FSA
HANDBOOK

Farm Records and Reconstitutions for 2013 and Subsequent Years

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For State and County Offices

SHORT REFERENCE

10-CM

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

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Farm Records and Reconstitutions for 2013 and Subsequent Years 10-CM	**Amendment 4**

Approved by: Acting Deputy Administrator, Farm Programs

Bradley Karmen

Amendment Transmittal

A Reason for Amendment

Paragraph 37.5 has been added to provide guidance on performing adjustments of PLC yields among tracts.

Subparagraphs 52 B and C have been amended to explain how to apply "convenience and inconvenience" when considering a request to change a farm's servicing County Office or administrative county.

Paragraph 173 has been added to provide guidance on CCC-518.

Page Control Chart		
TC	**Text**	**Exhibit**
1-4	2-63, 2-64 2-64.5 through 2-64.8 (add) 3-5 through 3-8 6-7 through 6-10 (add)	1, pages 1, 2 page 3

Table of Contents

Page No.

Part 1 General Provisions

1	Overview	1-1
2	Responsibilities	1-2
3	General Farm and Tract Data	1-4
4	Rule of Fractions	1-10
5-19	(Reserved)	

Part 2 Adding or Changing Farm Records

20	Determining the Land Constituting a Farm	2-1
21	Adding or Changing Operator	2-3
22	Adding or Changing Owner	2-5
23	Adding or Changing Other Producers	2-7
24	Farm Records Hierarchy	2-8
25	Land Classification Definitions	2-11
26	Program Land Classification	2-15
27	Nonagricultural, Commercial, or Industrial Land Determinations	2-18
28	FSA Policy About Federal and State Grazing Land	2-20
29	GIS Rules	2-21
30	Rules for Delineating	2-24
31	Accessing Farm Records	2-34
32	Updating Farm Records	2-34
33	Creating a Farm Record	2-35
34	Conservation Compliance	2-38
35	Out-of-Balance Tracts	2-44
36	Rules for Yields When Tract Acreages Are Adjusted	2-49
37	Direct and CC Yield Adjustments Because of Reconstitutions	2-60
37.5	PLC Yield Adjustments	2-64
38	Examples of Handling Out-of-Balance Resulting Tracts With Double-Cropped Acres	2-64.7
39-49	(Reserved)	

Table of Contents (Continued)

Page No.

Part 3 Administrative County

50 Overview 3-1

Section 1 Administrative County Office

51 Determination of Administrative County 3-2
52 Changing a Farm's Servicing County Office and Administrative County 3-4
53 Servicing County Office Closures 3-8
54 Servicing County Offices With Reduced Hours of Operation 3-10
55-61 (Reserved)

Section 2 In and Out Transfers

62 Initiating Transfer 3-21
63 Transfers Between Counties 3-22
64 Timing for Transfer 3-23
65 Records to Transfer 3-24
66 Handling Within-State Transfers 3-27
67 Handling Out-of-State Transfers 3-31
68 Processing Out-Transfers 3-36
69 Processing In-Transfers 3-37
70-89 (Reserved)

Part 4 Initiating a Reconstitution

90 Overview 4-1
91 Substantive Change in Farming Operations and Changes to Legal Entities 4-2
92 Who May Initiate 4-4
93 When to Initiate 4-5
94 How to Initiate 4-8
95 Effective Dates 4-12
96 Corrections 4-12
97-108 (Reserved)

Table of Contents (Continued)

Page No.

Part 5 Types of Reconstitutions

109 Overview 5-1

Section 1 Combinations

Subsection 1 Farm Combinations

110 Common Ownership Farm Combinations 5-2
111 Separate Ownership Farm Combinations 5-3
112 Combinations Across State and County Lines 5-4
113 Combining Federally- and State-Owned Land 5-5
114 Combining Farms With Approved CCC-509ACRE's 5-5
115-124 (Reserved)

Subsection 2 Tract Combinations

125 Common Ownership Tract Combinations 5-27
126 Initiating Tract Combinations 5-27
127-130 (Reserved)

Section 2 Divisions

Subsection 1 Reasons for Divisions

131 Reasons for Farm Divisions 5-37
132 Reasons for Tract Divisions 5-38
133-139 (Reserved)

Subsection 2 Methods of Divisions

140 Overview 5-51
141 Estate 5-52
142 Designation by Landowner 5-54
143 DCP Cropland 5-58
144 Default 5-59
145-148 (Reserved)

Table of Contents (Continued)

Page No.

Part 5 Types of Reconstitutions (Continued)

Section 2 Divisions (Continued)

Subsection 3 Approving Reconstitutions

149 Documentation for COC Approval 5-71
150 Reconstitution Approval Process 5-72
151 Printing FSA-476DCP 5-74
152-159 (Reserved)

Subsection 4 Adjustments After Farm Divisions

160 Basic Rule for Adjustments 5-91
161-169 (Reserved)

Part 6 CRP Reconstitutions

170 Overview 6-1
171 Dividing Farms During CRP Signup 6-1
172 CCC-517, Tract Redistribution Form 6-2
173 CCC-518, Tract Price Loss Coverage (PLC) Yield Redistribution Form 6-7

Exhibits

1 Reports, Forms, Abbreviations, and Redelegations of Authority
2 Definitions of Terms Used in This Handbook
3, 4 (Reserved)
5 Farm Operator Change Notification
6 (Reserved)
7 Manual Redistribution Worksheet for Out-of-Balance Tracts
8 Semi-Automated Redistribution Spreadsheet for Out-of-Balance Tracts
9 Example of Letter to Producers About Closed County Offices
10 FSA-179, Transfer of Farm Records Between Counties
11 Data Elements on FSA-156EZ
12 (Reserved)
13 Reconstitution Checklist

Part 1 General Provisions

1 Overview

A Handbook Purpose

This handbook provides Farm Records maintenance policy for 2013 and subsequent years, including:

- integrated tabular and GIS data of the farm, tract, and field records
- reports
- transferring farms between counties
- reconstitutions
- crop base acreage and yield maintenance.

Note: Automation procedures are available and included in the online work instructions.

B Source of Authority

Authority for Farm Records maintenance and Reconstitutions is in 7 CFR Part 718.

C Related Handbooks

FSA handbooks related to Farm Records maintenance are:

- 1-APP for appeals
- 25-AS for record keeping requirements
- 1-CM for common management procedures
- 2-CP for compliance procedures
- 4-CP for payment reductions and violations
- 6-CP for HELC and WC procedures
- 2-CRP for Agricultural Resource Conservation Program procedures
- 1-DCP for DCP
- 2-DCP (Rev. 1) for DCP automation
- 3-PL (Rev. 1) for accessing and updating web-based subsidiary files.

2 Responsibilities

A STC Responsibilities

STC shall:

- establish the date for the annual review to determine whether land is properly constituted
- take any action required by this handbook that COC has not taken
- correct, or require COC to correct, any action COC has taken that is not according to the provisions of this handbook
- require COC to withhold any action that is not in accordance with handbook procedures.

B DD Responsibilities

DD shall:

- certify that the annual review is correctly completed
- concur with COC nonagricultural land determinations.

C COC Responsibilities

COC shall:

- ensure that the policies in this handbook are followed
- correct improperly constituted farms
- continually review records to determine whether land must be reclassified as cropland; DCP cropland; or nonagricultural, commercial, or industrial uses
- require specific proof of ownership
- take appropriate action on requests for transfer received from landowners or operators

2 Responsibilities (Continued)

C COC Responsibilities (Continued)

- ensure all documents are completed, for example, FSA-179, before approving or disapproving a transfer

- take appropriate action on requests for reconstitution received from landowners or operators

- ensure all documents are completed, for example, FSA-155, before acting on a reconstitution

- document in COC minutes:

  - questionable cases involving operators, owners, or other producers
  - approval and disapproval of farm transfers, including actions taken by CED
  - base acre adjustments made according to paragraph 35
  - direct and CC yield adjustments made according to paragraph 36
  - approval and disapproval of reconstitutions, including actions taken by CED
  - redelegation of authority.

D County Office Responsibilities

County Office employees shall:

- follow all policies in this handbook

- ensure that basic farm and producer records are accurate

- publicize all methods of division, including the designation by landowner method of division according to paragraph 142.

3 General Farm and Tract Data

A General Description of MIDAS Farm Records Business Application

The MIDAS Farm Records Business Application integrates the Farm Records and GIS databases. Farm Records and the GIS databases will be maintained through the MIDAS Farm Records Business application.

To maintain an accurate and current dataset, MIDAS Farm Records Maintenance requires editing and updating CLU geometry and attributes based on a variety of FSA program tasks and other GIS-related processes. These tasks or processes may include:

- farm transfers
- reconstitutions
- adding new participating farms
- changes in program participation
- NRCS determinations (HELC/WC)
- land use changes
- producer maintenance
- crop base and yield maintenance
- ground measurements
- CLU database management and integrity (correcting topology errors and ensuring proper attribution).

Note: GIS wetland management will occur in the CITRIX GIS Maintenance Tool.

B Farm and Tract Numbers

The MIDAS Farm Records Business application assigns all farm and tract numbers when a new farm or tract is added. County Offices cannot change the computer-assigned number for a farm or tract.

3 General Farm and Tract Data (Continued)

C Farm, Tract, and Field Data Fields

Following are the farm, tract, and field data fields available in MIDAS.

Farm assignment blocks include:

- GIS Info
  - Imagery and spatial representation of all tracts included in the farm
- Farm General
  - Farm Number
  - State code, County code, and Farm Number
  - Farm Description
  - Administrative State
  - Administrative County
  - Farm Status
  - Combined in (shows on inactive parent farm)
  - Divided from (shows on active child farm)
  - Acre Election Status
  - Acre Effective Year
- Farm Land Data
  - Farmland acres
  - Cropland acres
  - DCP cropland acres
  - CRP cropland acres
  - WBP acres
  - GRP acres
  - State Conservation acres
  - Other Conservation acres
  - EWP program acres
  - DCP Ag related activity acres
  - Effective DCP cropland acres
  - Double cropped acres
  - Sugarcane base acres
  - WRP acres
  - CRP MPL acres
  - FAV/WR history

3 General Farm and Tract Data (Continued)

C Farm, Tract, and Field Data Fields (Continued)

- Farm Crop Data
    - Crop Name
    - Crop Year
    - Base acres
    - CCC-505 CRP reduction acres
    - PTPP reduction acres
    - Direct yield
    - CC yield
- Farm Parties Involved
    - Name
    - Function (Operator)
    - Business Partner ID number
    - CW exception
    - HEL exception
    - PCW exception
- Farm Change History
    - Component
    - Field name
    - Old value
    - New value
    - Change time
    - Change date
    - Changed by.

3 General Farm and Tract Data (Continued)

C Farm, Tract, and Field Data Fields (Continued)

Tract assignment blocks include:

- GIS Info
  - Imagery and spatial representation of the selected tract and its CLU's
- Tract General Data
  - Tract Number
  - State code, County code, and Tract Number
  - Tract Description
  - BIA Range Unit Number
  - Tract status
  - State physical location
  - County physical location
  - Congressional district
  - Wetland certification
  - Year wetland certified
- Tract Land Data
  - Farmland acres
  - Cropland acres
  - DCP cropland acres
  - CRP cropland acres
  - WBP acres
  - GRP acres
  - State Conservation acres
  - Other Conservation acres
  - EWP program acres
  - DCP Ag related activity acres
  - Cropland acres adjustment reason codes
  - WRP acres
  - Effective DCP cropland acres
  - Double cropped acres
  - Sugarcane base acres

3 General Farm and Tract Data (Continued)

C Farm, Tract, and Field Data Fields (Continued)

- Tract Land Data (Continued)

  - CRP MPL acres
  - FAV/WR history
  - HEL status
  - HEL determinations
  - Wetland determinations
  - Wetland violation types

- Tract Crop Data

  - Crop Name
  - Crop Year
  - Base acres
  - Base acres adjustment codes
  - PTPP reduction acres
  - Direct yield
  - Direct yield adjustment codes
  - CC yield
  - CC yield adjustment codes

- Tract CCC-505 CRP Reduction Data

  - Crop name
  - Crop year
  - Contract number
  - Start year
  - Acres
  - Direct yield
  - CC yield

- Tract Parties Involved

  - Name
  - Function (Owners or Other Producers)
  - Business Partner ID number
  - CW exception
  - HEL exception
  - PCW exception.

3 General Farm and Tract Data (Continued)

C Farm, Tract, and Field Data Fields (Continued)

Field assignment blocks include:

- GIS Info
    - Imagery and spatial representation of the selected tract with selected CLU highlighted
- Field General Data
    - Field number
    - Field Description
    - State physical location
    - County physical location
    - Congressional district
- Field Land Data
    - Land class code
    - Acres
    - HEL status
    - 3-CM cropland indicator
- CRP Data
    - CRP contract number
    - Practice number
    - Expiration date
- NRCS Data
    - NRCS contract number
    - NRCS cropland acres
    - NRCS expiration date
    - NRCS practice number
- Parties Involved (Other Producers only)
    - Name
    - Business Partner ID number
    - CW exception
    - HEL exception
    - PCW exception.

3 General Farm and Tract Data (Continued)

D Validations

When new data is entered or data is changed, the application will perform a complete validation when users CLICK "Save".

If any of the data fails validation, the screen will be redisplayed with an error icon. When the icon is opened, the appropriate error message will be displayed.

Example: If an operator is not recorded for the farm, the message, "Assign an operator to the farm", will be displayed.

If the user corrects the data and it passes validation, the record will be saved.

4 Rule of Fractions

A Rounding Fractions

[7 CFR 718.5] Rounding fractions shall not be done until after the entire computation is completed. All computations shall be carried to 2 decimal places beyond the required number of decimal places specified in the instructions for the computation. In rounding, if the 2 digits beyond the required number of decimal places are 49 or less, those 2 digits shall be dropped. If the 2 digits beyond the required number of decimal places are 50 or more, the last required digit shall be increased by 1. Refer to the following examples.

Required Decimal	Computation Result	Final Result
Whole Numbers	6.49 or less	6
	6.50 or more	7
Tenths	7.649 or less	7.6
	7.650 or more	7.7
Hundredths	8.8449 or less	8.84
	8.8450 or more	8.85
Thousandths	9.63449 or less	9.634
	9.63450 or more	9.635
10 Thousandths	10.993149 or less	10.9931
	10.993150 or more	10.9932

5-19 (Reserved)

Part 2 Adding or Changing Farm Records

20 Determining the Land Constituting a Farm

A Minors

[7 CFR 718.202] For farm records purposes, a minor shall be considered to be the same owner or operator as the parent or court-appointed guardian unless all of the following apply:

- the minor:
  - child is a producer on a farm
  - establishes and maintains a separate household from the parent or guardian
  - personally carries out the farming activities in the operation
  - maintains a separate accounting system for the farming operation
- neither the minor's parents nor guardian has any interest in the minor's farm or production from the farm

Exception: A minor shall not be considered to be the same owner or operator as the parent or court-appointed guardian if the minor's interest in the farming operation results from being the beneficiary of an irrevocable trust, and ownership of the property is vested in the trust or the minor.

B Life Estate Tenant

[7 CFR 718.202] A life estate tenant shall be considered to be the owner of the property for their life.

20 Determining the Land Constituting a Farm (Continued)

C Trust

[7 CFR 718.202] A trust shall be considered to be an owner with the beneficiary of the trust, except a trust can be considered a separate owner or operator from the beneficiary if all of the following apply. The trust:

- has a separate and distinct interest in the land or crop involved
- exercises separate responsibility for the separate and distinct interest
- maintains funds and accounts separate from that of any other individual or entity for the interest.

D Immediate Family

[7 CFR 718.202] Land owned by different members of an immediate family living in the same household and operated as a single farming unit shall be considered as being under the same ownership in determining a farm.

E Parent Corporations

[7 CFR 718.202] All land operated as a single farming unit and owned and operated by a parent corporation and subsidiary corporation of which the parent corporation owns more than 50 percent of the value of outstanding stock, or where the parent is owned and operated by subsidiary corporations, shall be constituted as 1 farm.

21 Adding or Changing Operator

A Definition of Operator

[7 CFR 718.2] An operator is an individual, entity, or joint operation who is determined by COC as being in general control of the farming operations on the farm for the current year.

B Determining Farm Operator

When the operator of a farm is initially added or later changed, CED shall determine whether the operator, as defined in subparagraph A, will be in general control of the farming operations on the farm. In questionable cases follow subparagraph C.

C Questionable Cases

COC shall review all questionable cases. COC may:

- use personal knowledge or request additional information to obtain sufficient facts to determine whether an operator change is a scheme or device to defeat program purposes

- consider the following items in making a determination:

  - rental agreement between owner and operator
  - producer's prior activities.

21 Adding or Changing Operator (Continued)

D Notification

Notify each owner on the farm and prior and current operator of the farm of any operator change by letter. See Exhibit 5 for examples of notification letters.

E Federally-Owned Land

Producers on Federally-owned land shall provide a copy of a lease, permit, or other right of possession before:

- change of operation is approved
- participating in any program FSA administers with regard to the Federally-owned land.

Note: The operator of Federally-owned land must meet the definition of operator for the entire farm included under the farm number.

F Entering Operators Into Application

The farm operator may be entered in the application at the time the request is made, except for the following reasons:

- an owner has not verified the operator addition or change, nor has a lease agreement been submitted containing the operator's and owners' signatures

- the operator change is questionable and COC determination is needed

- the operator change is not effective until the next FY.

22 Adding or Changing Owner

A Definition of Owner

[7 CFR 718.2] An owner is an individual or entity who has legal ownership of farmland, including individuals or entities that are any of the following:

- buying farmland under a contract for deed

  Note: OGC, Regional Attorney shall review contracts that are questionable before changing FSA ownership records.

- retaining a life estate in the property

- purchasing a farm in a foreclosure proceeding and both of the following apply:

  - the redemption period has not passed
  - the original owner has not redeemed the property

- a spouse in a community property State

- spouses owning property jointly.

COC shall require specific proof of ownership when land ownership is transferred.

Examples: Proof of ownership may include the following:

- copy of the deed, if recorded

- unrecorded deed, if specific program does not require a recorded deed

- land purchase contract or other similar document that affirms ownership interest

- FSA employee's check of the record at the county land records office or web site

- certification of an heir that may not be able to provide a legal documentation to confirm ownership of the property.

  Note: The certification will need to be accompanied by documentation such as:

  - real estate tax assessment or bill
  - proof of gift tax
  - will
  - affidavit of ownership
  - other documentation as may exist under State law.

22 Adding or Changing Owner (Continued)

Notes: An heir providing a certification will be notified by COC if a certification is considered acceptable and if FSA or any other authority later determines that the heir's certification is false or inaccurate, FSA may impose liability on the certifying party for all payments associated with the certification plus additional costs that result from the certification.

If a determination cannot be made as to the acceptability of the documentation, submit the documentation to OGC, Regional Attorney for review. If OGC, Regional Attorney determines that the documentation is adequate; FSA ownership records may be changed.

B Ownership Dispute

If there is a dispute over ownership, follow:

- 1-DCP for handling DCP
- 1-CRP for handling CRP
- 16-TB for handling TTPP
- other handbooks as applicable to specific programs.

C Restrictive Easements

When verifying proof of ownership and at every other opportunity, check for restrictive easements that prohibit the production of an agricultural commodity. If there is a restrictive easement, see:

- 1-DCP
- 2-CP.

D Notification

Notify each prior and current owner of the farm of any ownership change by letter.

E Entering Owners Into the Application

Owners may be entered into the application when specific proof of ownership has been provided.

Note: If a County Office has done thorough research and cannot determine the owner, "unknown" may be entered as the owner. County Offices shall follow procedure in 1-CM, paragraph 178.9 if there is **not** an "unknown" record in SCIMS for the county.

23 Adding or Changing Other Producers

A Definition of Other Producers

Other producers are producers who are:

- associated with a tract or field
- **not** owners or operators.

B Entering Other Producers Into the Application

Other producers may be entered or changed in the application when verification has been provided by the owner or operator. A copy of a written lease or verbal verification is acceptable. However, if a verbal request is made to add or change an other producer, the County Office must document the following in the farm folder:

- name of owner or operator that provided the verbal statement
- date the verbal statement was provided to the County Office.

Other producers can be entered into the application at the field or tract level.

24 Farm Records Hierarchy

A Definition of Farm

A farm is made up of tracts that have the same owner and the same operator.

The minimum size required for land to be considered a "farm" for FSA program purposes is 1/100th of an acre. However, the land must be part of a farming operation, a business enterprise engaged in the production of agricultural products, commodities, or livestock, operated by a person, legal entity, or joint operation that could choose to make application or enter in contracts to receive payments, directly or indirectly, under 1 or more USDA programs.

Land with different owners may be combined if all the land is operated by 1 producer with all of the following elements in common and substantially separate from that of any other tracts:

- labor
- equipment
- accounting system
- management.

Note: Land on which other producers provide their own labor and equipment, but do not meet the definition of an operator, shall not be considered a separate farm.

A farm that no longer meets the definition of a farm according to this paragraph shall be divided. See work instruction.

B Definition of Tract

[7 CFR 718.2] A tract is a unit of contiguous land that is all of the following:

- 1 or more fields
- under 1 common ownership
- operated as a farm or a part of a farm.

24 Farm Records Hierarchy (Continued)

C Tract Determinations

After applying the definition in subparagraph B, determine tracts according to this table.

IF the land is...	THEN classify as...
part of a field that extends into the adjoining county, and the county boundary is not clearly defined	1 tract.
entirely in another county or bisected by a clearly defined county line	separate tracts.
bisected by community or township lines, roads, streams, or other boundary	1 tract, unless circumstances justify separate tracts.

Note: Tracts may be combined or divided. See work instructions.

Tracts may be combined if all of the following conditions have been met:

- tracts are associated with the same farm number
- tracts have common ownership unit
- tracts are contiguous
- owner agrees.

Tracts shall be divided only if:

- the tract no longer meets the definition of a tract according to this paragraph
- ownership changes for part of the tract.

Note: Tract acreages will be aggregated to the farm level.

D Definition of Field

Field or CLU is the smallest unit of land that has a:

- permanent, contiguous boundary
- common land cover and land management
- under one common owner
- common producer association.

Field acreage with "3-CM Cropland" indicator set to “Y” will be aggregated in the tract level cropland acreage. See subparagraph 30 E.

All field acreage will be aggregated in the tract level farmland acreage.

24 Farm Records Hierarchy (Continued)

E Field/CLU Determinations

After applying the definition in subparagraph D, determine fields according to this table.

IF the land is...	THEN classify as...
part of a field that extends into the adjoining county, and the county boundary is not clearly defined	1 field.
entirely in another county or bisected by a clearly defined county line, community or township lines, roads, streams, or other boundary	separate fields.

F Inactivating Farms

Following are reasons for inactivating farms:

- all land on the farm has been retired from agricultural production
- as a result of a correction.

Note: When a single tract from a multiple tract farm is retired from agricultural production a farm division shall be completed and the resulting single tract farm shall be inactivated.

G Adding Farms

Following are reasons for adding farms:

- a new farming operation is established or expanded on new land
- as a result of a correction.

Note: New tracts being added to a farm shall be loaded as a 1 tract farm and a reconstitution completed to combine the 1 tract farm with an existing farm.

25 Land Classification Definitions

A Definition of Farmland

[7 CFR 718.2] Farmland is the sum of the following:

- DCP cropland
- forest
- acreage planted to an eligible crop
- other land on the farm.

B Definition of Cropland

[7 CFR 718.2] Cropland is land that COC determines meets any of the following conditions:

- currently being tilled to produce a crop for harvest

- not currently tilled, but has been tilled in a prior year and is suitable to be tilled for crop production

Note: Land which is seeded by drilling, broadcast or other no-till planting practices shall be considered tilled for cropland definition purposes.

- currently devoted to 1- or 2-row shelterbelt planting, orchard, vineyard, or other related crops

- in terraces that, according to FSA records, were cropped in the past even though they are no longer capable of being cropped

- in sod waterways or filter strips planted to perennial cover

- under CRP-1, including alternative perennials, until CRP-1 expires or is terminated

Notes: See 2-CRP, for alternative perennials.

Violations of HELC or WC provisions do not affect cropland classification.

- under GRP, when land was classified as cropland before being enrolled as GRP

- under WRP, when land was classified as cropland before being enrolled as WRP

- new land broken out if both of the following conditions are met:

  - land is planted to a crop to be carried through to harvest

  - tillage and cultural practices in planting and harvesting the crop must be consistent with normal practices in the area.

25 Land Classification Definitions (Continued)

B Definition of Cropland (Continued)

Note: In the event that these practices are not used other than for reasons beyond the producer's control, the cropland determination shall be void retroactive to the time at which the land was broken out.

Land classified as cropland shall be removed from this classification upon a determination by COC that the land is:

- no longer used for an agricultural use
- no longer suitable for producing a crop
- subject to a restrictive or permanent easement that prohibits the planting of an annual crop

  Note: This does not include land under CRP-1, WRP, GRP or land that is hayed and/or grazed.

- converted to ponds, tanks, or trees.

  Note: This does not include trees planted under CRP-1 or currently devoted to 1- to 2-row shelterbelt planting, orchard, or vineyard.

C Definition of DCP Cropland

[7 CFR 718.2] DCP cropland is land for which 1 or more of the following apply:

- the land currently meets the definition of cropland
- the land met the definition of cropland at the time it was enrolled in PFC and the land is currently being used for an agricultural or related activity
- the land met the definition of cropland on or after April 4, 1996, and the land continues to be devoted to an agricultural or related activity.

Note: See 1-DCP for a list of agricultural uses.

25 Land Classification Definitions (Continued)

D Definition of Effective DCP Cropland

Effective DCP cropland is the amount calculated by subtracting from DCP cropland, acres of the following:

- CRP
- GRP
- WBP
- WRP
- EWP
- State conservation
- other conservation.

E Definition of EWP Acreage

EWP acreage is land enrolled in EWP administered by NRCS according to 7 CFR 624.

Note: This land **cannot** be DCP cropland.

F Definition of WRP Acres

WRP acres are DCP cropland acres enrolled in WRP administered by NRCS according to 16 U.S.C. 3837, et seq.

G Definition of GRP Acres

GRP acres are DCP cropland acres enrolled in GRP according to 16 U.S.C. 3838.

Note: If the GRP acres meet the definition of cropland and /or DCP cropland immediately classify as GRP acreage.

25 Land Classification Definitions (Continued)

H Definition of WBP Acres

WBP acres are DCP cropland acres enrolled in WBP according to 7 CFR 752.

Note: Classify as WRP acreage for FY in which the easement is filed.

I Definition of State Conservation Acres

State conservation acres are DCP cropland acres on the farm enrolled in a Federal conservation program administered by the State for which payments are made in exchange for not producing an agricultural commodity on the acreage.

J Definition of Other Conservation Acres

Other conservation acres are DCP cropland acres on the farm enrolled in a Federal conservation program other than CRP, WRP, EWP, WBP, and GRP for which payments are made in exchange for not producing an agricultural commodity on the acreage.

K Definition of Nonagricultural, Commercial, or Industrial Use Land

[7 CFR 718.2] Nonagricultural, commercial, or industrial use land is land that is no longer suitable for producing:

- annual or perennial crops, including conserving uses
- forestry products.

26 Program Land Classification

A Classifying Land by Farm Programs

Classify land according to the following table.

IF the land…	AND…	THEN…
does not meet the cropland definition in subparagraph 25 B		see subparagraph 30 E.
does not meet the DCP cropland definition in subparagraph 25 C		see subparagraph 30 E.
is in or near a riparian area, wildlife area buffer, and/or wetland buffer **Note:** See 2-CRP for the definition of "marginal pastureland".	all of the following apply: • is no longer used for crops requiring annual tillage, as determined by COC • will be offered for enrollment in CRP • the owner of the land requests in writing to remove the land from cropland status **Note:** At least 1 owner of the land must request the reclassification of land in writing. • COC has reviewed the request and has determined that the land is marginal pasture land **Note:** This land cannot be classified as DCP cropland when CRP-1 expires.	remove from cropland and DCP Ag Related Activity immediately. See subparagraph 30 E.
is subject to a restrictive or permanent easement that prohibits the planting of an annual crop including permanent GRP easements **Note:** This does not include land under CRP-1, WRP, EWP, 30-year GRP easements, GRP rental agreements, WBP, or land under easement that allows haying and/or grazing under normal circumstances according to 1-DCP.		remove from cropland and DCP Ag Related Activity immediately. See subparagraph 30 E.
was enrolled in CRP and is suitable to be tilled for crop production	CRP-1 has expired	retain as cropland. See subparagraph 30 E.

26 Program Land Classification (Continued)

A Classifying Land by Farm Programs (Continued)

IF the land…	AND…	THEN…
is subject to WRP	is DCP cropland and the WRP easement is filed at anytime during FY	classify as WRP acreage for FY in which the easement is filed.
	is not DCP cropland	classify as farmland See subparagraph 30 E.
is subject to EWP	is DCP cropland and NRCS does **not** allow the crop planted on the land to be harvested	classify as EWP acreage immediately.
	is DCP cropland and NRCS allows the crop planted on the land to be harvested	classify as EWP acreage the beginning of the next FY.
	is **not** DCP cropland	classify as farmland See subparagraph 30 E.
is devoted to trees, ponds, tanks, wind generators, or wind turbines	has never been under CRP-1	remove acreage from cropland and classify immediately as DCP Ag Related Activity, or nonagricultural, commercial, or industrial use land, as applicable.
	is currently under CRP-1	maintain as cropland until CRP-1 expires or is terminated.
	CRP-1 has expired or was terminated	remove acreage from cropland and maintain as DCP Ag Related Activity. See subparagraph 30 E.
is subject to a 30-year GRP easement or GRP rental agreement	meets the definition of cropland and/or DCP cropland	classify immediately as GRP acreage.
is subject to other conservation acres that are DCP cropland acres on the farm enrolled in a Federal conservation program other than CRP, WRP, EWP, WBP, and GRP for which payments are made in exchange for not producing an agricultural commodity on the acreage, including haying and/or grazing **Note:** This does not include land under CRP-1, WRP, EWP, GRP, WBP, or land under easement that allows haying and/or grazing under normal circumstances according to 1-DCP.		classify immediately as other conservation acreage. See subparagraph 30 E.

26 Program Land Classification (Continued)

A Classifying Land by Farm Programs (Continued)

IF the land…	AND…	THEN…
is subject to other State conservation acres that are DCP cropland acres on the farm enrolled in Federal conservation program other than CRP, EWP, WBP, WRP, and GRP, for which payments are made in exchange for not producing an agricultural commodity on the acreage, including haying and/or grazing. **Note:** This does not include land under CRP-1, WRP, EWP, GRP, WBP, or land under easement that allows haying and/or grazing under normal circumstances according to 1-DCP.		classify immediately as state conservation acreage. See subparagraph 30 E.
is subject to WBP		classify immediately as WBP acreage. See subparagraph 30 E.

27 Nonagricultural, Commercial, or Industrial Land Determinations

A Definition of Nonagricultural, Commercial, or Industrial Use Land

[7 CFR 718.2] Nonagricultural, commercial, or industrial use land is land that is no longer suitable for producing:

- annual or perennial crops, including conserving uses
- forestry products.

B Different Uses

See 1-DCP, paragraph 426 for examples of land use, considered agricultural or related use, and nonagricultural use.

C COC Review

COC shall continually review all available records, including GIS imagery, to determine whether land has been devoted to nonagricultural uses and reclassify the acreage according to paragraph 26.

To maintain eligibility for DCP payments in an FY, land must meet DCP cropland criteria for the entire FY. A review of DCP cropland is recommended before final DCP payments are processed.

27 Nonagricultural, Commercial, or Industrial Land Determinations (Continued)

D DD Concurrence

COC shall obtain DD concurrence for all nonagricultural land determinations.

E Updating Records for Nonagricultural Uses

If land is devoted to nonagricultural uses, update records according to the following.

IF...	THEN...
part of a tract is nonagricultural	• complete a tract and farm division to separate the nonagricultural land • make the farm inactive.
an entire tract is nonagricultural	• complete a farm division to separate the nonagricultural land • make the farm inactive.
an entire farm is nonagricultural	make the farm inactive.

Notes: Ensure that the farm and tracts are in balance according to paragraph 35.
Complete CCC-505 according to 1-DCP if a DCP base reduction is required.

F Notification Requirements

After a nonagricultural use determination is made, notify the farm operator and the owners, in writing, of the following:

- nonagricultural determination
- appeal rights according to 1-APP.

28 FSA Policy About Federal and State Grazing Land

A Background

Current Federal regulations prohibit the combination of Federal and State land with privately owned land into the same tract or farm. Current tract and field/CLU policy requires common ownership across a tract and/or field/CLU.

These current regulations and policies are problematic for grazing allotments in the western U.S. Many of these grazing allotments consist of multiple owners (Federal, State, and private) and multiple permittees within the same allotment. Many areas consist of open grazing or common use grazing allotments with no physical or visible ownership lines within the allotment. Many grazing allotments consist of checkerboard ownership patterns and the ownership boundaries are **not** physically present or visible. Current policy in paragraph 24 requires that only common ownership boundaries are combined for tracts and fields.

This policy:

- and procedure applies **only** to grazing allotments/rangeland in the western U.S.
- addresses the following:
  - accommodating grazing permits in FRS
  - reporting acreage on acres that are grazed randomly by multiple permittees
  - delineating nonexistent boundaries on the CLU layer.

B Farm, Tract, and Field Policy

Federal, State, and privately owned land shall be combined into single farms, tracts, and field/CLU's based on grazing allotments by county. Individual grazing allotments in a county shall consist of 1 farm, 1 tract, and 1 field/CLU regardless of ownership of the land. If an allotment spans multiple counties, the allotment shall be split into a separate farm, tract, and field/CLU in each county.

Exception: Any area or contiguous areas within a grazing allotment that are under common private ownership and at the owners' request may be a separate tract under the allotment farm or a separate farm and tract if fenced out from the grazing allotment.

Note: See 2-CP for determining each permittee's acreage on an allotment.

28 FSA Policy About Federal and State Grazing Land (Continued)

C Owner/Operator/Other Producer Policy

All owners of land in the county within a grazing allotment in 1 farm, 1 tract, and 1 field/CLU shall be recorded as owners in Farm Records. The operator of the grazing allotment farm shall meet the definition of an operator according to paragraph 21. All other producers associated with the grazing allotment farm shall be recorded as other producers on the tract or field.

Exception: Any area or contiguous areas within a grazing allotment that are under common private ownership and are a separate tract under the allotment farm or a separate farm and tract if fenced out from the grazing allotment shall have the owners recorded according to paragraph 22.

29 GIS Rules

A Overview

Delineating CLU polygons is called digitizing. Digitization is the creation of digital lines in the MIDAS Farm Records. For FSA, these polygons represent CLU or farm, tract, and field boundary lines.

Delineate CLU's to include not only the farm, tract, and field boundaries, but key attribute information such as HEL determinations; farm, tract, and field numbers; CRP or other land use identification. The information associated with CLU's is now integrated with Farm Records.

Note: CRP fields shall be delineated at the practice level.

29 GIS Rules (Continued)

B Land Classifications

The partner agencies have established 10 fundamental land classifications based on land cover and land use. These classifications are:

- Barren
- Cropland
- Forest
- Mined
- Other Agricultural
- Perennial Snow and Ice
- Rangeland
- Tundra
- Urban
- Water Body.

The specialized rules for delineating each of these land cover – land use classifications are included in subparagraph 30 E.

C Rules for Delineating CLU

Land categories represent various combinations of land cover and land use, and are the basis for determining CLU boundaries. CLU delineations may change based on changes in land cover or land use. Delineating CLU's involves 3 steps.

Type of Boundary	Rules for Delineating
Visible	Determine the initial boundary for CLU using land cover, such as timber, range, or cropped, and physical boundaries, such as fences, roads, and waterways visible on aerial imagery.
Management	Define land use, according to the delineation rules for the land category, to further divide the area according to management differences, such as pine trees verses hardwood timber. Management boundaries not visible on the aerial imagery may be delineated according to information provided by the customer or other sources.
Ownership	Divide the area into CLU's based on ownership lines delineated according to the rules for the land category that applies to the area.

29 GIS Rules (Continued)

D Inclusions

Different categories of land classification may exist within a single field. These areas of different land classification can be digitized as inclusion CLU's, if appropriate. An inclusion CLU is a CLU that is fully contained within a larger CLU and has a different land classification than the larger CLU.

Inclusion CLU's shall be drawn if that area is significant enough in size to affect FSA program acreage.

E Updating the Acreage

County Offices shall adjust CLU’s boundaries and land class codes according to the following:

- if changes are identified before June 1, correct the boundaries and land class codes immediately

  Note: Review all programs associated with the farm for possible changes.

- if changes are identified after June 1, correct the boundaries and land class codes at the beginning of the next FY.

30 Rules for Delineating

A Delineating Rules

Boundary categories represent various combinations of land cover and land use, and are the basis for determining CLU boundaries. CLU delineations may change based on changes in land cover or land use.

Type of Boundary	Rules for Delineating
Ownership (Property Boundary)	Establish the overall farm/tract boundary based on ownership lines. **Farm and Tract** • All farm and tract boundaries are created based on a legal deed or description. See paragraph 22. • Farm and tract boundaries must not overlap another farm's boundaries. • All farm reconstitutions must be based on a legal deed or description.
Management (Land Use Boundaries)	Divide the area into smaller CLU's delineated according to the land use and land cover that applies to acreage reporting requirements. **Fields** • Fields located within tracts must be delineated. • Crop planting lines, distinct on the most current imagery, may form a boundary between adjacent program fields within a cultivated area. • Conservation (CRP/CREP/BCAP) areas delineated by practice type. • Easement (WRP, GRP) areas that have to do with cropland acreage must be accounted for in FRS. **Pasture and Other 'Non-Cropland' Areas** (Disaster Reporting Requirements) • The area within the tract boundary considered to be pasture must be delineated. • Other non-cropland areas must be delineated.

30 Rules for Delineating (Continued)

A Delineating Rules (Continued)

Type of Boundary	Rules for Delineating
Visible (Land Cover Boundaries)	Determine the boundary for CLU using land cover, such as forest, rangeland, cropped land (tilled and non-tilled), natural windbreaks, fences, public roads, and waterways visible within digital imagery. Common Physical Boundaries include: • transportation features • tree lines • waterways such as streams, rivers, lakes, bays • mine sites, including oil fields • urban features such as housing developments, industrial areas, airports, parks, golf courses (although these features shall only be captured in the CLU until the land use of the farm has been determined to be nonagricultural, commercial, or industrial.

B Land Cover – Land Use Characteristics

These 2 terms are often used interchangeably however, the terms have distinct meanings. The understanding of these terms is also important to aerial interpretation and CLU delineation.

Land cover is the physical material at the surface of the earth. Land covers include grass, asphalt, trees, bare ground, water, etc. Following are the 2 primary methods for capturing information on land cover:

- field survey
- analysis of remotely sensed imagery.

Land use is the human use of land. Land use involves the management and modification of natural environment or wilderness into built environment such as fields, pastures, and settlements. It has also been defined as "the arrangements, activities and inputs people undertake in a certain land cover type to produce, change or maintain it.

30 Rules for Delineating (Continued)

B Land Cover – Land Use Characteristics (Continued)

Type of Land Cover	Description and Delineating Rules
Public Roads	• Public roads and their associated right-of-ways are maintained by the government. • Public roads should **never** be included within the boundaries of any farm or tract CLU polygon. **Notes:** Delineate public roads along the edge of the road. Extend boundaries to the outer edge of narrow roads that have no ***--**visible right-of-way, **except** in cases where the producer has rights from the State to conduct agricultural activity within right-of-ways. In those cases, the right-of-ways should be included within CLU. A producer **must** provide evidence of the right to conduct agriculture activity in these areas.**--*** Extend boundaries to the outer edge of the right-of-way for larger roads. • Do **not** include any part of a public road system within a CLU polygon (such as medians at intersections). • Do **not** include public roads that cross through tracts within any polygon. **Notes:** Separate the land unit into 2 or more polygons, leaving the roads open to the outside. Make sure all related polygons have the same farm and tract numbers. • Do **not** include public roads in polygons for other delineated areas.
Private Roads	• Private roads are maintained by land-owners: • driveways and parking areas • farm lanes • private access roads. • Private roads may be included within farm and tract polygons. • Most private roads should **not** be included within program fields. **Note:** Delineate private roads at the outer edge of the road - never the centerline. • If the edge is difficult to distinguish, estimate based on the width of the road where it is more visible. **Note:** Small field access roads may be included in program field polygons.

30 Rules for Delineating (Continued)

B Land Cover – Land Use Characteristics (Continued)

Type of Land Cover	Description and Delineating Rules
Tree Lines	A tree line is the edge of a habitat at which trees are capable of growing. Tree lines may be a single row of trees between fields or at the edge of a forest or rangeland. **Notes:** Delineate tree lines at the edge of tree growth. Do **not** outline tree canopies. Estimate the position of the tree bases (at the trunk). Do **not** delineate the shadow line.

Waterways	A waterway is any navigable body of water. Waterways can include rivers, lakes, seas, oceans and canals.
	
	• Waterways for digitizing purposes include oceans, seas, lakes bays, estuaries, major rivers, smaller streams and canals.
	
	Notes: Major waterways may form the farm/tract boundary but the major waterway's boundary should **never** be included within the farm/tract boundary.
	
	Smaller waterways may form farm/tract boundaries or occur within the farm/tract boundary.
	
	• Smaller waterways may be included within a farm/tract only if:
	
	  • they are completely contained within the farm/tract
	  • farm/tract boundary lines cross the smaller waterway.
	
	• Any waterways that form the farm/tract boundary should **not** be included in the farm/tract.
	
	Notes: Waterways should **never** be delineated at the centerline.
	
	Delineate tract boundaries that correspond to waterway at the edge closest to the farm/tract.
	
	If the edge is difficult to distinguish, estimate its position using vegetation or approximate stream width.
	
	Leave waterways that are not included within a tract polygon open (meaning no polygon) similar to public roads.

30 Rules for Delineating (Continued)

B Land Cover – Land Use Characteristics (Continued)

Type of Land Cover	Description and Delineating Rules

Other Bodies of Water	Other bodies of water include lakes, ponds, bays, and other similar categorized bodies of water.
	
	• Bodies of water **must** be delineated if they occur within 'Cropland' and they are greater than 1 acre in size.
	
	• Small ponds, stock tanks etc., (under 1 acre) may be delineated if their removal from "Cropland" assists with matching program acreage.
	
	• Bodies of water in other land use/land cover classes should be delineated if they comprise a significant portion of the non-cropland within a tract boundary (greater than 1 acre in size).
	
	• If tract boundaries extend across water bodies, do **not** include the water body within the tract boundary.
	
	Exception: Aquaculture farms can be delineated to include the water body.
	
	• Bodies of water should be delineated at or above the normal water line:
	
	  • within cropland delineate water body boundaries at the outside edge if untilled land (ex. Dams)
	
	  • if land cover extends to the water's edge, use the water line when delineating boundary.

C Official Acreage

GIS-calculated acreage is official FSA acreage. Acreage will be maintained to the hundredth decimal place.

D Land Class Codes

All polygons shall have an associated land class code according to subparagraph E.

30 Rules for Delineating (Continued)

E Classifying Land

Use the following table to classify both CLU and Farm Records land use classification. Land classification may require an historical review of imagery and records to determine the generalized land use/land cover description for particular areas of the farm. The terms 'land use' and 'land cover' are used interchangeably for identifying a particular CLU land classification and associated Farm Records classification.

IF land use/land cover is…	AND…	THEN GIS land classification is...	CLU Code is…	3-CM Cropland Indicator is...	Farm Records Classification is…
Residential Commercial and services Industrial Transportation, communications and utilities Industrial and commercial complexes Mixed urban or built-up land Other urban or built-up land		urban.	01	No	Non Ag Uses
Cropland, Orchards, Groves, Vineyards, Nurseries, Ornamental Horticultural Areas Improved pasture Native pasture	meets the definition of cropland in subparagraph 25 B	cropland.	02	Yes	Cropland
	does not meet the definition of cropland in subparagraph 25 B but does meet the definition of DCP cropland in subparagraph 25 C	cropland.	02	No	DCP Ag Related Activity
	does not meet the definition of DCP cropland in subparagraph 25 C **Example:** Pasture, Marginal Pasture, Native Pasture				Farmland

30 Rules for Delineating (Continued)

E Classifying Land (Continued)

IF land use/land cover is…	AND…	THEN GIS land classification is…	CLU Code is…	3-CM Cropland Indicator is…	Farm Records Classification is…
Herbaceous Rangeland Grasses and grass-like forbs Shrub and Brush Rangeland Brush Shrubs and small trees Native Sod Mixed Rangeland Non-forested Wetland	meets the definition of cropland in subparagraph 25 B	rangeland.	03	Yes	Cropland
	meets the definition of DCP cropland in subparagraph 25 C			No	DCP Ag Related Activity
	does not meet the definition of DCP cropland in subparagraph 25 C **Example:** Native Rangeland				Farmland
Deciduous Forest Land Evergreen Forest Land Mixed Forest Land Forested Wetland	meets the definition of cropland in subparagraph 25 B	forest.	04	Yes	Cropland
	meets the definition of DCP cropland in subparagraph 25 C			No	DCP Ag Related Activity
	does not meet the definition of DCP cropland in subparagraph 25 C **Example:** Native Forest Land				Farmland

30 Rules for Delineating (Continued)

E Classifying Land (Continued)

IF land use/land cover is…	AND…	THEN GIS Land Classification is…	CLU Code is…	3-CM Cropland Indicator is…	Farm Records Classification is…
Ponds Streams and Canals Lakes Reservoirs Bays and Estuaries	meets the definition of DCP cropland in subparagraph 25 C	water body.	05	No	DCP Ag Related Activity
	does not meet the definition of DCP cropland in subparagraph 25 C **Note:** Water bodies such as farm ponds, aquaculture ponds, streams or canals shall be considered farmland if it is associated with the farming operation.				Farmland
	water bodies shall not be considered farmland if it is not associated with the farming operation				Non Ag Uses
Strip Mines Quarries Gravel Pits		mined land.	06	No	Non Ag Uses

30 Rules for Delineating (Continued)

E Classifying Land (Continued)

IF land use/land cover is…	AND…	THEN GIS Land Classification is…	CLU Code is…	3-CM Cropland Indicator is…	Farm Records Classification is…
Dry Salt Flats Beaches Sandy Areas Other than Beaches Bare Exposed Rock Transitional Areas Mixed Barren Land		barren.	07	No	Non Ag Uses
Shrub and Brush Tundra Herbaceous Tundra Bare Ground Tundra Wet Tundra Mixed Tundra		tundra.	08	No	Non Ag Uses
Perennial Snowfields Glaciers		perennial snow and ice.	09	No	Non Ag Uses
Confined Feeding Operations Other Agricultural Land Farmsteads Farm Roads Grain Drying Facilities **Note:** Other Agriculture shall be considered farmland if it is associated with the farming operation.		other agriculture.	10	No	Farmland Non Ag Uses

30 Rules for Delineating (Continued)

F NRCS HEL/NHEL Notations

All NRCS HEL/NHEL notations are determined by NRCS. See paragraph 34 and 6-CP for more information.

Following are the types of HEL type codes and descriptions.

HEL Type Code	HEL Type Code Description
HEL	highly erodible land
NHEL	non-highly erodible land
UHEL	undetermined highly erodible land status
EHEL	exempt from highly erodible land determination

G NRCS Wetland Determinations

All wetland point determinations within a tract boundary shall be recorded and maintained with the GIS wetland tool.

Enter the point location and attribute data as associated to the NRCS CPA-026.

31 Accessing Farm Records

A Overview

Farm records will be updated by County Office employees.

In this part, the term “user” refers to employees.

B Accessing MIDAS Farm Records

Access MIDAS Farm Records according to the following.

Step	Action
1	Access FSA Applications Homepage.
2	Access the MIDAS link.
3	Access MIDAS farm records from the MIDAS CRM Homepage.
4	CLICK “**Farm Records**”.
5	See work instructions for specific topics.

32 Updating Farm Records

A Making Changes to Records

To make changes to current FY farm or tract data, the user must use MIDAS Farm Records.

To make changes to prior FY farm or tract data, the user must use FRS Farm Records.

B Who Can Update Records

Every County Office employee with an eAuthentication ID and who has completed the required MIDAS Farm Records training has update capability.

33 Creating a Farm Record

A Overview

A new farm can be added in the current year by all users. A new farm can be added in prior *--years by 1 employee in each State Office.--*

A new farm cannot be added unless it contains:

- at least 1 field
- at least 1 tract
- at least 1 owner on each tract
- 1 operator.

Ensure that the operator, owners, and, if applicable, other producers are recorded in SCIMS and have a legacy link to the administrative county according to 1-CM before adding a farm.

Follow the work instruction to add a farm, tract, and field.

Note: New tracts cannot be added to an existing farm record. The new land shall be added as a new farm and combined with an existing farm, if applicable.

*--B Replicating Farms to Prior Years

Existing farms can be replicated back to prior years if necessary. For example, if an existing 2015 farm is needed for a retroactive 2013 program, the 2015 version of the farm can be replicated back to 2013.

Farms can be replicated to prior years by 1 employee in each State Office.

Farms in any given year can be replicated to prior years assuming the farm does **not** already exist in a prior year.

If the farm is the result of a reconstitution, or if a tract on the farm is a result of a reconstitution, the software will **not** allow users to replicate the farm to a prior year.

Note: In most cases, farms that are the result of a reconstitution should **not** need to be replicated to a prior year. For prior year programs, the prior year constitution of the farm should be used. For example, to enroll in 2012 LFP, the 2012 constitution of the farm should be used.

If the farm has been transferred, use the prior year version of the farm in the county that administered the farm in prior years for the prior year programs. Farms should **not** be transferred in the current year and then replicated to a prior year in the receiving county. For example, Farm 100 existed in County A in 2012 and 2013. The farm was transferred to County B in 2014 and became Farm 200. In this case, Farm 100 in County A should be used for 2012 and 2013 programs, while Farm 200 in County B should be used for 2014 programs.--*

33 Creating a Farm Record (Continued)

*--B Replicating Farms to Prior Years (Continued)

If a farm is being replicated to a prior year, the system will automatically add the farm--* information to all subsequent years. This includes:

- the farm operator
- all owners
- highly erodible and wetland determinations.

Notes: * * * Ensure that the operator, owners, and, if applicable, other producers are recorded in SCIMS and have a legacy link to the administrative county according to *--1-CM before requesting a farm be replicated.

County Offices shall submit requests to replicate a farm to a prior year to their State Office.--*

To request a farm be added in a prior year, County Offices shall submit the following documentation to their State Office:

- explanation of why the farm should be added in a prior year
- color map with farm, tract, and field boundaries
- administrative State and county
- physical State and county
- operator
- owner(s)
- other producer(s)
- highly erodible and wetland determinations.

  Note: If any of this data is different in subsequent years, the user must access each applicable year and make the appropriate changes.

- description
- wetland certification and year certified
- BIA range unit number
- Congressional District

33 Creating a Farm Record (Continued)

--B Replicating Farms to Prior Years (Continued)--

- farmland acres (estimated)
- cropland acres (estimated)
- double-crop acres
- DCP cropland acres
- HEL determinations
- wetland determinations
- wetland violations
- crop:
  - base acres
  - direct yields
  - counter-cyclical yields.

State Offices shall:

- review the documentation submitted by the County Office to ensure that:
  - ***--**the land in the farm being requested does not already exist as part of another farm number in prior years
  - the farm should be replicated**--***
  - all applicable documentation has been provided

33 Creating a Farm Record (Continued)

*--B Replicating Farms to Prior Years (Continued)

- review the farm in MIDAS to ensure that the farm is drawn, attributed, and constituted correctly in the current year

  Notes: CLU's **must** be drawn correctly based on guidelines in this handbook. Houses, barns, and other structures **must** be separate CLU's from the remainder of the farm. Cropland, pasture, and rangeland areas should all be contained within separate CLU's. Tracts should **not** include highways or other major roadways.

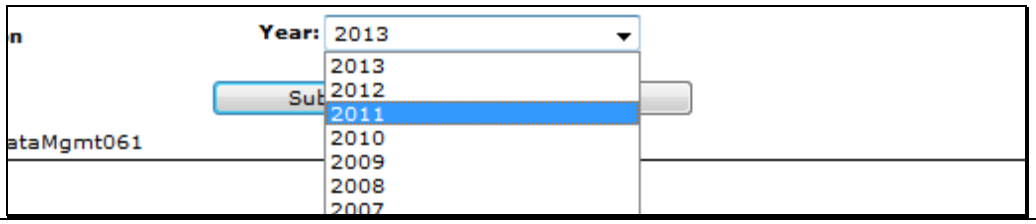
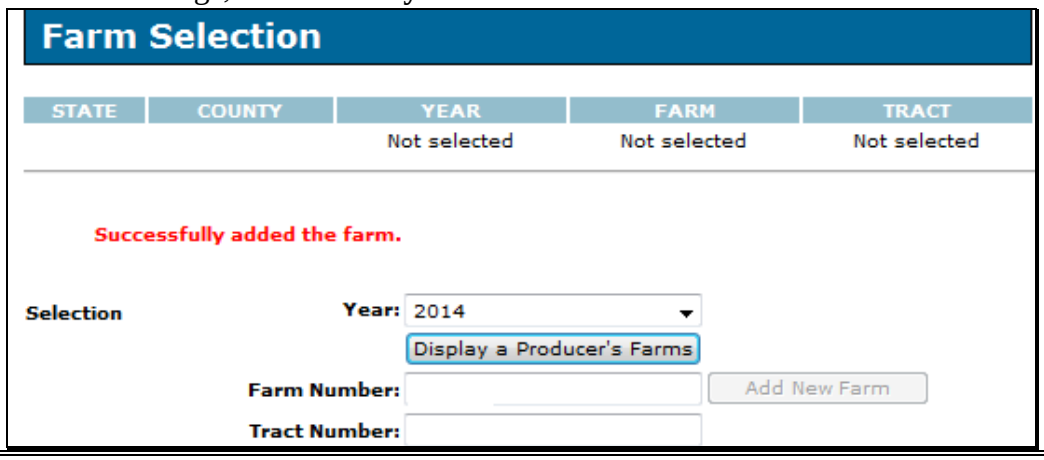
  If the request is to replicate a 2014 or earlier farm to a prior year, ensure that the farm record is correct in the earliest year and all subsequent years in which the farm exists.

- after ensuring that the rules and validations mentioned in the previous bullet have been followed, replicate the farm according to the following steps

Step	Action
1	Access the farm in FRS. If the farm can be replicated, "Build Prior Years" button will be displayed at the bottom of the Farm Screen. **Note:** If "Build Prior Years" is **not** displayed, the farm **cannot** be replicated to prior years because of the rules and validations listed in this subparagraph.
2	CLICK "Build Prior Years" and the following Build Prior Years Screen will be displayed.

33 Creating a Farm Record (Continued)

*--B Replicating Farms to Prior Years (Continued)

Step	Action
3	From "Year" drop-down list, select the year to which the user wants to replicate the farm. 
4	CLICK "Submit" to replicate the farm. The farm will replicate to the year user selected in step 3, plus all years in between. In the example selecting "2011" in step 2, the farm will now exist in years 2011 through 2014. After the farm has been replicated, the Farm Selection Screen will be displayed with the message, "**Successfully added the farm.**" 

--*

33 Creating a Farm Record (Continued)

*--B Replicating Farms to Prior Years (Continued)

If desired, user can verify the farm replicated by searching for the farm in a prior year.

Notes: If a farm **cannot** be replicated and it needs to be, contact Steve Stark by e-mail to steve.stark@wdc.usda.gov.

If all or part of a farm that currently exists as a result of a reconstitution needs to be replicated to a prior year, e-mail the following information to **steve.stark@wdc.usda.gov**:

- current administrative State, administrative county, and farm number
- farm numbers before the reconstitution
- date of reconstitution
- justification for needing the 2014 constitution of the farm in prior years, as opposed to using the prior year version of the farm that includes a clear explanation of the prior and current constitutions and why the reconstitution occurred.

After farm information is recorded by the State Office, County Offices shall review--* the farm information for accuracy, record producer exceptions, and all conservation, NAP, FAV/WR, and PTPP information.

34 Conservation Compliance

A Overview

HEL determinations, wetland determinations, farm producer exceptions, and tract producer exceptions will be maintained in MIDAS farm records.

B HEL Determinations

HEL status determinations are applicable to each field. Selection of 1 of the following HEL values is required for each field:

- HEL, field determined highly erodible
- NHEL, field determined not highly erodible
- UHEL, field undetermined
- EHEL, field exempt from a determination needed.

Note: Only applies to CA, NV, AZ, and NM.

Field level HEL Status is recorded by user based on NRCS determinations using the Edit CLU Attribute Tool in the GIS Info assignment block (see work instruction).

Note: Field level HEL status determinations are recorded as "Undetermined" until NRCS has provided the County Office with written determination.

Tract level summary HEL status values are automatically determined by the varying combinations of field level HEL status values. The summary tract level HEL status dictates the values available for selection of the tract level HEL determination. If 1 or more fields on the tract is "Undetermined" the tract level summary HEL status is UHEL and the user must select the tract HEL determination from 1 of the following 6 values:

- HEL determinations not completed for all fields on the tract
- HEL field on tract. Conservation system is not required – no agricultural commodity
- HEL field on tract. Conservation system being actively applied
- HEL field on tract. Conservation system is not being actively applied
- HEL field on tract. 2 years to implement conservation system on former CRP land
- NHEL: no agricultural commodity planted on undetermined fields.

34 Conservation Compliance (Continued)

B HEL Determinations (Continued)

If the tract contains 1 or more HEL fields and no fields on the tract are "Undetermined", then the tract level summary HEL status flag is automatically set to HEL and the user must select the tract HEL determination from 1 of the following 4 values:

- HEL field on tract. Conservation system is not required – no agricultural commodity
- HEL field on tract. Conservation system being actively applied
- HEL field on tract. Conservation system is not being actively applied
- HEL field on tract. 2 years to implement conservation system on former CRP land.

If the tract contains only NHEL fields then the flag is automatically set to "NHEL: no agricultural commodity planted on undetermined fields".

See work instructions and 6-CP for additional information on HEL determinations.

C Wetland Determinations

Wetland determinations are applicable to the tract level only. Selection of a wetland determination is required for each tract according to the following:

Note: Determinations are recorded as wetland determinations not complete until NRCS has provided the County Office with written determination.

Tract level wetland determinations are user entered.

The following wetland determination options are available:

- wetland determinations not complete
- tract contains a wetland or farmed wetland
- tract does not contain a wetland.

See 6-CP for additional information on wetland determinations.

34 Conservation Compliance (Continued)

D Wetland Violations

Wetland violations are applicable to the tract level. Multiple wetland violation determinations can exist for a tract. Entry is not required.

The following are wetland violation options:

- wetland converted between December 23, 1985, and November 28, 1990
- wetland converted after November 28, 1990
- agricultural commodity has been planted on a converted wetland.

Selecting wetland violation is **not** allowed unless the tract has been designated as “Tract contains a wetland or farmed wetland” or “Wetland determinations not complete”.

If user selects, “An agricultural commodity has been planted on a converted wetland”, then the user **must** also select, either of the following:

- wetland converted between December 23, 1985, and November 28, 1990
- wetland converted after November 28, 1990.

See 6-CP for additional information on wetland violations.

E Farm Producer Exceptions

The farm producer exceptions apply to the operator and shall be selected in the "Parties Involved" assignment block at the farm level when a HEL or WL violation is indicated on a tract.

The following farm producer exceptions are available when the HEL violation is “HEL field on tract. Conservation system is not being actively applied”:

- Landlord/Tenant
- Good Faith
- Has Appeal Rights
- Appeals Exhausted
- Economic Hardship.

Note: "Has Appeal Rights" is automatically selected by the system. The user must access the HEL exception for the operator to change the selection. If the operator owns all tracts on the farm, the system will automatically select the exception based on the tract producer exceptions. See 6-CP for further information on HEL exceptions.

34 Conservation Compliance (Continued)

E Farm Producer Exceptions (Continued)

The following farm producer exceptions are available when the selected wetland violation is "wetland converted between December 23, 1985, and November 28, 1990" or "wetland converted after November 28, 1990":

- Has Appeal Rights
- Appeals Exhausted
- Good Faith
- Wetland Restored
- Third Party/No Association
- New Prod After CW.

Note: "Has Appeal Rights" is automatically selected by the system. The user must access the CW Exception as applicable for the operator to change the selection. If the operator owns all tracts on the farm, the system will automatically select the exception based on the tract producer exceptions. See 6-CP for further information on CW exceptions.

The following farm producer exceptions are available when the selected wetland violation is "agricultural commodity has been planted on a converted wetland":

- Has Appeal Rights
- Appeals Exhausted
- Good Faith.

Note: "Has Appeal Rights" is automatically selected by the system. The user must access the PCW Exception for the operator to change the selection. If the operator owns all tracts on the farm, the system will automatically select the exception based on the tract producer exceptions. See 6-CP for further information on PCW exceptions.

34 Conservation Compliance (Continued)

F Tract Producer Exceptions

The tract producer exceptions apply to owners and other producers and shall be selected in the "Parties Involved" assignment block if a HEL or WL violation is indicated on a tract.

The following tract producer exceptions are available when the HEL violation is “HEL field on tract . Conservation system is not being actively applied”:

- Landlord/Tenant
- Good Faith
- Has Appeal Rights
- Appeals Exhausted
- Economic Hardship.

Note: "Has Appeal Rights" is automatically selected by the system. The user must access the producer HEL exceptions for each producer associated with the tract to change the selection. See 6-CP for further information on HEL exceptions.

The following tract producer exceptions are available when the wetland violation is “when wetland converted between December 23, 1985, and November 28, 1990” or “wetland converted after November 28, 1990”:

- Has Appeal Rights
- Appeals Exhausted
- Good Faith
- Wetland Restored
- Third Party/No Association
- New Prod After CW.

Note: “Has Appeal Rights” is automatically selected by the system. The user must access the producer CW exception for each producer associated with the tract to change the selection. See 6-CP for further information on CW exceptions.

34 Conservation Compliance (Continued)

F Tract Producer Exceptions (Continued)

The following tract producer exceptions are available when the wetland violation is "agricultural commodity has be planted on a converted wetland":

- Has Appeal Rights
- Appeals Exhausted
- Good Faith.

Note: "Has Appeal Rights" is automatically selected by the system. The user must access the producer CW exception for each producer associated with the tract to change the selection. See 6-CP for further information on PCW exceptions.

35 Out-of-Balance Tracts

A Background

A tract is out-of-balance if the tract's base acres are in excess of the tract's effective DCP cropland plus double-cropped acres. Corrective action shall be taken on all out-of-balance tracts.

The status of tracts may change frequently and will require constant action. Following are reasons that the status of a tract may change:

- land is enrolled into CRP
- existing CRP-1's expire or are terminated
- DCP cropland changes.

B Balancing Tract Data

If a tract is out-of-balance, the tract acres must be adjusted according to either of the following:

- if the farm cannot support the excess acres, the owner or owners of the out-of-balance tract must complete CCC-505 to permanently reduce excess base acres on either of the following:

  - the specific tract that is out-of-balance
  - specific crops from multiple tracts, if all tract owners agree

  Note: See 1-DCP for instructions on completing CCC-505.

- if the farm can support the excess base acres on the out-of-balance tract, the owner or owners of the tract with the excess base acres shall be notified and given the opportunity to either redistribute using CCC-517 or permanently reduce the acreage; see paragraph 172 for instructions on completing CCC-517.

35 Out-of-Balance Tracts (Continued)

B Balancing Tract Data (Continued)

The County Office shall mail a letter to the owner or owners of the tract that is out-of-balance. The following is an example of what should be in the letter.

"Tract number XX on farm number XX has more base acreage than effective Direct and Counter-Cyclical Program (DCP) cropland plus double-cropped acres. The excess base acreage on tract XX must be redistributed to the other tracts on the farm or be permanently reduced. If you do not contact this office and complete CCC-517, Tract Redistribution Form, and/or CCC-505, Voluntary Permanent DCP Base Acreage Reduction, within 30 calendar days from the date of this letter, the County Committee will redistribute the tract's excess base acres to the other tracts on the farm based on each tract's available effective DCP cropland. If the tract has base acreage for more than 1 crop, the excess base acreage for the crop having the lowest DCP direct payment per acre will be redistributed first."

C County Office and COC Action

If the tract owners do not complete CCC-517 and/or CCC-505 within 30 calendar days, the following action shall occur:

- the County Office shall:
  - complete CCC-505, if applicable, reducing the base acreage for the crop having the lowest DCP direct payment per acre first
  - document in CCC-505, Item 16, "No CCC-517 and/or CCC-505 completed by owner(s) within 30 calendar days of notification"
  - obtain COC approval on CCC-505, if applicable
  - reduce base acres according to CCC-505
  - redistribute excess base acres, according to Exhibits 7 and 8, DCP direct lowest paying crops first
  - file the producer letter and CCC-505, if applicable, in the farm folder
- COC shall document reduction and/or redistribution in the COC minutes.

Note: CCC-517 must be signed by all owners on the farm to be considered complete. If all owners do not sign CCC-517 within 30 calendar days of notification, CCC-517 will be considered null and void and the County Office shall follow procedure in this paragraph to redistribute and/or permanently reduce excess base acres.

35 Out-of-Balance Tracts (Continued)

C County Office and COC Action (Continued)

Because redistributing the base acres on a farm is not a benefit determination, the action taken by COC is not a decision that gives rise to any appeal by a participant according to 1-APP. The County Office shall provide the owners with an updated copy of FSA-156EZ and a notification letter explaining the action and that it was based on the letter dated (insert date of letter sent according to subparagraph B). The letter should inform the owners of the acres by crops that were redistributed to the other tracts on the farm.

See 1-APP for further information about adverse decisions made for participants.

D Worksheet for Adjusting Acres

Exhibit 7 contains a manual worksheet and instructions for redistributing acres on out-of-balance tracts.

Exhibit 8 contains instructions for redistributing acres on out-of-balance tracts using the semi-automated redistribution spreadsheet. The semi-automated redistribution spreadsheet shall be downloaded according to this table.

Step	Action
1	Open Internet Explorer.
2	On the address line, ENTER ***--**" **http://fsaintranet.sc.egov.usda.gov/ffas/farmbill/ccc/default.htm**" and PRESS "**Enter**".
3	Under "**Farm Records**", RIGHT-CLICK "**Semi-Automated Redistribution Worksheet**".**--***
4	Select "Save Target As…".
5	Save the spreadsheet to a directory on the user's computer.

35 Out-of-Balance Tracts (Continued)

E Adjusting Yields

As base acres are redistributed among tracts, the tract level DCP yields must be manually adjusted if the tracts involved in the redistribution of acres have different tract level yields. The following is an example:

- tract 1:
  - 100 corn base acres
  - 125 bushel tract direct yield
  - 130 bushel tract counter-cyclical yield
- tract 2:
  - 100 corn base acres
  - 75 bushel tract direct yield
  - 80 bushel tract counter-cyclical yield.

Tract 2 redistributes 20 corn base acres to tract 1. Recalculate tract 1's yields according to the following.

Step	Action
1	Multiply the base acres being redistributed from tract 2 (20) times tract 2's direct yield (75) to establish the bushel extension (1,500).
2	Multiply the base acres being redistributed from tract 2 (20) times tract 2's counter-cyclical yield (80) to establish the bushel extension (1,600).
3	Multiply the base acres on tract 1 (100) times tract 1's direct yield (125) to establish the tract's bushel extension (12,500).
4	Multiply the base acres on tract 1 (100) times tract 1's counter-cyclical yield (130) to establish the tract's bushel extension (13,000).
5	Total the bushel extension in step 1 (1,500) and step 3 (12,500) to establish the total bushel extension (14,000).
6	Total the bushel extension in step 2 (1,600) and step 4 (13,000) to establish the total bushel extension (14,600).
7	Total the base acres from step 1 (20) and step 3 (100) to establish the resulting corn base acres on tract 1 (120).
8	Divide the results of step 5 (14,000) by the total base acres from step 7 (120) to establish the new direct yield for tract 1 (117).
9	Divide the results of step 6 (14,600) by the total base acres from step 7 (120) to establish the new counter-cyclical yield for tract 1 (122).

Note: The farm level yields shall not be increased or decreased when recalculating the tract yields according to subparagraph 36 E.

35 Out-of-Balance Tracts (Continued)

F Redistributing Base Acres Using CCC-517 Before Enrolling in CRP

Owners may have to permanently reduce base acres using CCC-505 when part of a farm is enrolled in CRP to avoid an out-of-balance tract. Owners may not want to permanently reduce the base acres on the tracts being enrolled in CRP. In this situation, County Offices shall do the following.

Step	Action
1	Have the owners complete and sign CCC-517, according to paragraph 244, to redistribute the base acres on the farm so that the base acres that the owners want to reduce are on the tracts being enrolled into CRP. **Note:** All owners on the farm must sign CCC-517 agreeing to the base redistribution.
2	Redistribute the base acres through farm maintenance and use reason code "CCC-517".
3	Initiate CCC-505 to permanently reduce the base acres that were redistributed to the tracts being enrolled in CRP.
4	Reduce the base acres according to CCC-505 through farm maintenance and use reason code "CRP Red".

36 Rules for Yields When Tract Acreages Are Adjusted

A Background

Yields for a crop may change as base acres for the crop increase or decrease. The following changes to farms may result in an increase or decrease of the farm program payment yield:

- land is enrolled in CRP
- existing CRP-1's expire or are terminated
- DCP cropland acres decrease
- out-of-balance tracts are resolved using CCC-505.

Note: Changes to the farm program payment yields will only occur if the farm's tracts have different yields.

B Yields for Farms With Expired or Terminated CRP

Base acres released from CRP may affect the farm program payment yield for a crop. When CRP-1 for a farm that is protecting base acre reduction acres terminates, the farm program payment yield for a crop is:

- the CRP tract yield if the entire farm or the entire crop base acres were covered under CRP-1 and all CRP tract yields are the same

- a blended CRP tract yield if the entire farm or the entire crop base acres were covered under CRP-1 and the CRP tract yields are not the same

- a blended yield of the CRP tract yields and DCP tract yields if the entire farm or the entire crop base acres was not covered under CRP-1 and part of the crop was already enrolled in DCP.

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

C Decreases in Base Acres

Yields may be affected when base acres for a crop are reduced for any reason. Following are examples of yield fluctuation and County Office action that shall be taken when new acres are enrolled in CRP and when DCP cropland acres decrease.

Example 1	County Office Action
Farm 100 consists of 2 tracts and has a farm level cotton direct yield of 400 pounds and a farm level cotton counter-cyclical yield of 420 pounds. (Farm's Direct Payment Production: 80,000 lbs.; Farm's Counter-Cyclical Payment Production: 84,000 lbs.) • Tract 1 • 500 lb. cotton direct yield • 520 lb. cotton counter-cyclical yield • 100 cotton base acres • 100 DCP cropland acres/cropland (Tract Direct Payment Production: 500 lb. direct yield x 100 acres = 50,000 lbs.; Tract Counter-Cyclical Payment Production: 520 lb. counter-cyclical yield x 100 acres = 52,000 lbs.) • Tract 2 • 300 lb. cotton direct yield • 320 lb. cotton counter-cyclical yield • 100 cotton base acres • 100 DCP cropland acres/cropland (Tract Direct Payment Production: 300 lb. direct yield x 100 acres = 30,000 lbs.; Tract Counter-Cyclical Payment Production: 320 lb. counter-cyclical yield x 100 acres = 32,000 lbs.) Tract 2 is offered and accepted in CRP. CCC-505 is filed to permanently reduce the 100 base acres on tract 2. The farm program direct payment yield for cotton is now 500 pounds and the farm program counter-cyclical payment yield for cotton is now 520 pounds on Farm 100 because tract 2 no longer has base acres or yields. (Farm's Direct Payment Production after adjustment: 50,000 lbs.; Farm's Counter-Cyclical Payment Production after adjustment: 52,000 lbs.) **Note:** This example also applies to land that is no longer considered DCP cropland or if base acres for a crop are reduced for any reason.	• Access Crop Base Data Screen according to work instructions. • Delete base acres and yields from tract 2 with a reason code of "CCC-505 Perm Red". **Note:** The farm program payment yields will be recalculated by the system when the tract record is updated. • Access the DCP contract to: • ensure that the new contract data is present • print new DCP contract • obtain applicable signatures according to 1-DCP.

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

C Decreases in Base Acres (Continued)

Example 2	County Office Action
Farm 100 consists of 2 tracts and has a farm level cotton direct yield of 400 pounds and a farm level cotton counter-cyclical yield of 420 pounds. (Farm's Direct Payment Production: 80,000 lbs.; Farm's Counter-Cyclical Payment Production: 84,000 lbs.) • Tract 1 • 500 lb. cotton direct yield • 520 lb. cotton counter-cyclical yield • 100 cotton base acres • 100 DCP cropland acres/cropland (Tract Direct Payment Production: 500 lb. direct yield x 100 acres = 50,000 lbs.; Tract Counter-Cyclical Payment Production: 520 lb. counter-cyclical yield x 100 acres = 52,000 lbs.) • Tract 2 • 300 lb. cotton direct yield • 320 lb. cotton counter-cyclical yield • 100 cotton base acres • 100 DCP cropland acres/cropland (Tract Direct Payment Production: 300 lb. direct yield x 100 acres = 30,000 lbs.; Tract Counter-Cyclical Payment Production: 320 lb. counter-cyclical yield x 100 acres = 32,000 lbs.) Tract 1 is offered and accepted in CRP. CCC-505 is filed to permanently reduce the 100 base acres on tract 1. The farm program direct payment yield for cotton is now 300 pounds and the farm program counter-cyclical payment yield for cotton is now 320 pounds on Farm 100 because tract 1 no longer has base acres or yields. (Farm's Direct Payment Production after adjustment: 30,000 lbs.; Farm's Counter-Cyclical Payment Production after adjustment: 32,000 lbs.) **Note:** This example also applies to land that is no longer considered DCP cropland or if base acres for a crop are reduced for any reason.	• Access Crop Base Data Screen according to work instructions. • Delete base acres and yields from tract 1 with a reason code of "CCC-505 Perm Red". **Note:** The farm program payment yields will be recalculated by the system when the tract record is updated. • Access the DCP contract to: • ensure that the new contract data is present • print new DCP contract • obtain applicable signatures according to 1-DCP.

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

C Decreases in Base Acres (Continued)

Example 3	County Office Action
Farm 200 consists of 2 tracts and has a farm level cotton direct yield of 400 pounds and a farm level cotton counter-cyclical yield of 420 pounds. (Farm's Direct Payment Production: 80,000 lbs.; Farm's Counter-Cyclical Payment Production: 84,000 lbs.) • Tract 1 • 500 lb. cotton direct yield • 520 lb. cotton counter-cyclical yield • 100 cotton base acres • 150 DCP cropland acres (Tract Direct Payment Production: 500 lb. direct yield x 100 acres = 50,000 lbs.; Tract Counter-Cyclical Payment Production: 520 lb. counter-cyclical yield x 100 acres = 52,000 lbs.) • Tract 2 • 300 lb. cotton direct yield • 320 lb. cotton counter-cyclical yield • 100 cotton base acres • 100 DCP cropland acres (Tract Direct Payment Production: 300 lb. direct yield x 100 acres = 30,000 lbs.; Tract Counter-Cyclical Payment Production: 320 lb. counter-cyclical yield x 100 acres = 32,000 lbs.) Tract 2 is offered and accepted in CRP. CCC-505 is filed to permanently reduce 50 base acres and to permanently redistribute 50 base acres. During the redistribution of base acres, tract 1's base acres are now 150, its cotton direct yield is recalculated to 433 pounds, and its cotton counter-cyclical yield is recalculated to 453 pounds. The farm program direct payment yield for cotton is now 433 pounds and the farm program counter-cyclical payment yield for cotton is now 453 pounds on Farm 200 because tract 2 no longer has base acres or yield.	• Access Crop Base Data Screen according to work instructions. • Delete base acres and yields from tract 2 with a reason code of "CCC-505 Perm Red". • Recalculate Tract 1's yields according to paragraph 36. • AdjustTtract 1's base acres and yields with a reason code of "CCC-517". **Note:** The farm program payment yields will be recalculated by the system when the tract record is updated. • Access the DCP contract to: • ensure that the new contract data is present • print new DCP contract • obtain applicable signatures according to 1-DCP.

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

C Decreases in Base Acres (Continued)

Example 3 (Continued)	County Office Action
(Farm's Direct Payment Production after adjustment = 64,950) (Tract 1's Direct Payment Production after adjustment = 64,950) 100 acres (tract 1) x 500 lb. direct yield = 50,000 50 acres (redistributed from tract 2) x 300 lb. direct yield = 15,000 50,000 + 15,000 = 65,000 lbs./150 (total DCP acres on tract 1 = 433 lb. direct yield) Farm's Counter-Cyclical Payment Production after adjustment = 67,950) (Tract 1's Counter-Cyclical Payment Production after adjustment = 67,950) 100 acres (tract 1) x 520 lb. counter-cyclical yield = 52,000 50 acres (redistributed from tract 2) x 320 lb. Counter-cyclical yield = 16,000 52,000 + 16,000 = 68,000 lbs./150 (total DCP acres on tract 1 = 453 lb. counter-cyclical yield) **Note:** This example also applies to land that is no longer considered DCP cropland or if base acres are reduced for any reason.	

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

D Increases in Base Acres

Yields may be affected when base acres are released from CRP and enrolled in DCP. Following is an example of yield fluctuation and County Office action that shall be taken when an existing CRP-1 with CRP base acre reduction acres expires or is terminated and the acreage is enrolled in DCP.

Example	County Office Action

Farm 300 consists of 2 tracts and has a farm level wheat direct yield of 112 bushels (24,000 bu. (tract 1) + 12,500 bu. (tract 2) = 36,500 bu./325 (sum of tract 1 and 2's wheat base acres) = 112.30 rounded to 112 bu.) and a farm level wheat DCP counter-cyclical yield of 117 bushels (25,000 bu. (tract 1) + 13,125 bu. (tract 2) = 38,125 bu./325 (sum of tract 1 and 2's wheat base acres) = 117.31 rounded to 117 bu.)
 	
Farm 300 has a 100-acre CRP-1. CRP-1 is protecting 50 acres of wheat base acres. The wheat CRP payment yield is 80 bushels.
 	
(Farm's Direct Payment Production: 112 bu. direct yield x 325 base acres = 36,400 bu.; Farm's Counter-Cyclical Payment Production: 117 bu. counter-cyclical yield x 325 base acres = 38,025 bu.)
 	
• Tract 1
  • 120 bushel wheat direct yield
  • 125 bushel wheat counter-cyclical yield
  • 200 wheat base acres
  • 100 acres CRP
  • 80 bushel wheat CRP yield
  • 30 wheat CRP base acre reduction acres
  • 400 DCP cropland acres
  • 300 effective DCP cropland acres
 	
(Tract Direct Payment Production: 120 bu. direct yield x 200 base acres = 24,000 bu.; Tract Counter-Cyclical Payment Production: 125 bu. counter-cyclical yield x 200 base acres = 25,000 bu.)
	• Access Crop CRP Data Screen according to work instructions.
	
	Note: The farm program payment yield will be recalculated by the system when the tract record is updated.
	
	• Access the DCP contract to:
	  • ensure that the new contract data is present
	  • print new DCP contract
	  • obtain applicable signatures according to 1-DCP.

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

D Increases in Base Acres (Continued)

Example	County Office Action
• Tract 2 • 100 bushel wheat direct yield • 105 bushel wheat counter-cyclical yield • 125 wheat base acres • 80 bushel wheat CRP yield • 20 wheat CRP base acre reduction acres • 150 DCP cropland acres • 150 effective DCP cropland acres (Tract Direct Payment Production: 100 bu. direct yield x 125 base acres = 12,500 bu.; Tract Counter-Cyclical Payment Production: 105 bu. counter-cyclical yield x 125 base acres = 13,125 bu.) CRP-1 expires on September 30, 2005. Producer enrolls all the released wheat base acres into DCP. Following is the tract data for Farm 300 after released base acres are enrolled in DCP. • Tract 1 • 115 bushel wheat direct yield • 119 bushel wheat counter-cyclical yield • 230 wheat base acres • 400 DCP cropland acres • 400 effective DCP cropland acres (Tract Direct Yield: 200 base acres x 120 bu. direct yield = 24,000 bu., 80 bu. CRP yield x 30 CRP reduction acres = 2,400 bu., 24,000 bu. + 2,400 bu. = 26,400 bu./230 base acres = 114.78 rounded to 115 bu.; Tract Counter-Cyclical Yield: 200 base acres x 125 bu. counter-cyclical yield = 25,000 bu., 80 bu. CRP yield x 30 CRP reduction acres = 2,400 bu., 25,000 bu. + 2,400 bu. = 27,400 bu./230 base acres = 119.13 rounded to 119 bu.) (Tract Direct Payment Production after adjustment: 115 bu. direct yield x 230 base acres = 26,450 bu.; Tract Counter-Cyclical Payment Production after adjustment: 119 bu. counter-cyclical yield x 230 base acres = 27,370 bu.)	

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

D Increases in Base Acres (Continued)

Example	County Office Action
• Tract 2 • 97 bushel wheat DCP direct yield • 102 bushel wheat DCP counter-cyclical yield • 145 wheat base acres • 150 DCP cropland acres • 150 effective DCP cropland acres (Tract Direct Yield: 125 base acres x 100 bu. direct yield = 12,500 bu., 80 bu. CRP yield x 20 CRP reduction acres = 1,600 bu., 12,500 bu. + 1,600 bu. = 14,100 bu./145 base acres = 97.24 rounded to 97 bu.; Tract Counter-Cyclical Yield: 125 base acres x 105 bu. counter-cyclical yield = 13,125 bu., 80 bu. CRP yield x 20 CRP reduction acres = 1,600 bu., 13,125 bu. + 1,600 bu. = 14,725 bu./145 base acres = 101.55 rounded to 102 bu.) (Tract Direct Payment Production after adjustment: 97 bu. direct yield x 145 base acres = 14,065 bu.; Tract Counter-Cyclical Payment Production after adjustment: 102 bu. counter-cyclical yield x 145 base acres = 14,790 bu.) Direct Farm Yield after adjustment: 108 bu. direct yield (26,450 bu. (tract 1) + 14,065 bu. (tract 2) = 40,515 bu./375 (sum of tract 1 and 2's wheat base acres) = 108.04 rounded to 108 bu.) Counter-Cyclical Farm Yield after adjustment: 112 bu. counter-cyclical yield (27,370 bu. (tract 1) + 14,725 bu. (tract 2) = 42,095 bu./375 (sum of tract 1 and 2's wheat base acres) = 112.25 rounded to 112 bu.) Farm's Direct Payment Production after adjustment: 40,500 bu. (108 bu. direct yield x 375 base acres = 40,500 bu.) Farm's Counter-Cyclical Payment Production after adjustment: 42,000 bu. (112 bu. counter-cyclical yield x 375 base acres = 42,000 bu.)	

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

E Increases In Base Acres After CCC-517

Yields may be affected when acres are redistributed using CCC-517. Following is an example of yield fluctuation and County Office action when acres are redistributed using CCC-517.

Example	County Office Action
Farm 500 consists of 3 tracts and has a farm level wheat DCP direct yield of 112 bushels (28,060 bu. (tract 1) + 12,000 bu. (tract 2) + 7,725 bu. (tract 3) = 47,785 bu./425 (sum of tract 1, 2, and 3's wheat base acres) = 112.43 rounded to 112 bu.) and a farm level wheat DCP counter-cyclical yield of 117 bushels (28,980 bu. (tract 1) + 12,600 bu. (tract 2) + 7,950 bu. (tract 3) = 49,530 bu./425 (sum of tract 1 and 2's wheat base acres) = 116.54 rounded to 117 bu.) (Farm Direct Payment Production: 112 bu. direct yield x 425 base acres = 47,600 bu.; Farm Counter-cyclical Payment Production: 117 bu. counter-cyclical yield x 425 base acres = 49,725 bu.) Tract 1: • 122 bushel wheat direct yield • 126 bushel wheat counter-cyclical yield • 230 wheat base acres • 400 effective DCP cropland acres (Tract Direct Payment Production: 122 bu. direct yield x 230 base acres = 28,060 bu.; Tract Counter-cyclical Payment Production: 126 bu. counter-cyclical yield x 230 base acres = 28,980 bu.) Tract 2: • 100 bushel wheat direct yield • 105 bushel wheat counter-cyclical yield • 120 wheat base acres • 150 effective DCP cropland acres (Tract Direct Payment Production: 100 bu. direct yield x 120 base acres = 12,000 bu.; Tract Counter-cyclical Payment Production: 105 bu. counter-cyclical yield x 120 base acres = 12,600 bu.) Tract 3: • 103 bushel wheat direct yield • 106 bushel wheat counter-cyclical yield • 75 wheat base acres • 100 effective DCP cropland acres (Tract Direct Payment Production: 103 bu. direct yield x 75 base acres = 7,725 bu.; Tract Counter-cyclical Payment Production: 106 bu. counter-cyclical yield x 75 base acres = 7,950 bu.)	• Access Crop Base Data Screen according to work instructions. • Update base acres and yields, if applicable, with a reason code of "CCC-517". **Note:** The farm program payment yield may be recalculated by the system when the tract record is updated. • Reset the farm level direct and counter-cyclical payment yields back to what they were before recalculation. **Note:** The farm level yields shall never be increased or decreased when redistribution of acres using a CCC-517 results in a recalculation of tract level yields.

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

E Increases In Base Acres After CCC-517 (Continued)

Example	County Office Action
A CCC-517 is signed for Farm 500. 50 acres of wheat base is redistributed from tract 3 to tract 1 and 25 acres of wheat base is redistributed from tract 3 to tract 2. Following is the tract data for Farm 500 after the CCC-517 redistributed acres are entered into farm maintenance. Tract 1: • 119 bushel wheat direct yield • 123 bushel wheat counter-cyclical yield • 280 wheat base acres • 400 effective DCP cropland (Tract Direct Yield: 122 bu. direct yield x 230 base acres = 28,060 bu., 103 bu. direct yield x 50 base acres = 5,150 bu., 28,060 bu. + 5,150 bu. = 33,210 bu./280 base acres = 118.61 rounded to 119 bu.; Tract Counter-cyclical Yield: 126 bu. counter-cyclical yield x 230 base acres = 28,980 bu., 106 bu. counter-cyclical yield x 50 base acres = 5,300 bu., 28,980 bu. + 5,300 bu. = 34,280 bu./280 base acres = 122.43 rounded to 122 bu.) (Tract Direct Payment Production: 119 bu. direct yield x 280 base acres = 33,320 bu.; Tract Counter-cyclical Payment Production: 122 bu. Counter-cyclical yield x 280 base acres = 34,160 bu.) Tract 2: • 101 bushel wheat direct yield • 106 bushel wheat counter-cyclical yield • 145 wheat base acres • 150 effective DCP cropland acres (Tract Direct Yield: 100 bu. direct yield x 120 base acres = 12,000 bu., 103 bu. direct yield x 25 base acres = 2,575 bu., 12,000 bu. + 2,575 bu. = 14,575 bu./145 base acres = 100.52 rounded to 101 bu.; Tract Counter-cyclical Yield: 105 bu. counter-cyclical yield x 120 base acres = 12,600 bu., 106 bu. counter-cyclical yield x 25 base acres = 2,650 bu., 12,600 bu. + 2,650 bu. = 15,250 bu./145 base acres = 105.17 rounded to 105 bu.) (Tract Direct Payment Production: 101 bu. direct yield x 145 base acres = 14,645 bu.; Tract Counter-cyclical Payment Production: 105 bu. Counter-cyclical yield x 145 base acres = 15,225 bu.)	

36 Rules for Yields When Tract Acreages Are Adjusted (Continued)

E Increases In Base Acres After CCC-517 (Continued)

Example	County Office Action
Tract 3 now has zero bases and zero yields. Direct Farm Yield after adjustment: 113 bu. direct yield (33,320 bu. (tract 1) + 14,645 bu. (tract 2) = 47,965 bu./425 (sum of tract 1 and 2's wheat base acres) = 112.85 rounded to 113 bu.). The farm direct yield before recalculation was 112 bu. Counter-cyclical Farm Yield after adjustment: 116 bu. counter-cyclical yield (34,160 bu. (tract 1) + 15,225 bu. (tract 2) = 49,385 bu./425 (sum of tract 1 and 2's wheat base acres) = 116.2 rounded to 116 bu.). The farm counter-cyclical yield before recalculation was 117 bu.	

37 Direct and CC Yield Adjustments Because of Reconstitutions

A Basic Rule for Determining Farms, Tracts, Allotments, Quotas, and Bases Following a Reconstitution Decision

[7 CFR 718.206] Farm program payment yields calculated for the resulting farms of a division may be increased or decreased if all of the following apply:

- COC determines that the division provided an inequitable distribution considering:
  - available land
  - cultural operations
  - changes in the type of farming conducted on the farm
- the increase in a farm program payment yield on a resulting farm is offset by a corresponding decrease on another resulting farm of the division.

B Adjusting Direct and CC Yields

Use the following guidelines to determine whether 1 yield may be adjusted or if both yields must be adjusted.

If the direct and CC yields are:

- different, either yield or both yields may be adjusted

  Note: If both yields are adjusted, they may be adjusted by different amounts.

- the same, both yields shall be adjusted and be adjusted by the same amount.

37 Direct and CC Yield Adjustments Because of Reconstitutions (Continued)

C Applying Adjustment

Yield adjustments shall be applied to program crops by updating reconstitutions after COC approval.

D Adjustment Example When Direct and CC Yields Are Different

In this example, the direct and CC yields are different. In this case, either or both yields may be adjusted and they may be adjusted by different amounts. Use the following data for the example.

Tract No.	Tract Wheat Acres	Tract Wheat Direct Yield	Direct Extension (Acres x Yield)	Tract Wheat CC Yield	CC Extension (Acres x Yield)
600	35.0	50	1,750	47	1,645
1492	20.0	50	1,000	47	940
1500	15.0	50	750	47	705
Total			3,500		3,290

In this example, only the direct yield will be adjusted.

During the division, Tracts 600 and 1492 are assigned to Resulting Farm 800 and Tract 1500 is assigned to Resulting Farm 801.

Both resulting farms have a wheat payment yield of 50. Tract 1492 has very good quality soil and consistently produces a yield of 65. Tract 1500 has poor quality soil and has yield potential of less than 50.

COC determined that the yield on Tract 1492 will be increased to 65 and the yield on Tract 1500 will be decreased.

The sum of the resulting farms' extensions cannot exceed the parent farm extension**.**

37 Direct and CC Yield Adjustments Because of Reconstitutions (Continued)

D Adjustment Example When Direct and CC Yields Are Different (Continued)

Use the following table to determine the resulting farm's direct extension and tract yield.

Step	Action
1	Multiply the acreage from Tract 1492 times the new yield of 65. (20.0 x 65 = 1,300)
2	Multiply the acreage from Tract 600 times the established yield. (35.0 x 50 = 1,750)
3	Add the results from steps 1 and 2. (1,750 + 1,300 = 3,050)
4	Subtract the result of step 3 from the parent farm extension. (3,500 - 3,050 = 450) **Result:** The extension for Tract 1500 is 450.
5	Divide the result of step 4 by the acres from Tract 1500. (450 ÷ 15.0 = 30) **Result:** The yield for Tract 1500 is 30.

During the adjustment update process, the direct yield for Tract:

- 1492 would be increased to 65
- 1500 would be decreased to 30.

Use the same calculations when adjusting the CC yield.

E Adjustment Example When Direct and CC Yields Are the Same

In this example, the direct and CC yields are the same. Because the yields are the same, both must be adjusted and adjusted by the same amount. Use the following data for the example.

Tract No.	Tract Wheat Acres	Tract Wheat Direct and CC Yield	Direct and CC Extension (Acres x Yield)
300	30.0	50	1,500
500	20.0	50	1,000
1400	15.0	50	750
Total			3,250

37 Direct and CC Yield Adjustments Because of Reconstitutions (Continued)

E Adjustment Example When Direct and CC Yields Are the Same (Continued)

During the division, Tracts 300 and 500 are assigned to Resulting Farm 900 and Tract 1400 is assigned to Resulting Farm 901.

Both resulting farms have a wheat payment yield of 50. Tract 500 has very good quality soil and consistently produces a yield of 65. Tract 1400 has poor quality soil and has yield potential of less than 50.

COC determined that the yield on Tract 500 will be increased to 65 and the yield on Tract 1400 will be decreased.

The sum of the resulting farms' extensions cannot exceed the parent farm extension.

Exception: The parent farm extension may be exceeded only because of normal rounding rules**.**

Use the following table to determine the resulting farm's direct and CC yields.

Step	Action
1	Multiply the acreage from Tract 500 times the new yield of 65. (20.0 x 65 = 1,300)
2	Multiply the acreage from Tract 300 times the established yield. (30.0 x 50 = 1,500)
3	Add the results from steps 1 and 2. (1,300 + 1,500 = 2,800)
4	Subtract the result of step 3 from the parent farm extension. (3,250 - 2,800 = 450) **Result:** The extension for Tract 1400 is 450.
5	Divide the result of step 4 by the acres from Tract 1400. (450 ÷ 15.0 = 30) **Result:** The yield for Tract 1400 is 30.

During the adjustment update process, the direct and CC yields for Tract:

- 500 would be increased to 65
- 1400 would be decreased to 30.

*--37.5 PLC Yield Adjustments

A Basic Rule for Adjusting PLC Yields Following PLC Yield Updates Allowed by the 2014 Farm Bill

PLC yields updated according to the 2014 Farm Bill were completed at the farm level since the substitute yield could only be applied at the farm level. An owner was required to certify a "blended" yield for the farm if the owner requested to update the PLC yield during the update period. As a result, all tracts on the farm received the same PLC yield.

Because all tracts on the farm do not have the same cultural practices or productivity capabilities, farm owners are allowed to adjust the PLC yield to represent a yield more reflective of the tract's cultural practices or productivity, as approved by COC.

COC may approve the request to adjust yields if the adjusted tract yields support cultural practices and productivity capabilities and the weighted average yield remains unchanged. COC must consider the following before approving the yield adjustment:

- available land
- cultural operations
- changes in the type of farming conducted on the farm.

Note: All affected owners will be notified in writing of the increase or decrease of the tract yield adjustment and be provided appeal rights. COC has the option to request documentation to support the yield adjustment.

The increase in PLC yield on 1 or more tracts must be offset by the weighted reduction in the PLC yield of another tract or tract's PLC yield.

The farm level yield extension (base acres x PLC yield) cannot increase or decrease using this policy.

Exception: The farm level yield extension may be exceeded only because of normal rounding rules.

B Applying PLC Yield Adjustment

PLC yield adjustments shall be applied to covered commodities after completion of the MIDAS Farm Records data import and/or export process associated with the Base Reallocation/Yield Update/ARCPLC Election.

Tract PLC yields must be updated in FY 2015 and any subsequent year. PLC yield adjustments **must not** be made for FY 2014.

PLC yield adjustments using the policy in this paragraph must be made before any reconstitution being processed to prevent PLC yield adjustments having to be completed from 1 farm to another.**--***

*--37.5 PLC Yield Adjustments (Continued)

C PLC Yield Adjustment Example

In this example, the farm's PLC yield was updated for corn. The farm is composed of 3 tracts, 2 of which are irrigated and 1 not irrigated. Because the owners of the farm desired to update the tract's PLC yield to reflect irrigation on 2 of the tracts, the tract PLC yields were updated.

The farm's PLC yield was updated to 227. The farm's base acres after the reallocation process were 349.21.

Tract No.	Tract Base Acres	Farm PLC Yield	PLC Yield Extension (Base Acres x Yield)
125	69.00	227	15,663.00
250	139.56	227	31,680.12
375	140.65	227	31,927.55
Total	349.21		79,270.67

Tract 125 is non-irrigated and has limited production without irrigation. The owners of the farm request that the yield on tracts 250 and 375 should be 252 bushels.

Use the following table to determine the new PLC yield for the tracts on the farm.

Step	Action	Result
1	Multiply the base acres and the new yield from tracts 250 and 375 times the new yield of 252 (280.21 x 252)	70,612.92
2	Subtract the result of step 1 from the farm's total yield extension (79,270.67 – 70,612.92)	8,657.75
3	Divide the result of step 2 by the base acres of tract 125 (8,657.75 ÷ 69.00)	125.47

As a result of the adjustment process, the PLC yield for Tract:

- 125 would decrease to 125 bushels (rounded down from 125.47)
- 250 would increase to 252 bushels
- 375 would increase to 252 bushels.

Important: The steps to calculate the tract yield above could vary depending on the yield requested on any or all tracts.**--***

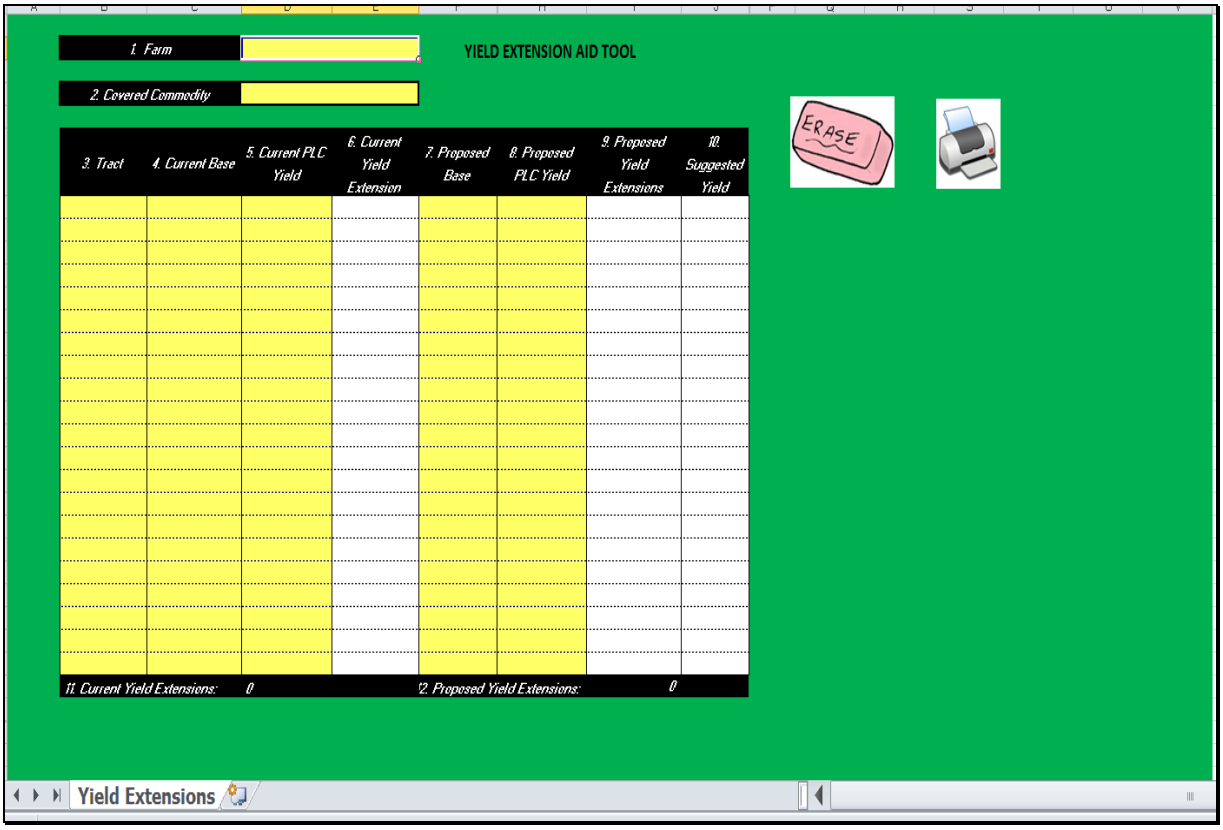
*--37.5 PLC Yield Adjustments (Continued)

D Requesting Adjusted PLC Yield

All owners of affected tracts must agree in writing by signing a CCC-518. The deadline to complete a CCC-518 in any given year is August 1 of the applicable fiscal year. Complete the CCC-518 according to paragraph 173.

E PLC Yield Extension Calculator

The PLC Yield Extension Calculator has been developed to assist County Offices in adjusting tract level base and/or PLC yields when either CCC-517 or CCC-518 is filed for the farm. The calculator assists County Offices with a suggested PLC yield when either a base and/or yield is being adjusted on a tract for the farm. The purpose of the spreadsheet is to ensure that the "Farm" level PLC yield does not increase or decrease because of the owner's request to adjust 1 of the tract's bases and/or PLC yields. Following is a copy of the PLC Yield Extension Calculator, which may be accessed at **https://sharepoint.fsa.usda.net/mgr/dafp/PECD/arcplc/sitepages/home.aspx**.



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38 Examples of Handling Out-of-Balance Resulting Tracts With Double-Cropped Acres

A Overview

This paragraph contains a number of examples that may occur when dividing tracts with double-cropped acres. Use the applicable example to determine what corrective action, if any, is needed on the resulting out-of-balance tracts.

In all of the examples, tract 1 is being divided into tract 2 and tract 3.

B General Rules

The double-cropped acres move with the bases to the extent allowable. Double-cropped acres on a tract cannot exceed the effective DCP cropland on the tract. County Offices have the authority to move double-cropped acres with the bases as needed.

Use the following table to determine how an out-of-balance tract is treated upon completion of the tract division.

IF the out-of-balance tract will….	THEN…
be divided off and combined with another farm with sufficient effective DCP cropland	leave the tract out of balance until the combination. On the combined farm correct the out of balance condition.
be divided off but not combined with another farm	before the farm is divided, correct the out of balance condition.
not be divided off	correct the out of balance condition.

38 Examples of Handling Out-of-Balance Resulting Tracts With Double-Cropped Acres (Continued)

C Example 1, DCP Cropland Method of Division Without Conservation Acres

The bases will be divided using the DCP cropland ratio and the double-cropped acres will be divided using the effective DCP cropland ratio. Since there are no conservation acres on the tract, the DCP cropland and effective DCP cropland acres will be the same. Therefore, no out-of-balance tracts should be created and no corrective action should be necessary.

D Example 2, DCP Cropland Method of Division with Conservation Acres

In this example, both bases are divided using the DCP cropland method of division. The tract also has conservation acres. The double-cropped acres will be divided using the effective DCP cropland ratio. The effective DCP cropland acres are less than the DCP cropland acres.

If the DCP cropland method of division is used, the results would be as follows.

Tract 1	Tract 2	Tract 3
100 acres DCP cropland 70/30 split:	70	30
15 acres CRP:	15	--
85 acres effective DCP cropland:	55	30
50 acres double-cropped:	32.4	17.6
Total effective DCP cropland plus acres double-cropped:	87.4	47.6
75 sorghum base acres:	52.5	22.5
60 soybean base acres:	42	18
Total bases acres:	94.5	40.5

Using the DCP cropland method, tract 2 is out of balance by 7.1 acres and would require additional work by the County Office to balance the tracts. See the table in subparagraph B to determine the next step for tract 2.

38 Examples of Handling Out-of-Balance Resulting Tracts With Double-Cropped Acres (Continued)

E Example 3, Designation or Estate Method of Division Without Conservation Acres

In this example, both the sorghum base and soybean base are divided using the designation by landowner method.

Tract 1	Tract 2	Tract 3
100 acres DCP cropland 70/30 split:	70	30
100 acres effective DCP cropland:	70	30
50 acres double-cropped:	35	15
Total effective DCP cropland plus acres double-cropped:	105	45
75 sorghum base acres :	75	0
75 soybean base acres:	0	75
Total bases acres:	75	75

Tract 3 is out of balance by 30 acres; move 15 double-cropped acres from tract 2 to tract 3. The double-cropped acres on tract 3 are limited by effective DCP cropland.

After moving 15 double-cropped acres, tract 3 is still out of balance by 15 acres. See the table in subparagraph B to determine the next step for tract 3.

F Example 4, Designation or Estate Method of Division with Conservation Acres

In this example, the bases are divided using the designation by landowner or estate method. This tract also contains CRP acres so the DCP cropland and effective DCP cropland are different. The double-cropped acres will be divided using the effective DCP cropland ratio.

Tract 1	Tract 2	Tract 3
100 acres DCP cropland 70/30 split:	70	30
15 acres CRP:	15	--
85 acres effective DCP cropland:	55	30
50 acres double-cropped:	32.4	17.6
Total effective DCP cropland plus acres double-cropped:	87.4	47.6
75 sorghum base acres:	75	0
60 soybean base acres:	0	60
Total bases acres:	75	60

Tract 3 is out of balance by 12.4 acres; move 12.4 double-cropped acres from tract 2 to tract 3.

38 Examples of Handling Out-of-Balance Resulting Tracts With Double-Cropped Acres (Continued)

G Example 5, Combination of Designation or Estate and DCP Cropland Methods of Division Without Conservation Acres

In this example, the sorghum base is divided using the designation by landowner method and the soybean base is divided using the DCP cropland method.

Tract 1	Tract 2	Tract 3
100 acres DCP cropland 70/30 split:	70	30
100 acres effective DCP cropland:	70	30
50 acres double-cropped	35	15
Total effective DCP cropland plus acres double-cropped:	105	45
75 sorghum base acres-designation:	75	0
75 soybean base acres-DCP cropland:	52.5	22.5
Total bases acres:	127.5	22.5

Tract 2 is out of balance by 22.5 acres, move 15.0 double-cropped acres from tract 3 to tract 2. After moving the 15 double-cropped acres, tract 2 is still out of balance by 7.5 acres. See the table in subparagraph B to determine the next step for tract 2.

H Example 6, Combination of Designation or Estate and DCP Cropland Methods of Division with Conservation Acres

In this example, the sorghum base is divided using the designation by landowner method and the soybean base is divided using the DCP cropland method. This tract also contains CRP acres so the DCP cropland and effective DCP cropland acres are different. The double-cropped acres will be divided using the effective DCP cropland ratio.

Tract 1	Tract 2	Tract 3
100 acres DCP cropland 70/30 split:	70	30
15 acres CRP:	15	--
85 acres effective DCP cropland:	55	30
50 acres double-cropped:	32.4	17.6
Total effective DCP cropland plus acres double-cropped:	87.4	47.6
75 sorghum base acres-designation:	75	0
60 soybean base acres-DCP cropland:	42	18
Total bases acres:	117	18

Tract 2 is out of balance by 29.6 acres; move 17.6 double-cropped acres from tract 3 to tract 2. After moving 17.6 double-cropped acres, tract 2 is still out of balance by 12 acres. See the table in subparagraph B to determine the next step for tract 2.

39-49 (Reserved)

…

Part 3 Administrative County

50 Overview

A Physical County

The physical county is where the farm or the majority of the farm is physically located.

B Administrative County

The administrative county for a farm is the county that administers the Farm Records for the farm.

C Administrative County Office

The administrative County Office is the County Office designated by FSA to:

- make determinations
- handle official records
- issue payments to producers.

D Basic Rule

The basic rule is that the administrative county for a farm is the county in which the farm is physically located. The administrative County Office for the administrative county is the County Office assigned by FSA. The exceptions to this rule are covered in this part.

E Purpose

This part provides instructions for determining the administrative county and administrative County Office for a farm that includes land physically located in more than 1 county.

Section 1 Administrative County Office

*--51 Determination of Administrative County

A Determining Administrative County

[7 CFR 718.8] Administrative County.

(a) If all land on the farm is physically located in one county, the farm will be administratively located in that county, except as provided in the rest of this section.

(b) In cases where there is no FSA office in the county in which the farm is physically located or FSA county offices have been consolidated, the farm will be administratively located in a county contiguous to the physical county in the same State that is most convenient for the farm operator and owner.

(c) If a county contiguous to the county in which the farm is physically located in the same State does not have an FSA county office, the farm will be administratively located in a contiguous county in another contiguous State that is convenient to the farm operator and owner. Requests for changes made to administrative county under this paragraph must be made to FSA by August 1 of each year for the change to take effect that calendar year.

(d) When land on the farm is physically located in more than one county, the farm will be administered in one county office responsible for administration of programs for one or more of the physical counties involved in the farm's constitution as determined by FSA. Paragraph (b) or (c) of this section apply if changes occur to that administrative county.

(e) The operator and owner of a farm administered in any county can request a change of administrative county to another county in the same State by August 1 for the change to take effect that calendar year. Requests for change in administrative county will be reviewed and approved by COC if all the following can be determined to apply:

(1) The requested change does not impact the constitution of a farm;

(2) The requested change will not result in increased program eligibility or additional benefits for the farm’s producers that would not be earned absent the change in administrative county being made; and

(3) The change is not to circumvent any of the provisions of other program regulations to which this part applies.

(f) The State committee will submit all requests for exceptions from regulations specified in this section to the Deputy Administrator.--*

*--51 Determination of Administrative County (Continued)

A Determining Administrative County (Continued)

This table summarizes how to determine a farm's administrative county.

Situation	General Rule
All of the land on the farm is physically located in 1 county and the county where the farm is physically located has an FSA County Office.	The servicing County Office is the physical location and administrative county. Follow procedure in paragraph 53 for handling servicing County Office closures.
All of the land on the farm is physically located in 1 county that was the servicing County Office and administrative county, but the servicing County Office closed, and the timeframe to request a change of administrative county has not yet passed.	Follow procedure in paragraph 53 for handling servicing County Office closures.
All of the land on the farm is physically located in 1 county that was the servicing County Office and administrative county, but the servicing County Office closed and the timeframe to request a change of administrative county has passed.	The farm records will be located in a servicing County Office designated by FSA to serve as the administrative county for the physical location county. **Example:** Contiguous counties A and B are each servicing County Offices and are each administrative counties. Servicing County Office B is closed. FSA designates servicing County Office A to serve administrative county B as well as administrative county A. **Note:** The farm records may be transferred to another servicing County Office according to paragraph 52 in subsequent years. This may necessitate a change in administrative county.
The land on the farm is physically located in more than 1 county.	The farm will be administered in 1 servicing County Office responsible for administration of programs for 1 or more of the physical counties involved in the farm's constitution as determined by FSA. For new designations of servicing County Office and administrative county, FSA will make this determination considering input of farm operator and COC's. Paragraph 52 or 53 applies if changes are requested or if changes occur to that servicing County Office and administrative county.

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*--52 Changing a Farm's Servicing County Office and Administrative County

A Changing Without a Farm Combination

The operator or owner of a farm administered in any servicing County Office can request a change to another servicing County Office by August 1 for the change to be effective for that calendar year. The change in servicing County Office may also necessitate a new administrative county. The operator or owner must state the reason for change (such as, but not limited to, change in the operation of the farm). The transfer request will be reviewed for processing by FSA and will be approved if all the following are determined to apply for the transfer request. The change:

- does not impact the constitution of a farm (a reconstitution request may have to be filed if the farming unit has changed)

- will not result in increased program eligibility or additional benefits for a farm's producers that would not otherwise be attained absent a change in administrative county

Exception: Requests to move farm records and the farm to an administrative county responsible for the physical location of the farm will be permitted, but only if all other conditions of this paragraph are met and if all the land of the farm is physically located in the county for which administrative County Office designation is sought. The operator and owners must agree to conduct business in the servicing County Office responsible for the administrative county as designated by FSA.

Example: Farm 100 was physically located in Spruce County which was also an administrative county. In 2009, FSA closed the Spruce County Office and designated neighboring Pine County Office to serve the Spruce administrative county (as well as be an administrative county for Pine County). At the time, some farm operators of farms in Spruce County believed the Needle County Office was more convenient and asked that their records be transferred to the Needle County Office. This was approved, which necessitated a change in administrative county from Spruce to Needle County. The farm operator and owners now want to return the farm records for Farm 100 to the Spruce administrative county that is serviced in Pine County. Provided the request is filed by August 1, 2015, the administrative county and farm records can be transferred from Needle County to Spruce County which, is serviced in Pine County for the 2015 and subsequent years.

- is not intended to circumvent any program provisions, as determined by FSA.--*

*--52 Changing a Farm's Servicing County Office and Administrative County (Continued)

A Changing Without a Farm Combination (Continued)

This table provides an illustration for the example in this subparagraph.

Pine County	Spruce County
Servicing County Office for: • administrative county Pine • administrative county Spruce (FSA designation - 2009). **Note:** 2009 - FSN 100 administered here; however, the operator and owners select Needle County Service Center, this necessitates a change in administrative county from Spruce to Needle County.	No Service Center County Office since 2009. 2009 FSN 100 and Spruce Administrative County transferred to Pine Servicing County Office.
Needle County	
Servicing County Office for Administrative County Needle: • 2009 FSN 100 added per operator and owner request • by August 1, 2015, FSN 100 operator and owners request to move FSN 100 back to its physical location and administrative county (Spruce) which is serviced in Pine County.	

--*

52 Changing a Farm's Servicing County Office and Administrative County (Continued)

B Documenting Transfer Requests Without a Farm Combination

Reason for in and out transfer must be:

- specified on FSA-179

  Note: On FSA-179, item 5, write in, "significantly more convenient", if transfer is requested because of convenience. FSA COC will determine if it can approve the
  --**transfer unless any of the prohibitions in subparagraph A apply. In this context, "convenience and inconvenience" refer to the attributes one servicing County Office may have over another (location, distance of travel to and from farm or home, office hours, etc.) Because of nationwide customer service that enables a person to go into any servicing County Office to conduct business, requests for changes in servicing County Office should lessen.**--

- signed by the farm operator and **all** owners.

Approving a request for transfer of servicing County Office may necessitate a change in administrative county for all purposes. See paragraph 64 for the timing of the transfer.

For County Office closures, see paragraph 53. For reduced hours of operation of an office and reduced staffing, see paragraph 54 for procedure in changing the servicing County Office and administrative county.

Notes: See 15-AO for determinations of which LAA the farm's producer should be placed in the new county.

A change in the servicing County Office or administrative county may not impact FLP. FLP applications will be submitted in the County Office serving the area in which the farm is, or will be, located according to 7 CFR 1910.3. Files will be maintained according to 16-AO.

52 Changing a Farm's Servicing County Office and Administrative County (Continued)

C Changing With a Farm Combination

A change in administrative county for a farm involved in a farm reconstitution may be permitted in a calendar year if the requested reconstitution was filed by August 1 and if both of the following apply:

- all owners (in both counties) agree with the transfer
- the transferred farm will be combined with a farm in the receiving county.

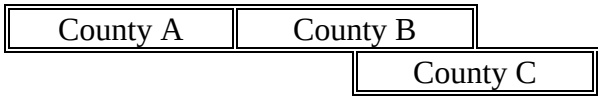
If a County Office determines that the farm transfer and combination are being requested to evade program rules, or obtain benefits that would not otherwise be obtained absent the transfer, the farm transfer, change in administrative county, and farm combination will **not** be approved.

Note: FSA decisions about which servicing County Office will be responsible for farm records in an administrative county are not program, eligibility, or benefit determinations that are subject to participant requests for administrative review or appeal. The way FSA conducts its administrative operations and decides how farm records will be maintained are administrative decisions. For these reasons, decisions by FSA to process requests for farm transfers or changes in administrative county are not subject to any sort of appeal or appealability review. Offices will provide **neither** appeal **nor** appealability review rights on administrative decisions about servicing County Office or administrative county.

Administrative county changes for farm combinations will only be made to counties that are contiguous to the county where the farm is physically located. If there are no servicing County Offices in the contiguous counties, the producer may select a noncontiguous office that is **significantly** more convenient.

--Note:** In this context, "convenience and inconvenience" refer to the attributes one**-- servicing County Office may have over another (location, distance of travel to and from farm or home, office hours, etc.). Because of nationwide customer service that enables a person to go into any servicing County Office to conduct business, requests for changes in servicing County Office should lessen.

Example: County A is contiguous to County B. County B is contiguous to County C. Each are servicing County Offices and administrative counties.



Land in counties A, B, and C may be combined and administered in any 1 of the 3 administrative counties if there are parent farms located in all 3 counties.

If land in County B is divided from the farm, the land located in counties A and C would be transferred back to County A and County C to be administered.

*--52 Changing a Farm's Servicing County Office and Administrative County (Continued)

C Changing With a Farm Combination (Continued)

In and out transfers shall be:

- requested on FSA-179
- signed by the farm operator and **all** owners
- between contiguous counties when possible.

Approving the request will change the administrative county originally designated by FSA for all purposes. See paragraph 64 for the timing of the transfer.

53 Servicing County Office Closures

A Background

When a servicing County Office closes, FSA National Office designates a new servicing County Office for the administrative county.

B Letters

The new servicing County Office that is responsible for the administrative county and farm records in that administrative county will provide a letter within 60 calendar days of being notified of the closure of the previous servicing County Office to all operators and owners whose records were held in the closed servicing County Office. The letter informs the operator and owners:

- of the name and location of the servicing County Office where the administrative county farm records will be designated

- that if the designation by FSA is agreeable, the operator and owners will not need to do anything or take any action

- that subject to COC approval by the "transfer to" county, a different servicing County Office may be requested within 30 calendar days of the date of the letter (insert the names of the alternate servicing County Offices according to subparagraph C).

  Note: Selection of an alternative servicing County Office may necessitate a change in administrative county. See Exhibit 9 for an example of the letter.--*

***--53 Servicing County Office Closures (Continued)**

C Criteria for Selecting a Different Servicing County Office and Administrative County

An operator and owners who want to request a different servicing County Office and administrative county must request the transfer on FSA-179.

The County Office will inform the operator and owners of the available servicing County Offices the operator and owners may select from according to the following criteria:

- the requested servicing County Office must be contiguous to the servicing County Office that is closing **or** the requested servicing County Office must be contiguous to any of the contiguous counties of the servicing County Office responsible for the administrative county

- the request is subject to COC approval of the "transfer to" county.

  Exception: A producer may request a servicing County Office that does not meet the above criteria if the producer wants to transfer to a servicing County Office that is currently responsible for the administrative county for another farm the operator operates or owner owns. The request is subject to COC approval of the "transfer to" administrative county. All other provisions of this handbook and paragraph 51 apply.

D Approval of Transfer Required by "Transfer to" County

The "transfer to" request must be approved or disapproved by COC by signing FSA-179.

COC may approve the request if it has knowledge of the farming practices of the "transfer from" farm based on the following characteristics of the geographic region:

- precipitation
- temperature
- cropping practices
- irrigation practices
- soil types
- management practices.

If COC does not approve the transfer for processing, the operator and owners must be notified in writing and provided an opportunity to select a different transfer request within 30 calendar days.

Note: DAFP has delegated authority to STC's to approve requests for selecting a new servicing County Office in cases where County Offices have closed and an operator and owners request a servicing County Office other than the 1 designated by FSA to be responsible for the administrative county. STC may redelegate this authority to SED.**--***

*--54 Servicing County Offices With Reduced Hours of Operation

A Background

Reduced hours at some servicing County Offices may create an inconvenience for some operators and owners in obtaining reasonable availability and accessibility to services. The servicing County Office with reduced hours of operation will notify operators and owners of this option if hours of operation are being permanently reduced.

Operators and owners on farms that are in an administrative county located within a servicing County Office that has reduced hours of operation may request a new servicing County Office. The farm operator or owner must document the reasons why the new servicing County Office is significantly more convenient.

Notes: In this context, the word "convenient" refers to the attributes 1 servicing County Office may have over another (location, distance of travel to and from farm or home, office hours, etc). Because of nationwide customer service that enables a person to go into any servicing County Office to conduct business, requests for changes in servicing County Office should lessen.

If SED determines that reduced staffing in a servicing County Office has caused an inconvenience to operators and owners, SED may use this procedure to allow a farm operator and owners to choose a new servicing County Office even though the servicing County Office may not close or have reduced work hours. The requested change in servicing County Office could necessitate a change of administrative county. After SED has made this decision, the servicing County Office must notify the operators and owners in the county of the option to choose another servicing County Office.

Any requests for new servicing County Office and administrative county for the current calendar year under this provision must be filed by August 1.

B Requesting a New Servicing County Office

A farm operator or owners who want to request a change in servicing County Office and administrative county must request the transfer on FSA-179. Requests for the current calendar year must be filed by August 1.--*

***--54 Servicing County Offices With Reduced Hours of Operation (Continued)**

B Requesting a New Servicing County Office (Continued)

The servicing County Office will inform the operator or owners of the available servicing County Offices from which a new servicing County Office may be selected according to the following criteria:

- the requested servicing County Office must be contiguous to the servicing County Office that has reduced hours of operation or reduced staff **or** the requested servicing County Office must be contiguous to any of the contiguous counties of the servicing County office

- the request is subject to COC approval of the "transfer to" county.

  Exception: An operator and owners may request a servicing County Office that does not meet the above criteria if the operator and owners want to transfer to a servicing County Office that currently is responsible for an administrative county for another farm the operator operates or owner owns. The request is subject to COC approval of the "transfer to" administrative county.

An operator and owners who select a new servicing County Office, must request a farm transfer to accomplish the change. The request is due by August 1 to be effective for the same calendar year. These requests will be reviewed and approved for processing by STC.

In and out transfers must:

- be requested on FSA-179

  Note: On FSA-179, item 5, enter "reduced hours of operation" or "reduced staffing", as applicable.

- be signed by the farm owner and operator

- occur between contiguous counties with the exception of closed offices

- be submitted to STC for approval for processing.

Approving the request could require a change to the administrative county for all purposes. See paragraph 64 for the timing of transfers.

Note: DAFP has delegated its authority to STC's to approve requests for selecting a new servicing County Office in cases where County Offices have reduced hours of operation and/or reduced staffing. STC may redelegate this authority to SED.**--***

55-61 (Reserved)

Section 2 In and Out Transfers

62 Initiating Transfer

A Who Initiates Transfer

A farm transfer may be initiated by:

- either the receiving or the transferring COC
- the operator or owner.

B Completing FSA-179

Complete FSA-179, according to Exhibit 10, to initiate the transfer. Prepare:

- 3 copies for within-State transfers
- 4 copies for out-of-State transfers.

Note: All owners and operator **must** sign FSA-179.

C Completing the Transfer Process

The transfer process will be completed in the MIDAS Farm Records. See work instructions.

--Note:** GIS wetland point attributes **must** be updated using the CLU Maintenance Tool in Citrix to reflect the administrative State and county of the receiving county.**--

63 Transfers Between Counties

A Approving Transfers Between Counties

A transfer between counties shall **not** be approved unless either of the following applies:

- land is combined in the receiving county and meets criteria for being a farm.

  Notes: See subparagraph 52 B for additional information.

  Farms being transferred according to paragraph 52, where all the land on the farm is physically located in 1 county but the administrative County Office where the farm is physically located has been closed and the timeframe to request a change of administrative county and/or administrative County Office has not yet passed, do **not** need to be combined with any other farm in the receiving county.

- any of the situations in subparagraph 52 A or paragraph 53 or 54 are met.

B Canceling Transfers Between Counties

A transfer between counties can be canceled if **all** of the following apply:

- the transfer has **not** been completed
- the request to cancel the transfer is in writing and signed by all owners and the operator
- COC approving the transfer request approves of the cancellation.

C Authority

COC may delegate to CED the authority to approve in and out transfers of land between counties.

D DAFP Approval

Any requests for in- and out-transfers that do not meet the criteria in subparagraph A can be submitted to DAFP for approval.

64 Timing for Transfer

A Basic Rule

Records **cannot** be transferred, until the next FY, if crop loan and LDP payments have been issued for the farm.

The transfer of records is effective for the next program, crop, or FY, as applicable, for the program.

- The new administrative County Office selected by the producer will handle all new activity for the next program year or FY.

- The current administrative County Office will continue to handle:

  - crop loan and LDP requests and servicing for current and prior crop years
  - pending appeals for current or prior years.

B Implications for Records

County Offices must use good judgment when transferring records. It may be necessary to delay the transfer of farm records to the receiving County Office to permit continued price support activity for current and prior crop year loans and LDP's.

C TTPP

The current Administrative County Office will continue to handle TTPP for the entire contract period. TTPP contracts are **not** linked to the farm or production of tobacco after contract approval.

Note: TTPP contracts shall **not** be transferred.

65 Records to Transfer

A Overview

If an in and out transfer is approved according to paragraph 63, follow this paragraph to determine which records are to be transferred.

Send FSA-179, all of the following farm records, and only copies of the producer records, if the producer still has other interests in the transferring county.

B Common Farm Record Files

Transfer all common farm records files including:

- FSA-156 EZ
- CCC-476 DCP
- CCC-501
- CCC-502 EZ, CCC-502 A, CCC-502 B, CCC-502 C, or CCC-502 D as applicable
- CCC-503
- CCC-901
- CCC-902 I Short, CCC-902 I, or CCC-902 E as applicable
- CCC-903
- AD-1026
- AD-1068
- AD-1069
- FSA-492
- FSA-493
- FSA-569
- NRCS-CPA-026
- NRCS-CPA-027
- FSA-211
- other related documentation.

65 Records to Transfer (Continued)

C Conservation Files

Transfer all conservation files including:

- original CRP contracts
- AD-1245's for CRP contracts for complete and incomplete practices
- AD-1245's for other conservation programs for complete and incomplete practices
- AD-862's
- other related documentation.
- lifespan records
- correspondence.

D Compliance Files

Transfer all compliance files including, but not limited to:

- FCI-19's
- FSA-578's
- measurement services
- all related documentation.

E DCP/ACRE Records

Transfer all DCP/ACRE farm files including, but not limited to:

- CCC-505
- CCC-509
- CCC-509 ACRE
- CCC-517
- CCC-522
- CCC-523
- CCC-524
- FSA-156EZ
- FSA-476DCP
- FAV history by tract, if applicable.
- producer payment history print.

Note: See 2-DCP.

65 Records to Transfer (Continued)

F FSFL Program Records

Requests by borrowers to transfer an outstanding FSFL to another servicing office shall be denied because the system files for one FSFL cannot be easily transferred from one County Office computer system to another.

Exception: For FSFL's that must be transferred because a County Office is being closed, all case files and FSFL system files will be transferred to the County Office chosen by FSA.

G NAP

Transfer all of the following NAP records and only copies of the producer records, if the producer still has other interests in the transferring county:

- CCC-471
- CCC-576 (page 1)
- CCC-576 (page 2)
- CCC-452
- FSA-658
- other related documentation.

66 Handling Within-State Transfers

A Initiating County Action

Use the following table for initiating county action.

IF transfer is initiated in the...	THEN...
receiving County Office	• complete FSA-179, Part A • send all FSA-179 copies to the transferring County Office.
transferring County Office	• complete FSA-179, Parts A and B • send all FSA-179 copies to the receiving County Office.

B Transferring County Action

Use the following table for transferring county action.

IF transfer...	THEN...

was initiated in the receiving County Office	• complete FSA-179, Part B
	• indicate recommendation for approval or disapproval on FSA-179, item 11A and provide reason if disapproved
	• if approved:
	  • send all FSA-179 copies and pertinent farm records to the receiving County Office
	  • cancel DCP contract in the system
	  • cancel CRP contracts in the system
	  • reduce CRP Cropland and CRP MPL acres to zero for all tracts after receiving the CRP Cropland workflow. Follow user guide to process the workflow.
	  • notify receiving office of all outstanding debts and producer offset requests

66 Handling Within-State Transfers (Continued)

B Transferring County Action (Continued)

IF transfer...	THEN...
was initiated in the receiving County Office (Continued)	• ensure that all outstanding debts are loaded in NRRS according to 64-FI • ensure all producers associated with the farm have a legacy link to the receiving county • follow work instructions to complete transfer in the MIDAS Farm Records System •*--use the CLU Maintenance Tool in Citrix to update the administrative State and county attributes of all GIS wetland points associated with the farm--* • if disapproved, send disapproved FSA-179 back to the receiving County Office.

was initiated in the transferring County Office	• complete FSA-179, Parts A and B
	• indicate recommendation for approval or disapproval on FSA-179, item 11A and provide reason if disapproved
	• if approved by transferring County Office, send all FSA-179 copies to the receiving County Office
	• wait for approval by receiving County Office. If approved by receiving County Office:
	  • send pertinent farm records to the receiving County Office
	  • cancel DCP contract in the system
	  • cancel CRP contracts in the system
	  • reduce CRP Cropland and CRP MPL acres to zero for all tracts after receiving the CRP Cropland workflow. Follow work instructions to process the workflow.
	• notify receiving office of all outstanding debts and producer offset requests
	• ensure that all outstanding debts are loaded in NRRS according to 64-FI
	• ensure all producers associated with the farm have a legacy link to the receiving county
	• follow work instructions to complete transfer in the MIDAS Farm Records System
	•*--use the CLU Maintenance Tool in Citrix to update the administrative State and county attributes of all GIS wetland points associated with the farm--*
	• if disapproved by receiving County Office, submit the request to STC for a determination. See subparagraph D.

66 Handling Within-State Transfers (Continued)

C Receiving County Action

Use the following table for receiving county action.

IF transfer...	THEN...
was approved by the transferring County Office	• indicate recommendation for approval or disapproval on FSA-179, item 13A and provide reason if disapproved • if approved: • send 1 copy of FSA-179 to transferring County Office • send 1 copy of FSA-179 to the State Office • approve new DCP and CRP contracts, as applicable, in the system for the transferred contracts **Note:** For CRP contracts that have been converted, contact the State Office for entering in the system. • allocate CRP Cropland and CRP MPL acres to applicable tracts after receiving the CRP Cropland workflow. Follow work instructions to process the workflow. • re-create any active AD-1245's for CRP contracts, ECP, etc. •***--**verify that the administrative State and county attributes of all GIS wetland points associated with the farm have been updated appropriately**--*** • notify owners and operators of the action taken • provide owners and operators a copy of FSA-156EZ; see Exhibit 11 • notify all applicable NRCS offices handling the farm of new farm, tract, field, and contract numbers.

66 Handling Within-State Transfers (Continued)

C Receiving County Action (Continued)

IF transfer...	THEN...
was approved by the transferring County Office (Continued)	if disapproved: • record the reason for disapproval • submit the request to STC for a determination according to subparagraph D • return all records to the transferring County Office if the transfer remains disapproved after STC determination.
has been disapproved by the transferring County Office	• submit the request to STC for a determination according to subparagraph D • complete the transfer request if the transfer is approved after STC determination.

D Handling Disagreements

If the receiving or transferring COC disapproves the request for transfer:

- STC shall make a determination
- the County Office shall forward the request for transfer to the State Office.

67 Handling Out-of-State Transfers

A Initiating County Action

Use the following table for initiating county action.

IF transfer is initiated in the...	THEN the initiating County Office shall...
receiving County Office	• complete FSA-179, Part A • send all FSA-179 copies to the transferring County Office.
transferring County Office	• complete FSA-179, Parts A and B • send all FSA-179 copies to the transferring State Office.

Note: COC may redelegate authority to CED to approve in and out transfers between States.

67 Handling Out-of-State Transfers (Continued)

B Transferring County Action

Use the following table for transferring county action.

IF transfer was initiated in the...	THEN the transferring County Office shall...

receiving County Office	• complete FSA-179, Part B
	• indicate recommendation for approval or disapproval on FSA-179, item 11A with reason if disapproved
	• if approved:
	  • send all FSA-179 copies and pertinent farm records to the transferring State Office
	  • notify the receiving office of all outstanding debts and producer offset requests
	  • ensure that all outstanding debts are loaded in NRRS according to 64-FI
	  • ensure all producers associated with the farm have a legacy link to the receiving county
	  •*--follow work instructions to complete transfer in the MIDAS FRS
	  • use the CLU Maintenance Tool in Citrix to update the administrative State and county attributes of all GIS wetland points associated with the farm--*
	• if disapproved, send disapproved FSA-179 back to the receiving County Office.

transferring County Office	• complete FSA-179, Parts A and B
	• indicate recommendation for approval or disapproval on FSA-179, item 11A and provide reason if disapproved
	• if approved by transferring County Office, send all FSA-179 copies to the transferring State Office
	• wait for approval by transferring State Office; if approved by transferring State Office the transferring County Office shall:
	  • send pertinent farm records to the transferring State Office
	  • notify the receiving office of all outstanding debts and producer offset requests
	  • ensure that all outstanding debts are loaded in NRRS according to 64-FI
	• if disapproved by receiving State Office, submit the request to DAFP for a determination. See subparagraph F.

67 Handling Out-of-State Transfers (Continued)

C Transferring State Action

The transferring State shall:

- indicate recommendation for approval or disapproval on FSA-179, Part D with reason if disapproved
- send all FSA-179 copies and farm records to the receiving State Office
- complete the following actions for conservation allocations:
  - reduce the transferring County Office's allocation on the State ledger
  - reduce the State allocation on the State ledger
  - return funds to the National Office.

    Note: National Office will send the funds to the appropriate State Office.

D Receiving State Action

The receiving State shall:

- indicate recommendation for approval or disapproval on FSA-179, Part D with reason if disapproved
- send all FSA-179 copies and farm records including geospatial data to the receiving County Office
- increase the following conservation allocations:
  - State allocation on the State ledger when funds are received from the National Office
  - receiving county's allocation on the State ledger.

67 Handling Out-of-State Transfers (Continued)

E Receiving County Action

Follow this table after completing FSA-179, Part C.

IF transfer is...	THEN...

approved	• send 3 copies of FSA-179 to the receiving State Office
	
	• receiving State Office shall:
	
	  • keep 1 copy of the approved FSA-179
	
	  • send 2 copies to the transferring State Office for filing and distribution to the transferring County Office
	
	  • follow work instructions to complete transfer in the MIDAS Farm Records System
	
	  • approve new DCP and CRP contracts, as applicable, in the system for the transferred contracts
	
	  Note: For CRP contracts that have been converted, contact the State Office for entering in the system.
	
	  • allocate CRP Cropland and CRP MPL acres to applicable tracts after receiving the CRP Cropland workflow. See work instructions. Re-create any active AD-1245's for CRP contracts, ECP, etc.
	
	  • notify owners and operators of the action taken
	
	  • provide owners and operators a copy of FSA-156EZ; see Exhibit 11
	
	  • coordinate offset efforts with the transferring county to repay any outstanding debts and price support claims from future payments
	
	  • notify the receiving office of all outstanding debts and producer offset requests
	
	  • ensure that all outstanding debts are loaded in NRRS according to 64-FI
	
	  • notify owners and operators of the action taken
	
	  • provide owners and operators a copy of FSA-156EZ; see Exhibit 11
	
	• notify all applicable NRCS offices handling the farm of the new farm, tract, and field numbers
	
	•***--**verify that the administrative State and county attributes of all GIS wetland points associated with the farm have been updated appropriately.**--***

67 Handling Out-of-State Transfers (Continued)

E Receiving County Action (Continued)

IF transfer is...	THEN...
disapproved	• record the reason for disapproval • notify owners and operators of the action taken with the reason for disapproval • provide appeal rights according to 1-APP • return all records to the transferring County Office if remains disapproved after reconsideration.

F Handling Disagreements

If the receiving STC and transferring STC do not agree on the request for transfer:

- DAFP shall make the final determination
- receiving State Office shall forward the request for transfer to DAFP.

G Sugarcane Bases

A transfer between States shall not be approved for farms with a sugarcane base or for farms requesting to be combined with a farm having a sugarcane base.

68 Processing Out-Transfers

A Out-of-County Transfers

To process the transfer of a farm out of the county in MIDAS Farm Records, County Offices shall:

- follow work instruction to complete transfer in the MIDAS Farm Records System
- if part of a farm will be transferred out of the county, reconstitute it into a separate farm before transfer
- follow paragraph 64 for timing.

B County Office Action

County Offices shall:

- generate and attach an FSA-156EZ PDF electronically to the farm being transferred
- print FSA-156EZ for the transferred farm prior to initiating the automated transfer process

  Notes: See work instructions.

  Type the following comments on FSA-156EZ:

  - "Transferred to _____County"
  - the date of transfer.

- file the inactive FSA-156EZ with the inactive farm record file.

69 Processing In-Transfers

A In County Transfers

County Offices shall ensure the farm operator, owners, and other producers associated with the farm have a legacy link for the administrative county in SCIMS, if applicable. See 1-CM.

B County Office Action

County Offices shall:

- print FSA-156EZ
- file the printout with the active farm record file.

70-89 (Reserved)

...

Part 4 Initiating a Reconstitution

90 Overview

A Definition of Reconstitution

[7 CFR 718.2] A reconstitution is a change in the land constituting a farm as a result of combining or dividing tracts or farms.

B Previously Constituted Land

[7 CFR 718.201] Land that was properly constituted under procedures existing at the time of reconstitution shall remain so constituted until a change in operation or ownership occurs that requires a reconstitution.

C Approval Restrictions

COC shall not approve a reconstitution by combination or division if it determines that the primary purpose of the reconstitution is to do either of the following:

- increase the amount of program benefits received from any USDA agency
- circumvent any other USDA program provisions, penalties, or reductions.

D FSA-578

A reconstitution shall not be initiated if FSA-578 is on file for the farm for the current year.

91 Substantive Change in Farming Operations and Changes to Legal Entities

A Approval Restrictions

[7 CFR 718.205] Land that is properly constituted shall not be reconstituted if:

- the reconstitution request is based on the formation of a newly established entity that owns or operates the farm or any part of it, and COC determines there is not a substantive change in the farming operation

- COC determines that the primary purpose of the request for the reconstitution is to:

  - obtain additional benefits under any commodity program
  - avoid damages under a contract or statute
  - correct an erroneous acreage report
  - circumvent other program provisions.

In addition, no farm shall remain as constituted when COC determines that a substantive change in the farming operation has occurred that would require a reconstitution, except as otherwise approved by STC with the concurrence of DAFP.

B Determining Substantive Change

In determining whether substantive change has occurred with respect to a farming operation, COC shall consider factors such as composition of the legal entities having an interest in the farming operation with respect to management, financing, and accounting. COC shall also consider the use of land, labor, and equipment available to the farming operations and any other relevant factors that bear on the determination.

91 Substantive Change in Farming Operations and Changes to Legal Entities (Continued)

C STC Approval

Unless otherwise approved by STC with the concurrence of DAFP, when COC determines that a corporation, trust, or other legal entity is formed primarily for the purpose of obtaining additional benefits under the commodity programs, the farm shall remain as constituted or shall be reconstituted, as applicable, when the farm is owned and operated by 1 of the following:

- a corporation having more than 50 percent stock owned by members of the same family living in the same household
- corporations having more than 50 percent of the stock owned by stockholders common to more than 1 corporation
- trusts in which the beneficiaries and trustees are family members living in the same household.

92 Who May Initiate

A Who May Initiate a Reconstitution

[7 CFR 718.203] A reconstitution may be initiated by:

- the farm operator with the concurrence of the owner or owners of the farm
- the farm owner
- COC.

B FSA-155 Signatures

Signatures required on FSA-155 vary depending on the:

- type of reconstitution
- method of division, if applicable.

Notes: FSA-155's initiated by COC are not required to have owner or operator signatures. However, the County Office shall use the signature lines provided in item 15 to include a statement that the reconstitution is being initiated by COC. A date shall be included with this statement.

An operator may request a reconstitution without the owner's signature if the reconstitution would be required by COC.

93 When to Initiate

A Required Reconstitutions

[7 CFR 718.201] A reconstitution of a farm either by division or by combination is required and shall be initiated when any of the following occur.

- A change has been made in the operation of the land since the last constitution or reconstitution, and the farm no longer meets the definition of a farm in paragraph 24. As applicable, initiate either of the following:

  - a farm combination according to paragraph 110
  - a farm division according to paragraph 131.

  Note: Restrictions in paragraph 90 and 91 apply.

- The farm was not properly constituted under the applicable regulations in effect at the time of the last reconstitution. Make corrections according to paragraph 96.

- COC determines that the farm was reconstituted on a basis of false information provided by the owner or farm operator.

- COC determines that the tracts of land included in a farm are not being operated as a single farm according to paragraph 96.

- An owner requests in writing that the owner's land no longer be included in a farm that is composed of tracts under separate ownership. See paragraph 131 for farm divisions.

- Farms are participating in DCP, have the same owner, are located in the same county, and are operated as 1 farm.

93 When to Initiate (Continued)

B Timing of Farm Reconstitutions

[7 CFR 718.204] To be effective for the current FY, farm combinations and farm divisions must be requested by August 1 of the FY for farms subject to DCP.

A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

C Timing of Tract Divisions

Tract divisions shall be processed at any time during FY to ensure tract record accuracy.

If a farm reconstitution is required, process the reconstitution according to subparagraph B and the work instructions.

D Total CRP and Non-DCP Farms

The following farms may be reconstituted at any time:

- total CRP
- non-DCP.

93 When to Initiate (Continued)

E Farms With PTPP Acreage

PTPP is applicable only to farms participating in the following pilot project States:

- Illinois
- Indiana
- Iowa
- Michigan
- Minnesota
- Ohio
- Wisconsin.

The PTPP acres shall be reduced to zero and respective acreages added back into the applicable crop base before a reconstitution is initiated for a farm with PTPP acres.

After the reconstitution is approved, the PTPP acres must be recorded on the applicable resulting farm and the corresponding crop acreage bases reduced.

F Completion Time Limit

All reconstitutions must be completed within 45 calendar days or the system will automatically cancel the reconstitution.

Note: One 45-calendar-day extension may be processed by the approving official after receiving a notification of approaching deadline for approval. The notification is sent 40 calendar days after the reconstitution is finished in the computer and the approval workflow is initiated. See work instruction.

All reconstitutions not completed prior to FY rollover will be cancelled.

County Offices shall update reconstitutions with crop base acres by August 31 of FY. This will allow sufficient time for producers to return signatures and documentation by the deadline for DCP.

94 How to Initiate

A Requesting a Reconstitution

[7 CFR 218.203] Any request for a farm reconstitution shall be filed with COC. County Offices shall prepare FSA-155 for each requested reconstitution.

Note: A separate FSA-155 is not required for a tract division if the reconstitution also includes a farm division.

B Completing FSA-155

Complete FSA-155 according to this table.

Item	Instructions
1	Enter county FSA name and address.
2	Enter computer-assigned reconstitution number.
3	Check the appropriate box for the type of reconstitution. When the request is for a tract division and followed by a farm division, check both boxes.
4	Enter a brief explanation of the reason for the reconstitution. **Examples:** "Tract 100 sold." or "Operator change."
5	Enter approximate date of change, such as sale or lease date.
6	Enter the following data for each parent and resulting farm and/or tract: • farm data when item 3 indicates a farm combination or division • tract data when item 3 indicates a tract combination or division • tract and farm data when item 3 indicates a tract division and a farm division.
7 A	For divisions, enter each crop on the parent farm from FSA-156EZ.
7 B	For divisions, enter appropriate base for each crop on the parent farm.
7 C	Check appropriate method of division for each base on the parent farm.
8 A through D	Enter the appropriate farm number, tract number, crop, and base acres on the parent farm if the method of division is landowner designation or estate. ENTER "N/A" if not applicable.

94 How to Initiate (Continued)

B Completing FSA-155 (Continued)

Item	Instructions
8 E	If the method division is landowner designation or estate, enter the following for each crop on the resulting farms: • farm number • tract number • acres of bases. When there are more than 4 resulting tracts or farms, continue on another FSA-155 and attach it to the original document.
9 A and C	Obtain **all** owners' signatures for the landowner designation method of division unless an MOU has been signed by the buyers and sellers designating the distribution of bases. When more signature blocks are required, continue on another FSA-155 and attach it to the original document.
10 through 14	Review each question and enter a checkmark in the appropriate column. If "Yes" is checked for item 10, list requested crops.
15	Obtain appropriate signatures and dates. A reconstitution is considered to be requested when all: • of the required signatures are obtained on FSA-155 **Note:** Appropriate documentation according to 1-CM must be on file in the County Office for persons signing in a representative authority. • other applicable documentation, such as proof of ownership, is submitted **Exception:** For COC-initiated FSA-155's, see subparagraph 93 A.
16 A and B	COC shall sign and date, unless COC has delegated authority to CED according to paragraph 150. Sign according to the following: • for farm level reconstitutions, sign after the reconstitution is initiated in the computer and it is in pending status • for tract level reconstitutions, sign after the combination or division is completed in the computer. FSA-155 is the reconstitution approval document. Attach FSA-156EZ for both the parent and child farms to FSA-155.
16 C	Enter a checkmark to indicate either approved or disapproved.

94 How to Initiate (Continued)

C Example of FSA-155

The following is an example of FSA-155.

This form is available electronically.

Form Approved - OMB No. 0560-0025

FSA-155
(01-27-05)

USDA-FSA

REQUEST FOR FARM RECONSTITUTION

1. County FSA Name and Address
Any FSA County Office
111 Nowhere Ave
Anywhere ST 00000-0000

2. Reconstitution No.: B50002

3. Type of Reconstitution
Farm Combination ☐ Tract Division ☐
Farm Division ☑ Tract Combination ☐

4. Reason for Reconstitution
Purchased T 1215

5. Approximate Date of Change (MM-DD-YYYY) 01-15-2013

NOTE: *The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is the Agricultural Adjustment Act of 1938, as amended, and the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171). The information will be used to reconstitute your farming operation. Furnishing the requested information is voluntary. Failure to furnish and file the requested information will result in the denial of further monies or other program benefits as required by existing law and regulations. This information maybe provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 651, 1001; 15 USC 714m; and 31 USC 3729, maybe applicable to the information provided.*

According to the Paperwork Reduction Act of 1995 an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0025. The time required to complete this information collection is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. ***RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.***

6. FARM IDENTIFICATION:

A. Parent Farm or Tract No.	B. Total Farmland	C. Total Cropland	D. Total DCP Cropland	E. Farm Identifier	F. Operator	G. Owner
1985	20	19.5	19.5		Any 1 Producer	Any 2 Producer

H. Resulting Farm or Tract No.	I. Total Farmland	J. Total Cropland	K. Total DCP Cropland	L. Farm Identifier	M. Operator	N. Owner
2501	16.5	16.3	16.3		Any 1 Producer	Any 2 Producer
2502	3.5	3.2	3.2		Any 3 Producer	Any 3 Producer

7. METHOD OF DIVISION:

A. Crop	B. Parent Farm/Tract Bases	C. Check Appropriate Method: Estate	Designation	DCP Cropland	Default
Wheat	5.4				✓
Corn	3.2				✓

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited basis apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape etc) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D. C. 20250-9410 or call (202) 720-6964 (voice or TDD). USDA is an equal opportunity provider and employer.

94 How to Initiate (Continued)

C Example of FSA-155 (Continued)

FSA-155 (Page 2) (01-27-05)

8. DIVISION BY OWNER DESIGNATION OR ESTATE: This item is required for the owner designation and estate methods unless the division of bases is documented and signed to, as applicable, on a separate document and attached to this form.

A. Parent Farm	B. Tract No.	C. Crop	D. Base	E. Resulting Farm/Tracts (1) Farm/Tract No.: Base	(2) Farm/Tract No.: Base	(3) Farm/Tract No.: Base	(4) Farm/Tract No.: Base
N/A							

9. SELLER AND PURCHASER MEMORANDUM OF UNDERSTANDING OF BASES:
I, the undersigned, agree to the above designation of bases which serves as a memorandum of understanding between seller and purchaser.

A. Seller's Signature	B. Date (MM-DD-YYYY)	C. Purchaser's Signature	D. Date (MM-DD-YYYY)

	YES	NO
10. Will there be an adverse effect to any producer by reconstituting any crops? If "YES", what crops?		✓
11. Is the parent farm in CRP?		✓
12. If combination, will combined farm be operated as a single farming unit?		
13. Are there any adverse HELC flags on farms or tracts being combined? If "YES", refer to NRCS .		
14. A. Has cost share assistance been received for any lifespan conservation practices?		✓
B. If "YES", has new owner and/or operator been informed of requirements?		

15. CERTIFICATION AND AGREEMENT:
I, the undersigned, certify that to the best of my knowledge and belief the information shown above is correct and I request and agree to the reconstitution. The results of the reconstitution will be shown on the COC report. The report will be made available upon request after the reconstitution is completed.

A. Signature of Operator/Owner	B. Date (MM-DD-YYYY)	A. Signature of Operator/Owner	B. Date (MM-DD-YYYY)
Any 3 Producer	1/15/2013		

16. COUNTY COMMITTEE ACTION:
This action applies to reconstitution of farms, tracts, and bases.

A. County Committee Person or Designee Signature	B. Date (MM-DD-YYYY)	C. County Committee Action
Any 1 COC Member	1/25/13	APPROVED ☑ DISAPPROVED ☐

95 Effective Dates

A Rule

[7 CFR 718.204] Determine the effective dates of reconstitutions according to this table.

IF the farm is...	AND the reconstitution was requested...	THEN the effective date is the...
subject to DCP/ACRE **Note:** Currently, DCP and ACRE do not exist in FY 2014.	by August 1	current FY.
	after August 1	next FY.
not subject to DCP		current FY.

Notes: The reconstitution shall not be processed in the computer until the appropriate FY.

Tract divisions shall be processed at any time during the FY to ensure tract record accuracy. If a farm reconstitution is required, process the reconstitution according to paragraph 93 and this paragraph.

96 Corrections

A Prior Reconstitutions

[7 CFR 718.201] Reconstitute a farm if either of the following applies:

- the land was not properly constituted under the regulations in effect when the farm was last constituted
- COC determines that misrepresentation occurred.

  Note: In this context, misrepresentation includes, but is not limited to:

  - side agreements between buyer and seller that defeat the program
  - knowingly disclosing false information regarding land ownership or farm operation
  - knowingly taking actions to defeat program purposes.

B Correction Effective Date

The effective date for corrections because of misrepresentation by producer or error made by the County Office is the FY in which the reconstitution correcting the error would be effective.

97-108 (Reserved)

Part 5 Types of Reconstitutions

109 Overview

A Reconstitution Types

The following are 4 types of reconstitutions:

- farm combinations
- farm divisions
- tract combinations
- tract divisions.

B Definition of Farm Combination

A farm combination is the consolidation of 2 or more farms, having the same operator, into 1 farm.

C Definition of Farm Division

A farm division is the dividing of a farm into 2 or more farms because of a change in ownership or operation.

D Definition of Tract Combination

A tract combination is the optional consolidation of 2 or more tracts because of common ownership unit and contiguous land.

E Definition of Tract Division

A tract division is the dividing of a tract into 2 or more tracts because of a change in ownership or operation. A tract division does not always require a subsequent farm division.

Section 1 Combinations

Subsection 1 Farm Combinations

110 Common Ownership Farm Combinations

A Definition of Common Ownership Unit

A common ownership unit is a distinguishable part of a farm, consisting of 1 or more tracts of land with the same owners, as determined by FSA.

B Required Combinations

Farms shall be combined when:

- both of the following apply:

  - the tracts are under common ownership unit
  - the resulting farm would meet the definition of a farm in paragraph 24

  Note: All DCP farms with the same owner, operated as 1 farm, and located in the same county, shall be combined.

- the farm was not properly constituted under the applicable procedure in effect at the time of the last reconstitution

- COC determines that the farm was reconstituted on the basis of false information provided by the owner or farm operator.

Notes: Combinations of CRP land with non-CRP land are not required even though the criteria in this subparagraph may be met.

DCP and non-DCP farms may be combined.

ACRE and non-DCP, if also non-CRP, may be combined.

111 Separate Ownership Farm Combinations

A Basic Rule

Combinations of land under separate ownership:

- are voluntary
- shall not be encouraged.

B Criteria for Combinations

[7 CFR 718.201] Land under separate ownership may be combined if all of the following apply:

- the resulting farm meets the definition of a farm in paragraph 24
- all owners agree in writing
- the land is under a lease agreement of at least 1 year duration.

Exceptions: All owners who had previously agreed to the combination of land under separate ownership are **not** required to agree again in writing. Only owners contributing new land to the combination must agree in writing.

If multiple ownership farms are involved, only the operator's signature is required if all owners on each farm had previously agreed to that farms constitution.

Notes: DCP and non-DCP farms may be combined.

ACRE and non-DCP, if also non-CRP, may be combined.

112 Combinations Across State and County Lines

A Base and Non-Base Farms

[7 CFR 718.201] Farms across State or county lines may be combined upon request if all of the following conditions apply:

- the farms meet the criteria for being transferred according to paragraph 52
- the farms meet the criteria for combination according to paragraph 110
- any of the following:
  - counties that are contiguous; that is, touching at corners, sides, etc

    Example: County A is contiguous to County B. County B is contiguous to County C.

    <table>
    <tr><td>County A</td><td colspan="2">County B</td></tr>
    <tr><td></td><td></td><td>County C</td></tr>
    </table>

    Land in counties A, B, and C may be combined if there are parent farms located in all 3 counties.

    If the land in County B is divided from the farm, separate the land in counties A and C, because counties A and C are not contiguous.
  - farms within 20 road miles of each other
  - counties divided by a river
  - counties that do not touch because of a correction line adjustment.

113 Combining Federally- and State-Owned Land

A Federal Land

[7 CFR 718.201] Federally-owned land shall not be combined with privately-owned land.

B State Land

[7 CFR 718.201] Wildlife land owned by State entities shall not be combined with privately-owned land.

Exception: State-owned wildlife land may be combined with privately owned land when the former owner has possession of the land under a leasing agreement.

114 Combining Farms With Approved ACRE Election

A Initiating Reconstitutions With Approved ACRE Election

A farm combination may be initiated or approved if all the farms involved in the combination contain the same ACRE status. ACRE status is determined as follows:

- if CCC-509 is identified as an ACRE farm and is approved, then the farm's ACRE status is "Yes"
- if CCC-509 is identified as an ACRE farm and is **not** approved, then the farm's ACRE status is "No".

An ACRE election is made by **all** producers on the farm with a share of base acres and **must** be completed by June 3, 2013. After June 3, 2013, the ACRE status **cannot** be changed.

A farm combination may be initiated or approved if all the farms involved in the combination do not contain the same ACRE status if both of the following apply:

- farm involved in combination is a non-DCP farm
- farm involved in combination is a non-CRP farm.

See 1-DCP (Rev. 3) for County Office action for ACRE contracts that have been cancelled because of reconstitutions.

115-124 (Reserved)

Subsection 2 Tract Combinations

125 Common Ownership Tract Combinations

A Definition of Common Ownership Unit

A common ownership unit is a distinguishable part of a farm, consisting of 1 or more tracts of land with the same owners, as determined by FSA.

B Permitted Combinations

Tracts may be combined when all the following conditions are met:

- tracts are associated with the same farm number
- tracts have common ownership unit
- tracts are contiguous
- owner agrees.

C Combining Tracts Across State and County Lines

Tracts may be combined across State and county lines if there is no defined county boundary. Use the State and county codes where the majority of the combined tract is located for the "Physical Location". Use the "Congressional District" code associated with the "Physical Location" code.

126 Initiating Tract Combinations

A Before Initiating Tract Combination

Before initiating a tract combination, verify that the:

- tracts are on the same farm
- tracts have the same ownership
- tracts are contiguous
- owner agrees, by signing FSA-155
- FSA-155 was completed according to paragraph 94.

127-130 (Reserved)

Section 2 Divisions

Subsection 1 Reasons for Divisions

131 Reasons for Farm Divisions

A Rules

Following are rules for dividing farms.

Reason for Farm Division	Who May Initiate Reconstitution
Part of the farm is **sold** or ownership changes and the land no longer meets the definition of a farm in paragraph 24.	COC, owner, or operator
The land no longer meets the definition of a farm in paragraph 24.	COC, owner, or operator
The farm was not properly constituted under the applicable regulations in effect at the time of the last reconstitution.	COC, owner, or operator
COC determines that the farm was reconstituted on the basis of false information provided by the owner or farm operator.	COC
An owner of a multiple-ownership farm requests, in writing, that the land owned by that owner no longer be included in the farm. **Note:** This request must be in writing; however, the owner's signature on FSA-155 may serve as the written request. When a tract of land on a multiple-ownership farm is owned by persons with undivided interest, only 1 undivided interest owner's request and signature is required.	owner

The resulting farms shall be administratively located in the county where the land is physically located.

132 Reasons for Tract Divisions

A Rules

Following are rules for dividing tracts.

Reason for Tract Division	Who May Initiate Reconstitution
The tract no longer meets the definition of a tract according to paragraph 24.	COC or owner
Part of the tract is sold or ownership changes.	COC or owner

133-139 (Reserved)

Subsection 2 Methods of Division

140 Overview

A What Are the Methods of Division

[7 CFR 718.206] The methods of division in priority order are shown in this table.

Priority Order	Method of Division	Paragraph Reference
1	Estate.	141
2	Designation by landowner.	142
3	DCP cropland (applicable to base acres for tract divisions only).	143
4	Default (applicable to base acres for farm divisions only).	144

B Selection of Methods

Select the proper method of division:

- on a crop-by-crop basis
- using the priority order in subparagraph A.

141 Estate

A Definition of Estate Method

[7 CFR 718.206] The estate method is the division of bases for a parent farm among heirs in settling an estate.

B Documentation Required

Divide bases among heirs according to this subparagraph.

To divide a farm by the estate method, obtain either of the following documentation and attach to FSA-155:

- copy of the will by the testator

  Note: COC shall determine whether a division can be made reasonably according to the terms of the will. If COC determines the terms are not reasonable, do not use the estate method.

- written agreement by all heirs or devisees who acquire an interest in the property for which bases have been established.

  Notes: The written statement shall only be used if there is no will or COC determines the terms of the will are not clear as to the division of the bases.

  An agreement by the administrator or executor shall not be accepted instead of an agreement by the heirs or devisees.

C FSA-155 Signature Requirements

Signatures are not required on FSA-155, however, a copy of the will or written agreement signed by all heirs or devisees shall be attached to FSA-155.

141 Estate (Continued)

D Land Sold Before Estate Is Settled

If the estate sells a tract of land before the farm is divided according to subparagraph B, complete the following reconstitutions:

- divide the land sold from the parent farm as follows:
  - do not use the estate method
  - use the next appropriate method of division
- divide the remainder of the farm among the heirs using the estate method.

E COC Determination

COC shall determine whether a division can be made reasonably according to the terms of the will. If COC determines that the terms are not reasonable, do not use the estate method.

F Double-Cropped Acres

Double-cropped acres must go with the base acres. Before dividing a farm with double-cropped acres, ensure that sufficient effective DCP cropland plus double-cropped acres will be on each resulting farm to support the designated bases. If the effective DCP cropland plus double-cropped acres will not be sufficient to cover the bases, use CCC-517, according to paragraph 172, to move double-cropped acres as needed **before** the division is processed.

142 Designation by Landowner

A Definition of Designation by Landowner Method

[7 CFR 718.206] The designation by landowner method is the division of bases in the manner agreed to by the parent farm owner and purchaser or transferee.

B When This Method May Be Used

The designation by landowner method may be used when any of the following apply:

- part of a farm is sold or ownership is transferred
- an entire farm is sold to 2 or more persons
- farm ownership is transferred to 2 or more persons
- part of a tract is sold or ownership is transferred
- a tract is sold to 2 or more persons
- tract ownership is transferred to 2 or more persons.

C FSA-155 Signature Requirements

FSA-155 shall be signed by all of the following:

- sellers
- buyers (transferees).

Exception: When MOU that is signed by all sellers and buyers is filed, signatures of all sellers and buyers are not required on FSA-155. However, a copy of MOU shall be attached to FSA-155.

D Multiple-Ownership Farms

If a tract will be divided before the farm is divided using the designation by landowner method, divide the tract using the standard method of division before dividing the farm.

142 Designation by Landowner (Continued)

E Eligibility Requirements

All of the requirements in this table must be met to use the designation by landowner method.

Description	Requirement
3-Year Ownership	The land sold or transferred must have been owned for at least 3 years. See subparagraph G for a waiver of this 3-year requirement.
MOU	The owner of the parent farm and the purchaser or transferee shall file a signed MOU designating bases before either of the following occurs: • the farm is reconstituted; that is, COC or designee signs the COC report • any subsequent transfer of ownership. An MOU may be revised to meet the eligibility requirements in this subparagraph. **Note:** A deed is not an MOU.

F Revising Designation

If COC determines that bases cannot be divided in the manner designated, the owner shall be notified and permitted to revise the designation.

If a revised designation is not provided within a reasonable time, or if it does not meet the conditions of this paragraph, the bases will be divided using the next appropriate method.

142 Designation by Landowner (Continued)

G Waiver of 3-Year Requirement

COC may waive the 3-year ownership requirement if COC determines that the sale was not primarily to keep or sell bases.

If COC does **not** waive the 3-year requirement and only a portion of the land sold or transferred has been owned for less than 3 years, complete the following reconstitutions:

- divide the parent farm to separate the land owned for less than 3 years using the default method of division

- divide the land owned for 3 years or more using the designation by landowner method.

H Leased Indian Tribal Land

If land owned by an Indian Tribal Council is leased to 2 or more producers:

- allow the Indian Tribal Council to use the designation by landowner method
- do not apply the eligibility requirements in subparagraph E.

I Double-Cropped Acres

Double-cropped acres must go with the base acres. Before dividing a farm with double-cropped acres, ensure that sufficient effective DCP cropland plus double-cropped acres will be on each resulting farm to support the designated bases. If the effective DCP cropland plus double-cropped acres will not be sufficient to cover the bases, use CCC-517 according to paragraph 172, to move double-cropped acres as needed **before** the division is processed.

142 Designation by Landowner (Continued)

J Publicizing Method of Division

County Offices shall:

- publicize the designation by landowner method of division, including the definition and criteria for using it

- distribute the information in any manner available including, but not limited to:

  - newspaper articles
  - newsletters
  - radio and television spots.

K When to Publicize

Publicize this method of division:

- once a year, at a minimum
- toward the end of each FY.

Note: This will ensure that producers are familiar with the method and criteria throughout the coming FY.

143 DCP Cropland

A Definition of DCP Cropland Method

[7 CFR 718.206] The DCP cropland method is the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract.

B Verifying DCP Cropland

Before using the DCP cropland method, verify the DCP cropland acres on each tract. Redetermine the acreage if there is any question, doubt, or suspicion about the authenticity of the DCP cropland acreage on record.

C When to Use This Method

The DCP cropland method may be used if COC determines paragraphs 141 and 142 do not apply.

D When Not to Use This Method

The DCP cropland method shall not be used to divide base acres in a farm division.

E FSA-155 Signature Requirements

FSA-155 shall be signed by 1 of the following:

- owner
- operator.

Note: The owner's signature is not required for a reconstitution initiated by the operator if the division would be required by COC.

144 Default

A Definition of Default Method

[7 CFR 718.206] The default method is the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

B When to Use This Method

The default method may be used if COC determines paragraphs 141 and 142 do not apply.

C FSA-155 Signature Requirements

FSA-155 shall be signed by 1 of the following:

- owner removing the tract or tracts
- operator.

Note: The owner's signature is not required for a reconstitution initiated by the operator if the division would be required by COC.

145-148 (Reserved)

Subsection 3 Approving Reconstitutions

149 Documentation for COC Approval

A Required Documentation

County Offices shall submit the following to COC for each reconstitution:

- completed FSA-155 prepared according to paragraph 94
- FSA-156EZ's printed for the parent and resulting farms
- additional documentation necessary to support the reconstitution or the methods of division selected.

B COC Review Requirements

When reviewing proposed reconstitutions, COC shall:

- check the items submitted according to subparagraph A
- ensure that the reconstitution requirements in Part 4 are met
- ensure that all information on FSA-155 has been obtained and the form is complete
- ensure that the reconstitution effective dates are correct according to paragraph 95
- for divisions, ensure that the proper methods of division are selected according to paragraphs 141, 142, and 143 and the applicable questions in subparagraph D are addressed
- if adjustment rules are used, ensure that the:
  - rules are applied correctly
  - results are correct
- sign FSA-155 for all reconstitutions
- see subparagraph 150 B if the reconstitution is not approved.

150 Reconstitution Approval Process

A Required Documentation

County Offices shall submit the following to COC for each reconstitution:

- completed FSA-155 prepared according to paragraph 94
- FSA-156EZ's printed for the parent and child farms
- additional documentation necessary to support the reconstitution or the methods of division selected.

B COC Review Requirements

When reviewing proposed reconstitutions, COC shall:

- check the items submitted according to Exhibit 13
- ensure that the reconstitution requirements in paragraphs 90 and 91 are met
- ensure that all information on FSA-155 has been obtained and the form is complete
- ensure that the reconstitution effective dates are correct according to paragraph 95
- for divisions, ensure that the proper methods of division are selected according to paragraphs 141, 142, and 143 and the applicable questions in subparagraph D are addressed
- if adjustment rules are used, ensure that the:
  - rules are applied correctly
  - results are correct
- sign FSA-155 for all reconstitutions
- see subparagraph D if the reconstitution is not approved.

150 Reconstitution Approval Process (Continued)

D Approval

COC shall sign and date FSA-155, checking "approved" according to the following:

- for farm level reconstitutions, sign after the reconstitution is completed in MIDAS Farm Records and the approval workflow has been initiated
- for tract level reconstitutions, sign after the combination or division is completed in MIDAS Farm Records
- approving official shall approve the workflow in the MIDAS Farm Records System. See work instructions.

Note: COC can delegate authority to CED according to subparagraph E.

FSA-155 is the reconstitution approval document. Attach the parent and child farm's FSA-156's to FSA-155.

Provide the following information to the parent and child farm's owners and operators:

- FSA-476DCP, applicable to the farm level reconstitutions only
- FSA-156EZ to associated owners and operators only
- a photocopy of NRCS determinations with NRCS determinations entered for each field

  Note: See 6-CP for additional information.

- appeal rights on FSA-476DCP.

D Disapproval

COC shall sign and date FSA-155, checking "disapproved".

Approving official shall select "disapprove" from the drop down menu in the workflow and execute the decision. See work instructions.

Provide the following information to the parent and child farm's owners and operators:

- a letter explaining why the reconstitution cannot be processed
- appeal rights according to 1-APP.

150 Reconstitution Approval Process (Continued)

E COC Redelegation

COC may redelegate to CED the authority to approve or disapprove FSA-155's if another reconstitution, signup, or similar action would be delayed if COC action in not obtained in a timely manner.

If COC redelegates to CED:

- the redelegation shall be in writing
- each month, COC shall review CED decisions.

151 Printing FSA-476DCP

A Printing FSA-476DCP

The FSA-476DCP automatically prints following approval of the reconstitution workflow. FSA-476DCP may be reprinted for the current FY for an approved:

- farm combination
- farm division.

Note: When a series of reconstitutions has been processed, only FSA-476DCP’s for the final approved reconstitution can be reprinted.

The mailing date on FSA-476DCP will be the date the reconstitution was updated, and the final appeal/review date will be 30 calendar days after the mailing date.

See work instructions.

151 Printing FSA-476DCP (Continued)

B Example of FSA-476DCP

Following is an example of FSA-476DCP.

FSA-476DCP
(1/22/2003)

United States Department of Agriculture
Farm Service Agency

Notice Date: Apr 17, 2013

Notification of Bases, Payment Yields, and CRP Reductions After Reconstitution

Any County - ST Farm Service Agency
111 Nowhere Ave
Anywhere ST 00000-0000
(000) 000-0000

Any 1 Producer
222 Nowhere Ave
Anywhere ST 00000-0000

Year : 2013

Farm No: 5900

Crop Name	Base Acres	Direct Yield	Counter Cyclical Yield	CCC-505 CRP Reduction Acres
Soybeans	131.00	35	38	0.00
Wheat	100.00	55	55	0.00

As a result of a reconstitution, the farm that had been enrolled no longer exists, and is ineligible for any future payments. Since this is a newly created farm, it is not enrolled in a DCP/ACRE contract. In order for the Base Acres to be eligible for a DCP/ACRE payment, a new contract must be signed by the producers by the later of the end of the enrollment or 30 days from the date of this notice.

The final date to appeal this data is the appeal date listed below.

Operator : ANY 1 PRODUCER

Owner : ANY 2 PRODUCER

Farm Description : 24-021-5900

FAV/WR History : N

Final Date of Appeal: May 17, 2013

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152-159 (Reserved)

Subsection 4 Adjustments After Farm Divisions

160 Basic Rule for Adjustments

A Rule

Base acres apportioned among the resulting farms using the default method may be increased and decreased if all of the following apply:

- a subsequent transfer of ownership has **not** occurred
- all owners agree in writing by signing CCC-517 within 30 calendar days of notification of base acres
- the increase in base acres with respect to a farm is offset by a corresponding decrease for the base acres established on the other resulting farm or farms.

Base acres and yields shall be adjusted according to paragraphs 35 and 36.

161-169 (Reserved)

Part 6 CRP Reconstitutions

170 Overview

A Rule

If the operator of a farm which contains land enrolled in CRP-1 does not share in CRP, review the farming operation to ensure that the land meets the definition of a farm according to paragraph 24.

Note: If the farm is under common ownership and the operator does not share in CRP-1, do not divide the farm.

B Distribution of Acres

Before a reconstitution is initiated, users shall verify that the CRP cropland allocated to each tract matches the amount recorded in the CRP system for the following:

- CRP acres
- CRP MPL acres, if applicable.

Follow the work instructions to distribute the CRP acres/CRP MPL if applicable.

171 Dividing Farms During CRP Signup

A Dividing Farms for Current Year Contracts

Divide farms that enter into CRP-1's if either of the following applies:

- the land no longer meets the definition of a farm in paragraph 24

  Exception: If the farm is under common ownership and the operator does not share in CRP-1, do not divide the farm.

- 1 or more owners refuse to sign CRP-1 that will be effective in either the current or future FY. For future year contracts, see subparagraph B.

B Dividing Farms for Future Year Contracts

Process the reconstitution in FY CRP-1 is effective.

172 CCC-517, Tract Redistribution Form

A Background

CCC-517 is intended to be used by owners to redistribute base acres:

- when a tract is out-of-balance (see paragraph 35)
- for any reason during the current FY as long as all affected owners on the farm agree to the redistribution.

CCC-517 can be used to redistribute base acres between resulting farms of a farm division that was completed using the default method if both of the following apply:

- a subsequent transfer of ownership has **not** occurred
- all effected owners on the resulting farms agree to the redistribution within 30 calendar days of notification of base acres.

Note: This procedure replaces the 10 percent variation rule that no longer applies to base acres.

All CCC-517's signed by the effected owners of a farm shall be maintained as a permanent file record in the County Office.

Notes: CCC-517 is only intended for redistribution of base acres in the current FY. County Offices shall not allow redistribution of base acres for a prior FY.

COC has authority to deny a redistribution of base acres if they determine that the redistribution is being requested to circumvent program regulations.

172 CCC-517, Tract Redistribution Form (Continued)

B Example of CCC-517

The following is an example of CCC-517.

This form is available electronically.

CCC-517 (02-10-11)

U.S. DEPARTMENT OF AGRICULTURE
Commodity Credit Corporation

TRACT REDISTRIBUTION FORM

1. COUNTY FSA OFFICE NAME AND ADDRESS *(Including Zip Code)*

ANYWHERE COUNTY FARM SERVICE AGENCY
123 ANYWHERE ST
ANYWHERE ST 00000-0000

TELEPHONE NUMBER *(Area Code)*: (999) 999-9999

2. STATE CODE	3. COUNTY CODE
28	027
4. FARM SERIAL NUMBER	**5. TRACT NUMBER**
4890	9106

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 the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246), 7 CFR Part 718, and 7 CFR Part 1412. The information will be used to accomplish the redistribution of base acres on each tract. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for the redistribution of base acres on each tract.*

This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-246, Title II, Subtitle J - Administration). ***RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.***

The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.

6. TRACT ACREAGE

A. DCP CROPLAND	250.0
B. EFFECTIVE DCP CROPLAND	250.0
C. CURRENT DOUBLE CROPPED ACRES	50.0
D. REQUESTED DOUBLE CROPPED ACRES	

E. CROP	F. CURRENT BASE	G. REQUESTED BASE	E. CROP	F. CURRENT BASE	G. REQUESTED BASE
WHEAT	50.0				
CORN	190.0				
SOYBEANS	50.0				

7. OWNER'S CERTIFICATION

I understand that by signing this form I have made the tract redistribution decision shown in Item 6 for the farm serial number in Item 4.

I also understand that all owners on this farm must sign form CCC-517. In the event that one or more owners of this farm fail to sign form CCC-517, I understand that this form is null and void, that the tract redistribution decision shown in Item 6 is no longer applicable.

A. OWNER'S NAME AND ADDRESS *(Including Zip Code)*

Any 1 Producer
123 Nowhere Street
Anywhere, ST 99999-9999

B. SIGNATURE OF OWNER (BY)	C. TITLE/RELATIONSHIP OF THE INDIVIDUAL SIGNING IN A REPRESENTATIVE CAPACITY	D. DATE (MM-DD-YYYY)

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

172 CCC-517, Tract Redistribution Form (Continued)

C Completing CCC-517

Print a CCC-517 for each effected owner on each tract on the farm. Each effected owner on the farm shall sign and date CCC-517, agreeing to the redistribution of acres. The following table describes the fields on CCC-517.

Item	Description		Entry
1	County Office name, address, and telephone number		Manual Entry
2	State code		Manual Entry
3	County code		Manual Entry
4	Farm serial number		Manual Entry
5	Tract number		Manual Entry
6	Provides the tract's acreage information		Manual Entry
	A	Tract's DCP cropland	Manual Entry
	B	Tract's effective DCP cropland	Manual Entry
	C	Tract's current double-cropped acres	Manual Entry
	D	Tract's requested double-cropped acres	The owner must enter the amount of double-cropped acres being attributed to the tract. See subparagraph D for restrictions.
	E	Crop name	Manual Entry
	F	Current base acres	Manual Entry
	G	Requested base acres	The owner must enter the amount of base acres being attributed to the tract for each applicable crop. See subparagraph E for restrictions.
7	Owner's certification		
	A	Owner's name and address	Manual Entry
	B	Owner's signature	All effected owners on the farm must sign.
	C	**IF individual signing in item 7B is…**	**THEN…**
		signing in a representative capacity for the owner	a title/relationship shall be listed.
		the signatory	**no** entry is required.
	D	Signature date	all effected owners on the farm must date.

172 CCC-517, Tract Redistribution Form (Continued)

D Double-Cropped Acre Restrictions

The following restrictions apply to requested double-cropped acres.

- Double-cropped acres entered in CCC-517, item 6D must be the total amount of double-cropped acres that will exist on the tract after redistribution.

  Example: Tract 1 currently contains 20.0 double-cropped acres. 10.0 double-cropped acres are being redistributed from tract 2 to tract 1. The owners must enter 30.0 acres in CCC-517, item 6D.

- Tract level double-cropped acres may be redistributed **only** if base acres are also being redistributed.

- Double-cropped acres and base acres must be redistributed from the same tract and attributed to the same tract.

- Tract level double-cropped acres being redistributed cannot exceed the amount of base acres being redistributed.

E Base Acre Restrictions

The following restrictions apply to requested base acres.

- Base acres entered in CCC-517, item 6G must be the total amount of base acres that will exist on the tract after redistribution.

  Example: Tract 1 currently contains 20.0 wheat base acres. 10.0 wheat base acres are being redistributed from tract 2 to tract 1. The owners must enter 30.0 acres for wheat in CCC-517, item 6G.

- Total of the base acres entered for each crop on each tract cannot exceed the farm level base acres for that crop.

- Total of all base acres entered for each tract cannot exceed the farm level base acres.

- Total of all base acres entered for the farm cannot exceed the farm’s effective DCP cropland plus double-cropped acres.

172 CCC-517, Tract Redistribution Form (Continued)

E Base Acre Restrictions (Continued)

- Total of base acres entered for each tract cannot exceed the tract's effective DCP cropland plus double-cropped acres

  Note: Any acres entered in CCC-517, item 6D, shall be used when determining the tract's effective DCP cropland plus double-cropped acres.

- Crops entered in CCC-517, item 6E, must already exist on the farm.

- All owners must agree to the redistribution by signing CCC-517.

F Yield Adjustments

When acres are redistributed using CCC-517, yields may need to be adjusted. See paragraph 36 for rules on adjusting yields when tract acres are adjusted.

*--173 CCC-518, Tract Price Loss Coverage (PLC) Yield Redistribution Form

A Background

CCC-518 is intended to be used by owners to adjust tract PLC yields according to paragraph 37.5.

All CCC-518's signed by the affected owners of a farm will be maintained as a permanent file in the County Office.

Notes: CCC-518 is only intended for redistribution of PLC yields in the current FY. County Offices must **not** allow redistribution of PLC yields for a prior FY.

COC:

- will document approval of CCC-518 satisfying all requirements (correct calculation, having all required signatures, etc.) in executive session minutes

- has authority to disallow a redistribution of PLC yields if the redistribution is being requested to circumvent program regulations

CCC-518 can only be adjusted with concurrence by all affected owners.**--***

*--173 CCC-518, Tract Price Loss Coverage (PLC) Yield Redistribution Form

B Example of CCC-518

The following is an example of CCC-518.

This form is available electronically.

CCC-518 (06-12-15) **U.S. DEPARTMENT OF AGRICULTURE** Commodity Credit Corporation	1. COUNTY FSA OFFICE NAME AND ADDRESS *(Including Zip Code)*		
TRACT PRICE LOSS COVERAGE (PLC) YIELD REDISTRIBUTION FORM	TELEPHONE NUMBER *(Area Code)*:		
	2. STATE CODE	3. CTY CODE	4. FARM SERIAL NUMBER

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 7 CFR Part 1412, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine eligibility to participate in and receive benefits under the Price Loss Coverage Program. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under the Price Loss Coverage Program.*

This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration).

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.***

5A. TRACT	5B. CROP	5C. BASE ACRES	5D. CURRENT PLC YIELD	5E. PROPOSED PLC YIELD

6. OWNER'S CERTIFICATION

I understand that by signing this form I have made the tract yield adjustment shown in Item 5 for the farm serial number in Item 4.

I also understand that all affected owners on this farm must sign form CCC-518. In the event that one or more owners of this farm fail to sign form CCC-518, I understand that this form is null and void, that the tract yield adjustment decision shown in Item 5 is no longer applicable.

A. OWNER'S NAME AND ADDRESS *(Including Zip Code)*

B. SIGNATURE OF OWNER (BY)	C. TITLE/RELATIONSHIP OF THE INDIVIDUAL SIGNING IN A REPRESENTATIVE CAPACITY	D. DATE (MM-DD-YYYY)

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If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at ***http://www.ascr.usda.gov/complaint_filing_cust.html****, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail to U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at* ***program.intake@usda.gov****. USDA is an equal opportunity provider and employer.*

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*--173 CCC-518, Tract Price Loss Coverage (PLC) Yield Redistribution Form (Continued)

B Example of CCC-518 (Continued)

CCC-518 (06-12-15) Page 2 of 2

2. STATE CODE	3. COUNTY CODE	4. FARM SERIAL NUMBER

CONTINUATION OF OWNER'S INFORMATION ***(From Page 1)***

A. OWNER'S NAME AND ADDRESS *(Including Zip Code)*		
B. SIGNATURE OF OWNER (BY)	C. TITLE/RELATIONSHIP OF THE INDIVIDUAL SIGNING IN A REPRESENTATIVE CAPACITY	D. DATE (MM-DD-YYYY)
A. OWNER'S NAME AND ADDRESS *(Including Zip Code)*		
B. SIGNATURE OF OWNER (BY)	C. TITLE/RELATIONSHIP OF THE INDIVIDUAL SIGNING IN A REPRESENTATIVE CAPACITY	D. DATE (MM-DD-YYYY)
A. OWNER'S NAME AND ADDRESS *(Including Zip Code)*		
B. SIGNATURE OF OWNER (BY)	C. TITLE/RELATIONSHIP OF THE INDIVIDUAL SIGNING IN A REPRESENTATIVE CAPACITY	D. DATE (MM-DD-YYYY)
A. OWNER'S NAME AND ADDRESS *(Including Zip Code)*		
B. SIGNATURE OF OWNER (BY)	C. TITLE/RELATIONSHIP OF THE INDIVIDUAL SIGNING IN A REPRESENTATIVE CAPACITY	D. DATE (MM-DD-YYYY)

--*

*--173 CCC-518, Tract Price Loss Coverage (PLC) Yield Redistribution Form (Continued)

C Completing CCC-518

Each affected owner shall sign and date CCC-518, agreeing to the redistribution of PLC yields. The following table describes the fields on CCC-518.

Item	Description		Entry
1	County Office name, address, and telephone number.		Manual Entry
2	State code.		Manual Entry
3	County code		Manual Entry
4	Farm serial number.		Manual Entry
5	Provide the tract's information.		
	A	Tract number.	Manual Entry
	B	Applicable covered commodity.	Manual Entry
	C	Applicable covered commodity's base acres.	Manual Entry
	D	Current PLC tract yield.	Manual Entry
	E	Tract's requested yield for applicable covered commodity.	The owner(s) must enter the requested yield being redistributed to the tract See paragraph 37.5 for limitations.
6	Owner's certification.		
	A	Owner's name and address.	Manual Entry
	B	Owner's signature.	All effected owners on the farm must sign.
	C	**If the individual signing in item 7 B is…**	**THEN..**
		signing in a representative capacity for the owner	a title and/or relationship shall be listed.
		the signatory	no entry is required.
	D	Signature date.	All effected owners on the farm must date.

--*

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1245	Request for Cost Shares		65
AD-862	Conservation Reporting and Evaluation System		65
AD-1026	Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification		65
CCC-452	NAP Production and Yield Report		65
CCC-471	Non-Insured Crop Disaster Assistance Program (NAP) Application for Coverage (2010 and Subsequent Crop Years)		65
CCC-502A	Farm Operating Plan for Payment Eligibility Review for an Individual		65
CCC-502B	Farm Operating Plan for Payment Eligibility Review for a Joint Venture or General Partnership		65
CCC-502C	Farm Operating Plan for Payment Eligibility Review for Corporations, Limited Partnerships or Other Similar Entities		65
CCC-502D	Farm Operating Plan for Payment Eligibility Review for an Estate or Trust		65
CCC-502EZ	Farm Operating Plan for Payment Eligibility Review for an Individual		65
CCC-505	Voluntary Permanent Direct and Counter-Cyclical Program (DCP) Base Acreage Reduction		35, 65
CCC-509	Direct and Counter-Cyclical Program Contract		65
CCC-509ACRE	Average Crop Revenue Election (ACRE) Program Irrevocable Election		65
CCC-517	Tract Redistribution Form	172	Text, Ex. 8
CCC-518	Tract Price Loss Coverage (PLC) Yield Redistribution Form	173	37.5

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

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-522	Tract Owner Selection of Initial or Subsequent Crop Acreage History		65
CCC-523	Summary of Acreage History and Yield Report		65
CCC-524	Base Acre and Yield Election Form		65
CCC-576	Notice of Loss and Application for Payment Noninsured Crop Disaster Assistance Program for 2013 and Subsequent Years		65
CCC-749	Request to Participate in the ___ Planting Transferability Pilot Project		65
CRP-1	Conservation Reserve Program Contract		25, 26, 35, 36, 170, 171
FCI-19	Crop Insurance Acreage Report		66
FSA-156EZ	Abbreviated 156 Farm Record and Tract Listing	Ex. 11	35, 65-69, 94, 149, 150
FSA-179	Transfer of Farm Records Between Counties	Ex. 10	2, 52-54, 62, 65-67
FSA-155	Request for Farm Reconstitution	94	2, 92, 93, 1126, 131, 141-144, 149, 150
FSA-211	Power of Attorney		65
FSA-476DCP	Notice of Acreage Bases, Payment Yields and CRP Reduction	151	65,150
FSA-578	Report of Acreage		66, 90
FSA-658	Record of Production and Yield		65
NRCS-CPA-026	Highly Erodible Land and Wetland Conservation Determination		30. 65
NRCS-CPA-027	Certification of Highly Erodible Land Conservation Plan(s) and System(s)		65

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

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviation	Term	Reference
CC	counter-cyclical	Text
FAV/WR	fruits and vegetables or wild rice	Text
FRS	Farm Records Management System	2, 69, 70, 91, 92, 112, 243
PCW	planted converted wetland	3, 34
PLC	price loss coverage	37.5, 173
PTPP	Planting Transferability Pilot Program	3, 33, 93

Redelegations of Authority

This table lists the redelegations of authority for this handbook.

Redelegations	Reference
DAFP has delegated its authority to STC's to approve requests for selecting a new administrative County Office in cases where County Offices have closed and a producer requests an administrative county other than the 1 designated by FSA. STC may redelegate this authority to SED.	53
DAFP has delegated its authority to STC's to approve requests for selecting a new administrative County Office in cases where County Offices have reduced hours of operation and/or reduced staffing. STC may redelegate this authority to SED.	54
COC may redelegate to CED the authority to approve in and out transfers of land between counties.	63, 68, Ex. 10
COC may redelegate authority to CED to approve in and out transfers between States.	67
COC may redelegate to CED the authority to approve or disapprove reconstitutions.	150

Definitions of Terms Used in This Handbook

Administrative County Office

Administrative County Office is the County Office designated by FSA to:

- make determinations
- handle official records
- issue payments to producers.

Common Ownership Unit

A common ownership unit is a distinguishable part of a farm, consisting of 1 or more tracts of land with the same owners, as determined by FSA.

Contiguous

Contiguous is touching at a point or along a boundary.

Contiguous County

Contiguous county is a county that is touching at a point or along a boundary to another county.

Contiguous County Office

Contiguous County Office is a county that is touching at a point or along a boundary to another county where an FSA County Office currently exists.

Cropland

Cropland is land that COC determines meets any of the following conditions:

- currently being tilled to produce a crop for harvest
- not currently tilled, but has been tilled in a prior year and is suitable to be tilled for crop production
- currently devoted to 1- or 2-row shelterbelt planting, orchard, vineyard, or other related crops
- in terraces that, according to FSA records, were cropped in the past even though they are no longer capable of being cropped
- in sod waterways or filter strips planted to perennial cover

Definitions of Terms Used in This Handbook (Continued)

Cropland (Continued)

- under CRP-1, including alternative perennials, until CRP-1 expires or is terminated

  Notes: See 2-CRP, paragraph 327 for alternative perennials.

  Violations of HELC or WC provisions do not affect cropland classification.

- under GRP, when land was classified as cropland before being enrolled as GRP

- under WRP, when land was classified as cropland before being enrolled as WRP

- new land broken out if both of the following conditions are met:

  - land is planted to a crop to be carried through to harvest

  - tillage and cultural practices in planting and harvesting the crop must be consistent with normal practices in the area.

Land classified as cropland shall be removed from this classification upon a determination by COC that the land is:

- no longer used for an agricultural use

- no longer suitable for producing a crop

- subject to a restrictive or permanent easement that prohibits the planting of an annual crop

  Note: This does not include land under CRP-1, WRP, or land that is hayed and/or grazed.

- converted to ponds, tanks, or trees.

  Note: This does not include trees planted under CRP-1 or currently devoted to 1- to 2-row shelterbelt planting, orchard, or vineyard.

Definitions of Terms Used in This Handbook (Continued)

Current Year

Current year is the present FY.

DCP Ag Related Activity Acres

DCP Ag Related Activity acres are acres that:

- the land met the definition of cropland at the time it was enrolled in PFC and the land is currently being used for an agricultural or related activity
- the land met the definition of cropland on or after April 4, 1996, and the land continues to be devoted to an agricultural or related activity.

Note: See 1-DCP, paragraph 426 for a list of agricultural uses.

DCP Cropland

DCP cropland is land for which 1 or more of the following apply:

- the land currently meets the definition of cropland
- the land met the definition of cropland at the time it was enrolled in PFC and the land is currently being used for an agricultural or related activity
- the land met the definition of cropland on or after April 4, 1996, and the land continues to be devoted to an agricultural or related activity.

DCP Cropland Method

The DCP cropland method is the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract.

Default Method

The default method is the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Designation by Landowner Method

The designation by landowner method is the division of base acres in the manner agreed to by the parent farm owner and purchaser or transferee.

Definitions of Terms Used in This Handbook (Continued)

Effective DCP Cropland

Effective DCP cropland is the amount calculated by subtracting from DCP cropland, cropland acres of the following:

- CRP
- GRP
- WBP
- WRP
- EWP
- State conservation
- Other conservation.

Estate Method

The estate method is the division of base acres for a parent farm among heirs in settling an estate.

Excess DCP Cropland

Excess DCP cropland is the result of subtracting the tract's base acres, CRP-1 acres, and outstanding WBP, WRP, GRP, State conservation, and other conservation acres from the tract's DCP cropland acres.

EWP Acreage

EWP acreage is land enrolled in EWP administered by NRCS according to 7 CFR Part 624. This land **cannot** be DCP cropland.

Definitions of Terms Used in This Handbook (Continued)

Farm

A farm is made up of tracts that have the same owner and the same operator.

Land with different owners may be combined if all the land is operated by 1 producer with all of the following elements in common and substantially separate from that of any other tracts:

The minimum size required for land to be considered a "farm" for FSA program purposes is 1/100th of an acre. However, the land must be part of a farming operation, a business enterprise engaged in the production of agricultural products, commodities, or livestock, operated by a person, legal entity, or joint operation that is eligible to receive payments, directly or indirectly, under one or more USDA programs.

- labor
- equipment
- accounting system
- management.

Note: Land on which other producers provide their own labor and equipment, but do not meet the definition of an operator, shall not be considered a separate farm.

Farm Combination

A farm combination is the consolidation of 2 or more farms, having the same operator, into 1 farm.

Farm Division

A farm division is the dividing of a farm into 2 or more farms because of a change in ownership or operation.

Farmland

Farmland is the sum of the following:

- DCP cropland
- forest
- acreage planted an eligible crop
- other land on the farm.

Definitions of Terms Used in This Handbook (Continued)

Field

Field or CLU is the smallest unit of land that has a:

- permanent, contiguous boundary
- common land cover and land management
- under one common owner
- common producer association.

GRP Acres

GRP acres are DCP cropland acres enrolled in GRP according to 16 U.S.C. 3838.

Land Cover

Land cover is the physical material at the surface of the earth. Land covers include grass, asphalt, trees, bare ground, water, etc. Following are the 2 primary methods for capturing information on land cover:

- field survey
- analysis of remotely sensed imagery.

Land Use

Land use is the human use of land. Land use involves the management and modification of natural environment or wilderness into built environment such as fields, pastures, and settlements. It has also been defined as "the arrangements, activities and inputs people undertake in a certain land cover type to produce, change or maintain it.

Nonagricultural, Commercial, or Industrial Use Land

Nonagricultural, commercial, or industrial use land is land that is no longer suitable for producing:

- annual or perennial crops, including conserving uses
- forestry products.

Definitions of Terms Used in This Handbook (Continued)

Operator

An operator is an individual, entity, or joint operation who is determined by COC as being in general control of the farming operations on the farm for the current year.

Other Conservation Acres

Other conservation acres are DCP cropland acres on the farm enrolled in a Federal conservation program other than CRP, WRP, EWP, WBP, and GRP for which payments are made in exchange for not producing an agricultural commodity on the acreage.

Other Producers

Other producers are producers who are:

- associated with a farm
- **not** owners or operators.

Out-of-Balance Tract

An out-of-balance tract is a tract that has base acres in excess of the tract's effective DCP cropland acres plus average double-cropped acres.

Owner

An owner is an individual or entity who has legal ownership of farmland, including individuals or entities that are any of the following:

- buying farmland under a contract for deed
- retaining a life estate in the property
- purchasing a farm in a foreclosure proceeding and both of the following apply:
  - the redemption period has not passed
  - the original owner has not redeemed the property
- a spouse in a community property State
- spouses owning property jointly.

Definitions of Terms Used in This Handbook (Continued)

***--Servicing County Office**

Servicing County Office means the service center location of the FSA County Office designated by FSA to administer FSA programs and loans for an administrative county or counties.

Example: Contiguous counties A and B are each servicing County Offices located in counties A and B, respectively, and are administrative counties. The servicing County Office in County B is closed. FSA designates servicing County Office A to serve as administrative county B as well as administrative county A.**--***

State Conservation Acres

State conservation acres are DCP cropland acres on the farm enrolled in a Federal conservation program administered by the State for which payments are made in exchange for not producing an agricultural commodity on the acreage.

Tract

A tract is a unit of contiguous land that is both of the following:

- under 1 ownership
- operated as a farm or a part of a farm.

Tract Combination

A tract combination is the optional consolidation of 2 or more tracts because of common ownership unit and contiguous land.

Tract Division

A tract division is the dividing of a tract into 2 or more tracts because of a change in ownership or operation. A tract division does not always require a subsequent farm division.

WBP Acres

WBP acres are DCP cropland acres enrolled in WBP according to 7 CFR Part 752.

WRP Acres

WRP acres are DCP cropland acres enrolled in WRP administered by NRCS according to 16 U.S.C. 3837, et seq.

Farm Operator Change Notification

A Example of Notification Letter About Farm Operator Change

This is an example of the letter notifying owners when farm operator changes.

I

USDA

United States Department of Agriculture

Farm and Foreign Agricultural Services

Farm Service Agency

Any County
FSA Office
P. O. Box xxx
Any town, ST
Zip Code

Date

Full Name
Street Address
City, State Zip Code

Dear Mr. Xxxx:

This office has recently updated farm xxxx to remove you as farm operator in general control of the farming operations on the farm.

You have been removed and the new operator has been added.

This office will be providing a copy of this notification of change of farm record to the prior and current operator and all farm owners. All producers who choose to participate in Farm Service Agency programs are responsible for updating their operating plan and all other applicable forms with FSA to reflect this change.

If you have any questions regarding this letter or if you believe this notification is incorrect, please do not hesitate to contact this office.

Sincerely,

Full Name
Title

FSA

USDA is an equal opportunity provider and employer.

Farm Operator Change Notification (Continued)

B Example of Notification Letter About Controlling Operator Change

This is an example of the notification letter informing operators added as general control operators.

USDA

United States Department of Agriculture

Farm and Foreign Agricultural Services

Farm Service Agency

Any County FSA Office
P. O. Box xxx
Any town, ST
Zip Code

Date

Full Name
Street Address
City, State Zip Code

Dear Mr. Xxxx:

This office has recently updated farm xxxx to show you as farm operator in general control of the farming operations on the farm.

The prior operator has been removed and you have been added. Enclosed with this letter is an FSA-156 indicating the update.

This office will be providing a copy of this notification of change of farm record to the prior and current operator and all farm owners. All producers who choose to participate in Farm Service Agency programs are responsible for updating their operating plan and all other applicable forms with FSA to reflect this change.

If you have any questions regarding this letter or if you believe this notification is incorrect, please do not hesitate to contact this office.

Sincerely,

Full Name
Title

FSA

USDA is an equal opportunity provider and employer.

Farm Operator Change Notification (Continued)

C Example of Notification Letter About the Removal of Prior Operator

This is an example of the notification letter informing prior operators of their removal from the farming operation.

I

USDA

United States Department of Agriculture

Farm and Foreign Agricultural Services

Farm Service Agency

Any County
FSA Office
P. O. Box xxx
Any town, ST
Zip Code

Date

Full Name
Street Address
City, State Zip Code

Dear Mr. Xxxx:

This office has recently updated farm xxxx to show Mr .xxxx as farm operator in general control of the farming operations on the farm.

The prior operator Mr. xxxx has been removed and the new operator Mr. xxxx has been added. Enclosed with this letter is an FSA-156 indicating the operator change.

This office will be providing a copy of this notification of change of farm record to the prior and current operator and all farm owners. All producers who choose to participate in Farm Service Agency programs are responsible for updating their operating plan and all other applicable forms with FSA to reflect this change.

If you have any questions regarding this letter or if you believe this notification is incorrect, please do not hesitate to contact this office.

Sincerely,

Full Name
Title

FSA

USDA is an equal opportunity provider and employer.

Manual Redistribution Worksheet for Out-of-Balance Tracts

County Offices shall use these instructions for completing the redistribution worksheet for out-of-balance tracts.

Item	Instruction
Header	Enter farm number and tract number or numbers for the farm.
1	Enter DCP cropland acres for each tract and total DCP cropland acres for the farm.
2	Enter CRP, WBP, WRP/EWP, GRP, State conservation, and other conservation acres for each tract and for the farm. This will include all CRP, WBP, WRP/EWP, GRP, State conservation, and other conservation acreage currently under contract.
3	Determine the effective DCP cropland acreage for each tract and the farm by subtracting item 2 from item 1.
4	Enter the double-cropped acres for each tract and total double-cropped acres for the farm.
5	Determine the effective DCP cropland plus double-cropped acres for each tract and the farm by adding item 4 to item 3.
6	Enter the base acres by crop for each tract on the farm. These acres should include CAB released from CRP-15 and transferred to DCP from CRP pending.
7	Enter the total base acres for each tract and the farm.
8a, 8b, and 8c	Subtract the base acres for each tract in item 7 from the effective DCP cropland plus double-cropped acres for each tract in item 5. This will determine whether a tract is out of balance or has excess DCP cropland acres plus double-cropped acres. After subtracting item 7 from item 5, negative values shall be entered in item 8a for each tract and are considered out of balance. Positive values shall be entered in item 8b for each tract and represent values with excess DCP cropland plus double-cropped acres. Item 8c is the total of all amounts in item 8b.
9	For each tract with excess DCP cropland plus double-cropped acres in item 8b, determine the redistribution factor. Divide the excess DCP cropland plus double-cropped acres for each tract in item 8b by the total excess DCP cropland plus double-cropped acres in item 8c. Round to 4 decimal places.
10	Enter by tract and by crop the base acres in item 8a to be redistributed. DCP direct lowest paying crops shall be redistributed first or, if applicable, the owner(s) of the out-of-balance tract(s) may select the crop(s) to be redistributed.
11	Determine the acres of each crop to be redistributed to each tract with excess DCP cropland plus double-cropped acres (receiving tracts.) Calculate the base acres to redistribute to receiving tracts by multiplying each tract's redistribution factor in item 9 times each crop's acreage in items 10a through 10d.
12	Determine the resulting base acres for each crop and tract using either of the following: • subtract item 10 acreage from item 6 acreage • add item 11 acreage plus item 6 acreage.
	Employee shall initial and date the worksheet.

Manual Redistribution Worksheet for Out-of-Balance Tracts (Continued)

Farm:	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Farm Total**
(1) **DCP Cropland Acres**									
(2) **CRP, WBP, WRP/EWP, GRP, St. Consrv., and Other Consrv. Acres**									
(3) **Effective DCP Cropland** (Item 1 - Item 2)									
(4) **Double-Cropped Acres**									
(5) **Effective DCP Cropland plus Double-Cropped Acres** (Item 3 + Item 4)									
(6) **Base Acres**	In this section, list the base acres by crop for each tract on the farm.								
Crop 1:_____									
Crop 2:_____									
Crop 3:_____									
Crop 4:_____									
(7) **Total Base Acres** (sum of crops in item 6)									
(8) **Excess DCP Cropland plus Double-Cropped Acres** (Item 5 - Item 7)	Subtract the base acres for each tract from the effective DCP cropland plus double-cropped acres for each tract. Negative values shall be listed in 8a and represent out-of-balance tracts. Positive values shall be listed in 8b and represent tracts with excess DCP cropland acres plus double-cropped acres (receiving tracts).								
8a-Excess Base Acres Out of balance Tracts									
8b-Excess DCP Cropland plus double-cropped acres Receiving Tracts									**8c - Total:**
(9) **Redistribution Factor for Receiving Tracts** (Item 8b / 8c) round dec. to 4 places									**1.0000**

Manual Redistribution Worksheet for Out-of-Balance Tracts (Continued)

Farm:	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Farm Total**
(10) Acres to Redistribute From Out-of-Balance Tracts	List the acres of each crop or crops to be redistributed to the tracts with excess DCP cropland plus double-cropped acres. The only tracts that will have data in this section are those with values in item 8a. DCP direct lowest paying crops shall be redistributed first or, if applicable, the owner(s) of the out-of-balance tract(s) may select the crop(s) to be redistributed.								
Crop 1:_____									**(10a) Total:**
Crop 2:_____									**(10b) Total:**
Crop 3:_____									**(10c) Total:**
Crop 4:_____									**(10d) Total:**
Tract Totals Note: Should equal 8a for the tract									
(11) Acres to Redistribute to Receiving Tract(s)	This section will determine the acres of each crop that will be redistributed to each tract with excess DCP cropland plus double-cropped acres. The only tracts that will have data in this section are those with values in item 8b.								
Item 9 x Item 10a-10d Crop 1:_____ Item 9 x item 10a									
Crop 2:_____ Item 9 x Item 10b									
Crop 3:_____ Item 9 x Item 10c									
Crop 4:_____ Item 9 x Item 10d									

Manual Redistribution Worksheet for Out-of-Balance Tracts (Continued)

Farm:	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Tract**	**Farm Total**
(12) Tract Base Acres After Redistribution	Determine the resulting base acres for each crop and tract by subtracting item 10 from item 6 or by adding Item 11 to item 6.								
Crop 1:_____									
Crop 2:_____									
Crop 3:_____									
Crop 4:_____									
Total Tract Base Acres									**Total**

Employee initials: _____ Date: _____

Semi-Automated Redistribution Spreadsheet for Out-of-Balance Tracts

A Introduction

The spreadsheet shall **not** be completed for farms with any of the following conditions.

- Farm level CRP acres are **not** equal to tract level CRP acres. This situation will cause incorrect redistribution factors.

- Base acres are in excess of the effective DCP cropland plus double-cropped acres on the farm. The base acres must be reduced to get the farm in-balance according to 1-DCP.

- Tracts with double-cropped acres exceeding the effective DCP cropland acres.

County Offices shall use the instructions in subparagraphs B and C to complete the semi-automated redistribution spreadsheet for out-of-balance tracts.

B Instructions

Following are instructions for completing the semi-automated redistribution spreadsheet.

Item	Instructions
Header	Enter the farm number and tract number(s).
1	Enter the DCP cropland for each tract.
2	If applicable, enter the CRP, WBP, WRP/EWP, GRP, State conservation, and other conservation acres for each tract.
3	
4	If applicable, enter the double-cropped acres for each tract.
5	
6	Enter the base acres by crop for each tract.
7	
8a	
8b	
9	
10	Enter the acres of each crop to be redistributed to the tracts with excess DCP cropland. The only tracts that will have data in this section are those with values in item 8a. DCP direct lowest paying crops shall be redistributed first or, if applicable, the owners of the out-of-balance tracts may select the crops to be redistributed.
11	
12	

Note: This spreadsheet is only a tool. Some results may need to be adjusted because of rounding.

Semi-Automated Redistribution Spreadsheet for Out-of-Balance Tracts (Continued)

C Final Action

After completing subparagraph B, County Offices shall:

- print the semi-automated redistribution spreadsheet
- initial and date the spreadsheet
- if applicable, have the owners complete CCC-517 according to paragraph 244 showing the new tract level base acres that were determined by the spreadsheet in item 12

Note: CCC-517 shall be completed only if the requirements in subparagraph 171 B were met **and** the owners are requesting the redistribution.

- enter the new tract level base acres from item 12 on the spreadsheet into farm maintenance according to paragraph 170

  Note: Some results may need to be adjusted because of rounding.

- file the spreadsheet in the farm folder.

Example of Letter to Producers About Closed County Offices

This is an example of the letter to producers about closed County Offices.
***--**

Dear Producer:

The FSA County Office in (county name) County will be officially closed as of_____ (month, day, year). This will result in your farm records in _____county and _____servicing County Office being transferred to the _____servicing County Office. The _____ County FSA Office is located at _____ (address) in _____(town) and the phone number is _____(phone). The administrative county will remain the same as it has been.

Operators on farms that are transferred to a servicing County Office because of closure may request a different servicing County Office, which may necessitate a change in administrative county. You may select one of the following servicing County Offices contiguous to _____(closing county name) County as an alternative:

(List the alternative County Offices and addresses)

If you have a direct or guaranteed loan with FSA, please contact your loan officer to discuss where you would like to have your loan file located and serviced.

NRCS client files will remain with the NRCS field staff servicing those files.

You may also select a servicing County Office that is not contiguous to _____(closing county name) if that servicing County Office is more convenient for you. This may necessitate a change in administrative county. You may select one of the following servicing County Offices as an alternative:

(List the alternative County Offices and addresses)

Your selection will apply for all programs for the next crop year and subsequent crop years.

Please contact the _____County FSA Office within 30 calendar days of this letter to request the servicing County Office that will be more convenient for you. Your request is subject to State committee approval. If we do not hear from you within 30 calendar days of this letter, your farm records will continue to be serviced from the (county) County Office. The more convenient option is a one-time choice for producers.

Sincerely,

_____, CED

--*

..

FSA-179, Transfer of Farm Records Between Counties

A Preparing FSA-179

Prepare FSA-179 according to the following instructions.

Item Number	Instructions
Part A – Request for Transfer	
1	Enter name and address of operator for the current year.
2	Enter name and address of owner for the current year.
3	Indicate who initiated the transfer request.
4A and 4B	Enter name of county and State to which transfer is requested.
5	Indicate the reason for transfer. If "DAFP Approval" is selected as the reason for transfer, specify the reason that the transfer is being submitted to DAFP for approval.
6	Have all owners and the operator sign and date. **Note:** If transfer was initiated by COC, no signature is required. ENTER "COC initiated" for operator signature.
Part B – Action by Transferring County	
7	Indicate the name of the transferring county.
8	Indicate the farm number of the farm being transferred
9	Enter legal description, location, or other description necessary to positively identify the tract or farm to be transferred. If transfer is initiated in receiving county, location shall be entered by receiving county and corrected where necessary by transferring county. In case of proposed combination, also enter any pertinent factors about operation of a single farming unit.
10	List all forms and documents being transferred. See paragraph 66.
11A and 11B	Indicate whether transferring COC recommends approval or disapproval. If disapproval, enter reason
12A and 12B	A member of the transferring COC shall sign and date. **Note:** COC may redelegate to CED the authority to approve in and out transfers of land between counties.
Part C – Action by Receiving County	
13A and 13B	Indicate whether receiving COC recommends approval or disapproval. If disapproval, enter reason.
14	Enter the receiving county farm number assigned to the transferred farm.
15	Enter the crop year for which the transfer is effective.
16A and 16B	A member of the receiving COC shall sign and date. **Note:** COC may redelegate to CED the authority to approve in and out transfers of land between counties.

FSA-179, Transfer of Farm Records Between Counties (Continued)

A Preparing FSA-179 (Continued)

Item Number	Instructions
Part D – Action by Representative of State Committee	
17A and 17B	Use for transfers between States. Indicate whether transferring STC recommends approval or disapproval. If disapproval, enter reason.
17C and 17D	A member of the transferring STC shall sign and date. **Note:** STC may redelegate to SED the authority to approve in and out transfers of land between counties.
18A and 18B	Use for transfers between States. Indicate whether receiving STC recommends approval or disapproval. If disapproval, enter reason.
18C and 18D	A member of the receiving STC shall sign and date. **Note:** STC may redelegate to SED the authority to approve in and out transfers of land between counties.
Part E – Action by Representative of DAFP	
19A, 19B, 19C, and 19D	For use by a DAFP representative only.

FSA-179, Transfer of Farm Records Between Counties (Continued)

B Example of FSA-179

Following is an example of FSA-179.

This form is available electronically. Form Approved - OMB No. 0560-0253

FSA-179
(08-30-05)

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency

TRANSFER OF FARM RECORDS BETWEEN COUNTIES

(See Page 2 for Privacy Act and Public Burden Statements.)

1. NAME AND ADDRESS OF OPERATOR	2. NAME AND ADDRESS OF OWNER	3. ACTION INITIATED BY: ☐ OWNER ☐ OPERATOR ☐ COUNTY COMMITTEE

PART A - REQUEST FOR TRANSFER

It is requested that records for the below identified farm be transferred so that such land will be considered as located in the county and State indicated here.	4. TRANSFER TO: 4A. COUNTY	4B. STATE

5. REASON FOR TRANSFER *(check appropriate box below:)*

☐ Physically Located in Receiving County ☐ Combination With Other Farms Operated by Same Person ☐ County Office Closure ☐ Principle Dwelling of Operator Changed

☐ Change in Operation of Land ☐ Change has Occurred to Make Another Office More Accessible ☐ DAFP Approval *(Specify:)* _____

6A. SIGNATURE OF OWNER(S)	6B. DATE SIGNED *(MM-DD-YYYY)*	6C. SIGNATURE OF OPERATOR	6D. DATE SIGNED *(MM-DD-YYYY)*

PART B - ACTION BY TRANSFERRING COUNTY

7. NAME OF TRANSFERRING COUNTY	8. FARM NO.	9. LOCATION OF FARM

10. FORMS AND DOCUMENTS TRANSFERRED:

11A. COUNTY COMMITTEE RECOMMENDS: ☐ APPROVAL ☐ DISAPPROVAL

11B. IF DISAPPROVAL, GIVE REASON:

A copy of FSA-156EZ and a copy of all related records are transmitted herewith supporting the history data and related base acres that have been established for this tract of land.

12A. SIGNATURE OF COUNTY COMMITTEE MEMBER	12B. DATE SIGNED *(MM-DD-YYYY)*

PART C - ACTION BY RECEIVING COUNTY

13A. COUNTY COMMITTEE ACTION: ☐ APPROVED ☐ DISAPPROVED

13B. IF DISAPPROVED, GIVE REASON:

14. FARM NUMBER ASSIGNED:	15. CROP YEAR EFFECTIVE:
16A. SIGNATURE OF COUNTY COMMITTEE MEMBER	16B. DATE SIGNED *(MM-DD-YYYY)*

PART D - ACTION BY REPRESENTATIVE OF STATE COMMITTEE

17. TRANSFERRING STATE:

17A. TRANSFER RECOMMENDED FOR: ☐ APPROVAL ☐ DISAPPROVAL

17B. IF DISAPPROVAL, GIVE REASON:

17C. SIGNATURE OF STC REPRESENTATIVE	17D. DATE SIGNED *(MM-DD-YYYY)*

18. RECEIVING STATE ***(For transfer across State line:)***

18A. TRANSFER RECOMMENDED FOR: ☐ APPROVAL ☐ DISAPPROVAL

18B. IF DISAPPROVAL, GIVE REASON:

18C. SIGNATURE OF STC REPRESENTATIVE	18D. DATE SIGNED *(MM-DD-YYYY)*

PART E - ACTION BY REPRESENTATIVE OF DAFP

19A. DAFP ACTION: ☐ APPROVAL ☐ DISAPPROVAL

19B. IF DISAPPROVAL, GIVE REASON:

19C. SIGNATURE OF DAFP REPRESENTATIVE	19D. DATE SIGNED *(MM-DD-YYYY)*

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D. C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

☐ Original (Receiving County) ☐ State Office ☐ Transferring County

FSA-179, Transfer of Farm Records Between Counties (Continued)

B Example of FSA-179 (Continued)

FSA-179 (08-30-05) Page 2

NOTE: *The following statement is made in accordance with Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is Farm Security and Rural Investment Act of 2002 (Pub L. 107-171). The information will be used to transfer your farm. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in the denial of your farm transfer. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statues, including 18 USC 286, 287, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.*

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0253. The time required to complete this information collection is estimated to average 10 minutes/hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. ***RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.***

Data Elements on FSA-156EZ

A FSA-156EZ Data Elements

The following lists the data elements on FSA-156EZ.

Farm Data
State and County
Farm Number
Date Prepared
Crop Year
Page Number – printed as page X of X
Operator Name
Farm Identifier
Farms Associated With Operator
CRP Contract Number(s)
Farmland
Cropland
DCP Cropland
WBP
WRP
EWP
CRP
GRP
Number of Tracts
State Conservation
Other Conservation
Effective DCP Cropland
Double Cropped
MPL
FWP
FAV/WR History
ARCE Contract
DCP Ag Related Activity
Farm Crop Data
Crop
Base Acres
Direct Yield
CC Yield
CCC-505 CRP Reduction
PTPP Reduction (if applicable)
Remarks/Explanation
Remarks, if entered

Data Elements on FSA-156EZ (Continued)

A FSA-156EZ Data Elements (Continued)

Tract Data
State and County
Farm Number
Date Prepared
Crop Year
Tract Number
Description
FAV/WR History
BIA Range Unit Number
HEL Status
Wetland Status
WL Violations
Owners
Other Producers
Farmland
Cropland
DCP Cropland
WBP
WRP
CRP
GRP
State Conservation
Other Conservation
Effective DCP Cropland
Double Cropped
MPL
FWP
EWP
DCP Ag Related Activity
Tract Crop Data
Crop
Base Acres
CCC-505 CRP Reduction
PTPP Reduction (if applicable)
Direct Yield
CC Yield
Remarks/Explanation
Remarks, if entered

Data Elements on FSA-156EZ (Continued)

B Example of FSA-156EZ

Form : FSA-156EZ

United States Department of Agriculture
Farm Service Agency
Abbreviated 156 Farm Record

Program Year 2013
Date Apr 4, 2013

State : ANY STATE

Farm Number : 5900

County : ANY COUNTY

Operator Name :

ANY 1 PRODUCER

Farm Associated with operators :

24-021-5900

CRP contract numbers :

111

Farm Land Data

Farmland	Cropland	DCP Cropland	WHP	WRP	CRP	GRP	Farm Status	Number Of Tracts
331.95	331.95	331.95	0.00	0.00	100.00	0.00	Active	1

State Conservation	Other Conservation	Effective DCP Cropland	Double Cropped	MPL	FWP	FAV/WR History	Acre Election	EWP	DCP Ag. Related Activity
0.00	0.00	231.95	0.00	0.00	0.00	No	No	0.00	0.00

DCP Crop Data

Crop Name	Base Acres	CCC-505 CRP Reduction Acres	PTPP Reduction Acres	Direct Yield	Counter Cyclical Yield
Wheat	100.00	36.00	0.00	55.0000	55.0000
Soybeans	131.00	0.00	0.00	35.0000	38.0000

NOTES

Page: 1 of 2

Data Elements on FSA-156EZ (Continued)

B Example of FSA-156EZ (Continued)

Form : FSA-156EZ

United States Department of Agriculture
Farm Service Agency

Program Year 2013
Date Apr 4, 2013

Abbreviated 156 Farm Record

State : ANY STATE
County : ANY COUNTY

Farm Number : 5900

Tract Number : 12240 Description : 24-021-12240 FAV/WR History : No

BIA Unit Range Number :
HEL Status : HEL
Wetland Status : Wetland determinations not complete
WL Violations :
Owners : ANY 1 PRODUCER ANY 3 PRODUCER
Other Producers : ANY 2 PRODUCER

Tract Land Data

Farm Land	Cropland	DCP Cropland	WBP	WRP	CRP	GRP
331.95	331.95	331.95	0.00	0.00	100.00	0.00

State Conservation	Other Conservation	Effective DCP Cropland	Double Cropped	MPL	FWP	EWP	DCP Ag. Related Activity
0.00	0.00	231.95	0.00	0.00	0.00	0.00	0.00

DCP Crop Data

Crop Name	Base Acres	CCC-505 CRP Reduction Acres	PTPP Reduction Acres	Direct Yield	Counter Cyclical Yield
Wheat	100.00	36.00	0.00	55.00	55.00
Soybeans	131.00	0.00	0.00	35.00	38.00

NOTES

Page: 2 of 2

Reconstitution Checklist

	Questions	Yes	No	NA
1.	Has FSA-155 been completed properly and all required signatures obtained?			
2.	Does the farm have a DCP contract? See paragraph 93 B.			
3.	Does the farm have an ACRE election? See paragraph 114.			
4.	Have current FY payments been issued on the parent farm or farms? If yes, all producers on all parent farms must refund all payments before initiating the farm combination or farm division.			
5.	Have **new** operators or owners been added to SCIMS?			
6.	Has FSA-156EZ been reviewed to determine whether all information is correct on the parent farm or farms?			
7.	Is the tract farmland, cropland, and DCP cropland correct on the parent farms?			
8.	Is there an outstanding pending reconstitution on the parent farm? If yes, determine whether it must be completed.			
9.	Does the parent farm or tract have a current year FSA-578? If yes, delete FSA-578 before reconstitution is initiated.			
10.	Is the parent farm under CRP-1? If yes, enter the resulting farm or farms on CRP-1.			
11.	Has COC approved the reconstitution?			
	• If approved, has the reconstitution been updated?			
	• If disapproved, has the pending reconstitution been deleted?			
12.	Has the reconstitution documentation been filed and inactive farm folders been marked inactive?			
13.	Has an HEL field been split? If yes, has a redetermination been made?			
14.	Have FSA-476DCP's, FSA-156EZ's, letters, and NRCS determinations, as applicable, been mailed to resulting owners and operators?			
15.	Has the aerial photograph and/or CLU layer been updated?			
16.	Have NRCS HELC/WC records been brought forward and referenced in the HELC/WC file?			