

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

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**Agriculture Risk Coverage and  
Price Loss Coverage Program  
1-ARCPLC**

**Amendment 16**

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

*Bradley Karmen*

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**Amendment Transmittal**

**A Reasons for Amendment**

Throughout this handbook, paragraphs have been amended to provide that the:

- enrollment deadline for farms that:
  - do not have generic base acres is September 28, 2018
  - formerly had generic base acres is December 7, 2018
- generic base acre allocation, yield update, and seed cotton election deadline is December 7, 2018.

Subparagraph 6 E has been amended to include unassigned generic base acres.

Subparagraph 203 A has been amended to clarify that a late-filed period for the 2018 crop year does not exist. The late-filed period delegated to COC and STC ended in 2017 because the enrollment deadline is now extended to September 28, 2018, or December 7, 2018.

Paragraphs 400 and 411 have been updated to clarify policy

Paragraph 447 has been added to provide policy for seed cotton PLC yields where a CC yield does not exist on a farm in 2018.

Subparagraph 464 A has been amended to update the note.

Paragraph 483 has been amended to clarify the 10.00 base acre exception.

Exhibit 2 has been amended to clarify that generic base acres do not exist for crop year 2018.

**B Obsolete Material**

Notice ARCPLC-56 is obsolete.

**Amendment Transmittal (Continued)**

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## 5 Basic ARC and PLC Program Information (Continued)

### C Payment Acres

[7 CFR 1412.3] **Payment acres** mean:

(1) For the purpose of PLC and ARC when county coverage has been selected under Subpart D, but subject to §1412.47, the payment acres for each covered commodity on a farm will be equal to 85 percent of the base acres for the covered commodity on the farm.

(2) In the case of ARC when individual coverage has been selected under Subpart D, but subject to §1412.47, the payment acres for a farm will be equal to 65 percent of the base acres for all of the covered commodities on the farm.

### D Payment Yield

[7 CFR 1412.3] **Payment yield** means for a farm for a covered commodity the yield established under subpart C of this part.

### E Basic Summary Comparison of PLC, ARC-CO, and ARC-IC

The following table provides a basic comparison of PLC, ARC-CO, and ARC-IC.

PLC	ARC-CO	ARC-IC
Uses national MYA price plus the PLC yield established on the farm.	Uses MYA price plus county yield.	Uses MYA price plus the producer's yield from the farm.
Payments determined by individual crop of covered commodity base acres.	Payments determined by individual crop of covered commodity base acres.	Payments determined by all crops planted of covered commodities combined on the farm.
Payments made on 85 percent of base acres by crop base acreage.	Payments made on 85 percent of base acres by crop base acreage.	Payments made on 65 percent of total base acres.
Production report <b>not</b> required.	Production report <b>not</b> required.	Must report annual production of covered commodities.
May elect PLC or ARC-CO on the same farm on a covered commodity by covered commodity basis.	May elect ARC-CO or PLC on the same farm on a covered commodity by covered commodity basis.	Planted acres used to attribute base acres. ARC-IC election applies to entire farm and all 21 covered commodities.

## 5 Basic ARC and PLC Program Information (Continued)

### F Deadlines

The following table lists some important deadlines.

Date	Event
2-CP	Acreage reporting date.
July 15, 2014	Final date to report 2013 production for 2013 ACRE farms.
September 29, 2014	Base acre reallocation and CC yield update signup begins.
April 7, 2015	Base acre reallocation and CC yield update signup ends.
November 17, 2014	ARC and PLC election period begins.
April 7, 2015	ARC and PLC election period ends.
June 17, 2015	ARC and PLC enrollment begins for 2014 and 2015.
September 30, 2015	ARC and PLC enrollment ends for 2014 and 2015.
September 30, 2015	Certified yields for benchmark and actual year yields must be reported to FSA for 2014 crop year.
December 7, 2015	ARC and PLC enrollment for 2016 begins.
August 1, 2016	ARC and PLC enrollment for 2016 ends.
September 30, 2016	ARC and PLC contract approvals for 2016 contracts will be closed and not re-opened until 2017 apportionment is received
November 1 through *--September 28, 2018, of each ARCPLC program year 2017 through 2018.	ARC and PLC enrollment period for the 2017 and 2018 ARCPLC program years for farms that do not have generic base acres.
December 7, 2018	Final date to allocate generic base acres, yield update, and enroll a farm that formerly had generic base acres.--*

## 6 Payments and Limitations

### A ARC and PLC Payment Calculation

Subject to an annual \$125,000 per person or legal entity limit for persons or legal entities “actively engaged” in farming, and assuming all other payment eligibility and average AGI compliance provisions are met, payments:

- for PLC, are equal to the product of multiplying 85 percent of the farm’s specific crop base acres times the farm’s specific PLC yield times the difference between the crop’s reference price minus the effective price (larger of MYA or national loan rate) for the crop times the producer’s share on the approved contract

## 6 Payments and Limitations (Continued)

### A ARC and PLC Payment Calculation (Continued)

- for ARC-CO, are equal to the product of multiplying 85 percent of the farm's specific crop base acres times the difference between the specific crop's ARC-CO Guarantee minus the ARC-CO Actual crop year revenue, **not** to exceed 10 percent of the ARC-CO Benchmark Revenue, times the producer's share on the approved contract
- for ARC-IC, are equal to the product of multiplying 65 percent of the farm's **total** base acres times the difference between the ARC-IC Guarantee minus the ARC-IC Actual crop year revenue, **not** to exceed 10 percent of the ARC-IC Benchmark Revenue, times the producer's share certified on the crop acreage report, FSA-578, of covered commodities. The ARC-IC Guarantee and the ARC-IC Actual crop year revenue are based on a calculation of ALL covered commodities planted on all FSN's the producer has enrolled in ARC-IC within the State.

### B Advance ARC and PLC Payments

There are no advance payments authorized for ARC and PLC.

### C Final ARC and PLC Payments

Final ARCPLC payments will be made to eligible producers satisfying the ARC and PLC Program compliance, contract, and eligibility requirements on or after October 1 of the following year of the crop year after the MYA price has been determined for each specific covered commodity.

### D Payment Limitations

[7 CFR 1412.51] Limitation of payments.

(a) The provisions of part 1400 of this chapter apply to this part. Payments under this part cannot exceed the amounts specified in part 1400 of this chapter.

(c) For all covered commodities other than peanuts, the total amount of ARCPLC payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year together with any marketing loan gains or loan deficiency payments for any and all commodities other than peanuts under subtitle B of title I of the 2014 Farm Bill cannot exceed \$125,000.

(d) For peanuts, the total amount of payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year together with any marketing loan gains or loan deficiency payments under subtitle B of title I of the 2014 Farm Bill for peanuts cannot exceed \$125,000.

## 6 Payments and Limitations (Continued)

### E 10-Acre Rule Provision

A producer on a farm will **not** receive ARCPLC payments if the sum of the base acres **\*--including any generic base acres or unassigned generic base acres on the farm is 10 acres or less. The 10-acre rule provision will not apply to a producer who is a SDA farmer or--\*** rancher or a limited resource farmer or rancher.

**Note:** Generic base acres are only applicable for the 2014 through 2017 crop years.

### F Refunds of Unearned Payments

A producer **must** refund any payment to CCC which exceeds the amount actually earned under the contract. Interest on such refunds will be assessed according to 58-FI.

**Note:** Interest only accrues from date of disbursement in cases where COC determines misrepresentation, scheme, or device.

### G Sequestration Reduction

In general, sequestration entails the permanent cancellation of budgetary resources by a uniform percentage. This uniform percentage reduction is applied to all programs, projects, and activities within a budget account.

For ARC and PLC payments, a sequestration percentage will be applied to the payment amount determined after all reductions have been applied, including payment limitation provisions. The sequestration amount is reduced from the determined payment amount for the producer receiving the payment as the last step before sending the payment information to NPS. The sequestered amount is applied to the producer receiving the payment after payments have been attributed for payment limitation purposes.

**Example:** Corporation A, an entity receiving a payment on FSN 1, had a PLC payment that computed to be \$147,000. After the payment limitation was applied, the net payment was \$125,000. The payment was then sequestered at 6.8 percent. After the sequestration was applied, the payment that the entity received was \$116,500.

The sequestered amount is equal to the computed payment multiplied by the percentage as shown in the following table.

FOR contracts approved in FY...	THE sequestration will be...
2016	6.8 percent.
2017	6.9 percent.
2018	6.6 percent.
*--2019	6.2 percent--*



**Part 8 ARCPLC Enrollment****Section 1 General Information****201 General Rules for ARCPLC Enrollment****A Introduction**

The 2014 Farm Bill allows producers an opportunity to annually enroll, consistent with the farm's program election, in the ARC-CO, PLC, or ARC-IC programs. Although election of ARC-CO, PLC, or ARC-IC is irrevocable for the entire 5 years 2014 through 2018, the decision to enroll the farm in an annual program must be made for each program year by the applicable producers on the farm to receive ARC-CO, PLC, or ARC-IC payments.

The contracts to participate for each of the 2014 and 2015 crop years will be required to be filed separately with enrollment periods for each of the 2014 and 2015 program years running concurrently.

For the subsequent contract years (2016 through 2018), annual contract enrollment periods will be held each year by a deadline set for each specific year.

This section will provide instructions for completing CCC-861 or CCC-862 for the 2014 through 2018 years.

**202 Enrollment Dates for ARC and PLC Programs****A Enrollment Dates**

Enrollment under CCC-861 or CCC-862 will be held annually, as follows:

- 2014 and 2015 enrollment periods are held concurrently and began June 17, 2015, and ended September 30, 2015
- 2016 enrollment period began December 1, 2015, and ends August 1, 2016
- 2017 enrollment period began November 1, 2016, and ended August 1, 2017
- 2018 enrollment period began on November 1, 2017, and ends on September 28, 2018.
- \*--2018 enrollment of farms that formerly had generic base acres began on July 30, 2018, and ends on December 7, 2018.--\*

**202 Enrollment Dates for ARC and PLC Programs (Continued)****B Enrolling Base Acres on a Farm**

Producers who annually enroll a farm under an CCC-861 or CCC-862 **must** enroll all base acres on the farm.

For CCC-861, all producers having a share in the base acres must sign the contract by the end of the ARCPLC enrollment period, or the enrollment is **not** complete.

**Notes:** For ARC-CO and PLC contract farms having generic base acres, all producers, having a share in the covered commodities planted on the farm or eligible subsequently planted crop acreage following the approved prevented planting of a covered commodity, must sign CCC-861 for that reported FSA-578 share interest in the planted covered commodity to be potentially eligible for payment.

\*--Generic and attributed base acres are applicable for 2014 through 2017 crop years only.--\*

For ARC-IC contracts, all producers, having a share in the covered commodities planted on the farm and eligible subsequently planted crop acreage that is a replacement crop after the approved prevented planting of a covered commodity, must sign the contract by the end of the enrollment period or the enrollment is **not** complete. This enrollment includes any share interest in covered commodities planted (or eligible subsequently planted crop acreage following the approved prevented planting of a covered commodity) on the farm.

**C ARC-CO and PLC Contract Enrollments and Exception**

All producers having more than a zero share of contract base acres must sign CCC-861 by the end of the enrollment period. CCC-861's that are **not** signed by all producers having more than a zero share of contract base acres by the enrollment deadline are incomplete and will **not** be considered submitted to FSA or CCC for any purpose and will **not** be acted on or approved.

**Exception:** An exception applies to ARC-CO and PLC offers of enrollment. In those instances where COC is satisfied that there is no dispute of shares or other disagreement between producers, ARC-CO and PLC offers of enrollment can be approved, with State Office representative concurrence, to permit payment to only those eligible producers who did enroll and without regard to those shares that do **not** have signatures. This exception applies only if, in the sole judgment and discretion of FSA, FSA is satisfied that those producers who did sign for a share of contract base acres and/or covered commodities that attribute generic base acres ensure compliance with all contract provisions and requirements. Additionally, this exception is **not** applicable to ARC-IC enrollments.

When using this exception, County Offices will ensure that the producer's shares, signature type, and enrollment date are blank in CCC-861 software.

**202 Enrollment Dates for ARC and PLC Programs (Continued)****D Timeline for Enrollment**

The following table provides the timeline for 2014 and 2015 ARC and PLC enrollment.

FY 2015				FY 2016								
June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>IF enrollments for 2014 or 2015 occur from...</b>						<b>THEN contract approval authority is...</b>			<b>AND authority to load software is...</b>			
June 17 through September 30, 2015						COC or CED, if delegated			County Office.			

The following table and legend provide the timeline for 2016 through 2018 ARC and PLC enrollment.

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>IF 2016 through 2018 enrollments occur in the contract year from...</b>					<b>THEN contract approval authority is...</b>				<b>AND authority to load software is...</b>		
December 1 through August 1					COC or CED, if delegated				County Office.		
November 1 through August 1 for 2017 and 2018											
August 2 through August 31											
September 1 through September 30					STC or DD, if delegated				State Office or DD, if delegated.		
*--for 2018 only, November 1, 2017 through September 28, 2018					COC or CED, if delegated				County Office.--*		

**203 Late-Filed Contracts****A Late-Filed ARC-CO and PLC Contracts or ARC-IC Contracts**

The ARC-CO and PLC contract or ARC-IC contract enrollment deadline for FY's 2016 \*--through 2017 is August 1 (September 30, 2015, for FY's 2014 and 2015 and September 28, 2018 for 2018) of the applicable contract year.

- DAFP has authorized a late-filed ARC-CO and PLC contract or ARC-IC contract enrollment period through August 31<sup>st</sup> of each applicable contract year, with the exception of September 30, 2015, for the 2014 and 2015 crop years and September 28, 2018, for the 2018 crop year. COC's have been delegated authority by--\* DAFP to approve late-filed contracts that are completed by producers through the August 31<sup>st</sup> deadline.
- STC's are delegated by DAFP, ARC and PLC programmatic relief authority and equitable relief authority under the misaction/misinformation provisions to approve CCC-861 or CCC-862 satisfying all other ARC and PLC program requirements that are submitted from September 1 through September 30 of the applicable contract year for the \*--years 2016 through 2017.--\*

**\*--203 Late-Filed Contracts (Continued)****B Prohibition on Contract Year 2016, 2017, or 2018 Enrollments After Contract Year--\* Ends**

The contract period for ARC-CO and PLC contracts or ARC-IC contracts ends September 30 of the applicable program year. Enrollment for each of the 2014 and 2015 contract years will be held concurrently beginning June 17, 2015, through September 30, 2015.

Because FSA is conducting 2014 and 2015 enrollment concurrently, it is important that operators and producers understand the need to enroll each year separately.

Offers and attempts to enroll farms in each of the 2016, 2017, and 2018 contract years after September 30 of a contract year will **not** be considered by COC or STC. Offers to enroll in 2016, 2017, and 2018 after the end of the contract period will be considered ineligible offers **not** eligible for approval or disapproval by COC. FSA can make a factual determination as to whether or not enrollment occurred by the end of the contract period; however, under no circumstances will equitable relief provisions apply or be applied to cause FSA to bind CCC into contracts for a contract period that has already elapsed or passed.

**Note:** Except as otherwise stated in regulations and this handbook for the 2014 and 2015 contract years, FSA is **not** authorized on behalf of CCC to enter into contracts after the contract period has ended.

For each of the 2016, 2017, and 2018 contract years, when offers of enrollment are filed after the end of the contract period, the reviewing authority must **not**:

- consider or render any sort of adverse decision or relief decision on ARC-CO and PLC contracts or ARC-IC contracts if the contract was signed by anyone after the applicable contract year had ended, **regardless** of the reason the person or legal entity signed after the contract period passed
- forward any recommendation of approval or relief for anyone who offered to enroll a contract after the contract period passed
- provide any right of appeal or appealability to anyone making an inquiry about enrollment after the contract period has passed.

**\*--Part 10 Allocating and Updating Seed Cotton Base Acres,  
Updating Yields, and Election**

**Section 1 Introduction**

**400 General Information**

**A Background**

BBA authorizes:

- seed cotton as a covered commodity effective for the 2018 crop year
- owners of a farm with generic base acres and recent history of covered commodities, a 1-time opportunity to do either of the following with generic base acres:
  - convert 80 to 100 percent of the generic base acres on a farm, as of September 30, 2013, to seed cotton base acres, depending on the plantings of covered commodities and/or upland cotton on the farm
  - allocate generic base acres on a farm, as of September 30, 2013, based on the 4-year average P&CP acres in the 2009-2012 crop years. The allocation is permitted among base acres of covered commodities on the farm, which includes seed cotton. An increase in total base acres on the farm as of September 30, 2013, is **not** allowed.

**Note:** Allocation of generic base acres is based on the proportion of 2009-2012 average P&CP acres of covered commodities, including upland cotton, to the total of P&CP acres of all covered commodities on the farm.

Farms without history of a P&CP covered commodity in 2009-2016 will convert generic base acres on the farm to unassigned crop base for which no payments will be made.

BBA also provides a 1-time opportunity to update the upland cotton yield under the 2008 Farm Bill for use as payment yields under PLC for seed cotton. The initial yield for seed cotton will be the counter-cyclical yield of upland cotton under the 2008 Farm Bill multiplied by 2.4. The seed cotton yield may be updated based on 90 percent of the farm's 2008-2012 average yield per planted acre multiplied by 2.4, excluding any year when no acreage was planted to upland cotton. All farms are eligible to update the PLC yield on seed cotton base acres. However, PLC yields are only used to determine payment amounts for the PLC program.

As a result of adding seed cotton as a covered commodity, an election will be required by the current producer(s) on the farm to choose between ARC-CO and PLC. This election will be made for seed cotton only. All other covered commodities on farms with generic base acres made an election according to the 2014 Farm Bill. According to the 2014 Farm Bill, that election is permanent for the life of the 2014 Farm Bill. Farms that have previously elected ARC-IC will remain in ARC-IC with the additional base acres after the allocation described in this part.

## 400 General Information (Continued)

### A Background (Continued)

After completing the generic base acre allocation, yield update, and election, the producers on each farm may then enroll the farm in ARC or PLC for the 2018 year.

### B Farm Eligibility

Farms with generic base acres only are allowed the opportunity to allocate base acres and update PLC yields. No other covered commodities will be used to either:

- compute seed cotton base acres
- allocate base acres based on the 4-year average P&CP acres in the 2009-2012 crop years.

At least .01 acres of the farm in the years 2009-2016 **must** have been planted or prevented planted to a covered commodity, including upland cotton, to be allowed the opportunity to allocate base acres and update PLC yields.

\*--In addition to this requirement, if a farm had **all** cropland enrolled in CRP during the years 2009-2016 or 2009-2017 and could not plant a covered commodity on the farm during the 2009-2016 base period, then that farm is eligible to convert 100 percent of the generic base acres on the farm to seed cotton base acres.

### C Completing Allocation, Yield Update, Election, and Enrollment

The allocation of generic base acres, yield update, election and enrollment should be completed by December 7, 2018. If the farm has not completed the allocation, yield update, election and enrollment by December 7, 2018, then the automated process will not--\* update MIDAS and Farm Records which will require the County Office to update 2018 in Farm Records and 2019 in MIDAS manually.

**400 General Information (Continued)**

**\*--D Owner(s) and Producer(s) Making the Allocation of Generic Base Acres, Yield Update, and Election**

Throughout Part 10, current owners are required to make the generic base acre allocations and yield updates and current producers are required to make the election.

It has been determined that, upon the rollover of farm records, the:

- owner that will make the generic base acre allocation and yield update will be the 2018 owner of the farm
- producer(s) that will make the election of seed cotton will be the 2018 producer(s) on the farm.

Other reference to current owner and current producer relative to allocation of generic base acres, yield update, and election will not be changed in this part.--\*

**401-410 (Reserved)**





## Section 2 Generic Base Acre Allocation

### 411 General Information

#### A Eligible Farms for Allocation of Generic Base Acres

A recent history of planting any covered commodity is required for farms to be eligible for generic allocation. The farm **must** have been planted or have approved prevented planted acres to any covered commodity, including upland cotton, at any time during the 2009-2016 crop years.

\*--In addition to this requirement, if a farm had **all** cropland enrolled in CRP during the years 2009-2016 or 2009-2017 and could not plant a covered commodity on the farm during the 2009-2016 base period, then that farm is eligible to convert 100 percent of the generic base acres on the farm to seed cotton base acres.--\*

Situations may arise when upland cotton was planted on a farm in 2014-2016 and no covered commodity was planted on the farm from 2009-2013. In those cases, that farm is considered to have met the requirement that a covered commodity was planted or prevented planted from 2009-2016.

#### B Notification to Owners and Operators

Producers may review the 2009-2012 planting history on eligible farms with generic base acres to ensure the planting history is complete. CCC provided owners and operators of record in 2018 with a summary of the P&CP of all covered commodities, including upland cotton, during the 2008-2012 crop years, as reported to FSA on acreage reports filed with the agency in each of those years. Acreage **not** reported to FSA by producers was **not** included in this summary.

**Note:** The 2008 year was provided for assistance to the producers in computing a yield.

Any owner or producer of a farm may, at any time, visit FSA and request a copy of the summary of the P&CP history. Therefore, in an owner does **not** receive the summary from FSA for any reason, that will **not** have any bearing on whether the owner can update records or exercise any owner options. Owners and producers may update records during the allocation period if there are crop insurance records or other verifiable documentation available to support those updates. See 2-CP for further information.

**Note:** Although a producer may update records, only a current owner on a farm may actually allocate generic base acres.

## 411 General Information (Continued)

**B Notification to Owners and Operators (Continued)**

Updating 2009-2012 P&CP records can adversely impact other FSA or CCC programs that were conducted in those years based on those records, **before** any update. If an update to a farm's P&CP for 2009-2012 causes any payment under another FSA or CCC program to become unearned, the overpayment **must** be refunded to FSA or CCC according to the rules for that program, and according to FSA or CCC's rules governing the overpayment (7 CFR Parts 718 and 1403).

**C Eligible Farms for Allocation of Generic Base Acres**

After planting history records are updated, an owner has a 1-time opportunity to allocate the farm's generic base acres according to the following options:

**Option 1:** Convert generic base acres to seed cotton base acres to the higher of the following:

- 80 percent of the generic base acres on the farm
- the average of P&CP upland cotton acres on the farm in crop years 2009-2012, not to exceed the total generic base acres on the farm.

**Note:** Any remaining unallocated generic base acres will become unassigned generic base acres. Unassigned generic base acres are derived from generic base acres and no ARC or PLC payments are generated or earned.

**Option 2:** Allocate generic base acres in proportion to the 4-year average P&CP of covered commodities, including upland cotton, in crop years 2009-2012, to the total P&CP acres of all covered commodities planted on the farm.

An increase in total base acres on the farm, as of September 30, 2013, is not allowed.

\*--Unless a farm had P and CP history of a covered commodity, including Upland Cotton, or had all cropland on the farm enrolled in CRP from 2009-2016 or 2009-2017, then the farm is ineligible for generic base acre allocation. All generic base acres shall be converted to--\* unassigned generic base acres for which no payments may be made.

If a current owner fails to allocate generic base acres on an eligible farm during the allocation period, the generic acres will be allocated to seed cotton base under Option 1.

## 446 Modifications to Yield Certifications for Newly Allocated Covered Commodities (Continued)

### G PLC Yield Correction Adjustments for Newly Allocated Covered Commodities

If the farm level corrected PLC yield in comparison to the certified PLC yield reveals a discrepancy where the owner made an error during the yield update period:

- COC must determine whether the owner acted in good faith when providing the certified yield during the yield update period

**Notes:** If COC determines “good faith” for the owner:

- the final PLC yield at the farm level for 2018 will be corrected
- any overpayments or underpayments will be processed.

If COC determines “lack of good faith” for the owner:

- correct the final PLC yield to the CC yield that existed for the crop on the farm before the yield update period for 2018

**Note:** If a CC yield did not exist for the crop on the farm, then the PLC yield must be the lower of the corrected PLC yield or the average county CC yield for the crop.

- any overpayments or underpayments will be processed.
- COC’s determination will be documented in the executive minutes.

**Note:** See paragraph 247 to determine whether misrepresentation, inaccurate representation, scheme, or device has occurred.

**447 Establishing a PLC Yield for Seed Cotton****A Background**

Section 1614 of the 2014 Farm Bill required the covered commodities and upland cotton, base acres, and payment yields established under the 2008 Farm Bill are to be maintained as they were on September 30, 2013.

After September 30, 2013, upland cotton was no longer a covered commodity and was converted to generic base acres. The upland cotton counter-cyclical yield was not maintained with the generic base acres in the farm's farm record (CRM and FRS). The direct yield, which was renamed the CTAP yield, was maintained because of the CTAP program.

**B Assigning Yields for Seed Cotton**

Any 2018 farm containing generic base acres that did not exist in 2013 because of a reconstitution:

- will not have a counter-cyclical yield assigned in the generic base acre farm record
- does not have an upland cotton CC yield in place to allow for the conversion to a seed cotton yield.

\*--The **county average counter-cyclical yield** for upland cotton is assigned to farms that do not have a counter-cyclical yield in the generic base acre farm record.

**Reminder:** Any farm, that formerly had generic base acres, may update the seed cotton--\* yield based on 90 percent of a simple average of the upland cotton yield per planted acre on the farm for each of the 2008 through 2012 crop years, excluding any year in which upland cotton was not planted, multiplied by 2.4.

**C Action on Farms Receiving the Upland Cotton County Average Counter-Cyclical Yield (Multiplied by 2.4) as the PLC Yield for Seed Cotton**

During the yield update process for seed cotton, a farm level PLC yield is established. This \*--yield represents the decision that a farm owner makes to either:--\*

- retain the CC yield for upland cotton, as listed in Farm Records as of September 30, 2013, multiplied by 2.4, or
- update the upland cotton yield to 90 percent of a simple average of the upland cotton yield per planted acre on the farm for each of the 2008 through 2012 crop years, excluding any year in which upland cotton was not planted, multiplied by 2.4.

## 447 Establishing a PLC Yield for Seed Cotton (Continued)

**C Action on Farms Receiving the Upland Cotton County Average Counter-Cyclical Yield (Multiplied by 2.4) as the PLC Yield for Seed Cotton (Continued)**

In many cases, the farm with seed cotton base acres in 2018:

- did not exist in 2013; therefore, there is no CC yield for upland cotton available to multiply by 2.4, and
- was not planted to upland cotton during the 2008 through 2012 period used to calculate a new yield.

As a result, the assigned county average upland cotton CC yield multiplied by 2.4 becomes the PLC yield for seed cotton. In some cases, had the 2013 upland cotton CC yield been carried forward through reconstitutions, that 2013 upland cotton CC yield would be higher than the county average CC yield.

\*--After base acres and yields are established on a farm, the County Office must mail the "Notification of Base Acres, PLC Yields, Elections, HIP and CRP Reductions". See 10-CM. When notified, the producers on the farm may appeal the seed cotton yield established for the farm as not being representative of the yield for the farm.

If requested, COC may use one of the following methods to establish a seed cotton yield on the farm.

Item	Action	
<b>Default</b>	Use the county average counter-cyclical yield multiplied by 2.4. No action is required.	
<b>1</b>	Update the 2018 farm yield to reflect the 2013 farm yield on the parent farm. If the County Office can determine the 2018 CC yield (multiplied by 2.4) based on the records of how the farm was constituted in 2013, then the COC may assign that yield to the 2018 farm. Thoroughly document the process used to determine the yield in the COC minutes. <u>1/</u>	
<b>2</b>	COC may use similar farms to establish the PLC yield according to the following.	
	<b>Step</b>	<b>Action</b>
	<b>a</b>	Use 3 farms with similar yield capability, including: <ul style="list-style-type: none"> <li>• land</li> <li>• cultural practices</li> <li>• irrigation capability.</li> </ul>
	<b>b</b>	Establish a PLC yield based on the PLC yields for 3 similar farms.  <b>Note:</b> The yield is based on the simple average of the 3 similar farm's PLC yield.

--\*

## 447 Establishing a PLC Yield for Seed Cotton (Continued)

**C Action on Farms Receiving the Upland Cotton County Average Counter-Cyclical Yield (Multiplied by 2.4) as the PLC Yield for Seed Cotton (Continued)**

Item	Action	
<b>2 (cont.)</b>	<b>Step</b>	<b>Action</b>
	<b>b (Cont.)</b>	Request assistance from STC or STC representative if 3 similar farms are not available for the county. Assign the needed yields based on the STC or STC representative's information. The information must be based on similar farms in other counties if available. Assign zero yields if applicable.
	<b>c</b>	Record yield in CRM and FRS according to 10-CM. <u>2/</u>
	<b>d</b>	Document in executive session COC minutes all: <ul style="list-style-type: none"> <li>• yields established using 3 similar farms</li> <li>• farms receiving the yields</li> <li>• farms used to establish the yields.</li> </ul>
<b>3</b>	Deny the appeal of yield if the assigned yield represents the yield capability of the farm and provide appeal rights according to 1-APP.	

\*--Mail the "Notification of Base Acres, PLC Yields, Elections, HIP, and CRP Reductions", to reflect the COC action and appeal rights. See 10-CM.

1/ The 2018 upland cotton CC farm yield may be determined as follows.

Identify the upland cotton CC yield on tract(s) that exist in both 2013 with upland cotton base acres and 2018 with seed cotton base acres and assign the CC yield multiplied by 2.4 to the 2018 tract.

For a tract(s) that did not exist in both 2013 with upland cotton base acres and 2018 with seed cotton base acres, determine the tract yield using one of the following methods:

- assign the upland cotton county average CC yield to the tract(s) (multiplied by 2.4) with seed cotton base acres that did not have an upland cotton CC yield in 2018, or
- determine the tract yield(s) by following the upland cotton CC yield (multiplied by 2.4) through all reconstitutions.--\*

Follow 10-CM to update the seed cotton tract yield. Using this method, each tract with seed cotton base acres will have a yield which will update to the farm level yield.

2/ Using the assigned yield, follow 10-CM and update each tract with seed cotton base acres with the assigned yield. Yields may later be adjusted using the policy in 10-CM.

**447 Establishing a PLC Yield for Seed Cotton (continued)**

**C Action on Farms Receiving the Upland Cotton County Average Counter-Cyclical Yield (Multiplied by 2.4) as the PLC Yield for Seed Cotton (Continued)**

\*--The STC representative must review all farms updating PLC yields using steps 2a, 2b, or 2c and:

- concur, if yields are documented and justified
- require corrective action, if yields are **not** justified.

County Offices will issue a revised "Notification of Base Acres, PLC Yields, Elections, HIP and CRP Reductions" after the STC representative has concurred with these assigned yields.

**Note:** PLC yields that were computed based on information certified by the landowner will not be adjusted, unless pulled for spot check.--\*

**448-460 (Reserved)**





## 461 Election (Continued)

**C Processing Elections (Continued)**

FSA is under no obligation to notify current producers, current owners, producers or owners, or new producers or owners of whether a valid election exists or is in place, whether any current producer has rescinded or terminated an election, or whether a previously filed election has been invalidated. FSA will respond to inquiries about the status of election of a farm by any current producer or current owner on a farm, including a producer or owner who gains a producer or owner interest on the farm during the election period.

County Offices will process elections from current producers on a farm based on the election filed.

**D Failure of All Current Producers to Make Election Decisions**

[7 CFR 1412.71]

**(e) FSA will process elections from current producers on a farm based on the election as submitted. For example, if the current producers of a farm attest that they are all or the only current producers on the farm and FSA later learns that there was another current producer at the time of election who did not agree to the election, the election is invalid. If at any time FSA determines that an election fails to satisfy the requirements of this subpart because it did not include the unanimous agreement of all current producers on the farm at the time of election, the election will immediately be invalid. This is not a compliance provision. Only valid elections by all current producers will be recognized and used by CCC. All ARC and PLC payments that were issued to any producers on a farm based on an election later determined by CCC to be invalid, for whatever reason, regardless of whether those producers who were issued unearned payments personally made or participated in the invalid election, must be refunded with interest.**

**\*--CCC-865 on file for the farm during the election period that ends on December 7, 2018,--\*** is valid unless FSA determines the election is invalid. FSA may consider an election invalid if 1 of the following occurs:

- current producer notifies FSA in writing, within 30 calendar days of the date FSA issues the notice of base acres, yields, and election for the farm, that a base reallocation or yield update filed after CCC-865 was filed would have changed the election decision

**Note:** The election will be invalid and will be considered as an election **not** made as described in paragraph 186. No opportunity will be given to file a new election.

- current producer notifies FSA in writing, within 30 calendar days of the date FSA issues the notice of base acres, yields, and election for the farm, that they disagree with the election made.

## 461 Election (Continued)

**E Failure of All Current Producers to Make Election Decisions (Continued)**

**Notes:** The election will be invalid and will be considered as an election **not** made as described in paragraph 186.

If no current producer files a dispute over the election made for the farm, the election for the farm that was made is considered final and will apply to that farm for the life of the 2014 Farm Bill.

**F Election Correction Policy Where FSA Made an Error**

Current producers on the farm were allowed to make an ARCPLC election during the \*--election period that ends on December 7, 2018. During the election process, errors may--\* have occurred where the election submitted by current producers on CCC-865 does **not** match the election entered in MIDAS and/or FRS, nor does it match the election provided to producers on the final base, yield, and election notifications issued.

County Offices will follow the policy outlined in this paragraph for completing and documenting election corrections:

- documentary evidence must be on file in the farm folder that validates the election submitted by the producer on CCC-865 during the election period does not represent what currently appears in MIDAS and/or FRS
- COC will review the evidence in the farm folder and thoroughly document the County Office error in the COC Executive minutes as to the correct election submitted by current producers on the farm
- upon COC approval, the County Office will correct the election for seed cotton for ARC-CO and/or PLC, or ARC-IC, for the farm in MIDAS and/or FRS.

**Note:** Corrections made by COC must be reviewed by a State Office representative. Current producers are **not** required to sign a new CCC-865 for corrections made according to this paragraph. This is **not** a new opportunity for election.

**G Election Correction Notification Policy**

Notification to all owners and operators of the program election correction on the farm is required using the base and yield notification letter that contains appeal rights.

**\*--462 Election Period****A Time of Election**

**[7 CFR 1412.72] Election period.**

- (a) The election period will be conducted in a defined period as announced by FSA. During the election period, all current producers on a farm must unanimously make the irrevocable election as described in §1412.71 to preserve the payment eligibility of all producers on the farm for 2014 and determine whether the default election (PLC) or elected option (either a combination of ARC-CO and PLC or ARC-IC) will apply to the farm.**
- (b) If an election is submitted by all current producers on a farm as specified in §1412.71 and paragraph (a) of this section, that election will be recognized as valid for the farm in all 2014 through 2018 crop years unless any of the following occur:**
  - (1) The election is rescinded or terminated by any current producer on the farm in accordance with paragraph (c) of this section during the election period;**
  - (2) The valid election is modified and replaced by another valid election by all current producers during the election period;**
  - (3) A subsequent valid election by all current producers is made with FSA during the election period; or**
  - (4) FSA determines the election at the time it was made was invalid for any reason.**
- (c) At any time during the election period, a current producer can rescind or terminate an election by providing written notice to FSA during the election period. The written notice to rescind or terminate must be physically received by FSA for CCC during the election period in order to be recognized. Immediately following receipt of such notice to rescind or terminate, the farm will be viewed as not having any effective valid election (in other words, no valid election will be determined to exist—even if there was another previous election in effect before the election that is rescinded, or terminated as specified in with this paragraph).**
- (d) FSA is under no obligation to notify producers, owners, current producers, or current owners on a farm that an election has been rescinded or terminated. Current producers of a farm are solely responsible for filing a valid election during the election period or in whatever time remains in an election period following the rescission or termination of an election.**
- (e) FSA is under no obligation to notify current producers, current owners, producers, or owners or new producers or owners of whether or not a valid election exists or is in place or whether any current producer has rescinded or terminated an election. However, FSA will respond to inquiries regarding the status of election of a farm by any current producer or current owner on a farm including a producer or owner who gains a producer or owner interest on the farm during the election period.--\***

## 462 Election Period (Continued)

## A Time of Election (Continued)

- (f) The election period and final day in that election period in which current producers can unanimously and irrevocably elect are not a compliance requirement or provision. The requirement of an election is mandated in the 2014 Farm Bill and as such is not subject to any of the equitable relief provisions of 7 CFR part 718, subpart D. Further, because the requirement of a unanimous irrevocable election and ramifications for not having a valid election are specified in the 2014 Farm Bill, FSA will not consider any equitable relief. There are no late-file provisions for election.

Current producers on farms with base acres have the opportunity to elect ARC or PLC that will be in effect for the 2018 crop year for seed cotton only.

\*--The election period is **July 28, 2018, through December 7, 2018**. The election **must**--\* have been made by all current producers during the election period on CCC-865.

## B Rescinding or Terminating an Election

[7 CFR 1412.72]

- (c) At any time during the election period, a current producer can rescind or terminate an election by providing written notice to FSA during the election period. The written notice to rescind or terminate must be physically received by FSA for CCC during the election period in order to be recognized. Immediately following receipt of such notice to rescind or terminate, the farm will be viewed as not having any effective valid election (in other words, no valid election will be determined to exist—even if there was another previous election in effect before the election that is rescinded, or terminated as specified in with this paragraph).

Immediately following receipt of the written notice to rescind or terminate an election during the election period, the farm will be considered as **not** having any valid election made (in other words, no election exists, even if there was another previous election in effect before the election that is rescinded or terminated as specified in with this subparagraph). Elections, including subsequent elections following rescission or revocation of a previous election, could have been made only by all current producers on

\*--the farm by **December 7, 2018**.--\*

## 463 Completing Election

## A Who Must Sign

All current producers on a farm at the time of ARC or PLC election **must** sign CCC-865 making an election as described in paragraph 461. An election **not** having

\*--all required signatures of producers on a farm filed with FSA by **December 7, 2018**,--\* would **not** have been considered valid. See subparagraph 461 D.

**463 Completing Election (Continued)****B Receiving Election in the County Office**

As stated in subparagraph 462 A, the election is completed on CCC-865. The ARC or PLC election is a decision by all current producers on a farm on the day CCC-865 is signed or is date-stamped as received in the County Office.

COC will **not** make a decision on the validity or completion of CCC-865 when received in the County Office.

The employee receiving CCC-865 will sign and date indicating that CCC-865 was received in the County Office. The act of receiving CCC-865 does **not** require delegation by COC or redelegation by CED.

**464 Current Producer****A Definitions**

Current producer means the person or legal entity meeting the definition of producer in 7 CFR Part 718 on the day that person or legal entity is signing any form or performing any action required.

Producer means an owner, operator, landlord, tenant, or sharecropper who shares in the risk of producing a crop and who is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced.

**\*--Note:** A producer on non-cropland acres only, or has an interest in CRP only, is not--\* required to make the election.

**B Determining the Current Producer**

Producers on the farm are responsible for making the determination of who are the current producers on the farm.

**465 Election Options****A ARC-CO or PLC**

As stated in paragraph 461, the current producers on a farm with an interest in the farm's cropland have a 1-time opportunity to collectively, unanimously, and irrevocably elect 1 of the following:

- ARC-CO for seed cotton for the 2018 year
- PLC for seed cotton for the 2018 crop year.

**Note:** ARC-IC will not be elected as the farm election for ARC-IC occurred during the implementation of the 2014 Farm Bill.

## 465 Election Options (Continued)

**B Election Options and Description**

The following table summarizes election options for seed cotton along with a description.

<b>Election Decision</b>	<b>Description</b>
ARC-IC	Current producers on a farm will not elect ARC-IC. The election of ARC-IC occurred during implementation of the 2014 Farm Bill.
ARC-CO	Only applicable if ARC-IC was not elected during implementation of the 2014 Farm Bill. ARC-CO election decision <b>must</b> be made by <b>all</b> current producers on a farm for seed cotton.
PLC	Only applicable if ARC-IC was not elected during implementation of the 2014 Farm Bill. PLC election decision <b>must</b> be made by <b>all</b> current producers on a farm for seed cotton.

## 466 Election Not Made

**A [7 CFR 1412.74] Failure to Make Election**

- (c) If a valid election is not made for seed cotton base acres on a farm, the producers of seed cotton base acres on the farm will default to a PLC election for the 2018 crop year.

Current producers on farms who, for any reason, did **not** file an ARC-CO or PLC election \*--by December 7, 2018, caused the farm to be considered as having a PLC election for--\* seed cotton for the 2018 crop year.

**B COC and STC Action on Elections Not Made or Incomplete**

[7 CFR 1412.72(f)] Failure to Make Election. The election period and final day in that election period in which current producers can unanimously and irrevocably elect are not a compliance requirement or provision. The requirement of an election is mandated in the 2014 Farm Bill and as such is not subject to any of the equitable relief provisions of 7 CFR part 718, subpart D. Further, because the requirement of a unanimous irrevocable election and ramifications for not having a valid election are specified in the 2014 Farm Bill, FSA will not consider any equitable relief. There are no late-file provisions for election.

## 466 Election Not Made (Continued)

**B COC and STC Action on Elections Not Made or Incomplete (Continued)**

COC or STC will take no action any ARC or PLC election that is **not** timely filed or is incomplete. Accordingly, with regard to CCC-857's, FSA Offices, STC's, and/or COC's must **not** do any of the following:

- consider or make any sort of adverse decision or relief decision on CCC-865's signed by anyone after the election period has passed, **regardless** of the reason the individual \*--or entity did **not** request to elect ARC-CO or PLC by the December 7, 2018,--\* election
- period deadline
- forward to DAFP any recommendation of approval or relief for anyone who filed CCC-865 after the election period closed
- provide any right of appeal or appealability to anyone making an inquiry about election or the election period.

**Notes:** County Offices will **not** discourage any producer from signing CCC-865's at any time. However, FSA is **not** required to issue a determination on CCC-865's. CCC-865's will be viewed as either valid or invalid. In addition to other reasons, CCC-865 may later be determined invalid by FSA, and CCC-865's submitted after the election period ends are invalid.

STC's and COC's will follow this subparagraph for all CCC-865's submitted after the election period ends. No letter of determination will be issued to producers who choose to submit CCC-865's after the end of the election period.

**\*--466 Election Not Made (Continued)****C Communicating to Those Submitting CCC-865's After the Election Period Ends**

FSA will acknowledge receipt of CCC-865's submitted after the end of the election period with a communication stating the following:

Dear [*Enter names of all those signing CCC-865 submitted after the end of the election period.*]

This letter acknowledges receipt of a request to elect ARC or PLC under a form CCC-865, Seed Cotton Base Acre Allocation, Yield Update, and Election.

You submitted the request to elect after the end of the election period.

7 CFR § 1412.72(f) specifies that election is **not** allowed after the end of the election period.

The Farm Service Agency (FSA) appreciates your interest. Your request to elect after the end of the election period will be kept on file; however, FSA **cannot** process the election because of the limitations set forth in the Agriculture Act of 2014 (the 2014 Farm Bill).

Thank you again for your interest.  
Sincerely,

County Executive Director

--\*



## Section 5 Seed Cotton Enrollment

## 481 Enrollment

## A Enrollment Policy

Follow Part 8 for guidance on enrollment of farms for crop year 2018.

## B Enrollment of Farms in 2018

\*--Enrollment of farms that formerly had generic base acres began on July 30, 2018, and will end December 7, 2018.--\*

## 482 HIP for Seed Cotton

## A Using Irrigated and Non-Irrigated Yields in ARC-CO

Follow paragraph 119 for guidance on HIP policy for seed cotton in designated HIP counties. Designated HIP counties are displayed in Exhibit 16.

## B Establishing HIP for Seed Cotton

Step	Process
1	Identify the list of counties (Exhibit 16).
2	Determine HIP for seed cotton in an approved irrigated/non-irrigated county on a farm by dividing the 2009 through 2012 P&CP irrigated acres (including subsequently planted crop acreage) of upland cotton on the farm by the total 2009 through 2012 P&CP of the total irrigated <b>and</b> non-irrigated P&CP (including subsequently planted crop acreage) for upland cotton.
3	<p>If seed cotton triggers a payment for the county identified in step 1, then HIP:</p> <ul style="list-style-type: none"> <li>• will be multiplied by the seed cotton base acres</li> </ul> <p><b>Note:</b> This amount of base acreage will be used in a separate payment calculation using irrigated benchmark revenues, guarantees, and actual revenues to determine an irrigated payment.</p> <ul style="list-style-type: none"> <li>• Subtracted from 1.0000 will be multiplied by the seed cotton base acres</li> </ul> <p><b>Note:</b> This amount of base acreage will be used in a separate payment calculation using non-irrigated benchmark revenues, guarantees, and actual revenues to determine an irrigated payment.</p>
4	Irrigated and non-irrigated seed cotton payments do not offset each other. Each irrigated and non-irrigated covered commodity payment will be made as if it was a separate covered commodity.

**\*--483 10-Acre Farm Rule Exception****A Signatures of Owners Certifying SDA or Limited Resource Farmers or Ranchers on ARC-CO and PLC Contract or ARC-IC Contract**

The 2014 Farm Bill **prohibits** ARC or PLC payments to a producer on a farm if the sum of the base acres on the farm is 10.00 acres or less unless the producer receiving a share on the farm is SDA or limited resource farmer or rancher.

Producers receiving a share of the base acres, which certify on CCC-860 they meet the SDA or limited resource farmer or rancher exception, may receive payment on completed CCC-861 or CCC-862. Producers who do not meet the SDA or limited resource farmer or rancher exception are **not** eligible to receive ARC or PLC payments on enrolled farms where total base acres are 10.00 acres or less.

**Note:** State and County Offices will **not** provide guidance to a producer about their inclusion in SDA or limited resource group.

Any farm having any amount of base acres can be enrolled and approved. Payment eligibility on farms having 10.00 acres or less base acres is limited to SDA or limited resource farmer or rancher as a condition of payment eligibility.

As an eligibility condition, the certification may be updated at any time before payment. 1-CM requires CCC-860 to be completed by producers requesting eligibility consideration based on the applicable certification. The certification is for the producer claiming a share on CCC-861 or CCC-862, not members of the producer.

Any person or legal entity seeking payment as a producer on a farm enrolled with 10.00 base acres or less **must** have a valid CCC-860 on file **before** payment will be issued.

**B Unassigned Generic Base Acres**

Unassigned generic base acres are base acres on the farm and therefore count towards the total base acres on the farm.--\*

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

### Benchmark Farm Yield

Benchmark Farm Yield means, for years the covered commodity was planted, five years of actual average farm yields with a 70 percent of the county T-yield being substituted for in each year in the benchmark where the actual yield is less than 70 percent of the county T-yield. For years the covered commodity was not planted, the benchmark farm yield for the covered commodity will be assigned 100 percent of the county average yield.

### Cash Lease

Cash lease means a guaranteed sum, certain cash payment, or fixed quantity of the crop.

### Contract Base Acres

Contract base acres mean the number of covered commodity specific base acres in effect on September 30, 2013, as defined in the regulations in 7 CFR Part 1412, subpart B that were in effect on that date, subject to any reallocation, adjustment, or reduction. Contract base acres do not include generic base acres that attribute base acres when planted to:

- covered commodity
- eligible subsequently planted crop acreage.

**\*--Note:** Generic and attributed base acres are not applicable for 2018.--\*

### Corrected Contract

Corrected contract means a CCC-861 or CCC-862 that is specifically allowed by policy in this handbook to be altered at any time and not be considered newly enrolled.

### Covered Commodity

**[7 CFR 1412.3] Covered commodity means wheat, oats, and barley (including wheat, oats, and barley used for haying and grazing), corn, grain sorghum, long grain rice, medium grain rice, pulse crops, soybeans, other oilseeds, and peanuts.**

**\*--Notes:** Cotton is **not** a covered commodity. What were cotton base acres on September 30, 2013, as adjusted, are generic base acres for ARC and PLC as of October 1, 2013.

Generic and attributed base acres are not applicable for 2018.--\*

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

### Current Owner

Current owner means the person or legal entity meeting the definition of owner in 7 CFR Part 718 on the day that person or legal entity is signing any form or performing any action.

**Example:** A required signature of a “current owner” is the person or legal entity is the owner on the day the person or legal entity is signing the form or performing the action.

### Current Producer

Current producer means the person or legal entity meeting the definition of producer in 7 CFR Part 718 on the day that person or legal entity is signing any form or performing any action.

**Example:** A required signature of a “current producer” is the person or legal entity is the producer on the day the person or legal entity is signing the form or performing the action.

### Double Cropping

Double-cropping means for covered commodities, notwithstanding the meaning in 7 CFR Part 1412 subparts D and E for FAV’s, the planting of a covered commodity for harvest in a crop year, in cycle with another covered commodity on the same acres for harvest in the same crop year in counties that have been determined to be areas where there is determined to be substantial, successful, and long-term double cropping of the crop and where the producer has followed customary production techniques and planting deadlines as determined by CCC (that is, using techniques and deadlines used by the majority of farmers in the region to double crop the particular crops involved). In a county determined capable of supporting such double-cropping of the covered commodities, as determined by CCC, both an initial crop and a subsequent crop will be considered planted or prevented planted acres. Notwithstanding any of the provisions of 7 CFR Part 718, in those instances where the subsequently planted or approved prevented planted covered commodity cannot be recognized as double-cropped acreage under this definition, the subsequently planted crop acreage will not be considered planted or prevented planted unless the subsequently planted crop acreage is planted as a replacement crop after the prevented planted acreage of a covered commodity.

### Effective Price

Effective price means the higher of the national:

- average market price received by producers during the 12-month marketing year for the covered commodity (also known as the MYA price), as determined by FSA; or
- average loan rate as defined in this part for the covered commodity in effect for the crop year, which is the same as the loan rate for a marketing assistance loan for the commodity for that crop year.