Pandemic Disaster Assistance Program

For State and County Offices

SHORT REFERENCE

1-PDAP

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

A Reason for Amendment

Part 6 has been added for the Food Safety Certification for Specialty Crops (FSCSC) program.

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Part 1  Basic Information

1  Overview

A  Handbook Purpose

This handbook provides procedure for Pandemic Disaster Assistance Programs.

The objective of the Pandemic Disaster Assistance Programs is to provide direct payments to producers who have been impacted by COVID-19.

B  Authority and Responsibility

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

C  Sources of Authority

This handbook provides procedure for various Pandemic Assistance Programs. Each program is separated by part in this handbook. See the applicable part for the source of authority and regulations for each specific program.

D  Modifying Provisions

Provisions in this handbook must not be revised without prior approval from the National Office. Any requests for revisions or amendments must be sent to the applicable Pandemic Assistance Program Manager, through DAFP.

E  Related FSA Handbooks

FSA handbooks related to Pandemic Disaster Assistance Programs include:

- 9-AO for investigating program violations
- 18-AO for civil rights compliance
- 22-AO for outreach
- 1-APP for appeals
- 32-AS and 32-AS Supplement for records management
Overview (Continued)

E Related FSA Handbooks (Continued)

- 1-CM for using signup registers, signature requirements, power of attorney, deceased individuals, dissolved entities, maintaining the name and address file, controlled substance, and suspended and debarred producers
- 9-CM for using FSA’s common payment system
- 10-CM for farm, tract, and crop data
- 11-CM for customer data management
- 6-CP for HELC and WC provisions
- 7-CP for finality rule and equitable relief
- 1-FI for processing payments initiated through NPS
- 58-FI for managing FSA and CCC debts and receivables
- 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 information available to the public (FOIA)
- 3-INFO for safeguarding individual privacy from misuse of Federal records and public access to such records
- 1-OCCSP for Organic Certification Cost Share Program
- 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)

F Forms

Forms, worksheets, applications, and other documents other than those provided in this handbook or issued by the National Office will not be used for Pandemic Programs.

Any document that collects data from a producer or handler, regardless of whether their signature is required, is subject to the Privacy Act and information collection procedures, including clearance of these documents by the following offices:

- National Office program area
- MSD, Directives, Forms, and Records Management Branch, Forms Management Section
- OMB.

Forms, worksheets, and documents developed by State or County Offices must be submitted to the National Office for review and approval.

Important: State and/or County Office-developed forms, worksheets, or other documents will not be used for Pandemic Programs unless approved by the National Office.

2 Outreach

A General Information

Program outreach is a critical component of FSA’s objective in ensuring access of information and programs to interested producers and potential producers is provided. FSA outreach activities are National, State, and County Office informational and educational efforts made to promote program benefits and eligibility criteria. Employees are required to conduct outreach activities on programs that align with the Agency’s FY outreach goals, which includes programs administered in this handbook.

The following types of outreach activities may be conducted to market the program:

- informational meetings
- program workshops and conferences
- stakeholder meetings
- electronic producer newsletters
- press releases
- web announcements and other broadcast media formats.

Example: Radio and television public service announcements.
Outreach (Continued)

A General Information (Continued)

Outreach efforts are designed to increase participation from potential and current agricultural producers such as underserved communities; outreach efforts are not guaranteed to reach all producers. Employees are encouraged to work with partners to assist with outreach efforts.

State and County outreach coordinators, and designated State organic champions, shall engage closely with partnering stakeholders organizations, non-profit organizations, community based organizations, associations and other USDA agencies to participate in and support collaborative outreach activities to promote the program.

Notes: All county and State eligible outreach activity types are required to be recorded in OTIS to report the county’s outreach accomplishments that support the Agency’s strategic outreach goals.

As resources permit, COC will ensure specific pandemic program provisions are publicized and maintain a record of all public information efforts, including posting in Service Centers, according to public information and program policies.

3 NEPA Requirements

A Background

NEPA of 1969, as amended, requires that Federal agencies must consider all potential environmental impacts before implementing activities that have the potential to significantly impact the human environment; all environmental processes must be fully completed before an action can be approved; and agencies must consult with and obtain comments from Federal agencies that manage or have expertise about resources that are potentially affected. FSA’s environmental compliance program’s mission is to use all practicable means to ensure FSA compliance with all applicable environmental laws, regulations, and procedures. FSA uses an environmental review process to determine the appropriate level of NEPA analysis and documentation required.

B Programmatic Determination of Environment Compliance

The National Office has determined that the programs in this handbook do not constitute a major Federal action that would significantly affect the quality of the human environment, individually or cumulatively. Therefore, FSA-850 will not be completed.
4 Erroneous Information and Misrepresentation

A Impact of Providing Erroneous Information and Misrepresentation

If any application for a Pandemic 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 total amount of gross revenue, or if the Pandemic payment would exceed the payment as calculated based on the correct amount of gross revenue the application will be disapproved and the participant must refund to USDA all applicable Pandemic 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 pandemic payment, the producer must refund the difference with interest from date of disbursement.

Any required refunds must be resolved according to debt settlement regulations in 7 CFR Part 3.

B Perjury

In either applying for or participating in pandemic programs, or both, the producer is subject to laws against perjury and any penalties and prosecution resulting therefrom, with these 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 pandemic programs, or both, then the producer is guilty of perjury and, except as otherwise provided by law, may be fined, imprisoned for not more than 5 years, or both, regardless of whether the producer makes such verbal or written declaration, certification, statement, or verification within or without the United States.

C Joint and Several Liability

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

5-14 (Reserved)
Part 2    Pandemic Assistance for Timber Harvesters and Haulers (PATHH)

Section 1    Basic PATHH Provisions

15    General Information

A    Purpose

This part provides instructions for administering PATHH.

PATHH provides assistance for timber harvesting and timber hauling businesses impacted by the effects of COVID-19 during a portion of calendar year 2020.

B    Sources of Authority

Following are the sources of authority for PATHH:

•    Consolidated Appropriations Act, 2021
•    NOFA.

C    Authority and Responsibilities

DAFP has the authority and responsibility for PATHH.

D    PATHH Websites

The following websites provide information used to administer PATHH.

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<td><a href="https://www.farmers.gov/pathh">https://www.farmers.gov/pathh</a></td>
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<td>FFAS Employee Forms/ Publications Online Website</td>
<td><a href="http://intranet.fsa.usda.gov/dam/ffasforms/forms.html">http://intranet.fsa.usda.gov/dam/ffasforms/forms.html</a></td>
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Responsibilities

A  STC Responsibilities

Within the authorities and limitations in this handbook and NOFA, STC’s must:

- direct the administration of PATHH
- ensure that State and County Offices follow PATHH provisions
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP
- ensure that reviews be conducted by DD and that County Offices comply with PATHH provisions according to paragraph 75

Note:  STC may establish additional reviews to ensure that PATHH 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
- approve or disapprove any PATHH application except those in which an STC member has a monetary interest
- comply with all PATHH provisions.

B  SED Responsibilities

Within the authorities and limitations in this handbook and NOFA, SED’s will:

- direct the administration of PATHH
- ensure that County Offices follow PATHH provisions
- ensure that County Office employees and COC’s are adequately trained
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP
Responsibilities (Continued)

B SED Responsibilities (Continued)

- ensure that DD’s or other designated employees conduct reviews according to paragraph 75

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

- ensure that PATHH provisions are publicized

- immediately notify the National Office 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

- comply with all PATHH provisions.

C DD Responsibilities

Within the authorities and limitations in this handbook and NOFA, DD’s will:

- ensure that COC’s and County Offices follow PATHH provisions

- ensure that the CED’s review of the first five PATHH applications from each county are sufficiently thorough to confirm:
  
  - signatures are included
  - values on FSA-1118 are correct in the software based on producer’s certification
  - eligibility requirements are understood
  - payments are proper

- based on the review documentation received, provide CED authority to complete actions in the software upon completing review of the first five PATHH applications

  **Note:** If the initial documentation received contains evidence of misunderstood policy, provide clarification of that policy to the county employees, and withhold authority until authorization to make payments is warranted.
16 Responsibilities (Continued)

C DD Responsibilities (Continued)

- conduct reviews as determined by SED according to paragraph 75

  Note: DD may establish additional reviews to ensure that PATHH is administered according to these provisions.

- ensure that all County Offices within their assigned district publicize PATHH provisions

- immediately notify the State FSA Office specialist responsible for PATHH 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 improper payments.

D COC Responsibilities

Within the authorities and limitations in this handbook and NOFA, COC’s will:

- fully comply with all PATHH provisions

- ensure that CED directs the County Office staff to follow all PATHH provisions

- review, approve, and disapprove PATHH applications, and document in the COC minutes

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

- handle appeals according to 1-APP

- thoroughly document all actions taken in the COC minutes

- ensure that PATHH provisions are publicized

- take any oversight actions necessary to ensure that IPIA provisions are met to prevent the County Office from issuing any improper payments
D COC Responsibilities (Continued)

- ensure that FSA assist persons by providing program information as it becomes available, using a variety of methods.

  **Note:** 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 all publicity efforts, including postings in Service Centers.

The PATHH Fact Sheet:

- may be used to provide general program information

E CED Responsibilities

Within the authorities and limitations in this handbook and PATHH NOFA, CED’s will:

- fully comply with all PATHH provisions
- ensure that all County Office employees fully comply with all PATHH provisions
- review the first five PATHH applications and eligibility documentation for completeness and accuracy and send to DD to obtain authority to issue payment(s)
E  CED Responsibilities (Continued)

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

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

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

- issue adverse determination letters 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
- document all actions taken in the COC minutes
- immediately notify SED and/or State Office program specialist responsible for the administration of PATHH, 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 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 PATHH NOFA, PT’s will:

- fully comply with all PATHH provisions
- immediately notify 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.
Responsibilities (Continued)

G  Applicant Responsibilities

The applicant is responsible for being aware of program provisions and accurately reporting all required information, as applicable, on FSA-1118.

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

Participants receiving PATHH payments or any other person who furnishes information to USDA must permit authorized representatives of USDA or GAO during regular business hours, to enter the operation and to inspect, examine, and to allow representatives to make copies of books, records or other items for 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 PATHH assistance being disapproved, COC adjusted, or approved but ineligible for payment

• the applicant(s) being determined ineligible for FSA programs for the year or multiple years

• the applicant(s) being liable under any civil or criminal fraud statute or any statute or provision of law.

17-29 (Reserved)
Section 2  PATHH Policies and Provisions

30  PATHH General Program Policies and Provisions

A Definitions

Gross revenue means the business’s gross receipts. Do not include sale of physical assets, such as machinery or equipment, when calculating gross revenue.

Gross receipts mean the total amounts the timber harvesting business or timber hauling business received from timber harvesting and timber hauling activities, without subtracting any costs or expenses.

Note: See paragraph 49 for guidance on identifying gross receipts.

Legal entity means, for the purposes of administering PATHH, a timber harvesting business or timber hauling business that is a corporation, joint stock company, association, limited partnership, irrevocable trust, estate charitable organization or other similar organization including any such organization participating in a business structure as a general partnership, a joint venture, a grantor of a revocable trust or as a participant in a similar organization, is considered a legal entity, subject to the payment limitation and payment eligibility requirements for PATHH. A business operating as a sole proprietorship is considered a legal entity.

NAICS means the 2017 North American Industry Classification System (NAICS). It is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

Person means an individual, natural person and does not include a legal entity.

Principal business code means a 6-digit number that classifies the main type of product a business sells, or service offered. It is based on NAICS codes and is synonymous in this handbook with NAICS.

Timber means trees or logs harvested from forest land. It includes trees or logs that have been minimally processed onsite in the forest before transportation from the forest land (for example, chipping, grinding, converting to biochar, cutting to smaller lengths, etc.)
PATHH General Program Policies and Provisions (Continued)

A Definitions (Continued)

Timber harvesting business means a business, also known as a logging business, with its gross revenue derived from 1 or more of the following:

- cutting timber
- cutting and transporting timber
- producing wood chips on forest land.

In addition, the business must be classified under NAICS Code 113310 for tax purposes; or as otherwise determined by DAFP.

Note: See paragraph 47 for policy when NAICS Code 113310 is not provided.

Timber hauling business means a business, also known as a log hauling business, with its gross revenue derived from transporting products harvested from forest land with vehicles registered (under the laws of the State or States in which the vehicle is required to be registered) as highway motor vehicles used in the transportation of timber. The business must also be classified under NAICS Code 484220 or 484230 for tax purposes and have filed IRS Form 2290 for logging vehicles for 2019 and 2020 or operated on Tribal land only and did not submit IRS Form 2290, or otherwise determined by DAFP.

Note: See paragraph 47 for policy when NAICS Codes 484220 or 484230 or IRS Form 2290 are not provided.

31 Program Eligibility Requirements

A Program Eligibility

To be eligible for PATHH, the applicant must:

- be in operation as a timber harvesting business or timber hauling business during some portion of both:
  
  - January 1, 2019, through December 1, 2019
  - January 1, 2020, through December 1, 2020

Reminder: The applicable gross revenue time periods for PATHH are 11 months and not full calendar years.

Note: Timber operations that experience normal seasonal fluctuations during the applicable time periods will be considered in operation during the entire PATHH period.
Program Eligibility Requirements (Continued)

A Program Eligibility (Continued)

• have at least a 10 percent timber harvesting and/or timber hauling gross revenue loss when comparing the 2020 period with the 2019 period

• have 50 percent or more of its gross revenue derived from timber harvesting, timber hauling, or both during the periods of:

  • January 1, 2019 through December 1, 2019
  • January 1, 2020 through December 1, 2020

• be 1 of the following:

  • citizen of the United States
  
  • resident alien, which for purposes of PATHH, means “lawful alien” as defined in 5-PL and 7 CFR Part 1400
  
  • partnership of citizens or resident aliens of the United States
  
  • corporation, limited liability company, or other organizational structure organized under State law and solely owned by U.S. citizens or resident aliens
  
  • 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)
  
• provide the name and taxpayer identification number for each person and/or legal entity that held an ownership interest in an applicant that is a legal entity according to 5-PL.
B Eligible Operations That Have Changed From 2019 to 2020

The following business structure changes that occurred between 2019 and 2020 are exceptions to allow for PATHH program eligibility:

- Sole-Member Business Changes

Applicants that are a sole-member business structure may be considered eligible if there was a change in the organizational business structure, including a new TIN, from 2019 to 2020. COC will determine if the operation is still being conducted by the same individual person using the same equipment and management.

**Example:** An individual person conducted a timber harvesting and hauling business in 2019 using their SSN. In 2020, the same person created a sole proprietorship, sole member LLC, or revocable trust. The only change is that the business, conducted by the same individual, is organized differently in 2020 compared to 2019. The new entity will be the PATHH applicant and use its revenue from 2020 compared to the revenue of the individual person in 2019 to determine eligibility for PATHH and the payment amount for qualifying losses.

- Legal Entity or Joint Operation Changed TIN

When a legal entity applying for PATHH reports their business changed TIN between 2019 and 2020, COC or designee may consider this a valid exception for accepting the revenue certification and documentation providing the operation’s members, equipment, and management remain the same.

**Example:** In 2019, ABC LLC had 3 members and changed to a General Partnership in 2020 with the same members. COC may accept the revenue certification and program documentation for both TIN’s for each year in determining PATHH eligibility and payment amounts for qualifying losses.
B Eligible Operations That Have Changed From 2019 to 2020 (Continued)

- Business Adds Family Members and Changes TIN

COC must review and scrutinize changes to membership and TIN to determine whether the operation is the same business in 2020 as it operated in 2019. In some cases, the applicant’s ownership structure may have resulted in the addition or removal of family members, including TIN changes, yet the operation is still conducting its business the same way.

An operation comprised solely of family members as defined in 5-PL, from 2019 to 2020, which may also subsequently change the business TIN may be considered eligible upon COC review. In considering this exception, COC will determine whether the business itself is the same and not a new business.

**Example:** A father has DEF Logging, LLC in 2019. In 2020, his 2 children become shareholders and the operation incorporates in 2020. The 2020 business is ABC Logging, Inc. with 3 members. ABC Logging Inc will apply for PATHH using their 2020 gross revenue and the 2019 revenue from DEF Logging LLC. COC may determine this a valid exception.

- Business Adds Non-Family Members and Changes TIN

COC may consider an exception when the business entity TIN changed from 2019 to 2020, and the business added or removed non-family members. COC must determine whether the business’s 2020 revenue was derived from the same or similar source(s) as in 2019 using the same equipment and management.

**Example:** In 2020 HIJ LLC added non-family members to the operation and changed its TIN. In this case, the operation stayed the same in terms of its revenue-generating capability, including using the same equipment and management used to conduct the operation in 2019.
C Ineligible Applicants

The following applicants are ineligible for PATHH:

- person who is not a citizen of the United States or a lawful alien

- legal entity or joint operation (including general partnership or joint venture) with a member, or members, at any level of ownership in the entity’s ownership structure who is not a citizen of the United States or a lawful alien

- legal entity (including members of a legal entity) that fails to provide names and taxpayer identification numbers for persons and legal entities that hold an ownership interest in the legal entity

- person who is a minor child who is not 18 years of age at the time of application.

D Ineligible Businesses

The following businesses are ineligible for PATHH:

- residential or commercial tree care, including businesses which apply arboricultural methods like pruning, trimming, and felling/thinning in residential and/or commercial built environments

- landscape services, including businesses which construct, install, and maintain lawns, trees, yards, shrubs, gardens, patios, related grounds, and outdoor areas which are owned by others

- trucking businesses that do not transport trees or logs

- timber broker

Note: Timber buyers and/or brokers are people who buy and sell standing timber and logs, but may not have accredited education or training in the timber industry. They can work independently (as middle persons) or directly for mills.

- United States Federal, State, and local Governments, including public schools, as defined in 5-PL.
Program Eligibility Requirements (Continued)

E Ineligible Operations That Have Changed From 2019 to 2020

The following situations are not allowed as exceptions when considering TIN changes:

- entities that operated separately in 2019 and then combined in 2020

  **Example:** In 2019, KLM, LLC and Timber, Inc. both were operating as separate businesses, with separate tax returns, equipment, and resources. In 2020, the 2 companies merged to form KLM Timber, Inc. COC would not consider this 1 business with member or TIN changes to meet the exemption.

- any other situation when the tax ID changed from 2019 to 2020 is not exempted in this handbook.

Customer Records for PATHH Applicants

A Overview

All individual persons and legal entities (including joint operations) and its members, seeking PATHH benefits must have a customer record established in BP that includes a valid taxpayer identification number.

B Collecting Customer Data

An applicant that is a new customer must complete AD-2047 to provide information that positively identifies the customer. An applicant that is a legal entity or joint operation must provide the customer information for each member holding an ownership interest in the business structure.

Applicants that are existing customers may update their profile by completing AD-2047, as applicable.

The customer information must be recorded in Business Partner (BP) according to 11-CM.

C Farm Record

An applicant is not required to be associated with a farm to be eligible for PATHH.
Payment Limitation and Attribution of Payments

A  Payment Limitation

A person or legal entity, including a joint venture or general partnership, cannot receive directly, payments of more than $125,000 under PATHH. Unlike other programs administered by FSA, applicants that are a joint venture or general partnership will be treated like a corporation and will be eligible to receive a single payment limitation per entity.

FSA may reduce the maximum payment limitation after all applications are received based on available funding.

Payments made to a program applicant that is an 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), will not be subject to attribution of payments or payment limitation.

B  Payment Attribution

Rules for limiting payments by direct attribution do not apply to PATHH. Accordingly, rules for common attribution do not apply.

C  Administration of PATHH’s Payment Limitation

To facilitate the administration of payment limitation, applicants that are a legal entity or joint operation (including a general partnership or joint venture) must file CCC-901 to provide entity member information for FY 2020.

The Business File application will be used to record the required member information in FY 2020 for the timber harvesting and/or timber hauling business according to 3-PL (Rev. 2). Only the entity member information, signature authority, and authorized representative’s signature date collected on CCC-901 is required to be recorded.

Note: CCC-903 is not required to be completed and COC determination will not be made.

D  Conservation Compliance

AD-1026 applicable to 2020 must be on file for the applicant and applicable affiliates according to 6-CP.

Conservation compliance provisions apply to applicants seeking USDA benefit subject to conservation compliance on all agricultural land (cropland, rangeland, pastureland, forestland) tied to them as owner, operator, or other producer, as defined in 10-CM. PATHH participants or affiliates with no interest in agricultural land may certify using AD-1026, Box 5A.
D Conservation Compliance (Continued)

If an applicant has a farming interest, they will not be permitted to certify with Box 5A and will complete AD-1026 as applicable (must certify full form and establish farm records for their agricultural land interests).

If AD-1026 applicable for 2020 is:

- already on file for the applicant and its affiliates, if applicable, it is not necessary to obtain a new AD-1026 for PATHH

- not on file for the applicant and its affiliates, if applicable, the County Office will obtain a completed AD-1026 for 2020.

E Average Adjusted Gross Income (AGI)

Average Adjusted Gross Income (AGI) and 75 percent average Farm AGI provisions do not apply to PATHH.

F Controlled Substance

Controlled Substance provisions apply to PATHH according to 1-CM.

G Actively Engaged and Cash Rent Tenant Rules

Actively Engaged in Farming and Cash Rent Tenant requirements do not apply to PATHH.

H Payment Eligibility Requirements

An applicant must meet all of the following requirements before a payment will be issued.

- File the following forms with their local USDA Service Center as applicable:
  - FSA-1118
  - CCC-901 for legal entities according to 5-PL, if applicable

  Note: A manual CCC-901 is not required if member information is recorded in Business File and the authorized representative of the legal entity signs the automated CCC-902.
H Payment Eligibility Requirements (Continued)

- AD-2047 for each applicant and entity member, if applicable
  
  **Note:** Existing customers may also complete AD-2106 to report demographic information, including race, ethnicity and gender.

- AD-1026 according to 6-CP

- SF-3881 (direct deposit) for each applicant

- FSA-325 for deceased, disappeared, or incompetent producers, if applicable.
  
  **Note:** Follow 1-CM provisions for persons who have died, disappeared, or been declared incompetent.

- Not be in violation of fraud provisions, including FCIC fraud provisions, according to 1-CM

- Be in compliance with the controlled substance provisions according to 1-CM.

I Timeframe for Filing Eligibility Documents

The applicant **must** submit all payment eligibility forms within 60 days from the date of signing the PATHH application (FSA-1118).

When an applicant does not submit the required eligibility documentation, FSA will not issue a payment.

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

34-44 (Reserved)
Section 3  PATHH Application Processing and Review

45  Signup

A  PATHH Signup

Timber harvesting and timber hauling businesses can apply for PATHH benefits at any County Office nationwide. The applicant must complete FSA-1118 to receive a payment.

The signup period for PATHH is July 22, 2021, through October 15, 2021.

B  Late-Filed Provisions

If a timber hauling business or timber harvesting business submits an application after October 15, 2021, the application is late. Appeal rights must be provided if the application is disapproved according to 1-APP. COC, STC, or DAFP’s refusal to exercise discretion and grant acceptance of the late-filed application will not be considered an adverse decision and is not appealable.

COC may consider relief. The applicant must provide a written explanation as to why the application was filed after the deadline and if COC and STC determine relief is warranted, the case may be submitted to DAFP for consideration according to 7-CP.

46  Applying for PATHH and Reasonable Documentation

A  Applying for PATHH

Applicants will submit FSA-1118 for their entire operation nationwide. See paragraph 50 for FSA-1118 and instructions.

An applicant may submit an application using any of the following methods:

- in person
- by mail
- electronically by:
  - FAX
  - email with a scanned or photocopy of the signed FSA-1118 attached
Applying for PATHH and Reasonable Documentation (Continued)

A Applying for PATHH (Continued)

- other authorized method such as online at www.farmers.gov or via Box or other authorized means
- online application.

**Note:** Submitting FSA-1118 online requires an active Level 2 eAuthentication account. Individual applicants can register for a Level 2 eAuthentication account at www.eauth.usda.gov.

By signing FSA-1118, Part D, the applicant is:

- certifying:
  - all information is true and correct to the best of their knowledge
  - they are a US citizenship or lawful alien
  - they agree to all the conditions in Part A of FSA-1118
  - they are not any of the ineligible applicants as listed in paragraph 31

- acknowledging and understanding that a false certification to FSA is cause for disapproval of FSA-1118 and is punishable by imprisonment, fines, and other penalties.

A complete FSA-1118, including the applicant’s signature, must be received or postmarked by October 15, 2021.

For timber hauling businesses, a copy of the applicant’s IRS Form 2290 Heavy Highway Vehicle Use Tax Return for 2020 and 2019 must be provided. An example of this form can be found on the IRS website at https://www.irs.gov/forms-pubs/about-form-2290.

**Exception:** If a timber hauling business is only operating on Tribal land, IRS Form 2290 is not required.

**Notes:** When an IRS Form 2290 is not available and the hauling business operates on non-Tribal land, the case may be submitted to COC and appealed to DAFP for consideration. COC may request documentation that allows them to decide if the timber hauling applicants should be exempt from submitting this form.

Under Part C of the FSA-1118 for Harvesters & Haulers, if the applicant is both a timber harvester and hauler, they should enter the NAICS code that is reported on their tax return. If the applicant has multiple NAICS codes on their tax return, they should enter the code representing the majority of the business’s gross revenue.
B Reliance on Applicant Records and Certifications

PATHH requires accurate information from applicants. Applicants must understand that failure to provide complete and accurate information and records may result in the following:

- an application for PATHH assistance being disapproved, COC adjusted, or approved but ineligible for payment
- the applicant or applicants being liable under any civil or criminal fraud statute or any other statute or provision of law.

C Software Location

The PATHH application is located on the FSA Applications Page and can be accessed by clicking [https://intranet.fsa.usda.gov/fsa/applications.asp](https://intranet.fsa.usda.gov/fsa/applications.asp).

D PATHH User Guides

The County Office user guide for the PATHH software is located on the DAFP website [https://inside.fsa.usda.gov/program-areas/dafp/dap/path/index](https://inside.fsa.usda.gov/program-areas/dafp/dap/path/index).

The applicant user guide for the PATHH software is located at farmers.gov/path.

E Manual Applications

Manual applications may be accepted but must be entered into the automated software immediately upon receipt. Once loaded, the computer-generated application must be printed and attached to the manual application.

F Electronically Initiated Application

If an applicant initiates an application using Level 2 eAuthentication, the recording County Office will receive an email notification. This application will need to be accessed to complete the process. Follow applicable user guide instructions.

G IRS Form 2290

Timber haulers must provide a copy of their entire 2019 and 2020 IRS Form 2290 for logging vehicles with their PATHH application.

The IRS Form 2290 goes from July 1, through June 20 of each applicable year.
Applying for PATHH and Reasonable Documentation (Continued)

G IRS Form 2290 (Continued)

Part D (Timber Harvester/Timber Hauler Certification) of the FSA-1118 requires only timber haulers to check “Yes” or “No” to certify that they have provided the IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles or that they hauled timber on tribal land and are not required to complete the IRS Form 2290. The yes or no certifications are year specific for 2019 and 2020 respectively. If the applicant only has the 2020 IRS Form 2290, the applicant will not need to supply the 2019 IRS Form 2290 for PATHH. The applicant will check “No” for providing a copy of their 2019 IRS Form 2290 for logging vehicles. This action will not make the applicant ineligible for PATHH.

If the applicant checks “No” for providing a copy of their 2020 IRS Form 2290, and checks “Yes” for providing a copy of their 2019 IRS Form 2290, then the policy in paragraph 47 is applicable in all cases.

A timber hauler applicant who did not file a 2020 IRS Form 2290 must provide 1 or more of the primary documents listed in paragraph 47 to support their certifications as a timber hauler.

Note: Under Part D of the FSA-1118, the applicant may check “No” for providing a copy of their 2020 IRS Form 2290 and can still be deemed eligible by COC if they provide primary documentation.

H Additional Documentation Requested for Review

Applicants are responsible for providing, upon request, additional documentation to verify eligibility of information reported on FSA-1118.

Note: PATHH participants are required to retain documentation in support of their application for 3 years after the date of approval.

The following documentation may be requested by COC or its designee for reasonableness:

- tax records to support verification of NAICS 113310 or 484220 or 484230
- tax records to support gross revenue received from timber harvesting or hauling
- payment receipts for timber harvesting or hauling
- other documentation deemed acceptable by FSA.
Applying for PATHH and Reasonable Documentation (Continued)

H Additional Documentation Requested for Review (Continued)

Applicants may use the following information to find their gross receipts amounts to determine their 11-month applicable program period gross revenue. Amounts reported to IRS would need to be reduced to exclude revenue from December 1 to December 31 for each year 2019 and 2020 as applicable.

- Gross receipts are reported on Form 1065, line 1 for an LLC and on Forms 1120, line 1 or 1120S for a corporation. See the following links:

Note: An LLC can in some circumstances, file using Forms 1120 or 1120S.

47 Additional NAICS Codes Consideration, No NAICS Code, No IRS Form 2290

A Eligibility Consideration if Different NAICS Code, No NAICS Code, or No IRS Form 2290

PATHH eligibility may still be determined when an applicant has a different or no NAICS code, and/or no 2020 IRS Form 2290. For applicants to be considered eligible in these circumstances, primary documentation, listed in subparagraph B, must be submitted with the application and reviewed by COC. Applicants who do not have an eligible NAICS code as listed on their tax return, have no NAICS code, or did not file a 2020 IRS Form 2290 must provide 1 or more of the primary documents listed in subparagraph B to support their application certification as a timber harvester and/or timber hauler. COC will determine whether the applicant is eligible considering the documentation as evidence in lieu of 1 of the 3 eligible NAICS codes and/or IRS Form 2290.

Note: Valid NAICS codes are not required to be loaded in the PATHH software.
A  Eligibility Consideration if Different NAICS Code, No NAICS Code, or No IRS Form 2290 (Continued)

Secondary documentation (subparagraph C) may be provided to support the applicant’s claim but does not provide sufficient evidence on its own to support their claim, primary documentation does own its own support their claim. Therefore, if the applicant only provides documents listed under the secondary documentation, the application and all documentation to support the claim will be sent to the National Office for DAFP and Forest Service to review and to determine if the application can be eligible for PATHH.

Note:  Under FSA-1118, Part D, the applicant may check “No” for providing a copy of their 2020 IRS Form 2290 and can still be deemed eligible by COC if they provide primary documentation.

B  Primary Documentation

The following documentation will support an applicant’s claim that 50 percent or more of their gross income came from timber harvesting and/or timber hauling, which may be provided in lieu of eligible NAICS codes. Any of the primary documentation may be provided on its own merit to support the applicant’s claim.

Primary documentation will include 1 the following:

- documents showing detailed timber harvesting equipment or ownership of log-hauling truck(s), bank loan or mortgage, lease, ad valorem tax documents, and/or insurance coverage

- for loggers and haulers who work on Federal lands (Forest Service or Bureau of Land Management) Federal lands documentation may be provided

Note:  This includes contracts, scale tickets, or insurance or safety inspection documents.

- for businesses that work with State, private lands, or other landowners, similar/equivalent documentation as stated could be available for federal lands, private landowners, or the mills with which they do business.

Note:  This includes receipts or scale tickets indicating the applicant harvested or hauled certain amounts of logs on particular dates, purchased timber access from a landowner, and/or sold or delivered logs to mills.
C Secondary Documentation

Secondary documentation and the PATHH application must be reviewed by the National Office.

Secondary documentation must include 1 of the following:

- letter from certified public accountant noting applicant’s business structure and reason for deviating from the NAICS codes listed in the PATHH program
- logger safety training certification
- professional logging association membership
- State employment job worker’s compensation classifications of employees.

D Submitting Cases to National Office

Applicants requesting to use secondary documentation and/or additional documents to support their claim that are not listed in either the primary or secondary documentation, must be sent to the National Office for DAFP and Forest Service to review and decide the applicant’s program eligibility.

The following table provides the steps if a National Office review is needed.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>County Office will send all documentation and justification provided by the applicant to the State Office in 1 email.</td>
</tr>
<tr>
<td>2</td>
<td>State Office will submit this to the National Office by creating a single PDF with all documentation and justifications combined.</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> There should be one PDF per applicant.</td>
</tr>
<tr>
<td>3</td>
<td>Submitted cases will be formatted using standard title: “[State_Name], [ Applicant_Name], [ OtherNAICSCode, NoNAICSCode, or IRSForm2290] Consideration”.</td>
</tr>
</tbody>
</table>

**Example:** “VTSmithNoNAICSCode”.
**D Submitting Cases to National Office (Continued)**

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>The file will be uploaded to the corresponding file folder (for example, “Different NAICS Code Considerations,” “No IRS Form 2290 Considerations,” or “No NAICS Code Considerations”) under “Files” in the “General” section of the FPAC-FSA-PATHH Microsoft Team.</td>
</tr>
<tr>
<td>5</td>
<td>For applicant’s privacy, encrypt the PDF and email <a href="mailto:jody.kenworthy@usda.gov">jody.kenworthy@usda.gov</a> and cc <a href="mailto:jamie.garriott@usda.gov">jamie.garriott@usda.gov</a> the password to the uploaded document and the document’s name in the email. Use the subject line “PATHH Applicant for DAFP Review Password.”</td>
</tr>
</tbody>
</table>

**Note:** An official decision of the applicant’s eligibility from DAFP will be sent to the State as a memo.

**48 Tax Record Clarifications**

**A Individual Files Taxes Using SSN But Operates the Business Under an EIN**

When an operation files taxes under a Tax Schedule embedded in their individual IRS-1040 tax filing, the TIN’s do not match per PATHH rules. This operation is considered eligible and should apply under the EIN for their business. The business has the risk in the operation, and they may submit paperwork, such as tax documents reported to IRS on the individual’s tax return, to meet gross revenue certification or NAICS code requirements.

**B Joint Tax Returns**

Individuals or legal entities applying for PATHH may file taxes jointly where a joint tax return results in gross revenue calculation being less than 50 percent from timber harvesting and/or hauling activities or less than 10 percent gross revenue loss.

An exception for eligibility consideration is to allow the applicant to certify what their revenue would have been had the applicant filed taxes separately. If required by COC, the applicant would need to submit documentation acceptable to COC that proves the applicant meets 50 percent or more gross revenue and 10 percent gross revenue loss if taxes were filed separately. Documentation may include, and is not limited to, tax returns, 3rd party certification statements such as from a CPA or attorney, or any other documentation considered acceptable to COC.
Tax Record Clarifications (Continued)

B Joint Tax Returns (Continued)

Example: A husband operates a logging business where greater than 50 percent of his business gross revenue is derived from logging. He operates as an individual and files taxes jointly with his wife. The husband’s logging income reported on the 2019 and 2020 tax return is $30,000 and the wife’s income as a nurse is $100,000. In this case, the joint tax return reflects his logging gross revenue is less than 50 percent of their combined gross revenue. If requested by COC, the husband applying for PATHH may provide a CPA certification stating what his gross revenue would have been for the logging business had he filed taxes separately in 2020.

C Applicant with Multiple Businesses Under One TIN

A timber harvesting and/or hauling business may have multiple businesses under a single TIN. COC will consider each business individually when determining PATHH program requirements for 10 percent or greater revenue loss and 50 percent gross revenue from timber harvesting and/or hauling activities. Gross revenue from all eligible operations will be certified and filed under the single TIN on 1 application. Payment will only be processed and paid to the single TIN.

Note: This only applies for multiple timber harvesting and/or hauling businesses under the same TIN.

Gross Revenue

A Reporting Gross Revenue

An applicant must have 50 percent or more of their gross revenue derived from timber harvesting, timber hauling, or both during the periods of January 1, 2019, through December 1, 2019, and January 1, 2020, through December 1, 2020.

When reporting gross revenue loss on FSA-1118, the applicant will separate their receipts for timber harvesting and timber hauling transactions from the rest of their business and report only that revenue amount (timber harvesting and timber hauling) for the PATHH program. The applicable time periods for PATHH are 11 months and not full calendar years. Applicants should not use their total profit and loss report to report revenue unless all profit and loss is from timber harvesting and/or timber hauling or the specific timber harvesting and/or hauling profit and loss can be extracted from the report.
Gross Revenue (Continued)

B  What Is Included in Gross Revenue

The following benefits received in both 2019 and 2020 must be included when determining the 50 percent eligibility requirement and 10 percent loss.

- Unemployment benefits.
- CFAP 1 and CFAP 2 payments.
- Any other pandemic assistance in the form of a direct payment to the business.

Do not include revenue from these sources in the applicant’s certification of revenue from timber harvesting or hauling.

Gross revenue is the sum of all monies received by the business for timber harvesting and/or hauling activities. It does not include costs or expenses associated with revenue generated by the business. Stumpage, which is generally the price paid by a business to have the right to cut and remove standing trees (sometimes referred to as the value of those standing trees), is not included in or accounted for when determining gross revenue because stumpage is considered an expense or cost to the business. Once standing trees are cut and sold, the sale of the timber by the business is money received by the business and included as part of gross revenue.

C  What Is Not Included in Gross Revenue

PATHH applicants will not include the following revenue used for determining the 50 percent eligibility requirement, 10 percent loss, or certifying revenue from timber harvesting and/or hauling activities.

- **Insurance indemnity payments.** Insurance indemnity payments are not counted because PATHH is not compensating for a commodity loss as done under insurance coverage.

- **Paycheck Protection Program (PPP) funds.** PPP funds are loans and not direct payments.

- **Income from pass-through entities such as an LLC or S-Corporation.** Distribution of income from the passthrough entities such as an LLC or S-corporation may include income from sources other than timber harvesting or hauling, therefore must not be included in determining the 50 percent eligibility requirement, 10 percent loss, or gross revenue certification.
D 2020 Gross Revenue of Zero

COC may determine an exception applies when the 2020 gross revenue from timber harvesting and/or hauling is reported as zero for the business. In this case, the business may be determined to meet the 50 percent requirement, 10 percent loss and eligible for PATHH. The applicant will certify and record a zero entry on FSA-1118, Part C, Column 9, as their 2020 Gross Revenue.

E 2020 Gross Revenue Is Less Than 50 Percent From Timber Harvesting and/or Hauling

COC will disapprove FSA-1118 when an applicant does not show a business’s gross revenue was at least 50 percent or more from timber harvesting and/or hauling activities and does not meet the exception of zero revenue described in subparagraph D. COC will disapprove the application even when the timber gross revenue comparison between 2020 and 2019 meets the required loss of 10 percent or greater.

Example: Loggers R Us, Inc. applied for PATHH certifying all 2019 gross revenue from timber harvesting totaling $500,000. In 2020, the mill closed because of COVID and their 2020 timber revenue was reported as $100,000. Loggers R Us, Inc. found other work using equipment to perform excavating services and suburban tree care. Their gross revenue from non-timber related work in 2020 was $300,000. Although their overall gross revenue and timber business revenue meets the 10 percent pandemic loss threshold, the 2020 business gross revenue was not more 50 percent or more from eligible timber harvesting and/or hauling activities. COC will disapprove this application.

Note: County Offices will follow 1-APP to provide applicable appeal rights.
**FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers (PATHH) Program Application**

### A Completing FSA-1118

The following table provides instructions for completing a manual FSA-1118.

**Note:** For County Offices, enter the data for all FSA-1118’s received in the County Office in the PATHH application system to print the completed FSA-1118 (PATHH application) for the applicant.

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For COC Use Only</strong></td>
<td></td>
</tr>
</tbody>
</table>
| 1 | Enter the applicant's recording State.  
The recording State is the State where the payments will be issued for the applicant. This does not limit an applicant from going to only this State. The applicant can apply in any USDA Service Center in the USA, but the recording State will be assigned upon applying.  
**Note:** This field is automatically populated in automated system. |
| 2 | The program year will be **2020**.  
**Note:** This field is automatically populated. |
| 3 | Enter the applicant’s recording county.  
The recording county is the county where the payments will be issued for the applicant. This does not limit an applicant from going to only this county/State. The applicant can apply in any USDA Service Center in the USA, but the recording county will be assigned upon applying.  
**Note:** This field is automatically populated in automated system. |
| 4 | Enter application number.  
**Note:** This number is assigned by the automated system. |
A Completing FSA-1118 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part A – Producer Agreement</strong></td>
<td>For Informational Purposes:</td>
</tr>
<tr>
<td>The Timber Harvester/Hauler agreement provides what is required to be eligible for PATHH assistance.</td>
<td></td>
</tr>
<tr>
<td>Applicants must complete the following applicable forms to seek participation in the PATHH program:</td>
<td></td>
</tr>
<tr>
<td>• AD-2047, which is the customer data worksheet to collect the applicant’s information</td>
<td></td>
</tr>
<tr>
<td>• manual CCC-901 must be completed by legal entities, including General Partnership or Joint Venture, and provide the name, address, and taxpayer identification number for the legal entity and all members, partners, or stockholders with an ownership interest</td>
<td></td>
</tr>
<tr>
<td>• AD-1026</td>
<td></td>
</tr>
<tr>
<td><strong>Note:</strong> Applicants that do not have any farming interests can certify on AD-1026, box 5a.</td>
<td></td>
</tr>
<tr>
<td>• IRS Form 2290, Heavy Highway Vehicle Use Tax Return for logging vehicles for 2019 and 2020. A copy of these forms must be submitted with the complete FSA-1118 unless otherwise determined by DAFP.</td>
<td></td>
</tr>
<tr>
<td><strong>Part B – Timber Harvester/Hauler Information</strong></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Enter the applicant’s name, address, including ZIP code, and phone number, including area code.</td>
</tr>
<tr>
<td><strong>Part C – Timber Harvester/Hauler Revenue</strong></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Displays the Timber Business Types eligible for PATHH.</td>
</tr>
<tr>
<td>• Harvester (Only)</td>
<td></td>
</tr>
<tr>
<td>• Hauler (Only)</td>
<td></td>
</tr>
<tr>
<td>• Harvester &amp; Hauler.</td>
<td></td>
</tr>
<tr>
<td><strong>Note:</strong> This line should only be completed if the applicant is both a timber harvester and timber hauler.</td>
<td></td>
</tr>
</tbody>
</table>
A Completing FSA-1118 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part C – Timber Harvester/Hauler Revenue (Continued)</strong></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Enter the principal business code also known as the NAICS code associated with the applicable timber business type in item 6. Applicant should provide the principal business code listed on their tax return. If the applicant does not have the correct code on their tax return, the applicant should put “NA” in item 7 and will need to provide justification as to why this is the case.</td>
</tr>
</tbody>
</table>
| 8    | Enter the gross revenue received from January 1 through December 1 for the applicable timber business type in item 6.  

**Note:** This period is not a full calendar year.  
If the applicant/business operation originated after January 1, 2019, the gross revenue from the origination date to December 1, 2019, should be entered in this box. |
| 9    | Enter the gross revenue received from January 1, 2020, through December 1, 2020, for the applicable timber business type in item 6.  

**Note:** This period is not a full calendar year.  
If the applicant/business operation dissolved before December 1, 2020, the gross revenue from January 1, 2020, to the dissolution date should be entered in this box. |
| 10   | If the applicant/business operation listed in item 5 did not originate until after January 1, 2019, then the applicant must enter the origination date of the business operation for the applicable timber business type in item 6.  

**Note:** Seasonal timber harvesting or haul ing businesses are considered in business for the entire time from January 1, 2019, to December 1, 2019. |
| 11   | If the applicant/business operation listed in item 5 dissolved before December 1, 2020, then the applicant must enter the date the business operation dissolved for the applicable timber business type in item 6.  

**Note:** Seasonal businesses are considered in the business for the entire time from January 1, 2020, to December 1, 2020. |
| 12   | FSA may enter the adjusted 2019 gross revenue, if applicable.  

**Note:** An entry is only required when the agency determines 2019 gross revenue is different than what is certified to by the applicant in item 8. |
## A Completing FSA-1118 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part C – Timber Harvester/Hauler Revenue (Continued)</strong></td>
<td></td>
</tr>
</tbody>
</table>
| 13 | FSA may enter the adjusted 2020 gross revenue, if applicable.  
**Note:** An entry is only required when the agency determines 2020 gross revenue is different than what is certified to by the applicant in item 9. |
| 14 | FSA may enter the adjusted 2019 origination date, if applicable.  
**Note:** An entry is only required when the agency determines the origination date is different than what is certified to by the applicant in item 10. |
| 15 | FSA may enter the adjusted 2020 dissolution date, if applicable.  
**Note:** An entry is only required when the agency determines the dissolution date is different than what is certified to by the applicant in item 11. |

## Part D – Timber Harvester/Hauler Certification

All applicants must check “Yes” or “No” to certify that they are an individual person that is a US Citizen or Resident Alien; or a legal entity, including corporation, LLC, LP, trust, estate, general partnership or joint venture, or similar type entity, comprised solely of persons who are U.S. Citizens or Resident Aliens; or is an 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).

Only Timber Hauler applicants must check “Yes” or “No” to certify that they have provided the IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 or that they hauled timber on tribal land in 2019 and are not required to complete the IRS Form 2290.

**Only Timber Hauler** applicants must check “Yes” or “No” to certify that they have provided the IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2020 or that they hauled timber on tribal land in 2020 and are not required to complete the IRS Form 2290.

All applicants must certify, by signing the application that they are not a residential or commercial tree care business; landscape service; trucking business that does not transport trees or logs; timber brokers; and/or United States Federal, State, and local Government.
A  Completing FSA-1118 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part D – Timber Harvester/Hauler Certification (Continued)</strong></td>
<td></td>
</tr>
<tr>
<td>16A</td>
<td>Applicant applying for PATHH Program benefits must sign.</td>
</tr>
</tbody>
</table>
| 16B | Enter title and/or relationship of the individual to the entity when signing in a representative capacity.  

**Note:** If the applicant signing is not signing in a representative capacity, this field should be left blank. |
| 16C | Enter the date FSA-1118 is signed in Item 12A. |

| **Part E – County Committee (COC) Determination – Agency Use Only** |
| 17A | COC or their representative will sign. |
| 17B | Enter the date COC or their representative signs FSA-1118. |
| 18 | COC or their representative will check (✓) either “Approved” or “Disapproved”.  

**Important:** FSA-1118 will be approved or disapproved as certified by the Applicant after applicable Agency adjustment fields are completed. |
**B Example of FSA-1118**

The following is an example of FSA-1118.

---

<table>
<thead>
<tr>
<th>FSA-1118</th>
<th>U.S. DEPARTMENT OF AGRICULTURE</th>
<th>1. Recording State</th>
<th>2. Program Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>(07-20-21)</td>
<td>Farm Service Agency</td>
<td>2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a) as amended. The authority for requesting the information identified on this form is 7 CFR Part 8, the CARES Act (Pub. L. 116-136), and 15 U.S.C. 714b and 714c. The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, and local government agencies, Tribal agencies, and non-governmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits. Payments may be made under the program to which the form applies only to the extent permitted by applicable authorities.

Public Burden Statement (Paperwork Reduction Act): Public reporting burden for this collection is estimated to average 15 minutes per response, including reviewing instructions, gathering and maintaining the data needed, completing (providing the information), and reviewing the collection of information. You are not required to respond to the collection, or USDA may not conduct or sponsor a collection of information unless it displays a valid OMB control number. RETURN THIS COMPLETED FORM TO LOCAL USDA FARM SERVICE AGENCY OFFICE.

**PART A TIMBER HARVESTER/HAULER AGREEMENT**

The Department of Agriculture (USDA) will make FSA-1118 payments to eligible timber harvesting and harvesting businesses that meet the requirements of the program. The following information is needed in order for USDA to make a determination that the applicant is eligible to receive a PATHH payment. By submitting this application, and upon its approval by USDA, the applicant agrees:

1. To comply with, and acknowledges the applicant is subject to, all provisions of PATHH as published in the Notice of Funds Availability published in the Federal Register, and all applicable rules and regulations.
2. That the applicant meets the definition of a timber harvesting business or timber harvesting business and 50 percent or more of the business’s gross revenue is derived from harvesting and/or hauling timber.
3. The applicant’s gross revenue between January 1, 2020 and December 1, 2020, declined 10% or more compared to gross revenue between January 1, 2019, and December 1, 2019. NOTE: The time periods are not full calendar years.
4. To compute and submit the following forms applicable to the PATHH program:
   - AD-2647, Customer Data Worksheet, if applicable
   - CCC-301, Member Information for Legal Entities, if applicable
   - To comply with the provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands:
     - AD-1626, Highly Erodible Land Conservation (HEL) and Wetland Conservation (WC) Certification. NOTE: If the applicant does not have any farming interests, the applicant can certify to box 5a on the AD-1626.
   - If the applicant is a Timber Harvester:
     - IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 and 2020. NOTE: A copy of these forms must be submitted to the Farm Service Agency.
5. To provide to USDA all information necessary to verify that the information provided on this form is accurate upon request. Allow USDA representatives to access to all documents and records of the applicant for the purpose of confirming the accuracy of the information provided, and submit all required documents within 60 days from the date the applicant submits 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.

**PART B TIMBER HARVESTER/HAULER INFORMATION**

- Applicant Name, Address (City, State and Zip Code) and Phone Number (Include Area Code)

**PART C TIMBER HARVESTER/HAULER REVENUE**

- Timber Business Type
- Principal Business Code
- 2019 Gross Revenue (Jan 1, 2019 – Dec 1, 2019)
- 2020 Gross Revenue (Jan 1, 2020 – Dec 1, 2020)
- Origin Date 2019 (Only complete if business operation originated after January 1, 2019)
- Dissolution Date 2020 (Only complete if business operation dissolved prior to December 1, 2020)
- AGENCY USE ONLY

**AGENCY USE ONLY**

- Agency Adjusted 2019 Revenue
- Agency Adjusted 2019 Origin Date
- Agency Adjusted 2020 Dissolution Date

**Date Stamp**
FSA-1118 (07-20-21)  Page 2 of 2

PART D  TIMBER HARVESTER/HAULER CERTIFICATION

I certify the applicant identified in Part B from 5 is an individual person or the US Citizen of the US. I certify the following:

☐ Yes ☐ No

I certify that I have provided a copy of my IBA Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 or that I harvested timber on tribal land in 2019 and am not required to complete IRS Form 2290.

☐ Yes ☐ No

I certify that I have provided a copy of my IBA Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2020 or that I harvested timber on tribal land in 2020 and am not required to complete IRS Form 2290.

☐ Yes ☐ No

I certify by signing this application that the applicant is not a residential or commercial tree care business; landscape service; trucking business that does not transport logs; timber dealers; or a Central States Forest, State, and Local Government. I certify that a signed and acknowledged under penalty of perjury in accordance with 28 U.S.C. § 1746 and 18 U.S.C. § 1017 that the foregoing is true and correct.

16A. Signature (By)  □ 16B. Title/Relationship of Individual Signing in a Representative Capacity  □ 16C. Date (MM-DD-YYYY)  □

PART E  COUNTY COMMITTEE (COC) DETERMINATION

17A. COC or Designee Signature  □ 17B. Date (MM-DD-YYYY)  □ 18. Determination  □ APPROVED  □ DISAPPROVED

In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its agencies, offices, and employees participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, familial status, income derived from a public assistance program, political beliefs, or reprisal for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA’s TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.
A Delegations of Authority and Approvals

The authority to approve a completed PATHH application 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 PATHH applications.

<table>
<thead>
<tr>
<th>IF the applicant is…</th>
<th>THEN the approval authority is…</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Federal or non-Federal, State or County Office employee</td>
<td>CED.</td>
</tr>
<tr>
<td>COC member</td>
<td></td>
</tr>
<tr>
<td>DD</td>
<td></td>
</tr>
<tr>
<td>SED</td>
<td></td>
</tr>
<tr>
<td>STC member</td>
<td>CED.</td>
</tr>
<tr>
<td>CED</td>
<td>COC.</td>
</tr>
<tr>
<td>any applicant in a recording county</td>
<td></td>
</tr>
</tbody>
</table>

Note: Questionable cases may be referred to the next higher authority for determination. Any employee serving as Acting CED is viewed as CED.

B Approvals

Before approving FSA-1118, COC or CED, if delegated, must ensure that:

- all program eligibility requirements are met
- the person or legal entity applying for PATHH is determined to be eligible according to paragraph 31
- signature requirements are met according to 1-CM
- FSA-1118 was received or postmarked by October 15, 2021.

If all program eligibility requirements are met and COC or delegate has determined that the information on FSA-1118 is reasonable and accurate, COC or delegate will approve FSA-1118 and document approval in the COC minutes.
Approvals and Disapprovals (Continued)

B Approvals (Continued)

Before approval COC may request additional documentation according to paragraph 46; however, if evidence provided by the applicant differs from the information certified, COC may make appropriate adjustment, document in COC minutes, and notify the applicant.

Note: Completing eligibility forms (AD-1026, CCC-901, and AD-2047) are not a condition of COC or CED action on FSA-1118. However, these forms must be filed within 60 calendar days of the applicant signing FSA-1118. 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.

C Disapprovals

COC will disapprove FSA-1118 if any of the following occurs:

- program eligibly requirements are not met
- person or legal entity applying for PATHH is determined not to be an eligible applicant according to paragraph 31
- information on FSA-1118 or supporting documentation provided by the participant is not accurate or reasonable
- signature requirements were not met according to 1-CM
- the applicant intentionally misrepresented their total gross revenue.

Note: If FSA-1118 was completed but never signed by the applicant or someone on behalf of the applicant, take no action on FSA-1118. It is not considered filed unless it is signed.

52-62 (Reserved)
Section 4  PATHH General Payment Provisions

63 General Payment Information, Rates, and Reductions

A Prevention of Improper Payments

Payment Integrity Information Act of 2019 (PIIA) requires Federal agencies to evaluate programs to determine whether internal controls are sufficient to prevent improper payments. County Offices must take all steps necessary to ensure that program and payment eligibility requirements have been met before issuing any payments.

Improper payment, as defined by OMB, means any payment that should not have been issued or was issued in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirement.

B Equitable Relief and Finality Provisions

Equitable relief and finality provisions of 7 CFR 718, subpart D, apply to determinations under PATHH, as well as appeal regulations in 7 CFR parts 11 and 780. See 7-CP for additional information.

C Payment Calculation

For eligible applicants if gross revenue for the period January 1, 2020, through December 1, 2020, decreased by at least 10 percent compared to the gross revenue for the period January 1, 2019, through December 1, 2019, the payment calculation will be the gross revenue for the period stated previously for 2019, minus the gross revenue for the period stated previously for 2020, multiplied by 80 percent.

See subparagraph G for calculation examples.

D Initial Payment

As applications are received, FSA will issue an initial payment equal to the lesser of either of the following:

- the amount calculated from subparagraph C
- $2,000.
E Final Payment

After the close of the application period, FSA will issue a final payment equal to the amount calculated from subparagraph C minus the amount of the applicant’s initial payment. If the total calculated payments exceed the total funding available for PATHH, final payment amounts will be factored and/or the maximum payment limitation may be reduced to stay within available funding.

Exception: If the initial payment is $2,000 or less, there will be no additional (final) payment or reduction applied.

PATHH payments are not subject to administrative offset.

F Payment Calculation for New 2019 Operations or 2020 Dissolved Operations

For applicants for which the business either originated in 2019 after January 1, 2019, or dissolved in 2020 before December 1, 2020, the applicant must report the number of days they were in business during the eligible period on their application and FSA will adjust gross revenue proportionally for the purpose of the calculating the payment.

G Payment Calculation Examples

Example 1: A business that has been in operation for all of 2019 and 2020.

Timber Business N was created in 1987 and is still in operation today. The gross revenue for the business is $600,420 for 2019 and $235,000 in 2020. The business had a gross revenue loss of 61%.

Gross Revenue Loss = \((2019 \text{ gross revenue} - 2020 \text{ gross revenue}) / 2019 \text{ revenue}\) x 100%

Payment Calculation: \((2019 \text{ Gross Revenue} - 2020 \text{ Gross Revenue}) \times 80\%\)

\((600,420 - 235,000) \times 80\% = 292,336\)

Initial Payment = lesser of $2,000 or the payment amount
Initial Payment = $2,000

Final Payment = $292,336 - $2,000 = $290,336

Will be reduced to payment limitation, which is equal to $125,000 - $2,000 (initial payment). The final payment = $123,000.
General Payment Information, Rates, and Reductions (Continued)

G Payment Calculation Examples (Continued)

Example 2: A business that has been in operation for all of 2019 and 2020.

Timber Business L was created in 1943 and is still in operation today. The gross revenue for the business is $5,672 for 2019 and $4,389 in 2020.

The business had a gross revenue loss of 23%.

Payment Calculation: \((2019 \text{ Gross Revenue} - 2020 \text{ Gross Revenue}) \times 80\%\)
\[
(\$5,672 - \$4,389) \times 80\% = \$1,026.40
\]

Initial Payment = lesser of $2,000 or the payment amount
Initial Payment = $1,026.40

There will be no final payment because the initial payment is less than (or equal to) $2,000.

Example 3: Seasonal timber business.

ABC Logging was in business for the entire year of 2019 and 2020. ABC Logging was unable to complete any timber harvesting or hauling because of “mud season” in the month of March of 2019 as well as during part of February and March of 2020. They certified gross revenue in 2019 of $300,000, and a gross revenue in 2020 of $150,000. The business had a gross revenue loss of 50%.

Note: Because the business was seasonal, but in existence during all of 2019 and 2020, the gross revenue for each year does not need to be adjusted because of the seasonality. The business should certify FSA-1118, items 8 and 9, Part C.

Payment Calculation: \((2019 \text{ Gross Revenue} - 2020 \text{ Gross Revenue}) \times 80\%\)
\[
(\$300,000 - \$150,000) \times 80\% = \$120,000
\]

Initial Payment = lesser of $2,000 or the payment amount
Initial Payment = $2,000.00

Final Payment = $120,000 - $2,000 = $118,000 excludes a final program factor or reduced payment limitation
G Payment Calculation Examples (Continued)

Example 4: A business was created in 2019.

Timber Business A was created on July 17, 2019, and is still in operation today; therefore, it was in operation during PATHH program periods January 1, 2020 – December 1, 2020 (336 days) and from July 17, 2019, to December 1, 2019 (138 days). The gross revenue for the business is $140,000 for 2019 and $200,000 in 2020. The business had a gross revenue loss of 41%.

Payment Calculation: (2019 Gross Revenue (proportioned to be equal to 11 months (335 days)) – 2020 Gross Revenue) x 80%

\[ \left( \frac{$140,000}{138 \text{ days}} \times 335 \text{ days} \right) - \frac{$200,000}{80\%} \times 339,855.072 \text{ (not rounded)} - \frac{$200,000}{80\%} = \frac{$111,884.06}{80\%} \]

Initial Payment = lesser of $2,000 or the payment amount

Initial Payment = $2,000

Final Payment = $111,884.06 - $2,000 = $109,884.06 without a final factored amount or lowered payment limit


Timber Business B started operating in 1979, because of the pandemic the business dissolved on August 23, 2020. The gross revenue for the business in 2019, which was in operation for the entire 335 day PATHH period in 2019 was $500,000 and its gross revenue in 2020 for the 236 days from January 1, 2020, to August 23, 2020 (236 days) was $100,000. The business has a gross revenue loss of 72%.

Payment Calculation: (2019 Gross Revenue – 2020 Gross Revenue (proportioned to be equal to 11 months (336))) x 80%

\[ \left( $500,000 - \left( \frac{$100,000}{236 \text{ days}} \times 336 \text{ days} \right) \right) \times 80\% \]

\[ ($500,000 - $142,372.88) \times 80\% = $286,101.70. \]

Initial Payment = lesser of $2,000 or the payment amount

Initial Payment = $2,000.00

Final Payment = $286,101.70 - $2,000 = $284,101.70. Will be reduced to payment limitation, which is equal to $125,000 - $2,000 (initial payment).

The final payment = $123,000
Example 6: A business was created in 2019 and dissolved 2020.

Timber Business C was created on March 15, 2019 (March 15 – December 1 = 262 days) and dissolved on July 5, 2020 (January 1 – July 5 = 187 days). If the business is not in operation for the entire 11-month period for either 2019 or 2020, then the year it was in business the greater number of days should be used as the standard number of days for both years.

The gross revenue for the business in 2019 (March 15 to December 1) was $250,000 and its gross revenue in 2020 (January 1 to July 5) was $25,000.

In this scenario, the applicant was in business for 262 days during the 2019 eligibility period and for 187 days during the 2020 eligibility period; therefore, 2020 will be adjusted to account for 262 days.

The business had a gross revenue loss of 86%.
Payment Calculation: (2019 Gross Revenue – 2020 Gross Revenue (proportioned to be equal to 262 days)) x 80%
($250,000 – (($25,000 / 187 days) x 262 days)) x 80%
($250,000 - $35,026.738 (not rounded)) x 80% = $171,978.61

Initial Payment = lesser of $2,000 or the payment amount

Initial Payment = $2,000.00

Final Payment = $171,978.61 - $2,000 = $169,978.61. Will be reduced to payment limitation, which is equal to $125,000 - $2,000 (initial payment).

The final payment = $123,000

64-74 (Reserved)
Section 5 PATHH Internal Controls

75 Internal Control

A CED Reviews

The reviews ensure applications and eligibility forms are completed correctly and demonstrate the County Office understands program policy and is following the policy correctly. CED is required to review the first 5 applications as part of their supervisory responsibility to ensure program integrity and accountability requirements are met in administering the PATHH program using the following questions. Even though this is a producer certification program, attention to detail is required to ensure both program integrity and workload accountability.

Important: The initial review of the first 5 applications must be completed and all eligibility requirements must be met before DD can authorize the county to make payments.

The initial review completed by CED must include all documents required to issue payments, including eligibility documents and COC approvals. If the eligibility documentation is not available for 1 or more of the first 5 applications approved, CED will select the next available completed application until 5 applications are available for review.

The following must be reviewed by CED during the initial review.

<table>
<thead>
<tr>
<th>State________________</th>
<th>County:________________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Name:________</td>
<td></td>
</tr>
<tr>
<td>Timber Business Type: Harvester____ Hauler____ Both______</td>
<td></td>
</tr>
<tr>
<td>Application Number:_________________</td>
<td></td>
</tr>
</tbody>
</table>

1. Is FSA-1118 complete with all the certifications relevant to the applicant’s request identified on the form? (With a certification program like this it is difficult to determine reasonableness of the certification values; however, if something appears unreasonable or questionable do not ignore it.)

Yes or No

2. Did the applicant answer the following certification in FSA-1118, Part D?

- Certify as an individual person that is a US Citizen or Resident Alien; or a legal entity, including corporation, LLC, LP, trust, estate, general partnership or joint venture, or similar type entity, comprised solely of persons who are U.S. Citizens or Resident Aliens; or is an 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).

Yes or No
### A CED Reviews (Continued)

3. Did the applicant answer the following certification in FSA-1118, Part D?
   - Haulers provided copy of IRS Form 2290, Heavy Highway Vehicle Use Tax Return for 2019 if applicable.

4. Did the applicant answer the following certification in FSA-1118, Part D?
   - Haulers provided copy of IRS Form 2290, Heavy Highway Vehicle Use Tax Return for 2020, if applicable.

5. Did the applicant sign the application in FSA-1118, item 16A?

6. Was valid signature authority on file for the applicant who signed in FSA-1118, item 16A if applicable?

7. Have the following forms been received, acted upon and completed in the applicable software for the applicant, as required?
   - FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers Application
   - AD-1026, including all members and affiliates (if applicable), Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification
   - CCC-901, Members Information (if applicable) or automated CCC-902
   - AD-2047, Customer Data Worksheet (if applicable)

8. Has COC or Designee signed recording their approved/disapproved determination in both blanks of Part E of the application?

9. Did the designee have delegated authority from COC?

<table>
<thead>
<tr>
<th>County Executive Director</th>
<th>Review Completion Date</th>
</tr>
</thead>
</table>

Upon completion, CED will certify to DD and/or State Office designee that the first 5 applications have been reviewed and provide the application package for DD and/or State Office review. The County Office may **not** issue any payments until written approval is received from DD and/or State Office designee.

**Note:** CED does not have to wait until all 5 applications have been reviewed to submit to DD. Upon DD review and approval of each application up to the first 5, the payment can be issued. Once the first 5 have been reviewed and payment has been authorized by DD, all additional applications may be processed unless otherwise directed by DD.
B  DD Reviews

DD or other employee designated by SED will review the first 5 PATHH applications filed in a Service Center, to verify the following:

- a signed FSA-1118 was filed by the person or authorized representative of a legal entity that includes the applicant’s self-certification of revenue

- supporting eligibility documents have been filed that include:
  
  - a signed and completed CCC-901 or automated CCC-902 that collects member information, as applicable, by the person or authorized representative of a legal entity
  
  - a signed and completed AD-2047, if applicable, by the person or authorized representative of legal entity
  
  - AD-1026 is certified according to the agreement in FSA-1118, Part A
  
  - IRS Form 2290 for Timber Haulers Only.

| State ________________ County: ____________________________ |
| Applicant Name: ____________________________________________ |
| Timber Business Type: Harvester_______ Hauler_______ Both_______ |
| Application Number: ____________________________ |

<table>
<thead>
<tr>
<th>Application Questions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Did CED complete a review on this applicant?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>2. Is FSA-1118 complete with all the certifications relevant to the applicant’s request identified on the form? (With a certification program like this it is difficult to determine reasonableness of the certification values; however, if something appears unreasonable or questionable do not ignore it.)</td>
<td>Yes or No</td>
</tr>
<tr>
<td>3. Did the applicant sign the application in FSA-1118, item 16A?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>4. Was valid signature authority on file for the applicant who signed in FSA-1118, item 16A, if applicable?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>5. Has FSA-1118 application been entered into the automated PATHH software?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>6. Has COC or designee signed FSA-1118, recording their approved/disapprove determination in each applicable blank of FSA-1118, Part E?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>7. If FSA-1118, Part E was signed by designee, did the designee have delegated authority from COC?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
</tbody>
</table>
### B  DD Reviews (Continued)

<table>
<thead>
<tr>
<th><strong>Conservation</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>8. Has AD-1026 been recorded appropriately for the applicant and applicable affiliates as “certified”, “not filed”, or “awaiting affiliate certification” (“certified” in 2020 subsidiary is required for payment eligibility)?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>9. If affiliates with a farming interest, outside of the one seeking benefit, have been identified in AD-1026, Block 4, was there an AD-1026 certification of compliance obtained for the affiliate?</td>
<td>Yes or No or Not Applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Eligibility</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Was the citizenship status for a foreign person and foreign entity accurately recorded in Business Partner?</td>
<td>Yes or No</td>
</tr>
</tbody>
</table>

**Note:** This question identifies whether the applicant’s citizenship status, as reported on AD-2047, CCC-901, or automated CCC-902 is properly recorded in the customer’s profile in Business Partner. Applicants (including members, stockholders, or partners) must certify their citizenship status on FSA-1118. If the applicant is not a U.S. resident but possesses a valid I-551 the person is a resident alien. If the applicant is not a U.S. resident and does not possess a valid I-551, then the customer will be identified as not a U.S. resident or resident alien. If the applicant has not provided a response on AD-2047, CCC-901, or automated CCC-902, the response must be “No”.

| 11. Was a manual form CCC-901 or automated CCC-902 completed and signed identifying embedded entity’s member information? | Yes, No, or Not Applicable |

**Note:** This question identifies whether CCC-901 or automated CCC-902 was completed when required. Exceptions include: 1) when all first-level members are persons; 2) the legal entity is tax exempt; and 3) an automated farm operating plan is completed through Business File. If an automated CCC-902 is on file and signed by an authorized representative for the legal entity, the requirement for having CCC-901 on file is met.

**Note:** Reviews should be loaded on the FSA Pandemic Assistance Internal Controls SharePoint site within 5 days after the application deadline.

Upon completion of the reviews DD and/or State Office Designee will provide written approval to the County Office for payment(s) to be issued. Review may be completed and authority to process the application provided to CED one application at a time until at least 5 have been reviewed.

76-90  (Reserved)
Part 3    Pandemic Livestock Indemnity Program (PLIP)

Section 1    Basic PLIP Provisions

91 General Information

A Purpose

This part provides instructions for administering PLIP.

PLIP provides assistance for losses of livestock and poultry depopulated from March 1, 2020, through December 26, 2020, because of insufficient processing access during the COVID-19 pandemic, and for the cost of depopulation and disposal.

B Sources of Authority

Following are the sources of authority for PLIP:

- the Consolidated Appropriations Act
- NOFA.

C Authority and Responsibility

SND has the authority and responsibility for PLIP.
92 Responsibilities

A STC Responsibilities

Within the authorities and limitations in this handbook and NOFA, STC’s must:

• direct the administration of PLIP

• ensure that State and County Offices follow PLIP provisions

• thoroughly document all actions taken in the STC minutes

• handle appeals according to 1-APP

• require reviews be conducted by DD’s to ensure that County Offices comply with PLIP provisions according to paragraph 93

Note: STC’s may establish additional reviews to ensure that PLIP is administered according to these provisions.

• enter the results of the first five DD reviews for PLIP on the FSA Pandemic Assistance Internal Control SharePoint, according to paragraph 93, no later than 5 workdays after all eligibility documents are received

• take any oversight actions necessary to prevent County Offices from issuing any improper payments

• STC’s may approve or disapprove any PLIP application except those in which an STC member has a monetary interest

• comply with all PLIP provisions.

B SED Responsibilities

Within the authorities and limitations in this handbook and NOFA, SED’s will:

• ensure that County Offices follow PLIP provisions

• thoroughly document all actions taken in the STC minutes

• handle appeals according to 1-APP
Responsibilities (Continued)

B SED Responsibilities (Continued)

- ensure that DD’s or other designated employees conduct reviews according to paragraph 93

  Note: SED’s may establish additional reviews to ensure that PLIP is administered according to these provisions.

- ensure that all County Office publicize PLIP provisions

- immediately notify the National Office PLIP Program Manager of software problems, incomplete or incorrect procedures, specific problems, or findings

- take any oversight actions necessary to prevent County Offices from issuing any improper payments

- ensure STC’s approve or disapprove all PLIP applications except forms or documents in which a STC member has a monetary interest

- comply with all PLIP provisions

- ensure compliance with regulations, policies, and procedures throughout program delivery.

C DD Responsibilities

Within the authorities and limitations in this handbook and NOFA, DD’s will:

- ensure that COC’s and County Offices follow PLIP provisions

- ensure that the CED’s review of the first 5 completed PLIP applications and eligibility documentation for completeness and accuracy from each county to confirm:

  - signatures are included
  - values on FSA-620 are correct in the software based on producer’s certification
  - eligibility requirements are understood
  - payments are proper
Responsibilities (Continued)

C DD Responsibilities (Continued)

- based on the reviewed documentation received, provide CED’s authority to enter COC (or delegated) actions in the software upon completing the first five PLIP applications (reviewed by CED) from each county

  Note: 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’s according to paragraph 93

- load the results of PLIP reviews on the SharePoint, according to paragraph 93, no later than 5 workdays after the program deadline for PLIP

  Note: SED’s may establish additional reviews to ensure that PLIP is administered according to these provisions.

- ensure that all County Offices publicize PLIP provisions

- immediately notify the National Office PLIP Program Manager through their State FSA Office specialist responsible for PLIP of software problems, incomplete or incorrect procedures, specific problems, or findings

- take any oversight actions necessary to prevent County Offices from issuing any improper payments.

D COC Responsibilities

Within the authorities and limitations in this handbook and NOFA, COC’s will:

- fully comply with all PLIP provisions

- ensure that CED directs the County Office to follow all PLIP provisions

- review, approve, and disapprove PLIP applications, and document in the COC minutes

  Note: COC may redelegate authority to CED to review and approve routine PLIP applications. Redelegations of authority must be documented in the COC minutes. All adverse actions must go to COC for review.
Responsibilities (Continued)

D  COC Responsibilities (Continued)

- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- ensure that the County Office publicizes PLIP provisions
- take any oversight actions necessary 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.

Note: Because of the limits of FSA resources, publication of program information may or may not be distributed 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 that the County Office maintains a record of all publicity efforts, including postings in Service Centers.

The PLIP Fact Sheet:

- may be used to provide general program information
Responsibilities (Continued)

E CED Responsibilities

Within the authorities and limitations in this handbook and NOFA, CED’s will:

- fully comply with all PLIP provisions
- ensure that County Offices fully comply with all PLIP provisions
- review the first 5 completed PLIP applications and eligibility documentation for completeness and accuracy and send to DD’s to obtain authority to enter COC action in the software
- if so delegated, promptly review, approve routine PLIP applications, and document in the COC minutes

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

CED **may not** redelegate authority to review and approve routine PLIP applications for 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
- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- immediately notify SED’s, through DD’s, of software problems, incomplete or incorrect procedures, specific problems, or findings
- take any oversight actions necessary 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.
Responsibilities (Continued)

F PT Responsibilities

Within the authorities and limitations in this handbook and NOFA, PT’s will:

- fully comply with all PLIP provisions
- immediately notify CED of software problems, incomplete or incorrect procedures, or specific problems
- ensure that all program eligibility requirements have been met by producers and completeness of applications before submitting to CED for accuracy and issuing any payments made
- ensure compliance with regulations, policies, and procedures throughout program delivery.

G Producer Responsibilities

The producer is responsible for being aware of program provisions and accurately reporting all required information as applicable on FSA-620.

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

Participants receiving PLIP payments or any other person who furnishes such information to USDA must permit authorized representatives of USDA or 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 the following:

- an application for PLIP 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 civil or criminal fraud statute or any statute or provision of law.
Internal Controls

A  CED Reviews

The purpose of this review is to ensure applications and eligibility forms are completed correctly and demonstrate the County Office understands program policy and is following the policy correctly. CED is required to review the first 5 completed applications as part of their supervisory responsibility to ensure program integrity and accountability requirements are met in administering the PLIP program using the questions in subparagraph B.

Even though this is a producer certification program, attention to detail is required to ensure both program integrity and workload accountability.

Important: The initial review of the first 5 completed applications must be completed and all eligibility requirements must be met before DD can authorize the County Office to make payments.

The initial review completed by CED must include all documents required to issue payments, including eligibility documents and COC approvals. If the eligibility documentation is not available for 1 or more of the first 5 applications approved, CED will select the next available completed application until 5 applications are available for review.

The following must be reviewed by CED during the initial review.

- application form to ensure it is completed properly
- all signatures obtained, including representative signature authorities
- applicant eligibility
- applications are qualified to be paid without errors.

Upon completion, CED will certify to the DD/State Office designee that the first 5 completed applications have been reviewed and provide the application package for DD/State Office designee review. The County Office may not issue any payments until written approval is received from the DD/State Office designee.

Note: CED does not have to wait until all 5 applications have been reviewed to submit to DD. Upon DD review and approval of each completed application up to the first 5, the payment can be issued. Once the first 5 applications have been reviewed and payment has been authorized by DD, all additional applications may be processed by the County Office unless otherwise directed by DD.
B  PLIP Reviews – CED

The following questions are for CED to answer when reviewing the first 5 completed applications before PLIP payments being issued.

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>State: County: Applicant Name: Application Number:</td>
<td></td>
</tr>
<tr>
<td>1. Is FSA-620 complete with all the certifications relevant to the producer’s request identified on the form? (With a certification program like this it is difficult to determine reasonableness of the certification values, however if something appears unreasonable or questionable do not ignore it.)</td>
<td>Yes or No</td>
</tr>
<tr>
<td>2. If producer had any hogs/pigs payment reductions from CFAP 1 (Part 2), did the producer manually certify in Part D of FSA-620, the number of head of swine included in their CFAP 1 (Part 2) inventory that were also depopulated?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>3. If the producer had any hogs/pigs payment reductions from CFAP 2, did the producer manually certify in Part D of FSA-620, the number of head of swine included in their CFAP 2 inventory that were also depopulated?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>4. Did the producer provide in item 9 of FSA-620, the amount received for disposal of depopulated livestock or poultry (in item 7), from 2020 EQIP and/or State-funded program?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>5. Was the PLIP Payment Reductions Worksheet completed by County Office?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>6. Was the Total Calculated Reductions for 2020 EQIP, State-Funded Program, CFAP 1 and/or CFAP 2 Payment from step 10 of the PLIP Payment Reductions Worksheet recorded in item 10 of FSA-620?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>7. Did the applicant answer the following certification in Part E of FSA-620?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>Certify as an individual person that is a US Citizen or Resident Alien; or a legal entity, including corporation, LLC, LP, trust, estate, general partnership or joint venture, or similar type entity, comprised solely of persons who are U.S. Citizens or Resident Aliens; or is an 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).</td>
<td>Yes or No</td>
</tr>
<tr>
<td>8. Did the applicant sign the application in item 12 A of FSA-620?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>9. Was valid signature authority on file for the applicant who signed in item 12 A of FSA-620, if applicable?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
</tbody>
</table>
### B PLIP Reviews – CED (Continued)

<table>
<thead>
<tr>
<th>State:</th>
<th>County:</th>
<th>Applicant Name:</th>
<th>Application Number:</th>
</tr>
</thead>
</table>

10. Have the following forms been received, acted upon, and accurately recorded in the applicable software for the applicant, as required?

- FSA-620, PLIP Application
  - Yes or No
- AD-2047, if applicable, Customer Data Worksheet.
  - Yes, No, or Not Applicable
- CCC-902, Farm Operating Plan for Payment Eligibility 2009 and Subsequent Program Years
  - Yes or No
- CCC-901, Members Information (if applicable)
  - Yes, No, or Not Applicable
- CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information
  - Yes or No
- AD-1026, including applicable affiliates, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification
  - Yes or No

11. Has COC or designee signed recording their approved/disapproved determination in both blanks of Part F of FSA-620?

12. Did the designee have delegated authority from COC?

| County Executive Director | Review Completion Date |

### C DD Reviews

A DD or other employee designated by SED will review the first 5 PLIP applications filed in a Service Center, to verify the following:

- a signed FSA-620 was filed by the person or authorized representative of a legal entity that includes the applicant’s self-certification of number of livestock depopulated and applicable payment reductions, as provided in subparagraph 135 D
C  DD Reviews (Continued)

- 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 FSA-620, Part A (item 8).

  - PLIP Payment Reductions Worksheet is completed.

The questions for this review are in subparagraph D.

Upon completion of the reviews, the DD/State Office designee will provide written approval to the County Office for payments to be issued.

**Notes:** Review may be completed and authority to process the application provided to CED, 1 application at a time, until at least 5 have been reviewed.

See subparagraph E for instructions for loading DD first reviews on the FSA Pandemic Assistance Internal Control SharePoint.

Spot check guidance will be provided in a forthcoming amendment.
### Internal Controls (Continued)

#### D  PLIP Reviews - DD and/or State Office Review

The following questions are for the DD/State Office designee to answer when reviewing the first 5 completed applications before PLIP payments being issued.

<table>
<thead>
<tr>
<th>State: ____________________</th>
<th>County: ____________________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Name: ____________</td>
<td>Application Number: ________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Application Questions</th>
<th>Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Did CED complete a review on this applicant?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>2. Is FSA-620 complete with all the certifications relevant to the applicant’s request identified on the form? (With a certification program like this it is difficult to determine reasonableness of the certification values; however, if something appears unreasonable or questionable do not ignore it.)</td>
<td>Yes or No</td>
</tr>
<tr>
<td>3. Did the applicant sign the application in item 12A of FSA-620?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>4. Was valid signature authority on file for the applicant who signed in item 12A of FSA-620, if applicable?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>5. Has FSA-620 application been entered into the automated PLIP application software?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>6. Has COC or designee signed FSA-620, recording their approved/disapproved determination in each applicable blank of Part F of FSA-620?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>7. If Part F of FSA-620 was signed by designee, did the designee have delegated authority from COC?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Conservation</th>
<th>Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>8. Has AD-1026 been recorded appropriately for the applicant and applicable affiliates as “certified”, “not filed”, or “awaiting affiliate certification” (“certified” in 2020 subsidiary is required for payment eligibility.)?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>9. If affiliates with a farming interest, outside of the one seeking benefit, have been identified in block 4 of AD-1026, was there an AD-1026 certification of compliance obtained for affiliates?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
</tbody>
</table>
### Eligibility

<table>
<thead>
<tr>
<th>Question</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Is CCC-902 on file in the recording county and signed by the person or authorized representative(s) of the legal entity?</td>
<td>Yes or No</td>
</tr>
<tr>
<td><strong>Note:</strong> This question identifies whether CCC-902 is on file and properly signed. CCC-902 must be on file for all applicants who apply for programs subject to payment limitation and/or payment eligibility. If CCC-902 is not on file, the response to this question must be “No”.</td>
<td></td>
</tr>
<tr>
<td>11. Was the citizenship status for a foreign person and foreign entity accurately recorded in Business Partner?</td>
<td>Yes or No</td>
</tr>
<tr>
<td><strong>Note:</strong> This question identifies whether the applicant’s citizenship status, as reported on AD-2047, CCC-901, or automated CCC-902 is properly recorded in the customer’s profile in Business Partner. Applicants (including members, stockholders, or partners) must certify their citizenship status on FSA-620. If the applicant is not a U.S. resident but possesses a valid I-551 the person is a resident alien. If the applicant is not a U.S. resident and does not possess a valid I-551, then the customer will be identified as not a U.S. resident or resident alien. If the applicant has not provided a response on AD-2047, CCC-901, or automated CCC-902, the response must be “No”.</td>
<td></td>
</tr>
<tr>
<td>12. If a manual CCC-902 was completed by a legal entity, was CCC-901 completed and signed identifying embedded entity’s member information?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td><strong>Note:</strong> This question identifies whether CCC-901 was completed when required. Exceptions include: 1) when all first-level members are persons; 2) the legal entity is tax exempt; and 3) an automated farm operating plan is completed through Business File. If an automated CCC-902 is on file and signed by an authorized representative for the legal entity, the requirement for having CCC-901 on file is met.</td>
<td></td>
</tr>
</tbody>
</table>

### Adjusted Gross Income

<table>
<thead>
<tr>
<th>Question</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>13. Is CCC-941 on file in the recording county, and completed and signed for all persons and legal entities and members of the legal entity, and are the certifications accurately recorded in Subsidiary?</td>
<td>Yes or No</td>
</tr>
<tr>
<td><strong>Note:</strong> This question confirms that CCC-941 is on file and in the recording county, was signed by the person or authorized representative, and was accurately recording in Subsidiary. If the form is not on file, the response must be “No”.</td>
<td></td>
</tr>
</tbody>
</table>
E  Instructions for Recording Results of DD/State Office Quality Assurance Reviews

DD’s or State Office designee must enter the results of PLIP reviews on the Pandemic Assistance Internal Control SharePoint according to the following table.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Access the Pandemic Assistance Internal Control SharePoint at the following link: <a href="https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Pandemic%20Assistance%20Internal%20Control">https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Pandemic%20Assistance%20Internal%20Control</a></td>
</tr>
<tr>
<td>2</td>
<td>After accessing the link in step 1, click on the applicable program button.</td>
</tr>
</tbody>
</table>
### Internal Controls (Continued)

#### E  Instructions for Recording Results of DD/State Office Quality Assurance Reviews (Continued)

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>On the Pandemic Assistance Internal Control SharePoint, “Click” on the Initial DD Reviews Questionnaire button.</td>
</tr>
<tr>
<td>4</td>
<td>The applicable program’s Initial DD Reviews Questionnaire will be displayed. Complete the questionnaire for each of the first 5 complete applications reviewed.</td>
</tr>
</tbody>
</table>
PLIP General Program Policies and Provisions

A Definitions

Contract grower means a person or legal entity who grows or produces eligible livestock under contract for or on behalf of another person or entity. The contract grower’s income is dependent upon the successful production of livestock or offspring from livestock. The contract grower does not have ownership in the livestock and is not entitled to share from sales proceeds of the livestock.

Depopulation means, consistent with the American Veterinary Medical Association definition, the rapid destruction of a population of livestock or poultry because of insufficient processing access during the COVID-19 pandemic with as much considerations given to the welfare of the animals as practicable.

Live poultry dealer means a live poultry dealer as defined in section 2(a) of the Packer and Stockyards Act, 1921 (7 U.S.C. 182(10)). Therefore, live poultry dealer means any person engaged in the business of obtaining live poultry by purchase or under a poultry growing arrangement for the purpose of either slaughtering it or selling it for slaughter by another if sold or shipped in commerce, or if poultry products from poultry obtained by such person are sold or shipped in commerce.

Packer means a packer as defined in section 201 of the Packers and Stockyards Act, 1921 (7 U.S.C 191). Therefore, packer means any person engaged in the business of:

- buying livestock in commerce for purposes of slaughter
- manufacturing or preparing meats or meat food products for sale or shipment in commerce
- marketing meats, meat food products, or livestock products in an unmanufactured form acting as a wholesale broker, dealer, or distributor in commerce.

Swine means a domesticated omnivorous pig, hog, or boar. Swine for purposes of dividing into categories for payment calculations are further delineated by sex and weight, as determined by FSA.
B AGI Requirements

Rules for AGI as found in 5-PL apply to PLIP 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. The 3 base years used to compute the average AGI are 2016, 2017, and 2018.

CCC-941 must be completed by all PLIP applicants.

Persons and legal entities (including members of the legal entities) applying for PLIP benefits must certify to meeting AGI requirements not in excess of $900,000. County Office will:

- accept CCC-941 for program year 2020 from livestock and poultry owners requesting benefits
- update the producer’s certification and the “Date Documentation Filed by Producer” in Subsidiary according to 3-PL (Rev. 2)
- send CCC-941 to IRS according to 5-PL.

Note: Seventy-five percent average farm AGI does not apply to PLIP.
Par. 106

PLIP General Program Policies and Provisions (Continued)

C Direct Attribution and Common Attribution

If not already on file, an FY 2020 CCC-902, or CCC-901 (if applicable) is required to collect information necessary to facilitate administration of payment attribution and AGI provisions. Information collected on CCC-902 must include names, taxpayer identification numbers, and citizenship status for all persons and legal entities, including members of a legal entity to be eligible for payment. An applicant that fails to provide the names and taxpayer identification numbers for all persons and legal entity holding an ownership interest is ineligible for payment.

The Business File application must be used to record the required information for the farming operation. When an applicant completes a manual CCC-902, the information collected on the manual form must be immediately recorded in Business File for 2020.

Payments are attributed to persons, legal entities and its members, and members of general partnerships and joint ventures according to 5-PL. Payments to a legal entity will be reduced based on the proportionate ownership share of a legal entity’s member who is not an individual person at the 4th level of ownership in the business structure.

Common attribution does not apply to PLIP. For example, payments to a minor child will not be combined with earnings of the parent or legal guardian.

COC must record determination on CCC-903. County Offices will:

- record producer certifications in Business Partner according to 11-CM
- record COC determination in Business File according to 3-PL (Rev. 2)
- update eligibility flags in Subsidiary according to 3-PL (Rev. 2).

D Payment Limitation

PLIP does not have a maximum payment limitation.

Note: 5-PL substantive change requirements do not apply to PLIP.

E Assignments and Joint Payments

A producer entitled to a PLIP payment may assign the payment according to 63-FI. A PLIP payment 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.

For PLIP, offsets do not apply.
F Obtaining FSA-325 for Deceased, Disappeared, or Incompetent Producers

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

G Sequestering PLIP Payments

PLIP payments are **not** subject to sequestration.
Signup Period

A PLIP Signup

Eligible livestock and poultry owners are eligible to receive payment for losses of livestock and poultry depopulated because of insufficient processing access, and for the cost of depopulation and disposal.

The livestock and poultry owners must complete FSA-620 and other eligibility forms, as provided in paragraph 120.

The signup period for PLIP is July 20, 2021, through October 12, 2021.

B Late-Filed Provisions

COC and STC do not have authority to approve programmatic relief for late-filed FSA-620’s. However, a late-filed FSA-620 will be reviewed according to the following table.

Note: Neither COC nor STC are under any obligation to recommend relief. COC is not required to submit cases to STC that COC believes do not warrant relief, nor is a STC required to submit cases to DAFP that STC believes do not warrant relief. If relief is not recommended by either COC or STC, the late-file application will be disapproved and the County Office will notify the participant in writing of the decision on the participant’s request for late-filed FSA-620 with appropriate appeal rights according to 1-APP (based on the reviewing authority’s decision that FSA-620 was late and that relief was not appropriate). Cases do not have to be submitted to STC or DAFP for disapproval of relief.
**B Late-Filed Provisions (Continued)**

<table>
<thead>
<tr>
<th>IF FSA-620 is submitted…</th>
<th>THEN the…</th>
</tr>
</thead>
<tbody>
<tr>
<td>after the deadline but it is not accompanied by a written request of the participant for late-filing</td>
<td>County Office will issue a letter to the participant explaining that FSA cannot process FSA-620 because it was filed after the deadline. The letter must advise the participant that the participant may, within 30 calendar days of the receipt of the letter advising that FSA-620 was filed late, file a written appeal with COC of the notification by County Office according to 1-APP.</td>
</tr>
</tbody>
</table>
| after the application deadline and is either accompanied by a written request for late-filing or the participant has filed a timely appeal of the FSA County Office’s notification that the application cannot be processed | COC will review and make a determination of whether relief is appropriate and, if so, forward a recommendation to STC for final action. STC will review the participant’s request and COC recommendation.  
**Note:** If the matter comes to COC by appeal, follow 1-APP for acknowledging and scheduling an appeal.  
Neither COC nor STC are under any obligation to recommend relief. COC or STC can disapprove FSA-620 and choose not to forward a recommendation for relief of approval of the late-filed FSA-620 to DAFP. STC will forward an appropriate recommendation to DAFP to grant programmatic relief.  
DAFP may:  
- grant relief to approve the late-filed FSA-620  
  **Note:** The FSA representative will sign and date FSA-620 with the effective DAFP decision date.  
- deny relief and disapprove FSA-620.  
  **Note:** State Offices will advise COC to notify the participant in writing that relief has been disapproved by DAFP. The letter must include appropriate appeal rights according to 1-APP. |
Eligible Livestock and Poultry

A Eligible Livestock and Poultry

For PLIP purposes, the following livestock and poultry types suffered losses and incurred costs for depopulation because of insufficient processing access during the COVID-19 pandemic:

- swine
- chickens
- turkeys.

Note: In addition to the eligible livestock and poultry listed above, DAFP may announce additional eligible livestock categories if FSA later determines that other livestock were also depopulated because of insufficient processing access, as a result of the COVID-19 pandemic.

To be considered eligible, livestock and poultry must have been:

- depopulated from March 1, 2020, through December 26, 2020, because of insufficient processing access, as a result of the COVID-19 pandemic
- physically located in the United States or a territory of the United States at the time of depopulation.

Eligible livestock does not include livestock not born, such as unborn swine that were depopulated during pre-farrowing.

The following is a list of eligible livestock and poultry by kind, type, and weight range:

- swine
  - suckling/nursery pigs less than 50 lbs.
  - lightweight barrows/gilts 50 to 150 lbs.
  - sows/barrows/gilts 151 to 250 lbs.
  - sows/barrows/gilts 251 to 450 lbs.
  - boars/sows 451 lbs., or greater

- chicken
  - broilers/layers/chicks
  - pullets/cornish hens less than 4.26 lbs.
  - broilers/pullets 4.26 to 6.25 lbs.
  - roasters 6.26 to 7.75 lbs.
  - super roasters/part 7.76 lbs. or greater
Eligible Livestock and Poultry (Continued)

A Eligible Livestock and Poultry (Continued)

- layers
- turkey
- poults
- toms/fryers/roasters.

**Important:** Layer hens that were depopulated because of the lack of egg market during the pandemic are not eligible livestock under PLIP.

B Eligible Livestock and Poultry Owners

Eligible livestock and poultry owners include only persons or legal entities who, as of the day the eligible livestock and/or poultry was depopulated, had the legal ownership of the livestock or poultry. To be eligible for PLIP, a livestock or poultry owner must be 1 of the following:

- citizen of the United States
- resident alien, which for purposes of this subpart means “lawful alien” as defined in 7 CFR Part 1400
- partnership of citizens or resident aliens of the United States
- corporation, limited liability company, or other organizational structure organized under State law solely owned by U.S. citizens or resident aliens
- 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).

C Ineligible Livestock Owners and Poultry Owners

Ineligible livestock and poultry owners include:

- contract growers, as defined in subparagraph 106 A
- Federal, State, and local governments, including public schools as defined in 5-PL
- live poultry dealers, as defined in subparagraph 106 A
108 Eligible Livestock and Poultry (Continued)

C Ineligible Livestock Owners and Poultry Owners (Continued)

- packers, as defined in subparagraph 106 A

- persons or legal entities who did not have a reported ownership interest in any of the eligible livestock or poultry

- 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 eligibility, AGI and HELC/WC requirements for PLIP.

109-119 (Reserved)
Section 3  PLIP Policy and Provisions

120  Applying for PLIP

A  Application Submission

Livestock and poultry owners will submit 1 application for their entire operation nationwide on FSA-620.

Important: See paragraph 122 for FSA-620 and instructions.

Livestock and poultry owners may submit an application using any of the following methods:

- in person, when available
- by mail
- electronically by:
  - FAX
  - email with a scanned or photocopy of signed FSA-620 attached
  - other authorized method (provided by supplemental notice or other guidance) online at www.farmers.gov/plip
- online application.

Note: Submitting FSA-620 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 FSA-620 will also be available to sign and submit by 1 of the methods in this subparagraph.

B  Signing and Certifying FSA-620

By signing FSA-620, Part E, the individual is:

- applying for a PLIP payment for the producer listed on Part B
- certifying that:
  - all the information provided on FSA-620 is true and correct
B  Signing and Certifying FSA-620 (Continued)

- applicant meets the definition of eligible livestock or poultry owner who, as of the day the eligible livestock or poultry was depopulated:
  - had the legal ownership of the livestock or poultry for which benefits are being requested
  - is a U.S. Citizen or lawful alien, or is a legal entity or joint operation whose members holding an ownership interest in the business structure is a U.S. Citizen or lawful alien
- amounts received from 2020 EQIP and State-funded program for disposal of depopulated livestock or poultry, is provided in Part D
- applicant’s CFAP 1 (Part 2) and CFAP 2 payment reduction(s) for hogs/pigs, if applicable, are based on the applicant’s CFAP 1 and 2 inventory that was depopulated, as provided in Part D, as of the date the applicant signs FSA-620
- agreeing:
  - to any change made to applicant’s CFAP 1 and CFAP 2 application(s) that result in a revised payment reduction(s) for hogs/pigs, if applicable, after the date of signing FSA-620, will not be reflected in the payment reduction in Part D
  - to not apply for CFAP 1 (Part 2) and CFAP 2 assistance for hogs/pigs after the date of signing FSA-620
  - to provide all information that is necessary to verify that the information provided on FSA-620 is accurate
  - to provide USDA all information necessary to verify the applicant’s ownership of the livestock and poultry on the date such livestock and poultry were depopulated, as determined by FSA, if requested

Note: Failure of the applicant to provide the documentation to FSA, if requested, within 30 days from the request will result in disapproval of the application.

- to comply with adjusted gross income provisions applicable to FSA-620 by the required forms
Applying for PLIP (Continued)

B Signing and Certifying FSA-620 (Continued)

- to comply with provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands
- to provide to USDA all information required for program participation within 60 calendar days from the date of signing FSA-620
- acknowledging that providing false certification to FSA is cause for disapproval of FSA-620 and is punishable by imprisonment, fines, and other penalties.

C Manual Application

Manual applications may be accepted but must be entered into the automated software immediately upon receipt.

D Electronically Initiated Application

If an applicant initiates an application using Level 2 eAuthentication the recording County Office will receive an email notification. This application will need to be accessed to complete the process. Follow user guide instructions provided at www.farmers.gov/plip.

E Additional Documentation Requested for Review

Applicants are responsible for providing, upon request, additional documentation to substantiate the information on their application and ownership of the livestock and poultry claimed on FSA-620.

Examples of supporting documentation that may be requested include:

- veterinarian records
- feeding records
- inventory records
- rendering receipts
- purchase receipts
- other records determined acceptable by the relevant FSA COC.

If any supporting documentation is requested to verify ownership of livestock or poultry, the documentation must be submitted to FSA within 30 days from the request or the application will be disapproved by FSA.
Acting on FSA-620

A Delegation of Authority and Approvals

The authority to approve routine PLIP 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.

The following table provides the delegated authority for approval of PLIP applications.

<table>
<thead>
<tr>
<th>IF the producer is…</th>
<th>THEN the approval authority is…</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Federal or non-Federal, State or County Office employee</td>
<td>CED.</td>
</tr>
<tr>
<td>COC member</td>
<td></td>
</tr>
<tr>
<td>DD</td>
<td></td>
</tr>
<tr>
<td>SED</td>
<td></td>
</tr>
<tr>
<td>STC member</td>
<td></td>
</tr>
<tr>
<td>CED</td>
<td>COC.</td>
</tr>
<tr>
<td>any producer in a recording county</td>
<td></td>
</tr>
</tbody>
</table>

Note: Questionable cases may be referred to the next higher authority for determination. Any employee serving as Acting CED is viewed as CED.

B Approvals

Before approving FSA-620, COC or CED, if delegated, must ensure that:

- all program eligibility requirements are met
- the person or legal entity applying for PLIP is determined to be eligible according to paragraph 108
- signature requirements are met according to 1-CM
- FSA-620 was received or postmarked by September 17, 2021.

If all program eligibility requirements are met and COC or delegate has determined that the information on FSA-620 is reasonable and accurate, COC or delegate will approve FSA-620 and thoroughly document approval in the COC minutes.

Notes: Completing eligibility forms (AD-1026, CCC-902, or CCC-901 and CCC-941) are not a condition of COC, or CED, acting on FSA-620. However, these forms must be filed within 60 calendar days of the applicant signing FSA-620.

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.
C Disapprovals

As noted in subparagraph E, COC may request additional documentation; however, if evidence provided by the applicant differs from the information certified, COC’s may make appropriate adjustment, document in COC minutes, and notify the applicant.

COC will disapprove FSA-620 if any of the following occur:

• program eligibility requirements are not met
• person or legal entity applying for PLIP is determined to not be an eligible applicant according to paragraph 108
• information on FSA-620 or supporting documentation provided by the participant is not accurate or reasonable
• signature requirements were not met according to 1-CM
• the applicant intentionally misrepresented information claimed on FSA-620.

Note: If FSA-620 was completed but never signed by the applicant or someone on behalf of the applicant, take no action on FSA-620. It is not considered filed unless it is signed.

D Equitable Relief and Finality Provisions

Equitable relief and finality provisions of 7 CFR Part 718, subpart D, apply to determinations under PLIP, as well as appeal regulations in 7 CFR Parts 11 and 780. The determination of matters of general applicability that are not in response to, or result from, an individual set of facts in an individual participant’s application for payment are not matters that can be appealed. Such matters of general applicability include, but are not limited to, program definitions and the PLIP payment calculation.

E Reliance on Applicant Records and Certifications

PLIP requires accurate information from applicants. Applicants must understand that failure to provide complete and accurate information and records could result in any or all of the following:

• an application for PLIP assistance being disapproved, COC adjusted, or approved but ineligible for payment
• the applicant or applicants being liable under any civil or criminal fraud statute or any other statute or provision of law.
A  Completing FSA-620

The following table provides instructions for completing a manual FSA-620.

**Note:** For FSA County Offices, enter the data for all FSA-620’s received in the County Office in the PLIP application system to print the completed FSA-620 for the applicant.

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Enter producer’s recording State.</td>
</tr>
<tr>
<td>2</td>
<td>The program year will be 2020.</td>
</tr>
<tr>
<td>3</td>
<td>Enter producer’s recording county.</td>
</tr>
<tr>
<td>4</td>
<td>Application Number will be assigned by the automated system.</td>
</tr>
</tbody>
</table>

**Part B – Producer Information**

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>5A</td>
<td>Enter the following producer information:</td>
</tr>
<tr>
<td></td>
<td>• name</td>
</tr>
<tr>
<td></td>
<td>• address, including ZIP code.</td>
</tr>
<tr>
<td>5B</td>
<td>Enter the producer’s phone number, including area code.</td>
</tr>
</tbody>
</table>

**Part C – Livestock or Poultry Depopulated**

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Displays a list of eligible livestock and poultry by kind, type, and weight range.</td>
</tr>
<tr>
<td>7</td>
<td>Enter the number of livestock and poultry, by kind, type, and weight range, depopulated by the producer between March 1, 2020, and December 26, 2020.</td>
</tr>
<tr>
<td>8</td>
<td>COC may enter the adjusted number of livestock or poultry by kind, type, and weight range, depopulated between March 1, 2020, and December 26, 2020, if applicable.</td>
</tr>
</tbody>
</table>

**Note:** An entry is only required when COC determines the number of livestock or poultry depopulated is different than the number depopulated as certified by the producer in item 7.
A Completing FSA-620 (Continued)

<table>
<thead>
<tr>
<th>Part D – Reductions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Important:</strong> In Part D, the applicant must <strong>manually</strong> enter and certify to the number of head of swine included in their CFAP 1 (Part 2) inventory included in item 22, AD-3114 and/or CFAP 2 inventory included in item 16, AD-3117, that was depopulated and included in inventory in item 7, as entered below, as of the date the applicant signs FSA-620 in item 12 C.</td>
</tr>
</tbody>
</table>

**Number of head of swine included in CFAP 1 inventory and depopulated:**

**Number of head of swine included in CFAP 2 inventory and depopulated:**

**This is a required field for all PLIP applicants.** The number of head of swine included in CFAP 1 and CFAP 2 inventory and depopulated that is manually entered by the applicant, must be entered on the automated FSA-620 that the applicant signs.

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Enter the sum of payments received for disposal of livestock or poultry depopulated, claimed in item 7, that the producer received from:</td>
</tr>
<tr>
<td></td>
<td>• 2020 EQIP, plus</td>
</tr>
<tr>
<td></td>
<td>• State-funded program, if applicable.</td>
</tr>
<tr>
<td>10</td>
<td><strong>This is a required field.</strong> COC must enter the sum of the following payment reductions, as applicable:</td>
</tr>
<tr>
<td></td>
<td>• 2020 EQIP</td>
</tr>
<tr>
<td></td>
<td>• State-funded program</td>
</tr>
<tr>
<td></td>
<td>• CFAP 1 (Part 2) payment reductions</td>
</tr>
<tr>
<td></td>
<td>• CFAP 2 payments reductions.</td>
</tr>
<tr>
<td></td>
<td><strong>Important:</strong> COC’s must use the PLIP Payment Reductions Worksheet, as provided in subparagraph 135 B, to calculate the total payment reductions to be entered in this item.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Part E – Producer Certification</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
</tr>
<tr>
<td>12A</td>
</tr>
</tbody>
</table>
A  Completing FSA-620 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part E – Producer Certification (Continued)</strong></td>
<td></td>
</tr>
</tbody>
</table>
| 12B  | Enter title and/or relationship to the individual signing in a representative capacity.  
**Note:** If the producer signing is not signing in a representative capacity, this field should be left blank. |
| 12C  | Enter the date the FSA-620 is signed by the applicant in item 12A. |
| **Part F – COC Determination** |
| 13A  | COC or their representative will sign signature. |
| 13B  | Enter the date COC or their representative signs FSA-620. |
| 14   | COC will check (√) either “Approved” or “Disapproved”.  
**Important:** FSA-620 will be approved or disapproved as certified by the producer after applicable COC adjustment fields are completed. |
122 FSA-620, Pandemic Livestock Indemnity Program (PLIP) Application (Continued)

B Example of FSA-620

Following is an example of FSA-620.

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**FSA-620**

**U.S. DEPARTMENT OF AGRICULTURE**

**Farm Service Agency**

**PANDEMIC LIVESTOCK INDEMNITY PROGRAM (PLIP) APPLICATION**

**NOTE:** The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is Notice of Funds Availability FR Doc. 2021-15265, the Consolidated Appropriations Act, 2021 (Pub. L. 116-260), and 15 U.S.C. 714b and 714c. The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, and Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-3, Farm Records File (Automated). Providing the requested information is voluntary, however, failure to furnish the requested information will result in a determination of ineligibility for program benefits. Payments may be made under the program to which the form applies only to the extent permitted by applicable authorities.

**Public Burden Statement (Paperwork Reduction Act):** Public reporting burden for this collection of information is estimated to average 30 minutes per response, including reviewing instructions, gathering and maintaining the data needed, and completing and submitting the collection of information. You are not required to respond to this collection of information. If you believe this requirement is not valid, please contact the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, Paperwork Reduction Project, Washington, DC 20503. Your comments are confidential.

**PART A – PRODUCER AGREEMENT**

The Department of Agriculture (USDA) will make payments under PLIP to producers who meet the requirements of the program. The following information is needed in order for USDA to make a determination that the applicant is eligible to receive a PLIP payment. By submitting this application, and upon its approval by USDA, the applicant agrees:

1. To comply with the applicable Notice of Funds Availability published by USDA. Copies of this document may be found at: [www.regulations.gov](http://www.regulations.gov).

2. That the applicant is any of the following:
   - A United States Citizen
   - Resident Alien; for purposes of this program, resident alien means "lawful alien"
   - A partnership of citizens or resident aliens of the United States
   - A corporation, limited liability company, or other organizational structure organized under State law solely owned by citizens or resident aliens of the U.S.
   - 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).

3. That the applicant is not any of the following, as defined in Notice of Funds Availability FR Doc. 2021-15265:
   - Contractor
g   - Federal, State, and local government, including public school
   - Packer
   - Livestock poultry dealer.

4. That the applicant meets the definition of eligible livestock or poultry owner who, as of the day he eligible livestock or poultry was depopulated, had the legal ownership of the livestock or poultry for which benefits are being requested.

5. To provide to USDA all information necessary to verify the applicant’s ownership of the livestock and poultry on the day such livestock and poultry were depopulated, as determined by USDA, if requested. Failure of the applicant to provide the documentation to FSA within 30 days from the request will result in disapproval of the application.

6. To provide to USDA all information that is necessary to verify that the information provided on this form is accurate, to allow USDA representatives access to all required or supporting documents and records of the producer, as determined by FSA, and to retain documentation in support of this application for three (3) years after date of approval.

7. To comply with payment attribution and payment eligibility provisions, including average Adjusted Gross Income provisions applicable to PLIP, by completing forms AD-3047, Customer Data Worksheet (if applicable), CCC-502, Farm Operating Plan (NOTE: Only Parts A and B of the form are required), CCC-601, Member Information for Legal Entities (if applicable), CCC-451, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information. NOTE: Payment Limitation does not apply to this program.

8. To comply with the provisions of the Food Security Act of 1985 that prohibit highly erodible land and wetlands. All applicants must complete and submit form AD-1028, Highly Erodible Land Conservation (HELP) and Wetland Conservation (WCC) Certification.

9. To provide to USDA all information required or requested by USDA for program participation within 60 days from the date the applicant submits 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.

**PART B – PRODUCER INFORMATION**

**5A. Producer’s Name, Address (City, State, and Zip Code):**

**5B. Phone Number (Include Area Code):**

**Date Stamp:**
### Example of FSA-620 (Continued)

#### PART C – LIVESTOCK OR POULTRY DEPULPOPULATED

<table>
<thead>
<tr>
<th>Livestock or Poultry</th>
<th>Number of Livestock or Poultry Depopulated (Between March 1, 2020 and December 26, 2020)</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWINE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suckling/Nursery Pigs less than 50 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lightweight Barrows/Gilts 90 – 150 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sows/Boars/Barrows/Gilts 151 – 250 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sows/Boars/Barrows/Gilts 251 – 450 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boars/Sows 451 lbs. or greater</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHICKENS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chicks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pullets/Cornish Hens less than 4.26 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broilers/Pullets 4.26 – 6.25 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roasters 6.26 – 7.75 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Super Roasters/Parts 7.78 lbs. or greater</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TURKEYS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poults</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tom/Fryers/Roasters</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### PART D – REDUCTIONS

10. COC Total Calculated Reduction for 2020 EQIP, State-Funded Program, CFAP 1 and/or CFAP 2 Payments

#### PART E – PRODUCER CERTIFICATION

11. I certify the applicant identified in Part B, Item 5A is an individual person that is a U.S. Citizen or Resident Alien; or a legal entity, including corporation, LLC, LP, trust, estate, general partnership or joint venture, or similar type entity comprised solely of persons who are U.S. Citizens or Resident Aliens; or an Indian Tribe or Tribal organization, as defined in section 489 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304):

- [ ] YES
- [ ] NO

I hereby sign and acknowledge, under penalty of perjury, in accordance with 28 U.S.C. § 1746 and 18 U.S.C. § 1621, that the foregoing is true and correct.

I hereby sign and certify that I will not apply for CFAP 1 and/or CFAP 2 assistance for hogs/pigs after the date I sign this application in Item 12 C.

#### PART F – COC DETERMINATION (COC USE ONLY)

13C. COC or Designer Signature

13B. Date (MM-DD-YYYY)

14. Determination:

- [ ] APPROVED
- [ ] DISAPPROVED

---

**FSA-620, Pandemic Livestock Indemnity Program (PLIP) Application (Continued)**

**Par. 122**

123-134 (Reserved)

11-8-21 1-PDAP Amend. 1
Section 4  General Payment Provisions for PLIP

135 General Payment Information, Rates, and Reductions

A  Payment Calculation

PLIP payments compensate participants for 80 percent of both the loss of the eligible livestock and/or poultry depopulated and for the cost of depopulation and disposal based on a single payment rate.

PLIP payments are calculated as follows:

- result of multiplying:
  - number of head of eligible livestock or poultry depopulated, times
  - payment rate per head for the eligible livestock or poultry, by kind, type, and weight range, as provided in subparagraph C

- minus applicable payment reductions as provided in subparagraph B.

B  Payment Reductions

An eligible livestock and/or poultry owner’s PLIP payment will be reduced by the amount of any payments the eligible livestock and/or poultry owner has received:

- for disposal of the livestock or poultry under:
  - 2020 EQIP, if applicable, or
  - State-funded program, if applicable

- for swine only, under CFAP 1 (Part 2) and CFAP 2 on the same inventory of swine that were depopulated and claimed on the PLIP application (FSA-620, item 7).

Important: COC’s are required to complete the PLIP Payment Reductions Worksheet, found at https://inside.fsa.usda.gov/program-areas/dafp/dap/plip/index, to calculate the total PLIP reductions for all PLIP applicants.

After completing the PLIP Payment Reductions Worksheet, COC’s will enter the livestock and/or poultry owner’s total payment reductions on FSA-620, item 10, “COC Total Calculated Reduction for 2020 EQIP, State-Funded Program, CFAP 1 and/or CFAP 2 Payments”.

FSA-620, item 10, is a required field that COC must complete for all PLIP applications.
General Payment Information, Rates, and Reductions (Continued)

B Payment Reductions (Continued)

Eligible livestock and/or poultry owners will self-certify to the amount received from 2020 EQIP and/or State-funded program for the livestock and/or poultry depopulated, on FSA-620, item 9. However, County Offices must verify:

- 2020 EQIP payment reduction amounts certified by livestock and poultry owners using a forthcoming 2020 EQIP Report that will be provided by the National Office available at https://inside.fsa.usda.gov/program-areas/dafp/dap/plip/index

- State-funded program payment reductions amounts certified by the producer using applicable State program resources.

If applicable, COC adjustments to 2020 EQIP and/or State-funded program payment reductions must be:

- captured on the PLIP Payment Reductions Worksheet
- reflected on FSA-620, item 10.

After County Offices complete the PLIP Payment Reductions Worksheets, user must do the following:

- navigate to S:\ServiceCenter\FSA
- within S:\ServiceCenter\FSA, create the subfolder “2020 PLIP Payment Reductions Worksheet”
- enter the file name as “PLIP Payment Reductions Worksheet – Version 1.0 (State abbr County code ProducerName Application number)

Note: “[State abbr]” is 2-alpha State abbreviation, such as VA for Virginia. “[County code]” is 2-numeric recording county code from FSA-620, item 3. “[Application number]” is numeric application number from FSA-620, item 4.

- CLICK “Save”
- print and file the PLIP Payment Reductions Worksheet in the producer’s PLIP folder.
C Payment Rates

PLIP payments compensate participants for both the loss of the eligible livestock and/or poultry and for the cost of depopulation and disposal. To simplify administration of PLIP, FSA has determined a single payment rate per head for each of the categories in the table. The categories and market values are consistent with the categories and nationwide prices used to administer the Livestock Indemnity Program (LIP), 7 CFR Part 1416, Subpart D, for 2020. The estimated cost of depopulation is based on USDA’s estimates of the average costs of common methods used to depopulated animals. The estimated cost of disposal is based on the costs of common disposal methods and rates used in EQIP. The disposal rates are weighted based on the number of participants paid under EQIP by disposal method.

Payment rates for livestock and poultry owners are based on 80 percent of the average fair market value for the specific livestock category. The following table provides PLIP per head payment rates, by livestock category, for eligible livestock and poultry owners.

<table>
<thead>
<tr>
<th>Eligible Livestock or Poultry Category</th>
<th>Market Value per Head</th>
<th>Depopulation &amp; Disposal Cost per Head (After 80% Reduction)</th>
<th>Depopulation Payment Rate per Head (After 80% Reduction)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swine: boars and sows; 451 lbs. or greater</td>
<td>$173.25</td>
<td>$85.32</td>
<td>$258.57</td>
</tr>
<tr>
<td>Swine: sows, boars, barrows, and gilts; 251-450 lbs.</td>
<td>$111.74</td>
<td>$47.13</td>
<td>$158.88</td>
</tr>
<tr>
<td>Swine: sows, boars, barrows, and gilts; 151-250 lbs.</td>
<td>$87.97</td>
<td>$34.13</td>
<td>$122.10</td>
</tr>
<tr>
<td>Swine: lightweight barrows and gilts; 50-150 lbs.</td>
<td>$68.38</td>
<td>$20.32</td>
<td>$88.70</td>
</tr>
<tr>
<td>Swine: suckling nursery pigs; less than 50 lbs.</td>
<td>$48.81</td>
<td>$6.50</td>
<td>$55.31</td>
</tr>
<tr>
<td>Chickens: chicks</td>
<td>$0.26</td>
<td>$0.06</td>
<td>$0.32</td>
</tr>
<tr>
<td>Chickens: super roasters and parts; 7.76 lbs. or greater</td>
<td>$4.17</td>
<td>$1.14</td>
<td>$5.31</td>
</tr>
<tr>
<td>Chickens: roasters; 6.26 - 7.75 lbs.</td>
<td>$3.17</td>
<td>$0.87</td>
<td>$4.04</td>
</tr>
<tr>
<td>Chickens: broilers, pullets; 4.26-6.25 lbs.</td>
<td>$2.50</td>
<td>$0.68</td>
<td>$3.18</td>
</tr>
<tr>
<td>Chickens: pullets, Cornish hens; less than 4.26 lbs.</td>
<td>$1.70</td>
<td>$0.46</td>
<td>$2.16</td>
</tr>
<tr>
<td>Chickens: layers</td>
<td>$3.64</td>
<td>$1.30</td>
<td>$4.94</td>
</tr>
<tr>
<td>Turkeys: poult</td>
<td>$1.33</td>
<td>$0.82</td>
<td>$2.15</td>
</tr>
<tr>
<td>Turkeys: toms, fryers, and roasters</td>
<td>$12.85</td>
<td>$2.72</td>
<td>$15.57</td>
</tr>
</tbody>
</table>
D  Payment Eligibility Forms

Applicants must submit all of the following items, if not previously filed with FSA, before payments may be issued:

- CCC-902

**Notes:** Only the following elements are required to be completed for PLIP purposes:

- names, addresses, and TIN’s
- citizenship status.

CCC-902’s completed in the automated system will not require information collection on manual CCC-901’s.

- CCC-901 will be completed by legal entities and joint operations to collect the following:

  - member names, addresses and TIN’s
  - citizenship status

- CCC-941
- AD-1026.

The following forms may be required for persons and entities requesting benefits:

- AD-2047, if applicable
- AD-2106
- SF-3881.

E  Deadline for Filing Eligibility Documents

PLIP applicants must file all PLIP eligibility documents, as outlined in subparagraph D, within 60 calendar days from the date of signing a PLIP application. Failure to timely provide all eligibility forms may result in no payment or a reduced payment.
F Conservation Compliance

AD-1026 applicable to the year for which PLIP benefits are requested must be on file for the participant and affiliates, if applicable according to 6-CP.

AD-1026 applicable for the year for which PLIP benefits are requested is:

- already on file for the participant and affiliates, if applicable, it is not necessary to obtain a new AD-1026 for PLIP

- not on file for the participant and affiliates, if applicable, County Office will obtain a completed AD-1026 applicable to the year for which PLIP benefits are requested.

If a new AD-1026 is required to be filed, payments may be issued to eligible participants upon signing AD-1026, item 10A. It is not necessary to withhold payments pending NRCS highly erodible land or wetland determinations. The continuous certification statement on AD-1026 requires participants to refund program payments if an NRCS determination results in the discovery of a HELC/WC violation.

Conservation compliance provisions apply to producers seeking USDA benefit subject to conservation compliance on all agricultural land (cropland, rangeland, pastureland, forestland) tied to them as owner, operator, or other producer, as defined in 10-CM. PLIP participants with no interest in agricultural land may certify in box 5A of AD-1026.

If an applicant has a farming interest, they will not be permitted to certify with box 5A and will complete AD-1026 as applicable (must certify full form and establish farm records for their agricultural land interests).

G Prevention of Improper Payments

IPIA requires Federal agencies to evaluate programs to determine whether internal controls are sufficient to prevent improper payments. County Offices must take all steps necessary to ensure that program and payment eligibility requirements have been met before issuing payments.

H Definition of Improper Payment

Improper payment, as defined by OMB, means any payment that should not have been issued or was issued in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirement.
Payment Calculation Example 1

A Part C - Livestock or Poultry Depopulated

Cooper Floyd completes FSA-620, for the following livestock and poultry depopulated between March 1, 2020, and December 26, 2020, because of insufficient processing access during the COVID-19 pandemic:

- 100 head – swine, suckling/nursery pigs, less than 50 lbs.
- 200 head – swine, sows/boars/barrows/gilts, 151-250 lbs.
- 2,000 head – chicken, chicks.

<table>
<thead>
<tr>
<th>Livestock or Poultry (Kind/Type/Weight Range)</th>
<th>Number of Livestock or Poultry Depopulated (Between March 1, 2020 and December 26, 2020)</th>
<th>CDC Adjusted Number of Livestock or Poultry Depopulated (Between March 1, 2020 and December 26, 2020)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suckling/Nursery Pigs less than 50 lbs.</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Lightweight Barrows/Gilts 50 – 150 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sows/Boars/Barrows/Gilts 151 – 250 lbs.</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>Sows/Boars/Barrows/Gilts 251 – 450 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boars/Sows 451 lbs. or greater</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chicks</td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Pullets/Cornish Hens less than 4.26 lbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broilers/Pullets 4.26 – 6.26 lbs.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

B CFAP 1 (Part 2) Payment Reductions

Floyd certified on his CFAP 1 application, AD-3114, 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.)

Floyd subsequently depopulated the same 25 piglets.
B CFAP 1 (Part 2) Payment Reductions (Continued)

Floyd certifies on FSA-620, Part D, that as of the date he signed the PLIP application, that his CFAP 1 (Part 2) payment was based on 25 head of swine in inventory (item 22, AD-3114) and that the same 25 head of swine were depopulated and included in inventory on FSA-620, item 7. Out of the 130 hogs/pigs claimed in inventory under CFAP 1, Floyd only depopulated 25 pigs, less than 50 lbs.

<table>
<thead>
<tr>
<th>PART D – REDUCTIONS</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>I hereby certify that my CFAP 1 and/or CFAP 2 payment reduction(s) for hogs/pigs, if applicable, included in item 10, will be based on my CFAP 1 inventory included in item 22, AD-3114 and/or CFAP 2 inventory included in item 16, AD-3117, that was depopulated and included in inventory in item 7, as recorded below, as of the date I sign this application in item 12 C.</td>
<td></td>
</tr>
<tr>
<td>Number of head of swine included in CFAP 1 inventory and depopulated: 25</td>
<td></td>
</tr>
<tr>
<td>Number of head of swine included in CFAP 2 inventory and depopulated:</td>
<td></td>
</tr>
</tbody>
</table>

Therefore, I understand that any change made to my CFAP 1 and CFAP 2 application(s) that results in a revised payment reduction(s) for hogs/pigs, if applicable, after the date I sign this application in item 12 C, will not be reflected in the payment reduction provided in item 10.

C CFAP 2 Reductions

Floyd certified on his CFAP 2 application, AD-3117, that his highest owned inventory on a date between April 16, 2020, and August 31, 2020, was 20 head of hogs/pigs.

<table>
<thead>
<tr>
<th>PART E – LIVESTOCK INVENTORY (Excluding Breeding Stock)</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Livestock</td>
<td>16. Inventory (Excluding Breeding Stock) (Highest on a Date Between April 16, 2020 – August 31, 2020)</td>
</tr>
<tr>
<td>CATTLE</td>
<td>40</td>
</tr>
<tr>
<td>HOGS/PIGS</td>
<td>20</td>
</tr>
<tr>
<td>SHEEP</td>
<td>40</td>
</tr>
</tbody>
</table>

Floyd certifies on FSA-620, Part D, that as of the date he signed the PLIP application, that his CFAP 2 payment was based on 20 head of hogs/pigs in inventory (item 16, AD-3117) and that the same 20 head of swine were depopulated and included in inventory on FSA-620, item 7 (200 head of swine; sows/boars/barrows/gilts, 151-250 lbs.).

<table>
<thead>
<tr>
<th>PART D – REDUCTIONS</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>I hereby certify that my CFAP 1 and/or CFAP 2 payment reduction(s) for hogs/pigs, if applicable, included in item 10, will be based on my CFAP 1 inventory included in item 22, AD-3114 and/or CFAP 2 inventory included in item 16, AD-3117, that was depopulated and included in inventory in item 7, as recorded below, as of the date I sign this application in item 12 C.</td>
<td></td>
</tr>
<tr>
<td>Number of head of swine included in CFAP 1 inventory and depopulated: 20</td>
<td></td>
</tr>
<tr>
<td>Number of head of swine included in CFAP 2 inventory and depopulated:</td>
<td></td>
</tr>
</tbody>
</table>

Therefore, I understand that any change made to my CFAP 1 and CFAP 2 application(s) that results in a revised payment reduction(s) for hogs/pigs, if applicable, after the date I sign this application in item 12 C, will not be reflected in the payment reduction provided in item 10.
### Payment Calculation Example 1 (Continued)

#### D 2020 EQIP and State-Funded Program Reductions

Floyd certifies on FSA-620, Part D, item 9, that he received a 2020 EQIP payment of $100 for the 2,000 chicks that were depopulated and claimed in item 7, FSA-620.

The County Office uses applicable 2020 EQIP reports to verify that Floyd received $100 in 2020 EQIP payments for disposing of 2,000 chicks at the landfill.

<table>
<thead>
<tr>
<th>PART D – REDUCTIONS</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>I hereby certify that my CFAP 1 and/or CFAP 2 payment reduction(s) for hogs/pigs, if applicable, included in item 10, will be based on my CFAP 1 inventory included in item 22, AD-314 and/or CFAP 2 inventory included in item 16, AD-317, that was depopulated and included in inventory in item 7, as recorded below, as of the date I sign this application in item 12 C.</td>
<td>10. COC Total Calculated Reduction for 2020 EQIP, State-Funded Program, CFAP 1 and/or CFAP 2 Payments</td>
</tr>
<tr>
<td><strong>Number of head of swine included in CFAP 1 inventory and depopulated:</strong></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td></td>
</tr>
<tr>
<td><strong>Number of head of swine included in CFAP 2 inventory and depopulated:</strong></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Therefore, I understand that any change made to my CFAP 1 and CFAP 2 application(s) that results in a revised payment reduction(s) for hogs/pigs, if applicable, after the date I sign this application in item 12 C, will not be reflected in the payment reduction provided in item 10.</td>
<td></td>
</tr>
<tr>
<td>6. Amount received for disposal of depopulated livestock or poultry, listed in item 7, from 2020 EQIP and/or a state-funded program</td>
<td>$100</td>
</tr>
</tbody>
</table>

#### E PLIP Payment Reductions Worksheet

Floyd did not have any payment reductions (payment limitation, AGI, etc. reductions) applied to his CFAP 1 (Part 2) and CFAP 2 payments.

According to subparagraph 135 B, COC completes the PLIP Payment Reductions Worksheet for Floyd, see below, to reflect the following payment reductions:

- 25 hogs/pigs = $425 Producer’s CFAP 1 (Part 2) swine payment reduction for PLIP
- 20 hogs/pigs = $460 Producer’s CFAP 2 swine payment reduction for PLIP
- $885 = Total CFAP 1 & 2 Swine Payment Reductions
- $100 = producer’s payment received under 2020 EQIP for disposal of swine, chickens, and/or turkeys depopulated
- $985 = Producer’s total PLIP payment reductions to be entered in item 10, FSA-620.
## Payment PLIP Reductions Worksheet (Continued)

The following is the PLIP Payment Reductions Worksheet completed for Floyd.

### Program Step | Question | Swine (only) | Instructions / Validations | CDC Notes
---|---|---|---|---
**PLIP** 1 | How many swine were depopulated, as certified by the producer on the PLIP application? | 300 | Included the number of swine depopulated as recorded in item 2, FSA 4-620; or item 3, FSA 4-620. CDC adjusted data for swine included in CPAF 1 inventory and depopulated. | PLIP Period/Training Example 1 (Step 1)

Floyd certified on FSA 4-620, that out of the 485 sows he depopulated 200 were included. The 200 sows were included in CPAF 1. Floyd was not paid for any of those swine.

**CFAP 1 (Part 2)** 2 | How many depopulated swine, as certified by the producer on the PLIP application, received CFAP 1 (Part 2) payments? | 25 | Include the number of swine recorded in step 1 that also received CFAP 1 (Part 2) payment. Use the normal inventory on item 2, FSA 4-620; or item 3, FSA 4-620. | PLIP Period/Training Example 1 (Step 2)

Floyd certified on FSA 4-620, that out of the 485 sows he depopulated 200 were included. The 200 sows were included in CPAF 1. Floyd was not paid for any of those swine.

**3** | Vote on payment reductions applied to the producer's CFAP 1 (Part 2) payments for swine? | No | Include the number of swine recorded in step 1 that also received CFAP 1 (Part 2) payments. | PLIP Period/Training Example 1 (Step 3)

Floyd certified on FSA 4-620, that out of the 485 sows he depopulated 200 were included. The 200 sows were included in CPAF 1. Floyd was not paid for any of those swine.

**4** | What was the total of the producer's highest normal inventory for all swine weight ranges? | | Include the total of the producer's highest normal inventory for all swine weight ranges | PLIP Period/Training Example 1 (Step 4)

Floyd certified on FSA 4-620, that out of the 485 sows he depopulated 200 were included. The 200 sows were included in CPAF 1. Floyd was not paid for any of those swine.

**5** | What was the producer's CFAP 1 (Part 2) swine combined net payment amount? | | Include the total of the producer's highest normal inventory for all swine weight ranges | PLIP Period/Training Example 1 (Step 5)

Floyd certified on FSA 4-620, that out of the 485 sows he depopulated 200 were included. The 200 sows were included in CPAF 1. Floyd was not paid for any of those swine.

**6** | Producer’s CFAP 1 (Part 2) Pro-rated Swine Payment Rate Per Head | | Calculate Step 6 (rounded to the nearest cent) = Step 5 / Step 6 | PLIP Period/Training Example 1 (Step 6)

Floyd certified on FSA 4-620, that out of the 485 sows he depopulated 200 were included. The 200 sows were included in CPAF 1. Floyd was not paid for any of those swine.
### Payment PLIP Reductions Worksheet (Continued)

<table>
<thead>
<tr>
<th>Program</th>
<th>Step</th>
<th>Question / Calculated Value</th>
<th>Swine (only)</th>
<th>Instructions / Validations / Calculations</th>
<th>CDC Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFAP 2</td>
<td>8</td>
<td>How many depopulated swine, as certified by the producer on the PLIP application, received a CFAP 2 payment?</td>
<td>20</td>
<td>Validation:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IF step 1 = &quot;Yes&quot;, go to step 11. IF &quot;No&quot;, stop to step 13.</td>
<td></td>
</tr>
<tr>
<td>CFAP 2</td>
<td>9</td>
<td>Did any payment reductions (payment limitations, AD, etc.) applied to the producer's CFAP 2 payment for swine (all weight categories)? If &quot;No&quot;, stop to step 13.</td>
<td>No</td>
<td>Validation:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IF step 3 is &quot;Yes&quot;, go to step 8. IF &quot;No&quot;, stop to step 13.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Manual calculate and record the total of the producer’s highest owned inventory using the CFAP 2 Application.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>for all swine weight ranges.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Validation:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IF step 3 is &quot;Yes&quot;, go to step 6.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Validation:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IF step 3 is &quot;Yes&quot;, go to step 8.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Manual calculate and record the producer’s CFAP 2 total and payment for all swine weight ranges using the CFAP 2 Payment History Report.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Validation:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IF step 3 is &quot;Yes&quot;, go to step 6.</td>
<td></td>
</tr>
</tbody>
</table>

**Note:**
- Payment Calculation Example 1 (Continued)
- **E** Payment PLIP Reductions Worksheet (Continued)
- **Family Name:**
- **Address:**
- **Phone:**
- **Email:**
- **Notes:**
- **Contact Information:**
- **Date:**
- **Signature:**
- **Additional Notes:**
- **Approval:**
- **Review:**
- **Final Review:**
- **Final Approval:**
- **Date:**
- **Signature:**
- **Notes:**
## E Payment PLIP Reductions Worksheet (Continued)

<table>
<thead>
<tr>
<th>Program Step</th>
<th>Program Description</th>
<th>Calculated Value</th>
<th>Swine (only)</th>
<th>Instructions / Validations / Calculations</th>
<th>COC Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Pro-rated Swine Payment Rate Per Head</td>
<td>Producer's CFAP 2 Pro-rated Swine Payment Rate Per Head</td>
<td></td>
<td>Step 5: “Yes”, the producer’s CFAP 2 pro-rated payment rate per head for swine will be auto-calculated by dividing the producer’s CFAP 2 payment amount by the total of the producer’s program enrollment / Step 10</td>
<td>COC Notes / Training Example 1 (Step 10)</td>
</tr>
<tr>
<td>13</td>
<td>Producer’s PLIP Payment Reduction for CFAP 2 Swine</td>
<td>$460.00</td>
<td></td>
<td>Calculation: Step 13 (rounded to nearest $) = Step 8 / Step 12</td>
<td>COC Notes / Training Example 1 (Step 10)</td>
</tr>
<tr>
<td></td>
<td>EQIP 14</td>
<td>How much did the producer receive under 2020 EQIP for disposal of swine, chickens, and/or turkeys depopulated?</td>
<td>$100.00</td>
<td>Calculation: Step 12 (rounded to nearest $) = Step 8 / Step 12</td>
<td>COC Notes / Training Example 1 (Step 10)</td>
</tr>
<tr>
<td>15</td>
<td>State-Funded Program</td>
<td>How much did the producer receive under a state-funded program for disposal of swine, chickens, and/or turkeys depopulated?</td>
<td>$0.00</td>
<td>Calculation: Step 12 (rounded to nearest $) = Step 8 / Step 12</td>
<td>COC Notes / Training Example 1 (Step 10)</td>
</tr>
<tr>
<td>16</td>
<td>PLIP 16</td>
<td>COC Total Calculated Reduction for 2020 EQIP, State-Funded Programs, CFAP 1 and/or CFAP 2 Payments:</td>
<td>$395.00</td>
<td>Calculation: Step 12 (rounded to nearest $) = Step 8 / Step 12</td>
<td>COC Notes / Training Example 1 (Step 10)</td>
</tr>
</tbody>
</table>
Payment Calculation Example 1 (Continued)

PLIP Payment Calculation

Floyd’s PLIP payment is calculated as follows:

Swine: suckling/nursery pigs, less than 50 lbs.:

- 100 head, times
- $55.31, payment rate per head, equals
- $5,531, gross PLIP payment for swine, suckling/nursery pigs, less than 50 lbs.

Swine: sows/boars/barrows/gilts, 151-250 lbs.:

- 200 head, times
- $122.10, payment rate per head, equals
- $24,420 gross PLIP payment for swine, sows/boars/barrows/gilts, 151-250 lbs.

Chickens: Chicks:

- 2,000 head, times
- $0.32, payment rate per head, equals
- $640 gross PLIP payment for chickens, chicks.

Net PLIP Payment:

- $30,591 = ($5,531 + $24,420, + $640) Total Livestock and Poultry Gross PLIP Payment, minus
- $985 = FSA-620, item 10, “COC Total Calculated Reductions for 2020 EQIP, State-Funded Program, and CFAP 1 and/or CFAP 2 Payments”
- $29,606 = Producer’s Net PLIP Payment.

Part 4 (Reserved)
Part 5  Organic and Transitional Education and Certification Program (OTECP)

Section 1  General Information

Overview

A  Purpose

This part provides policy and procedure to State and County Offices for administering OTECP for program years 2020, 2021 and 2022.

B  OTECP Purpose

OTECP provides assistance to certified operations, as well as crop and livestock operations that are transitioning to organic production methods in anticipation of obtaining USDA organic certification. Organic certification is obtained through certifying agents accredited by the USDA NOP.

C  Authority

OTECP funding of $20,000,000 is provided through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act; Division B, Title I, Pub. L. 116-136).

Program provisions were published in NOFA in the Federal Register on November 5, 2021.

D  Delegations of Authority and Approvals

The authority to approve OTECP 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 OTECP applications.

<table>
<thead>
<tr>
<th>IF the producer is…</th>
<th>THEN the approval authority is</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Federal or non-Federal, State or County Office employee</td>
<td>CED.</td>
</tr>
<tr>
<td>COC member</td>
<td></td>
</tr>
<tr>
<td>DD</td>
<td></td>
</tr>
<tr>
<td>SED</td>
<td></td>
</tr>
<tr>
<td>STC member</td>
<td>CED</td>
</tr>
<tr>
<td>any producer in a recording county</td>
<td>COC.</td>
</tr>
</tbody>
</table>

Note: Questionable cases may be referred to the next higher authority for determination. Any employee serving as Acting CED is viewed as CED.
E Important Dates

Follow this table for important dates.

<table>
<thead>
<tr>
<th>Program Year</th>
<th>COVERs expenses paid from…</th>
<th>AND the application period…</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>October 1, 2021, through September 30, 2022</td>
<td>will be announced at a later date.</td>
</tr>
</tbody>
</table>

F OTECP Websites

The following websites provide information used to administer OTECP.

<table>
<thead>
<tr>
<th>Website Content</th>
<th>Website Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>OTECP Application</td>
<td><a href="https://intranet.fsa.usda.gov/fsa/applications.asp">https://intranet.fsa.usda.gov/fsa/applications.asp</a></td>
</tr>
<tr>
<td>OTECP Information</td>
<td><a href="https://www.farmers.gov/otecp">https://www.farmers.gov/otecp</a></td>
</tr>
<tr>
<td>FFAS Employee Forms/Publications Online Website</td>
<td><a href="http://intranet.fsa.usda.gov/dam/ffasforms/forms.html">http://intranet.fsa.usda.gov/dam/ffasforms/forms.html</a></td>
</tr>
</tbody>
</table>
### Overview (Continued)

#### G  Questions

State Offices will direct questions to the appropriate person(s) according to this table.

<table>
<thead>
<tr>
<th>IF the question is about…</th>
<th>THEN contact…</th>
</tr>
</thead>
<tbody>
<tr>
<td>OTECP policy</td>
<td>Chris Vazquez by either of the following:</td>
</tr>
<tr>
<td></td>
<td>• email to <a href="mailto:christopher.vazquez@usda.gov">christopher.vazquez@usda.gov</a></td>
</tr>
<tr>
<td></td>
<td>• telephone at 202-690-0013.</td>
</tr>
<tr>
<td>OTECP automation</td>
<td>Wes Jennings by either of the following:</td>
</tr>
<tr>
<td></td>
<td>• email to <a href="mailto:wes.jennings@usda.gov">wes.jennings@usda.gov</a></td>
</tr>
<tr>
<td></td>
<td>• telephone at 208-378-5669.</td>
</tr>
<tr>
<td>OTECP payments</td>
<td>Jeanne Schmidt by either of the following:</td>
</tr>
<tr>
<td></td>
<td>• email to <a href="mailto:jeanne.schmidt@usda.gov">jeanne.schmidt@usda.gov</a></td>
</tr>
<tr>
<td></td>
<td>• telephone at 816-823-2041.</td>
</tr>
</tbody>
</table>

County Offices will direct questions to the applicable DD or State Office Program Specialist.
A DAFP Responsibilities

DAFP will:

- develop all OTECP policies
- ensure that OTECP is administered according to law and the provisions announced in NOFA.

B STC Responsibilities

STC’s will:

- direct the administration of OTECP
- ensure that State and County Offices follow OTECP provisions
- thoroughly document all actions taken in STC meeting minutes
- review all FSA-883’s executed by State Office employees, COC members, CED’s, County Office employees, and their spouses
  
  **Note:** For employees or COC members other than SED, STC has authority to direct DD’s to conduct these reviews as STC representative.

- provide DD with a copy of STC or DAFP determinations for appeal or misaction and misinformation cases
- handle appeals according to 1-APP and 7 CFR Parts 11 and 780
- require reviews be conducted by STC representative according to subparagraph 234 C to ensure that OTECP is being implemented according to OTECP provisions
  
  **Note:** STC’s may establish additional reviews to ensure that OTECP is administered according to OTECP provisions.

- handle suspected fraud cases according to applicable procedure.
Responsibilities (Continued)

C SED Responsibilities

SED’s will:

- ensure that County Offices follow OTECP provisions
- handle appeals according to 1-APP and 7 CFR Parts 11 and 780
- handle requests for equitable relief according to paragraph 232 and 7-CP
- ensure that STC representatives conduct reviews according to subparagraph 234 C

Note: SED may establish additional reviews to ensure that OTECP is administered according to OTECP provisions.

- ensure OTECP is publicized and outreach efforts are completed
- immediately notify the National Office of problems, incomplete or incorrect procedures, and specific problems or findings.

D DD Responsibilities

DD’s will:

- ensure that COC’s and CED’s carryout OTECP provisions
- conduct reviews according to subparagraph 234 C and any additional reviews established by STC or SED according to subparagraphs B and C
- provide SED with report of all reviews according to subparagraph 234 C.

E COC Responsibilities

COC’s will:

- fully comply with all OTECP provisions
- ensure CED’s fully comply with all OTECP provisions
- handle appeals according to 1-APP and 7 CFR Parts 11 and 780
- handle suspected fraud cases according to applicable procedure
Responsibilities (Continued)

E  COC Responsibilities (Continued)

- ensure producers receive complete and accurate OTECP information

Note: OTECP information may be provided through the following:

- County Office visits
- fact sheets, leaflets, newsletters, print media, and GovDelivery
- meetings
- radio, television, and video.

- ensure that FSA action is taken on FSA-883’s in a timely manner.

F  CED Responsibilities

CED’s will:

- fully comply with all OTECP provisions
- ensure that County Office employees are adequately trained and fully comply with all OTECP provisions
- follow procedure in subparagraph 263 B for redelegation of authority
- handle appeals according to 1-APP and 7 CFR Parts 11 and 780
- ensure that modifications to data provided by the applicant are accompanied by applicant initials and dates
- ensure that producers receive complete and accurate OTECP information
- immediately notify SED, through DD, of problems and incomplete or incorrect procedure
- ensure FSA action is taken on FSA-883’s in a timely manner

G  PT Responsibilities

PT’s will:

- fully comply with all OTECP provisions
- immediately notify CED of problems including incomplete or incorrect procedures
- ensure that producers receive complete and accurate OTECP information.
H Producer and Handler Responsibilities

The producer and/or handler is responsible for being aware of program provisions and accurately reporting all required information as applicable on FSA-883. Producers and/or handlers who are approved for participation in OTECP are required to retain documentation in support of their application for 3 years after the date of approval. Producers and/or handlers receiving OTECP payments or any other person who furnishes such information to USDA must permit authorized representatives of USDA or 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 producer and/or handler. Programs administered by DAFP require accurate information from producer and/or handler. Participants must understand that failure to provide complete and accurate information and records could result in any or all the following:

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

A Equitable Relief and Finality

Equitable relief and finality provisions in 7-CP apply to OTECP.

If an application is submitted after the end of the application period, the County Office will accept the late-filed application with a written request from the applicant and take to COC to consider the request for programmatic relief according to 7-CP.

B Appealable Determinations

Applicants have the right to appeal FSA decisions on FSA-883’s when there is a question of fact or a factual dispute or an assertion about correctly applying a rule or generally applicable provision to a set of facts. See 1-APP for appealable determinations.

County Offices will issue a letter to applicants about the result of processing FSA-883 when a payment is either not computed or determined not to be owed to the applicant. This decision will be considered to be a decision of a COC employee and must provide appeal rights according to 1-APP.

See subparagraph 263 C for an example of a letter advising an applicant that a payment was not computed, or will not be issued, in response to FSA-883.

C Nonappealable Determinations

Cases involving FSA decisions on FSA-883’s that have no disputes of fact are not appealable. Generally applicable provisions are not appealable according to 1-APP, including but not limited to the following:

- eligibility conditions or criteria
- signature requirements
- payment calculations.

Letters notifying applicants that a decision is not appealable must clearly explain to the applicant the reasons that the decision is not appealable.

Note: Avoid using general and vague statements that do not sufficiently demonstrate the reasons that a decision is not appealable. Applicants may request that SED or NAD director review FSA’s determination that an adverse decision is not appealable.
233 Misrepresentation, Scheme, or Device

A Determining Misrepresentation, Scheme, or Device

An applicant who is determined to have deliberately misrepresented any fact affecting a program determination or otherwise used a scheme or device with the intent to receive benefits, to which the applicant would not otherwise be entitled, will not be entitled to any OTECP payments.

Scheme and device may include, but is not limited to, any of the following:

- concealing any information having a bearing on the application of the program provisions
- submitting false information to FSA
- any fraudulent representation.

B Liability

The liability of any producer for any payment or refund which is determined to be due FSA is in addition to any other liability of the producer under any civil or criminal fraud statute or any other statute or provision of law.
A CED Reviews

The purpose of this review is to ensure applications and eligibility forms are completed correctly and demonstrate the County Office understands program policy and is following the policy correctly. CED is required to review the first 5 completed applications as part of their supervisory responsibility to ensure program integrity and accountability requirements are met in administering OTECP.

Even though this is a producer certification program, attention to detail is required to ensure both program integrity and workload accountability.

**Important:** The initial review of the first 5 completed applications must be completed and all eligibility requirements must be met before DD can authorize the County Office to make payments.

The initial review completed by CED must include all documents required to issue payments, including eligibility documents and COC approvals. If the eligibility documentation is not available for 1 or more of the first 5 applications approved, CED will select the next available completed application until 5 applications are available for review.

The following must be reviewed by CED during the initial review.

- application form to ensure it is completed properly
- all signatures obtained, including representative signature authorities
- applicant eligibility
- applications are qualified to be paid without errors.

Upon completion, CED will certify to the DD/State Office designee that the first 5 completed applications have been reviewed and provide the application package for the DD/State Office designee review. The County Office may not issue any payments until written approval is received from DD/State Office designee.

**Note:** CED does not have to wait until all 5 applications have been reviewed to submit to DD. Upon DD review and approval of each completed application up to the first 5, the payment can be issued. Once the first 5 applications have been reviewed and payment has been authorized by DD, all additional applications may be processed by the County Office unless otherwise directed by DD.
A CED Reviews (Continued)

The following questions are for CED when reviewing the first 5 applications before approval.

| State: _____________________________ | County: _____________________________ |
| Applicant Name: __________________ | Application Number: ________________ |
| Application Value $ __________________ |

1. Is the FSA-883 complete with all the certifications? | Yes or No |
2. Did the applicant file in the county where the operation is located? | Yes or No |
3. Did the applicant sign and date the application in item 13A, 13B and 13C of the FSA-883? | Yes or No |
4. Was a COC adjustment in expenses in item 12C, recorded on FSA-883, and documented in COC minutes? | Yes, No, or Not Applicable |
5. Was a COC adjustment in other reimbursable expenses received (other than OCCSP) in item 12E, record on FSA-883, and documented in COC minutes? | Yes, No, or Not Applicable |
6. Was valid signature authority on file for the applicant who signed in item 13 of the FSA-883, if applicable? | Yes, No, or Not Applicable |
7. For purposes of the CED review, have the following forms been received, acted upon, and accurately recorded in the applicable software for the applicant, as required? **NOTE:** The eligibility forms are NOT required to be filed prior to approval of FSA-883. |
   - 7a. FSA-883, OTECP Application | Yes or No |
   - 7b. AD-2047, if applicable, Customer Data Worksheet | Yes, No, or Not Applicable |
   - 7c. CCC-901, Members Information (if applicable) | Yes, No, or Not Applicable |
8. Is delegation of authority recorded in COC minutes for designee to act on behalf of COC? | Yes, or No |

**County Executive Director Review:**

| County Executive Director | Review Completion Date |

**CED Notes:**

**District Director Review and Concurrence:**

| District Director | Concurrence Date |

**DD Notes:**
B Recording CED Reviews

*--CED reviews will be recorded on the questions that are provided in subparagraph A. Print page 5-11 and include the completed questionnaire in the applicant’s file.--*

C DD Reviews

A DD or other employee designated by SED will review the first 5 OTECP applications filed in a Service Center, to verify that a signed FSA-883 was filed by the person or authorized representative of a legal entity that includes the applicant’s self-certification of expenses incurred as specified in subparagraph 261 B.

Upon completion of the reviews, the DD/State Office designee will provide written approval to the County Office for payments to be issued.

Note: Review may be completed and authority to process the application provided to CED, 1 application at a time, until at least 5 have been reviewed.

* * *
The following questions are to be answered by the DD/State Office designee to complete the first 5 reviews before certifying and signing payments in NPS.

<table>
<thead>
<tr>
<th>State: _____________________________</th>
<th>County: _____________________________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Name: _____________________</td>
<td>Application Number: _________________</td>
</tr>
<tr>
<td>Application Value $__________________</td>
<td></td>
</tr>
</tbody>
</table>

**Application Questions**

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Did the CED complete a review before approval on this applicant?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>2. Is the FSA-883 complete with all the certifications?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>3. Did the applicant sign the application in item 13A, 13B, and 13C of the FSA-883?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>4. Was valid signature authority on file for the applicant who signed in item 13 of the FSA-883, if applicable?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>5. Has COC or designee signed the FSA-883, recording their approval/disapproval determination in Part D of the FSA-883?</td>
<td>Yes or No</td>
</tr>
</tbody>
</table>

**District Director Review:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Date</th>
</tr>
</thead>
</table>

**Notes:**

---
### Recording DD Reviews

Follow this table to record DD reviews.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Access the Pandemic Assistance Internal Control SharePoint at <a href="https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Pandemic%20Assistance%20Internal%20Control">https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Pandemic%20Assistance%20Internal%20Control</a>.</td>
</tr>
<tr>
<td>2</td>
<td>After accessing the link in step 1, CLICK “OTECP”.</td>
</tr>
<tr>
<td>3</td>
<td>On the Pandemic Assistance Internal Control SharePoint for OTECP, CLICK “DD Questionnaire”.</td>
</tr>
</tbody>
</table>
*--D   Recording DD Reviews (Continued)

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>The OTECP DD questionnaire will be displayed. Complete the questionnaire for the first 5 complete applications reviewed.</td>
</tr>
</tbody>
</table>

**OTECP DD Questionnaire**

<table>
<thead>
<tr>
<th>Application Number</th>
<th>❌ ✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last Name/Entity Name</td>
<td>❌ ✓</td>
</tr>
<tr>
<td>First Name</td>
<td>✓</td>
</tr>
<tr>
<td>State</td>
<td>✓</td>
</tr>
<tr>
<td>County</td>
<td>✓</td>
</tr>
<tr>
<td>Application Value</td>
<td>❌ ✓</td>
</tr>
<tr>
<td>Q1 Did the CED complete a review before approval on this applicant?</td>
<td>✓</td>
</tr>
<tr>
<td>Q2 Is the FSA-883 complete with all the certifications?</td>
<td>✓</td>
</tr>
</tbody>
</table>
A Definitions

The following definitions apply OTECP. The definitions provided in other parts of this handbook do not apply to OTECP.

Certifying agent means any entity accredited by the Secretary as a certifying agent for the purpose of certifying a production or handling operation as a certified organic production or handling operation. In some States, a State Agency may operate as a certifying agent.

Certified operation means a producer or handler that has obtained USDA organic certification.

Crop includes pastures, cover crops, green manure crops, catch crops, or any plant or part of a plant intended to be marketed as an agricultural product, fed to livestock, or used in the field to manage nutrients and soil fertility.

Educational event means an event, such as a conference, training program, or workshop, that provides educational content addressing topics related to organic production and handling, such as farming and production methods, NOP requirements, and marketing. It includes both in-person and remote events.

Handler means any person or operation engaged in the business of handling agricultural products, including producers who handle crops or livestock of their own production, but not including final retailers that do not process agricultural products.

Inspection means the act of examining and evaluating the production or handling operation of an applicant for certification or certified operation to determine compliance with the requirements of the NOP.

Inspector means any person retained or used by a certifying agent to conduct inspections of certification applicants or certified production or handling operations.

Labeling includes all written, printed, or graphic material accompanying an agricultural product at any time or written, printed, or graphic material about the agricultural product displayed at retail stores about the product.

Livestock includes any cattle, sheep, goats, swine, poultry, or equine animals used for food or in the production of food, fiber, feed, or other agricultural-based consumer products; wild or domesticated game; or other non-plant life, but does not include aquatic animals for the production of food, fiber, feed, or other agricultural based consumer products.
ATECP General Provisions and Policies (Continued)

A Definitions (Continued)

Micronutrients not to be used as a defoliant, herbicide, or desiccant. Those made from nitrates or chlorides are not allowed. Micronutrient deficiency must be documented by soil or tissue testing or other documented and verifiable method as approved by the certifying agent.

Organic is a labeling term that refers to an agricultural product produced according to the requirements OFPA and NOP.

Organic Integrity Database means the database maintained by AMS that contains data for certified organic operations submitted by their certifying agents, available at *--USDA Organic Integrity Database--*

Organic production means a production system that is managed according to OFPA and NOP to respond to site-specific conditions by integrating cultural, biological, and mechanical practices that foster cycling of resources, promote ecological balance, and conserve biodiversity.

Organic System Plan means a plan of management of an organic production or handling operation that has been agreed to by the producer or handler and the certifying agent and that includes written plans concerning all aspects of agricultural production or handling described in the OFPA and NOP regulations.

Processing includes cooking, baking, curing, heating, drying, mixing, grinding, churning, separating, extracting, slaughtering, cutting, fermenting, distilling, eviscerating, preserving, dehydrating, freezing, chilling, or otherwise manufacturing and includes the packaging, canning, jarring, or otherwise enclosing food in a container.

Producer means a person or operation that engages in the business of growing or producing food, fiber, feed, and other agricultural-based consumer products.

Soil testing means soil tests to document micronutrient deficiency as required by 7 CFR 205.601(j)(7).

State Agency means the agency, commission, or department of a State government, U.S. Territories (including the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands), or District of Columbia responsible for agriculture under their jurisdiction.

State Organic Program means a State program that meets the requirements of the OFPA and NOP, is approved by the Secretary, and is designed to ensure that a product that is sold or labeled as organically produced under the OFPA is produced and handled using organic methods.
OTECP General Provisions and Policies (Continued)

A Definitions (Continued)

Transitional operation means a crop or livestock production operation that is transitioning to organic production in anticipation of obtaining USDA organic certification, and that has an organic system plan or written documentation from a certifying agent accredited by the National Organic Program.

USDA organic certification means a determination made by a certifying agent that a production or handling operation is in compliance with the OFPA and the NOP’s regulations in 7 CFR part 205, which is documented by a certificate of organic operation.

Wild crop includes any plant or portion of a plant that is collected or harvested from a site that is not maintained under cultivation or other agricultural management.

B Payment Amount and Limitations

OTECP payments must be calculated separately by category. For 2020, 2021, and 2022 program years, cost share assistance will be reimbursed as follows.

<table>
<thead>
<tr>
<th>Eligible Applicants</th>
<th>Category of Expenses</th>
<th>Payment Amount of Eligible Costs per Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certified operations</td>
<td>Certification – crops</td>
<td>25 percent, up to $250</td>
</tr>
<tr>
<td></td>
<td>Certification – livestock</td>
<td>25 percent, up to $250</td>
</tr>
<tr>
<td></td>
<td>Certification – wild crop</td>
<td>25 percent, up to $250</td>
</tr>
<tr>
<td></td>
<td>Certification – handling</td>
<td>25 percent, up to $250</td>
</tr>
<tr>
<td></td>
<td>State Organic Program fees</td>
<td>25 percent, up to $250</td>
</tr>
<tr>
<td>Transitional operations</td>
<td>Eligible transitional expenses</td>
<td>75 percent, up to $750</td>
</tr>
<tr>
<td>Certified and transitional operations</td>
<td>Educational event registration fees</td>
<td>*--75 percent, up to $200</td>
</tr>
<tr>
<td></td>
<td>Soil testing</td>
<td>75 percent, up to $100--*</td>
</tr>
</tbody>
</table>

The amount of the applicant’s OTECP payment plus the reported additional cost share assistance cannot exceed 50 percent of the total amount of eligible expenses for crop, livestock, wild crop, handling, and State organic program fees (that is, the portion of the costs not covered by OCCSP), or 100 percent of the total amount of eligible expenses for transitional expenses, educational event registration fees, and soil testing.

Cost share assistance will be issued after the application period for each crop year. If calculated payments exceed the amount of available funding, payments will be prorated.
OTECP General Provisions and Policies (Continued)

B Payment Amount and Limitations (Continued)

Persons or entities with more than 1 certified operation (such as more than 1 organic certificate) or transitional operation may receive an OTECP payment of up to maximum payment per scope for each operation.

Note: For applicants applying for crops, wild crops, livestock, handling, or State organic program fees who have not applied for a OCCSP payment in the same program year, reference 1-OCCSP, subparagraph 30 E.

C Sequestration

Sequestration does not apply to OTECP.

D Obtaining FSA-325

FSA-325 will be completed, according to 1-CM, by individuals or entities requesting payments earned by a producer who has died, disappeared, or been declared incompetent subsequent to applying for program benefits. Payments will be issued to the individuals or entities requesting payment using the deceased, incompetent, or disappeared producer’s ID number.

Note: If FSA-883 has been filed by the producer, a revised FSA-883 is not required when payments are issued under the deceased, incompetent, or disappeared producer’s ID number.

E Administrative Offset

OTECP payments issued by FSA are not subject to administrative offsets.

F Bankruptcy

Bankruptcy status does not exclude a producer from requesting OTECP benefits. Contact the OGC regional attorney for guidance on issuing OTECP payments on all bankruptcy cases.

G Assignments and Joint Payments

County Offices shall process assignments and joint payments according to 63-FI.

236-245 (Reserved)
Section 2   Eligibility

246   Eligible Applicants

A  Producers and Handlers

To be eligible for OTECP payments, a producer or handler must be 1 of the following:

- a certified organic producer or handler with a valid organic certification for their operation at the time of application
- a transitional crop or livestock operation during the 1 of program years as specified in subparagraph 248 A

Notes: The applicant must certify on the application, that the operation listed is on the organic certificate or in the process of transitioning to organic. Certified organic or transitional operations may be individuals or entities.

Operations with DBA on their organic certificate are eligible for OTECP. Record DBA on the information line for the address in Business Partner to connect the operator of record to the name on the organic certificate.

If an applicant paid certification expenses during the applicable program year but did not receive their certification until after the application deadline, their application can be approved as a late-filed request if that request is submitted by December 31 of the following applicable program year.

Operations with suspended, revoked, denied, or withdrawn certifications at the time of application are ineligible for cost share reimbursement.

- paid fees or expenses related to its initial certification, renewal of its certification from a certifying agent, or paid eligible expenses as the operation transitions to organic production.

Note: If a third party paid fees or expenses, contact the National Office for guidance.

OTECP cost share assistance is available for certified and transitional producers and handlers located in:

- all 50 States
- District of Columbia
- Commonwealth of Puerto Rico
- Guam
- American Samoa
- United States Virgin Islands
- Commonwealth of the Northern Mariana Islands.
Eligible Applicants (Continued)

B Self-Certification Subject to Spot Check

Applicants must self-certify to either having a valid organic certificate or documentation to show a transition to organic as well as paid expenses by category when their application is submitted.

Applicants are required to retain documentation in support of their application for 3 years after the date of approval. Applicants receiving OTECP payments or any other person who furnishes such information to USDA must permit authorized representatives of USDA or the Government Accountability Office, during regular business hours, to enter the 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.
Eligible Categories

A Overview

OTECP payments are subject to payment caps based on the following 8 categories of certification and/or transitional expenses:

- Crops
- Wild crops
- Livestock
- Handling/processing
- State organic program fees
- Transitional expenses
- Soil testing
- Educational event registration fees.

Each expense submitted for cost share assistance must be categorized according to the 8 categories in this subparagraph.

B USDA Organic Certification Categories

Certified organic operations may be certified for any combination of the following categories:

- Crops
- Wild crops
- Livestock
- Handling/processing.

The categories will be indicated on the certified operation’s organic certificate and recorded in the AMS Organic Integrity Database.

C State Organic Program Fees

Only certified organic operations are eligible for assistance for State Organic Program fees. State Organic Programs may be approved by the Secretary according to the requirements of the NOP. At this time, only California has an approved State Organic Program. Producers and handlers located outside of California do not incur State Organic Program fees and are not eligible to receive OTECP assistance for this scope.

Some States are accredited by the NOP to act as organic certifying agents; however, this role is different than administering an approved State Organic Program. Amounts paid to a State agency for USDA organic certification services should be reported according to the appropriate category in subparagraph B.
Eligible Categories (Continued)

D  Transitional Expenses

For transitional crop and livestock operations, eligible expenses include fees charged by a certifying agent or consultant for pre-certification inspections and development of an organic system plan. Operations that incur eligible costs before USDA organic certification but became certified before the end of the FY may not receive cost share for the same expense as both a certified and a transitional operation.

E  Soil Testing

Both certified and transitional operations are eligible for soil testing expenses. This category includes only soil testing to document micronutrient deficiency as required by the National Organic Program regulations at 7 CFR 205.601(j)(7) as well as postage for the specific soil test. Soil testing for other purposes is not covered by OTECP.--*

F  Educational Event Registration Fees

Both certified and transitional operations are eligible registration fees for educational events, such as conferences, training programs, or workshops, that provide educational content addressing topics related to organic production and handling, such as farming and production methods, NOP requirements, and marketing. It includes both in-person and remote events. Educational events that cover other topics in addition to organic production and marketing are still considered eligible.
Eligible Expenses

A Payment in Program Year

OTECP eligibility is based on the date expenses are paid by the certified operation or transition operation, rather than on the date the organic certification is effective.

Eligible expenses include only expenses that are paid from:

- October 1, 2019, through September 30, 2020, for the 2020 program year
- October 1, 2020, through September 30, 2021, for the 2021 program year
- October 1, 2021, through September 30, 2022, for the 2022 program year.

Note: Expenses that have been incurred during the program year but not paid by the applicant are not eligible for cost share assistance.

Example: A certified organic producer is inspected by their certifying agent on September 1, 2021, and receives a bill from the certifier on September 15, 2021, indicating the amount due for certification services. The producer pays all expenses related to their certification on October 5, 2021. The producer may apply for cost share assistance for these expenses for the 2022 program year.

B Eligible Expenses

Certified organic operations may receive reimbursement for:

- certification application fees
- inspection costs
- fees related to equivalency agreement/arrangement requirements
- travel/per diem for inspectors
- user fees
- certifier sales assessments
- postage
- soil testing
- educational event registration fees.

Transitional operations may receive reimbursement for:

- fees charged by a certifying agent or consultant for pre-certification inspections
- fees charged for the development of an organic system plan
- soil testing
- educational event registration fees.
C Ineligible Expenses

Ineligible expenses for both certified organic and transitional operations include:

- inspections necessary to address National Organic Program regulatory violations
- expenses related to non-USDA organic certifications
- expenses related to any other labeling program
- expenses related to materials/supplies/equipment
- late fees
- membership fees
- consultant fees (except as described above for transitional operations)
- expenses related to educational event attendance other than registration fees
- expenses for tests other than soil testing for micronutrient deficiencies.

D Questionable Invoice Costs

Certifiers can answer questions about eligible certification fees, and explain which fees are mandatory and which are optional. Each certifier has a unique fee schedule, which may use different terms to describe itemized expenses. If a certifier mandates certain fees, such as export certification, then those mandatory fees would be eligible for cost share reimbursement. If a certifier includes optional fees, such as consulting or application preparation, then those optional fees would not be eligible for reimbursement (except as described in subparagraph B for transitional operations).

State and County Offices should direct the applicant to contact the certifier with questions about which fees are mandatory versus optional for that certifier.

249-260 (Reserved)
Section 3  Application Process

261 Applying for Payment

A Application Periods

OTECP program years will be on an FY basis. Producers and handlers may apply for OTECP from November 8, 2021, through February 4, 2022, for the 2020 and 2021 program years. Program year 2022 will be announced at a later date.

Cost share assistance is provided on a factored basis, until all available funds are obligated. Applications received after all funds are obligated will not be paid. After the signup period concludes the National Office will provide guidance to State Offices as to how much of a factor will be applied to the calculated payments.
B Application Package

A complete application includes the following:

- FSA-883 which includes a certification of the applicant’s status as a certified operation or transitional operation and their eligible expenses
- AD-2047, if not previously filed
- SF-3881, if not previously filed

**Note:** The policy allowing hardship waivers of the EFT requirement applies to OTECP. See 63-FI.

- CCC-901, Part A, if not previously filed and the applicant is an entity.

**Notes:** CCC-901 is required for legal entities to identify individuals with signature authority according to 1-CM. If the entity chooses not to provide a completed CCC-901, Part A, the legal entity must provide sufficient documentation to support the authority of the individual signing on behalf of the entity.

Apply the maximum payment per organic certificate and consider entities with separate certificates to be separate producers/handlers. For stores that have separate certificates for different locations, each location is considered a separate handler and may obtain up to max by category as specified in subparagraph 235 B.

Applicants may be required to provide additional documentation to FSA, if necessary, to verify eligibility or issue payment. Eligible expenses are based on applicant certification and are subject to spot check. If an application must be verified, certified operations that previously applied for the OCCSP through an FSA local office and provided documentation of eligible expenses are not required to resubmit that documentation to FSA. However, those applicants must submit documentation of any additional eligible expenses included on their OTECP application that were not previously included in their OCCSP application. Certified operations that previously applied for OCCSP through a participating State Agency must submit the required documentation of their eligible expenses if requested by FSA.

**Note:** OTECP applicants are not required to file an acreage report; however, County Offices may encourage producers who apply for OTECP to file an acreage report to facilitate participation in other FSA programs and for use in their Organic System Plans.
C Submitting Applications

Applicants may submit OTECP application packages to any County Office:

- in person when available
- by mail
- electronically by:
  - FAX
  - email with scanned or photocopy of signed FSA-883 attached
  - other authorized method (provided by supplemental notice or other guidance) online at www.farmers.gov/otecp
  - online application.

Notes: Questions from producers and handlers who have submitted an application will be referred to the office that is processing that application.

If a County Office receives an OTECP application from an applicant that is not located in their county, the office receiving the application must send the application to the County Office where the operation is located to be processed.

Submitting FSA-883 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 FSA-883 will also be available to sign and submit by 1 of the methods in this subparagraph.

D Incomplete Applications

COC cannot act on FSA-883 until the applicant has completed the application and signed Part C.

Note: Incomplete applications or applications that are not signed do not require action by FSA. Applicants will receive decisions by FSA only on complete applications.

County Offices will notify an applicant that their application package is incomplete and give the applicant 30 days from the date of notification to submit any additional required documentation before disapproving FSA-883. An example notification letter is provided in subparagraph 263 D.
E  Late-Filed Applications

COC and STC do not have authority to approve programmatic relief for late-filed FSA-883’s. However, a late-filed FSA-883 will be reviewed according to the following table.

**Note:** Neither COC nor STC are under any obligation to recommend relief. COC is not required to submit cases to STC that COC believes do not warrant relief, nor is STC required to submit cases to DAFP that STC believes do not warrant relief. If relief is not recommended by either COC or STC, the late-file application will be disapproved and the County Office will notify the applicant in writing of the decision on the applicant’s request for late-filed FSA-883 with appropriate appeal rights according to 1-APP (based on the reviewing authority’s decision that the FSA-883 was late and that relief was not appropriate). Cases do not have to be submitted to STC or DAFP for disapproval of relief.

<table>
<thead>
<tr>
<th>IF FSA-883 is submitted…</th>
<th>THEN…</th>
</tr>
</thead>
<tbody>
<tr>
<td>after the deadline but it is not accompanied by a written request of the applicant for late-filing</td>
<td>County Office will issue a letter to the applicant explaining that FSA cannot process FSA-883 because it was filed after the deadline. The letter must advise the applicant that the applicant may, within 30 calendar days of the receipt of the letter advising that FSA-883 was filed late, file a written appeal with COC of the notification by County Office according to 1-APP.</td>
</tr>
</tbody>
</table>
| after the application deadline and is either accompanied by a written request for late-filing or the applicant has filed a timely appeal of the FSA County Office’s notification that the application cannot be processed | COC will review and make a determination of whether relief is appropriate and, if so, forward a recommendation to STC for final action. STC will review the applicant’s request and COC recommendation.  

**Note:** If the matter comes to COC by appeal, follow 1-APP for acknowledging and scheduling an appeal.

Neither COC nor STC are under any obligation to recommend relief. COC or STC can disapprove FSA-883 and choose not to forward a recommendation for relief of approval of the late-filed FSA-883 to DAFP. STC will forward an appropriate recommendation to DAFP to grant programmatic relief.
E Late-Filed Applications (Continued)

<table>
<thead>
<tr>
<th>IF FSA-883 is submitted…</th>
<th>THEN…</th>
</tr>
</thead>
<tbody>
<tr>
<td>after the application deadline and is either accompanied by a written request for late-filing or the applicant has filed a timely appeal of the FSA County Office’s notification that the application cannot be processed (Continued)</td>
<td>DAFP may:</td>
</tr>
<tr>
<td></td>
<td>• grant relief to approve the late-filed FSA-883</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> The FSA representative will sign and date FSA-883 with the effective DAFP decision date.</td>
</tr>
<tr>
<td></td>
<td>• deny relief and disapprove the FSA-883.</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> State Offices will advise COC to notify the applicant in writing that relief has been disapproved by DAFP. The letter must include appropriate appeal rights according to 1-APP.</td>
</tr>
</tbody>
</table>

Funding is available on a **prorated basis** as determined by the National Office. Applications approved after all available funding has been obligated will **not** be paid.

F Amending or Withdrawing FSA-883

Applications may be amended or withdrawn at any time until the end of the application period; however, copies of all submitted FSA-883’s **must** be kept in the file.

Applicants may, at any time during the application period, amend FSA-883 to:

- add additional categories and/or expenses
- remove categories and/or expenses from OTECP.
FSA-883, Organic and Transitional Education and Certification Program (OTECP)

A Completing FSA-883

FSA representative will complete items 1, 2, 4, 12C, 12E, and 14A through 14D.

The producer or handler applying for OTECP will complete items 3, 5 through 12B, 12D, and 13A through 13C.

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Enter the applicant’s administrative State and FSA codes.</td>
</tr>
<tr>
<td>2</td>
<td>Enter the applicant’s administrative county and FSA codes.</td>
</tr>
</tbody>
</table>
| 3    | Enter the program year for which the applicant is applying for OTECP. The program year is based on the FY in which expenses are paid:  
  • Program Year 2020: October 1, 2019, through September 30, 2020  
  • Program Year 2021: October 1, 2020, through September 30, 2021  
  • Program Year 2022: October 1, 2021, through September 30, 2022.  
  Note: Separate FSA-883’s must be completed for each program year. |
| 4    | Enter application number.  
  Note: This number is assigned by the automated system. |
| 5    | Enter the applicant’s customer name.  
  Note: The applicant’s customer name is the FSA customer name as entered in FSA’s Business Partner system and is the name of the certified operation or transitional operation applying for OTECP. For most certified operations, it will be the same as the certified operation name in item 10. |
| 6    | Enter the applicant’s address, including the ZIP Code. |
| 7    | Select “YES” or “NO” to indicate whether the applicant has participated in FSA programs.  
  If “NO” is selected, the applicant must also submit a completed AD-2047 and SF-3881 to receive payment. |
| 8    | Enter the applicant’s telephone number, including the area code. |
| 9    | Enter the applicant’s email address. |
A  Completing FSA-883 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part B – Certification Information &amp; Expenses</strong></td>
<td></td>
</tr>
</tbody>
</table>
| 10   | Enter the certified operation name exactly as it appears on the applicant’s organic certificate.  
**Note:** This item is required only for certified operations. |
| 11   | Enter the certification number/certifier client ID.  
**Note:** This item is required only for certified operations. |
| 12A  | Check the appropriate box(es) for the category(s) of expenses.  
The **crop, wild crop, livestock, and processing/handling categories** include eligible expenses for USDA organic certification for those categories.  
The **State Organic Program fee category** is only available for certified Applicants in California. Although some State programs operate as organic certifiers and charge certification fees, only California operates a unique State Organic Program that imposes fees in addition to certification expenses.  
The **transitional category** includes fees charged by a certifying agent or consultant for pre-certification inspections and development of an organic system plan.  
The **soil testing category** includes the cost of soil tests required to document micronutrient deficiency.  
The **education category** includes registration fees for events, such as conferences, training programs, or workshops, that provide educational content addressing topics related to organic production and handling, such as farming and production methods, National Organic Program requirements, and marketing. It includes both in-person and remote events. |
| 12B  | Enter the associated expenses for each category selected in item 12A.  
For costs that apply to more than 1 category, divide the amount by the number of all categories for which the cost was incurred. |
| 12C  | **COC Use Only** - Enter the sum of any ineligible expenses that were included in item 12B, as determined by COC according to subparagraph 248 C. |
### A Completing FSA-883 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part B – Certification Information &amp; Expenses (Continued)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>12D</strong></td>
<td>Enter all other cost share reimbursement received for the expenses entered in item 12B, excluding any payments received through OCCSP through either an FSA County Office or a participating State Department of Agriculture.</td>
</tr>
<tr>
<td><strong>12E</strong></td>
<td><strong>COC Use Only</strong> - Enter the sum of any ineligible other reimbursement expenses received through (OCCSP through either an FSA County Office or a participating State Department of Agriculture that were included in item 12D, as determined by COC according to subparagraph 248 C.</td>
</tr>
<tr>
<td><strong>13A</strong></td>
<td>Applicant signature.</td>
</tr>
<tr>
<td></td>
<td>If you are mailing or FAXing this form, print the form and manually enter your signature. If this form is approved for electronic transmission and you have established credentials with USDA to submit forms electronically, use the buttons provided on the form for transmitting the form to the USDA servicing office.</td>
</tr>
<tr>
<td><strong>13B</strong></td>
<td>Enter applicant’s representative title/relationship to the entity or individual.</td>
</tr>
<tr>
<td><strong>Note:</strong></td>
<td>If the applicant is not signing in a representative capacity, this field should be left blank.</td>
</tr>
<tr>
<td><strong>13C</strong></td>
<td>Enter the date the form is signed.</td>
</tr>
<tr>
<td><strong>14A</strong></td>
<td>COC representative signature.</td>
</tr>
<tr>
<td><strong>14B</strong></td>
<td>Enter the title of representative or designee in item 14A.</td>
</tr>
<tr>
<td><strong>14C</strong></td>
<td>Date the COC representative took action on the application.</td>
</tr>
<tr>
<td><strong>14D</strong></td>
<td>Check action taken on the application (approve or disapprove).</td>
</tr>
</tbody>
</table>
B Example of FSA-883

Following is an example of FSA-883.

---

**FSA-883**

U.S. DEPARTMENT OF AGRICULTURE

Farm Service Agency (FSA)

**ORGANIC and TRANSITIONAL EDUCATION and CERTIFICATION PROGRAM (OTECP)**

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:**

The following statement is to be included on the annual report of the changes in program status:

The certification/notification form must be submitted with the appropriate certification or notification form. The authority for requesting the information described on this form is 7 CFR Part 340, the Organic Inspection Program Act of 1988 (16 U.S.C. 551 et seq.), the Environmental Quality Incentives Program (EIP), the Conservation Stewardship Program (CSP), and the Environmental Quality Incentives Program (EIP). The information collected on this form may be claimed to be subject to the Freedom of Information Act (FOIA). The information collected on this form may be claimed to be subject to the Freedom of Information Act (FOIA). The information collected on this form may be claimed to be subject to the Freedom of Information Act (FOIA).

**Public Notice Statement:**


**PART A APPLICANT INFORMATION**

5. Applicant’s Name
6. Address (Including Zip Code)
7. Have you participated in OTECP programs?
   - Yes
   - No
8. Phone Number (Including Area code)
9. Email Address

**PART B CERTIFICATION INFORMATION & EXPENSES**

10. Certified Operation Name (if applicable)
11. Certification Number/Certifier Client ID (if applicable)

<table>
<thead>
<tr>
<th>Category of Expenses (Check all that apply) and Expenses (applicant completes columns 12A, 12B, and 12C)</th>
<th>12A</th>
<th>12B</th>
<th>12C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category of Expenses</td>
<td>Expenses</td>
<td>Change in Cost of Goods Sold (COC)</td>
<td>Adjusted Expenses</td>
</tr>
<tr>
<td>Crops (certified organic)</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Wild Crops (certified organic)</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Livestock (certified organic)</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Processing Handing (certified organic)</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>State Organic Program Fees (CRO Only)</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Transitional</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Soil Testing</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Education</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**DATE STAMPED**

---

11-8-21 1-PDAP Amend. 1 Page 5-79
### B Example of FSA-883 (Continued)

#### PART C. APPLICANT CERTIFICATION STATEMENT

Each applicant must submit a complete application to an FSA county office to be eligible to receive program benefits. A complete application includes this form FSA-883, and forms AD-2047 and SP-2881, if the latter were not previously filed with FSA. By signing this application, applicant:

1. Agrees to provide FSA with any documentation required to determine eligibility, and to verify and support all information provided, including applicant’s organic certificate, if requested by FSA;
2. Understands the application may be disapproved if the applicant fails to provide a complete application or any information requested by FSA;
3. Agrees to comply with, and acknowledges the applicant is subject to, all provisions of OTECP as published in the applicable Notice of Funds Availability published in the Federal Register, and all applicable rules and regulations;
4. Understands that OTECP payments are subject to the availability of funding and are subject to proration if total calculated payments exceed available funds. Further understands that applications received after all funds are obligated will not be paid.
5. Acknowledges that, if determined eligible and funding is available, the applicant’s eligible expenses may be adjusted from the amount entered in Item 11 to reflect the eligible expenses as reflected on documentation submitted to support the application, as determined by FSA.
6. Acknowledges that payments will not be issued until sign up for the specific program year is completed and the FSA National Office determines if payments are subject to proration.

I certify that:

1. The above information provided by me or my legal representative is true and correct.
2. I understand that failure to provide true and correct information may result in the invalidation of this application, a determination of noncompliance or ineligibility, or other remedies or sanctions. By signing this form, I further acknowledge and understand that any false representation or claims are subject to civil and criminal penalties including, but not limited to, those under 18 USC 1001.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>13A</td>
<td>Applicant’s Signature (By)</td>
</tr>
<tr>
<td>13B</td>
<td>Title/Relationship of the Individual Signing in the Representative Capacity</td>
</tr>
<tr>
<td>13C</td>
<td>Date (MM-DD-YYYY)</td>
</tr>
</tbody>
</table>

#### PART D. COUNTY COMMITTEE (CCC) DETERMINATION

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>14A</td>
<td>CCC or Designee Signature</td>
</tr>
<tr>
<td>14B</td>
<td>Title of Representative or Designee</td>
</tr>
<tr>
<td>14C</td>
<td>Date (MM-DD-YYYY)</td>
</tr>
<tr>
<td>14D</td>
<td>Determination:</td>
</tr>
<tr>
<td></td>
<td>APPROVED</td>
</tr>
<tr>
<td></td>
<td>DISAPPROVED</td>
</tr>
</tbody>
</table>

In accordance with Federal civil rights laws and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, age, disability, and income level. This letter is not subject to the Uniformed Services Prerogatives Act (USPARA), 10 U.S.C. 1090. In accordance with Section 105 of the Limited English Proficiency Act of 1985, 24 CFR 204.28, or Section 504 of the Rehabilitation Act of 1973, 28 CFR 35.101 et seq., persons who communicate in a language other than English may obtain assistance for the contents of this letter. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA’s TARGET Center at (800) 877-8339 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture/Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW/Room 326, Washington, DC 20250-9410; (2) Fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.
A  Reviewing and Processing FSA-883

County Offices will process FSA-883 for each eligible applicant according to this table.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
</table>
| 1    | Confirm that the applicant has submitted the following, either with FSA-883 or previously on file:  
      |   •   AD-2047  
      |   •   SF-3881  
      |   •   CCC-901, Part A, if the applicant is an entity. |
| 2    | See 1-CM for applicant signature on FSA-883. |
| 3    | COC will determine applicant overall eligibility according to Part 2. |
| 4    | COC will:  
      |   • act on FSA-883 according to subparagraph B  
      |   • sign and date Part D. |
| 5    | Retain a copy of the completed FSA-883. |
| 6    | If approved, provide the applicant with a copy of the ECPR according to the forthcoming 2-PDAP. |
| 7    | If disapproved, provide a written determination using subparagraph C. |

B  FSA-883 Approval or Disapproval

*--COC is responsible for acting on all FSA-883’s. COC may delegate authority to CED to approve FSA-883’s with the delegation recorded in the COC minutes. FSA-883 will not--* be approved until a complete application package has been submitted. COC must act on all completed and signed FSA-883’s.

Important: No entries will be made on FSA-883 by FSA employees, except entries designated for CCC representative use after the applicant signs FSA-883. Any additions or corrections must be initialed and dated by the applicant.

If FSA-883 is disapproved, County Offices must immediately notify the applicant in writing of the disapproval. See subparagraph C for an example notification letter. The letter to the applicant must include the following:

• notification that FSA-883 was disapproved  
• the reason(s) for disapproval  
• applicable appeal rights according to 1-APP.

Note: COC will not make any determinations about whether a certified operation is following the requirements of the NOP. If a County Office employee suspects that a certified operation is violating NOP requirements, they should contact their State Office for guidance.
C Letter Notifying Applicant of Disapproval

The following is an example of a letter to an applicant notifying them that their application has been disapproved and providing appeal rights. A Microsoft Word version of this letter is available as a template at https://inside.fsa.usda.gov/program-areas/dafp/special-programs/otecp/index.

[Date]

Mr. Organic Farmer
1400 Independence Avenue
Anytown, USA 12345-9876

Dear Mr. Farmer:

This letter is in response to your Organic & Transitional Educational & Certification Program (OTECP) application for the [insert year] program year.

FSA has processed your application; however, we have determined you are not eligible for a payment because [insert description of basis for disapproval].

If you believe we have not properly reviewed your application, you may appeal this determination to the county committee by filing a written request no later than 30 days after you receive this notice in accordance with the FSA appeal procedures found at 7 CFR Part 780. If you appeal to the county committee, you have the right to an informal hearing which you or your representative may attend either personally or by telephone. If you appeal this determination to the county committee, you may later appeal any adverse determination of the county committee to the FSA State committee or the National Appeals Division. To appeal, write to the county committee at the following address and explain why you believe this determination is erroneous.

Somewhere County FSA Committee
55 Main St.
Somewhereville, USA 12345-6789

If you do not timely file an appeal of this determination, this shall be the final administrative determination with respect to this matter in accordance with regulations at 7 CFR 780.

Sincerely,

Sharina Farmer
County Executive Director
D  Letter Notifying Applicant of Incomplete Application Package

The following is an example of a letter to an applicant notifying them that their application package was incomplete and additional information is needed to process their application. A Microsoft Word version of this letter is available as a template at https://inside.fsa.usda.gov/program-areas/dafp/special-programs/otecp/index.

[Date]

Mr. Organic Farmer  
1400 Independence Avenue  
Anytown, USA 12345-9876

Dear Mr. Farmer:

This letter is in response to your application for the Organic & Transitional Education & Certification Program (OTECP) for the [insert year] program year.

FSA has received form FSA-883; however, we have determined that your application package is incomplete. Please submit the following information and/or documentation to FSA so that we may process your application:

• [List additional documentation needed]

Please submit the requested information by [insert program year deadline]. If the requested information is not received by [insert program year deadline], your application will be disapproved. Please contact us at your earliest convenience if you have any questions.

Sincerely,

Sharina Farmer  
County Executive Director

264-275 (Reserved)
276  General Information

A  Purpose

This part provides instructions for administering FSCSC.

FSCSC provides assistance to specialty crop operations that incur eligible on-farm food safety program expenses to obtain or renew a food safety certification in calendar years 2022 and 2023.

Specialty crops intended for human consumption are subject to concerns about safety, particularly since specialty crops sold as raw agricultural commodities do not undergo a “kill step” like cooking, canning, or pasteurizing used for other agricultural commodities, such as meat or dairy products. As a result, specialty crop operations face increasing demand from grocery stores, schools, and other institutional buyers and retailers to obtain certification through programs that address the safe growing, harvesting, packing, and holding of their crops. The need to develop, implement, and maintain on-farm food safety programs has resulted in additional costs for many specialty crop operations that seek alternate markets for their products because of changes in demand from traditional markets, such as restaurants and food service. As they identify new markets, many specialty crop operations also find they need to undergo food safety audits and absorb the additional costs to achieve food safety certification through a private or government-based certification program to meet buyers’ requirements to sell their products.

B  Sources of Authority

Following are the sources of authority for FSCSC:

- CCC Charter Act (15 U.S.C. 714c(e))
- NOFA.

C  Authority and Responsibility

DAFP has the authority and responsibility for FSCSC.
D  FSCSC Websites

The following websites provide information used to administer FSCSC.

<table>
<thead>
<tr>
<th>Website Content</th>
<th>Website Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSCSC Application</td>
<td><a href="https://intranet.fsa.usda.gov/fsa/applications.asp">https://intranet.fsa.usda.gov/fsa/applications.asp</a></td>
</tr>
<tr>
<td>FSCSC Information</td>
<td><a href="http://www.farmers.gov/food-safety">www.farmers.gov/food-safety</a></td>
</tr>
<tr>
<td>FSCSC Intranet</td>
<td><a href="https://inside.fsa.usda.gov/program-areas/dafp/special-programs/fscsc/index">https://inside.fsa.usda.gov/program-areas/dafp/special-programs/fscsc/index</a></td>
</tr>
<tr>
<td>FFAS Employee Forms/Publications Online Website</td>
<td><a href="http://intranet.fsa.usda.gov/dam/ffasforms/forms.html">http://intranet.fsa.usda.gov/dam/ffasforms/forms.html</a></td>
</tr>
<tr>
<td>eAuthentication</td>
<td><a href="https://www.eauth.usda.gov/eauth/b/usda/home">https://www.eauth.usda.gov/eauth/b/usda/home</a></td>
</tr>
</tbody>
</table>

277  Responsibilities

A  STC Responsibilities

Within the authorities and limitations in this handbook and NOFA, STC’s will:

- direct the administration of FSCSC
- ensure that State and County Offices follow FSCSC provisions
- thoroughly document all actions taken in the STC meeting minutes
- handle appeals according to 1-APP and 7 CFR Parts 11 and 780
- require reviews be conducted by STC representative according to paragraph 303 to ensure that County Offices comply with FSCSC provisions

**Note:** STC’s may establish additional reviews to ensure that FSCSC is administered according to FSCSC provisions.

- take any oversight actions necessary to prevent County Offices from issuing any improper payments
- approve or disapprove any FSA-888 except those in which an STC member has a monetary interest
- comply with all FSCSC provisions.--*
*--277 Responsibilities (Continued)

B  SED Responsibilities

Within the authorities and limitations in this handbook and NOFA, SED’s will:

• ensure that County Offices follow FSCSC provisions
• ensure that County Office employees and COC’s are adequately trained
• thoroughly document all actions taken in the STC minutes
• handle appeals according to 1-APP
• handle requests for equitable relief according to 7-CP
• ensure that STC representatives conduct reviews according to paragraph 303

   Note:  SED may establish additional reviews to ensure that FSCSC is administered according to FSCSC provisions.

• ensure that FSCSC provisions are publicized
• immediately notify the National Office of 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
• comply with all FSCSC provisions.

C  DD Responsibilities

Within the authorities and limitations in this handbook and NOFA, DD’s will:

• ensure that COC’s and CED’s follow FSCSC provisions
• ensure that CED’s review the first 5 completed FSA-888’s and other required documents for completeness and accuracy from each county to confirm:
  • signatures are included
  • values on FSA-888 are correct in the software based on the producer’s certification
  • eligibility requirements are understood and met--*
*--277 Responsibilities (Continued)

C DD Responsibilities (Continued)

- based on the review documentation received, provide COC or CED authority to complete approvals and actions in the software upon completing review of the first five FSA-888’s

  **Note:** If the initial documentation received contains evidence of misunderstood policy, DD will provide clarification of that policy to the County Office employees and withhold authority until authorization to approve FSA-888’s is warranted.

- conduct reviews as determined by SED according to paragraph 303

  **Note:** DD may establish additional reviews to ensure that FSCSC is administered according to these provisions.

- load the results of FSCSC reviews on the SharePoint site, according to paragraph 303, no later than 30 workdays after FSA-888 is reviewed for FSCSC

- ensure that all County Offices publicize FSCSC provisions

- immediately notify the State Office specialist responsible for FSCSC 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 NOFA, COC’s will:

- fully comply with all FSCSC provisions

- ensure that CED’s direct the County Office to follow all FSCSC provisions

- handle appeals according to 1-APP--*
*--277 Responsibilities (Continued)

D COC Responsibilities (Continued)

- review and take action on FSA-888’s

Note: COC may redelegate authority to CED to review and approve routine FSA-888’s. Redelegation of authority must be documented in the COC minutes. All adverse actions must go to COC for review.

- thoroughly document all actions taken in the COC minutes

- ensure that the County Office publicizes FSCSC provisions

- 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, using a variety of methods.

Note: Because of the limits of FSA resources, publication of program information may or may not be 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 that the County Office maintains a record of all publicity efforts, including postings in Service Centers.

The FSCSC Fact Sheet:

- may be used to provide general program information
- is available at www.farmers.gov/food-safety
E CED Responsibilities

CED’s will:

- fully comply with all FSCSC provisions
- ensure that County Office employees are adequately trained and fully comply with all FSCSC provisions
- follow procedure in subparagraph 304 B for redelegation of authority
- review the first 5 completed FSA-888’s and other required documents for completeness and accuracy and send to DD to obtain authority for approval
- if so delegated, promptly review and approve routine FSA-888’s

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

CED may not redelegate authority to review and approve routine FSA-888’s for any other County Office employees.

- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- ensure that producers receive complete and accurate FSCSC information
- immediately notify SED, through DD, of problems and incomplete or incorrect procedures
- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments.

F PT Responsibilities

Within the authorities and limitations in this handbook and NOFA, PT’s will:

- fully comply with all FSCSC provisions
- immediately notify CED of problems, including incomplete or incorrect procedures
- ensure that all program eligibility requirements have been met by producers and completeness of FSA-888’s for accuracy before submitting to CED
- ensure that producers receive complete and accurate FSCSC information.
G Applicant Responsibilities

The applicant is responsible for being aware of program provisions and accurately reporting all required information, as applicable, on FSA-888.

Applicants who are approved for participation in FSCSC are required to retain documentation in support of their FSA-888 for 3 years after the date of approval. Applicants receiving FSCSC payments or any other person who provides this information to USDA must permit authorized representatives of USDA or GAO, during regular business hours, to enter the agricultural operation and inspect, examine, and allow representatives to make copies of books, records, or other items for the purpose of confirming the accuracy of the information provided by the applicant.

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

- FSA-888 for FSCSC assistance being disapproved, COC adjusted, or approved but ineligible for payment
- participant or participants being determined ineligible for FSA programs for the applicable program year or multiple years
- participant or participants being liable under any civil or criminal fraud statute or any statute or provision of law.

278 FSCSC General Provisions and Policies

A Definitions

Beginning farmer or rancher means a farmer or rancher who has not operated a farm or ranch for more than 10 years and who materially and substantially participates in the operation. For a legal entity to be considered a beginning farmer or rancher, at least 50 percent of the interest must be beginning farmers or ranchers.

Certification upload fee means the fee paid by a specialty crop operation to upload reports and other documentation to a commercial database.

Certifier means either a private entity accredited for the purpose of providing food safety certification or a government-based certifier.

Food safety certification means certification that a specialty crop operation meets regulatory or market-driven food safety standards.
A Definitions (Continued)

Food safety management system means a documented system developed by a group of specialty crop operations to obtain food safety certification, also referred to as a “quality management system”.

Food Safety Plan means a documented plan implemented by a specialty crop operation to obtain food safety certification.

FSMA means the FDA Food Safety Modernization Act (Pub. L. 111-353).

Historically underserved farmer or rancher means a beginning farmer or rancher, limited resource farmer or rancher, socially disadvantaged farmer or rancher, or veteran farmer or rancher.

Limited resource farmer or rancher means a farmer or rancher who is both of the following:

- a person whose direct or indirect gross farm sales did not exceed either of the following:
  - for the 2022 program year, $189,200 in each of the 2019 and 2020 calendar years
  - for the 2023 program year, the amount identified through the Limited Resource Farmer and Rancher Online Self Determination Tool in each of the 2020 and 2021 calendar years
- a person whose total household income was at or below the national poverty level for a family of 4 in each of the same 2 previous years referenced in the first bullet of this definition.

For an entity to be considered a limited resource farmer or rancher, all members who hold an ownership interest in the entity must meet the criteria in both bullets of this definition.

Note: Limited resource farmer or rancher status can be determined using a website available through the Limited Resource Farmer and Rancher Online Self Determination Tool through NRCS at https://lrftool.sc.egov.usda.gov.
A Definitions (Continued)

**Monetary Value** means the amount that would be paid in cash for a specialty crop if it were to be sold to a third party. In the annual calculation of total produce sales, include the following:

All produce sold, not just produce covered by the Produce Safety Rule:

- produce that was purchased or otherwise obtained and then resold
- produce sold directly to consumers or online
- produce sold at farmers’ markets or to grocery stores
- produce sold by a third-party on the applicant’s behalf, such as through a cooperative that takes possession, but not ownership, of applicants produce
- retail sales, wholesale sales, intrastate sales, and interstate sales (including produce offered for import to the U.S. or exported from the U.S.).

Do not include the following in the calculation:

- produce for which no payment was received (i.e., produce held without sale, or produce donated)
- the value of produce from other entities when a third-party is selling produce on the applicant’s behalf along with produce from other entities.

**Example:** When produce is sold by a cooperative, along with produce from other growers, the applicant should only consider the value from the produce sales.

**Produce Safety Rule** means the final rule titled “Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption” published on November 27, 2015 (80 FR 74353-74668). --*
Definitions (Continued)

Program year means the calendar year in which the applicant’s food safety certification is issued; that is, 2022 or 2023.

Raw agricultural commodity means any food in its raw or natural state, including all fruits that are washed, colored, or otherwise treated in their unpeeled natural form before marketing.

Small business means an applicant that had an average annual monetary value of specialty crops the applicant sold during the 3-year period preceding the program year of more than $250,000, but not more than $500,000.

Socially disadvantaged farmer or rancher means a farmer or rancher who is a member of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. For entities, at least 50 percent of the ownership interest must be held by individuals who are members of such a group. Socially disadvantaged groups include the following and no others, unless approved in writing by DAFP:

- American Indians or Alaskan Natives
- Asians or Asian-Americans
- Blacks or African Americans
- Hispanics or Hispanic Americans
- Native Hawaiians or other Pacific Islanders
- Women.

Specialty crop means any fruit or vegetable (including mixes of intact fruits and vegetables) and includes mushrooms, sprouts (irrespective of seed source), tree nuts, and herbs. A fruit is the edible reproductive body of a seed plant or tree nut (such as apple, orange, and almond), such that fruit means the harvestable or harvested part of a plant developed from a flower. A vegetable is the edible part of an herbaceous plant (such as cabbage or potato) or fleshy fruiting body of a fungus (such as white button or shiitake) grown for an edible part, such that vegetable means the harvestable or harvested part of any plant or fungus whose fruit, fleshy fruiting bodies, seeds, roots, tubers, bulbs, stems, leaves, or flower parts are used as food and includes mushrooms, sprouts, and herbs (such as basil or cilantro). “Specialty crop” does not include peanuts or food grains, meaning the small, hard fruits or seeds of arable crops, or the crops bearing these fruits or seeds, that are primarily grown and processed for use as meal, flour, baked goods, cereals, and oils rather than for direct consumption as small, hard fruits or seeds (including cereal grains, pseudo cereals, oilseeds, and other plants used in the same fashion). Examples of food grains include barley, dent- or flint-corn, sorghum, oats, rice, rye, wheat, amaranth, quinoa, buckwheat, and oilseeds (for example, cotton seed, flax seed, rapeseed, soybean, and sunflower seed).
A Definitions (Continued)

Specialty crop operation means a farming operation that produces specialty crops that are raw agricultural commodities. It includes both individuals and legal entities.

Very small business means an applicant that had an average annual monetary value of specialty crops the applicant sold during the 3-year period preceding the program year of no more than $250,000.

Veteran farmer or rancher means a farmer or rancher who has served in the Armed Forces (as defined in 38 U.S.C. 101(10)) and either of the following:

- has not operated a farm or ranch for more than 10 years
- has obtained status as a veteran (as defined in 38 U.S.C. 101(2)) during the most recent 10-year period.

For an entity to be considered a veteran farmer or rancher, at least 50 percent of the ownership interest must be held by members who have served in the Armed Forces and meet the criteria in both bullets of this definition.

B AGI Requirements

AGI requirements do not apply to FSCSC payments.

C Direct Attribution and Common Attribution

Direct attribution and common attribution do not apply to FSCSC payments.

D Payment Limitation

FSCSC does not have an overall maximum payment limitation. Payments are calculated separately by category. For 2022 and 2023 calendar years, assistance will be reimbursed as follows.

<table>
<thead>
<tr>
<th>Category of Eligible Expenses</th>
<th>Payment Amount of Eligible Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Food safety certification</strong></td>
<td>Historically Underserved Farmer or Rancher</td>
</tr>
<tr>
<td></td>
<td>75 percent, up to a maximum of $2,000</td>
</tr>
<tr>
<td><strong>Development of a Food Safety Plan for first-time certification</strong></td>
<td>75 percent (no maximum)</td>
</tr>
</tbody>
</table>
D Payment Limitation (Continued)

<table>
<thead>
<tr>
<th>Category of Eligible Expenses</th>
<th>Payment Amount of Eligible Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance or updating a Food Safety Plan</td>
<td>Historically Underserved Farmer or Rancher, up to a maximum of $375</td>
</tr>
<tr>
<td>Certification upload fees</td>
<td>All Other Applicants, up to a maximum of $250</td>
</tr>
<tr>
<td>Microbiological testing — products</td>
<td>75 percent, up to 5 tests</td>
</tr>
<tr>
<td>Microbiological testing — soil amendments</td>
<td>75 percent, up to 5 tests</td>
</tr>
<tr>
<td>Microbiological testing — water</td>
<td>75 percent, up to 5 tests</td>
</tr>
<tr>
<td>Training</td>
<td>100 percent, up to a maximum of $300</td>
</tr>
</tbody>
</table>

Note: 5-PL substantive change requirements do not apply to FSCSC.

E Administrative Offset

FSCSC payments issued by FSA are subject to administrative offsets.

F Assignments and Joint Payments

An applicant entitled to an FSCSC payment may:

- assign the payment according to 63-FI
- use joint payment authorizations according to 63-FI.

The code for FSCSC is “XXFSCSC”.

G Obtaining FSA-325 for Deceased, Disappeared, or Incompetent Producers

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

H Sequestering FSCSC Payments

Sequestration does not apply. --*
Customer Records for FSCSC Applicants

A Overview

All applicants seeking FSCSC benefits must have a customer record established in Business Partner that includes a valid taxpayer identification number.

B Collecting Customer Data

An applicant that is a new customer must complete AD-2047 to provide information that positively identifies the customer.

Applicants that are existing customers may update their profile by completing AD-2047, as needed.

The customer information must be recorded in Business Partner according to 11-CM.

C Farm Record

An applicant is not required to be associated with a farm to be eligible for FSCSC.---*
FSCSC Program Eligibility Requirements

A Program Eligibility

To be eligible for FSCSC, the applicant must meet all of the following:

- be a specialty crop operation
- be a small business or very small business
- have obtained or renewed either of the following:
  - 2022 food safety certification that was issued between June 21, 2022, and December 31, 2022
  - 2023 food safety certification issued during the 2023 calendar year
- have paid eligible expenses
- be located in the 50 United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, or the Commonwealth of the Northern Mariana Islands.

Note: Applicants do not have to be U.S. citizens to participate.

B Ineligible Applicants

The following applicants are ineligible for FSCSC:

- an applicant that does not meet the definition of small business or very small business
- an operation that is not located in the 50 United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, or the Commonwealth of the Northern Mariana Islands
- an applicant that has not paid eligible expenses related to a 2022 or 2023 food safety certification.
C Specialty Crop List

The following is a list of examples of specialty crops that applicants may produce. For crops not listed, contact the National Office to verify eligibility.

- Abui
- Acerola (Barbados Cherry)
- Achachairu
- Alalfa Sprouts
- Almonds
- Aloe Leaves
- Aloe Vera
- Anise
- Antidesma
- Apples
- Apricots
- Aronia (Chokeberry)
- Artichokes
- Arugula (Greens)
- Asparagus
- Atemoya (Custard Apple)
- Avacados
- Babaco Papayas
- Bamboo Shoots
- Bananas
- Basil (Herb)
- Batatas
- Bean Sprouts
- Beans (Including Dry Edible)
- Beets
- Bitter Gourd
- Bitter Melons
- Blueberries
- Bok Choy
- Boniato
- Boysenberries
- Breadfruit
- Broccoflower
- Broccoli
- Broccolini
- Broccolo-Cavallo
- Brussel Sprouts
- Cabbage
- Cacao
- Cailang
- Caimito
- Calabaza Melon
- Calaboose
- Callaloo
- Canary Melon
- Canary Seed
- Caneberries
- Caneberries – Blackberries
- Caneberries – Raspberries
- Canistel
- Cantalopes
- Carambola (Star Fruit)
- Cardoon
- Carob
- Carrots
- Casaba Melon
- Cascadeberries
- Cashew
- Cassava
- Cauliflower
- Celeriac
- Celeriac (Celery Root)
- Celery
- Chayote
- Cherimoya (Sugar Apple)
- Cherries
- Chervil, French Pastry (Herb)
- Chestnuts
- Chickpea (See Beans, Barbanzo)
- Chicory
- Chinese Bitter Melon
- Chinese Cabbage
- Chinese Mustard
- Chinese Water Chestnuts
- Chives
- Chufes
- Cilantro/Coriander (Herb)
- Citron
- Citron Melon
- Coconuts
- Coffee
- Collard Greens
- Coriander
- Corn, Sweet
- Crabapples
- Cranberries
- Crenshaw Melon
- Cucumbers
- Currants
- Curry Leaves
- Cushaw
- Daikon (Radish)
- Dandelion Greens
- Dasheen (Taro Root, Malanga)
- Dates
- Dill
- Donaqua (Winter Melon)
- Dragon Fruit (Red Pitaya)
- Dunga
- Durian
- Eggplant
- Elderberries
- Elut--*
C Specialty Crop List (Continued)

- Endive
- Escarole
- Etou
- Feijoas
- Figs
- Frisée
- Gailon (Gai Lein, Chinese Broccoli)
- Galanga
- Garlic
- Genip
- Ginger
- Ginseng
- Gooseberries
- Gourds
- Grapefruit
- Grapes
- Greens
- Greens - Others Not Listed
- Ground Chery
- Guamabana (Soursop)
- Guava
- Guavaberry
- Hazel Nuts
- Honeyberries
- Honeydew
- Hops
- Horseradish
- Huckleberries
- Israel Melons
- Ilychee
- Jack Fruit
- Jerusalem Artichokes (Sunchoke)
- Jicama
- Jojoba
- Jujube
- Juneberries
- Kale
- Kenya
- Kiwiberry
- Kiwifruit
- Kohlrabi
- Korean Golden Melon
- Kumquats
- Langsat
- Leeks
- Lemons
- Lentils
- Lettuce
- Limequats
- Limes
- Lobok
- Loganberries
- Longan
- Loquats
- Lotus Root
- Lychee (Litchi)
- Macadamia Nuts
- Mamey
- Mandarin
- Mangos
- Mangosteen
- Maple Sap
- Mar Bub
- Marionberries
- Marjoram (Herb)
- Mayhaw Berries
- Melongene
- Mesclun Mix
- Mesple
- Microgreens
- Mint (Herb)
- Mizuna
- Mongosteen
- Moqua
- Moringa
- Mulberries
- Murcotts
- Mushrooms
- Mustard (Greens)
- Nectarines
- Noni
- Ny Yu
- Okra
- Olallieberries
- Olives
- Onions
- Opo
- Oranges
- Oregano (Herb)
- Papaya
- Parsley, Other (Herb)
- Parsnip
- Passion Fruits
- Pawpaw
- Peaches
- Pears
- Peas (Including Dry Edible)
- Pecans
- Pejibaye (Heart of Palm)
- Peppers
- Persian Melon
- Persimmon
- Pimentos
- Pine Nuts
- Pineapple
- Pistachios
- Pitaya (Dragon Fruit)
- Plantain
- Plumcots
- Plums
- Pomegranates
- Potatoes
- Potatoes Sweet
- Prunes
- Pummelo
- Pumpkins
- Quinces
- Radicchio
- Radishes
- Raisins
- Rambutan--*
FSCSC Program Eligibility Requirements (Continued)

C Specialty Crop List (Continued)

- Rape Greens
- Rapini
- Recao
- Rhubarb
- Rosemary (Herb)
- Rutabaga
- Sage (Herb)
- Salsify (Oyster Plant)
- Santa Claus Melon
- Saodilla
- Sapote
- Savory (Herb)
- Scallions
- Schizandra Berries
- Seaweed
- Seed - Vegetable
- Shallots
- Shiso
- Snake Gourd
- Sorrel (Greens)
- Spearmint (Herb)
- Spinach
- Sprite Melon
- Squash
- Star Gooseberry
- Strawberries
- Sugarcane (Table)
- Suk Gat
- Swiss Chard
- Tangelos
- Tangerines
- Tangors
- Tangos
- Taniers
- Tapioca
- Taro
- Tau Chai
- Tea - Camellia Sinensis
- Teff
- Thyme (Herb)
- Tindora
- Tomatillos
- Tomatoes
- Truffles
- Turmeric (Herb)
- Turnip Top (Greens)
- Turnip Tops (Green)
- Turnips
- Upland/Winter Cress
- Vanilla
- Walnuts
- Wampee
- Watermelon
- Wax Jamboo Fruit
- White Sapote
- Wintercress
- Wolfberry (Goji)
- Yam
- Yam Yu Choy
- Yautia (Malanga)
- Yuca (Cassava)

291 Eligible Expenses

A Program Year Expenses

FSCSC eligibility is based on the date the certification is effective, rather than on the date the expenses are paid.

Eligible expenses include only expenses that are paid related to certifications from:

- June 21, 2022, through December 31, 2022, for the 2022 program year
- January 1, 2023, through December 31, 2023, for the 2023 program year.

Note: Expenses that have been incurred but not paid by the applicant are not eligible for cost share assistance.

Example: An operation is inspected by their certifying agent on December 1, 2022, and receives a bill from the certifier on December 15, 2022, indicating the amount due for certification services. The producer pays all expenses related to their certification on January 5, 2023. The producer receives their Food Safety Certification dated April 6, 2023. The producer may apply for cost share assistance for these expenses for the 2023 program year. *
B Eligible Expenses

For FSCSC purposes, the following are considered eligible expenses.

- **Development of a Food Safety Plan for first-time food safety certification.** The specialty crop operation may develop its own plan, or it may hire a consultant, or a combination of both. FSCSC will cover a percentage of all approaches. For specialty crop operations that develop their own plans, FSCSC will cover a percentage of the costs of seminars and tools used to create a Food Safety Plan. For those that hire a consultant, FSCSC will cover a percentage of the consulting fees and other associated expenses. For specialty crop operations certified through a group, this category of expenses will cover a percentage of their share of the cost for developing a food safety or quality management system for the group.

- **Maintaining or updating an existing Food Safety Plan.** This is the costs of maintaining and updating existing Food Safety Plans. For specialty crop operations certified through a group, this category of expenses will cover a percentage of their share of the cost for maintaining or updating an existing food safety management system for the group.

- **Food safety certification.** This is the cost of obtaining food safety certification issued by a certifier, including application fees, inspection costs, inspection fees (including travel costs and per diem for certifiers), and user fees or certifier sales assessments.

- **Certification upload fees.** This is the cost to upload audit reports and certification documentation into commercial audit databases, which may be required by buyers of specialty crops.

- **Microbiological testing.** Microbiological testing is for products, soil amendments, and water as specified by a Food Safety Plan or food safety management system.

- **Training.** This is the cost of food safety training for the specialty crop operation.

Each expense submitted for assistance must be categorized according to the 6 categories in this subparagraph.

**Note:** Any associated postage is eligible and should be included with the category of expense for which it was incurred.--)
C Ineligible Expenses

For FSCSC purposes, the following are considered ineligible expenses:

- infrastructure improvements, such as improvements to buildings, cold storage, flooring, restrooms, and handwashing stations
- supplies, such as sanitation and cleaning supplies and personal protective equipment
- equipment, such as grading or packing lines and sanitation equipment
- salaries and benefits of employees or other costs for labor, except for expenses for consultants described in subparagraph B
- fees or penalties for late payment.

D Group Certifications

Specialty crop operations that obtain certification through a group model are eligible to apply for assistance for their share of eligible expenses paid by the group, in addition to any eligible expenses they incur individually. The applicant should obtain an invoice or other documentation from the group that indicates the applicant’s share of the expenses for each eligible category.
301 Signup

A FSCSC Signup

Applicants can apply for FSCSC benefits at any County Office nationwide. The applicant must complete FSA-888 to receive a payment.

The signup period for FSCSC is as follows.

<table>
<thead>
<tr>
<th>Program Year</th>
<th>Certification Date</th>
<th>Application Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>June 21, 2022, through December 31, 2022</td>
<td>June 27, 2022, through January 31, 2023</td>
</tr>
<tr>
<td>2023</td>
<td>January 1, 2023, through December 31, 2023</td>
<td>TBD</td>
</tr>
</tbody>
</table>

B Application Package

A complete application package includes the following:

- FSA-888
- CCC-860, if not previously filed

Note: An applicant who has filed CCC-860 certifying their status as a socially disadvantaged, beginning, or veteran farmer or rancher for a prior program year is not required to submit a subsequent certification of their status for a later program year because their status as socially disadvantaged would not change in different years, and their certification as a beginning or veteran farmer or rancher includes the relevant date needed to determine for what program years the status would apply. Because an applicant’s status as a limited resource farmer or rancher may change annually depending on their direct and indirect gross farm sales, those applicants must submit CCC-860 for each applicable program year.

- AD-2047, if not previously filed
- SF-3881, if not previously filed.

Note: The policy allowing hardship waivers of the EFT requirement applies to FSCSC. See 63-FI.--*
C Submitting FSA-888

For each program year, applicants will submit one FSA-888 per operation nationwide to any County Office:

- in person
- by mail
- electronically by:
  - FAX
  - emailed with a scanned or photocopy of signed FSA-888 attached
  - Box or OneSpan
- online application at [https://apps.fsa.usda.gov/fscsc/index.jsp](https://apps.fsa.usda.gov/fscsc/index.jsp)

**Note:** Submitting FSA-888 online requires an active Level 2 eAuthentication account. Individual producers can register for a Level 2 eAuthentication account at [www.eauth.usda.gov](http://www.eauth.usda.gov). A fillable format of FSA-888 will also be available to sign and submit by 1 of the methods in this subparagraph.

D Incomplete FSA-888’s

COC cannot act on FSA-888 until the applicant has completed FSA-888 and signed Part C.

**Note:** Incomplete FSA-888’s or FSA-888’s that are not signed do not require action by FSA. Applicants will receive decisions by FSA only on complete FSA-888’s.

County Offices will notify an applicant that their application package is incomplete and give the applicant 30 calendar days from the date of notification to submit any additional required documentation before disapproving FSA-888.
**E Late-Filed Provisions**

DAFP has the authority to waive or modify application deadlines and other requirements or program provisions not specified in law, in cases where DAFP determines it is equitable to do so and where the lateness or failure to meet these other requirements or program provisions do not adversely affect the operation of FSCSC.

DAFP has delegated this authority to STC. COC does not have authority to approve programmatic relief for late-filed FSA-888’s. However, a late-filed FSA-888 will be reviewed according to the following table.

**Note:** Neither COC nor STC are under any obligation to recommend relief. COC is not required to submit cases to STC that COC believes do not warrant relief, nor is STC required to approve cases that STC believes do not warrant relief. If relief is not recommended by either COC or STC, the late-filed FSA-888 will be disapproved, and the County Office will notify the participant in writing of the decision on the participant’s request for programmatic relief with appropriate appeal rights according to 1-APP (based on the reviewing authority’s decision that FSA-888 was late and that relief was not appropriate). Cases do not have to be submitted to STC or DAFP for disapproval of relief.

<table>
<thead>
<tr>
<th>Producer Action</th>
<th>County Office and/or COC Action</th>
<th>STC Action</th>
</tr>
</thead>
</table>
| FSA-888 is submitted after the application deadline but is not accompanied with a written explanation as to why the deadline was not met. | Issue a letter to the participant:  
• explaining that FSA received FSA-888 but cannot process FSA-888 because it was filed after the deadline  
• requesting a written explanation of why the deadline was not met if the producer wishes to have FSA-888 considered. | No actions are needed. |
### E  Late-Filed Provisions (Continued)

<table>
<thead>
<tr>
<th>Producer Action</th>
<th>County Office and/or COC Action</th>
<th>STC Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSA-888 is submitted after the application deadline and is accompanied with a written explanation as to why the deadline was not met.</td>
<td>Review for programmatic relief consideration.</td>
<td>Review FSA-321, FSA-888, and written explanation to determine whether programmatic relief should be granted.</td>
</tr>
<tr>
<td></td>
<td>• If COC determines circumstances merit programmatic relief, complete FSA-321 and forward all documents to STC.</td>
<td>• If yes, STC will approve and sign on behalf of DAFP. Then send it back to COC for approval or disapproval of FSA-888.</td>
</tr>
<tr>
<td></td>
<td>• If COC determines circumstances do not merit programmatic relief, issue a letter to the applicant stating that FSA-888 and written explanation have been reviewed and considered late and have been disapproved with appeal rights included in the letter.</td>
<td>• If no, STC will take no action and send it back to COC to issue a letter that FSA-888 has been reviewed and FSA cannot process since FSA-888 was late-filed. COC will disapprove and notify the applicant with appeal rights included in the letter.</td>
</tr>
<tr>
<td></td>
<td>• No actions are needed.</td>
<td>No actions are needed.</td>
</tr>
</tbody>
</table>
### A Completing FSA-888

The FSA representative will complete FSA-888, items 1, 2, 4, 10D, 10F, and 14A through 14D.

The applicant applying for FSCSC will complete FSA-888, items 3, 5 through 10C, 10E, and 11 through 13C.

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Enter the applicant’s recording State name and code.</td>
</tr>
<tr>
<td>2</td>
<td>Enter the applicant’s recording county name and code.</td>
</tr>
</tbody>
</table>
| 3    | Enter the program year for which the applicant is applying for benefits.  

The program year is based on the calendar year in which the certification is received:

- program year 2022: June 21, 2022, through December 31, 2022
- program year 2023: January 1, 2023, through December 31, 2023.

**Note:** Separate FSA-888’s must be completed for each program year.

| 4    | This will be automatically populated. Leave blank if a manual form. |

**Part A – Applicant Information**

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
</table>
| 5    | Enter the applicant’s name.  

**Note:** The applicant’s name in item 5 must match the person or entity listed on the applicant’s food safety certification or plan. |
| 6    | Enter the applicant’s address, including ZIP Code. |
| 7    | Check “YES” or “NO” to indicate whether the applicant has recently participated in FSA programs.  

If “NO” is selected, the applicant must also submit a completed AD-2047 and SF-3881 to receive payment. |
| 8    | Enter the applicant’s telephone number, including the Area Code. |
| 9    | Enter the applicant’s email address. |
### A Completing FSA-888 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>10A</td>
<td>Check the appropriate box or boxes to indicate the category of expenses for which the applicant is applying.</td>
</tr>
<tr>
<td></td>
<td>• The <strong>food safety certification</strong> category includes the cost of obtaining the certification issued by a certifier, including application fees, inspection costs and fees, and user fees or certifier sales assessments.</td>
</tr>
<tr>
<td></td>
<td>• The <strong>Food Safety Plan development</strong> category is only available for the first year an operation or group undergoes a formal food safety certification or plan. Costs include seminars, tools used to create a Food Safety Plan, consulting fees, and other associated expenses.</td>
</tr>
<tr>
<td></td>
<td>• The <strong>maintaining or updating Food Safety Plan</strong> category includes costs of maintaining and updating existing Food Safety Plans.</td>
</tr>
<tr>
<td></td>
<td>• The <strong>certification upload fees</strong> category includes costs to upload audit reports and certification documentation into commercial audit databases.</td>
</tr>
<tr>
<td></td>
<td>• The <strong>testing</strong> categories include the cost of the tests for microbiological, soil amendments, and water. This is the total dollar amount for all tests of a specific category.</td>
</tr>
<tr>
<td></td>
<td>• The <strong>training</strong> category includes the cost of food safety training for the applicant.</td>
</tr>
<tr>
<td>10B</td>
<td>Enter the associated costs for each selected category.</td>
</tr>
<tr>
<td></td>
<td>For costs that apply to more than 1 category, divide the amount by the number of all categories for which the cost was incurred.</td>
</tr>
<tr>
<td>10C</td>
<td>Enter the number of tests associated for the category selected.</td>
</tr>
<tr>
<td>10D</td>
<td><strong>COC Use Only</strong> – Enter the amount of expenses as determined by COC.</td>
</tr>
<tr>
<td>10E</td>
<td>Enter the amount received as reimbursement from other sources for each category. If zero, leave blank.</td>
</tr>
<tr>
<td>10F</td>
<td><strong>COC Use Only</strong> – Enter the adjusted amount of reimbursement for expenses received as determined by COC.</td>
</tr>
<tr>
<td>11</td>
<td>Check “YES” or “NO” to indicate if the applicant meets the definition of a small business.</td>
</tr>
<tr>
<td></td>
<td>A small business is an average annual monetary value of specialty crops the farm sold during the 3-year period preceding the program year of more than $250,000 but not more than $500,000.</td>
</tr>
</tbody>
</table>
### A Completing FSA-888 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
</table>
| 12   | Check “YES” or “NO” to indicate if the applicant meets the definition of a very small business.  
A very small business is an average annual monetary value of specialty crops the farm sold during the 3-year period preceding the program year of no more than $250,000. |

**Part C – Applicant Certification Statement**

| 13A   | Applicant will sign.  
Print FSA-888 and have the applicant manually sign. If FSA-888 is approved for electronic transmission and the applicant has established credentials with USDA to submit forms electronically, use the buttons provided on FSA-888 for transmitting FSA-888 to the USDA servicing office. |
| 13B   | Enter the applicant’s representative title or relationship to the entity or individual.  
**Note:** If the applicant is not signing in the representative capacity, this field should be left blank. |
| 13C   | Enter the date FSA-888 is signed (MM-DD-YYYY). |
| 14A   | COC or designee will sign. |
| 14B   | Enter the title of representative or designee. |
| 14C   | Enter the date the representative or designee signs FSA-888. |
| 14D   | COC or their representative will check either “Approved” or “Disapproved”.  
**Important:** FSA-888 will be approved or disapproved as certified by the producer after applicable COC adjustment fields are completed. |
### B  Example of FSA-888

Following is an example of FSA-888.

<table>
<thead>
<tr>
<th>PART A -- APPLICANT INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Applicant’s Name</td>
</tr>
<tr>
<td>6. Address (City, State and Include Zip Code)</td>
</tr>
<tr>
<td>7. Have you participated in FSA programs?</td>
</tr>
<tr>
<td>[ ] YES  [ ] NO</td>
</tr>
<tr>
<td>(If &quot;NO&quot;, please fill out AD-3047 and SF-3881)</td>
</tr>
<tr>
<td>8. Phone Number (including Area code)</td>
</tr>
<tr>
<td>9. Email Address</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PART B -- CERTIFICATION INFORMATION &amp; EXPENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Category of Expenses (Check all that apply) and Expenses (pay applicant column 10A, 10B, 10C, and 10D):</td>
</tr>
<tr>
<td>IIA. Category of Expenses</td>
</tr>
<tr>
<td>-----------------------------</td>
</tr>
<tr>
<td>Food Safety Certification</td>
</tr>
<tr>
<td>Food Safety Plan Development (1st 1st)</td>
</tr>
<tr>
<td>Maintaining or Updating Food Safety Plan</td>
</tr>
<tr>
<td>Certification Update Fees</td>
</tr>
<tr>
<td>Microbiological Testing – products</td>
</tr>
<tr>
<td>Microbiological Testing – soil amendments</td>
</tr>
<tr>
<td>Microbiological Testing – water</td>
</tr>
<tr>
<td>Training</td>
</tr>
</tbody>
</table>

11. Are you a small business? [ ] YES  [ ] NO  (Small business means a farm that had an average annual monetary value of specialty crops the farm sold during the 3-year period preceding the program year of more than $250,000 but not more than $500,000)

12. Are you a very small business? [ ] YES  [ ] NO  (Very small business means a farm that had an average annual monetary value of specialty crops the farm sold during the 3-year period preceding the program year of no more than $250,000)

**DATE STAMPED**

---
**Example of FSA-888 (Continued)**

<table>
<thead>
<tr>
<th>PART C - APPLICANT CERTIFICATION STATEMENT</th>
</tr>
</thead>
</table>
| Each applicant must submit a complete application to an FSA county office to be eligible to receive program benefits. A complete application includes this form FSA-888, and forms AD-2047, SP-3881, and CCC-860 (if applicable) if the latter were not previously filed with FSA. By signing this application, applicant:
| 1. Has completed the food safety plan and certification process and agrees to provide FSA with any documentation required to determine eligibility, and to verify and support all information provided, including applicant’s food safety certificate or plan, if requested by FSA;
| 2. Understands the application may be disapproved if the applicant fails to provide a complete application or any information requested by FSA within 30 days of the request;
| 3. Agrees to comply with, and acknowledges the applicant is subject to, all provisions of FSCSC as published in the applicable Notice of Funds Availability published in the Federal Register, and all applicable rules and regulations;
| 4. Understands that FSCSC payments are subject to the availability of funding and are subject to proration if total calculated payments to all eligible applicants exceed available funds. Further understands that late-filed applications received after all funds are obligated will not be paid.
| 5. Acknowledges that, if determined eligible and funding is available, the applicant’s expenses may be adjusted, as determined by the FSA County Committee, from the amounts entered on item 10 to reflect the eligible expenses as verified by documentation submitted to support the application, if requested by FSA.
| 6. Acknowledges that FSA will issue payments for the 2022 program year as applications are processed and approved, but payments for the 2023 program year will not be issued until after the end of the application period for the FSA National Office to determine if payments for the 2023 program year are subject to proration.
| I certify that:
| 1. The above information provided by me, or my legal representative is true and correct.
| 2. I understand that failure to provide true and correct information may result in the invalidation of this application, a determination of noncompliance or ineligibility, or other remedies or sanctions. By signing this form, I further acknowledge and understand that any false representation or claims are subject to civil and criminal penalties including, but not limited to, those under 18 U.S.C. 1001.
| 3. I understand that I may not receive duplicate benefits totaling more than 100% of cost for the same eligible expenses and program year from multiple agencies, including FSA. If it is determined that I have received duplicate benefits, I have no right to retain those payments.

| 13A. Applicant’s Signature (If)
| 13B. Title/Relationship of the Individual Signing in the Representative Capacity
| 13C. Date (MM-DD-YYYY) |

<table>
<thead>
<tr>
<th>PART D - COUNTY COMMITTEE (CCD) DETERMINATION</th>
</tr>
</thead>
</table>
| 14A. COC or Designee Signature
| 14B. Title of Representative or Designee
| 14C. Date (MM-DD-YYYY)
| 14D. Determination: |  
| APPROVED |
| DISAPPROVED |

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or receipt of any civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA’s TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at https://www.ascr.usda.gov/how-to-file-a-claim and at any USDA office or write a letter addressed to USDA and provide in the latter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed complaint form to USDA by (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.
A CED Reviews

The purpose of this review is to ensure that FSA-888’s and eligibility forms are completed correctly and demonstrate that the County Office understands program policy and is implementing it correctly. CED is required to review completed FSA-888’s from the first 5 producers per Service Center as part of their supervisory responsibility to ensure that program integrity and accountability requirements are met. Only one FSA-888 per producer counts towards the first five.

The initial review completed by CED must include all documents required to issue payments, including eligibility documents. If the eligibility documentation is not available for 1 or more of the first 5 producers, CED will select the next available completed FSA-888 until five FSA-888’s are available for review.

During the initial review, CED will:

- ensure that FSA-888 is completed properly
- review all signatures obtained, including representative signature authorities
- ensure that FSA-888 is qualified to be paid without errors.

Upon completion, CED will certify to the DD/State Office designee that the first 5 completed FSA-888’s have been reviewed and provide the application package for DD/State Office designee review. The County Office or COC may not approve any FSA-888’s until written approval is received from the DD/State Office designee.

Note: CED does not have to wait until all five FSA-888’s have been reviewed to submit to DD. For the first five FSA-888’s, approvals can be completed upon DD review and approval of each one. Once the first five FSA-888’s have been reviewed and approval has been authorized by DD, all additional FSA-888’s may be processed by the County Office unless otherwise directed by DD.
### A CED Reviews (Continued)

The following questions are for CED when reviewing the first five FSA-888’s before approval.

<table>
<thead>
<tr>
<th>State: __________________________</th>
<th>County: __________________________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producer Name: __________________</td>
<td>Program Year: ____________________</td>
</tr>
<tr>
<td>Application Number: ____________</td>
<td>Program Year: ____________________</td>
</tr>
</tbody>
</table>

### Application Questions

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is Recording State, Recording County, Program Year, and Application No. completed at the top of the FSA-888?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>2. Has part A been completed on the FSA-888?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>3. Is the FSA-888 complete with all the certifications and expenses relevant to the producer’s request identified on the form? (It may be difficult to determine reasonableness of the certification values; however, if something appears unreasonable or questionable, do not ignore it.)</td>
<td>Yes or No</td>
</tr>
<tr>
<td>4. Did the producer certify more than 5 tests per category in item 10C?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td><strong>Note:</strong> If yes, ensure that COC has adjusted the expense in item 10D for that category.</td>
<td></td>
</tr>
<tr>
<td>5. Did the producer answer “yes” to item 11 or 12 of the FSA-888?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>6. Has the FSA-888 been date stamped?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>7. Did the producer sign the application in item 13A of the FSA-888?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>8. Was valid signature authority on file for the producer who signed in item 13A of the FSA-888, if applicable?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>9. For purposes of the CED review, have the following forms been received and accurately recorded in the applicable software for the producer, as required?</td>
<td></td>
</tr>
<tr>
<td>FSA-888, FSCSC Application</td>
<td>Yes or No</td>
</tr>
<tr>
<td>AD-2047, Customer Data Worksheet, if applicable</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, if applicable</td>
<td>Yes, No, or Not Applicable</td>
</tr>
</tbody>
</table>

### County Executive Director Review:

<table>
<thead>
<tr>
<th>County Executive Director</th>
<th>Completion Date</th>
</tr>
</thead>
</table>

### CED Notes:

---

*--303 Internal Controls (Continued)*

1-PDAP Amend. 8
**B DD/State Office Designee Reviews**

DD or other employee designated by SED will review FSA-888’s from the first 5 producers filed in a Service Center to verify that:

- a signed FSA-888 was filed by the person or authorized representative of a legal entity
- categories of expenses are completed correctly
- the applicant meets the requirement of being either a small business or very small business.

Upon completing the reviews, the DD/State Office designee will provide written approval to the County Office for approvals to be completed.

**Note:** Review may be completed and authority to process FSA-888 provided to CED, 1 producer at a time, until at least 5 have been reviewed.

See subparagraph C for instructions for loading DD/State Office designee first reviews on the FSA Pandemic Assistance Internal Control SharePoint.--*
B  DD/State Office Designee Reviews (Continued)

The following questions are to be answered by the DD/State Office designee to complete the first 5 reviews before certifying and signing payments in NPS.

<table>
<thead>
<tr>
<th>Application Questions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Did the CED complete a review for this producer?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>2. Is Recording State, Recording County, Program Year, and Application No. completed at the top of the FSA-888?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>3. Is the FSA-888 complete with all the certifications relevant to the producer’s request identified on the form? (It may be difficult to determine reasonableness of the certification values; however, if something appears unreasonable or questionable, do not ignore it.)</td>
<td>Yes or No</td>
</tr>
<tr>
<td>4. Did the producer certify more than 5 tests per category in item 10C?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td><strong>Note:</strong> If yes, ensure that COC adjusted the expense in item 10D for that category.</td>
<td></td>
</tr>
<tr>
<td>5. Did the producer answer “yes” to item 11 or 12 of the FSA-888?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>6. Was the FSA-888 date stamped?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>7. Did the producer sign the application in item 13A of the FSA-888?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>8. Was valid signature authority on file for the producer who signed in item 13A of the FSA-888, if applicable?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
</tbody>
</table>

**District Director Review:**

<table>
<thead>
<tr>
<th>District Director</th>
<th>Completion Date</th>
</tr>
</thead>
</table>

**DD Notes:**
C Recording DD/State Office Designee Reviews

DD’s or State Office designee must enter the results of FSCSC reviews on the Pandemic Assistance Internal Control SharePoint within 30 calendar days of completing the review according to the following table.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Access the Pandemic Assistance Internal Control SharePoint at the following link.</td>
</tr>
<tr>
<td></td>
<td><a href="https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Pandemic%20Assistance%20Internal%20Control">https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Pandemic%20Assistance%20Internal%20Control</a></td>
</tr>
<tr>
<td>2</td>
<td>After accessing the link in step 1, click on the applicable program.</td>
</tr>
<tr>
<td>3</td>
<td>On the Pandemic Assistance Internal Control SharePoint, click on “Initial DD Review Questionnaire”.</td>
</tr>
<tr>
<td>4</td>
<td><strong>--7-5-22 1-PDAP Amend. 8</strong></td>
</tr>
</tbody>
</table>
### C Recording DD/State Office Designee Reviews (Continued)

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>The applicable program’s Initial DD Review Questionnaire will be displayed. Complete the questionnaire for each of the first five FSA-888’s reviewed.</td>
</tr>
</tbody>
</table>

![Image of the FSCSC DD Questionnaire interface with fields for Application Number, Last Name/Entity Name, First Name, State (Alabama), County (Autauga), and options for did CED complete a review on this applicant? and Is the Recording State, Recording County, Program Year, and Application No. completed at the top of the FSA-888? with dropdown options set to Find items.](image-url)
A Reviewing and Processing FSA-888

County Offices will process FSA-888 for each eligible applicant according to the following table.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Confirm that the applicant has submitted the following, either with FSA-888 or previously on file:</td>
</tr>
<tr>
<td></td>
<td>• AD-2047</td>
</tr>
<tr>
<td></td>
<td>• SF-3881</td>
</tr>
<tr>
<td></td>
<td>• CCC-860, if applicable</td>
</tr>
<tr>
<td></td>
<td>• CCC-901, Part A, if the applicant is an entity.</td>
</tr>
<tr>
<td>2</td>
<td>See I-CM for applicant signature on FSA-888.</td>
</tr>
<tr>
<td>3</td>
<td>COC will determine applicant overall eligibility according to Part 6.</td>
</tr>
<tr>
<td>4</td>
<td>COC will:</td>
</tr>
<tr>
<td></td>
<td>• act on FSA-888 according to subparagraph 304D</td>
</tr>
<tr>
<td></td>
<td>• sign and date Part D of the FSA-888.</td>
</tr>
<tr>
<td>5</td>
<td>Retain a copy of the completed FSA-888.</td>
</tr>
<tr>
<td>6</td>
<td>If FSA-888 has been adjusted or disapproved, provide a written determination according to subparagraph 304F.</td>
</tr>
</tbody>
</table>

B Delegation of Authority

The authority to approve routine FSA-888’s 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.

The following table provides the delegated authority for approval of FSA-888’s.

<table>
<thead>
<tr>
<th>IF the producer is…</th>
<th>THEN the approval authority is…</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Federal or non-Federal, State, or County Office employee</td>
<td>CED.</td>
</tr>
<tr>
<td>COC member</td>
<td></td>
</tr>
<tr>
<td>DD</td>
<td></td>
</tr>
<tr>
<td>SED</td>
<td></td>
</tr>
<tr>
<td>STC member</td>
<td></td>
</tr>
<tr>
<td>CED</td>
<td>COC.</td>
</tr>
<tr>
<td>any producer in a recording county</td>
<td></td>
</tr>
</tbody>
</table>

Note: Questionable cases may be referred to the next higher authority for determination. Any employee serving as Acting CED is viewed as CED.--*
C COC Adjustments

COC should make any adjustments to expenses or other reimbursements for expenses received before taking action on FSA-888.

Example: FSA-888 was submitted for $1,000 for 10 water tests. The maximum number of tests per category is 5; this expense will need to be reduced by COC. The average cost per test is $100 and COC would enter $500 in FSA-888, item 10D.

Note: If adjustments are made on FSA-888, the applicant must be notified in writing of the adjustment with the COC determination and appeal rights included.

D FSA-888 Approval or Disapproval

COC is responsible for acting on all FSA-888’s. This authority may be delegated to CED to approve FSA-888’s with the delegation recorded in the COC minutes. FSA-888 will not be approved until a complete application package has been submitted and Internal Control reviews are completed. COC must act on all completed and signed FSA-888’s.

Important: No entries will be made on FSA-888 by FSA employees, except entries designated for CCC representative use after the applicant signs FSA-888. Any additions or corrections must be initialed and dated by the applicant.

If FSA-888 is disapproved, County Offices must immediately notify the applicant in writing of the disapproval. See subparagraph F for an example notification letter. The letter to the applicant must include the following:

- notification that FSA-888 was disapproved
- the reason or reasons for disapproval
- applicable appeal rights according to 1-APP.

Notes: COC will not make any determinations about whether an applicant is following the requirements of the Food Safety Plan. If a County Office employee suspects that an applicant is violating Food Safety Plan requirements, they should contact their State Office for guidance.

Within 30 calendar days of FSA-888 being submitted, COC’s should take action and County Offices should load the determination in the automated software.

E Amending or Withdrawing FSA-888

FSA-888’s may be amended or withdrawn at any time until the end of the application period; however, copies of all submitted FSA-888’s must be kept in the file. Applicants may, at any time during the application period, amend FSA-888 to:

- add additional categories and/or expenses
- remove categories and/or expenses from FSCSC.

Note: Any revision to a previously approved FSA-888 that would change the calculated payment amount requires a new signature and approval.--*
F Letter Notifying Applicant of Disapproval

The following is an example of a letter to an applicant notifying them that their FSA-888 has been disapproved and providing appeal rights. A Microsoft Word version of this letter is available as a template at https://inside.fsa.usda.gov/program-areas/dafp/special-programs/fsasc/index.

![Image of letter template]

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305-314 (Reserved)

7-5-22 1-PDAP Amend. 8  Page 6-72 (through 6-90)
315  FSCSC Payments

A  Basis for Payments

FSCSC payments are calculated separately for each category of eligible costs based on the percentages and maximum payment amounts in the following table.

<table>
<thead>
<tr>
<th>Category of Eligible Expenses</th>
<th>Payment Amount of Eligible Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Historically Underserved Farmer or Rancher</td>
</tr>
<tr>
<td>Food safety certification</td>
<td>75 percent, up to a maximum of $2,000</td>
</tr>
<tr>
<td>Development of a Food Safety Plan for first-time certification</td>
<td>75 percent (no maximum)</td>
</tr>
<tr>
<td>Maintaining or updating a Food Safety Plan</td>
<td>75 percent, up to a maximum of $375</td>
</tr>
<tr>
<td>Certification upload fees</td>
<td>75 percent, up to a maximum of $375</td>
</tr>
<tr>
<td>Microbiological testing – products</td>
<td>75 percent, up to 5 tests</td>
</tr>
<tr>
<td>Microbiological testing – soil amendments</td>
<td>75 percent, up to 5 tests</td>
</tr>
<tr>
<td>Microbiological testing – water</td>
<td>75 percent, up to 5 tests</td>
</tr>
<tr>
<td>Training</td>
<td>100 percent, up to a maximum of $300</td>
</tr>
</tbody>
</table>

B  Program Factor

FSCSC payments are subject to the availability of funds. Payments will be issued nightly after FSA-888 approval for program year 2022 and after the application period ends for program year 2023. If calculated payments exceed the amount of available funding, payments will be factored for 2023.

C  Payment Calculation

FSCSC payments are calculated by multiplying:

- the applicant’s eligible expenses by
- the percentage for the applicable category in the table in subparagraph A.

**Note:** The amount of the applicant’s FSCSC payment plus the reported additional cost share assistance cannot exceed the total amount of eligible expenses for each category.
A Payment Example 1

A representative of Pumpkins Inc. submits FSA-888 for expenses for certification upload fees in the amount of $1,000. That is the only category included on FSA-888. The corporation does not meet the requirements for socially disadvantaged, limited resource, beginning, or veteran farmer or rancher.

$1,000 x 50% = $500 (maximum payment amount for this category is $250)

Total Payment = $250

B Payment Example 2

Fruity Farms LLC has submitted CCC-860 certifying its status as a socially disadvantaged farmer or rancher, and certifies to the following expenses on FSA-888:

- $5,000 for the food safety certification
- $3,000 for development of a Food Safety Plan for the first time
- $1,000 for certification upload fees
- $500 for training.

$5,000 x 75% = $3,750 (maximum payment amount for this category is $2,000)
$3,000 x 75% = $2,250
$1,000 x 75% = $ 750 (maximum payment amount for this category is $375)
$ 500 x 100% = $ 500 (maximum payment amount for this category is $300)

Total Payment = $4,925

C Payment Example 3

Veggie Farms Partnership, which does not meet the definition of a socially disadvantaged, limited resource, beginning, or veteran farmer or rancher, certified to the following expenses:

- $1,000 for maintaining a Food Safety Plan, with $500 reimbursement received from another source
- $800 for certification upload fees, with $600 reimbursement received from another source
- $500 for 3 water tests.

$1,000 x 50% = $500 (maximum payment for this category is $250)
$ 800 x 50% = $400 (maximum payment for this category is $250)
$ 500 x 50% = $250--*
*--316 FSCSC Payment Examples (Continued)

C Payment Example 3 (Continued)

The amount of the FSCSC payment plus the other reimbursement cannot equal more than 100 percent of the expenses for a category; therefore, the payment amount for the certification upload fees will be reduced.

Food Safety Plan = $250
Certification upload fees = $200 ($800 - $600 = $200 maximum available for payment)
Water tests = $250
Total Payment = $700--*

317-326 (Reserved)
327 FSCSC Spot Checks

A Spot Checks

FSCSC spot checks will be conducted following the signup period. The National Office will supply a list of randomly selected FSA-888’s to be reviewed. This list will be posted on the FSCSC Intranet page at https://inside.fsa.usda.gov/program-areas/dafp/special-programs/fscsc/index.

B Supporting Documentation

If requested by FSA, applicants are responsible for providing additional documentation to support the information on their FSA-888.

Examples of supporting documentation that may be used to support their FSA-888 include the following:

- Food Safety Certification
- Food Safety Plan
- paid invoices
- test results
- training certificates
- audit report
- proof of payment
- statement of audit charges.

If supporting documentation is requested, the information must be submitted to FSA within 30 calendar days from the date of request or FSA-888 will be disapproved by FSA.

C Spot Check Adjustments

If adjustments are determined to be needed on FSA-888 as a result of a spot check, enter adjusted expenses in FSA-888, item 10D or 10F. These adjustments must be loaded in the automated software and the payment will be recalculated. The County Office must issue a letter to the applicant with applicable appeal rights for any adjustments made.--*
Part 7  Spot Market Hog Pandemic Program (SMHPP)

Section 1  Basic SMHPP Provisions

346  General Information

A  Purpose

This part provides policy and procedure to State and County Offices for administering the SMHPP.

*--SMHPP provides assistance to producers that sold hogs through a spot market sale from--* April 16, 2020, through September 1, 2020, the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic.

B  Authority

SMHPP funding is provided through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act; Division B, Title I, Pub. L. 116–136).

*--Program provisions were initially published in a NOFA in the Federal Register on December 14, 2021, which was revised and republished on March 18, 2022.--*

C Delegations of Authority and Approvals

The authority to approve SMHPP 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 SMHPP applications.

<table>
<thead>
<tr>
<th>IF the producer is…</th>
<th>THEN the approval authority is…</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Federal or non-Federal, State or County Office employee</td>
<td>CED.</td>
</tr>
<tr>
<td>COC member</td>
<td></td>
</tr>
<tr>
<td>DD</td>
<td></td>
</tr>
<tr>
<td>SED</td>
<td></td>
</tr>
<tr>
<td>STC member</td>
<td></td>
</tr>
<tr>
<td>CED</td>
<td>COC.</td>
</tr>
<tr>
<td>any producer in a recording county</td>
<td></td>
</tr>
</tbody>
</table>

Note: Questionable cases may be referred to the next higher authority for determination. Any employee serving as Acting CED is viewed as CED.---*
*--346 General Information (Continued)

D  SMHPP Websites

The following websites provide information used to administer SMHPP.

<table>
<thead>
<tr>
<th>Website Content</th>
<th>Website Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMHPP Application</td>
<td><a href="https://intranet.fsa.usda.gov/fsa/applications.asp">https://intranet.fsa.usda.gov/fsa/applications.asp</a></td>
</tr>
<tr>
<td>SMHPP Information</td>
<td><a href="https://www.farmers.gov/pandemic-assistance/smhpp">https://www.farmers.gov/pandemic-assistance/smhpp</a></td>
</tr>
<tr>
<td>FFAS Employee Forms/Publications Online Website</td>
<td><a href="http://intranet.fsa.usda.gov/dam/ffasforms/forms.html">http://intranet.fsa.usda.gov/dam/ffasforms/forms.html</a></td>
</tr>
<tr>
<td>eAuthentication</td>
<td><a href="https://www.eauth.usda.gov/eauth/b/usda/home">https://www.eauth.usda.gov/eauth/b/usda/home</a></td>
</tr>
</tbody>
</table>

E  Questions

State Offices will direct questions to the appropriate person(s) according to this table.

<table>
<thead>
<tr>
<th>IF the question is about…</th>
<th>THEN contact…</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMHPP Policy</td>
<td>Brittany Sanders by email to <a href="mailto:brittany.sanders@usda.gov">brittany.sanders@usda.gov</a></td>
</tr>
<tr>
<td>SMHPP Automation</td>
<td>Jeremy Nalder by email to <a href="mailto:jeremy.nalder@usda.gov">jeremy.nalder@usda.gov</a></td>
</tr>
<tr>
<td>SMHPP Payments</td>
<td>Theresa Henley by email to <a href="mailto:theresa.henley@usda.gov">theresa.henley@usda.gov</a></td>
</tr>
</tbody>
</table>

County Offices will direct questions to the applicable DD or State Office Program Specialist.--*
*--347 Responsibilities

A STC Responsibilities

Within the authorities and limitations in this handbook and NOFA, STC’s must:

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

Note: STC’s may establish additional reviews to ensure SMHPP is administered according to these provisions.

- take any oversight actions necessary to ensure that PIIA provisions are met to prevent County Offices from issuing improper payments
- approve or disapprove any SMHPP application except forms or documents in which a STC member has a monetary interest
- comply with all SMHPP provisions.--*
Responsibilities (Continued)

B SED Responsibilities

Within the authorities and limitations in this handbook and NOFA, SED’s will:

- ensure that County Offices follow SMHPP provisions
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP
- ensure that DD’s conduct reviews according to paragraph 348

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

- ensure all County Offices publicize SMHPP provisions
- immediately notify the National Office SMHPP Program Manager of software problems, incomplete or incorrect procedures, specific problems, or findings
- take any oversight actions necessary to ensure that PIIA provisions are met to prevent County Offices from issuing improper payments
- approve or disapprove any SMHPP application except forms or documents in which a STC member has a monetary interest
- comply with all SMHPP provisions
- safeguard confidentiality of records according to 3-INFO.*--*
C DD Responsibilities

Within the authorities and limitations in this handbook and NOFA, DD’s will:

- ensure that COC’s and County Offices follow SMHPP provisions
- conduct reviews according to paragraph 348

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

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

D COC Responsibilities

Within the authorities and limitations in this handbook and NOFA, COC’s will:

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

**Note:** COC may redelegate authority to the CED to review, approve and/or disapprove routine SMHPP applications. Redelegation of authority must be documented in the COC minutes.

- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- ensure all County Offices publicize SMHPP provisions
- take any oversight actions necessary to ensure that PIIA provisions are met to prevent County Offices from issuing improper payments
- ensure that FSA assists persons by providing as much program information as it can in a variety of ways

**Notes:** Because of the limits of FSA resources, publication may or may not be by direct mail or on an individual basis. FSA meets its publication responsibilities by making broad program announcements in the press, 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 producer’s responsibility for being aware of program provisions. FSA cannot be responsible for reaching out to every potential program participant with all program information. Producers must seek information on program details and not wait for FSA to individually write or communicate with them about program provisions. As resources permit, COC will ensure that program provisions are publicized and maintain a record of all publicity efforts. **---**
E CED Responsibilities

Within the authorities and limitations in this handbook and NOFA, CED’s will:

- fully comply with all SMHPP provisions
- ensure that all County Office employees fully comply with all SMHPP provisions
- conduct CED reviews according to paragraph 348

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

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

CED **may not** redelegate authority to review, approve and/or disapprove routine SMHPP 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 PIIA provisions are met
- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- immediately notify SED and/or State Office program specialist responsible for the administration of SMHPP, through DD, of software problems, incomplete or incorrect procedures, specific problems, or findings
- take any oversight actions necessary to ensure that PIIA provisions are met to prevent County Offices from issuing improper payments
- ensure that FSA assists persons by providing as much program information as it can in a variety of ways
- safeguard confidentiality of records according to 3-INFO.
Responsibilities (Continued)

F  PT Responsibilities

Within the authorities and limitations in this handbook and NOFA, PT’s will:

- fully comply with all SMHPP 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 PIIA provisions are met
- adhere to provisions of 3-INFO.

G  Producer Responsibilities

*--The producer is responsible for being aware of program provisions and accurately certifying all required information as applicable on FSA-940. Producers must provide supporting documentation to verify the accuracy of information provided on the application.--*

Producers who are approved for participation in SMHPP are required to retain documentation in support of their application for 3 years after the date of approval. Participants receiving SMHPP payments or any other person who furnishes such information to USDA must permit authorized representatives of USDA or 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 the following:

- an application for SMHPP 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.
A CED Reviews

The purpose of this review is to ensure applications and eligibility forms are completed correctly and demonstrate the County Office understands program policy and is following the policy correctly. CED is required to review the first 5 completed applications per Service Center as part of their supervisory responsibility to ensure program integrity and accountability requirements are met.

*--Note: If the CED review was completed before the addition of the supporting documentation question, a new review must be completed and previous responses revised, as appropriate.--*

The initial review completed by CED must include all documents required to issue payments, including eligibility documents and COC approvals. If the eligibility documentation is not available for one or more of the first 5 applications approved, CED will select the next available completed application until 5 applications are available for review.

During the initial review, CED will:

• ensure that the application form is completed properly

•*--ensure that supporting documentation was provided and reviewed to determine only eligible hogs are included on the application--*

• review all signatures obtained, including representative signature authorities

• review producer eligibility

• ensure that the application is qualified to be paid without errors.

Upon completion, CED will certify to DD/State Office designee that the first 5 completed applications have been reviewed and provide the application package for DD/State Office designee review. The County Office may not issue any payments until written approval is received from DD/State Office designee.

Note: CED does not have to wait until all 5 applications have been reviewed to submit to DD. For the first 5 applications, payment can be issued upon DD review and approval of each one. Once the first 5 applications have been reviewed and payment has been authorized by DD, all additional applications may be processed by the County Office unless otherwise directed by DD.
A CED Reviews (Continued)

The following questions are for CED when reviewing the first 5 applications before approval.

*--Note: If the CED review was completed before the revision of question 5 to address supporting documentation, a new review must be completed and any previous responses revised, if appropriate.--*

<table>
<thead>
<tr>
<th>State: _______________________________</th>
<th>County: _______________________________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producer Name: ______________________</td>
<td>Application Number: ____________________</td>
</tr>
</tbody>
</table>

### Application Questions

<table>
<thead>
<tr>
<th>Question</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is the FSA-940 complete with all the certifications relevant to the producer’s request identified on the form? (It may be difficult to determine reasonableness of the certification values; however, if something appears unreasonable or questionable, do not ignore it.)</td>
<td>Yes or No</td>
</tr>
<tr>
<td>2. Did the producer answer the following certifications in Part D of FSA-940?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>Certify as an individual person that is a U.S. Citizen or Resident Alien; or a legal entity, including corporation, LLC, LP, trust, estate, general partnership or joint venture, or similar type entity, comprised solely of persons who are U.S. Citizens or Resident Aliens; or is an 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).</td>
<td></td>
</tr>
<tr>
<td>Certify if they are a contract grower, Federal, State, or local government (including public school), or a processor or packer.</td>
<td>Yes or No</td>
</tr>
<tr>
<td>3. Did the producer sign the application in item 10A of the FSA-940?</td>
<td>Yes or No</td>
</tr>
<tr>
<td>4. Was valid signature authority on file for the producer who signed in item 10A of the FSA-940, if applicable?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>5. *--Was supporting documentation verifiable or reliable to confirm the accuracy of information provided on the application, including to substantiate the number of hogs reported on the application that were sold through a spot market sale and how the price was determined for the sale?</td>
<td>Yes or No--*</td>
</tr>
</tbody>
</table>
### Application Questions

| 6. | For purposes of the CED review, have the following seven forms been received, acted upon, and accurately recorded in the applicable software for the producer, as required? |
|    | **Note:** The eligibility forms are not required to be filed prior to approval of FSA-940. |
| FSA-940, SMHPP Application | Yes or No |
| AD-2047, Customer Data Worksheet, if applicable | Yes, No, or Not Applicable |
| CCC-902, Farm Operating Plan for Payment Eligibility 2009 and Subsequent Program Years | Yes or No |
| CCC-901, Members Information, if applicable | Yes, No, or Not Applicable |
| CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information | Yes or No |
| AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification, including affiliates | Yes or No |
| FSA-1123, Certification of 2020 Adjusted Gross Income (AGI), if applicable | Yes, No, or Not Applicable |
| 7. | Has the COC or designee signed, dated, and recorded their approval/disapproval in Part E of the FSA-940? |
| 8. | Did the designee have delegated authority from the COC? |

### County Executive Director Review:

| County Executive Director | Review Completion Date |

### CED Notes:
B DD Reviews

DD or other employee designated by SED will review the first five SMHPP applications filed in a Service Center, to verify that a signed FSA-940 was filed by the person or authorized *-representative of a legal entity and that documentation as provided supports the total head of hogs sold through a spot market sale as specified in paragraph 385.

**Note:** If the DD reviews were completed before the addition of the supporting documentation question, a new review must be completed and any previous responses revised, if appropriate.--*

Upon completion of the reviews, the DD/State Office designee will provide written approval to the County Office for payments to be issued.

**Note:** Review may be completed and authority to process the application provided to CED, 1 application at a time, until at least 5 have been reviewed.

Additional guidance for recording reviews, future DD/State Office designee reviews, and National Spot Check results will be provided in a forthcoming notice.
The following questions are to be answered by the DD/State Office designee to complete the first 5 reviews prior to certifying and signing payments in NPS.

*--Note: If the DD review was done before the revision of question 5 to address supporting documentation, a new review must be completed and any previous responses revised, if appropriate.--*

| State: _____________________________ | County: _____________________________ |
| Producer Name: ______________________ | Application Number: ____________________ |
| Application Questions                                      |
| 1. Did the CED complete a review before approval for this producer? | Yes or No |
| 2. Is the FSA-940 complete with all the certifications relevant to the producer’s request identified on the form?  (It may be difficult to determine reasonableness of the certification values; however, if something appears unreasonable or questionable, do not ignore it.) | Yes or No |
| 3. Did the producer sign the application in item 10A the FSA-940? | Yes or No |
| 4. Was valid signature authority on file for the producer who signed in item 10A of the FSA-940, if applicable? | Yes, No, or Not Applicable |
| 5. *--Was supporting documentation verifiable or reliable to confirm the accuracy of information provided on the application, including to substantiate the number of hogs reported on the application that were sold through a spot market sale and how the price was determined for the sale? | Yes or No--* |
| 6. Has COC or designee signed the FSA-940, recording their approval/disapproval in Part E of the FSA-940? | Yes or No |
| 7. If Part E of the FSA-940 was signed by COC designee, did the designee have delegated authority from COC? | Yes, No, or Not Applicable |
| Conservation                                      |
| 8. Has AD-1026 been recorded appropriately in Subsidiary for the producer and applicable affiliates, with “certified,” “not filed,” or “awaiting affiliate certification”? (“Certified” in 2020 subsidiary is required for payment eligibility.) | Yes or No |
| 9. If affiliates with a farming interest, outside of the one seeking benefit, have been identified in Block 4 of AD-1026, was there an AD-1026 certification of compliance obtained for the affiliate? | Yes or No or Not Applicable |
### Eligibility

<table>
<thead>
<tr>
<th>Question</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Is CCC-902 on file in the recording county and signed by the person or authorized representative(s) of the legal entity?</td>
<td>Yes or No</td>
</tr>
<tr>
<td><strong>Note:</strong> This question identifies whether CCC-902 is on file and properly signed. CCC-902 must be on file for all producers who apply for programs subject to payment limitation and/or payment eligibility. If CCC-902 is not on file, the response to this question must be “No.”</td>
<td></td>
</tr>
<tr>
<td>11. Was the citizenship status for the producer (and members of a legal entity) accurately recorded in Business Partner?</td>
<td>Yes or No</td>
</tr>
<tr>
<td><strong>Note:</strong> This question identifies whether the citizenship status, as reported on AD-2047, CCC-901, or automated CCC-902 is properly recorded in the customer’s profile in Business Partner. If a response was not provided on AD-2047, CCC-901, or automated 902, the response must be “No.”</td>
<td></td>
</tr>
<tr>
<td>12. If a manual CCC-902 was completed by a legal entity, was CCC-901 completed and signed identifying embedded entity’s member information?</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td><strong>Note:</strong> This question identifies whether CCC-901 is completed when required. Exceptions include: 1) when all first-level members are persons; 2) the legal entity is tax exempt; and 3) an automated farm operating plan is completed through Business File. If an automated CCC-902 is on file and signed by an authorized representative for the legal entity, the requirement for having CCC-901 on file is met.</td>
<td></td>
</tr>
</tbody>
</table>
### Adjusted Gross Income

<table>
<thead>
<tr>
<th>Question</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>13. Is CCC-941 on file in the recording county, and completed and signed</td>
<td>Yes or No</td>
</tr>
<tr>
<td>for all persons and legal entities and members of the legal entity, and</td>
<td></td>
</tr>
<tr>
<td>are the certifications accurately recorded in Subsidiary?</td>
<td></td>
</tr>
<tr>
<td><strong>Note:</strong> This question confirms that the CCC-941 is on file and in the</td>
<td></td>
</tr>
<tr>
<td>recording county, was signed by the person or authorized</td>
<td></td>
</tr>
<tr>
<td>representative, and was accurately recorded in Subsidiary. If the form</td>
<td></td>
</tr>
<tr>
<td>is not on file, the response must be “No.”</td>
<td></td>
</tr>
<tr>
<td>14. If applicable, is FSA-1123 on file in the recording county,</td>
<td>Yes, No, or Not Applicable</td>
</tr>
<tr>
<td>completed, and signed for all persons and legal entities and members of</td>
<td></td>
</tr>
<tr>
<td>the legal entity and is the certification accurately recorded in</td>
<td></td>
</tr>
<tr>
<td>Subsidiary?</td>
<td></td>
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</tbody>
</table>

### District Director Review:

<table>
<thead>
<tr>
<th>District Director</th>
<th>Review Completion Date</th>
</tr>
</thead>
<tbody>
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<td></td>
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</tr>
</tbody>
</table>

### DD Notes:

**C Recording DD Reviews**

DD review results must be recorded on the Pandemic Assistance Internal Controls SharePoint site at [https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Pandemic%20Assistance%20Internal%20Control](https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Pandemic%20Assistance%20Internal%20Control).

**--Note:** If the DD reviews were recorded before question 5 being revised to account for the requirement of production documentation, the results of the review must be updated on SharePoint.--*
Definitions for SMHPP

A Definitions

The following definitions apply to SMHPP. The definitions provided in other parts of this handbook do not apply to SMHPP. The definitions in 5-PL apply except where they conflict with the definitions used for SMHPP.

***

Contract grower means a person or legal entity who grows or produces eligible livestock under contract for or on behalf of another person or entity. The contract grower’s income is dependent upon the successful production of livestock or offspring from livestock. The contract grower does not have ownership in the livestock and is not entitled to a share from sales proceeds of the livestock.

***

*--Hogs means adult swine of an appropriate size and condition for slaughter if determined to be reasonable for the size for slaughter for the area from April 16, 2020, through September 1, 2020, by the applicable FSA COC.--*

Negotiated sale means a sale by a producer of hogs to a packer under which the base price for the hogs is determined by seller-buyer interaction and agreement on a delivery day. The hog industry also refers to a negotiated sale as a cash or spot market sale. The hogs are scheduled for delivery to the packer not more than 14 days after the date on which the hogs are committed to the packer. A negotiated formula sale is also considered a negotiated sale.

Negotiated formula sale means a swine or pork market formula sale under which the:

- formula is determined by negotiation on a lot-by-lot basis; and

- swine are scheduled for delivery to the packer not later than 14 days after the date on which the formula is negotiated and swine are committed to the packer.
A Definitions (Continued)

Ownership interest means to have both legal ownership interest and beneficial ownership interest in a legal entity. For the purposes of administering SMHPP, a person or legal entity that owns a share or stock in a legal entity that is a corporation, limited liability company, limited partnership, or similar type entity where members hold a legal ownership interest, and shares in the profits or losses of such entity is considered to have an ownership interest in such legal entity. A person or legal entity that is a beneficiary of a trust or heir of an estate who benefits from the profits or losses of such entity is also considered to have an ownership interest in such legal entity.

Packer means a packer as defined in section 201 of the Packers and Stockyards Act, 1921 (7 U.S.C. 191). Therefore, packer means any person engaged in the business of:

- buying livestock in commerce for purposes of slaughter;
- manufacturing or preparing meats or meat food products for sale or shipment in commerce; or
- marketing meats, meat food products, or livestock products in an unmanufactured form acting as a wholesale broker, dealer, or distributor in commerce.
349  Definitions for SMHPP (Continued)

A  Definitions (Continued)

***

*--*Pig* means an immature, non-adult swine weighing less than 120 pounds.--*

    *Producer* means a person or legal entity who raises hogs and whose production and facilities are located in the United States.

*--*Reliable record* means any non-verifiable record available that can reasonably be used to substantiate the eligible hog sales and how prices were determined for the sale, as determined acceptable by FSA COC.

    *Sold* means the producer and buyer agreed on the negotiated price through a negotiated sales price, and the producer delivered the hogs within the time of that agreement. For SMHPP,--* a hog is considered sold on the date of the agreement, rather than when the hog or payment is delivered.

***

*--*Spot market sale* means hogs marketed for slaughter to an individual or through a negotiated sale or through an intermediary who interacts with the buyer on behalf of the seller, which may include, but is not limited to, sale barns, brokers, or other intermediaries as determined by DAFP.--*

    *Swine* means a domesticated omnivorous pig, hog, or boar.

***

*United States* means all 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico and any other territory or possession of the United States.

*--*Verifiable record* means a document provided by the producer that can be verified by FSA COC through an independent source and is used to substantiate the eligible hog sales and how the prices were determined for the sale.--*

350-363  (Reserved)
Section 2  SMHPP Producer Eligibility Policies and Provisions

364 Producer Eligibility

A Eligible Producers

An eligible producer is a person or legal entity who raises hogs and whose production and facilities are located in the United States.

To be eligible for a SMHPP payment, a producer must be 1 of following:

- citizen of the United States
- resident alien or “lawful alien” (possessing a Resident Alien Card (I-551))
- partnership of citizens or resident aliens of the United States
- corporation, LLC, or other organizational structure organized under State law solely owned by U.S. citizens or resident aliens
- 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).

B Ineligible Producer

The following producers are ineligible for SMHPP payments:

- Federal, State, and local governments, including public schools as described in 5-PL
- packers (including brokers), as defined in subparagraph 349 A--*
- contract growers, as defined in subparagraph 349 A
- producers with hog purchases through all other purchase types including:
  - other market formula purchase
  - swine or pork market formula purchase
  - other purchase arrangements
  - packer-owned swine
- producers that have been suspended or debarred or otherwise excluded from participating in Federal programs (1-CM, paragraph 823)
- persons or legal entities who did not have a reported ownership interest in any of the eligible hogs
- producers that do not meet payment eligibility, AGI, and/or HELC/WC requirements for SMHPP.
A Names, Addresses and Taxpayer Identification Numbers

To be eligible to receive an SMHPP payment and facilitate administration of payment limitation, payment attribution, and other payment eligibility requirements, a person or legal entity must provide their name, address, and taxpayer identification number to USDA. In addition, a legal entity must provide the name, SSN or ITIN, address and ownership share of each person, or the name, EIN, address and ownership share of each legal entity that holds or acquires an ownership interest in the legal entity.

B Payment Reductions

An SMHPP payment to a legal entity will be reduced in proportion to a member’s ownership share when the SSN or ITIN for a person, or EIN for a legal entity, that holds an ownership interest at, or above, the fourth level of ownership in the business structure is not provided to USDA. --*
SMHPP Payment Limitation and Payment Attribution

A Payment Limitation

Payment limitation does not apply to SMHPP.

B Attribution of Payments

A SMHPP payment to a legal entity will be attributed to those members who have a direct or indirect ownership interest in the legal entity, unless the payment of the legal entity has been reduced by the proportionate share of the member due to that member reaching the payment limitation. Attribution of payments made to legal entities will be tracked through four levels of ownership in the legal entity and will be reduced based on ownership interest of members below the fourth level as follows:

- **First level of ownership** – any payment made to a legal entity that is owned in whole or in part by a person will be attributed to the person in an amount that represents the direct *--ownership interest in the first-level or payment legal entity.

- **Second level of ownership** – any payment made to a first-level legal entity that is owned in whole or in part by another legal entity (referred to as a second-level legal entity) will be attributed to the second-level legal entity in the first-level legal entity; if the second-level legal entity is owned in whole or in part by a person, the amount of the payment made to the first-level legal entity will be attributed to the person in the amount that represents the indirect ownership interest in the first-level legal entity by the person.

- **Third and fourth levels of ownership** – except as provided in the second-level ownership, any payments made to a legal entity at the third and fourth levels of ownership will be attributed in the same manner as specified in the second level of ownership.

- **Fourth level of ownership** – if the fourth level of ownership is that of a legal entity and not that of a person, a reduction in payment will be applied to the first-tier or payment legal entity in the amount that represents the indirect ownership interest in the first-level or payment legal entity by the fourth-level legal entity.--*

Payments made directly or indirectly to a person who is a minor child will not be combined with the earnings of the minor child’s parent or legal guardian.
--367 AGI Requirements

A $900,000 Average AGI and $900,000 2020 AGI

Average AGI provisions, as found in 5-PL, apply to SMHPP.

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 the person’s or legal entity’s 2020 AGI is $900,000 or less.

The 3 base years used to compute the average AGI are 2016, 2017, and 2018. CCC-941 must be completed by all SMHPP producers and entity members to the fourth level of ownership in the business structure.

A SMHPP producer that previously filed FY 2020 CCC-941 is not required to submit a new certification unless the certification on file does not represent the producer’s income level.

Producers exceeding the $900,000 limitation may complete FSA-1123 and obtain a certification from a licensed CPA or attorney verifying that their 2020 AGI is less than $900,000.

Instead of signing FSA-1123, a CPA or attorney may provide a written statement acceptable to FSA according to subparagraph C.--*

Note: 75 percent Average Farm AGI does not apply to SMHPP.
### B FSA-1123, Certification of 2020 Adjusted Gross Income (AGI)

Following is an example of FSA-1123.

<table>
<thead>
<tr>
<th>FSA-1123</th>
<th>U.S. DEPARTMENT OF AGRICULTURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(12-14-21)</td>
<td>Farm Service Agency</td>
</tr>
</tbody>
</table>

**CERTIFICATION OF 2020 ADJUSTED GROSS INCOME (AGI)**

**NOTE:** The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is Notice of Funds Availability FR Doc. 2021-0013, and the Coronavirus Aid, Relief, Economic Security (CARES) Act (Pub. L. 116-136). The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, tribal agencies, and nongovernment entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated).

**Public Burden Statement (Paperwork Reduction Act):** Public reporting burden for this collection is estimated to average 5 minutes per response, including reviewing instructions, gathering and maintaining the data needed, completing (providing the information), and reviewing the collection of information. You are not required to respond to the collection or FSA may not conduct or sponsor a collection of information unless it displays a valid OMB control number.

The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. **RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.**

<table>
<thead>
<tr>
<th>1. PROGRAM YEAR:</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Return completed form to (Name and address of FSA county office or USDA Service Center):</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. Name and Address of Individual or Legal Entity (including ZIP Code) (If general partnership or joint venture, complete only for each member)</th>
<th>4. Last (4) Digits - Taxpayer Identification Number (TIN) (Social Security Number for Individual) or Employer Identification Number (Legal Entity)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PART A - CERTIFICATION OF 2020 ADJUSTED GROSS INCOME**

Persons and Legal Entities (including members holding an ownership interest in the legal entity) that exceed the average AGI limitation of $900,000 for the 2016, 2017, and 2018 tax years may otherwise qualify for certain Pandemic Assistance, as specified by program requirements, when:

- the person’s or legal entity’s Adjusted Gross Income (AGI) for the 2020 tax year is $900,000 or less, and
- a certification from a licensed CPA or an attorney is submitted to the FSA/USDA Service Center identified in Item 2, attesting that the person or legal entity identified in Item No. 3 did not have AGI that exceeded $900,000 for the 2020 tax year. The CPA or Attorney may meet this requirement by completing Part C below or providing a statement that is acceptable to FSA.

**PART B - CERTIFICATION BY PERSON OR AUTHORIZED REPRESENTATIVE FOR THE LEGAL ENTITY**

By signing this form:

- I acknowledge the average AGI for program year 2020 exceeds the $900,000 statutory average AGI limitation for the person or legal entity identified in Item 3.
- I certify the AGI for the 2020 tax year is $900,000 or less for the person or legal entity identified in Item 3.
- I acknowledge that I have read and reviewed all definitions and requirements on Page 2 of this form.
- I certify that all information contained in the certification from a licensed CPA or attorney is true and correct, and is consistent with the tax returns filed with the IRS for myself or the legal entity that is seeking to qualify for program benefits subject to a certification of 2020 AGI.
- I acknowledge that failure to provide the CPA or attorney certification referenced in Part A to FSA will result in being ineligible for the applicable program benefit.
- I certify that I am authorized under applicable state law to sign this certification on behalf of the legal entity identified in Item 3 (for legal entity only).

5. Signature (ll) 6. Title/Relationship of the Individual Signing in a Representative Capacity 7. Date (MM-DD-YYYY)

**PART C - CERTIFICATION BY LICENSED CERTIFIED PUBLIC ACCOUNTANT/ ATTORNEY**

By signing this form:

- I acknowledge that I have read and reviewed all definitions and requirements on Page 2 of this form:
- I certify the producer identified in Items 3 and 4 has met the minimum requirements specified in Part A.

8. Signature 9. Title (CPA/Attorney) 10. State/License Number 11. Date (MM-DD-YYYY)

Date Stamp

---
AGI Requirements (Continued)

B FSA-1123, Certification of 2020 Adjusted Gross Income (AGI) (Continued)

FSA-1123 (12-14-21)

HOW TO DETERMINE 2020 ADJUSTED GROSS INCOME

Adjusted Gross Income (AGI) means for a:
- person, the amount reported to IRS on the appropriate tax filing documents as AGI.
- legal entity, the comparable measure described in Table 1.

<table>
<thead>
<tr>
<th>If certification is by...</th>
<th>Then AGI is the...</th>
</tr>
</thead>
<tbody>
<tr>
<td>a person filing a separate tax return</td>
<td>amount reported as AGI on the final IRS tax return for the person for the applicable tax year.</td>
</tr>
<tr>
<td>a person filing a joint tax return</td>
<td>Full amount reported as AGI on the final IRS tax return for the applicable year.</td>
</tr>
<tr>
<td>an LLC, LLP, LP or similar type of organization</td>
<td>EXCEPTION: a certification is provided by a CPA or attorney that specifies what the amounts would have been if separate tax returns would have been filed for the applicable tax year.</td>
</tr>
<tr>
<td>an estate or trust</td>
<td>income from trade or business activities, PLUS the amount of guaranteed payments as reported on the final IRS tax returns for the applicable tax year.</td>
</tr>
<tr>
<td>a corporation, including subchapter S corporation</td>
<td>adjusted total income PLUS charitable deductions as reported on the final IRS tax return for the applicable tax year.</td>
</tr>
<tr>
<td>a tax-exempt or non-profit organization</td>
<td>total taxable income PLUS the amount of charitable contributions as reported on the final IRS tax return for the applicable tax year.</td>
</tr>
</tbody>
</table>

WHO MUST COMPLETE THIS FORM:

Applicants that are an individual person, or legal entities and the members holding an ownership interest at the 4th level of ownership and above in the business structure in the legal entity applying. General partnerships and joint ventures are not required to file this form. However, members holding an ownership interest at the 4th level of ownership and above in an applicant that is a general partnership or joint venture are required to file.

This form can only be signed by the individual authorized under state law to sign as a representative of the legal entity identified in Item 3.

INSTRUCTIONS FOR COMPLETION OF FSA-1123

Item No./Field name | Instruction(s)
--- | ---
1. | Program Year Enter the program year and tax year is 2020.
2. | Return Completed Form To Enter the name and address of the FSA county office or USDA service center where the completed FSA-1123 will be submitted.
3. | Individual or Legal Entity’s Name and Address Enter the individual’s or legal entity’s name and address.
4. | Taxpayer Identification Number Enter the last 4 digits of the taxpayer identification number for the individual or legal entity identified in Item 3.
5. | Signature Sign after reading the acknowledgments, responsibilities, authorizations, and affirming the accuracy of the CPA or attorney certification. (INDIVIDUAL OR ENTITY)
6. | Title/Relationship Enter title or relationship to the legal entity identified in Item 3.
7. | Date Enter the signature date in month, day, and year.
8. | Signature Read the acknowledgments, responsibilities, authorizations, before signing. (CPA or Attorney Only).
9. | Title Identify licensed Certified Public Accountant (CPA) or Attorney as applicable.
10. | State/License Number Enter applicable State the CPA or attorney is licensed to practice in, followed by the associated individual license number.
11. | Date Enter the signature date in month, day, and year.

In accordance with Federal civil rights laws and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, familial status, parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA’s TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and mail at and any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form.

To request a copy of the complaint form, call (866) 632-9992. Submit your completed complaint form to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.
C Statements From CPA or Attorney

Statements certifying AGI compliance on behalf of a person or legal entity will only be accepted from a licensed CPA or attorney and must include the following:

- CPA’s or attorney’s license number
- explanation for the reasons for the statement (subparagraph D)
- acknowledgement of having reviewed the 2020 AGI limitations, definitions, programs involved, and compliance requirements and agreeing that:
  - the CPA or attorney has made inquiries and understands the tax years used to calculate the average AGI for applicable years
  - the representations made in the statement may be relied upon by USDA to allow program benefits to be retained or received and that a false certification can result in sanctions including criminal sanctions for persons associated with the false representations
  - additional information may be requested by USDA, a review may be conducted by USDA, and further inquiry may be made to IRS to assure that all information filed with USDA by all parties is true, correct, and complete
  - relevant information on the most recently filed tax return for the 2020 tax year
  - if applicable, a detailed explanation of how the applicable AGI limitations were not exceeded even though the information the tax return indicates otherwise.--*
C Statements From CPA or Attorney (Continued)

The following enclosure that provides instructions, terms, and conditions for CPA or attorney certification statements must be included with the notifications illustrated in subparagraphs D and F.

**AGI Enclosure**

**Instructions, Terms, and Conditions for CPA or Attorney Certification Statement**

**Rule:**
Applicants that are an individual person or legal entity (including members of the legal entity) are ineligible for Pandemic Assistance if the average AGI (or comparable measure) exceeds $900,000 for the 2016, 2017 and 2018 tax years unless the applicant:

- Average farm AGI for the same period is not less than 75% of the average AGI, or
- 2020 AGI is $500,000 or less.

**Note:** A legal entity’s payment will be reduced for AGI ineligibility of any member at, or above the 4th level of ownership in the entity’s ownership structure based on the ineligible member’s ownership share. Instead of signing form FSA-1123, a certification statement may be provided and will only be accepted from licensed certified public accountants (CPA’s) and attorneys. Statements from enrolled agents will not be accepted. If a statement is submitted by a CPA or an attorney to certify compliance with the $500,000 AGI limitation for the 2020 tax year, the statement must include the following elements:

1. CPA’s or attorney’s State license identification number.
2. Explanation of the reason for the certification statement (see enclosed example)
3. Acknowledgment of having read and understood, and agreement to, the terms and conditions of this enclosure, including the following:
   a. The CPA/Attorney acknowledges and agrees to having reviewed and being familiar with the AGI requirements for Pandemic Assistance, having made such inquiries as are necessary.
   b. The producer has apprised the CPA/Attorney of such matters and understands that the tax year used to determine AGI for Pandemic Assistance is 2020.
   c. The representations the CPA/attorney makes in the certification statement may be relied upon by the government to allow benefits to be retained or received and that a false certification can result in sanctions including criminal sanctions for those persons associated with the false representations.
   d. Additional information may be requested by USDA; a review may be conducted by USDA, and further inquiry may be made to IRS to ensure that all information filed with USDA by all parties is true, correct, and complete.
4. Relevant information on the tax return for the 2020 tax year.
5. If applicable, detailed explanations of how the applicable AGI limitation was not exceeded even though the information on the tax return indicates otherwise.
6. For a person filing a joint tax return, the certification of the amount reported as “adjusted gross income” on the final federal income tax return specifies the manner in which such income would have been declared and reported if the persons had filed two separate returns and that the calculation is consistent with the information supporting the filed joint return.
D Example of CPA or Attorney Statement for AGI Compliance

Following is an example of a CPA or attorney statement for AGI compliance certification and verification purposes.

[CPA/Attorney Name]
[Street and/or mailing address]
[City, State ZIP Code]

[Date]

[County Office name]
[Street and/or mailing address]
[City, State ZIP Code]

I, [insert name], am [insert “a certified public accountant (CPA)” or “an attorney” as appropriate] practicing in [insert city, State]. My license identification number is [insert license number] in [State].

I have been asked by [insert name of producer] to certify that [insert name of producer]’s 2020 AGI is [$900,000 or less as reported to IRS.

For purposes of this letter and my representations below, my “certification” is limited only to my knowledge of [insert name of producer]’s federal income tax returns based upon either my preparation of such returns or my readings of those returns that I did not prepare. The preparation or review of these returns was based upon the information provided by [insert name of producer]. [Insert name of producer] has represented to me that the information supplied to me is, to the best of [his/her/its] knowledge, true, correct, and complete. In accordance with Treasury Department Circular No. 230, section 10.24 (d), I relied in good faith without verification upon the information provided by [insert name of producer]; however, I did not ignore the implications of information furnished to, or actually known by me, and I made reasonable inquiries if the information as furnished appeared to be incorrect, inconsistent with an important fact or another factual assumption, or was incomplete. This “certification” does not include any representations or assurances as to the accuracy or completeness of the information contained in [insert name of producer]’s federal income tax returns or imply that I have performed procedures beyond those required under Circular No. 230. In addition, this “certification” does not include any representations or assurances as to the accuracy or completeness of the information contained in [insert name of producer]’s federal income tax returns that I did not prepare.

I acknowledge that I have read, understand, and agree to the terms and conditions of the AGI Enclosure 1 with the following conditions.

- I am relying on the information made known to me as noted above. I take no responsibility for information outside of the tax return preparation process unless I relied upon outside information as noted in the end of this prepared statement or attachment.
- I have not been engaged to continually monitor the tax law for this client or to continually monitor factors related to the client’s AGI or other tax calculations for the relevant years. Therefore, I am not in a position to notify the government of changes to facts or circumstances (whether or not material) that would make this certification no longer accurate.
- Under Internal Revenue Code Section 7216 and other confidentiality standards, I may only provide client information upon specific written authorization from the client to release such information, including tax return information, to a third party.

(Continued)
D Example of CPA or Attorney Statement for AGI Compliance (Continued)

The following are correct statements:

- Based on a representation provided by [insert name of producer], or the confirmations of [his/her/its] e-filed federal income tax returns [insert the applicable tax return form number], the 2020 federal income tax returns were timely filed.
- I am not aware of subsequently filed federal income tax returns, whether superseding or amended, other than those identified above related to the tax years identified above.
- I am not aware of any adjustments made by the Internal Revenue Service or any state taxing authority to the federal income tax returns identified above.
- I understand that the adjusted gross income means the adjusted gross income as defined under 26 U.S.C. 62, or comparable measure, of the person or legal entity for the 2020 tax year.
- According to the most recent tax return filed for 2020, [insert name of producer]'s reported AGI is $900,000 or less.

I declare that the statements made herein, to the best of my knowledge and belief, are true, correct, and complete.

Signed

[insert name of CPA or attorney, as applicable], [insert title, “CPA” or “Attorney”, as applicable]

Dated: [insert date]
E  Option Available for Spouses for Joint Tax Return Filers

In addition to the AGI compliance certification requirements in subparagraph A, a person who filed joint tax returns may provide a certification statement from a CPA or an attorney that includes both of the following:

- an explanation of how income would have been declared and reported had the persons filed 2 separate tax returns

- a statement that the total allocations of income are consistent with the information that supports the filed joint tax returns.
F Example of CPA or Attorney Statement for AGI Compliance for Joint Tax Filers

Following is an example of CPA or attorney statement for AGI compliance certification and verification purposes with the allocation of income between the filers of a joint tax return.

For Joint Filers

[CPA/Attorney Name]
[street and/or mailing address]
[City, State ZIP Code]

[Date]
[County Office name]
[street and/or mailing address]
[City, State ZIP Code]

I, [insert name], am [insert “a certified public accountant (CPA)” or “an attorney” as appropriate] practicing in [insert city, state]. My license identification number is [insert license number] in [State].

I have been asked by [insert name of producer] to certify that [insert name of producer]’s 2020 AGI is $900,000 or less as reported to IRS.

For purposes of this letter and my representations below, my “certification” is limited only to my knowledge of [insert name of producer]’s federal income tax returns based upon either my preparation of such returns or my readings of those returns that I did not prepare. The preparation or review of these returns was based upon the information provided by [insert name of producer]. [Insert name of producer] has represented to me that the information supplied to me is, to the best of [his/her/its] knowledge, true, correct, and complete. In accordance with Treasury Department Circular No. 230, section 10.34(d), I rely in good faith without verification upon the information provided by [insert name of producer]; however, I did not ignore the implications of information furnished to, or actually known by, me, and I made reasonable inquiries if the information as furnished appeared to be incorrect, inconsistent with an important fact or another factual assumption, or was incomplete. This “certification” does not include any representations or assurances as to the accuracy or completeness of the information contained in [insert name of producer]’s federal income tax returns or imply that I have performed procedures beyond those required under Circular No. 230. In addition, this “certification” does not include any representations or assurances as to the accuracy or completeness of the information contained in [insert name of producer]’s federal income tax returns that I did not prepare.

I acknowledge that I have read, understand, and agree to the terms and conditions of the AGI Enclosure 1 with the following conditions:

- I am relying on the information made known to me as noted above. I take no responsibility for information outside of the tax return preparation process unless I relied upon outside information as noted in the end of this prepared statement or attachment.
- I have not been engaged to continually monitor the tax law for this client or to continually monitor factors related to the client’s AGI or other tax calculations for the relevant years. Therefore, I am not in a position to notify the government of changes to facts or circumstances (whether or not material) that would make this certification no longer accurate.
- Under Internal Revenue Code Section 7216 and other confidentiality standards, I may only provide client information upon specific written authorization from the client to release such information, including tax return information, to a third party.

(Continued)
F Example of CPA or Attorney Statement for AGI Compliance for Joint Tax Filers (Continued)

For Joint Filers

The following are correct statements:

- Based on a representation provided by Mr. and Mrs. Farmer [insert name of producer], or the confirmations of [their] e-filed federal income tax returns [insert the applicable tax return form number], the 2020 federal income tax returns was timely filed.
- I am not aware of subsequently filed federal income tax return, whether superseding or amended, other than those identified above related to the tax year identified above.
- I am not aware of any adjustments made by the internal Revenue Service or any state taxing authority to the federal income tax returns identified above.
- I understand that the adjusted gross income means the adjusted gross income as defined under 26 U.S.C. 61, or comparable measure, of the person or legal entity for the 2020 tax year.
- According to the most recent joint tax return filed for 2020, Mr. or Mrs. Farmer's [insert name of producer] AGI would have been $900,000 or less had he/she and spouse filed separate tax returns.

I declare that the statements made herein, to the best of my knowledge and belief, are true, correct, and complete.

Signed

[insert name of CPA or attorney, as applicable], [insert title, “CPA” or “Attorney”, as applicable]

Dated: [insert date]
G Verifying AGI Certifications

COC or reviewing authority may scrutinize a producer’s, CPA’s, or attorney’s certification and do the following:

- question all or part of an AGI certification provided by an individual or legal entity
- request documentation, such as tax records, from the individual or legal entity
- use requested information to verify certification made by the individual or legal entity for AGI certification purposes.

COC or reviewing authority will record the following in COC or STC minutes:

- individuals and entities reviewed
- findings and results of reviews
- determinations of compliance or noncompliance with each AGI limitation.

COC or reviewing authority must provide the following:

- written notice to the individuals and entities of review results
- appeal rights according to 1-APP.--*
A Rules Not Applicable to Indian Tribes and Tribal Organizations

Payments made to an SMHPP producer that is an 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), are not subject to:

- attribution of payments described in subparagraph 366 B
- AGI requirements described in subparagraph 367 A.-*
Other Eligibility Provisions

A HELC/WC Compliance

AD-1026 applicable to the year for which SMHPP benefits are requested must be on file for the participant and affiliates, if applicable, according to 6-CP.

AD-1026 if applicable for the year for which SMHPP benefits are requested is:

- already on file for the participant, and affiliates, if applicable, it is not necessary to obtain anew AD-1026 for SMHPP
- not on file for the participant, and affiliates, if applicable, County Office will obtain a completed AD-1026 applicable to the year for which SMHPP benefits are requested.

If a new AD-1026 must be filed, payments may be issued to eligible participants upon signing AD-1026, item 10A. It is not necessary to withhold payments pending NRCS highly erodible land or wetland determinations. The continuous certification statement on AD-1026 requires participants to refund program payments if an NRCS determination results in the discovery of a HELC/WC violation.

Conservation compliance provisions apply to producers seeking USDA benefit subject to conservation compliance on all agricultural land (cropland, rangeland, pastureland, and forestland) tied to them as owner, operator, or other producer, as defined in 10-CM. SMHPP participants with no interest in agricultural land may certify in box 5A of the AD-1026.

If a producer has a farming interest, they will not be permitted to certify with box 5A and will complete the AD-1026 as applicable (must certify full form and establish farm records for their agricultural land interests).--*
*--370 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 SMHPP producers to collect:

• names, addresses, and 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).

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 SMHPP.

Information collected on manual forms must be loaded in Business File according to 3-PL (Rev. 2) and Business Partner in accordance with 11-CM.

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 average AGI for the SMHPP producer.

FSA-1123 will be used to collect 2020 AGI certifications from the SMHPP producer and CPA or attorney, as applicable.

B HELC/WC Eligibility Form

SMHPP producer and affiliates (if applicable) will complete AD-1026 according to 6-CP.--*
*--371 Timeframe for Filing Eligibility Documents

A Deadline for Filing Eligibility Documents

A producer must file all SMHPP eligibility documents within 60 calendar days from the date the producer signs the SMHPP application.

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

372-382 (Reserved)
383 SMHPP Eligibility

A General Eligibility for SMHPP

SMHPP provides assistance to producers that sold hogs through a spot market sale from April 16, 2020, through September 1, 2020, the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic.

B Eligible Hog Sales

To be considered eligible, hogs must have been:

• *suitable and intended for slaughter-*

• sold through a spot market sale by producers from April 16, 2020, through September 1, 2020

• physically located in the United States or a territory of the United States at the time of sale and advertised or offered as ready for slaughter.

Note: Conditions for slaughter can be documented by sale and acceptance of the swine for slaughter, if determined reasonable for the size of slaughter for the area.

C Ineligible Hog Sales

Ineligible hog sales include:

• any other types of sales identified by the AMS LMR, including:

• formulas linked to futures or formulas based on the cutout based on the wholesale meat prices, such as:

  • other market formula and swine or pork market formula
  • swine or pork market formula

• packer-owned swine

• contracts that include a premium above the spot market price, such as VMR as the base price are established by a formula and not through negotiation

• sales of either feeder pigs or hogs that are marketed for purposes other than slaughter, such as for breeding stock or to grow out. This includes cull hogs which are considered breeding stock and may be taken to slaughter as a secondary use.*
A SMHPP Signup Period

*--The signup period for SMHPP begins December 15, 2021, and will end on April 29, 2022. Producers must timely file FSA-940 at any USDA Service Center during the enrollment period.

FSA-940’s submitted or postmarked after April 29, 2022, will be disapproved. The—* following language is provided as guidance and may be modified to fit individual situations. A letter must be sent, and a copy of the letter filed in the case file. This letter is intended for a COC decision.

Dear (enter name of producer),

This letter acknowledges receipt of FSA-940 Spot Market Hog Pandemic Program (SMHPP) application. You submitted the request for assistance after the end of the signup period.

The Notice of Funds Availability published in the Federal Register specifies that the signup period for SMHPP ended on XX/XX/2021. You filed your FSA-940 SMHPP application on (enter the applicable date).

Accordingly, the (enter applicable county) County Committee (COC) has determined you did not timely file your FSA-940 SMHPP application; therefore, your application is denied.

If you believe 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 (Rev. 2) for a COC decision and include all appropriate and applicable review rights according to 1-APP (Rev. 2) for a COC decision).

Sincerely,

County Executive Director

County Offices will use registers according to 1-CM if necessary.
B LateFiled Provisions

The COC and STC do not have authority to approve programmatic relief for late-filed FSA-940’s. However, a late-filed FSA-940 will be reviewed according to the following table.

**Note:** Neither COC nor STC are under any obligation to recommend relief. COC is not required to submit cases to STC that COC believes do not warrant relief, nor is an STC required to submit cases to DAFP that STC believes do not warrant relief. If relief is not recommended by either COC or STC, the late-file application will be disapproved, and the County Office will notify the applicant in writing of the decision on the applicant’s request for late-filed FSA-940 with appropriate appeal rights according to 1-APP (based on the reviewing authority’s decision that the FSA-940 was late and that relief was not appropriate). Cases do not have to be submitted to STC or DAFP for disapproval of relief.

<table>
<thead>
<tr>
<th>IF FSA-940 is submitted…</th>
<th>THEN the…</th>
</tr>
</thead>
<tbody>
<tr>
<td>after the deadline and is not accompanied by a written request of the applicant for late-filing</td>
<td>County Office will issue a letter to the applicant explaining that FSA cannot process FSA-940 because it was filed after the deadline. The letter must advise the applicant that the applicant may, within 30 calendar days of the receipt of the letter advising that FSA-940 was filed late, file a written appeal with COC of the notification by County Office according to 1-APP.</td>
</tr>
</tbody>
</table>
### B Late-Filed Provisions (Continued)

<table>
<thead>
<tr>
<th>IF FSA-940 is submitted…</th>
<th>THEN the…</th>
</tr>
</thead>
<tbody>
<tr>
<td>after the application deadline and is either accompanied by a written request for late-filing or the applicant has filed a timely appeal of the FSA County Office’s notification that the application cannot be processed</td>
<td>COC will review and make a determination of whether relief is appropriate and, if so, forward a recommendation to STC. STC will review the applicant’s request and COC recommendation.</td>
</tr>
</tbody>
</table>

**Note:** If the matter comes to COC by appeal, follow 1-APP for acknowledging and scheduling an appeal.

Neither COC nor STC are under any obligation to recommend relief. COC or STC can disapprove FSA-940 and choose not to forward a recommendation for relief of approval of the late-filed FSA-940 to DAFP. STC will forward an appropriate recommendation to DAFP to grant programmatic relief.

DAFP may:

- grant relief to approve the late-filed FSA-940

  **Note:** The FSA representative will sign and date FSA-940 with the effective DAFP decision date.

- deny relief and disapprove the FSA-940.

**Note:** State Offices will advise COC to notify the applicant in writing that relief has been disapproved by DAFP. The letter must include appropriate appeal rights according to 1-APP.
A Application Submission

Producers will submit 1 application for their entire operation nationwide.

A producer may submit an application using any of the following methods:

- in person, when available
- by mail
- electronically by:
  - FAX
  - e-mail with a scanned or photocopy of FSA-940 attached
  - other authorized method (provided by supplemental notice or other guidance)
- online application at www.farmers.gov.

Note: Submitting FSA-940 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 FSA-940 will also be available for producers to sign and submit by 1 of the methods in this subparagraph.--*
Applying for SMHPP (Continued)

B Signing and Certifying FSA-940

By signing FSA-940, Part D, the individual is:

- applying for a SMHPP payment for the producer listed on Part B
- certifying that all information provided on FSA-940 is true and correct
- agreeing to:
  - *--provide all supporting documentation that is necessary to verify that the-* information provided on FSA-940 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 adjusted gross income provisions applicable to SMHPP by completing and submitting the required form(s)
  - provide to USDA all information required for program participation within 60 calendar days from the date they sign the 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 FSA-940 and is punishable by imprisonment, fines, and other penalties
  - a SMHPP payment will only be made with respect to a commodity produced in the United States.

*C Required Supporting Documentation

All producers must provide supporting documentation to verify the accuracy of information provided on the application, including to substantiate the number of hogs reported on the application that were sold through a spot market sale and how the price was determined for the sale.

To be acceptable, the supporting documentation must be a verifiable or reliable record, as identified in the following table.--*
Applying for SMHPP (Continued)

C Required Supporting Documentation (Continued)

Producers applying for SMHPP after March 18, 2022, are required to submit supporting documentation to FSA within 15 calendar days from submitting FSA-940 to FSA or the application will be disapproved.

For producers who applied for SMHPP before March 18, 2022, FSA must notify producers using the template letter provided on the SMHPP FSA Intranet at https://inside.fsa.usda.gov/program-areas/dafp/dap/smhpp/index by March 29, 2022. The letter will go over the revisions to SMHPP and request supporting documentation to verify the sales of hogs sold through a spot market sale. The documentation must be submitted to FSA within 30 calendar days from the request or the application will be disapproved by FSA.

Note: COC has authority to accept documentation provided to FSA after the deadline identified in this subparagraph; however, COC does not have authority to accept documentation provided after May 20, 2022.

The following table is provided to:

- assist producers when determining what types of sales are considered a spot market sale
- identify the types of verifiable or reliable supporting documentation that must be provided to FSA based on the type of sale.

*--Note: Brokers are not eligible for apply for SMHPP.--*

<table>
<thead>
<tr>
<th>IF the sale is to…</th>
<th>THEN acceptable documentation must include…</th>
</tr>
</thead>
<tbody>
<tr>
<td>a packer who reports to LMR</td>
<td>packer documents reflecting purchase type codes.</td>
</tr>
</tbody>
</table>

Note: This includes sales where the brokers interact on behalf of the seller. Brokers do not have ownership of hogs.

Notes: Eligible codes for SMHPP are:

- LMR Code 1 (negotiated)
- LMR Code 10 (negotiated formula).

Packers must provide documentation to the producer and include either the purchase type code from LMR or how the base price was determined and the number of days for delivery if the LMR code is not identified for the sale on existing documentation.

Types of sales identified by other LMR codes, such as formulas linked to futures or formulas based on the cutout based on the wholesale meat prices, are not considered a negotiated sale.
### C Required Supporting Documentation (Continued)

<table>
<thead>
<tr>
<th>IF the sale is to...</th>
<th>THEN acceptable documentation must include...</th>
</tr>
</thead>
</table>
| a small packer or meat processor (locker) | • receipt for sale with number of hogs and price  
| Note: This includes sales where the brokers interact on behalf of the seller. Brokers do not have ownership of hogs. | • explanation of how the base price was determined between the seller (producer) and buyer. |
| Notes: The formulas linked to futures or formulas based on the cutout based on the wholesale meat prices are not considered a negotiated sale. | |
| Sale barn/livestock auctions | sale barn or livestock auction receipt of sale with number of hogs and price. |

- Note: This includes sales to brokers that take ownership of hogs. —
Applying for SMHPP (Continued)

D Signature Requirements

FSA-940, including the producer’s signature, must be received no later than April 29, 2022.

Notes: The documentation is considered part of the application and must be provided according to subparagraph B for the SMHPP application to be complete.

See 1-CM for signature requirements.

E Recording Receipt of FSA-940’s and Accessing SMHPP Application

County Offices must make every effort to process FSA-940 in the system and then have the producer sign the application. If the SMHPP system is not available, a manual FSA-940 must be completed.

Note: COC’s are not to approve any FSA-940 until after FSA-940 has been loaded into the SMHPP system.

If a producer submits a signed manual FSA-940 to the County Office, enter the application in the system accurately, as completed by the producer. County Office will date stamp FSA-940 upon receipt of FSA-940 signed in Part D by the producer.
E Recording Receipt of FSA-940’s and Accessing SMHPP Application (Continued)

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 paragraph 388 for instructions on completing FSA-940.

386 Reviewing and Acting on FSA-940’s

A Redelegation of Authority for FSA-940’s

COC may redelegate authority to CED to approve routine FSA-940’s; however, CED cannot further redelegate authority to PT.

All adverse actions must go to COC for review.

Important: Approved FSA-940’s are subject to prompt pay interest; therefore, every effort must be made to complete the payment process as soon as possible for approved FSA-940’s.

*--B Actions for Supporting Documentation

COC will:

- review all records provided by the producer and determine whether the records are acceptable to support the number of eligible hogs sold through a spot market sale and how the price was determined

- document in the COC minutes any adjustments made on the application based on supporting documentation

- document in the COC minutes documentation provided is reliable and records are considered acceptable, and must include the basis for determining reliable records acceptable or not acceptable.

Note: A template letter for notifying the producer of disapproval based on supporting documentation has been provided on the SMHPP FSA Intranet at https://inside.fsa.usda.gov/program-areas/dafp/dap/smhpp/index.--*
B Actions for Supporting Documentation (Continued)

When contacting agencies, organizations, or facilities to verify data provided by a producer, the County Office must be specific in the information requested. The request should include, but is not limited to, the following:

- participant’s name and address
- why the request is being made
- what information is being requested.

C Acting on FSA-940’s

The recording county’s COC, or CED if delegated, will act on all completed and signed FSA-940’s submitted.

*--Important: As of May 10, 2022, COC Actions (Approval/Disapproval) may resume. All applications and COC Actions must be completed and entered into the SMHPP Software by May 31, 2022.--*

Payments cannot be authorized until DD has approved the CED’s review of the first 5 FSA-940’s according to paragraph 348.

D Approving FSA-940’s

Before approving FSA-940’s, COC or CED, if delegated, must ensure that:

- all program eligibility requirements are met

  Note: Ensuring that program eligibility requirements are met and include verification that the total number of hogs sold through a spot market sale from April 16, 2020, through September 1, 2020, include only hogs eligible according to paragraph 383 based on review of documentation submitted according to subparagraph 385 C.

- the person or legal entity applying for SMHPP is determined to be eligible according to subparagraph 364 A

- FSA-940, Part D, is signed and signature requirements are met according to 1-CM

- FSA-940 was received or postmarked by the end of the signup period.
D Approving FSA-940’s (Continued)

If all program eligibility requirements are met and COC or delegate has determined that the information on FSA-940 is ** accurate, COC or delegate will approve FSA-940 and thoroughly document approval in the COC minutes.

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

Completing eligibility forms (AD-1026, CCC-902, CCC-941, etc.) is not a condition of COC or CED approving FSA-940; however, the producer must file these forms within 60 calendar days of signing FSA-940. 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.
E COC Adjusting or Disapproving FSA-940’s

***

COC will disapprove FSA-940 if any of the following occur:

- program eligibly requirements are not met
- person or legal entity applying for SMHPP is determined not to be an eligible producer according to subparagraph 364 A
- evidence demonstrates that the producer did not have an ownership interest in the eligible hogs
- signature requirements were not met according to 1-CM

Note: If FSA-940 was completed but never signed by the producer or someone on behalf of the producer, take no action on FSA-940. It is not considered filed unless it is signed.

- FSA-940 was submitted or postmarked after the announced signup deadline.

*--COC will disapprove or adjust FSA-940 if information on FSA-940 is not accurate or reasonable or is not supported by the documentation provided by the producer.--*

If COC disapproves or adjusts FSA-940 for any reason, then COC must take the following actions:

- adjust or disapprove FSA-940, as applicable
- notify the producer of the adjustment or disapproval
- provide applicable appeal rights according to 1-APP
- thoroughly document reasons for the adjustment of disapproval in the COC minutes.

*--A template letter for notifying a producer of disapproval based on supporting documentation has been provided on the SMHPP FSA Intranet at https://inside.fsa.usda.gov/program-areas/dafp/dap/smhpp/index.--*
Revised FSA-940’s and Signature Requirements

A Revised FSA-940’s

FSA-940’s can be revised by the producer after filing and after FSA-940 was approved and paid before the end of the signup period. The reasons for revision can vary. Some reasons may include:

• the total number of hogs reported on the original application was incorrect
• *--the type of sale for the hogs reported on the original application was incorrect
• additional hogs sold through a spot market sale that were not included on the original--* application.

For any revision to an approved FSA-940, COC must thoroughly document the reason for the revision in the COC minutes and provide the producer a copy of the revised FSA-940.

B Revisions That Require New Producer Signatures and Approval

*--Any revision to a previously approved FSA-940 (12-14-21) or FSA-940 (03-17-22) that would change the calculated payment amount requires using FSA-940 (03-17-22) as well as--* a new producer signature and new approval date entered.
A Completing FSA-940

The following table provides instructions for completing FSA-940.

**Note:** For FSA County Offices, enter the data for all manual FSA-940’s received in the County Office in the SMHPP application system, print the completed FSA-940 and attach it to the manual application.

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
</table>
| 1    | Enter producer’s recording State.  
      **Note:** The recording State is the State where payments will be issued for the producer. The producer may apply in any USDA service center in the USA, and the recording State will be determined upon applying. |
| 2    | The program year will be 2020. |
| 3    | Enter the producer’s recording county.  
      **Note:** The recording county is the county where payments will be issued for the producer. The producer may apply in any USDA service center in the USA, and the recording county will be determined upon applying. |
| 4    | Application Number will be assigned by the automated system. |
**A Completing FSA-940 (Continued)**

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part A – Producer Agreement</strong></td>
<td>For Informational Purposes:</td>
</tr>
</tbody>
</table>

The SMHPP agreement provides information regarding what the producer is agreeing to when applying for SMHPP.

Producers must complete the following applicable forms to participate in the SMHPP:

- AD-2047, which is the customer data worksheet to collect the producer’s information

- CCC-901, Legal entities, including a General Partnership or Joint Venture, must complete the manual form CCC-901 and provide the name, address, and taxpayer identification number for the legal entity and all members, partners, or stockholders with an ownership interest

- CCC-902, Farm Operating Plan for Payment Eligibility

- CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information

- FSA-1123, Certification of 2020 AGI (if applicable), producers will use this form to certify eligibility for the exception to the $900,000 average AGI limitation if their AGI for 2020 is below $900,000.

- AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification.

**Note:** Producers that do not have any farming interests may certify to that in box 5A of AD-1026.

<table>
<thead>
<tr>
<th><strong>Part B – Producer Information</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>5</strong></td>
</tr>
</tbody>
</table>

- name
- address, including ZIP code
- phone number, including area code.

---
A  Completing FSA-940 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part C – SMHPP Hogs Sold</strong></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>*---Enter the total head of hogs sold through a spot market sale from April 16, 2020, through September 1, 2020 (excluding breeding stock).</td>
</tr>
</tbody>
</table>

**Note:** The producer’s total head of hogs may exceed SMHPP’s maximum head of hogs for payment. A hog is considered sold on the date of the spot market sale agreement, rather than when the hog or payment is delivered.

| 7 | COC will enter the adjusted total head of hogs sold through a spot market sale from April 16, 2020, through September 1, 2020 (excluding breeding stock), if applicable. |

**Note:** An entry is only required when COC determines the total head of hogs sold through a spot market sale from April 16, 2020, through September 1, 2020 (excluding breeding stock), is different than what is certified to by the producer in item 6.

| **Part D – Producer Certification** | |
| 8 | Check (✓) “Yes” or “No” to certify whether the producer in item 5 is an individual person that is a US Citizen or Resident Alien; or a legal entity, including corporation, LLC, LP, trust, estate, general partnership or joint venture, or similar type entity, comprised solely of persons who are U.S. Citizens or Resident Aliens; or is an 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). |

| 9 | Check (✓) “Yes” or “No” to certify whether that the producer in item 5 is a contract grower, Federal, State, or local government (including public school), or a processor or packer. |

| 10 A | Producer applying for SMHPP benefits must sign. |
| 10 B | Enter title and/or relationship to the individual signing in a representative capacity. |

**Note:** If the individual signing is not signing in a representative capacity, this field should be left blank.

| 10 C | Enter the date the individual in 10 A signed FSA-940. |

| **Part E – County Committee (COC) Determination** | |
| 11 A | COC or their representative will sign. |
| 11 B | Enter the date COC or their representative signs FSA-940. |
| 12 | COC will check (✓) either “Approved” or “Disapproved”. |

**Important:** FSA-940 as certified by the producer will be approved or disapproved after applicable COC adjustment fields are completed.
Following is an example of FSA-940.

---

### FSA-940 Form

<table>
<thead>
<tr>
<th>U.S. DEPARTMENT OF AGRICULTURE</th>
<th>Farm Service Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SPOT MARKET HOG PANDEMIC PROGRAM (SMHPP) APPLICATION</strong></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** The statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a - as amended). The authority for requesting the information identified on this form is the Notice of Funds Availability (FR Doc. 2021-0012, the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. 116-136, and 15 U.S.C. 714b and 714c). The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, and Local government agencies, Tribal agencies, and non-governmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable “Routine Uses” identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary; however, failure to furnish the requested information will result in a determination of ineligibility for program benefits. Payments may be made under the program to which the form applies only to the extent permitted by applicable authorities.

**Public Burden Statement (Paperwork Reduction Act):** Public reporting burden for this collection is estimated to average 40 minutes per response, including reviewing instructions, gathering and maintaining the data needed, completing (providing the information), and reviewing the collection of information. You are not required to respond to the collection of information, unless it displays a valid OMB control number. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.

#### PART A – PRODUCER AGREEMENT

The Department of Agriculture (USDA) makes payments under SMHPP to producers who meet the requirements of the program. The following information is needed for USDA to make a determination that the producer is eligible to receive a SMHPP payment. By submitting this application, and upon its approval by USDA, the producer agrees:

1. To comply with applicable Notice of Funds Availability published by USDA. Copies of these documents may be found at [www.regulations.gov](http://www.regulations.gov).
2. That the payment will be limited to the maximum number of hogs per producer as announced by FSA that were sold through a spot market sale from April 16, 2020 through September 1, 2020, in the United States.
3. To provide to USDA all information required for application to SMHPP and as requested by USDA that USDA determines is necessary to verify that information provided on this form is accurate. Evidence of sales is required to support certification in Part C, Item 6, within 15 days from the date the producer submits this application.
4. To provide to USDA all information required or requested by USDA for program participation within 60 days from the date the producer submits 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.
5. To comply with payment attribution and payment eligibility provisions by completing forms:
   - AD-2047, Customer Data Worksheet (if applicable)
   - CCC-802, Farm Operating Plan for Payment Eligibility
   - CCC-901, Member Information for Legal Entities (if applicable)
   - CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information
   - FSA-1123 Certification of 2020 AGI (if applicable)

**Note:** Payment Limitation does not apply to this program.

6. To comply with the provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands. All producers must complete and submit all portions of form AD-1028, Highly Erodible Land Conservation (HELCO) and Wetland Conservation (WCC) Certification.

#### PART B – PRODUCER INFORMATION

5. Producer’s Name, Address (City, State and Zip Code) and Phone Number (include Area code)

#### PART C – HOGS SOLD

<table>
<thead>
<tr>
<th>Total Number of Producer Sold Hogs through a Spot Market Sale from April 16, 2020 through Sept. 1, 2020 (Excluding Breeding Stock)</th>
<th>CDC Use Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>COC Adjusted Total Number of Producer Sold Hogs through a Spot Market Sale from April 16, 2020 through Sept. 1, 2020 (Excluding Breeding Stock)</td>
<td>Date Stamp</td>
</tr>
</tbody>
</table>

---
### B  Example of FSA-940 (Continued)

**FSA-940 (03-17-22)**

<table>
<thead>
<tr>
<th>FSA-940</th>
<th>Page 2 of 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PART D – PRODUCER CERTIFICATION</strong></td>
<td></td>
</tr>
<tr>
<td>8. Is the producer identified in Part B an individual person that is a US Citizen or Resident Alien; or a legal entity, including corporation, LLC, LP, trust, estate, general partnership or joint venture, or similar type entity, comprised solely of persons who are US Citizens or Resident Aliens; or is an Indian Tribe or Tribal organization, as defined in section 4(j) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. § 460j)?</td>
<td></td>
</tr>
<tr>
<td>[ ] YES  [ ] NO</td>
<td></td>
</tr>
<tr>
<td>9. Is the producer identified in Part B a contract grower, Federal, State, or local government (including public school), or a processor or packer?</td>
<td></td>
</tr>
<tr>
<td>[ ] YES  [ ] NO</td>
<td></td>
</tr>
</tbody>
</table>

I hereby sign and acknowledge under penalty of perjury in accordance with 28 U.S.C. § 1746 and 18 U.S.C. § 1621 that the foregoing is true and correct.

<table>
<thead>
<tr>
<th>10A. Signature</th>
<th>10B. Title/Relationship of the Individual Signing in the Representative Capacity</th>
<th>10C. Date (MM/DD/yyyyMMdd)</th>
</tr>
</thead>
</table>

### PART E – COC DETERMINATION

<table>
<thead>
<tr>
<th>11A. COC or Designee Signature/Title</th>
<th>11B. Date (MM/DD/yyyyMMdd)</th>
<th>12. Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>[ ] APPROVED  [ ] DISAPPROVED</td>
</tr>
</tbody>
</table>

In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its agencies, offices, and employees participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, familial/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint_filing_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

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389-399 (Reserved)

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(through 7-158)
400 SMHPP Payment Components

A Basis for Payments

SMHPP will provide payments to eligible producers who sold hogs through a spot market sale from April 16, 2020, through September 1, 2020.

The SMHPP payment is not subject to either of the following:

- offset
- sequestration.

An SMHPP payment will be made without regard to questions of title under State law and without regard to any claim or lien against the agricultural commodity or proceeds from the sale of the agricultural commodity.

B Payment Rate

SMHPP will use a single payment rate of $54 per head.

C Program Factor

SMHPP payments are subject to the availability of funds. Payments will be issued after the application period ends. If calculated payments exceed the amount of available funding, payments will be factored.

*--Note: SMHPP payments will not be issued until payment factor is determined by the National Office.--*
D Payment Calculation

SMHPP payments are calculated by multiplying:

- the number of head of eligible hogs, not to exceed 10,000 head, by
- the payment rate of $54 per head.

Example: Mr. Pork’s total head of hogs reported on FSA-940 exceeded the maximum of 10,000; therefore, Mr. Pork will only get paid on 10,000 head even though he sold 40,000. Mr. Pork’s payment would be calculated by multiplying 10,000 head of hogs by the $54 payment rate.

\[ 10,000 \times 54 = 540,000 \]

E Payment Eligibility

To be considered eligible for SMHPP payment, in addition to submitting a completed FSA-940, persons or legal entities must have filed the following forms for the 2020 program year:

- AD-1026, according to 6-CP
- applicable CCC-902 and CCC-901 (if required) according to 5-PL
- CCC-941 and FSA-1123 (if applicable) for AGI certification according to 5-PL.

Note: Tax years 2016, 2017, and 2018 are used to calculate average AGI for 2020 CFAP. All required eligibility forms must be filed before a SMHPP payment can be issued.---*
A  Introduction

The SMHPP 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

SMHPP 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

SMHPP payments are not subject to administrative offset.

E Assignments and Joint Payments

A producer entitled to a SMHPP payment may assign the payment according to 63-FI. SMHPP payments may be assigned, provided CCC-36 is submitted by the producer or made to a joint payee, provided CCC-37 is submitted by the producer 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 SMHPP benefits.

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

G Sequestering SMHPP Payments

SMHPP payments are not subject to sequestration.

H 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.
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.

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

<table>
<thead>
<tr>
<th>Eligibility Determination /Criteria</th>
<th>Value</th>
<th>Eligible for SMHPP</th>
<th>Exceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>AD-1026</td>
<td>Certified</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Not Filed</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Good Faith Determination</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>COC Exemption</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Awaiting Affiliate Certification</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Conservation Compliance – Farm/Tract Eligibility</td>
<td>In Compliance</td>
<td>Yes 1/</td>
<td>1/ A partial compliance value of Yes” will result in an additional determination for the farm.</td>
</tr>
<tr>
<td></td>
<td>Partial Compliance</td>
<td>Yes 1/</td>
<td></td>
</tr>
<tr>
<td></td>
<td>In Violation</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No Association</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Past Violation</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reinstated</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>
## Subsidiary Eligibility (Continued)

<table>
<thead>
<tr>
<th>Eligibility Determination /Criteria</th>
<th>Value</th>
<th>Eligible for SMHPP</th>
<th>Exceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average AGI - $900,000 Limitation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Producer Certification</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Filed</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Filed - 941</td>
<td>Yes 2/</td>
<td></td>
<td>If an IRS determination has:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• not been returned, then the payment process will use the producer</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>certification value</td>
</tr>
<tr>
<td>Exempt</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Met - Producer</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>IRS Determinations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Processed</td>
<td>3/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliant - Producer</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliant – Less Than 3 Years</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Compliant</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Failed Verification</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliant – FSA Determined</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>State Office / SED Determinations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Determination</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliant – Review</td>
<td>Yes 4/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mismatch Verified</td>
<td>Yes 4/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Compliant – Review</td>
<td>No 4/</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2/ If an IRS determination has:

- not been returned, then the payment process will use the producer certification value.

3/ If the IRS value is not processed, then the payment process will use the producer certification value.

4/ State Office/SED Determinations over-ride the IRS determinations.
B Subsidiary Eligibility (Continued)

<table>
<thead>
<tr>
<th>Eligibility Determination /Criteria</th>
<th>Value</th>
<th>Eligible for SMHPP</th>
<th>Exceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 – $900,000 AGI Limitation</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Foreign Person Determination</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Controlled Substance</td>
<td>No Violation</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Growing</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trafficking</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Possession</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

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 Report. The following table provides the priority of conditions.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Eligibility Provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Conservation Compliance</td>
</tr>
<tr>
<td>2</td>
<td>Controlled Substance</td>
</tr>
<tr>
<td>3</td>
<td>AD-1026</td>
</tr>
</tbody>
</table>
A Supporting Files for Integrated Payment Processing

The SMHPP 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.

<table>
<thead>
<tr>
<th>Type of Information</th>
<th>How Information Is Used for Payment Processing</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSA-940 data</td>
<td>The information from FSA-940 is used to complete the Gross Payment Report for approved gross revenue which determines the SMHPP gross payment amount for the producer.</td>
<td>Application System</td>
</tr>
<tr>
<td>Payment Eligibility Information</td>
<td>Used to determine whether the producer (individual, entity, and/or member of a general partnership or joint operation) is eligible for payment for which FSA-940 was filed.</td>
<td>Web-Based Business File and Subsidiary System</td>
</tr>
<tr>
<td>General Name and Address Information</td>
<td>Used to determine the producer’s business type, citizenship status, and general name and address information.</td>
<td>Business Partner/SCIMS</td>
</tr>
<tr>
<td>Entity and Joint Operation Information</td>
<td>Used to determine the following for which FSA-940 was filed:</td>
<td>Business File</td>
</tr>
<tr>
<td></td>
<td>• entities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• general partnerships</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• joint ventures</td>
<td></td>
</tr>
<tr>
<td>Available Payment Limitation</td>
<td>Used to determine payment limitation availability.</td>
<td>Payment Limitation System</td>
</tr>
<tr>
<td>Financial Related Information</td>
<td>• Calculated payment information is provided to NPS.</td>
<td>NPS or NRRS</td>
</tr>
<tr>
<td></td>
<td>• Determined overpayment amount may be provided to NRRS.</td>
<td></td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>FSA-940 has been approved and the approval date has been recorded in the system.</td>
</tr>
<tr>
<td>2</td>
<td>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).</td>
</tr>
<tr>
<td>3</td>
<td>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.</td>
</tr>
<tr>
<td>4</td>
<td>CCC-941, and FSA-1123 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).</td>
</tr>
<tr>
<td>5</td>
<td>All other eligibility determinations have been updated according to the determinations made by COC for persons and legal entities. See 5-PL.</td>
</tr>
<tr>
<td>6</td>
<td>Joint operation and entity ownership structure information is updated in Business File for the applicable year. See 3-PL (Rev. 2).</td>
</tr>
<tr>
<td>7</td>
<td>Assignments and joint payees have been updated in NPS if CCC-36, CCC-37, or both were filed for SMHPP. See 63-FI.</td>
</tr>
<tr>
<td>8</td>
<td>SF-3881 has been received and recorded in financial applications, or a hardship waiver is on file. See 1-FI.</td>
</tr>
</tbody>
</table>
A Displaying or Printing SMHPP Payment Reports

SMHPP 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 SMHPP Payment History Report – Detail has program-specific data so information for this report is in this handbook.

SMHPP Payment Report information is available according to the following table.

<table>
<thead>
<tr>
<th>Report Name</th>
<th>Type of Data</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Calculated Payment Report</td>
<td>Live</td>
<td>9-CM, Paragraph 62</td>
</tr>
<tr>
<td>Submitted Payments Report</td>
<td>Live</td>
<td>9-CM, Paragraph 63</td>
</tr>
<tr>
<td>Submitted Overpayments Report</td>
<td>Live</td>
<td>9-CM, Paragraph 64</td>
</tr>
<tr>
<td>Pending Overpayment Report</td>
<td>Live</td>
<td>9-CM, Paragraph 65</td>
</tr>
<tr>
<td><strong>Note:</strong> The Pending Overpayment Report is accessed through the Pending Overpayment Summary Report according to 9-CM, paragraph 64.5.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonpayment/Reduction Report</td>
<td>Live</td>
<td>9-CM, Paragraph 66</td>
</tr>
<tr>
<td>Failed Obligation / Insufficient Funds Report</td>
<td>Live</td>
<td>9-CM, Paragraph 67</td>
</tr>
<tr>
<td>Payments Computed to Zero Report</td>
<td>Live</td>
<td>9-CM, Paragraph 68</td>
</tr>
<tr>
<td>Payment History Report – Summary</td>
<td>Report Database</td>
<td>9-CM, Paragraph 69</td>
</tr>
<tr>
<td>Payment History Report - Detail</td>
<td>Report Database</td>
<td>9-CM, Paragraph 70</td>
</tr>
</tbody>
</table>

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

The County Office for the recording State and county for the producer will complete the SMHPP payment.

Note: The recording State and county for a producer is identified in the Subsidiary Eligibility System. --*
Reports, Forms, Abbreviations, and Redelgations of Authority

Reports

None.

Forms

This table lists all forms referenced in this handbook.

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Display Reference</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>AD-1026</td>
<td>Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification</td>
<td></td>
<td>Text</td>
</tr>
<tr>
<td>AD-2047</td>
<td>Customer Data Worksheet</td>
<td></td>
<td>Text</td>
</tr>
<tr>
<td>AD-2106</td>
<td>Form to Assist in Assessment of USDA Compliance With Civil Rights Laws</td>
<td>33, 135</td>
<td></td>
</tr>
<tr>
<td>AD-3114</td>
<td>Coronavirus Food Assistance Program (CFAP) Application</td>
<td>122, 136</td>
<td></td>
</tr>
<tr>
<td>AD-3117</td>
<td>Coronavirus Food Assistance Program 2 (CFAP 2) Application</td>
<td>122, 136</td>
<td></td>
</tr>
<tr>
<td>CCC-36</td>
<td>Assignment of Payment</td>
<td>106</td>
<td></td>
</tr>
<tr>
<td>CCC-37</td>
<td>Joint Payment Authorization</td>
<td>106</td>
<td></td>
</tr>
<tr>
<td>CCC-860</td>
<td>Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification</td>
<td>301, 303, 304, 316</td>
<td></td>
</tr>
<tr>
<td>CCC-901</td>
<td>Member’s Information</td>
<td>Text</td>
<td></td>
</tr>
<tr>
<td>CCC-902</td>
<td>Farm Operating Plan for Payment Eligibility 2009 and Subsequent Program Years</td>
<td>Text</td>
<td></td>
</tr>
<tr>
<td>CCD-902E</td>
<td>Farm Operating Plan for an Entity</td>
<td>370</td>
<td></td>
</tr>
<tr>
<td>CCC-902I</td>
<td>Farm Operating Plan for an Individual</td>
<td>370</td>
<td></td>
</tr>
<tr>
<td>CCC-903</td>
<td>Worksheet for Payment Eligibility and Payment Limitation Determinations</td>
<td>33, 106</td>
<td></td>
</tr>
<tr>
<td>CCC-941</td>
<td>Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information</td>
<td>Text</td>
<td></td>
</tr>
<tr>
<td>CCC-942</td>
<td>Certification of Income From Farming, Ranching and Forestry Operations</td>
<td>93</td>
<td></td>
</tr>
<tr>
<td>FSA-321</td>
<td>Finality Rule and Equitable Relief</td>
<td>301</td>
<td></td>
</tr>
<tr>
<td>FSA-325</td>
<td>Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent</td>
<td>33, 41, 106, 235, 278, 401</td>
<td></td>
</tr>
<tr>
<td>FSA-620</td>
<td>Pandemic Livestock Indemnity Program (PLIP) Application</td>
<td>122</td>
<td>Text</td>
</tr>
<tr>
<td>FSA-850</td>
<td>Environmental Screening Worksheet</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>FSA-883</td>
<td>Organic and Transitional Education and Certification Program (OTCECP)</td>
<td>262</td>
<td>231, 232, 234, 235, 261, 263</td>
</tr>
<tr>
<td>FSA-888</td>
<td>Food Safety Certification for Specialty Crops Program (FSCSC)</td>
<td>302</td>
<td>277, 301, 303, 304, 316, 327</td>
</tr>
</tbody>
</table>
Exhibit 1

Reports, Forms, Abbreviations, and Redesignations of Authority (Continued)

Forms (Continued)

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Display Reference</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSA-940</td>
<td>Spot Market Hog Pandemic Program (SMHPP) Application</td>
<td>388</td>
<td>Part 7</td>
</tr>
<tr>
<td>FSA-1118</td>
<td>Pandemic Assistance for Timber Harvesters and Haulers (PATHH) Program Application</td>
<td>50</td>
<td>Text</td>
</tr>
<tr>
<td>FSA-1123</td>
<td>Certification of 2021 Adjusted Gross Income (AGI)</td>
<td>367</td>
<td>Part 7</td>
</tr>
<tr>
<td>SF-3881</td>
<td>ACH Vendor/Miscellaneous Payment Enrollment Form</td>
<td></td>
<td>33, 135, 261, 262, 263, 301, 302, 304</td>
</tr>
</tbody>
</table>

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

<table>
<thead>
<tr>
<th>Approved Abbreviation</th>
<th>Term</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPA</td>
<td>certified public accountant</td>
<td>367, 370</td>
</tr>
<tr>
<td>DBA</td>
<td>Doing Business As</td>
<td>246</td>
</tr>
<tr>
<td>EIN</td>
<td>employer identification number</td>
<td>365</td>
</tr>
<tr>
<td>FPAC</td>
<td>Farm Production and Conservation</td>
<td>15, 47, 91</td>
</tr>
<tr>
<td>FSCSC</td>
<td>Food Safety Certification for Specialty Crops</td>
<td>Part 6</td>
</tr>
<tr>
<td>ITIN</td>
<td>individual taxpayer identification number</td>
<td>365</td>
</tr>
<tr>
<td>LMR</td>
<td>Livestock Mandatory Reporting</td>
<td>383, 385</td>
</tr>
<tr>
<td>NAICS</td>
<td>North American Industry Classification System</td>
<td>30, 46-48, 50</td>
</tr>
<tr>
<td>NOFA</td>
<td>Notice of Funds Availability</td>
<td>Text</td>
</tr>
<tr>
<td>NOP</td>
<td>National Organic Program</td>
<td>230, 235, 247, 263, Ex. 2</td>
</tr>
<tr>
<td>OCCSP</td>
<td>Organic Certification Cost Share Program</td>
<td>Part 5</td>
</tr>
<tr>
<td>OTECP</td>
<td>Organic and Transitional Education and Certification Program</td>
<td>Part 5</td>
</tr>
<tr>
<td>OTIS</td>
<td>Outreach Tracking Information System</td>
<td>2</td>
</tr>
<tr>
<td>PATHH</td>
<td>Pandemic Assistance for Timber Harvesters and Haulers</td>
<td>Part 2, Ex. 2</td>
</tr>
<tr>
<td>PIIA</td>
<td>Payment Integrity Information Act of 2019</td>
<td>Part 7</td>
</tr>
<tr>
<td>PLIP</td>
<td>Pandemic Livestock Indemnity Program</td>
<td>Part 3</td>
</tr>
<tr>
<td>SMHPP</td>
<td>Spot Market Hog Pandemic Program</td>
<td>Part 7</td>
</tr>
<tr>
<td>SND</td>
<td>Safety Net Division</td>
<td>1, 91</td>
</tr>
<tr>
<td>VMR</td>
<td>value member relationship</td>
<td>383</td>
</tr>
</tbody>
</table>
Redelegations of Authority

This table lists the redelegations of authority in this handbook by program.

<table>
<thead>
<tr>
<th>Redelegation</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Safety Certification for Specialty Crops</td>
<td>277</td>
</tr>
<tr>
<td>Organic and Transitional Education and Certification Program</td>
<td>263</td>
</tr>
<tr>
<td>Pandemic Assistance for Timber Harvesters and Haulers</td>
<td>51</td>
</tr>
<tr>
<td>Pandemic Livestock Indemnity Program</td>
<td>121</td>
</tr>
<tr>
<td>Spot Market Hog Pandemic Program</td>
<td>346</td>
</tr>
</tbody>
</table>
Definitions of Terms Used in This Handbook

This handbook provides policy and procedures for multiple programs. Definitions of terms may vary for each program; therefore, the definitions of terms applicable to each program are in the part of this handbook that provides the policy for the applicable program.