

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Agriculture Risk Coverage and
Price Loss Coverage Program
1-ARCPLC (Revision 1)**

Amendment 12

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 5 F has been amended to include the beginning and ending dates of 2023 election and enrollment.

Subparagraph 23 A has been amended to remove FRS and MIDAS references.

Paragraphs 41 and 42 have been withdrawn because the information was moved to paragraphs 283.5 and 283.6.

Subparagraph 124 A has been amended to include a reference to Exhibit 15.5.

Subparagraph 138 H has been amended for clarification.

Subparagraph 184 C had been amended to include CRP farms in the note.

Subparagraph 184 D has been added for elections and crop insurance options.

Subparagraph 190 A has been amended to remove FRS references.

Subparagraph 202 A has been amended to update the 2023 enrollment start date.

Subparagraph 202 E has been amended to update the timeline of enrollment.

Subparagraph 205 E has been amended to correct handbook references.

Paragraph 207 has been withdrawn because the information was moved to paragraph 283.5.

Paragraph 208 has been withdrawn because the information was moved to paragraph 252.

Subparagraph 216 G has been amended to remove a note referencing a future amendment.

Paragraph 216.5 has been added to include commodities grown under contract on base acres.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 242 B has been amended to include providing the producer the QR code.

Paragraph 245 has been amended to include a table for approvals and remove CCC-866 approval and processing information.

Paragraph 246 has been amended to:

- include CCC-866 approval and processing information
- remove disapproval and revision information.

Subparagraph 247 B has been amended to include refunds required when payments are not allowed.

Paragraph 252 has been added to include relief for producers when interest in base acres exceed their interest in cropland on a farm.

Subparagraph 282 B has been amended to add hunting as nonagricultural land.

Subparagraph 282 D has been amended to clarify instructions and update examples.

Paragraph 283.5 has been added to include adjusting base acres for CRP-1 expiration, voluntary termination, or early release.

Paragraph 283.6 has been added to include CCC-866-1.

Subparagraph 284 D has been added to include violations.

Paragraph 307 has been withdrawn because the information was moved to paragraph 216.5.

Exhibit 2 has been amended to add the definitions of beginning farmer or rancher and planted and considered planted.

Exhibit 15.5 has been added to include HIP calculation covered commodity codes.

Exhibit 17 has been amended to update paragraph references.

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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	Final date to report production for the preceding crop year for farms enrolled in ARC-IC.
September 3, 2019	Election and enrollment begin for crop year 2019.
October 15, 2019	Enrollment begins for crop year 2020.
March 16, 2020	Election and enrollment end for crop year 2019.
June 30, 2020	Enrollment ends for crop year 2020.
October 13, 2020	Election and enrollment begin for crop year 2021.
March 15, 2021	Election and enrollment end for crop year 2021.
October 18, 2021	Election and enrollment begin for crop year 2022.
March 15, 2022	Election and enrollment end for crop year 2022.
*--October 17, 2022	Election and enrollment begin for crop year 2023.
March 15, 2023	Election and enrollment end for crop year 2023.--*

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 effective reference price and the effective price.
- 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.

23 Base Acre Corrections

A Base Acre Correction Policy

Base acre corrections, **except** statutory restorations, limited to the adjustments show in this subparagraph, may be approved by COC, with the concurrence of a State Office representative.

The following are base acre corrections that may be approved:

- base acres that were **not** properly restored after CRP expired or were early terminated in a prior year

Note: County Offices will complete these base restorations for the year in which the error is found and will restore base acres to the applicable tract and farm.

- *--base acres that were not loaded properly in CRM, as applicable.

Statutory allowed base adjustments are CRP base adjustments allowed under paragraph 283.5.--*

County Offices will thoroughly review with COC and document in the COC Executive minutes all base acreage corrections completed according to this paragraph. Corrected CCC-862's or CCC-866's are authorized in the year the error is determined.

Note: A State Office representative must concur with any corrections made by COC. CCC-866-1 may be required.

B Base Acre Correction Notification Policy

Notification of base acre corrections to owners and operators on the farm is:

- **not** required if the base acre correction was performed before issuing the notice of base and yield and election

Note: The notice of base and yield and election will contain appeal rights.

- required if corrections to base acres of covered commodities on the farm are made after issuing the notice of base and yield and election.

Note: Appeal rights must be provided.

24-40 (Reserved)

Section 2 (Withdrawn--Amend. 12)

41, 42 (Withdrawn--Amend. 12)

43-60 (Reserved)

124 ARC-CO Irrigated and Nonirrigated Covered Commodities and Counties**A List of Covered Commodities and Counties**

Counties and covered commodities that meet the threshold identified in subparagraph 122 A have been designated counties for applying irrigated and nonirrigated yields under ARC-CO (Exhibit 15).

--A list of covered commodities with crop codes, crop types, and type names as loaded on FSA-578 is listed in Exhibit 15.5.--

B Policy

For the covered commodities and counties identified in subparagraph A, a farm's ARC-CO payments will be calculated using HIP applied to the base acres of the applicable covered commodity for weighting of the guarantees and revenues. A factor (HIP subtracted by 1.000) will then be applied to the base acres of the applicable covered commodity for weighing the nonirrigated revenues. Once a weighted benchmark revenue, guarantee and actual revenue have been computed by physical location a payment rate will be summarized to the farm level. HIP is fixed for the life of the Farm Bill.

For example, if 30 percent of the historical corn P&CP acres on the farm were irrigated, HIP would be 30 percent.

***--125 ARC-CO Irrigated and Nonirrigated Farm Payment Calculation – Example 1**

A Information

In this example, the farm is physically located in an approved HIP county.

B Farm Data

FSN 1, with one tract, has the following data. This county meets the threshold to have separate irrigated and nonirrigated acreage for corn.

Crop	HIP	Base Acres	Planted Acres
Corn	79 percent	100.00	110.00 irrigated
Totals		100.00	110.00 irrigated

Note: For ARC-CO, there is no requirement to plant a covered commodity to receive a payment. The HIP is based on the farm’s planting history between 2013 and 2017 as reported to FSA.

C ARC-CO Yield and Price Data

Given the following yield and price data collected during the 5-year period from 2013 through 2017, this table displays the calculation for the 2019 ARC-CO benchmark period.

	2013	2014	2015	2016	2017
Corn Irrigated					
Yield <u>1</u> /	220	215	204	195	228
ARC Substitute Yield <u>2</u> /	210	210	210	210	210
MYA Price <u>3</u> /	\$3.55	\$5.18	\$6.22	\$6.89	\$4.50
Effective Reference Price <u>4</u> /	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70
Corn Nonirrigated					
Yield <u>1</u> /	125	100	165	110	95
ARC Substitute Yield <u>2</u> /	84	84	84	84	84
MYA Price <u>3</u> /	\$3.55	\$5.18	\$6.22	\$6.89	\$4.50
Effective Reference Price <u>4</u> /	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70

- 1/ The actual yield for the county for the year specified.
- 2/ 80 percent of the RMA-established T-yield for the county.
- 3/ Hypothetical MYA price.
- 4/ Effective Reference price is statutory.--*

138 ARC-IC (Continued)

F ARC-IC Yield Certifications (Continued)

Producers on an ARC-IC enrolled farm **must** certify yields for all planted covered commodities to establish the benchmark and current year revenues.

Note: County Offices must follow Part 3 for certification of yields for covered commodities planted on farms enrolled into the ARC-IC program. The policy provides conversion factors for silage and/or hay production along with grazed acreage provisions for covered commodities planted on ARC-IC farms.

In the initial year that a covered commodity is planted on an ARC-IC enrolled farm, the participant is **required** to certify the yield for each year of the benchmark period and for the current year. In each subsequent year that the commodity is planted on the ARC-IC farm, the producer will be required to certify only the current year yield as the benchmark is already established.

To certify production for the benchmark yield, the following substitute/assigned yields may be used.

IF the crop was...	THEN...
planted in the benchmark year	the larger of the certified yield or 80 percent of T-yield is used.
not planted in the benchmark year	100 percent of the ARC-CO yield for each applicable year is used.
approved prevented planted in the benchmark year	100 percent of the specific covered commodity's ARC-CO yield for each applicable year is used.

The ARC-IC substitute/assigned yields and 80 percent of T-yield are found at ***--https://www.fsa.usda.gov/programs-and-services/arcplc_program/arcplc-program-data/index--***

* * *

Notes: Substitute yields are not used for the actual year yield.

Substitute/assigned yields will be determined based on the administrative county of the land.

138 ARC-IC (Continued)

F ARC-IC Yield Certifications (Continued)

See:

- Exhibit 16 to complete CCC-863
- Exhibit 17 for an example letter requesting yield certifications from producers on ARC-IC farms.

Substitute/assigned yields must be available for all years in the benchmark period. If a substitute/assigned yield is not available, county offices must submit a request to the State Office Program Specialist that the yield be established by STC.

G ARC-IC Yield Certification for Hybrid Seed or Popcorn

Producers of hybrid seed and/or popcorn will follow paragraph 67 to convert:

- hybrid seed yields to commercial crop yields
- pounds of popcorn to bushels of commercial corn.

Note: For hybrid seed, when a method from subparagraph 67 B is selected, then that same method must be used for the benchmark and actual revenue calculations. Mixing methods is **not** allowed.

H ARC-IC Certified Yield Reporting Deadline

Certifications for benchmark and actual year yields must be provided on the CCC-863 by July 15th of the subsequent crop year.

Note: For 2019, certification of benchmark and actual year yield deadline is July 15, 2020.

All CCC-863's must be loaded in the ARC/PLC software according to 2-ARCPLC before the current year rollover of Farm Records.

COC may accept as timely filed any yield certification after the applicable deadline listed in *--this subparagraph, if the yield is certified before the issuance of any ARC-IC payment for the applicable program year and COC approves the certification.--*

183 Completing Election

A Who Must Sign

All 2019 producers on a farm at the time of ARC or PLC election **must** sign CCC-862 or CCC-866 making an election for 2019 and 2020 as described in paragraph 181. An election **not** having all required signatures of producers on a farm filed with FSA by March 16, 2020, would **not** have been considered valid. See subparagraph 181 C. Beginning with the 2021 crop year, and each crop year thereafter through 2023, the producers on a farm may change the election of PLC or ARC on a year-to-year basis.

B Receiving Election in the County Office

As stated in subparagraph 182 A, the election is completed on CCC-862 or CCC-866. The ARC or PLC election for 2019 and 2020 is a decision by all 2019 producers on a farm. Subsequent election changes are made by the producers on the farm beginning in 2021.

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

The employee receiving CCC-862 or CCC-866 will initial indicating that the election was received in the County Office. The act of receiving the election does **not** require delegation by COC or redelegation by CED.

184 Election Options

A ARC or PLC

As discussed in paragraph 181, the 2019 producers on a farm, with an interest in the farm's cropland, have a 1-time opportunity to collectively and unanimously elect either of the following to be in effect for 2019 and 2020:

- ARC-IC for all 22 covered commodities and the farm
- ARC-CO or PLC on a covered commodity-by-covered commodity basis on the farm.

Producers on a farm with an interest in the farm's cropland, **may** collectively and unanimously change the election on the farm in each year, 2021 through 2023 during the applicable election and enrollment period.

184 Election Options (Continued)

B Election Options and Description

The following table summarizes election options along with a description.

Election Decision	Description
ARC-IC	If all producers on a farm elect ARC-IC, then that election is for all 22 covered commodities and for the farm. No further election decision (on a covered commodity by covered commodity basis) is required because ARC-IC is a “whole farm” and “all covered commodities” election.
ARC-CO or PLC	Only applicable if all the producers on a farm have not elected ARC-IC. ARC-CO and/or PLC election decision must be made by all producers on the farm and is on a covered commodity by covered commodity basis. The election decision will only be made for each and all of the covered commodities with base acres on the farm.

C Elections for Zero Base Acre Farms With Election History

For zero base acre farms that maintain an election history, producers of record will have the opportunity to elect ARC or PLC using CCC-866-1. This form will need to be uploaded on the National Farm Records SharePoint site to be updated after submitted by the producer.

*--**Note:** This does not apply to GIF farms or farms with CRP base reductions.

D Elections and Crop Insurance Options

The following table summarizes ARC or PLC elections and the impacts on RMA’s crop insurance options.

Crop Insurance Option	ARC or PLC Option
STAX	Any farm with enrolled seed cotton base acres is not eligible for STAX coverage.
SCO	Any crop on a farm that has elected to participate in ARC is not eligible for SCO coverage.

--*

B Example of CCC-866 (Continued)

*--

CCC-866 (03-24-20)	Page 3 of 3
<p>NOTE: <i>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 Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Agricultural Act of 2014 (7 U.S.C. 9015) as amended by the Agriculture Improvement Act of 2018 (Pub. L. 115-334) and 7 CFR Part 1412. The information will be used to determine eligibility to participate in and receive benefits under the Agriculture Risk Coverage Program and 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 Agriculture Risk Coverage Program and Price Loss Coverage Program.</i></p> <p>Paperwork Reduction Act (PRA) Statement. Paperwork Reduction Act (PRA) Statement: <i>The information collection is exempted from PRA as specified in 7 U.S.C. 9091(c)(2)(B).</i></p> <p><i>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.</i></p>	
<p><i>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</i></p> <p><i>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</i></p> <p><i>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.</i></p>	

--*

190 Election Correction Policy**A Election Correction Policy Where FSA Made an Error**

Producers on the farm can make an ARCPLC election during the election period. During the election process, errors may have occurred where the election submitted by producers on CCC-862 or CCC-866 does **not** match the election entered in * * * CRM or it does not 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-862 or CCC-866 during the election period does not represent what currently appears in * * * CRM
- 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 producers on the farm
- upon COC approval, the County Office will correct the election per crop for ARC-CO and/or PLC or ARC-IC for the farm in * * * CRM.

Note: Corrections made by COC must be reviewed by a State Office representative. Producers are **not** required to sign a new CCC-862 or CCC-866 for corrections made according to this paragraph. This is **not** a new opportunity for election.

B Election Correction Notification Policy

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

191-200 (Reserved)

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

Enrollment under CCC-862 or CCC-866 will be held annually, as follows:

- 2019 enrollment period will be September 3, 2019, through March 16, 2020
- 2020 enrollment period will be October 15, 2019, through June 30, 2020
- 2021 enrollment period will be October 13, 2020, through March 15, 2021
- 2022 enrollment period will be October 18, 2021, through March 15, 2022
- *--2023 enrollment period will be October 17, 2022, through March 15, 2023.--*

B Multi-year Contract Enrollment

For 2019 only, following election, producers have the option to enroll in a multi-year contract that will remain enrolled through the 2023 crop year. The multi-year enrollment will continue unless a producer on the farm makes one of the following changes:

- a change to the farm's constitution
- a change to any of the producers having greater than zero share of base acres
- a change in any producer's share greater than zero of covered commodities on the farm
- a change in either the election or enrollment of any covered commodity on the farm
- a change in the refuse payment indicator
- any change that would require producers on the farm to re-affirm enrollment, as determined by FSA.

Once a change is made to multi-year enrollment, enrollment must occur on an annual basis for each subsequent year until 2023.

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

Following election as is applicable, eligible producers who enroll a farm in ARC-CO and/or PLC under a CCC-866 may do so on a covered commodity by covered commodity basis. Enrollment of less than 100 percent of a covered commodity is not allowed. Producers who annually enroll a farm in ARC-IC under a CCC-862 must enroll all base acres of all covered commodities on the farm.

For CCC-866, 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.

For ARC-IC contracts, all producers having a share in the covered commodities planted on the farm must sign the contract by the end of the enrollment period or the enrollment is **not** complete.

CCC and FSA are under no obligation and are not responsible for ensuring that producers enroll.

D ARC-CO and PLC Contract Enrollments and Exception

All producers having more than a zero share of base acres must sign CCC-866 by the end of the enrollment period. CCC-866's that are **not** signed by all producers having more than a zero share of 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 base acres are in 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-866 software.

202 Enrollment Dates for ARC and PLC Programs (Continued)

E Timeline for Enrollment

The following tables provide the timeline for 2019 through 2023 ARC and PLC enrollment.

IF 2019 and 2020 enrollments occur...	*--THEN contract is considered...
for 2019 only, September 3, 2019, through March 16, 2020	timely filed.
for 2020 only, October 15, 2019, through June 30, 2020	timely filed.

IF 2021 through 2023 enrollments occur in the contract year from...	THEN contract is considered...
October through March 15	timely filed.
March 16 through September 30	late filed.--*

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 2019 is *--March 16, 2020; for FY 2020 is June 30, 2020. The enrollment deadline for FY's 2021,--* 2022 and 2023 is March 15 of the applicable contract year.

Late-filed ARC-CO and PLC contracts or ARC-IC contracts may be accepted through the *--end of the contract period (September 30 of each applicable contract year) except for crop--* year 2019 (the late filed period for 2019 extends through September 30, 2020). COC's have been delegated authority by DAFP to approve late-filed contracts that are completed by producers through the September 30th deadline.

Late-filed contracts may be approved by COC with DD concurrence (State Office concurrence in the absence of the DD). The late-filed approval authority is not delegated to the CED.

Valid reasons for the COC to consider late-filed contracts are:

- lease executed after the end of the enrollment period
- health of the applicable producer
- other reasons as deemed appropriate by COC that are outside of the control of the producer.

The decision to approve or disapprove a late-filed contract is strictly the decision of the COC and concurred by the DD or other State Office representative. This decision is not subject to review by any other authority.

Producers have a right of review or appeal **only** on adverse decisions and **only** where there are legitimate disputes of fact. Any right of appeal is limited to FSA's decision that the offer of enrollment was **not** received by FSA by the end of the enrollment period. See 1-APP.

* * *

205 Missing Signatures (Continued)**D Fractionated Property - Ownership Land**

Contracts contain fractionated ownership where a de minimus share of the cropland acreage on the farm cannot be determined.

COC may approve CCC-862 or CCC-866 with 100 percent share of all base acres providing COC determines that 1 or all of the following are met:

- past history on a farm
- whether the producers claiming a share have control of sufficient cropland and an entitlement to a crop share interest to support the claimed payment share on ARC-CO and PLC contract, ARC-IC contract, or FSA-578
- the level of risk in the production of the crop being grown
- whether the shares provide equitable treatment to all of the producers on the farm.

E Heir Property - Ownership Land

--COC will follow provisions of 10-CM for contracts containing land owned by a deceased producer or estate of the deceased producer who does not have an heir or representative and is cash-leased. These contracts may be approved if COC determines that provisions of 10-CM and this handbook have been met.--

206 Reconstitution of ARC-CO, PLC, and ARC-IC Farms

A Reconstitution of Enrolled Farms

Farms enrolled during the prescribed annual enrollment period that are subsequently reconstituted are no longer considered to be enrolled.

Farms resulting from a reconstitution are **not** deemed to have enrolled the CCC-862 or CCC-866 and may **not** earn benefits associated with the ARC and PLC programs, **unless** the resulting farm is timely enrolled on CCC-862 or CCC-866.

The validity of an ARC or PLC election is **not** impacted by reconstitution. Valid ARC and PLC elections will continue to be recognized following reconstitution. The resulting farms will have the ARC or PLC election that is consistent with the parent farm or farms.

206 Reconstitution of ARC-CO, PLC, and ARC-IC Farms (Continued)

B Authorized Reconstitutions and Transfers

Subject to the provisions of subparagraph A, the following reconstitutions are allowed for 2019 and each subsequent program year, if FSA-155 or FSA-179 is initiated by August 1 of the effective FY:

- divisions of all farms
- farm combinations in limited situations
- completed farm transfers.

Note: Combinations of ARC-CO and PLC parent farms with other ARC-CO and PLC parent farms can only be approved if there are no conflicting elections between common base crops or HIP between parent farms.

Combinations of eligible parent farms with farms determined to be ineligible for payment where all of the cropland was grass, idle or fallow from January 1, 2009 through December 31, 2017, are prohibited to prevent changing the eligibility of base acres.

An ARC-CO and PLC parent farm can never be combined with an ARC-IC parent farm or vice versa.

A parent farm that has zero base acres and has no election can be combined with any parent farm that has elected an ARC-CO and PLC or ARC-IC program. Examples include, but are not limited to:

- noncropland farm
- cropland farm with zero base acres
- CRP farm with base acres reduced to zero.

Operators, producers, and owners **must** understand that when farms are combined, the resulting farm and its election that applied to the parent farms of the reconstitution will continue to apply to child farms following any subsequent division of that farm, even if the division is in the same year.

Example: Farm 1 has a valid election of ARC-CO for corn and grain sorghum. The operator of Farm 1 requests to combine Farm 1 with Farm 3, which has an election of ARC-CO for corn, no base acres of grain sorghum, and PLC elected for wheat. Farms 1 and 3 can be combined as there are no conflicting elections; however, the resulting farm (and child farms if split from that farm later) will have ARC-CO election apply corn and grain sorghum and PLC for wheat.

206 Reconstitution of ARC-CO, PLC, and ARC-IC Farms (Continued)

C Enrollment Following Reconstitutions

Child farms resulting from reconstitutions that had 1 or more parent farms enrolled timely by March 15 of the contract period have 30 calendar days following the issuance of the notification of base acres and yields to submit enrollment contracts. The parent farms election remains valid on child farms resulting from the reconstitution and cannot be revised after March 15 of the contract period.

For program year 2020, child farms resulting from reconstitutions of 1 or more parent farms enrolled timely by June 30, 2020, have the later of 30 calendar days following the issuance of notification of base acres and yields or September 30, 2020, to submit enrollment contracts.

Note: Refer to 10-CM, Part 5, for producer notification requirements following a farm reconstitution.

207, 208 (Withdrawn--Amend. 12)

209-215 (Reserved)

216 At Risk, Shares, and Cash Leases for ARC and PLC (Continued)

G Eligibility to Receive Payment

Each eligible producer on a farm will have the opportunity to enroll in an ARC and PLC program contract. The type of farm lease and the terms of the lease will define the appropriate sharing of payments.

The following table defines the general eligibility to receive payment on a farm.

Situation	Eligible to Receive Payment?	
	Lessor	Lessee
Landowner cash leases entire farm to lessee.	No, because the farm has been cash-leased to another. Landowner has no ownership share of any crop.	Yes, if all other eligibility requirements are met.
Landowner leases grazing or haying or hunting rights or privileges on base acres to another but land itself is not leased.	Yes, if all other eligibility requirements are met, because the land itself has not been leased, only the right to graze or hunt or hay has been leased.	No, the lessee is not leasing land. The lessee is only leasing the right to graze or hay.
Landowner cash leases all base acres, and lessee grazes or hays the land.	No, because all base acres have been cash-leased to the lessee.	Yes, if all other eligibility requirements are met, because the lessee has leased the land, not just grazing or haying rights. The fact that the lessee uses the land for grazing or haying is not relevant.
Landowner share leases all base acres to lessee.	Yes, if all other eligibility requirements are met. However, neither the lessor nor the lessee may receive 100 percent of ARC and PLC program payments.	Yes, if all other eligibility requirements are met. However, neither the lessor nor the lessee may receive 100 percent of ARC and PLC program payments.
Landowner leases (cash or share lease) only nonbase acres to lessee.	Landowner may be eligible to receive ARC and PLC program payments depending on lease arrangements for base acres on the farm.	No, because the lessee leases only nonbase acres. See subparagraph B. Exception: For ARC-IC and generic base acre farms, producers having a share of the crop with risk in planted or eligible subsequently planted crop acreage must share in the base acres. Shares of reported acres are on FSA-578.

Note: * * * COC will review grazing and haying leases to determine fair treatment of tenants and sharecroppers.

216 At Risk, Shares, and Cash Leases for ARC and PLC (Continued)

H Lease Expiration and Eligibility

The time period for lease arrangements varies significantly by different regions and by different crops.

If crops are produced on base acres:

- to be eligible to receive payments, persons **must** have an entitlement to an ownership share of the crop and that person **must** share in the risk of production of those crops
- all persons who have an entitlement to an owner's share of the crop and who share in the risk of production of crops on base acres **must** share in the payments.

An annual crop year lease may have a beginning date in one FY and an ending date in another FY. However, because the lease is an annual lease for 1 crop year, it will **not** be used to claim payments in more than 1 crop year. A producer is only eligible for payments applicable for that 1 crop year if the lease is for only 12 months.

I Supportive and Necessary Contractual Documents

Supportive and necessary contractual documents, if required by COC, **must** be in the FSA office before approving CCC-862 or CCC-866.

The following may be considered acceptable supportive and necessary contractual documents even if received after the end of the enrollment period:

- signatures from landowners signing to zero shares
- copy of the cash lease agreement
- for 2019 and subsequent years, a written statement (or documentation, such as a copy of a negotiated lease payment or check) by the landowner(s) or their representative stating the land is cash-leased to the producers. The statement must be reviewed by COC.

Reminder: COC's will **not** approve CCC-862 or CCC-866 until the provisions of the subparagraph are met. See subparagraph 204 B for an exception.

The last date to perfect a contract is the second March 1 following the end of the contract period of the applicable program year.

216 At Risk, Shares, and Cash Leases for ARC and PLC (Continued)

J Documents Required for Payment Issuance

The following are **required** before payments can be issued to a producer with a share of base acres greater than zero:

- approved CCC-862 or CCC-866
- AD-1026 for the producer
- CCC-902 determination (CCC-903) for the producer
- CCC-941 for the person or legal entity and all shareholders thereof
- completely reported and certified FSA-578 for all cropland on the farm
- any other document necessary for a person or legal entity or producer to be eligible for payment.

Notes: See 2-CP for acreage reporting requirements. FSA-578 for all cropland acres on a farm is **required**.

Payments will **not** be issued to a person or legal entity that has not provided all required documents and until the person's or legal entity's or producer's eligibility forms are certified or approved. The final date to submit all required eligibility documents is the second March 1 following the end of the contract period of the program year in question.

These documents are not needed to approve CCC-862 or CCC-866. These documents are producer eligibility documents and do not preclude a contract from being approved.

***--216.5 Commodities Grown Under Contract on Base Acres**

A Background

In recent years, the number and kinds of commercial grower contracts have increased. These contracts differ greatly in the amount of risk borne by the company and the grower.

Under commercial grower contracts, any of the following may occur:

- the grower has no share of the crop, but may have risk

Note: The grower in this instance is actually an independent contractor or custom farmer for the company.

- both the company and grower share in the crop and in the risk of producing the crops
- only the grower shares in the crop and in the risk of producing the crops.

Note: This paragraph does **not** apply to hybrid seed contracts.--*

***--216.5 Commodities Grown Under Contract on Base Acres (Continued)**

B Eligibility for Payments

The following table provides guidance for determining eligibility for payments when crops under a commercial grower contract are produced on base acres.

IF the grower has...	THEN, if otherwise eligible, the grower is...
a share of the crop and has all or some of the risk in producing the crop or crops grown on base acres	eligible to receive all of an ARC or PLC payment on base acres.
no share of the crop under the grower contract but may have some or none of the risk in producing a crop that is grown on base acres	not eligible to receive an ARC or PLC payment for base acres because the grower does not meet the definition of a producer on base acres.

Note: Growers who have no share of a crop grown on base acres are always ineligible for payments on those acres, regardless of risk.

C COC Review of Commercial Grower Contracts

COC will:

- determine whether the signatories to a commercial grower contract meet the definition of producer provided in Exhibit 2 and 7 CFR Part 1412
- determine whether a crop that is subject to a commercial grower contract is grown on base acres
- determine who shares in the crop and in the risk of producing a crop that is subject to a commercial grower contract and grown on base acres
- ensure that the payment shares on CCC-866 are fair and equitable considering the grower’s actual crop share and risk in producing the crop.

Note: In determining whether a grower of hybrid seed is a producer, COC will **not** take into consideration the existence of a hybrid seed contract.--*

--216.5 Commodities Grown Under Contract on Base Acres (Continued)*D COC Approval of Payment Shares**

COC will approve the ARC and PLC Program payment shares if all other eligibility requirements are met and both of the following apply:

- producers with a designated payment share meet the definition of producer on all of base acres on the farm that payment is being requested
- payment shares are established according to this paragraph.

Notes: All producers on the farm **must** sign CCC-862 or CCC-866 designating payment shares to be eligible for payment. Producers who do **not** sign CCC-862 or CCC-866 will be ineligible for payment for their share of CCC-862 or CCC-866.

If after filing FSA-578 it is determined that producers who do **not** appear on CCC-862 or CCC-866 have certified to having a share interest in a covered commodity, those producers **must** sign CCC-862 or CCC-866 for their share of that covered commodity to be eligible for payment consideration. If the producer does **not** sign CCC-862 or CCC-866, then that share interest will **not** be paid to anyone.

Farms enrolled in ARC-IC will have payment shares determined based on FSA-578; therefore, it is important that producers understand the importance of enrolling their interest in covered commodities planted on farms.--*

217 Division of Payment Guidelines and Example

A Division of Payment Guidelines

There are various factors that may influence the proper division of payments. In reviewing CCC-862, CCC-866, or FSA-578 division of payment and shares, COC's should consider the following:

- history on a farm
- whether the producers claiming a share have control of enough cropland or DCP cropland, and an entitlement to a crop share interest to support the claimed payment share on CCC-862, CCC-866, or FSA-578

Note: In cases where a farm's base acres are greater than the farm's cropland or where the FSA-578 shares on FSA-578 reported land are not sufficient to substantiate question of control of all the base acres on the farm, the persons or legal entities claiming a share of base acres on CCC-862 or CCC-866 must provide documentation that they have control over land necessary to cover enrolled base acres.

Examples: A farm has 55.00 base acres on a farm with 50.00 acres of cropland and 250.00 acres of DCP cropland. The producer and landowner both signed CCC-862 attesting to the producer's claimed share of 100 percent share of the 55.00 base acres. In this case, FSA can accept the producer's and owner's statement of shares on CCC-862 that the producer has control of sufficient land to cover the base acres on the farm.

A farm has 55.00 base acres on a farm with 50.00 acres of cropland and 250.00 acres of DCP cropland. In this case, the producer is the only one signing CCC-862 claiming 100 percent share interest on the farm and the producer claims 100 percent interest in the cropland reported to FSA-578. The file contains a lease showing the producer leased 50.00 acres of cropland. In this case, the producer has not shown or provided documentation that the producer controls enough land to cover the producers claimed share of base acres on the farm.

- the level of risk in the production of the crop being grown
- whether the shares provide equitable treatment to all the producers on the farm.

Important: For ARC-IC final payment shares will be determined by using the producer's share of all covered commodities certified on FSA-578 on each enrolled FSN in the State. County Offices must **not** enter acreage certifications using default shares from CCC-862 or CCC-866 if the default share interest does **not** reflect the actual producer crop share of the covered commodity on the farm.

242 CCC-862 and CCC-866 Appendix (Continued)

B Distributing CCC-862 and CCC-866 Appendix

Producers who enroll on CCC-862 or CCC-866 acknowledge receipt of CCC-862 and CCC-866 Appendix.

CCC-862 and CCC-866 Appendix will be provided by 1 of the following methods:

- providing the producer a copy of CCC-862 and CCC-866 Appendix
- providing the producer the web site link to CCC-862 and CCC-866 Appendix at **<https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>**
- emailing the producer a copy of CCC-862 and CCC-866 Appendix
- *--providing the producer the QR code.--*

243 Participants Declared Deceased, Incompetent, or Missing for Contract Years 2019 through 2023

A Basic Rule

Individuals declared deceased, incompetent, or missing, but who met or meet the definition of a producer for the contract period, are eligible for payments if payments become available and a completed, timely submitted CCC-862 or CCC-866 was approved. However, if payment is **not** to be issued to the participant, FSA-325 **must** be completed according to this paragraph. The eligible payment will be issued under the deceased producer's ID number even if FSA-325 is completed. This situation is **not** considered a succession and CCC-862 or CCC-866 **must not** be altered.

B Contract and Payment Options for Deceased Producers

Following are the contract options for deceased producers before the end of the contract period:

- pay deceased producer

Note: The deceased producer was the producer on the farm during the contract period.

- pay deceased producer ID number using a requested FSA-325

Note: FSA-325 **may** be completed, according to 1-CM, by the individual or entity requesting payments **earned** by a deceased producer. Payments will be issued to the individual or entity requesting payment using the deceased producer's ID number. A revised CCC-862 or CCC-866 will **not** be completed when payments are issued under the deceased, incompetent, or missing participant's ID number.

- complete a successor contract before the end of the contract period.

Notes: If the estate or heir is determined to be the producer on the farm, that estate or heir must succeed to the interest of the deceased producer before the end of the contract period.

CCC-862 or CCC-866 must **not** be revised to show the estate ID number after September 30 of the applicable year.

***--245 Approving, Disapproving, and Revising ARC and PLC Contracts**

A Approval Authority

The following tables provide the approval authority for ARC and PLC contracts.

IF 2019 and 2020 enrollments occur...	THEN contract approval authority is...	AND authority to load dates in software is...
for 2019 only, September 3, 2019, through March 16, 2020	COC or CED, if delegated	County Office.
for 2020 only, October 15, 2019, through June 30, 2020	COC or CED, if delegated	County Office.

IF 2021 through 2023 enrollments occur in the contract year from...	THEN contract approval authority is...	AND authority to load dates in software is...
October through March 15	COC or CED, if delegated	County Office.
March 16 through September 30	COC with DD or other State Office representative concurrence	County Office.

B Contract Approvals

Contracts may be approved if all the conditions in subparagraph C are met. CED’s, with delegated authority from COC, can approve CCC-862 or CCC-866. Redlegation of authority **must** be documented in the COC minutes **before** CED approves CCC-862 or CCC-866.

All approvals must be documented in the COC minutes. This includes electronic approvals.

If a change, such as a change in FRMS, removes the approval date for CCC-866 that was approved electronically or entered into the contract software, the approving official may use the current date as the approval date on CCC-862 or CCC-866. The change that removed the approval date may require the producer or County Office to take additional action on CCC-862 or CCC-866 before approval.

Situations may occur when contract approval is not available in the software. Contract approval is also not allowed “on paper” during these times.

An enrolled CCC-866 will be approved the later of 30 calendar days after either of the following:--*

- end of the enrollment period
- contract is enrolled.

--245 Approving, Disapproving, and Revising ARC and PLC Contracts (Continued)*C Contract Disapproval**

If, for any FY, COC determines that an owner, operator, or other tenant does **not** meet the terms and conditions of the ARC and PLC program, COC will:

- **not** approve CCC-862 or CCC-866 for the applicable FY
- obtain DD concurrence according to paragraph 3
- notify the owner, operator, other tenant, and all other persons signing CCC-862 or--* CCC-866 of the disapproval
- document COC findings in the COC minutes
- provide applicable appeal rights.

***--Note:** A decision by COC **not** to act or render a decision on CCC-862 or CCC-866 is **not** an adverse decision giving rise to any appeal or appealability review.

D Revising CCC-862 or CCC-866

Revisions to CCC-862 or CCC-866 must **not** be made after:--*

- September 30, 2020, for FY 2019 and 2020 contracts
- September 30 of the applicable year for FY 2021 and subsequent years.

* * *

--246 Approving CCC-862 and CCC-866--

A CCC-862 Approval

CCC-862 may be approved if **all** the following are met:

- all producers sharing in covered commodities planted on the farm sign CCC-862
- owner signature requirements for cash-rented land are met, according to paragraph 205, if COC chooses to require
- COC determines that:
 - shares do **not** circumvent payment limitation rules
 - interest of tenants, sharecroppers, and landowners is protected according to paragraph 221
 - payment shares, as reported on FSA-578:
 - are **not** in dispute
 - meet division of payment guidelines according to paragraph 237.

Note: See paragraph 205 for guidance about missing signatures on CCC-862.

* * *

B Processing Revised CCC-862

If it is necessary to revise an approved CCC-862 before the conclusion of the applicable contract period, follow these steps.

Step	Action
1	Use automated procedures in 2-ARCPLC to remove the COC approval date when producer signature requirements have not been met.
2	Use the automated procedure in 2-ARCPLC to process revisions.
3	Print a revised CCC-862 and obtain signatures for producers who have not yet signed.
4	On the revised CCC-862, ENTER “ See Attached ” in CCC-862, item 13 for producers who previously signed CCC-862.
5	Attach the revised CCC-862 to the original CCC-862.

COC will approve the revised CCC-862.

Note: The approval date **must** reflect the date COC approves the revised CCC-862.

***--246 Approving CCC-862 and CCC-866 (Continued)**

C CCC-866 Approval

CCC-866 may be approved if **all** the following are met:

- all producers sharing in base acres on the farm:
 - agree to the payment shares
 - sign CCC-866
- owner signature requirements for cash-rented land are met, according to paragraph 205, if COC chooses to require
- COC determines that:
 - shares do **not** circumvent payment limitation rules
 - interest of tenants, sharecroppers, and landowners are protected according to paragraph 221
 - payment shares:
 - are **not** in dispute
 - meet division of payment guidelines according to paragraph 237.

Note: See paragraph 205 for guidance about missing signatures on CCC-866.

D Processing Revised CCC-866

If it is necessary to revise shares on an approved CCC-866 before the conclusion of the applicable contract period (September 30th), follow these steps.

Step	Action
1	Use automated procedures in 2-ARCPLC to remove the COC approval date when producer signature requirements have not been met.
2	Use the automated procedure in 2-ARCPLC to process share revisions.
3	Print a revised CCC-866 and obtain signatures for producers revising shares.
4	On the revised CCC-866, ENTER “ See Attached ” in CCC-866, item 18 for producers whose shares were not affected by a transfer or change in interest of land.
5	Attach the revised CCC-866 to the original CCC-866.

COC will approve shares on the revised CCC-866.

Note: The approval date **must** reflect the date COC approves the revised CCC-866.--*

247 Inaccurate Representation and Misrepresentations and Scheme or Device

A Inaccurate Representation

Persons and legal entities are required to report and certify to program matters accurately. However, from time to time, errors in reporting or certification are detected, which may impact eligibility or extent of eligibility.

If an error was made by a person or legal entity that did not meet the requirements of ARC or PLC, but the person or legal entity made a good faith effort to fully comply, equitable relief provisions in 7-CP may be considered.

Program benefits and eligibility determinations must be based on the most accurate information available. Persons and legal entities are responsible for refunding any program benefits that were paid based on incorrect information.

247 **Inaccurate Representation and Misrepresentations and Scheme or Device (Continued)**

B Misrepresentations and Scheme or Device

COC's are given the discretion and authority to determine when an inaccurate representation or certification rises to the level of misrepresentation, scheme, or device.

A person or legal entity is ineligible to receive payments and will have the person's or legal entity's interest in all CCC-862's and CCC-866's canceled if it is determined that this person or legal entity has done any of the following:

- adopted any scheme or device to defeat the purpose of ARC or PLC
- made any fraudulent representation under ARC or PLC
- misrepresented any fact affecting an ARC, PLC, or payment limitation eligibility (including actively engaged in farming) person determination
- violated or been determined ineligible under 7 CFR 1400.5.

IF COC determines...	THEN...
a person or legal entity erroneously represented any fact affecting a determination to be made by CCC under CCC-862 or CCC-866	ARC and PLC payments will not be allowed on the farm with respect to the payment shares of that person or legal entity. *-- Note: If payments have been made, then all will be required to be refunded plus interest computed from the date of the payment disbursement.--*
that the misrepresentation was intentional or fraudulent, or if the person or legal entity knowingly adopted any scheme or device to defeat the purposes of CCC-862 or CCC-866	the person or legal entity: <ul style="list-style-type: none"> • forfeits all rights to ARC and PLC payments on each farm in which the person or legal entity has an interest • must refund to CCC all payments received by the person or legal entity during the period of the violation, plus interest computed from the date of payment disbursement.

All persons and legal entities sharing in ARC and PLC payments on CCC-862 and CCC-866 are jointly and severally liable for any refunds determined according to subparagraph A, and CCC will establish claims for the full amount of the refund against each person or legal entity according to 7 CFR Part 1403. A signatory to CCC-862 or CCC-866 who does not receive any share of payments (a person or legal entity signing for a zero share) is **not** liable for the repayment of this refund.

251 Types of Relief That Are Applicable to the ARC and PLC Program (Continued)

E Programmatic Equitable Relief (Continued)

Example: FSA learns of a producer who had an interest in base acres on a farm, but did **not** sign the ARC or PLC contract and did **not** receive a share of the ARC or PLC payment.

Result: Depending on when the error was first discovered and why, and assuming no other factors, such as misinformation or misaction on the part of FSA, DAFP may, at its discretion, grant ARC and PLC program relief to producers on CCC-862 or CCC-866 as follows.

- Allow timely entered signatures of producers to retain and continue to receive payments based on corrected shares, if it can be determined that producers who did timely sign did **not** intentionally misrepresent themselves.

Note: In instances where a person or legal entity has **not** signed CCC-862 or CCC-866, that person or legal entity is **not** entitled to any sort of FSA decision, eligibility decision, or relief decision, and that person or legal entity has no standing to contest or challenge any decision of FSA, because the person or legal entity has made no application or requested a decision from FSA. See 1-APP, paragraph 10.

- If it can be determined that there was no intentional misrepresentation by any of the producers, provided there was a timely submitted CCC-862 or CCC-866, allow producers to sign a corrected CCC-862 or CCC-866 by the end of the contract period with correct shares and have payments recomputed.

***--252 Relief for Producers When Interest in Base Acres Exceed Their Interest in Cropland on a Farm**

A Background

DAFP delegates programmatic relief authority to SED's to allow (with limitations) contracts to be considered enrolled even though a producer or producers on a farm did not have control of enough DCP cropland to support the claimed share of base acres.

Absent the relief, a contract containing shares of producers not having control of enough DCP cropland to support the claimed share must be considered invalid under regulations and the contract appendix.

The relief allows the contract to remain enrolled in the applicable year's ARC or PLC program; however, producers who were not enrolled or that did not enroll a share supported by control of enough DCP cropland will be limited to the smaller of the share that was timely enrolled or the share of base acres supported by adequate DCP cropland.--*

***--252 Relief for Producers When Interest in Base Acres Exceed Their Interest in Cropland on a Farm (Continued)**

B Relief Delegated

SED's are delegated the authority to approve programmatic relief when 1 or more producers on a farm do not have control of adequate DCP cropland to support the requested payment share of base acres on enrolled ARC or PLC farms. Any other relief issue or question not specifically mentioned in this subparagraph must be forwarded to DAFP for consideration.

This relief allows farms to continue to participate in the applicable year's ARC or PLC program; however, producers who were not enrolled or did not enroll a share supported by control of enough DCP cropland will have payments limited to the smaller of the share that was timely enrolled or the share of base acres supported by adequate DCP cropland. Without the granting of this relief, the contract for the farm would be terminated and **all** payments would be required to be refunded from all producers on the farm, even those with shares supported by adequate DCP cropland.

Note: This relief is not applicable to ARC-IC.

C Overpayments From Relief Granted

Situations will arise when, although relief is granted to allow the contract to remain enrolled (as discussed in subparagraph B), some producers on the contract will be overpaid because they did not have adequate DCP cropland to support their enrolled share. Payments issued as a result of the producer's claim of an erroneous share are unearned and cannot be written off or forgiven under any relief provision or finality rule. These overpayments were benefits paid to a producer on a farm when that producer was never entitled to receive that benefit. Further, producers on an ARC or PLC contract are responsible for accurate certifications of all information, including share, on the ARC or PLC contract.

Special SED equitable relief provisions (7-CP, paragraph 48) cannot be used to extend programmatic relief. Further, special SED equitable relief provisions are only applicable to equitable relief under misaction or misinformation and failure to fully comply provisions. In the cases discussed in subparagraph A, the matter does not involve either misaction or misinformation or a failure to fully comply. Rather, the ARC or PLC contract was enrolled with erroneous claims of shares of contract participants. FSA has no obligation to verify if the participant claims of shares on ARC or PLC contracts are valid before contract approval or issuing payments. However, if at any time enrolled ARC or PLC participants are unable to substantiate anything claimed or certified to (whether on an ARC or PLC contract or other program document), FSA must require refunds of payments that are unearned as a result of the erroneous (even innocently erroneous) representation.--*

***--252 Relief for Producers When Interest in Base Acres Exceed Their Interest in Cropland on a Farm (Continued)**

D Special Equitable Relief Authority for SED's

According to 7-CP, paragraph 48, provided all requirements are met including but not limited to OGC concurrence, SED's may exercise discretion to approve relief cases for misaction or misinformation or failure to fully comply. Programmatic relief is reserved for DAFP. This relief specifies that the programmatic relief is not special equitable relief authority for SED's. This authority does not authorize SED's to provide monetary relief to any participant who received unearned ARC or PLC payments because of circumstances discussed in subparagraph A.--*

253-280 (Reserved)

***--282 Eligible and Ineligible Land Uses for Base Acres**

A Cropland and DCP Cropland Requirement

Land enrolled under ARC-CO and PLC contract or ARC-IC contract **must** be used for an agricultural or related activity for the applicable FY, and **not** for a nonagricultural, commercial, or industrial use.

DCP cropland and effective DCP cropland will be determined and updated according to 10-CM for ARC and PLC Program purposes, including base determinations.

If land use changes in subsequent years:

- the land use will be updated according to 10-CM
- base reductions will be processed using CCC-505, as applicable, according to subparagraph D.--*

282 Eligible and Ineligible Land Uses for Base Acres (Continued)

B Eligible Uses

A quantity of land equal to the total base acres for the farm **must** be used for an agricultural or conserving use. The following provides examples of land uses that are considered agricultural or related and nonagricultural.

<p>Land uses considered agricultural include the following:</p> <ul style="list-style-type: none"> • land meeting DCP cropland definition • sod • farm ponds • aquaculture ponds • nursery acreage devoted to in-ground plants • wildlife habitats • pasture • acreage used to raise domesticated game for restaurants • trees planted for harvest, conservation purposes, recreational uses, or BCAP • temporary hoop houses for nursery agriculture • temporary nonagricultural uses, such as parking for a field day, etc. 	<p>Land uses considered nonagricultural include the following:</p> <ul style="list-style-type: none"> • golf courses and other recreational facilities • land used for commercial development, buildings, or parking lots • strip mines • permanent structures, including those for agricultural uses • land subdivided and developed for multiple residential units or other nonfarming uses if the size of tracts and density of the subdivision is such that the land is unlikely to return to the previous agricultural use • land used for solar panels • pad site for wind turbines •*--hunting.--*
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Note: COC’s will submit questionable uses to DAFP, through the State Office, for determinations.

282 Eligible and Ineligible Land Uses for Base Acres (Continued)

C Eligible Land

Base acres **cannot** exceed effective DCP cropland **except** for established double-cropping. In addition to meeting other eligibility requirements, a farm, **before** enrollment, **must** have effective DCP cropland available on the farm greater than or equal to the total base acres for the farm. See 10-CM for the definition of DCP cropland.

D Converting to Nonagricultural Use

DCP cropland converted to nonagricultural use:

- **must** be removed from cropland and DCP cropland according to 10-CM
- is **not** eligible as base acres from the date of conversion.

When conversion of DCP cropland to nonagricultural use results in base acres exceeding effective DCP cropland for the farm, farm owners, the operator, and ARC-CO and PLC contract or ARC-IC contract participants have the following available options.

IF the conversion occurred...	THEN within 30 calendar days of the conversion...
<p>before September 30 of FY in which the conversion occurred</p>	<p>all owners must do either of the following:</p> <ul style="list-style-type: none"> • complete CCC-505 to permanently reduce applicable base acres • withdraw the farm from ARC-CO and PLC contract or ARC-IC *--contract. This must be filed in writing by all owners and all producers on the contact.--* <p>Failure to reduce applicable base acres or withdraw the farm from ARC-CO and PLC contract and ARC-IC contract will result in COC terminating ARC-CO and PLC contract or ARC-IC contract.</p> <p>*--ARC and PLC contracts cannot be withdrawn after contract--* has expired (September 30 of the applicable FY).</p> <p>If there are less than 30 calendar days remaining before September 30 of FY at the time of the conversion, base acres may be left unchanged for that FY. Base reductions must be made before any enrollment in the immediately subsequent FY.</p>

282 Eligible and Ineligible Land Uses for Base Acres (Continued)

D Converting to Nonagricultural Use (Continued)

IF the conversion occurred...	THEN within 30 calendar days of the conversion...
<p>after September 30 of FY in which the conversion occurred</p>	<p>all:</p> <ul style="list-style-type: none"> • owners must complete CCC-505 to permanently reduce applicable base acres effective for FY the conversion occurred • producers must refund any unearned payments made, plus interest. <p>If owners fail to reduce applicable base acres, COC will permanently reduce applicable base acres, and conduct a thorough review of the situation to determine whether the case involves misrepresentation and/or a scheme or device that defeats the purpose of the ARC and PLC Program. See paragraph 247 for additional information.</p> <p>Note: Because ARC-CO and PLC contract or ARC-IC contract in *--effect when the conversion occurred has expired, owners and producers do not have the option to withdraw from--* ARC-CO and PLC contract and ARC-IC contract, nor can COC terminate the expired ARC-CO and PLC contract or ARC-IC contract.</p>

Important: Reduction in base acres or withdrawal of farm from ARC-CO and PLC contract or ARC-IC contract may result in unearned ARC or PLC payments. All unearned payments **must** be refunded.

282 Eligible and Ineligible Land Uses for Base Acres (Continued)

D Converting to Nonagricultural Use (Continued)

Example 1: A farm with 200.00 acres of DCP cropland and 200.00 base acres is enrolled in FY 2020 PLC. On August 1, 2020, COC discovers 10.00 acres on the farm had been converted to a nonagricultural building site on May 4, 2020. COC *--will notify the owner and all producers on the contract they **must** do either--* of the following within 30 calendar days:

- withdraw the farm from the FY 2020 CCC-862 or CCC-866
- owner **must** permanently reduce base acres by 10.00 acres.

*--If the owners or producers do **not** elect either of the options within--* 30 calendar days, COC will terminate ARC-CO and PLC contract or ARC-IC contract.

Note: No payments would be required to be refunded in this example as payments for FY 2020 had not been made.

Example 2: A farm with 200.00 acres of DCP cropland and 200.00 base acres was *--enrolled in FY 2021 PLC and is also enrolled in FY 2022 and FY 2023 PLC. All FY 2021 PLC payments have been made for the farm. On November 15, 2022, COC discovers 10.00 acres on the farm were converted to a nonagricultural building site on September 4, 2021. COC will notify the owner and all producers on the contract they **must** permanently reduce base acres by 10.00 acres and the FY 2022 contract will be terminated. No refunds will be required for the FY 2021 payments made.

If the owners and producers do **not** permanently reduce applicable base acres within 30 calendar days, COC will:

- permanently reduce 10.00 base acres
- terminate the FY 2023 CCC-862 or CCC-866.--*

***--282 Eligible and Ineligible Land Uses for Base Acres (Continued)**

E Land Enrolled in WBP

Any DCP cropland containing base acres enrolled in WBP will **not** be enrolled in the ARC and PLC Program. County Offices will record land enrolled in WBP according to 10-CM.

All land enrolled in WBP may **not** be cropland. County Offices will ensure land enrolled in WBP is recorded according to 10-CM.

Important: Enrolling land into WBP may require the permanent reduction of base acres. Base acres must **not** exceed effective DCP cropland plus double-cropped acres. These base acres cannot be restored at the end of the WBP.

Notes: Subparagraph I does **not** apply to land enrolled in WBP.

Participation in WBP is only offered in Minnesota, North Dakota, and South Dakota.--*

--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release*A Policy**

The same land **cannot** be enrolled in ARCPLC and CRP at the same time and receive both ARCPLC and CRP payments on the same acres. However, if during the program or contract year CRP-1 expires, is voluntarily terminated, or is early released, and **before** the established application or enrollment deadline established for ARCPLC, producers may enroll the base acres that were reduced on CCC-505 to be enrolled in CRP into ARCPLC.

Important: Only reinstated base acreage from CRP-1's that expire, are voluntarily terminated, or early released after September 30, 2018, are eligible to be enrolled into the applicable year's CCC-862 or CCC-866 providing base acreage reinstatement, enrollment, or application are completed by the applicable enrollment or application deadline.

If base acres were eligible to be restored, the reinstated base acres:

- will be distributed to the tract previously enrolled in CRP or to the tract from which the base acres were removed
- will receive a PLC yield equal to the tract level CC yield for this crop at the time the applicable acreage was removed
- if a CC yield was **not** assigned or **cannot** be found for the applicable crop on the farm, then the county average CC yield will be assigned for the applicable crop
- are subject to the program election made for the farm or crop by the election deadline according to Part 7

Note: See 10-CM for updating CRM and FRMS.--*

***--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)**

A Policy (Continued)

- if the covered commodity to be restored has base acres that exist on the farm before the restoration, then:
 - restore the base acres to the applicable tract and farm
 - the covered commodity's election is the election that is in place and will apply for that covered commodity on the farm
 - the covered commodity will receive the PLC yield currently established for the crop on the farm

Note: No further yield update is allowed.

- if the covered commodity to be restored does **not** have base acres that exist on the farm before the restoration, then:
 - restore the base acres to the applicable tract and farm once all producers (according to paragraph 181) have completed an election for the applicable covered commodity on CCC-866-1 according to paragraph 283.6
 - the election must be completed by the **later of** 30 calendar days from notification or the end of the election period for the applicable program year

Note: Because there is no election for crop year 2020, the deadline is 30 calendar days from the notification.

- failure to make an election by the deadline will result in a default election of PLC for the applicable base crop being restored on the farm

Exception: Restored base acres on ARC-IC farms are not required to make an election.

Note: As required in paragraph 186, a resulting farm from a parent farm that made a PLC or ARC-CO election cannot make an ARC-IC election.--*

--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)*A Policy (Continued)**

- the covered commodity will receive a PLC yield equal to the **higher of** the following:
 - CC yield for the crop at the time the applicable base acreage was reduced
 - county average CC yield for the applicable crop.

Notes: County average CC yield information may be found at https://www.fsa.usda.gov/programs-and-services/arcplc_program/arcplc-program-data/index. Click the down arrow under “Non-Program Year Specific Data” and click the Excel link next to “Counter-cyclical Payment County Yields”.

The owner will have the opportunity to update the yield using the farm’s actual yield per planted acre for the 2013 through 2017 crop years. The opportunity to update the yield must be completed during the 30-calendar-day notification period.

Notes: When CAB’s or previously reduced PFC acreage is included in an ARCPLC enrollment, CAB’s and PFC acreage become base acres.

See Exhibit 2 for the definition of voluntarily terminated.--*

--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)*B Limitation on Base Acres**

The total base acres on a farm **must not** exceed DCP cropland according to paragraph 21.

Base acres reinstated under the previous CRP-1 **must not** be enrolled in ARCPLC **unless** the total DCP cropland for the farm is sufficient to support the additional base acres. Therefore, County Offices **must** determine the amount of previously reduced base acres that may be enrolled in ARCPLC.

Before enrolling base acres into ARCPLC acreage previously under CRP-1, a farm may be combined with another farm to increase the amount of DCP cropland to support the additional base acreage, if both of the following are met:

- all provisions of 10-CM for farm combinations are met
- the combination is completed before the final date to enroll the reinstated base acres.

C Timing of Adjustments and Payments

Participants who elect to voluntarily terminate CRP-1 or who have acres affected by early release before the CRP-1 expiration date:

- **must** choose to receive **either** of the following for FY in which CRP-1 was voluntarily terminated:
 - ARC and PLC payments
 - CRP payment, if applicable
- **cannot** receive ARCPLC payments together with CRP payments on the same acreage for the same FY.--*

***--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)**

C Timing of Adjustments and Payments (Continued)

Adjustments to base acres on a farm because of CRP-1 that expires, is voluntarily terminated, or early released after September 30, 2013, and before October 1, 2018, may be made according to the following table, if all other eligibility requirements are met.

IF CRP-1 expires, is voluntarily terminated, or is early released...	THEN eligible farms may...	AND be paid full ARCPLC in FY...
before September 30, 2019	have base acres reinstated to the farm to be used for: <ul style="list-style-type: none"> • election of ARC or PLC • enrollment into 2019 ARC or PLC 	2019, subject to CCC-862 or CCC-866 if applicable.
September 30, 2019, through September 30, 2023	have base acres reinstated to the farm for the applicable year, 2020 through 2023, to be used for: <ul style="list-style-type: none"> • election of ARC or PLC (2021 through 2023) • enrollment into CCC-862 or CCC-866 for the applicable year 	in which base acres are reinstated and subject to CCC-862 or CCC-866.

Note: Eligible acreage **must** be included on CCC-862 or CCC-866 by the applicable ARCPLC enrollment deadline established for the applicable year to be eligible for ARCPLC.

D Documentation Requirements

For base acres to be reinstated, there must be documentation on file showing the reduction was because of CRP. If CCC-505 is not available showing the original reduction, alternate information may be used. When using alternate information, **all** the following must be met:

- the documentation must clearly show the reduction was because of CRP
- the amount of base acres reduced and requested to be reinstated must match up with CRP contacts
- COC **must** review all documentation and approve
- all reviews and approvals **must** be documented in the COC minutes.--*

***--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)**

E Example 1

Jane Smith enrolled 100 acres of cropland on FSN 56 in CRP. CRP-1 became effective on October 1, 2020. Before enrollment of the 100.00 acres of cropland into CRP, FSN 56 had:

- 500.00 acres cropland
- 410.00 base acres
- 0.00 CRP acres.

The total amount of base acres plus CRP acres **cannot** exceed the farm's cropland plus double-cropping history. Accordingly, Jane Smith executed CCC-505 to reduce the base acres on FSN 56 to 400.00 acres. After enrollment of the 100.00 acres of cropland into CRP, FSN 56 has:

- 500.00 acres cropland
- 400.00 base acres
- 100.00 CRP acres
- 10.00 wheat base acres reduced on CCC-505.

On September 1, 2021, Jane Smith voluntarily terminates 2.30 acres from CRP. The 2.30 acres will be used for a horse pasture. The voluntary termination of 2.30 acres from CRP was approved by the applicable CCC official. After the voluntary termination of the 2.30 acres of CRP is approved, and all other eligibility requirements are met, the County Office will:

- notify all producers and owners, in writing, that the 2.30 wheat base acres are available for enrollment into ARCPLC
- increase the base acres on FSN 56 to 402.3
- notate the 2.30 base acre reinstatement in the CCC-505 "Remarks" section.

After the modifications to FY 2021 FRMS have been completed, FSN 56 has:

- 500.00 acres cropland
- 402.30 base acres
- 97.70 CRP acres
- 7.70 base acres reduced on CCC-505.--*

***--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)**

F Example 2

Mike Jones enrolled 100 acres of cropland on FSN 119 in CRP during signup. CRP-1 became effective on October 1, 2022. Before enrollment of the 100 acres of cropland into CRP, FSN 119 had:

- 500.00 acres cropland
- 410.00 base acres
- 0.00 CRP acres.

The total amount of base acres plus CRP acres **cannot** exceed the farm's cropland. Accordingly, Mike Jones executed CCC-505 to reduce the base acres on FSN 119 to 400.00 acres. After enrollment of the 100 acres of cropland into CRP, FSN 119 has:

- 500.00 acres cropland
- 400.00 base acres
- 100.00 CRP acres
- 10.00 wheat base acres reduced on CCC-505.

On July 1, 2023, Mike Jones voluntarily terminates 2.30 acres from CRP. The 2.30 acres will be used to build a house and out buildings. The voluntary termination of 2.30 acres from CRP was approved by the applicable CCC official. Because a house and out buildings do **not** meet the requirements to be considered cropland, and the producer does **not** have enough available cropland, the County Office **must not** make any modifications to base acres or acres recorded on CCC-505 for FSN 119.

After modifications have been made to CRP-1, FSN 119 has:

- 497.70 acres cropland
- 400.00 base acres
- 97.70 CRP acres
- 10.00 wheat base acres reduced on CCC-505.--*

***--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)**

G Example 3

Joe Brown enrolled 10.00 acres of cropland on FSN 989 in CRP during signup. CRP-1 became effective on October 1, 2020. Before enrollment of the 10.00 acres of cropland into CRP, FSN 989 had:

- 25.00 acres cropland
- 20.00 base acres
- 0.00 CRP acres.

The total amount of base acres plus CRP acres **cannot** exceed the farm's cropland. Accordingly, Joe Brown executed CCC-505 to reduce the base acres on FSN 989 to 15.00 acres. After enrollment of the 10 acres of cropland into CRP, FSN 989 has:

- 25.00 acres cropland
- 15.00 base acres
- 10.00 CRP base acres
- 5.00 wheat base acres reduced on CCC-505.

On May 1, 2021, Joe Brown sold 15.00 acres of non-CRP land. As a result of the land sale, FSN 989 has:

- 10.00 acres cropland
- 0.00 base acres
- 10.00 CRP acres
- 5.00 wheat base acres reduced on CCC-505.--*

--283.5 Adjusting Base Acres for CRP-1 Expiration, Voluntary Termination, or Early Release (Continued)*G Example 3 (Continued)**

On May 15, 2021, Joe Brown voluntarily terminated his CRP-1. Joe Brown will use 7 acres to build a house, out buildings, and a tennis court; and 3.00 acres will be returned to crop production. The voluntary termination from CRP was approved by the applicable CCC official. After the voluntary termination of CRP-1 is approved, and all other eligibility requirements are met, the County Office **must**:

- notify all producers and owners, in writing, that the 3.00 wheat base acres are available for enrollment into ARCPLC
- increase the base acres on FSN 989 to 3.00 base acres, if the producer enrolls the base acres into ARCPLC by the applicable ARCPLC enrollment deadline
- notate the 3 base acre reinstatement in CCC-505.

After the modifications to the applicable FY 2021 FRMS are completed, FSN 989 has:

- 3.00 acres cropland
- 3.00 base acres
- 0.00 CRP acres
- 2.00 wheat base acres reduced on CCC-505.--*

*--283.6 CCC-866-1

A Instructions for CCC-866-1

The following are instructions for completing CCC-866-1. When all the producers of a farm sign CCC-866-1, those producers are indicating the election of a covered commodity when base acres are returned to a farm when CRP-1 expired, was voluntarily terminated, or was subject to an early out.

Item	Instructions
1	Enter the program year that the base acres are returned to the farm, 1 of the years between and including 2019 through 2023.
2A	Enter administrative County Office's name and address.
2B	Enter administrative County Office's telephone number (optional).
2C	Enter administrative County Office's FAX number (optional).
3	Enter administrative County Office's State code.
4	Enter administrative County Office's county code.
5	Enter applicable farm's FSN.
6	Enter the applicable covered commodity returned to the farm.
7	Enter the applicable covered commodity recorded in item 6 and all the producers on the farm will elect either PLC or ARC-CO. If: <ul style="list-style-type: none"> • there were no covered commodities on the farm before this restoration, producers may elect ARC-IC • if all the producers on the farm had elected ARC-IC before this election, then ARC-IC must be selected.
8A	Enter the producer's name and address.
8B	For the producer listed in item 8A, enter that producer's email address (optional).
8C	For the producer listed in item 8A, enter the producer's telephone number (optional).
8D	The producer listed in item 8A will sign.
8E	If the person who signed on behalf of the producer in item 8A signed in a representative capacity, enter the title of the person who signed in a representative capacity.
8F	Enter the date the person signed in item 8D.
9A	The CCC representative will sign indicating acceptance of CCC-866-1.
9B	Enter the date the CCC representative signed in item 9A.

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*--283.6 CCC-866-1 (Continued)

B Example of CCC-866-1

The following is an example of CCC-866-1.

This form is available electronically. CCC-866-1 U.S. DEPARTMENT OF AGRICULTURE (07-23-19) Commodity Credit Corporation			
ELECTION FOR BASE ACRES RETURNED TO THE FARM		1. Program Years: 2A. County FSA Office Name and Address (Including Zip Code)	
2B. County FSA Office Telephone No. (Including Area Code)		2C. County FSA Office FAX No. (Including Area Code)	
3. State Code	4. County Code	5. Farm Number	6. Covered Commodity
<p>NOTE: <i>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 Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Agricultural Act of 2014 (7 U.S.C. 9015) as amended by the Agriculture Improvement Act of 2018 (Pub. L. 115-334) and 7 CFR Part 1412. The information will be used to determine eligibility to participate in and receive benefits under the Agriculture Risk Coverage Program and 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 Agriculture Risk Coverage Program and Price Loss Coverage Program.</i></p> <p>Paperwork Reduction Act (PRA) Statement: <i>The information collection is exempted from the Paperwork Reduction Act as specified in 7 U.S.C. 9091(c)(2)(B).</i></p> <p><i>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.</i></p>			
PART A - FARM ELECTION			
<p>THIS ELECTION must be unanimously made by the PRODUCERS on the farm and must occur within 30 days of being notified by FSA to be effective for this farm beginning in the crop year identified in Item 1, under the terms of 7 CFR Part 1412. If an ARC or PLC election is not made or is not made by the election deadline, the election for the covered commodity shall default to PLC on the farm for the crop year identified in Item 1 through 2023. If the farm currently has an ARC-IC election, the farm will remain in ARC-IC. All producers on the farm must sign this election, and by doing so, unanimously agree and acknowledge that: (1) this election is irrevocable for the covered commodities on the farm, or any resulting farm(s) of a reconstitution; (2) this farm may not be combined with any other farm that has base acres and does not have the same program election applicable for each and all covered commodities on all farms intended to be combined; (3) even though they may have made an election, they must enroll the farm in the ARC or PLC program in order to receive ARC or PLC income support; (4) they must comply with the regulations at 7 CFR Part 1412; and (5) that ARC or PLC income support is subject to change based upon changes to law. In addition, by signing this form, all producers on the farm certify as to the accuracy of the election information set out on this form. FSA's acceptance of this signed form and use of the form does not equate to FSA's approval of the election. If FSA later determines this election was invalid under 7 CFR Part 1412, the elections on this form will not apply to the farm. Enrollment in the ARC or PLC program is a separate action from this election and must be performed to participate in the ARC or PLC program.</p>			
7. To indicate the election, check only ONE box.			
Covered Commodity	PLC	ARC-CO	ARC-IC
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PART B - PRODUCER'S INFORMATION			
8A. Producer's Name and Address (Including Zip Code)	8B. Email Address		
	8C. Telephone Number (Including Area Code)		
8D. Signature of Producer (By)	8E. Title/Relationship of the Individual Signing in the Representative Capacity	8F. Date (MM-DD-YYYY)	
8A. Producer's Name and Address (Including Zip Code)	8B. Email Address		
	8C. Telephone Number (Including Area Code)		
8D. Signature of Producer (By)	8E. Title/Relationship of the Individual Signing in the Representative Capacity	8F. Date (MM-DD-YYYY)	
PART C - FOR FSA USE ONLY			
9A. Signature of CCC Representative			9B. Date (MM-DD-YYYY)

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*--283.6 CCC-866-1 (Continued)

B Example of CCC-866-1 (Continued)

CCC-866-1 (07-23-19)		Page 2 of 2
PART D - PRODUCER'S INFORMATION		
8A. Producer's Name and Address <i>(Including Zip Code)</i>	8B. Email Address	
	8C. Telephone Number <i>(Including Area Code)</i>	
8D. Signature of Producer (By)	8E. Title/Relationship of the Individual Signing in the Representative Capacity	8F. Date (MM-DD-YYYY)
8A. Producer's Name and Address <i>(Including Zip Code)</i>	8B. Email Address	
	8C. Telephone Number <i>(Including Area Code)</i>	
8D. Signature of Producer (By)	8E. Title/Relationship of the Individual Signing in the Representative Capacity	8F. Date (MM-DD-YYYY)
8A. Producer's Name and Address <i>(Including Zip Code)</i>	8B. Email Address	
	8C. Telephone Number <i>(Including Area Code)</i>	
8D. Signature of Producer (By)	8E. Title/Relationship of the Individual Signing in the Representative Capacity	8F. Date (MM-DD-YYYY)
8A. Producer's Name and Address <i>(Including Zip Code)</i>	8B. Email Address	
	8C. Telephone Number <i>(Including Area Code)</i>	
8D. Signature of Producer (By)	8E. Title/Relationship of the Individual Signing in the Representative Capacity	8F. Date (MM-DD-YYYY)
8A. Producer's Name and Address <i>(Including Zip Code)</i>	8B. Email Address	
	8C. Telephone Number <i>(Including Area Code)</i>	
8D. Signature of Producer (By)	8E. Title/Relationship of the Individual Signing in the Representative Capacity	8F. Date (MM-DD-YYYY)

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

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

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

--*

--284 Protecting Farmland*A Requirement**

[7 CFR 1412.69] **Control of noxious weeds.**

Enrolled ARC and PLC contract participants agree to effectively control noxious weeds and otherwise maintain the land on the farm in accordance with sound agricultural practices; and use the land on the farm for an agricultural or conserving use, and not for a nonagricultural commercial, industrial, or residential use.

B Approved Covers and Practices

STC will determine measures necessary to protect the farm from erosion and propagation of noxious weeds and maintaining the farm according to sound agricultural practices. Throughout the crop year, STC determinations will be provided to County Offices for publication throughout the ARC and PLC Program year. STC will determine, on a State-by-State basis, if:

- COC, in conjunction with the NRCS District Conservationist, may recommend the cover crops or practices
- STC will consult with State technical committees to determine whether additional practices that further the goals of these organizations and groups can be developed.--*

284 Protecting Farmland (Continued)

C Suggested Covers

Suggested covers include, but are **not** limited to:

- annual, biennial, or perennial grasses and legumes, including sweet sorghums, sorghum grass crosses, and sudans
- volunteer stands, other than weeds
- crop residue from using no till or minimum till practices
- perennial covers approved for cost-share assistance.

***--D Violations**

Failure to effectively control noxious weeds and maintain the land according to sound agricultural practices will result in a violation. Follow 4-CP, paragraph 55 for maintenance requirements.--*

306 Payment Limitation and AGI

A Payment Limitations

The ARC and PLC Program is subject to a \$125,000 payment limitation. This limitation will include all payments received **directly** or **indirectly** per person or legal entity for all covered commodities **except** peanuts.

A separate payment limitation of \$125,000 is provided for payments received **directly** or **indirectly** for peanuts **only**.

B AGI

See 5-PL for AGI provisions.

307 (Withdrawn--Amend. 12)

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None.

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026	Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification (Includes Form AD-1026 Appendix)		4, 216, 285
AD-1153	Application for Long-Term Contracted Assistance Through the _____ Program		282, 283
CCC-505	Voluntary Permanent Base Acre Reduction		Text
CCC-509	Direct and Counter-Cyclical Program (DCP) Contract and Average Crop Revenue Election (ACRE) Contract		237, 240
CCC-510	Cash Rent Certification Statement		237, 240
CCC-517	Tract Redistribution Form		21, 22
CCC-658 <u>1/</u>	EFP Worksheet for Changes in Livestock Feed Numbers, Feed Loss, and Feed Available		81, 88
CCC-855	Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP) and Livestock Forage Disaster Program (LFP) Lease Agreement Certification Statement		237, 240
CCC-860	Socially Disadvantage, Limited Resource and Beginning Farmer or Rancher Certification		235
CCC-861	Agricultural Risk Coverage - County Option (ARC-CO) and Price Loss Coverage (PLC) Contract		237, 240
CCC-862	Agricultural Risk Coverage - Individual Option (ARC-IC) Contract	188	Text
CCC-862 and CCC-866 Appendix	Appendix to CCC-862, Agricultural Risk Coverage With Individual Option (ARC-IC) Program Contract and CCC-866, Price Loss Coverage (PLC) and Agricultural Risk Coverage With County Option (ARC-CO) Program Contract	242	Part 8
CCC-863	Agriculture Risk Coverage- - Individual (ARC-IC) Yield Certification	Ex. 16	65, 81, 88, 138
CCC-866	Agricultural Risk Coverage – County Option (ARC-CO) and Price Loss Coverage (PLC) Election and Contract	189	Text
CCC-866-1	Election for Base Acres Returned to the Farm	283.6	23, 184, 283.5
CCC-867	Yield Update for the Price Loss Coverage (PLC) Program	89	65, 66, 86, 88

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

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-902	Farm Operating Plan for Payment Eligibility 2009 and Subsequent Program Years		1, 216
CCC-903	Worksheet For Payment Eligibility and Payment Limitation Determinations		216
CCC-920	Grassland Reserve Program Contract		283
CCC-941	Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information - Agricultural Act of 2014		4, 216
CCC-957	Cotton Transition Assistance Program (CTAP) Application		237, 240
CRP-1	Conservation Reserve Program Contract		Text
CRP-2	Conservation Reserve Program Worksheet		283
CRP-2C	Conservation Reserve Program Worksheet (For Continuous Signup)		283
CRP-15 <u>1</u> /	Agreement for Reduction of Bases, Allotments, and Quotas		281
FSA-155	Request for Farm Reconstitution		206, 218
FSA-156EZ	Abbreviated 156 Farm Record		282, 283
FSA-179	Transfer of Farm Records Between Counties		206, 218
FSA-325	Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		243, 244
FSA-578	Report of Acreage		Text
FSA-658	Record of Production and Yield		88
FSA-850	Environmental Screening Worksheet		293

1/ These forms are obsolete.

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

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviations	Term	Reference
2002 Farm Bill	Farm Security and Rural Investment Act of 2002	64
2008 Farm Bill	Food, Conservation, and Energy Act of 2008 (Pub. L. 110 246)	1, 5, 64, 136
2014 Farm Bill	Agricultural Act of 2014, Title 1 (Pub. L. 113-79)	Text
2018 Farm Bill	Agriculture Improvement Act of 2018 (Pub. L. 115-334)	Text
ACEP	Agricultural Conservation Easement Program	282
ARC	agriculture risk coverage	Text
ARC-CO	agriculture risk coverage – county	Text
ARC-IC	agriculture risk coverage – individual	Text
CC	counter-cyclical	Text
CIMS	Comprehensive Information Management System	66, 88
CRM	Customer Relationship Management	Text
CTAP	Cotton Transition Assistance Program	22, 64
FRMS	Farm Records Management System	Text
HIP	historical irrigated percentage	122-127, 134, 206, Ex. 15.5
MYA	marketing year average	1, 5, Ex. 2
PFC	production flexibility contract	10, 64, 281, 283.5
PLC	price loss coverage	Text
SCO	Supplemental Coverage Option	184
STAX	Stacked Income Protection Program	184
WRE	Wetland Reserve Easements	Text

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

Redelegations of Authority

COC may redelegate authority to approve CCC-505's, CCC-862's, and CCC-866's to CED, in routine cases. Redlegation must be documented in COC minutes.

Note: Redlegation to CED from COC for the approval of a contract subject to the 2018 Farm Bill ARC and PLC (approving a 2019 and/or 2020 CCC-862 and/or CCC-866) must be recorded in the minutes at the next COC meeting. This delegation may be retroactive for calendar year 2019.

SED's are delegated the authority to approve programmatic relief when one or more producers on a farm do not have control of adequate DCP cropland to support the requested payment share of base acres on enrolled ARC/PLC farms.

Definitions of Terms Used in This Handbook (Continued)

ARC-IC Benchmark Revenue

[7 CFR 1412.3] **Benchmark revenue for ARC-IC** means a producer's share of all covered commodities planted on all farms in the State for which individual ARC has been elected and enrolled and in which the producer has an interest. FSA will calculate the benchmark revenue for ARC-IC using the following three steps, based on the producer's planted commodities:

(1) For each planted covered commodity for each of the most recent 5 crop years available:

(i) Yield per planted acre (substituting 80 percent of the county transitional yield in each year where the yield per planted acre is less than 80 percent of the county transitional yield); times

(ii) The MYA price for the most recent 5 crop years, excluding each of the crop years with the highest and lowest prices and substituting the effective reference price in each year where the MYA price is less than the effective reference price.

(2) For each covered commodity, the average of the revenues determined under paragraph (1) of this definition for the most recent 5 crop years available, excluding each of the crop years with the highest and lowest revenues; and

(3) For each of the 2019 through 2023 crop years, the benchmark revenue for the ARC-IC farm is the sum of the amounts determined under paragraph (2) of this definition for all covered commodities on such farms, adjusted to reflect the ratio between the total number of P&CP acres and eligible subsequently planted crop acreage on such farms to a covered commodity and the total P&CP acres and eligible subsequently planted crop acreage of all covered commodities planted on such farms. If a producer has an interest in multiple farms that have enrolled in ARC-IC, the ARC-IC benchmark revenue for that producer will be a weighted average of the benchmark revenue for those multiple farms.

ARC-IC Farm

ARC-IC farm means the producer's interests in all of the producer's farms having an ARC-IC election and enrollment in the State.

ARC-IC Payment Rate Cap

ARC-IC payment rate cap means the ARC-IC payment rate that is capped at 10 percent of the ARC-IC farm's weighted benchmark revenue.

ARC-IC Payment Shares

ARC-IC payment shares mean the payment shares for ARC-IC that are based on each producer's share interest in covered commodities planted on the enrolled ARC-IC farms, as reported on FSA-578. Producers, including owners that have no share interest in the covered commodity planted on enrolled ARC-IC farm, will **not** receive an ARC-IC payment for the ARC-IC farms.

Definitions of Terms Used in This Handbook (Continued)

Assigned Yield

Assigned yield means, for benchmark revenue, 100 percent of the county average yield.

Note: Yield is assigned when to establish benchmark revenue for a covered commodity that covered commodity has zero planted acres in the 5 years of the benchmark period.

Average Historical County Yield

[7 CFR 1412.3] Average historical county yield means the 5-year Olympic determined by FSA as the average of actual average county yields for the most recent 5 years for which data is available, substituting 80 percent of the county transitional yield as defined in this part in each year in which the actual average county yield is less than 80 percent of the county transitional yield. Separate irrigated and nonirrigated yields will be established in a county having a sufficient number of farms with P&CP acreage history of a covered commodity in 2013 through 2017. These separate yields will be established for counties where a covered commodity's P&CP acreage was both irrigated and nonirrigated in 2013 through 2017. If needed, a trend-adjusted yield factor will be used to adjust the yield taking into consideration, but not exceeding, the trend-adjusted yield factor that is used to increase yield history under the crop insurance endorsement under the Federal Crop Insurance Act (7 U.S.C. 1501-1520).

Base Acres

[7 CFR 1412.3] Base acres means, with respect to a covered commodity on a farm, the number of 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. The term “base acres” includes any unassigned base acres.

*--Beginning Farmer or Rancher

[7 CFR 718.2] Beginning farmer or rancher means a person or legal entity (for legal entities to be considered a beginning farmer or rancher, all members must be related by blood or marriage and all members must be beginning farmers or ranchers) for which both of the following are true for the farmer or rancher:

- (1) Has not operated a farm or ranch for more than 10 years; and
- (2) Materially and substantially participates in the operation.--*

Cash Lease

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

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

***--Planted and Considered Planted (P&CP)**

[7 CFR 718.2] **P&CP** means with respect to an acreage amount, the sum of the planted and prevented planted acres on the farm approved by the FSA county committee for a crop. P&CP is limited to initially planted or prevented planted crop acreage, except for crops planted in an FSA-approved double-cropping sequence. Subsequently planted crop acreage and replacement crop acreage are not included as P&CP.--*

Producer

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.

Producer Share

Producer share means, for ARC-IC, each producer sharing in covered commodities on enrolled ARC-IC farms will share in the ARC-IC payment, if applicable, that is calculated across all enrolled ARC-IC farms in which producers have interest.

Note: Producers who share in covered commodities on enrolled ARC-IC farms can have different payment rates established. The payment rate for the producer, if triggered, will be the same payment rate per acre for all participating farm's in which the producer has an interest.

Definitions of Terms Used in This Handbook (Continued)

Reference Price

Reference price means the statutory price used the PLC program to determine PLC payment rates. Reference prices are as follows.

Crop	Price	Crop	Price	Crop	Price
Barley	\$4.95/bu.	Chickpeas, Large	\$21.54/cwt.	Chickpeas, Small	\$19.04/cwt.
Corn	\$3.70/bu.	Grain Sorghum	\$3.95/bu.	Lentils	\$19.97/cwt.
Oats	\$2.40/bu.	Oilseeds, Other	\$20.15/cwt.	Peas, Dry	\$11.00/cwt.
Peanuts	\$535/ton	Rice, Long Grain	\$14.00/cwt.	Rice, Medium Grain <u>1/</u>	\$14.00/cwt.
Rice, Temperate Japonica <u>2/</u>	*--\$17.30/cwt.--*	Seed Cotton	\$0.367/lb.	Soybeans	\$8.40/bu.
Wheat	\$5.50/bu.				

1/ Medium and short grain rice grown outside of California.

2/ Medium and short grain rice grown in California.

SDA Farmer or Rancher

SDA farmer or rancher means a farmer or rancher who is a member of a socially disadvantaged group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. SDA groups include the following and **no** others **unless** approved in writing by the Deputy Administrator:

- American Indians or Alaskan Natives
- Asians or Asian-Americans
- Blacks or African-Americans
- Hispanics or Hispanic-Americans
- Native Hawaiians or other Pacific Islanders
- Women.--*

Share Lease

Share lease means provisions that require any of the following:

- payment of rent based on the amount of crop produced where both parties share in the risk of the crop produced
- proceeds derived from the crop
- interest the producer would have had if the crop had been produced.

***--HIP Calculation Covered Commodity Codes**

The following is a crosswalk between base crop and applicable acreage report data to be pulled when determining irrigated and planted acreage in each year.

Crop Code in FR	Covered Commodity Crop Name	FSA-578 Crop Name	FSA-578 Crop Code	FSA-578 Type Code	FSA-578 Type Name
0091	Barley	Barley	0091	All	All
0047	Large Chickpeas (GAR)	Beans	0047	GAR	Garbanzo – Kabuli (large chickpea)
0047	Small Chickpeas (GAS, GAD)	Beans	0047	GAS	Garbanzo – Kabuli (small chickpea)
				GAD	Garbanzo – Desi (small chickpea)
0711	Canola	Canola	0711	All	All
0041	Corn	Corn	0041	POP	Popcorn
				WHE	White
				YEL	Yellow
				AMY	Amylose
				WXY	WAXY
0714	Crambe	Crambe	0714	All	All
0031	Flaxseed	Flax	0031	COM	Common
				LWB	Lewis/Wild Blue
				LIN	Linola
0051	Grain Sorghum	Sorghum	0051	GRS	Grain
				HIG	Hybrid
				HIF	Hybrid Interplanting Forage
				HSF	Hybrid Standardplant Fg
				HSG	Hybrid Standardplant Gr
				HSS	Hybrid Standardplant Su
		Sorghum, Dual Purpose	0052	All	All
0067	Dry Peas	Peas	0067	AUS	Austrian
				GRN	Green
				WSD	Wrinkled Seed
				YEL	Yellow
				UMA	Umatilla
0401	Lentils	Lentils	0401	All	All
0130	Mustard Seed	Mustard Seed	0130	All	All
0016	Oats	Oats	0016	All	All
0075	Peanuts	Peanuts	0075	All	All
0129	Rapeseed	Rapeseed	0129	All	All
0018	Rice – Long (LGR)	Rice	0018	LGR	Long Grain
0018	Rice – Medium (MGR, SGR)	Rice	0018	SGR	Short Grain
				MGR	Medium Grain
		Sweet Rice	0904	All	All

--*


***--HIP Calculation Covered Commodity Codes (Continued)**

Crop Code in FR	Covered Commodity Crop Name	FSA-578 Crop Name	FSA-578 Crop Code	FSA-578 Type Code	FSA-578 Type Name
0018	Rice – Temperate Japonica (JCA)	Temperate Japonica Rice	0130	All	All
0079	Safflower	Safflower	0079	All	All
0396	Sesame Seed	Sesame Seed	0396	All	All
0081	Soybeans	Soybeans	0081	All	All
0078	Sunflower	Sunflower Seed	0078	All	All
0011	Wheat	Wheat	0011	All	All
0320	Seed Cotton	Upland Cotton	0021	All	All

--*

Producer Notification Letters

The following is an example of a letter requesting certified yields for farms participating in ARC-IC.

	<p>Farm Production and Conservation</p>	<p>Ward County FSA Office 1920 13th St SE Minot, North Dakota 58701 701-852-5434</p>
---	---	---

July 20, 20XX

Producer X
PO Box Y
Blabon , ND 00000

Dear Mr. X:

Based on the Agriculture Risk - Individual (ARC-IC) Program files, you have one or more farms that are enrolled into the 20XX ARC-IC program.

As indicated during the ARC election process, the ARC-IC program requires, at a minimum, that you must certify the current year (20XX) actual yield. The program also gives you the option of certifying to yields for each of the years the crop was actually planted on the farm during the 20XX – 20XX benchmark years.

To determine the eligibility of 20XX ARC-IC program payments, yields for the 20XX – 20XX crop years for each covered commodity that was planted in 20XX, must be certified by not later than July 15, 20XX.

Failure to provide timely yield certification for the ARC-IC elected and enrolled farm will make the farm ineligible for ARC-IC payments for that year and CCC may assign substitute yield for the year the yield is not certified, which would be used in calculating future year's benchmark yields for the farm.

To assist you in completing the yield certification requirements for 20XX-20XX crop years, we have enclosed the CCC-863 (ARC-IC Yield Certification) for each ARC-IC farm and each covered commodity that was reported planted on the FSA farm in the 20XX crop year.

The CCC-863 consists of 7 columns to allow for certification of benchmark, actual year, and prior year yields. The yields for the farm and applicable covered commodity that was planted in 20XX must be reported based on how the farm is constituted in 20XX. The CCC-863 must be completed for each of the years the crop was planted 20XX – 20XX and returned to the county office for review.

Production evidence that you can use to support your certified yields for 20XX-20XX for each covered commodity planted on the farm during those years, can be from the following sources:

- Crop Insurance loss records
- Crop Insurance APH data base records
- Sales records (buyer specific)
- Farm stored production records, appraisals, etc

Contact this office if you have any further questions related to completing the CCC-863 for the 20XX ARC-IC program year.


Sincerely,

Dale Ihry
County Executive Director

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Producer Notification Letters (Continued)

The following is an example of a letter to provide notice to the 2020 producer(s) on a farm that their enrollment could not be made until the 2019 producer(s) on the farm made an election.

 **United States Department of Agriculture**

Date

Any Producer
Any Address
City, State XXXXX

Dear Producer:

On (insert applicable date) you attempted to enroll in the 2020 ARC/PLC program. On that date, FSA notified you that, because the 2019 election and enrollment had not occurred, you could not enroll this farm.

Because an election is required in 2019 by the 2019 producers on the farm, FSA cannot process your 2020 enrollment until the 2019 election occurs. If the 2019 election does not occur by March 15, 2020, then FSA will default the election to the election that was on the farm under the previous farm bill and you will be allowed to enroll.

As of this date, your farm is not enrolled. Before you can enroll for 2020, the 2019 election must be completed. 2020 enrollment must occur before June 30, 2020.

In order to expedite your 2020 enrollment, the farm owner(s) may encourage the 2019 producer(s) to complete the election process or, in the event you know who the 2019 producer(s) on the farm are, contact the 2019 producer(s) to complete the 2019 election on the farm.

FSA has no interest or obligation in ensuring that the 2019 producer(s) complete election. FSA can only assist 2019 and 2020 producer(s) with service when they contact FSA. FSA will not contact 2019 producer(s) separately to indicate the need to complete 2019 election on the farm or that the 2020 producer(s) attempted to enroll.


Sincerely,

CED Name
Any County FSA

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Producer Notification Letters (Continued)

The following is an example of a notification letter used when base acres are restored to a farm for a new covered commodity and ARC-CO, PLC, or no election for that covered commodity currently exists on the farm.

	United States Department of Agriculture	Farm Production and Conservation	Farm Service Agency	Any County FSA Office 6789 Producer Road Anytown, AL 12345 Voice: 123-456-7890 FAX: 444-55-7890
---	--	---	------------------------------------	--

Date

Any Producer
Address
City, State xxxxx

Dear Producer,

On (insert applicable date), your Conservation Reserve Program (CRP) contract (contract number) was (voluntarily terminated, early released, or expired). As a result, you have (XXX) base acres of (applicable commodity) eligible to be restored to Farm (xx); the se base acres were previously reduced for participation in CRP.

The restored base acres have will be assigned a PLC yield equal to (enter either the yield for the commodity when the base acres were reduced or the county average CC Yield, whichever is higher).

You have the opportunity to make a program election for (applicable commodity) as a program election was not made for this crop during the election period. To make a program election, all current producers with interest in cropland must sign either the CCC-862 or CCC-866 agreeing to the program election no later than 30 calendar days from the date of this letter.

If all producers on the farm with interest in cropland on the farm fail to make a unanimous program election for (applicable commodity) within 30 calendar days of the date of this letter, this commodity will receive a default election of PLC.

Please feel free to contact our office with any questions or concerns.


Sincerely,

CED Name
Any County CED

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Producer Notification Letters (Continued)

The following is an example of a notification letter used when base acres are restored and base acres of that crop currently exist on the farm.

	United States Department of Agriculture	Farm Production and Conservation	Farm Service Agency	Any County FSA Office 6789 Producer Road Anytown, AL 12345 Voice: 123-456-7890 FAX: 444-55-7890
---	--	---	------------------------------------	--

Date

Any Producer
Address
City, State xxxxx

Dear Producer,

On (insert applicable date), your Conservation Reserve Program (CRP) contract (contract number) was (voluntarily terminated, early released, or expired). As a result, we have restored (XXX) base acres of (applicable crop) to your farm; these base acres were previously reduced for participation in CRP.

The restored base acres have been assigned a PLC yield equal to the PLC yield that currently exists on the farm.

Because your farm has previously elected to participate in (ARC-IC, ARC-CO, or PLC), the restored base acres are automatically subject to that election.

Feel free to contact our office with any questions or concerns.

Sincerely,

CED Name
Any County CED

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