food fish
- Hybrid Striped Bass sold for food fish
- Red Drum sold for food fish
- Salmon sold for food fish
- Sturgeon sold for food fish
- Tilapia sold for food fish
- Trout sold for food fish
- Ornamentals/Tropicals, which are propagated expressly for the pet trade
- Recreational Sportfish, which are propagated expressly for recreational purposes in a controlled environment.--\*

#### **B** Eligible Categories

Payments will be the sum of:

- 5 percent national price decline: species that suffered a 5 percent-or-greater price loss between January 15, 2020, and April 15, 2020, due to loss of marketing channel due to COVID-19 (using CARES Act funds) for all aquaculture commodities (including crayfish)
- inventory of the aquaculture species (excluding crawfish) that was not sold but was market size and available to be marketed between January 15, 2020, and April 15, 2020, (using CCC funds) for all aquaculture commodities (excluding crayfish)
- inventory that was not sold as of April 15, 2020, due to lack of market and will not be sold in calendar year 2020 (using CCC funds) for crayfish only.

### **C** Sold Inventory that Suffered Price Decline

Producers must certify their ownership interest in the inventory sold between January 15, 2020, and April 15, 2020. Payment rates were determined based on the price decline of the specified time period. Eligible species and payment rates (CARES Act) are in the following table.

Commodity	Payment Rate/lb
Crayfish	\$0.65
Largemouth Bass	\$0.51
Carp	\$0.51
Salmon	\$1.14

**Example:** Squidward Starfish is a salmon producer who was able to sell much of their inventory but at a reduced price to The Crab Shack LLC March 3, 2020, to April 10, 2020. The total sales for the time period was 42,490 pounds of fresh salmon. Mr. Starfish will certify to 42,490 on AD-3114, item 26A, Volume of Inventory Sold.

Ineligible inventory includes:

- inventory that is normally culled in advance of shipping or upon delivery
- inventory that was under an agreed upon set price before January 15, 2020, and were or will be paid at that price or higher, do not qualify for assistance, even if the crop was sold between January 15, 2020, and April 15, 2020
- all other species not listed.

### D Market Size Inventory That Was Not Sold

Producers must certify their ownership interest in the highest inventory of market ready fish on a date selected by the producer between January 15, 2020, and April 15, 2020. Eligible species and payment rates (CCC Funds) are in the following table.

Commodity	Payment Rate/lb.
*Catfish for food fish	\$0.07
Largemouth Bass for food fish	\$0.39
Carp for food fish	\$0.39
Hybrid Striped Bass for food fish	\$0.25
Red Drum for food fish	\$0.24
Salmon for food fish	\$0.31
Sturgeon for food fish	\$0.29
Tilapia for food fish*	\$0.16
Trout for food fish	\$0.11
Ornamentals/Tropicals	\$0.03 per piece
Sportfish/gamefish	\$0.27

**Example:** Up Creek LLC has 100 percent ownership interest of 6 tilapia production ponds, two of the ponds were full of market ready inventory totaling 8,000 pounds. They also have 50 percent ownership with Down Creek Farm of 8 more production ponds, of which 4 contain market ready tilapia inventory totaling 13,000 pounds. Each entity will have a separate application. Up Creek LLC will certify to 14,500 pounds of market ready inventory on AD-3114 item 27A, "Volume of Available Inventory."

Step	Calculation
Determine inventory owned	8,000 + (13,000 / 2) = 14,500

Ineligible inventory includes:

- inventory that was not market ready \* \* \*
- inventory that is normally culled in advance of shipping or upon delivery \* \* \*
- •\*--fingerling catfish.--\*

## E Inventory That Was Not Shipped (Delivered) or Remained Unharvested

- \*--For propagated crayfish in a controlled environment that was not sold as of April 15, 2020, due to lack of market and will not be sold in calendar year 2020, the payment rate is \$0.05 per pound.--\*
  - **Example:** Fresh Pond Farm LLC had 100 percent interest in 3,500 CWT of crayfish that were ready for harvest February 28, 2020. All inventory was ready to be shipped and sold to the contracted buyer. The buyer was unwilling to accept delivery of the product; therefore, they remained on the farm and will be harvested next year. Fresh Pond Farm LLC will certify to 350,000 pounds of "Volume of Inventory Not Sold" on AD-3114, item 28A.

Step	Calculation
Convert inventory from pounds to CWT	3,500 x 100 = 350,000

\*--Note: Crayfish that are harvested from the wild and not maintained in a controlled environment are not eligible for CFAP.--\*

# **F** COC Adjustments

COC may adjust the "Volume of Inventory Sold" or "Volume Available Inventory":

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

## **G** Payment Calculation

Payments for eligible aquaculture commodities will be computed as follows:

- Sales: volume (pounds) sold (AD-3114, item 26A) multiplied by the payment rate in subparagraph C
- Unsold: volume of inventory available (pounds or pieces) (AD-3114, item 27A) multiplied by the payment rate in subparagraph D
- Unharvested: volume of crayfish inventory (pounds) (AD-3114, item 27A) multiplied by a payment rate in subparagraph E.

### \*--207 Aquaculture (Continued)

### **H** Application Examples

**Example 1, price decline:** Squidward Starfish is a salmon producer who was able to sell much of their inventory but at a reduced price to The Crab Shack LLC March 3, 2020, to April 10, 2020. The total sales for the time period was 42,490 pounds of fresh salmon. Mr. Starfish will certify to 42,490 on AD-3114, item 26A, "Volume of Inventory Sold."

PART F – AQUACULTURE & NURSERY/FLORICULTURE INFORMATION					COC USE ONLY			
25 Commodity	26A Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	26B Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	27A Volume of Available Inventory (see instructions)	27B Value of Inventory Not Sold (as of April, 15, 2020)	28A COC Adjusted Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	28B COC Adjusted Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	29A COC Adjusted Volume of Available Inventory (See Instructions)	29B COC Adjusted Value of Inventory Not Sold (as of April 15, 2020)
	42,490							

**Example 2: market ready:** Up Creek LLC has 100 percent ownership interest of 6 tilapia production ponds, two of the ponds were full of market ready inventory totaling 8,000 pounds. They also have 50 percent ownership with Down Creek Farm of 8 more production ponds, of which 4 contain market ready tilapia inventory totaling 13,000 pounds. Each entity will have a separate application. Up Creek LLC will certify to 14,500 pounds of market ready inventory on AD-3114, item 27A, "Volume of Available Inventory."

PART F – AQUACULTURE & NURSERY/FLORICULTURE					COC USE ONLY			
25 Commodity	26A Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	26B Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	27A Volume of Available Inventory (see instructions)	27B Value of Inventory Not Sold (as of April, 15, 2020)	28A COC Adjusted Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	28B COC Adjusted Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	29A COC Adjusted Volume of Available Inventory (See Instructions)	29B COC Adjustec Value of Inventory Not Sold (as of April 1 2020)
			14,500	ļ				

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### H Application Examples (Continued)

**Example 3, Crayfish not sold as of April 15:** Fresh Pond Farm LLC had 100 percent interest in 3,500 CWT of crayfish that were ready for harvest February 28, 2020. All inventory was ready to be shipped and sold to the contracted buyer. The buyer was unwilling to accept delivery of the product; therefore, they remained on the farm and will not be harvested in 2020. Fresh Pond Farm LLC will certify to 35,000 pounds of "Volume of Inventory Not Sold" on AD-3114, item 27A.

PART F – AQUACULTURE & NURSERY/FLORICULTURE INFORMATION					COC USE ONLY			
25	26A	26B	27A	27B	28A	28B	29A	29B
Commodity	Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	Volume of Available Inventory (see instructions)	Value of Inventory Not Sold (as of April, 15, 2020)	COC Adjusted Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	COC Adjusted Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	COC Adjusted Volume of Available Inventory (See Instructions)	COC Adjusted Value of Inventory Not Sold (as of April 15, 2020)
			35,000					

#### 208 Nursery and Floriculture

#### **A Definitions**

Nursery - decorative or nondecorative plants grown in a container or controlled environment for commercial sale.

Floriculture - cut flowers and cut greenery from annual and perennial flowering plants grown in a container or controlled environment for commercial sale.

#### **B** Eligible Categories

Producers of nursery and floriculture commodities are eligible for the following categories:

- delivered and unpaid: nursery or floriculture commodities that were shipped but subsequently spoiled or unpaid due to loss of marketing channels between January 15, 2020, and April 15, 2020, due to COVID-19 (using CARES Act funds)
- not delivered: nursery or floriculture commodities that had shipments that did not leave
   \*--the farm between January 15, 2020, and April 15, 2020, because of a complete loss of marketing channel that did not leave the farm by April 15, 2020, and that will not be sold because of lack of markets (using CCC funds).--\*

## C Inventory That Was Shipped (Delivered) but Subsequently Spoiled or Unpaid

Producers must certify their ownership interest in the wholesale value of commodities that were shipped (delivered) between January 15, 2020, and April 15, 2020, for which no payment was received or will be received.

Shipped (delivered) inventory that is donated for which no payment was received or will be received is eligible.

**Example:** Flora Farmer had 100 percent interest in 10 boxes of peonies with a wholesale value of \$1,500 delivered to a wedding venue on the 1st and 15th 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 venue paid for the shipments received during January and February 2020, but beginning with the March 2020 shipments, the venue had zero events, the flowers spoiled, and Ms. Farmer was not paid and will certify to \$6,000 as the "Value of inventory Shipped but Not Sold and Unpaid" on AD-3114, item 26B.

Month	Shipment
January 15	Received compensation
February 1	Received compensation
February 15	Received compensation
March 1	\$1,500 unpaid/spoiled
March 15	\$1,500 unpaid/spoiled
April 1	\$1,500 unpaid/spoiled
April 15	\$1,500 unpaid/spoiled
Total	$$1,500  ext{ x 4 spoiled shipments} = $6,000$

Inventory that may be sold after April 15, 2020, is not eligible.--\*

## 208 Nursery and Floriculture (Continued)

## D Inventory That Was Never Sold and Subsequently Destroyed

For commodities that had shipments that did not leave the farm, were donated, or mature nursery or floriculture commodities that were destroyed (not delivered) due to the COVID-19 pandemic, the wholesale value of inventories not shipped as of April 15, 2020, are eligible.

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

\* \* \*

**Example:** The Nursery LLC has two operations, one located in Windham County, CT and one located in Norfolk County, MA. The Nursery LLC had 100 percent ownership of 400 Easter lilies valued at \$4,800 grown in CT, 300 were sold and 100 were disposed of (valued at \$1,200) due to a lack of market because of COVID-19. The Nursery LLC had 50 percent ownership of 250 tulips with a wholesale value of at \$2,500 in MA, 50 were sold and 200 were disposed of (valued at \$2,000) due to a lack of market because of COVID-19. The Nursery LLC will report an inventory value \$2,200. (100 percent of \$1,200 + 50 percent of \$2,000) as the inventory that was never sold on AD-3114, item 27B.

Step	Calculation
Determine value of inventory owned in CT	\$1,200 x 100% = \$1,200
Determine value of inventory owned in MA	\$2,000 x 50% - \$1,000
Determine total value of inventory never sold	1,200 + 1,000 = 2,200

Ineligible nursery or floriculture commodities are:

- inventory or in storage that may be sold after April 15, 2020
- inventory that is normally culled in advance of shipping or upon delivery are not eligible
- inventory sold at a discount price.

## E Reporting Value

The information required from producers to apply will be self-certification by the producer or authorized representative. Producers must self-certify the to the wholesale value of inventory that represents their individual share of eligible nursery or floriculture commodities.

For inventory that was shipped but subsequently spoiled or unpaid, the wholesale value of the products associated to that shipment/delivery that occurred between January 15, 2020, and April 15, 2020, will be reported.

For inventory that was never sold the wholesale value of those commodities as of April 15, 2020, will be reported.

## F COC Adjustments

COC's are not required to document or verify inventory values, however COC's request evidence of inventories or sales if it has any reason to question ownership interest or quantity.

If COC needs additional documentation from these producers, COC may request:

- evidence of inventory or sale, and
- evidence of wholesale prices

COC may adjust the "Value of Inventory Shipped that Spoiled or Went Unpaid" or "Value of Inventory Not Sold"

- if the quantity is determined to unreasonable or inaccurate
- to reflect the actual wholesale value rather than retail value.

## G Payment Factors

Payment factors are determined by the Secretary. Payment factors are paid from 2 sperate funds (CARES Act and CCC). The payment rates are as follows:

- for inventory that was shipped but subsequently spoiled or unpaid 15.55 percent (CARES Act)
- for inventory that was never sold 13.45 percent (CCC).--\*

## H Payment Calculation

The payment calculation is the certified wholesale value of inventory multiplied by the payment rate. Payments for nursery and floriculture commodities will be the sum of:

- for nursery and floriculture inventory that was shipped but subsequently spoiled or is unpaid due to loss of marketing channels between January 15, 2020, and April 15, 2020, the wholesale value of the inventory that was shipped that spoiled or is unpaid, multiplied by 15.55 percent; and
- for nursery and floriculture inventory that did not leave the farm between January 15, 2020, and April 15, 2020, due to a complete loss of marketing channel, the wholesale value of the inventory ready for sale that did not leave the farm by April 15, 2020, and that will not be sold due to lack of markets, multiplied by 13.45 percent.

## I Application Examples

**Example 1:** Flora Farmer had 100 percent interest in 10 boxes of peonies with a wholesale value of \$1,500 delivered to a wedding venue on the 1st and 15th 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 venue paid for the shipments received during January and February 2020, but beginning with the March 2020 shipments, the venue had zero events, the flowers spoiled, and Ms. Farmer was not paid and will certify to \$4,500 as the Value of Inventory Shipped but Not Sold and Unpaid on AD-3114, item 26B.

	PART F – AQUACULTURE & NURSERY/FLORICULTURE INFORMATION				r.	COC USE	ONLY	
25 Commodity	26A Volume of	26B Value of	27A Volume of	27B Value of	28A COC Adjusted	28B COC Adjusted	29A COC	29B COC
	Inventory Sold (Jan 15, 2020 – April 15, 2020)	Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	Available Inventory (see instructions)	Inventory Not Sold (as of April, 15, 2020)	Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	Adjusted Volume of Available Inventory (See Instructions)	Adjusted Value of Inventory Not Sold (as of April 15, 2020)
Cut Flowers		4,500 4						

The AD-3114 will be completed as follows:

\_\_\*

## \*--208 Nursery and Floriculture (Continued)

## I Application Examples (Continued)

Example 2: The Nursery LLC has two operations, one located in Windham County, CT and one located in Norfolk County, MA. The Nursery LLC had 100 percent ownership of 400 Easter lilies valued at \$4,800 grown in CT, 300 were sold and 100 were disposed of (valued at \$1,200) due to a lack of market because of COVID-19. The Nursery LLC had 50 percent ownership of 250 tulips with a wholesale value of at \$2,500 in MA, 50 were sold and 200 were disposed of (valued at \$2,000) due to a lack of market because of COVID-19. The Nursery LLC will report an inventory value \$2,200. (100 percent of \$1,200 + 50 percent of \$2,000) as the inventory that was never sold in AD-3114, item 27B.

	PART F – AQUACULTURE & NURSERY/FLORICULTURE INFORMATION					COC USE	ONLY	
25 Commodity	26A Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	26B Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	27A Volume of Available Inventory (see instructions)	27B Value of Inventory Not Sold (as of April, 15, 2020)	28A COC Adjusted Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020	28B COC Adjusted Value of Inventory Shipped that Spoiled or Went Unpaid (as of April 15, 2020)	29A COC Adjusted Volume of Available Inventory (See Instructions)	29B COC Adjusted Value of Inventory Not Sold (as of April 15, 2020)
Nursery				2,200	-			

209, 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 or unpaid--\* 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

\*--Eligible specialty crops are those that experienced immediate losses, a price decline, spoiled, were unpaid, or were unharvested due to market conditions between January 15, 2020, and April 15, 2020.--\*

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 sold 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 or were unpaid 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, were donated, or mature crops that remained unharvested between January 15, 2020, and April 15, 2020, 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.
  - **Note:** Specialty crops in inventory or in storage facilities that may be sold after April 15, 2020, are not eligible.--\*

\* \* \*

## 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	Туре	Intended Use
Alfalfa Sprouts			
Almonds	0028		
Aloe Leaves	9032		
Anise	5000	Fennel/Anise	SD
Apples	0054	All	FH, JU, PR
Artichokes	0458		FH, PR
Arugula	4000	Arugula	FH, PR
Asparagus	0104		FH, PR
Avocados	0106		FH, PR
Bananas	0173	All	FH, PR
Basil	5000	Basil	FH, PR
Batatas			
Bean Sprouts			
Beans	0047	All FAV	FH, PR
Beets	0642	All	FH, PR
Blackberries	6000	All blackberry types	FH, PR
Blueberries	0108	All	FH, PR
Bok Choy (Greens)	4000	Shanghi Bok Choy	FH, PR
Broccoli	0110		FH, PR
Brussels Sprouts	0112		FH, PR
Cabbage	0116	All	FH, PR
Cantaloupe	0759		FH
Carambola (Star Fruit)	0999		FH
Carrots	0120	All	FH, PR
Cauliflower	0124		FH, PR
Celeriac (Celery Root)	0509		FH, PR
Celery	0126		FH, PR
Cherimoya	0845		FH
Chervil, French Parsley	5000	Chervil	FH, PR
Chives	5000	Chives	FH, PR

--\*

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

\*\_\_

Crop Name	Crop Code	Туре	Intended Use
Cilantro	5000	Cilantro/Coriander	FH, PR
Citron	0025		FH, PR
Coconuts	0175		FH
Collard Greens	4000	Collards	FH, PR
Cucumbers	0132	All	FH, PR
Curry Leaves			
Daikon	0148	Daikon	FH
Dandelion Greens	4000	Dandelions	FH, PR
Dates	0496		FH, PR
Dill	5000	Dill	FH, PR
Donaqua (Winter Melon)			
Dragon Fruit (Red Pitaya)	0380		FH, PR
Eggplant	0318	All	FH, PR
Endive (Greens)	4000	Curly	FH, PR
Escarole (Greens)	4000	Escarole	FH, PR
Filberts (Hazelnut)	0376		
Frisee (Greens)	4000	Frizee/Belgian	FH, PR
Garlic	0423	All	FH, PR
Grapefruit	0030	All	FH, JU, PR
Greens (Others Not Listed)	4000	All types of greens	FH, PR
		not listed separately	
Guava	0498		FH, PR
Horseradish	0090		FH, PR
Kale Greens	4000	Common	FH, PR
		• Flowering	
Kiwifruit	0463		FH, PR
Kohlrabi	0374		FH
Kumquats	0473		FH, PR
Leeks	0377		FH
Lemons	0035		FH, PR
Lettuce, Boston	0140	Boston	FH
Lettuce, green leaf	0140	Leaf/Green	FH
Lettuce, iceberg	0140	Crisphead	FH
Lettuce, Lolla Rossa	0140	Leaf/Lolla Rossa	FH
Lettuce, oak leaf - green	0140	Leaf/Oak-Green	FH
Lettuce, oak leaf - red	0140	Leaf/Oak -Red	FH
Lettuce, red leaf	0140	Leaf/Red	FH
Lettuce, romaine	0140	Romaine	FH

--\*

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

Crop Name	Crop Code	Туре	Intended Use
Maple Sap	0100	Syrup Only	PR
Marjoram	5000	Marjoram	FH, PR
*Mesculin Mix*			
Microgreens (All Other)			
Mint	5000	All	FH, PR
Mushrooms	0403	All	FH, PR
Mustard greens	4000	All mustard green types	FH, PR
Nectarines	0250	All	FH, PR
Okra	0286		FH, PR
Onions, dry	0142	All other than Green	FH, PR
Onions green	0142	Green	FH, PR
Oranges	0023	All	FH, JU, PR
Oregano	5000	Oregano	FH, PR
Рарауа	0181	All	FH, PR
Parsley, other	5000	Parsley	FH, PR
Parsnips	0338		FH, PR
Passion Fruit	0502		FH
Peaches	0034	All	FH, PR
Pears	0144	All	FH, JU, PR
Peas, Green	0067	English/Garden	FH, PR
		• Snap	
		• Sugar	
		• Snow	
Pecans	0146	All	
Peppermint	5000	Peppermint	FH, PR
Peppers, bell type	0083	Green bell	FH, PR
Peppers, other	0083	All except green bell	FH, PR
Persimmons	0465		FH, PR
Pineapples	0185	All	
Pistachios	0470		
Plantains	0186		FH, PR
Pomegranates	0467		FH, JU, PR
Potatoes, fresh – other	0084	All varieties except	FH
		Russets	
Potatoes, fresh – Russets	0084	All Russet varieties	FH
Potatoes, processing	0084	All	PR
Potatoes, seed	0084	All	SD
Pummelos	0906		FH, PR
Pumpkins	0147	• All	FH, PR

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

\*\_\_

Crop Name	Crop Code	Туре	Intended Use
Radicchio	0511	Common	FH
		• Witloof	
Raspberries	6000	Black	
(Caneberries)		• Red	
Rhubarb	0335		FH, PR
Rosemary	5000	Rosemary	FH, PR
Rutabagas	0339	, i i i i i i i i i i i i i i i i i i i	FH, PR
Sage	5000	Sage	FH, PR
Sapote	0998	Mamey	FH, PR
Savory	5000	Savory	FH, PR
Shallots	0533		FH
Sorrell	4000	Sorrell	FH, PR
Spearmint	5000	Native/Scotch	FH, PR
Spinach (Greens)	4000	Chinese	FH, PR
1		• Leaf	,
		• Vine	
		• Water	
Squash	0155	All	FH, PR
Strawberries	0154		FH, PR
Sugarcane, table	0038		FH
Sweet corn	0041	Bicolor	FH, PR
		White	,
		• Yellow/ golden early	
		• Yellow/ golden late	
Sweet potatoes	0156	All	FH, PR
Swiss Chard	4000	Green Swiss chard	FH, PR
		Red Swiss chard	,
Tangelos	0024	All	FH, JU, PR
Tangerines	0048	All	FH, JU, PR
Taro	0535	All	FH, PR
Thyme	5000	Thyme	FH, PR
Tomatoes	0087	All	FH, PR
Turmeric	5000	Turmeric	FH, PR
Turnip Tops Greens	4000	Turnip	FH, PR
Turnips	0160	Hybrid/Open Pollinated	FH, PR

Crop Name	Crop Code	Туре	Intended Use
Upland/Winter Cress			
Walnuts	0029	All	
Watercress	0613		FH, PR
Watermelons	0757	All	FH, PR
Yautia/Malanga (Open	0177		FH
Dasheen)			
*Yuca (Cassava)*	0174	All	FH

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

**Note:** Crop name 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 \* \* \* that was sold between January 15, 2020, and April 15, 2020
- •\*--For crops that were shipped (delivered) but subsequently spoiled or were unpaid due to loss of marketing channel, the total volume of production that is harvested and shipped but not sold (spoiled or unpaid) between January 15, 2020, and April 15, 2020
- For crops that had shipments that did not leave the farm, were donated, or mature crops that remained unharvested (not delivered), the total number of acres left in the field, donated directly from the farm, or harvested but not shipped between January 15, 2020, and April 15, 2020.

Specialty crops in inventory or in storage facilities that may be sold after April 15, 2020, are not eligible.--\*

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.

- **Notes:** 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.
  - \*--Production that is normally culled in advance of shipping or upon delivery is not eligible production for CFAP.--\*

## **B** AD-3114, Part G

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

PART G - SP REQUIRED)	PART G - SPECIALTY CROP INFORMATION (COC DETERMINATION NOT REQUIRED)					AMS USE ONLY	
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 \* \* \* that was sold between January 15, 2020, and April 15, 2020, of each eligible commodity nationwide.

- \*--Specialty crops that were under an agreed upon set price before January 15, 2020, and were or will be paid at that price or higher, do not qualify for assistance, even if the crop was sold between January 15, 2020, and April 15, 2020.--\*
  - **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.
- \*--Sold production includes production sold for any use.
  - **Example:** Joe Farmer sold 20,000 lbs. of lemons intended for fresh market to a processor for juice. The sold lemons are eligible for AD-3114, item 32.

Note: Because the lemons were sold, they are not eligible for AD-3114, item 34.

## D Crops that Were Shipped (Delivered) but Subsequently Spoiled or Unpaid--\*

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.

- \*--Shipped (delivered) production that is donated for which no payment was received or will be received is eligible.--\*
  - **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 200 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.

\*--Acres of harvested production that are:

- subsequently donated to prevent the production from rotting or spoiling on the farm are eligible
- sold into a market other than the intended market are considered sold and must meet the criteria included in subparagraph 222 C to be eligible.--\*
- **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)

## 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. \*\_\_

	CARES Act Sales	CARES Act Delivered that Spoiled or Unpaid	CCC Not Delivered (Unharvested)
Specialty Crops	(\$/pound)	(\$/pound)	(\$/acre)
Alfalfa Sprouts		\$8.14	\$5,465.63
Almonds	\$0.26	\$0.57	\$237.60
Aloe Leaves	\$0.06	\$0.19	\$2,848.00
Anise	\$0.88	\$0.81	\$96.00
Apples	\$0.05	\$0.22	\$1,500.00
Artichokes	\$0.88	\$0.69	\$1,690.00
Arugula		\$4.64	\$9,100.00
Asparagus		\$0.25	\$182.00
Avocados		\$0.14	\$153.60
Bananas	\$0.34	\$0.20	\$752.00
Basil	\$0.30	\$1.65	\$1,920.00
Batatas		\$0.32	\$1,307.40
Bean Sprouts		\$0.26	\$60.00
Beans	\$0.17	\$0.16	\$233.79
Beets		\$0.30	\$2,160.00
Blueberries	\$0.20	\$0.93	\$1,193.40
Bok Choy	\$0.22	\$0.23	\$700.00
Broccoli	\$0.62	\$0.49	\$1,563.00
Brussels Sprouts	\$0.26	\$0.34	\$1,260.00
Cabbage	\$0.04	\$0.07	\$367.30
Caneberries - Blackberries	\$1.72	\$2.11	\$2,615.80
Caneberries - Raspberries	\$0.44	\$1.69	\$4,455.00
Cantaloupe		\$0.14	\$718.20
Carambola (Star Fruit)		\$0.58	\$4,400.00
Carrots	\$0.02	\$0.11	\$1,251.40
Cauliflower	\$0.11	\$0.31	\$1,327.20

--\*

## A Payment Rates (Continued)

		CARES Act	CCC
	CARES Act	Delivered that	Not Delivered
	Sales	Spoiled or Unpaid	(Unharvested)
Specialty Crop	(\$/pound)	(\$/pound)	(\$/acre)
Celeriac-Celery Root		\$0.52	\$2,000.00
Celery		\$0.07	\$560.00
Cherimoya	\$1.83	\$0.98	\$1,922.80
Chervil, French Parsley	\$2.74	\$8.09	\$15,800.00
Chives		\$1.32	\$4,680.00
Cilantro/Coriander	\$0.19	\$0.23	\$860.00
Citron	\$0.32	\$0.26	\$1,780.00
Coconuts		\$0.25	\$450.00
Collard Greens	\$0.04	\$0.21	\$560.00
Cucumbers	\$0.18	\$0.17	\$444.90
Curry Leaves	\$2.40	\$5.25	\$927.00
Daikon (Radish)		\$0.19	\$368.00
*Dandelion Greens*	\$0.06	\$.26	\$700.00
Dates		\$1.44	\$2,234.40
Dill		\$5.38	\$5,250.00
Donaqua (Winter Melon)	\$1.42	\$0.60	\$4,800.00
Dragon Fruit (Red Pitaya)		\$1.03	\$3,800.00
Eggplant	\$0.07	\$0.15	\$412.71
Endive	\$0.04	\$0.15	\$900.00
Escarole	\$0.11	\$0.18	\$1,200.00
Filberts (Hazel Nuts)	\$0.41	\$0.67	\$228.80
Frisee		\$0.69	\$4,200.00
Garlic	\$0.17	\$1.10	\$3,410.00
Grapefruit		\$0.11	\$496.76
Greens - Others Not	\$0.08	\$0.16	\$420.00
Listed			
Greens - Spinach	\$0.37	\$0.37	\$1,022.00
Guava	\$1.52	\$1.73	\$6,800.00
Horseradish		\$3.72	\$4,380.00
Kale		\$0.22	\$748.00
Kiwifruit		\$0.44	\$2,106.00
Kohlrabi		\$0.24	\$189.06
Kumquats	\$1.28	\$1.76	\$2,822.00

# A Payment Rates (Continued) \*--

*		CARES Act	CCC
	CARES Act	<b>Delivered that</b>	Not Delivered
	Sales	Spoiled or Unpaid	(Unharvested)
Specialty Crop	(\$/pound)	(\$/pound)	(\$/acre)
Leeks	\$0.14	\$0.18	\$480.00
Lemons	\$0.08	\$0.21	\$1,424.00
Lettuce - Boston	\$0.09	\$0.34	\$1,523.20
Lettuce - Green Leaf	\$0.44	\$0.60	\$2,611.20
Lettuce - Iceberg	\$0.20	\$0.15	\$1,128.00
Lettuce – Lolla Rossa		\$1.69	\$7,180.80
Lettuce – Oak Leaf, Green		\$1.69	\$7,180.80
Lettuce – Oak Leaf, Red		\$1.69	\$7,180.00
Lettuce – Red Leaf	\$0.42	\$0.60	\$2,611.20
Lettuce - Romaine	\$0.07	\$0.12	\$623.60
Maple Sap (For Maple Syrup)*	\$0.07	\$0.20	\$30.49
Marjoram	\$1.06	\$1.42	\$1,124.20
Mesculin Mix		\$0.79	\$2,560.00
Microgreens – All other		\$7.15	\$3,850.00
Mint		\$0.93	\$2,772.00
Mushrooms		\$0.58	\$33,110.00
Mustard – Greens		\$0.21	\$636.00
Nectarines		\$0.30	\$1,038.00
Okra	\$0.31	\$0.46	\$1,080.00
Onions – Dry	\$0.01	\$0.05	\$540.10
Onions - Green	\$0.51	\$0.70	\$4,158.00
Oranges		\$0.14	\$634.83
Oregano		\$1.22	\$784.08
Papaya		\$0.31	\$1,020.00
Parsley	\$0.19	\$0.23	\$400.00
Parsnips	\$0.06	\$0.40	\$1,600.00
Passion Fruit	\$0.89	\$3.21	\$17,640.00
Peaches		\$0.30	\$1,099.20
Pears	\$0.08	\$0.18	\$966.00
Peas – English/Garden, Snap, Sugar, Snow	\$0.10	\$0.36	\$275.10

--\*

# A Payment Rates (Continued) \*--

*	CARES Act	CARES Act Delivered that	CCC Not Delivered
	Sales	Spoiled or Unpaid	(Unharvested)
Specialty Crop	(\$/pound)	(\$/pound)	(Sinar vested) (\$/acre)
Pecans	\$0.28	\$0.93	\$116.46
Peppermint	\$1.60	\$5.40	\$97.52
Peppers - Bell type	\$0.14	\$0.22	\$1,267.20
Peppers - Other	\$0.15	\$0.22	\$644.80
Persimmons		\$0.53	\$1,352.00
Pineapples		\$0.23	\$1,500.00
Pistachios	\$0.22	\$1.28	\$640.00
Plantains	\$0.18	\$0.15	\$549.00
Pomegranates		\$0.54	\$1,100.00
Potatoes - Other, Fresh	\$0.01	\$0.04	\$449.00
Potatoes – Russets, Fresh	\$0.07	\$0.09	\$898.00
Potatoes – Processing	\$0.02	\$0.03	\$449.00
Potatoes – Seed	\$0.02	\$0.04	\$449.00
Pummelos		\$0.21	\$400.00
Pumpkins	\$0.72	\$0.39	\$2,534.40
Radicchio		\$0.72	\$1,470.00
Rhubarb		\$0.76	\$296.85
Rosemary		\$2.60	\$8,994.36
Rutabagas	\$0.08	\$0.19	\$1,440.00
Sage	\$0.72	\$3.06	\$3,747.00
Sapote	\$0.56	\$0.92	\$900.00
Savory		\$0.62	\$1,440.00
Shallots	\$0.51	\$0.70	\$4,158.00
Sorrell		\$2.85	\$7,840.00
Spearmint	\$1.60	\$4.80	\$116.56
Spinach	\$0.37	\$0.37	\$1,022.00
Squash	\$0.72	\$0.39	\$2,534.40
Strawberries	\$0.84	\$0.72	\$7,042.00
Sugarcane – Table		\$0.14	\$2,094.00
Sweet Corn	\$0.09	\$0.13	\$483.60
Sweet Potatoes		\$0.18	\$871.60
Swiss Chard		\$0.25	\$750.00

## A Payment Rates (Continued)

	CARES Act Sales	CARES Act Delivered that Spoiled or Unpaid	CCC Not Delivered (Unharvested)
Specialty Crop	(\$/pound)	(\$/pound)	(\$/acre)
Tangelos	\$0.05	\$0.22	\$561.60
Tangerines	\$0.05	\$0.25	\$1,531.10
Taro	\$0.12	\$0.29	\$577.80
Thyme		\$2.63	\$2,731.05
Tomatoes	\$0.64	\$0.38	\$6,122.90
Turmeric		\$1.05	\$8,860.00
Turnip Tops		\$0.19	\$560.00
Turnips		\$0.20	\$960.00
Upland/Winter Cress		\$2.18	\$1,182.50
Walnuts	\$0.26	\$0.34	\$250.60
Watercress		\$2.18	\$1,182.50
Watermelons	\$0.04	\$0.06	\$363.90
Yautia/Malanga	\$0.48	\$0.42	\$11,840.00
Yuca/Cassava		\$0.16	\$2,964.00

\*-- \*The rates for Maple Sap (Maple Syrup) are \$/gallon.--\*

### **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 or Unpaid: Quantity (volume) shipped but subsequently spoiled or was unpaid (AD-3114, item 33) multiplied by the "Delivered that Spoiled or Unpaid" payment rate in subparagraph A
- Not Delivered: Acres unharvested or with production not sold including donations (AD-3114, item 34) multiplied by the "Not Delivered (Unharvested) payment rate in subparagraph A.
  - **Note:** The "Not Delivered" payment rate is based on a national crop yield multiplied a per pound payment rate.

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, reach out to the applicable State Office program specialist who may contact Charles D. 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. Include Jenae Prescott by e-mail to **jenae.prescott@usda.gov** and Tona Huggins by e-mail to **tona.huggins@usda.gov** in all communications.

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

## Reports

None.

## Forms

This table lists all forms referenced in this handbook.

		Display	
Number	Title	Reference	
AD-1026	Highly Erodible Land Conservation (HELC) and		Text
	Wetland Conservation (WC) Certification (Includes		
	Form AD-1026 Appendix)		
AD-3114	Coronavirus Food Assistance Program (CFAP)	Ex. 20	Text, Ex. 5-8
	Application		
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		5, 16, 19, 37,
	and Subsequent Program Years		51, 68
CCC-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		19
	Limitation Determinations		
CCC-941	Average Adjusted Gross Income (AGI)		5, 17, 19, 37,
	Certification and Consent to Disclosure of Tax		51, 67, 68
	Information - Agricultural Act of 2014		
CCC-942	Certification of Income From Farming, Ranching,		5, 17, 19, 37,
	and Forestry Operations		68
FSA-325	Application for Payment of Amounts Due Persons		65
	Who Have Died, Disappeared, or Have Been		
	Declared Incompetent		
FSA-578	Report of Acreage		138
SF-3881	ACH Vender/Miscellaneous Payment Enrollment		68
	Form		

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

## 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, Ex. 5-8
IPIA	Improper Payments Information Act	3
IRDTS	Internal Review Documentation and Tracking System	6
LP	limited partnership	16
NOFA	Notification of Funding Availability	205

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

## **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.	

## All Other Cattle

<u>All other cattle</u> 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.

## \*--All Other Sheep

All other sheep mean sheep 2 years of age or older .-- \*

## Cattle

<u>Cattle</u> 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**

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

## Commodity

<u>Commodity</u> 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.

## \*--Controlled Environment

<u>Controlled environment</u> means an environment, with respect to crops for which a controlled environment is expected to be provided, including but not limited to ornamental nursery, aquaculture (including ornamental fish), and floriculture, an environment in which everything that can practicably be controlled with structures, facilities, growing media (including but not limited to water, soil, or nutrients) by the producer, that is in fact controlled by the producer, as determined by industry standards.--\*

## Definitions of Terms Used in This Handbook (Continued)

#### Feeder Cattle 600 Pounds or More

<u>Feeder cattle 600 pounds or more</u> 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.

#### \*--Floriculture

<u>Floriculture</u> means cut flowers and cut greenery from annual and perennial flowering plants grown in a container or controlled environment for commercial sale.--\*

#### Hogs

Hogs means any swine 120 pounds or more.

#### Lambs and Yearlings

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

#### \*--Nursery

<u>Nursery</u> means decorative or nondecorative plants grown in a container or controlled environment for commercial sale.--\*

#### Pigs

Pigs means any swine weighing less than 120 pounds.

#### **Producer**

<u>Producer</u> 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.

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

## **Slaughter Cattle-Fed Cattle**

<u>Slaughter cattle-fed cattle</u> means cattle with a weight of 1,200 pounds or more that are intended for slaughter.

## **Slaughter Cattle-Mature Cattle**

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

### **Subject to Price Risk**

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

## Unpriced

<u>Unpriced</u> 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

<u>Wool</u> 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.

## \*--Example Letter for Requesting Supporting Documentation for CFAP

The following language is provided as guidance and may be modified to fit individual situations. A letter **must** be sent and copy of the notification kept in the file.

#### Dear (Enter name of AD-3114 Producer):

This letter is in reference to an application you filed for (**enter name(s) of commodities or livestock**) under the Coronavirus Food Assistance Program (CFAP). When you filed your application, you were advised that your certification was subject to spot check by FSA.

As a condition of payment eligibility, at time of application you agreed to submit a record of (**enter as applicable:** "production", "sales", "inventories", and/or "acreage") to substantiate (**enter as applicable:** "the dairy production amount", "number of livestock", "value livestock sold", etc.) claimed on the AD-3114, Coronavirus Food Assistance Program (CFAP) Application. For details regarding what are considered acceptable records, see attached. (Note: If you have an application with one part, you may copy the specific records that are mentioned in subparagraph 51 B.)

Failure to submit the record will result in program ineligibility for the commodities on the AD-3114 and a requirement for you to refund all payments made under the program with applicable interest.

Please submit the records to the (**enter applicable county**) FSA office at the address shown below within 14 days of receipt of this letter.

You must respond to this single request for records. If you have any questions, please contact our office at (enter office phone number).

Sincerely,

County Executive Director

#### (Par. 6) \*--Example Letter for Disapproving AD-3114 for a Producer Who Fails to Submit a Record of Production as Requested

The following language is provided as guidance and may be modified to fit individual situations. If documentation is not received, a letter **must** be sent from CED to the applicant and copy kept in the file. Receivable letters must be provided in addition to this letter.

## Dear (Enter name of AD-3114 Producer):

This letter is in reference to an application you filed for (**enter name(s) of commodities or livestock**) under the Coronavirus Food Assistance Program (CFAP). When you filed your application, you were advised that your certification was subject to spot check by FSA.

On (enter date of letter), FSA wrote you requesting that you submit a record of production to substantiate (enter as applicable: "the dairy production amount", "number of livestock", "value of livestock sold", etc.) claimed on the AD-3114, Coronavirus Food Assistance Program (CFAP) Application. You did not submit the record as requested for (enter name(s) of commodities or livestock). Accordingly, I have determined you ineligible for CFAP with respect to that commodity. You will be notified by separate communication of any amount owed as a result of this determination of ineligibility for failing to respond to FSA's request for documents and substantiating records.

If you believe that the facts of this decision are not correct or that I have not properly applied rules governing CFAP to your application, you may file a written appeal of this determination with the county FSA committee within 30 days of your receipt of this decision. To file an appeal of this decision with the county committee, (**insert appropriate language from 1-APP and address for COC**).

Sincerely,

County Executive Director

Exhibit 6

#### Exhibit 7 (Par. 6)

## \*--Example Letter for Disapproving AD-3114 for a Producer Determined To Be in Compliance But Who Has a Discrepancy With Regard to One or More Commodities

The following language is provided as guidance and may be modified to fit individual situations. A letter must be sent and copy of the notification kept in the file. This letter is intended for a COC decision. Receivable letters must be provided in addition to this letter.

## Dear (Enter name of AD-3114 Producer):

This letter is in reference to an application you filed for (**enter name(s) of commodities or livestock**) under the Coronavirus Food Assistance Program (CFAP). When you filed your application, you were advised that your certification was subject to spot check by FSA.

The record of (**enter as applicable:** "production", "sales", "inventories", and/or "acreage") you submitted substantiated most of the production, sales, inventories, and/or acreage you certified to on the AD-3114, Coronavirus Food Assistance Program (CFAP) Application, for (**enter name of the commodity(s**)). However, the documentation reviewed shows you certified to more production, sales, inventory, and/or acreage than is supported by your documentation. You remain eligible for CFAP payments; however, your CFAP application has been adjusted for the commodities in discrepancy. You will be notified by separate letter of any amounts owed as a result of these adjustments made to your application following spot check.

The (**enter applicable county**) County Committee (COC) has also determined that one or more exceptions to application of the finality rule (7 CFR § 718.306) apply, as you have either intentionally or unintentionally misrepresented facts concerning your CFAP eligibility, your certified (**enter as applicable:** "production", "sales", "inventories", and/or "acreage") cannot be substantiated, or you had reason to know that FSA erred in determining your payment eligibility. You will be notified by separate communication of amounts owed FSA as a result of this determination.

If you believe that the facts of this decision are not correct, you may file a written appeal of this determination within 30 days of your receipt of this determination. You have the following administrative appeal options: (Insert appropriate language from 1-APP for a COC decision and include all appropriate and applicable review rights according to 1-APP for a COC adverse decision).

Sincerely,

County Executive Director

# \*--Example Letter for Disapproving AD-3114 for a Producer Out of Compliance on the Commodity

The following language is provided as guidance and may be modified to fit individual situations. A letter must be sent and copy of the notification kept in the file. This letter is intended for a COC decision. Receivable letters must be provided in addition to this letter.

## Dear (Enter name of AD-3114 Producer):

This letter is in reference to an application you filed for (**enter name(s) of commodities or livestock**) under the Coronavirus Food Assistance Program (CFAP). When you filed your application, you were advised that your certification was subject to spot check by FSA.

The record of (**enter as applicable:** "production", "sales", "inventories", and/or "acreage") you submitted did not substantiate at least 85 percent of the amount of production, sales, inventories, and/or acreage you certified to on the AD-3114, Coronavirus Food Assistance Program (CFAP) Application, for (**enter name of the commodity(s**)). Accordingly, FSA has determined that you are ineligible for CFAP on the commodity(s).

The (**enter applicable county**) County Committee (COC) has also determined that one or more exceptions to application of the finality rule (7 CFR § 718.306) apply, as you have either intentionally or unintentionally misrepresented facts concerning your CFAP eligibility, your certified (**enter as applicable:** "production", "sales", "inventories", and/or "acreage") cannot be substantiated, or you had reason to know that FSA erred in determining your payment eligibility. You will be notified by separate communication of amounts owed FSA as a result of this determination.

If you believe that the facts of this decision are not correct, you may file a written appeal of this determination within 30 days of your receipt of this determination. You have the following administrative appeal review options: (Insert appropriate language from 1-APP for a COC decision and include all appropriate and applicable review rights according to 1-APP for a COC adverse decision).

Sincerely,

County Executive Director

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## (Par. 21) Example Letter to Producers Submitting CFAP 1 Application (AD-3114) after the Sign-up Period, as Applicable, Has Ended

The following language is provided as guidance and may be modified to fit individual situations. A letter must be sent and copy of the notification kept in the file. This letter is intended for a COC decision.

## Dear (Enter name of AD-3114 Producer):

This letter acknowledges receipt of the AD-3114 the Coronavirus Food Assistance Program (CFAP 1) Application. You submitted the request to enroll after the end of the sign-up period.

Regulations at 7 CFR Part 9 specifies that the signup period for CFAP 1 ended on 9/11/2020. You filed your AD-3114 CFAP 1 application on (enter the applicable date).

Accordingly, the (enter applicable county) County Committee (COC) has determined you did not timely file your AD-3114 CFAP 1 application and it is denied.

If you believe that the facts of this decision are not correct, you may file a written appeal of this determination with the county FSA committee within 30 days of your receipt of this decision. To file an appeal of this decision, (insert appropriate language from 1-APP for a COC decision and include all appropriate and applicable review rights according to 1-APP for a COC decision).

Sincerely,

County Executive Director

\*--Exhibit 9

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#### 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-3114's received in the County Office in the CFAP application system to print the completed AD-3114 (CFAP application) for the applicant.

Item	Instructions
	For COC Use Only
1	Enter the producer's recording State.
2	Enter the applicable program year.
3	Enter the producer's recording county.
4	Enter application number
	Note: This number is assigned by the automated system.
	Part A – Producer Agreement
	For Informational Purposes
CCC-9 citizens contrib Applica comple identifi owners	ants who are an individual person must complete automated CCC-902 or manual 02, Parts A and B, and provide name, address, taxpayer identification number, and whip status. An individual who is not a U.S. resident or lawful alien must also report utions of labor, capital and land contributions to the farming operation. Ants who are a legal entity, including General Partnership or Joint Venture, must te automated CCC-902 or manual CCC-901 and provide the name, address and taxpayer cation number for the legal entity and all members, partners or stockholders with an hip interest. If any member, partner or stockholder is not a U.S. resident or lawful alien, 02 must be completed to report contributions of labor to the legal entity. Part B Producer Information Enter the producer's name, address, including the ZIP code, and telephone number,
	including area code.
	*Part C – Dairy/Egg Production Information
6	Displays the commodity and unit of measure for dairy, frozen egg, or liquid egg
7	production as pounds (LBS). Enter the total January 2020 production, including dumped milk for dairy, in pounds
/	(LBS).
8	Enter the total February 2020 production, including dumped milk for dairy, in pounds
	(LBS).
9	Enter the total March 2020 production, including dumped milk for dairy, in pounds*
	(LBS).

Item	Instructions
	*Part C – Dairy/Egg Production Information (Continued)*
10	COC may enter the adjusted January 2020 production, if applicable.
	Note: 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
10	different than what is certified to by the producer in item 8.
12	COC may enter the adjusted March 2020 production, if applicable.
	Note: 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.
Α	Enter the last date milk was produced for those producers applying that are no longer
	producing milk.
	Note: If you cease producing milk before July 1, 2020, you are required to notify the
	FSA County office of the date you stopped producing milk.
В	COC may enter the adjusted last date milk was produced, if applicable.
	Note: An entry is only required when COC determines the last date milk was produced
	is different than what is certified to by the producer in item A.
	Part D – Non-Specialty Crop and Wool Information
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 then what is certified to by the meducer in item 15
18	different than what is certified to by the producer in item 15.
10	COC may enter the adjusted 2019 production not sold, if applicable.
	Note: 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.

Item	Instructions
	Part E – Livestock Information
19	Enter the name of the eligible livestock.
	Eligible livestock categories are:
	Feeder Cattle: < 600 lbs. (cattle weighing less than 600 pounds)
	Feeder Cattle: > 600 lbs. (cattle weighing 600 pounds or more but less than "Slaughter Cattle: Fed Cattle")
	<b>Slaughter Cattle: Fed Cattle</b> (cattle weighing 1,200 pounds or more and are intended for slaughter)
	<b>Slaughter Cattle: Mature Cattle</b> (culled cattle raised or maintained for breeding purposes, but which were removed from inventory and are intended for slaughter)
	All Other Cattle (commercially raised or maintained bovine animals not meeting the definition of another category of cattle, excluding beefalo, bison, and animals used for dairy production or intended for dairy production)
	<b>Pigs:</b> < <b>120 lbs.</b> (any swine weighing less than 120 pounds)
	Hogs: > 120 lbs. (any swine 120 pounds or more)
	Lambs & Yearlings: Less Than 2 Years Old (all sheep less than 2 years old)
	*All Other Sheep: Greater Than 2 Years Old (all sheep greater than 2 years old)*
20	Enter the applicable unit of measure for the livestock entered in item 19.
21	Enter the total sales (number of head sold) between January 15, 2020, and April 15, 2020, of owned unpriced inventory as of Jan 15, 2020, for the livestock entered in item 19, if applicable.
	<b>Note:</b> Offspring from owned inventory as of January 15, 2020, that were sold between January 15, 2020, and April 15, 2020, are eligible.
22	Enter the highest owned inventory on a date selected by the producer between April 16, 2020, and May 14, 2020, for the livestock entered in item 19, if applicable.
23	COC will enter the total sales (number of head sold) between January 15, 2020, and
	April 15, 2020, of owned unpriced inventory as of Jan 15, 2020, for the livestock
	entered in item 19, 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.

Item	Instructions
	Part E – Livestock Information (Continued)
24	COC will enter the adjusted owned 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.
	Part F – Value Loss Information
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.
	Part G – Specialty Crop Information (COC Determination Not Required)
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 shipped that spoiled or went unpaid 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.
	Note: 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.

Item	Instructions
	Part H – Increased Payment Limitation for Corporations, Limited Liability Companies and Limited Partnerships
38	Enter the member/partner or stockholder name(s) who provide 400 hours or more of
A-C	active personal labor or active personal management, or combination thereof, to the
	farming operation identified in Part A, item 5.
	Note: Entry only required to be completed by Corporations, LLC's and LP's.
	Part I – Producer Certification
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.
	Part J – COC Determination
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 ( $\checkmark$ ) 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.

## **B** Example of AD-3114

The following is an example of AD-3114.

\*\_\_

<b>D-311</b> 08-14-20		onically.	AGRICULTURE	1 Re	cording State		3 Expiration Date: 11/30/2020 Program Year								
0-14-20		PARTMENTOF	AGRICULTURE		cording otate	2. 1									
			D ASSISTANC	E 3. Red	ording County	4. Aj	oplication Number								
C) ot in th ar	ARES Act (Pub. L. 116-13 ther Federal, State, and Lo n applicable Routine Uses i he requested information w pplicable authorities.	5), and 15 U.S.C. 714 cal government agen dentified in the Syster ill result in a determini	b and 714c. The information v cles, Tribal agencies, and nong n of Records Notice for USDA ation of ineligibility for program	vill be used to determine eligit povernmental entities that hav (FSA-2, Farm Records File (A benefits: Payments may be i	ility for program benefit e been authorized accet utomated). Providing th made under the program	s. The information collect ss to the information by st e requested information is a to which the form applies	on this form is 7 CFR Part 9, the ed on this form may be disclosed to altute or regulation and/or as described voluntary. However, failure to furnish s only to the extent permitted by reviewing instructions, gathering and								
m	naintaining the data needed	, completing (providin	g the information), and review. ys a valid OMB control numbe	ing the collection of informatio	n. You are not required	to respond to the collection	n, or USDA may not conduct or								
ARTA	A – PRODUCER /	GREEMENT													
ne Depa rder for U	artment of Agriculture (l USDA to make a deterr	JSDA) will make pa mination that the ap	ayments under the CFAP f oplicant is eligible to receiv	to producers who meet the ve a CFAP payment. By s	e requirements of the submitting this applic	e program. The follow ation, and upon appro	ing information is needed in val by USDA, the applicant								
grees: 1.	To comply with regulat	ions set forth in 7 (	CFR Part 9 and any Notice												
	www.regulations.gov/c		0-0004. with respect to a commod	ity produced in the United	States and intender	to be marketed for or	ommercial production								
6. I.	Nonspecialty crop and that were sold betwee To provide to USDA a	wool inventory an n January 15, 2020 Il information that is	d livestock sales between ), and April 15, 2020 unde	January 15, 2020 and Ap r an agreed upon set price he information provided o	ril 15, 2020, must be e before January 15, n this form is accurat	unpriced as of Janua 2020, do not qualify fo te and to allow USDA	ry 15, 2020. Specialty crops or assistance. representative access to all								
	To comply with maxim • CCC-902, Farm • CCC-901, Memb • CCC-941, Avera	um payment limita Operating Plan for er Information for I ge Adjusted Gross	tion and adjusted gross in Payment Eligibility (NOTE Legal Entities, if applicable Income (AGI) Certification	come provisions applicables : Only Parts A and B of the n and Consent to Disclosu	le to the CFAP by co he form are required ire of Tax Information	mpleting forms: ).									
i.			rom Farming, Ranching ar red for program participati	····, ····, ···, ···, ·		signs this application. I	Failure of an individual, entity,								
	-	-				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.									
						applicants must comp	lete and submit all portions of								
	i. The applicant c ii. The applicant c tree fruits, tree	oes not participate nly has an interest nuts, grapes, olive	servation (HELC) and We in USDA benefits subject in land devoted to the pro s, native pasture and pere to determine if such produ	tland Conservation (WC) to HELC and WC complia duction of agricultural cor nnial forage. If the applic	Certification unless: ance except Federal mmodities that are pe ant produces alfalfa,	Crop Insurance or CF erennial crops, excludi the applicant must co	AP, and ng sugar cane, such as								
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# **B** Example of AD-3114 (Continued)

	VESTOCK INFO	DRMATI	ON					C	OC USE	Page 2 of ONLY
19. Livestock		20. Unit o Measu	of Sa re <i>(Between J.</i> <i>April 1</i> of Inventory	21. Sales (Between Jan 15, 2020 – April 15, 2020) of Inventory Owned as of Jan 15, 2020		May	23. COC Adjusted Sales (Between Jan 15, 2020 - April 15, 2020) of Inventory Owned as of Jan. 15, 2020		24. COC Adjusted Inventory (Highest Between April 16, 2020 - May 14, 2020)	
PART F - AG	QUACULTURE	& NURS	ERY/FLOR							
۱N 25	NFORMATION		26B	27A	27B	28A		28B	29A	29B
Commodit		e of / Sold	Value of Inventory Shipped tha Spoiled or Went Unpaid (as of April 15, 2020)	t Volume of Available t Inventory (see d instructions)	Value of Inventory Not Sold (as of April, 15, 2020)	COC Adjusted Volume of Inventory Sold (Jan 15, 2020 – April 15, 2020)	COC Va Inv Ship Spoile U	Adjusted Adjusted alue of ventory ped that d or Went npaid Jaril 15, 2020)	Adjustec Volume o Available Inventor (See Instructions	COC d Adjusted of Value of Inventory y Not Sold (as of April 15,
	PECIALTY CRC (QUIRED)	P INFO	RMATION (	COC DETERMINATI	ION NOT			AMS US	EONLY	
30. Crop	31. Unit of Measure	Volu Produc <i>(Jan 1</i>	32. ume of ction Sold 15, 2020 - 15, 2020)	33. Volume of Production Shipped that Spoiled or Went Unpaid ( <i>Jan 15, 2020 –</i> <i>April 15, 2020</i> )	34. Acres wi Productic Not Shipp or Sold (Jan 15, 202 April 15, 20	on Volume ed Produc Solo 20 – (Jan 15, 2	e of tion 1 1020 -	36 AMS Ac Volum Production that Spoiler Unp (Jan 15, 202 202	ljusted ne of Shipped d or Went aid 0 <i>-April 15</i> ,	37. AMS Adjusted Acres with Production Not Shipped or Sold ( <i>Jan 15, 2020</i> ) April 15, 2020)
from \$250 labor or a	0,000 to either \$50 active personal ma ty has three memb ment, or combination	00,000, if inagemen bers, partr on thereof	such entity h at, or combina ners, or stock f, to the farmi	tion thereof, to the cholders who each ing operation as de	partners, or stocl e farming operati provided at leas efined in 7 CFR	kholders who ead ion as defined in st 400 hours or m Part 1400. Identi	ch provic 7 CFR F ore of pe fy the na	led at least 4 Part 1400, or ersonal labor ames of men	00 hours o a maximun or active p bers, partn	r more of personal n of \$750,000 if ersonal
stockhold identified	in Part B Item 5:			7	C.					
stockhold identified			E	3.			C.			
stockhold identified	in Part B Item 5:		ION	3. rjury in accordance	ce with 28 U.S.C	C. § 1746 and 18		§ 1621 that	the forego	ing is true and
stockhold identified ART I - PR hereby sign orrect. 9A. Signatur	in Part B Item 5: ODUCER CER1 and acknowledge re (By)	e under p	ION	<i>jury in accordance</i> 39B. Title/R		e Individual Signi	8 U.S.C.	0		ing is true and Pate (MM/DD/YYYY)
stockhold identified ART I - PR hereby sign orrect. 9A. Signatur	in Part B Item 5: ODUCER CER and acknowledge	e under p	ION	<b>jury in accordana</b> 39B. Title/R Repre	elationship of the	e Individual Signi	8 U.S.C.	0		Date ( <i>MM/DD/YYYY</i> )
stockhold identified A PART I - PR hereby sign orrect. 9A. Signatur PART J - CC 40. Payment Par	in Part B Item 5: ODUCER CERT and acknowledge re (By) DC DETERMINA	e under pr ATION	ION benalty of per	<b>jury in accordana</b> 39B. Title/R Repre	elationship of the	e Individual Signi ity	₹ <i>U.S.C.</i>		39C. D 43. Determi	nation
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stockhold identified ARTI-PR hereby sign orrect. 9A. Signatur 2ART J - CO 40. Payment Par CARES CCC Cordance with Fed .color, national ori sal or retailation for ons with disabilitie:	in Part B Item 5: ODUCER CERT and acknowledge re (By) OC DETERMINA t t leral civil rights law and US gin, religion, cers, gender in r prior civil rights law and US suboreguine alternative r	e under p. ATION CO SDA civil right Genty (nobud in any program reans of com	ION penalty of per 41 OC or Design s regulations and p ing gender express nor activity conduc- mor activity conduc-	<i>gjury in accordan</i> 39B. Title/R Repre I. nee Signature	elationship of the esentative Capac notes offices, and empti sability, age, markial da sability, age, markial da libases apply to all / lille, larce print, audiotag	e Individual Signi ity 42. Date (MM/DD vyees participating in or tus, farmiy/parental stelu oragrams). Remedies ar e., American Sign Langue	U.S.C. ng in the (YYYY) administering s, income di d complaint age, etc.) st	APPR gUSDA programs erived from a pub. filing deadlines vo	43. Determi OVED OVED are prohibited fi ic assistance pro ny by programo esponsible agen	nation DISAPPROVED DISAPPROVED DISAPPROVED DISAPROVED DISAPROVED on discriminating based of gram, political beliefs, or rincident.

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