

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Noninsured Crop Disaster Assistance
Program for 2001 and Subsequent Years
1-NAP (Revision 1)**

Amendment 71

Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraphs 24.5 D and 1276 C have been amended to provide that 1-CM policy shall be followed for signatures for persons who have died, disappeared, or been declared incompetent.

Paragraph 29 has been amended to remove reference to the Food, Conservation, and Energy Act of 2008.

Subparagraph 151 C has been amended to clarify that for forage crops, the predominant intended use of the forage crop shall be the intended use reported on FSA-578, according to 2-CP.

Subparagraph 192 C has been amended to provide that for Federal lands and State land leases, producers shall provide copies of the following, as applicable:

- BLM grazing permit/lease and final bill or invoice
- FS grazing permit/lease and final bill or invoice
- State land leases and subleases.

Subparagraph 195 E has been amended to:

- clarify that the expected AUD calculation in the table does not include AUD calculations applicable to State-, Federal-, or BIA-owned land, including adjustments applicable to subparagraphs F, G, or H
- require recommended AU's or AUM's stated on Federal permits, State land leases, or BIA allotments to be used for NAP units
- require NAP benefits be reduced by the dollar amount the producer does not pay in cases of non-use of permit or reduced AUM's on the permit
- provide an excel "NAP Grass for Grazing Worksheet" with instructions (Exhibits 21) and examples (Exhibit 22) to be used by all States and County Offices with State-, Federal-, and BIA-owned land in calculating the acres to enter in the NAP Application for Payment software.

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24.5 Transfer of NAP Coverage

A Overview

Producers having NAP coverage for a crop may transfer all of their NAP coverage for the crop to another producer before a disaster. A transfer of NAP coverage may be used when there is a:

- sale of land
- transfer of lease
- new entity formed
- change in entity type
- change in operator between husband and wife.

Note: Transfer of partial coverage for a crop is not allowed.

B Eligibility

When a transfer of NAP coverage is initiated, the buyer, new lessee, or new entity becomes responsible for meeting all program requirements including eligible producer requirements in paragraph 29.

Note: COC shall deny the request for transfer if the seller, original lessee, or original entity failed to meet any program requirement.

Because the original owner or lessor obtained coverage for the crop, no additional service fees will be required of the buyer, new lessee, or new entity. This also applies to limited resource farmer situations where no fee was applicable for the initial producer but would normally be applicable for the subsequent producer.

C When to Transfer

Transfers can be initiated either before or after the acreage reporting date, however, if the transfer occurs after the acreage reporting date it will be necessary to revise the acreage reports according to 2-CP.

A transfer of NAP coverage shall **not** be used:

- after a disaster has occurred
- before the application closing date for the crop
- when estates are closed or entities are dissolved
- when partial share transfers occur between two parties
- involving divorce between husband and wife unless the transfer is 100 percent
- when land is transferred to another administrative county
- when coverage for the crop already exists by the buyer (added land provisions apply)
- *--if the coverage period has **not** begun.--*

24.5 Transfer of NAP Coverage (Continued)

C When to Transfer (Continued)

For 2004 and subsequent crop years, transfers must be initiated after the application closing date and before the earlier of either the disaster event or end of the coverage period. The end of the coverage period is determined as:

- the date harvest is complete
- the normal harvest date
- abandonment of the crop
- destruction of the crop.

D Deceased Producer

--Follow 1-CM policy on acceptable signatures for deceased persons. If a producer dies and-- all rights of survivorship are transferred to the legal heir, a transfer of NAP coverage may be allowed, if all real property is transferred to the legal heir following State law requirements and a copy of documentation transferring the real property is attached to CCC-577.

Note: CCC-577's Transferee's Signature block should be left blank. The State law documentation transferring the real property to the legal heir takes the place of the transferee's signature.

State Offices shall consult with Regional OGC's office for questionable cases.

In instances where there is no right of survivorship to a legal heir, and an estate is created either with its own tax ID or using the deceased's Social Security number, FSA-325 shall be used and processed according to 1-CM.

E Production and Yields

If a loss occurs in the year of transfer, production must be kept separate and the loss is calculated only on the transferred acreage and production. To establish an approved yield for the transferred crop, follow Part 5 to establish an approved yield using the transferee's actual production history.

If land is purchased or leased by a producer and the transferee has an application for coverage filed for the unit that includes the crop, added land procedure according to paragraph 287 is applicable. There is no adjustment to the approved yield database. Added land and adjustments are used for payment purposes **only**.

29 Eligible Producer

A Definition of Producer

[7 CFR 718.2] A producer is an owner, landlord, tenant, or sharecropper who:

- shares in the risk of producing the crop
- is entitled to share in the crop available for marketing from the farm or would have shared had the crop been produced.

Note: Landowners, landlords, tenants, contract growers, or anyone else not having both a share of the risk and a valid claim of share ownership of a crop are ineligible for NAP.

* * *

B Verifying Producer Eligibility

COC shall take whatever action is necessary to ensure that payments are proper and are for producers suffering the claimed loss of the crop. The producer must be able to show, with acceptable evidence, that the producer had a valid ownership share interest in the commodity produced and control of the crop acreage on which the commodity was grown at the time of the disaster, which is the basis for the application for payment. One of the following shall be obtained as determined by COC:

- copies of signed written leases with landowner or landlord
- copies of signed rental agreements with landowner or landlord
- copies of other legal documents showing land ownership or control
- statement signed by landowner or landlord that producer had control of the acreage
- statement signed by operator or producer that producer had control of the acreage on a farm
- FSA-578, producer print.

Note: CCC-509, CCC-502, and CCC-902 are **not** acceptable as verifiable evidence.

Exception: For Federal- and State-owned leased forage only copies of signed written leases, rental agreements, or other legal documents may be considered.

29 Eligible Producer (Continued)**C Reviewing Documentation**

Leases, rental agreements, and any other written statements documenting verbal agreements shall be reviewed on a case-by-case basis. The review must determine the amount of interest and risk in the production for the lessor and lessee. COC shall apply the specific case circumstances to the determination of an eligible producer.

When reviewing case circumstances, evaluate what lease or rental arrangement existed between parties before the natural disaster. The lease or rental arrangement existing before the date of disaster shall be used to determine eligible producer. Any negotiation, agreement, or performance of parties to a rental or lease arrangement after date of disaster shall have no bearing on the question of an eligible producer.

D Verifying Ownership Share Risk

A producer may obtain a grower contract for marketing purposes. The grower contract may include language that precludes a producer from maintaining an ownership share risk, thus making the producer ineligible for NAP. Some examples include, but are **not** limited to language stating that the:

- grower has no right, title, or interest in the seed or the crop grown
- producer's interest in the seed and crop is that of a bailee.

* * *

Applicants certifying to having a valid claim to a share of NAP payment are subject to spot check. If agreements or contracts are discovered that show a grower did not have a valid claim to a share of a crop for which NAP assistance was claimed, the NAP payment must be refunded.

Payment shall be denied if COC is not satisfied that payments claimed by producers are proper.

Note: The eligible producer requirements shall not be deemed to have been met merely because a participant had obtained either NAP or insurance coverage. The NAP participant must have had a valid ownership share interest in the commodity as specified in this paragraph.

151 Unit Acreage and Production Certifications (Continued)

C Required Information (Continued)

In 2005, for:

- sunflowers with the intended uses of “fresh” and “sets” shall be identified under sun, crop code 7501; the intended use of “seed” must be identified under sunflowers, crop code 0078
 - dual purpose sorghum with the intended use of “grain”, “forage”, and “grazing” must be identified under crop code 0052; the intended use of “seed” must be identified under sorghum forage, crop code 0050 or sorghum, crop code 0051.
 - the date the specific crop acreage was planted
 - the acreage prevented from being planted
 - for value loss crops:
 - for aquaculture, bee hives, mushrooms, and ornamental nursery, the physical location of the acreage on which the facility resides
 - for aquaculture, the name, type, or variety of each aquacultural species
- Note:** For NAP purposes, do not use the intended use of processed for aquaculture.
- *--for forage crops, the predominant intended use of the forage crop shall be the intended use of the crop reported on FSA-578 according to 2-CP.

Example: Jim intends, and normally mechanically harvests, 3 cuttings of hay from his 100 acres of alfalfa grass mixture. Jim turns his 20 head of dairy cows out on the 100 acres of alfalfa grass mixture after the 3rd cutting. Mechanical harvest as hay is the predominant intended use of the crop; therefore, the intended use shall be reported on FSA-578 as “FG”.--*

192 General Forage Provisions**A Eligible Forage**

Eligible forage is vegetation consisting of annual, biennial, and perennial grasses, legumes, small grains, etc. produced in a commercial operation for animal consumption or for seed for the propagation of forage for animal consumption.

For 2001 and preceding crop years, eligible forage on any Federal- and State-owned lands includes only seeded forage acreage. For the purpose of determining eligibility on Federal- and State-owned lands, seeded forage is that acreage that is mechanically seeded at a regular interval, at least every 7 years, according to good farming practices.

For 2002 and succeeding crop years, eligible forage on Federal- and State-owned land includes both seeded and unseeded forage acreage.

Acreage eligibility for prevented planting shall be determined according to paragraph 25.

B Acceptable Management Practices

COC shall ensure that producers are using acceptable farming and pasture and range management and maintenance practices for the location.

Acceptable pasture and range practices must be such to sustain sufficient quality and quantity of the vegetation for grazing livestock. Acceptable farming practices must be such to yield the expected production of vegetation or seed.

192 General Forage Provisions (Continued)

C Eligibility of Leased Private or Federal- and State-Owned Land

Acreage leases and rental agreements for private or Federal- and State-owned land intended for grazing include many unique arrangements for compensation and provide various degrees of control for use of the acreage. Many leases, particularly those with grazing arrangements, are similar to sales agreements. For example, the lessee pays only for the days actual grazing occurs or according to the rate of gain of the grazing animals, etc. These leases do not convey control of the acreage nor does the lessee acquire risk in production of the specific crop acreage under these arrangements. To ensure that eligibility requirements have been met, the producer shall provide signed copies of the following, as applicable:

- BLM grazing permit/lease and final bill or invoice
- FS grazing permit/lease and final bill or invoice
- State land lease and State land subleases.

Note: State land leases may contain the following clause:

“Assignment, Sublease, and Relinquishment

Land lessee shall not assign or sublease the leased premises or the improvements on said premises without the prior written consent of lessor and such other requirements as prescribed by lessor rule. As provided by law and rule, any lease in good standing may be relinquished to the State. On relinquishment; however, the lessee shall not be entitled to a refund of rent previously owed and paid”.

COC shall review all acreage leases to determine whether:

- the lease conveys control, however limited, to the lessee
- the lessee has a risk in production of the crop acreage.

***--Note:** All COC determinations shall be documented in COC minutes.

The lessee shall be considered eligible for NAP assistance for eligible losses impacting specific acreage, if COC determines that the lease is either of the following:

- conveys control of the acreage to the lessee, however limited
- indicates the lessee has a risk in production of the crop acreage.

Note: If the lease prohibits the land to be subleased, the lessee associated to the sublease will be ineligible for NAP benefits on that acreage.

192 General Forage Provisions (Continued)**C Eligibility of Leased Private or Federal- and State-Owned Land (Continued)**

COC shall use the following questions and others, as locally warranted, to determine if the lessee has a risk in production of the crop acreage or the lease conveys control of the crop acreage to the lessee. Only 1 condition needs to be met to find a producer eligible.

- Does the lessee pay local property or similar taxes on the leased acreage or improvements made to the leased acreage?
 - If yes, the lessee shall be considered to have control of the crop acreage.
 - If no, see the next question.
- Can the lessee, according to the lease, recoup specific expenses for significant infrastructure or range improvements, that is, fences, water well, seed or fertilizer applications, drainage improvements, or brush and weed control?
 - If no, the lessee shall be considered to have control of the crop acreage.
 - If yes, see the next question.
- Is the lessee allowed to sell the lease or the permit?
 - If yes, the lessee shall be considered to have control of the crop acreage.
 - If no, see the next question.
- Can the lease or the permit be inherited?
 - If yes, the lessee shall be considered to have control of the crop acreage.
 - If no, see the next question.
- Does the lessee compensate the lessor for use of the crop acreage?
 - If no, the lessee does not have a risk in production of the crop acreage.
 - If yes, is the payment refundable if grazing use of the crop acreage is lost?
 - If yes, the lessee only has a risk in the portion of the crop acreage used and paid for, if any.
 - If no, does the payment entitle the lessee to a vested interest in production of the commodity versus purchasing the commodity?
 - If no, the lessee does not have a risk in production of the crop acreage.
 - If yes, the lessee shall be considered to have a risk in production of the crop acreage.

195 Grazed Forage Provisions (Continued)

*--D Determining Loss for Forage Intended for Grazing (Continued)

IF acreage reported as intended as grazed is...	AND the producer...	THEN the loss shall be determined based on...
<p>mechanically harvested for forage or seed (no grazing occurs)</p>	<ul style="list-style-type: none"> • timely files CCC-576, according to paragraph 401 • provides, at the end of the grazing period, production records of forage for similarly mechanically harvested forage acreage on the farm for which an approved yield has been calculated to determine a forage loss <p>Notes: If similar acreage of forage on the farm is not available for which an approved yield has been calculated to determine a forage loss, COC shall use similar farms in the area where approved yields have been calculated for forage to determine a forage loss or, if there are no similar farms, use procedure for 2 independent assessments according to subparagraph 195 J.</p> <p>Any production from intended grazed forage acreage that was mechanically harvested as forage or seed must not be commingled with production from intended mechanically harvested forage or seed acreage. A measurement service request shall be made to keep production separate.</p>	<p>a percentage of loss of similarly mechanically harvested forage from forage acreage for which an approved yield has been calculated for forage to determine a forage loss or 2 independent assessments according to subparagraphs I and J as determined by COC applied to the expected AUD.</p> <p>Notes: Forage production from acreage intended as grazed that is commingled with the production of intended mechanically harvested forage or seed acreage shall be considered production to count in determining the loss for mechanically harvested acreage for forage or seed.</p> <p>Forage production from acreage intended as grazed shall not be considered production to count for approved yield purposes.</p>

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195 Grazed Forage Provisions (Continued)

E Calculating Expected AUD

Grazing is the consumption of forage by livestock. It is possible to estimate the amount of forage available for consumption and; therefore, provide coverage for losses of the potential forage for grazing.

A separate expected AUD is calculated for **each** specific crop, type, and practice based on the STC-established carrying capacity for the specific crop, type, and practice.

Note: See paragraph 107.5 for determining carrying capacities.

--To calculate expected AUD for privately owned/leased land, follow these steps.--

Step	Action	Result
1	Determine the producer's acreage by crop, type, and practice with the same carrying capacity and grazing days.	Producer's total unit acreage for the specific crop, type, and practice with the same carrying capacity.
2	Divide the result of step 1 by the STC-established carrying capacity for the applicable acreage. Round to 4 decimal places.	Number of acres per AU needed for the applicable acreage.
3	Multiply the result of step 2 times the number of days in the grazing period.	Expected AUD.

Notes: Expected AUD is calculated on CCC-576C.

*--Expected AUD calculated in this table does **not** include any AUD calculations applicable to State-, Federal-, and BIA-owned land, or AUD adjustments that may--* be applicable according to subparagraphs F, G, and H.

When calculating expected AUD for acreage physically located in a different county, COC shall use the carrying capacity established for the physical location of the acreage.

*--State-, Federal-, and BIA-owned land provides for an allotted number of AU's or AUM's that can be grazed for an established period of time. DAFP has determined that:

- the recommended AU's or AUM's that are stated on the permit shall be used for those NAP units
- NAP benefits will be reduced by the dollar amount the producer does **not** pay in cases of non-use of permit or reduced AUM's on the permit.

Note: If the producer paid for the total permitted animals, no payment reduction is required.--*

195 Grazed Forage Provisions (Continued)

***--E Calculating Expected AUD (Continued)**

Some type of manual adjustment is required for some leases for the NAP Application for Payment software to properly calculate a payment because NCT does not provide a sufficient range of carrying capacities needed to accommodate every livestock operation in every county in every respective State and/or county. The following types of leases/permits may require an adjustment:

- Native American Tribal permits
- FS
- BIA
- BLM
- State
- private land.

Permits usually provide the number of AU's or AUM's; however, based on the limited number of NCT carrying capacities in the automated system, NAP payments may not be calculated correctly. Therefore, adjustments may need to be made to the number of reported acres **before** loading the acres in the web based NAP Application for Payment software to ensure that payments are calculated correctly based on the number of AU's, as provided for in the permits/leases. The NAP Application for Payment software does not provide the flexibility to enter different grazing periods for the same carrying capacity.

An Excel "NAP Grass for Grazing Worksheet" has been developed for use by State and County Offices with, Federal-, State-, and BIA-owned land for calculating the acres to enter in the NAP Application for Payment software to ensure that livestock producers are not over or under paid for their grazing losses for permits and leases providing the number of AU's or AUM's that can be grazed. DAFP has determined that the "NAP Grass for Grazing Worksheet" **shall be used by all State and County Offices** with State-, Federal-, and BIA-owned land for calculating the acres to enter in the NAP Application for Payment software.

Instructions for accessing completing the "NAP Grass for Grazing Worksheet" are in Exhibit 21 with calculation examples in Exhibit 22.--*

Part 11 Payment Processing**Section 1 NAP Payment Provisions****1276 General Payment Provisions****A Introduction**

This part contains provisions for:

- general payment provisions
- manual calculation worksheets:
 - CCC-576A
 - CCC-576B
 - CCC-576C.

B NAP Payment Level

The NAP payment level is 55 percent.

C Obtaining FSA-325

--Follow 1-CM for policy about signatures for persons who have died, disappeared, or been declared incompetent. FSA-325 shall be completed, according to 1-CM, by individuals or-- entities requesting payment for a producer who has died, disappeared, or been declared incompetent Payment shall be issued to the individuals or entities requesting payment using the deceased, incompetent, or disappeared producer's ID number. A revised CCC-576 is not required to be completed when payments are issued under the deceased, incompetent, or disappeared producer's ID number.

D Administrative Offset

[7 CFR 1437.15] Any payment or portion thereof due any producer shall be issued without regard to:

- questions of title under State law
- any claim or lien against the crop, or proceeds thereof, in favor of any creditor, except agencies of the U.S. Government.

The regulations in **7 CFR Part 1403** are applicable to NAP payments.

1276 General Payment Provisions (Continued)**E Assignments**

A producer entitled to a NAP payment may assign payments according to **7 CFR Part 1404** and 63-FI.

F Bankruptcy

Bankruptcy status does not exclude a producer from requesting NAP benefits.

Contact the OGC Regional Attorney for guidance on issuing NAP payments on all bankruptcy cases.

G Payment Limitation

Payment limitation is \$100,000 for NAP benefits. The producer's control county is the only county able to make changes to the PLM totals. Counties should follow procedures in 2-PL, paragraphs 105 and 106 for requesting updates to the PLM set.

H Payments Less Than \$10

The NAP payment process will:

- issue payments that round to at least \$1
- **not** issue payments less than 50 cents.

I Prompt Payment Due Dates

*--[7 CFR 1437.14] According to the Prompt Payment Act, a prompt payment interest penalty applies if a NAP payment is not issued within 30 calendar days from the later of the following:

- date the County Office has the approved national crop data in their County Office
- date the producer signs, dates, and submits a properly completed application for payment. The application for payment is considered filed according to subparagraph 502 B.--*

See 61-FI for additional information on handling prompt payment interest penalties.

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

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-576B	2001 Noninsured Crop Disaster Assistance Program Payment Calculation Worksheet (Value Loss Crops)	1281	Text
	2002 and Future Years Noninsured Crop Disaster Assistance Program Manual Payment Calculation Worksheet (Value Loss Crops)	1284	
CCC-576C	2001 Noninsured Crop Disaster Assistance Program Payment Calculation Worksheet (Grazing Crops)	1282	1276, 1279, 1283, 1314, 1315, 1413
CCC-576E	NAP Estimated Calculated Payment Report		881, 1016, 1315, 1400, 1413, 1414
CCC-577	Transfer of NAP Coverage	Ex. 9	24.5, 1461, 1463
CCC-579	NAP Approved Yield Compliance Worksheet	600	
CCC-770 Eligibility <u>1/</u>	Eligibility Checklist		1311
CCC-770 NAP	Noninsured Crop Disaster Assistance Program Payment Checklist	11	
CCC-902	Farm Operating Plan		29
CCC-926 <u>1/</u>	Livestock Indemnity Program Third Party Certification		1311, Ex. 43
FSA-13A	Data Security Access Authorization Form		771
FSA-325	Application for Payments of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		1276
FSA-570	Waiver of Eligibility for Emergency Assistance		32
FSA-578	Report of Acreage		Text, Ex. 42
FSA-1001 <u>1/</u>	Notice of Peanut Poundage Quota		Ex. 18

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 Abbreviation	Term	Reference
AUD	animal-unit-day	Text, Ex. 2, 22
AUM	animal-unit-month	195, Ex. 21, 22
BHI	Bahai grass	193, 195
CARS	Crop Acreage Reporting System	1667, Ex. 21, 22
CDPS	Common Disaster Provisions Section, DAB, PECD	24.5
CIH	Crop Insurance Handbook	1, 426
CPB	Common Provisions Branch, PECD	1315
CVS	Compliance Validation System	751.5
DAB	Disaster Assistance Branch, PECD	10, 24.5, 170, 189, 1467
E-FC	electronic fund control	1277
ECPR	Estimated Calculated Payment Report	1483
FTA	fescue, tall	194.5, 195
MPCI	Multiple Peril Crop Insurance	426
NAMP	national average market price	777, 779
NAPB	Noninsured Assistance Program Branch, PECD	Ex. 17
NTS	no type specified	193
PP	prevented planted	1110
PRD	production reporting date	Text, Ex. 2
PRF	pasture, rangeland, and forage	197
RI-PRF	Rainfall Index - Pasture, Rangeland, Forage	197
SUD	Sudan	1283.5
SWI	Switch	1283.5
T-yield	transitional yield	107, 152, Part 5, 322, 323, 327, 600, Ex. 2, 17
VI-PRF	Vegetative Index - Pasture, Rangeland, Forage	197

Redelegations of Authority

This table lists the redelegations of authority in this handbook.

Redelegation	Reference
In routine cases, COC may redelegate, in writing, to CED the authority to act on, or sign, as applicable, CCC-576, Parts C and H.	401
The redelegation must define what COC considers routine.	
COC may redelegate, in writing, to CED and program technicians, the authority to complete and sign automated CCC-452's and CCC-452 Manuals.	838, Ex. 25

***--NAP Grass for Grazing Worksheet**

A Accessing and Saving NAP Grass for Grazing Worksheet Template

Access and save the NAP Grass for Grazing worksheet according to the following. The worksheet shall be saved and completed for each unit for each producer by the County Office according to the instructions in subparagraph B.

Step	Action
1	Go to the DAFP Home Page at http://fsaintranet.sc.egov.usda.gov/dafp/ .
2	<p>CLICK “NAP Grass for Grazing Worksheet” and the following “File Download” dialog box will be displayed. CLICK “Open”.</p> <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <div style="border: 1px solid black; background-color: #e0e0e0; padding: 5px;"> <p style="margin: 0;">File Download x</p> <p style="margin: 5px 0;">Do you want to open or save this file?</p> <div style="display: flex; align-items: center; margin: 5px 0;"> <div> <p style="margin: 0;">Name: 2012_NAP_Grass_GZ_Worksheet.xlsm</p> <p style="margin: 0;">Type: Microsoft Office Excel 2007 Macro-Enabled Workbo...</p> <p style="margin: 0;">From: fsaintranet.sc.egov.usda.gov</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin: 10px 0;"> Open Save Cancel </div> <p style="margin: 5px 0;"><input checked="" type="checkbox"/> Always ask before opening this type of file</p> <div style="border: 1px solid black; background-color: #e0e0e0; padding: 5px; margin-top: 5px;"> <div style="display: flex; align-items: center;"> <p style="margin: 0; font-size: small;">While files from the Internet can be useful, some files can potentially harm your computer. If you do not trust the source, do not open or save this file. What's the risk?</p> </div> </div> </div> </div>

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*--NAP Grass for Grazing Worksheet (Continued)

A Accessing and Saving NAP Grass Grazing Worksheet Template (Continued)

Step	Action
3	<p data-bbox="337 365 1414 436">At the top of the screen, between the toolbar and the window, the following security warning will be displayed; CLICK “Options...”.</p> <div data-bbox="342 472 1149 562" data-label="Image"> </div> <p data-bbox="337 600 1451 669">The following Microsoft Office Security Options dialog box will be displayed; CLICK “Enable this content” radio button and CLICK “OK”.</p> <div data-bbox="342 709 1299 1549" data-label="Image"> </div> <p data-bbox="337 1587 1344 1656">Note: This step needs to be performed every time the NAP Grass for Grazing Worksheet is opened.</p> <p data-bbox="337 1694 1438 1801">Warning: Do not attempt to permanently enable Macros because this will make the NAP Grass for Grazing Worksheet unusable and could potentially create a security breach.</p>

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***--NAP Grass for Grazing Worksheet (Continued)**

A Accessing and Saving NAP Grass Grazing Worksheet Template (Continued)

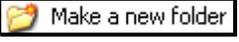
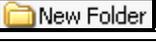
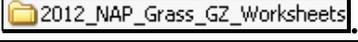
Step	Action
4	<p>Save the document as follows:</p> <ul style="list-style-type: none"> • CLICK “”, scroll down and CLICK “Save As” • CLICK “Excel Macro Enabled Workbook” • navigate to user’s desktop • CLICK “Save”. <p>By following these steps, the document will be placed on the user’s desktop with an icon. The document will be named, “2012_NAP_Grass_GZ_Worksheets.xlsm”.</p> <p>Note: There will be a need for more than 1 NAP Grass for Grazing Worksheet saved to a user’s desktop for the purposes of summarizing multi-county data. For additional NAP Grass for Grazing Worksheet templates, name them as follows:</p> <ul style="list-style-type: none"> • “2012_NAP_Grass_GZ_Worksheet.1.xlsm” • “2012_NAP_Grass_GZ_Worksheet.2.xlsm”.

Note: The NAP Grass for Grazing Worksheet is for FSA internal use **only** and shall **not** be distributed.--*

***--NAP Grass for Grazing Worksheet (Continued)**

B Creating a New Folder in Which to Save All NAP Grass for Grazing Worksheets

Before completing and saving a NAP Grass for Grazing Worksheet for a producer, a new folder will need to be created on the shared (S:\) drive, as follows.

Step	Action
1	<p>Do either of the following:</p> <ul style="list-style-type: none"> • on the desktop, DOUBLE-CLICK “My Computer”  • at the bottom left corner of user’s screen, RIGHT-CLICK “Start”  and CLICK “Explore”.
2	<p>DOUBLE-CLICK “(S:)” drive.</p> <div style="border: 1px solid black; padding: 5px; width: fit-content;"> <p>Network Drives</p> <ul style="list-style-type: none">  Loretta.Baxa on 'Dcwashing2s615\Fhome\$' (H:)  Fshared\$ on 'Dcwashing2s616' (S:)  Shareu\$ on 'Dcwashing2s617' (U:) </div>
3	DOUBLE-CLICK “ Service_Center ”  folder.
4	DOUBLE-CLICK “ FSA ”  folder.
5	CLICK “ Make a new Folder ”  . If this option is not available, right-click in blank white area within the folder window, CLICK “ New ”, and then CLICK “ New Folder ”  .
6	A new folder will be placed in the “S:\Service_Center\FSA” folder, with the default name of “ New Folder ”. The folder needs to be renamed, go to step 7.
7	RIGHT-CLICK, “ New Folder ” and CLICK “ Rename ”.
8	Rename the folder, “ 2012_NAP_Grass_GZ Worksheets ”  .

Note: Creating the new “2012_NAP_Grass_GZ_Worksheet” folder **only needs to be done 1 time at each Service Center**. All NAP Grass for Grazing Worksheets can be saved to this location.

Important: The naming format of this folder is **extremely important** for the NAP Grass for Grazing Worksheet “Save” function to operate. Ensure that the folder is named, “2012_Grass_GZ_Worksheets”, with the underscore exactly as displayed here.--*

***--NAP Grass for Grazing Worksheet (Continued)**

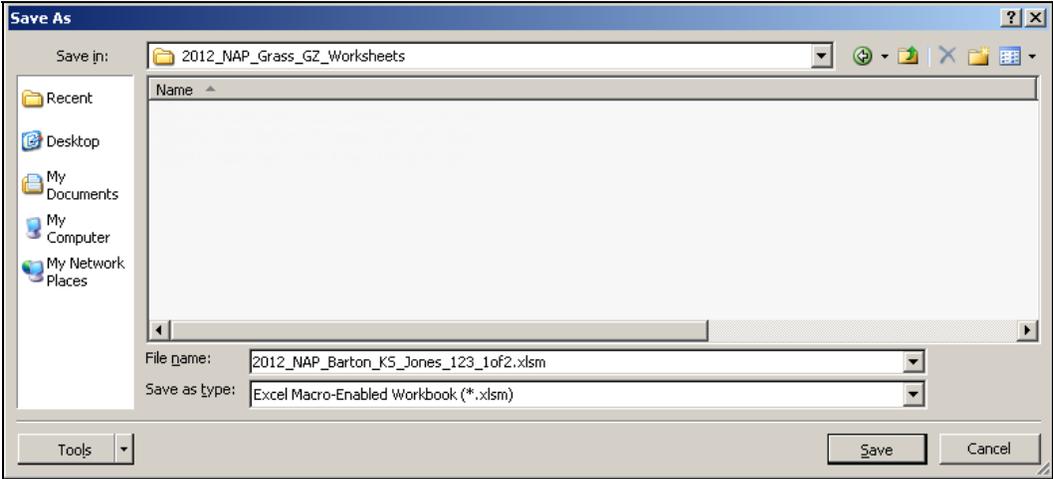
C Saving a Producer’s NAP Grass for Grazing Worksheet

Step	Action	
1	<ul style="list-style-type: none"> • CLICK “2	<ul style="list-style-type: none"> • Navigate to “S:\Service Center\FSA\2012_NAP_Grass_GZ_Worksheets.xml” <p>Note: State Offices may create a subfolder if preferred, but the subfolder must be located within S:\Service Center\FSA\.</p> <ul style="list-style-type: none"> • in the “File name:” block, enter the file name as, “NAP_2012_{County name}_{State abbr}_{Producer name}_{Unit number}_{#of#}” <p>Notes: “{County name}” is the name of the county where the unit of grazing land is physically located.</p> <p>“{State abbr}” is the 2-alpha State abbreviation, such as “MD” for Maryland, where the grazing land is physically located for the unit.</p> <p>“{Producer name}” is the name of the producer for which the worksheet is being completed.</p> <p>“{Unit number}” is the unit number for which the worksheet is being completed.</p> <p>“{#of#}” is the worksheet number out of the total number of worksheets completed for a specific producer and unit within a State and county.</p> <p>Multiple worksheets may need to be completed if any of the following situations occur:</p> <ul style="list-style-type: none"> • the producer has interest in more than 4 Federal grazing permits and/or 4 State land leases, or a combination of 4 Federal grazing permits and State land leases • 4 or more carrying capacities exist under the unit • 4 or more farms, tracts, or tracts with 4 different carrying capacities or any combination of the 3 exist.

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***--NAP Grass for Grazing Worksheet (Continued)**

C Saving a Producer’s NAP Grass for Grazing Worksheet (Continued)

Step	Action
2 (Cntd)	<p>Examples: The following naming conventions are examples:</p> <ul style="list-style-type: none"> • 2012_NAP_Barton_KS_Jones_1_1of2 • 2012_NAP_Barton_KS_Jones_2_2of2 • 2012_NAP_Farmville_AZ_Smith_1_1of3 • 2012_NAP_Farmville_AZ_Smith_2_2of3 • 2012_NAP_Farmville_AZ_Smith_3_3of3. <ul style="list-style-type: none"> • from the “Save as type:” drop-down list, menu and select “Excel Macro-Enabled Workbook (*.xism)” • CLICK “Save”. 
4	Begin entering producer data according to subparagraph D.

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***--NAP Grass for Grazing Worksheet (Continued)**

D Completing NAP Grass for Grazing Worksheet

Subparagraph 195 H requires adjustments to expected AUD's when stocking rates and/or grazing days under lease arrangements, rental agreements, or permits with grazing arrangements are not consistent with STC-established carrying capacities. Because of the variation in private land, State land lease carrying capacities, plus AU's listed on Federal land grazing permits, most native grass for grazing NAP applications will need to be adjusted. To simplify this requirement, an Excel "NAP Grass for Grazing Worksheet" has been developed to calculate the acres to enter in the NAP Application for Payment software with a carrying capacity of "1" acre/AU.

It is very important that farms and ranches be constituted properly. The worksheet is broken down into the following 3 sections, "Federal grazing permits", "State land lease", and "privately owned/leased land".

Item	Instructions
Part A -Top Portion of Worksheet	
1	Enter crop year. This is a required entry. The crop year can be changed to ensure that the payment is calculated using the correct AUD value. See paragraph 773.
2	Enter producer's name. This is a required entry.
3	Enter unit number. This is a required entry.
Part B – Federal Grazing Permits Section	
<p>A permit or lease on Federal lands that includes FS land, Tribal land, BIA land, and BLM land, provides the approved AU's or AUM's that a producer may graze. NAP pays on certified acreage; therefore, adjustments have to be made to allow the NAP Application for Payment software to calculate the payment correctly. Because Federal lands base grazing lands on AU's or AUM's, the worksheet shall be used to convert AU's or AUM's to acres.</p> <p>Each grazing worksheet will accommodate up to 4 Federal grazing permits. If a livestock operation has more than 4 Federal grazing permits, additional worksheets shall be used to extend the number of Federal grazing permits to allow for additional acreage calculations in excess of 4. The acreages from each worksheet in item 30, shall be totaled and entered in the NAP Application for Payment software according to subparagraph 1757 B on the Grazing and Loss Calculations Screen in the "Planted Acres" field using a carrying capacity of "1" acre/AU. All necessary information needed to compute the acres to be entered in the NAP Application for Payment software can be found on the producer's Federal grazing permit. Since BLM or the FS regulation does not allow subleasing of a Federal grazing permit, each permit must be under the name of the individual or entity making application for payment. The County Office will need to ensure that the beginning and ending grazing period dates include all or part of the grazing year covered by the producer's application for payment. The following information must be entered for each Federal grazing permit in the worksheet to compute the acres to enter in the NAP Application for Payment software.</p> <p>Note: See Exhibit 22 for examples and explanations of the calculations performed by the worksheet for the Federal Grazing Permit Section, Part B.</p>	

***--NAP Grass for Grazing Worksheet (Continued)**

D Completing NAP Grass for Grazing Worksheet (Continued)

Item	Instructions
4	Enter the number of livestock, by kind, from the Federal grazing permit in the appropriate block provided. The livestock kind will indicate whether the livestock covered by the Federal grazing permit are cows (cattle), bulls, horses, sheep, goats, or yearlings. Each kind of livestock represents a different AU number and must be entered correctly to compute the proper payment. If a kind of livestock is not represented on the permit, an entry is not required in that block. Leave the block blank.
5	Enter COC-established percent of grazed forage loss for the county, based on independent assessments, in which the land is physically located. This is a required entry. The percent of loss established by COC shall be entered in the NAP Application for Payment software, on the Grazing “AUD” Loss Calculations Screen, under “COC Loss Factor” according to paragraph 1757. Note: If more than 1 percentage of loss is applicable to the unit, then a separate worksheet for each percentage of loss shall be completed. Example: Jim Jones’ Unit 1 is physically located in Chaves County, New Mexico, and Eddy County, New Mexico. A separate percentage of loss, based on independent assessment, has been established by each of the respective COC’s. A separate worksheet shall be completed for each percentage of loss, 1 for the land physically located in Chaves County, and 1 for the land physically located in Eddy County.
6	Enter percent of public land (%PL). This is a required entry and can be found on the producer’s bill or Grazing Schedule and Fees Statement.
7	Enter producer’s share. This is a required entry. Note: The producer’s share will be displayed in the NAP Application for Payment software, on the Grazing Loss Acreage Screen according to paragraph 1756, when the grazing crop is selected on the Crop Selection Screen.
8	Enter “ Non-Use ” from the permit, if applicable. “ Non-Use ” from the permit: <ul style="list-style-type: none"> • shall be entered as AUM’s • can be found on page 2 on the producer’s last quarter billing statement from the Federal Agency • is applicable when the Federal Agency reduces the grazing days under the Federal grazing permit or lease due to drought and the producer does not have to pay the Federal Agency because of a temporary non-use of the permit. Example: Producer has FS grazing permit that allows the producer to graze 212 cows from April 1, 2012, to July 1, 2012, at a rate of \$1.35 per AUM. The final bill shows 149 AUM’s of non-use at a rate of \$1.35 per AUM. 149 AUM’s of non-use shall be entered in item 8.

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***--NAP Grass for Grazing Worksheet (Continued)**

D Completing NAP Grass for Grazing Worksheet (Continued)

Item	Instructions																						
9	<p>Enter Federal Grazing Rate per AUM from the Federal grazing permit or lease. This is a required entry.</p> <p>Example: The producer has FS grazing permit that allows the producer to graze 212 cows from 4/1/2012 to 7/1/2012, at a rate of \$1.35 per AUM. The final bill shows 149 AUM's of non-use at a rate of \$1.35 per AUM. \$1.35 per AUM shall be entered in item 9.</p>																						
10	<p>Enter beginning and ending grazing dates for each livestock kind entered on the Federal grazing permit or lease. If more than 1 grazing period is shown on a Federal grazing permit or lease, use a separate Federal grazing permit in the worksheet to enter the different grazing periods.</p> <p>Example: Jim's grazing permit allows Jim to graze 100 cows as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">From:</td> <td style="text-align: center;">To:</td> </tr> <tr> <td style="text-align: center;">January 1</td> <td style="text-align: center;">March 31</td> </tr> <tr> <td style="text-align: center;">July 1</td> <td style="text-align: center;">October 31</td> </tr> </table> <p>In this situation, user would have 2 separate entries (2 separate columns) on the worksheet, as follows, for the applicable item numbers:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Federal Permit 1 (Column 1)</td> <td style="text-align: center;">Federal Permit 2 (Column 2)</td> </tr> <tr> <td style="text-align: center;">4. Cows 100</td> <td style="text-align: center;">4. Cows 100</td> </tr> </table> <table style="margin-left: auto; margin-right: auto;"> <tr> <td colspan="2" style="text-align: center;">Grazing Days</td> <td colspan="2" style="text-align: center;">Grazing Days</td> </tr> <tr> <td style="text-align: center;">From:</td> <td style="text-align: center;">To:</td> <td style="text-align: center;">From:</td> <td style="text-align: center;">To:</td> </tr> <tr> <td style="text-align: center;">10. January 1</td> <td style="text-align: center;">March 31</td> <td style="text-align: center;">10. July 1</td> <td style="text-align: center;">October 31</td> </tr> </table>	From:	To:	January 1	March 31	July 1	October 31	Federal Permit 1 (Column 1)	Federal Permit 2 (Column 2)	4. Cows 100	4. Cows 100	Grazing Days		Grazing Days		From:	To:	From:	To:	10. January 1	March 31	10. July 1	October 31
From:	To:																						
January 1	March 31																						
July 1	October 31																						
Federal Permit 1 (Column 1)	Federal Permit 2 (Column 2)																						
4. Cows 100	4. Cows 100																						
Grazing Days		Grazing Days																					
From:	To:	From:	To:																				
10. January 1	March 31	10. July 1	October 31																				
11	<p>Enter NCT approved grazing days for the specific forage type being grazed under the permit in the county. This is a required entry.</p> <p>Example: Producer has a BLM permit that allows 200 cows to graze native grass from April 1, 2012, to July 1, 2012. NCT approved grazing days for native grass in the county is 305 days. Enter 305 days in item 11.</p>																						
12	<p>The acreage for each Federal permit is automatically calculated by the worksheet and entered in item 12. The worksheet will also enter the total Federal permit acreage in item 31. The total calculated Federal permit acreage from item 31 shall be entered in the NAP software according to subparagraph 1757 B on the Grazing "AUD" Loss Calculations Screen, in the Carrying Capacity Section, under "Planted Acres" and under "Federal acres with the name of the lessor", using a carrying capacity of "1" acre/AU.</p>																						

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***--NAP Grass for Grazing Worksheet (Continued)**

D Completing NAP Grass for Grazing Worksheet (Continued)

Part C – State Land Lease Section	
<p>The State Land Lease section is used for computing acres to be entered for State leased land that provides for the number of AU's or AUM's that can be grazed. Carrying capacity is expressed in animals allowed per section. The information required to compute acres for entering in the automated system is "acreage" and "carrying capacity". Each worksheet will accommodate up to 4 State land leases. If a livestock operation has more than 4 State land leases, additional worksheets shall be used to extend the number of State land leases to allow for additional acreage calculations for the State land leases in excess of 4. The acreage from each worksheet shall be totaled and entered using a carrying capacity of "1" acre/AU in the NAP Application for Payment software to compute the livestock operation's payment. All entries listed below are required entries.</p>	
<p>Note: See Exhibit 22 for examples and explanations of the calculations performed by the worksheet for the State Land Lease Section, Part C.</p>	
Item	Instructions
13	Enter State land lease number. This is a required entry.
14	Enter acreage from the State land lease, Exhibit A. This is a required entry.
15	Enter carrying capacity (Acres/Section) associated with the acreage from Exhibit A of the State land lease. This is a required entry.
16	<p>Adjusted acres based on carrying capacity per section will be displayed. The automated worksheet performs the adjusted acres calculation as follows:</p> <p style="text-align: center;">Item 14 ÷ (640 acres ÷ Item 15) = Adjusted Acres.</p> <p>Example: State land lease number 20 contains 340 acres with a carrying capacity per section of 10 AU's.</p> <p style="text-align: center;">340 acres ÷ (640 acres ÷ 10 AU's) = 5.3125 adjusted acres displayed in item 15.</p>
17	<p>Enter producer's share from the State land lease. This is a required entry.</p> <p>Note: Producer's share will be displayed in the NAP Application for Payment software, on the Grazing Loss Acreage Screen according to paragraph 1756, when the grazing crop is selected on the Crop Selection Screen.</p>

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***--NAP Grass for Grazing Worksheet (Continued)**

D Completing NAP Grass for Grazing Worksheet (Continued)

Item	Instructions
18	<p>Enter percent of loss established by COC for the county, based on independent assessments, where the State land is physically located. This is a required entry. The percent of loss established by COC shall be entered in the NAP Application for Payment software, on the Grazing “AUD” Loss Calculations Screen, under “COC Loss Factor”, according to paragraph 1757.</p> <p>Note: If more than 1 percentage of loss is applicable to the unit, then a separate worksheet for each percentage of loss shall be completed.</p> <p>Example: Jim Jones’ Unit 1 is physically located in Chaves County, New Mexico, and Eddy County, New Mexico. A separate percentage of loss, based on independent assessment, has been established by each of the respective COC’s. A separate worksheet shall be completed for each percentage of loss, 1 for the land physically located in Chaves County, and 1 for the land physically located in Eddy County.</p>
19	<p>The acreage for each State land lease is automatically calculated by the worksheet and displayed in item 19. The worksheet will also enter the total State land lease acreage in item 31. The total calculated State land lease acreage from item 31 shall be entered in the NAP Application for Payment software, on the Grazing “AUD” Loss Calculations Screen, in the Carrying Capacity Section, under “Planted Acres”, “State acres with the name of the lessor”, using a carrying capacity of “1” acre/AU according to subparagraph 1757 B.</p>
<p>Part D – Privately Owned/Leased Land Section</p> <p>The “Privately Owned/Leased Land” section is used for computing acres to be entered for privately owned/leased land for producer’s with public lands scattered throughout their private land holdings. This section allows land to be entered by farm number/tract number, producer share, and certified acreage. Acreage can be split to attribute the acreage to the applicable carrying capacity, and start and ending grazing dates, and allows for different grazing days for each State/county. Producer share and approved grazing loss percentage is also included in this section.</p> <p>STC’s have established carrying capacities for privately owned and leased land. Producer’s acreage for each specific carrying capacity must be entered in the following section to compute the acres to enter in the NAP Application for Payment web-based software. This section of the worksheet is broken into 4 sections that can be used to enter data from 4 farms, 4 tracts, or used to enter only 1 tract with several different carrying capacities. The worksheet will accommodate entering data for 4 farms, 4 tracts, or 1 tract with 4 different carrying capacities, or any combination of the 3. The acreage from each worksheet shall be totaled and entered in the NAP Application for Payment software using carrying capacity of each “1” acre/AU to compute the livestock operation’s payment. All of the following entries are required.</p> <p>Note: See Exhibit 22 for examples and explanations of the calculations performed by the worksheet for the Privately Owned/Leased Land Section, Part D.</p>	

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***--NAP Grass for Grazing Worksheet (Continued)**

D Completing NAP Grass for Grazing Worksheet (Continued)

Item	Instructions
20	Enter farm and/or tract number, whichever is applicable. This is a required entry.
21	Enter producer's ownership share or share from the lease in the private land. This is a required entry. Note: Producer's share will be displayed in the NAP Application for Payment software, on the Grazing Loss Acreage Screen according to paragraph 1756, when the grazing crop is selected on the Crop Selection Screen.
22	Enter certified acreage from CARS for privately owned/leased land only. This is a required entry. Note: The acreage entered should not include Federal or State land.
23	Enter acreage from the tract to be associated to each carrying capacity to be entered in item 25. This is a required entry.
24	Enter percent of loss established by COC for the county where the private land is physically located. This is a required entry. The percent of loss established by COC shall be entered in the NAP Application for Payment software, on the Grazing "AUD" Loss Calculations Screen, under "COC Loss Factor", according to paragraph 1757. Note: If more than 1 percentage of loss is applicable to the unit, then a separate worksheet for each percentage of loss shall be completed. Example: Jim Jones' Unit 1 is physically located in Chaves County, New Mexico, and Eddy County, New Mexico. A separate percentage of loss, based on independent assessment, has been established by each of the respective COC's. A separate worksheet shall be completed for each percentage of loss, 1 for the land physically located in Chaves County, and 1 for the land physically located in Eddy County.
25	Enter carrying capacity associated with the acreage entered in item 23. This is a required entry.

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***--NAP Grass for Grazing Worksheet (Continued)**

D Completing NAP Grass for Grazing Worksheet (Continued)

Item	Instructions
26	<p>Enter date grazing begins. This is a required entry.</p> <p>The coverage period for biennial and perennial forage crops for grazing begins the later of:</p> <ul style="list-style-type: none"> • 30 calendar days after the application closing date • date following the normal harvest date of the previous crop year • beginning date of the lease. <p>The coverage period for warm and cool season forage crops intended for grazing begins the later of:</p> <ul style="list-style-type: none"> • 30 calendar days after the application closing date • beginning date of the designated grazing period • beginning date of the lease.
27	<p>Enter date grazing ends. This is a required entry.</p> <p>The coverage period for biennial and perennial forage crops intended for grazing ends the earlier of:</p> <ul style="list-style-type: none"> • normal harvest date • date the lease ends. <p>The coverage period for warm and cool season forage crops intended for grazing ends the earlier of:</p> <ul style="list-style-type: none"> • end of the designated grazing period • date the lease ends.
28	<p>Grazing days will be displayed in item 28. The worksheet calculates the grazing days based on the start and ending grazing days entered in items 26 and 27.</p>
29	<p>Calculated AUD's will be displayed in item 29. The worksheet calculates AUD's.</p>
30	<p>Acreage for each privately owned/leased land is automatically calculated by the worksheet and displayed in item 30. The worksheet will enter the total privately owned/leased land acreage in item 31. The total calculated privately owned/leased acreage from item 31 shall be entered in the NAP Application for Payment software ,on the Grazing "AUD" Loss Calculations Screen, in the Carrying Capacity Section, under "Planted Acres" and "private/leased acres", with the name of the lessor using a carrying capacity of "1" acre/AU according to subparagraph 1757 B.</p>

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***--NAP Grass for Grazing Worksheet (Continued)**

D Completing NAP Grass for Grazing Worksheet (Continued)

Item	Instructions
31	Total Federal permit, State land lease, and privately owned/leased acreage from items 12, 19, and 30, respectively, will automatically be totaled and entered in item 31. This total shall also be entered in the NAP Application for Payment software, on the Grazing “AUD” Loss Calculations Screen, in the Carrying Capacity Section, under “planted acres”, according to subparagraph 1757 B.
32	Worksheet calculates the NAP payment amount based on the acres in item 30 using a carrying capacity “1” acre/AU.
33	Preparer of “NAP Grass for Grazing Worksheet” shall initial and date that the entries on the “NAP Grass for Grazing Worksheet” are correct and that the following have been entered correctly in the NAP Application for Payment software: <ul style="list-style-type: none"> • applicable acreages in items 12, 19, 30, and 31 • percent of loss established by COC for the county where the Federal land, State land, and/or private land are physically located.
34	Second party review shall be conducted. Second party conducting review shall initial and date after review is complete indicating that the entries on the “NAP Grass for Grazing Worksheet” are correct and that the following have been entered correctly by the preparer in the NAP Application for Payment software: <ul style="list-style-type: none"> • applicable acreages in items 12, 19, 30, and 31 • percent of loss established by COC for the county where the Federal land, State land, and/or private land are physically located.

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***--Examples and Explanations of NAP Grass for Grazing Worksheet Calculations**

A Overview

This exhibit provides examples and explains the calculations performed in each section of the NAP Grass for Grazing Worksheet (Exhibit 21, subparagraph B).

B Section A

Section A allows users to enter the producer’s name, crop year, and unit number. The crop year can be changed to allow selecting the appropriate year’s AUD payment rate (paragraph 773).

“Total Acres” from Sections B, C, and D are combined and displayed in item 31 for entry into the NAP automated software using a carrying capacity of “1” acre/AU. The item 31 entry shall be entered in the automated software according to subparagraph 1757 B under the “Planted Acres” field with a carrying capacity of “1” acre/AU.

The calculated payment is displayed in item 32, as follows.

1. Crop Year:	2012	3. Unit Number	31. Total Acres to Enter in NAP Software Using CC 1	32. Payment
2. Producer:	John Doe	1	63.95	\$2,964

C Section B, “Federal Grazing Permit Section”

Federal grazing permits or leases include FS, Tribal, BIA, and BLM lands which provide the number of AU’s or AUM’s the producer may graze. NAP pays for grazed forage losses on certified acreage; therefore, an adjustment must be made to allow for the NAP software to calculate the payment correctly. The calculations in the following examples show how the NAP Grass for Grazing Worksheet converts AU’s or AUM’s to acres to enter into the NAP automated software using a carrying capacity of “1” acre/AU.

Example 1: Producer has FS permit that allows 212 cattle to graze from April 1, 2012, to July 1, 2012. There is not a deduction for non-use and the percent of public land is 100%. The grazing period for native grass in the county is 305 days. The county grazing percent of loss approved by COC is 75%.

$$212 \text{ cattle} \times 92 \text{ grazing days} = 19,504 \text{ AUD's} \div 305 \text{ (NCT approved grazing days)} = 63.95 \text{ acres.}$$

Note: 63.95 acres will be automatically calculated and entered in items 12 and 31. The acres in item 31 **shall be entered in the NAP software according to subparagraph 1757 B** on the Grazing AUD Loss Calculations Screen in the “Planted Acres” field and in the “Federal” acres field with the name of the lessor using a carrying capacity of “1” acre/AU, for example BLM, FS, etc.--*

***--Examples and Explanations of NAP Grass for Grazing Worksheet Calculations (Continued)**

C Section B, “Federal Grazing Permit Section” (Continued)

Non-Use: Federal Agencies may reduce the dollar amount a producer pays for non-use of the permit or reduced AUM’s on the permit because of drought, etc. When non-use AUM’s are entered in item 8 and the Federal Grazing Rate per AUM is entered in item 9, the “Non-use” section of the Grass for Grazing Worksheet calculates the amount the producer did not pay the Federal Agency and converts it into AUD’s.

The non-use payment reduction is converted into AUD’s by the NAP Grass for Grazing Worksheet as follows:

Number of AUM’s of non-use (Federal Agency last quarter billing statement to producer) x Federal grazing rate per AUM (as provided in the permit) divided by .55 (established NAP payment level, subparagraph 1276 B) divided by \$1.1053 (2012 AUD price, subparagraph 773 E) equals AUD’s of non-use reduction. See subparagraph 773 E for the applicable crop year rate.

Example 2: Producer has FS permit that allows him to graze 212 cows from April 1, 2012, to July 1, 2012. COC-established percent of grazed forage loss for the county is 75 percent. The grazing period for native grass in the county is 305 days. The producer’s final bill shows 149 AUM’s of non-use. The Federal grazing rate is \$1.35 per AUM.

149 AUM’s non-use x \$1.35 (Federal grazing rate per AUM from FS bill) = \$201.15 (amount the producer was **not** required to pay).

To convert the \$201.15 payment reduction into AUD’s:

$\$201 \text{ (non-use payment reduction in dollars)} \div .55 \text{ (NAP established payment level, subparagraph 1276 B)} \div \$1.1053 \text{ (2012 AUD price)} = \mathbf{330.64 \text{ AUD's non-use reduction.}}$

212 cows (AU’s) x 92 grazing days = 19,504 AUD’s - 331 AUD’s of non-use reduction = 19,173 AUD’s for NAP payment \div 305 (NCT approved grazing days) = 62.86 acres to enter in NAP software using carrying capacity of “1” acre/AU.

Note: 62.86 acres will be automatically calculated and entered in items 12 and 31. Acres in item 31 **shall be entered in the NAP software according to subparagraph 1757 B** on the Grazing AUD Loss Calculations Screen in the “Planted Acres” field and in the “Federal” acres field with the name of the lessor using a carrying capacity of “1” acre/AU, for example BLM, FS, etc.--*

***--Examples and Explanations of NAP Grass for Grazing Worksheet Calculations (Continued)**

C Section B, “Federal Grazing Permit Section” (Continued)

Percent of Public Land: In some cases, but **not** all, Federal property will be scattered throughout the producer’s private land. When a producer owns or leases property within Federal property, it is called base property (private ranch). Because private land includes Federal property, the producer has to apply to the Federal Agency for using grazing privileges associated with that property. The Federal Agency only controls Federal land, not the private or State land associated with the lease or permit. The Federal Agency controls their land by assigning AU’s on the Federal Lease/Permit and multiplying that times the percent of public land.

The percent of public land is calculated by the NAP Grass for Grazing Worksheet as follows.

Example 3: Producer has BLM lease that contains private land. Producer is allowed to graze 212 cows from April 1, 2012, to July 1, 2012 (92 grazing days). The county’s normal grazing period for native pasture is 305 days. The percent of public land on the producer’s final bill or Grazing Schedule and Fees Statement is 86 percent. The COC established percent of grazed forage loss for county is 75 percent.

$212 \text{ cows} \times 92 \text{ grazing days} = 19,504 \text{ AUD's}$

$19,504 \text{ AUD's} \div 305 \text{ (NCT approved grazing days)} = 63.95 \text{ Acres}$

$63.95 \text{ Acres} \times 86\% \text{ PL (as stated on final bill)} = 54.99 \text{ acres to enter in the NAP software using a carrying capacity of "1" acre/AU.}$

Note: 54.99 acres will be automatically calculated and entered in items 12 and 31. Acres in item 31 **shall be entered in the NAP software according to subparagraph 1757 B** on the Grazing AUD Loss Calculations Screen in the “Planted Acres” field and in the “Federal” acres field with the name of the lessor using a carrying capacity of “1” acre/AU, for example BLM, FS, etc.--*

***--Examples and Explanations of NAP Grass for Grazing Worksheet Calculations (Continued)**

C Section B, “Federal Grazing Permit Section” (Continued)

Federal Permit:

- #1 displays entries from Example 1
- #2 displays entries from Example 2
- #3 displays entries from Example 3.

B. Federal Grazing Permits Section

	Federal Permit #1		Federal Permit #2		Federal Permit #3	
	4. Cows	212	4. Cows	212	4. Cows	212
	4. Bulls		4. Bulls		4. Bulls	
	4. Horses		4. Horses		4. Horses	
	4. Sheep		4. Sheep		4. Sheep	
	4. Goats		4. Goats		4. Goats	
	4. Yearlings		4. Yearlings		4. Yearlings	
	5. % Loss	75%	5. % Loss	75%	5. % Loss	75%
	6. % PL	100%	6. % PL	100%	6. % PL	86%
	7. Share	100%	7. Share	100%	7. Share	100%
	8. Non-use		8. Non-use	149	8. Non-use	
	9. Fed Gz Rate	1.35	9. Fed Gz Rate	1.35	9. Fed Gz Rate	1.35
	Grazing Days		Grazing Days		Grazing Days	
	From	To	From	To	From	To
10. Cows	4/1/2012	7/1/2012	4/1/2012	7/1/2012	4/1/2012	7/1/2012
10. Bulls						
10. Horses						
10. Sheep						
10. Goats						
10. Yearlings						
11. NCT Grazing Days						
	12. Acres to Enter:	63.95	12. Acres to Enter:	62.86	12. Acres to Enter:	54.99

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***--Examples and Explanations of NAP Grass for Grazing Worksheet Calculations (Continued)**

D Section C, “State Land Lease Section”

The State land lease carrying capacity is based on 640 acres (1 section) of year round grazing in the NAP Grass for Grazing Worksheet. The example below shows how the NAP Grass for Grazing Worksheet calculates State Land Lease acreage.

Example.

State Lease #	Acres in Lease	Carrying Capacity per Section
20	340.0	10 AU’s
16	640.0	8 AU’s

State Lease #20: 640 acres per section ÷ 10 AU’s per section = 64 acre/AU.
340 acres in lease ÷ 64 acre/AU = 5.313 acres to enter in NAP software using a carrying capacity of “1” acre/AU.

State Lease #16: 640 acres per section ÷ 8 AU’s per section = 80.0 acres/AU.
640 acres in lease ÷ 80.0 acre/AU = 8.0 acres to enter in NAP software using a carrying capacity of “1” acre/AU.

COC established percent of grazed forage loss for county is 75 percent.

Actual Carrying Capacity for State Land			Actual Carrying Capacity for State Land			Actual Carrying Capacity for State Land		
13. Lease No.	20 & 16		13. Lease No.			13. Lease No.		
14. Acres	15. AU/Sec.	16. Adjusted Acres	14. Acres	15. AU/Sec.	16. Adjusted Acres	14. Acres	15. AU/Sec.	16. Adjusted Acres
340	10	5.3125			0			0
640	8	8			0			0
		0			0			0
		13.3125	0		0	0		0
19. Acres to Enter		13	19. Acres to Enter		0	19. Acres to Enter		0
17. Share		100	17. Share		100	17. Share		1
18. % Loss		75%	18. % Loss		0%	18. % Loss		0%

Note: 13.00 acres will be automatically calculated and entered in items 19 and 31. Acres in item 31 shall be entered in the NAP software according to subparagraph 1757 B on the Grazing AUD Loss Calculations Screen in the “Planted Acres” field and in the “State” acres field with the name of the lessor using a carrying capacity of “1” acre/AU, for example, State Land Office, etc.--*

***--Examples and Explanations of NAP Grass for Grazing Worksheet Calculations (Continued)**

E Section D, “Privately Owned and Leased Land Section”

The example in this section shows how the NAP Grass for Grazing Worksheet calculates the acreage to enter in the automated software for a carrying capacity of “1” acre/AU for privately owned and/or leased land for producers with public lands scattered throughout their private land holdings.

Example: Producer has public lands scattered throughout her private land holdings. The producer reports 1500.0 acres of native pasture intended for grazing in CARS. The producer’s carrying capacities and grazing days for the native pasture are as follows:

- 500.0 acres native pasture, 64 acre/AU carrying capacity, 365 grazing days
- 500.0 acres native pasture, 64 acre/AU carrying capacity, 185 grazing days
- 250.0 acres native pasture, 90 acre/AU carrying capacity, 365 grazing days
- 250.0 acres native pasture, 58 acre/AU carrying capacity, 365 grazing days.

The calculations to determine the acres to enter into the automated system as a carrying capacity of “1” acre/AU are as follows:

- 500.0 acres ÷ 64 acre/AU = 7.8125 acres
- 500.0 acres ÷ 64 acre/AU = 7.8125 acres ÷ 365 NCT grazing days = 0.0214 AU’s per day x 185 days = 3.96 acres
- 250.0 acres ÷ 90 acre/AU = 2.778 acres
- 250.0 acres ÷ 58 acre/AU = 4.3103 acres.

The following worksheet displays the entries required to obtain the acres to enter in the NAP software for this example of a producer with public lands scattered throughout her private land holdings.

20. Farm Number	21. Pro-ducer Share	22. Certified Acreage	23. Acreage per Carrying Capacity	24. % of Loss	25. Carrying Capacity	26. Start Grazing Days	27. End Grazing Days	28. Grazing Days	29. AUD’s	30. Acres to Enter
1	100%	1500.0	500.0	75	64	1/1/2012	12/31/2012	366	285,938	7.83
			500.0		64	3/1/2012	9/1/2012	185	144,531	3.96
			250.0		90	1/1/2012	12/31/2012	366	101,667	2.79
			250.0		58	1/1/2012	12/31/2012	366	157,759	4.32
Total										18.9

Note: 18.9 acres will be automatically calculated and entered in items 30 and 31. Acres in item 31 **shall be entered in the NAP software according to subparagraph 1757 B** on the Grazing AUD Loss Calculations Screen in the “Planted Acres” field and in the “Private/Leased” acres field with the name of the lessor using a carrying capacity of “1” acre/AU, for example, Juan Valdez.--*