

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Supplemental Revenue Assistance Payments Program 1-SURE	Amendment 27
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Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 100 C has been amended to include paragraph references for the tolerance tool for 2010 and 2011

Subparagraph 201 F has been amended to correct references.

Subparagraph 312 B has been amended to correct the "PRICE" and "UOM" data fields.

Subparagraph 665 H has been amended to emphasize second-party review.

Page Control Chart		
TC	Text	Exhibit
	4-21, 4-22 7-5, 7-6 10-83, 10-84 19-91, 19-92	

100 Tolerance

A Differences Between RMA and FSA Acreage

SURE benefits for insured producers are based on RMA acres. SURE eligible RMA planted acres will be compared to SURE eligible FSA planted acres. If RMA and FSA planted acres differ, tolerance applies according to subparagraph B.

B Definition of Acreage Tolerance

If a farm has both FSA and RMA SURE eligible planted acres for an insured crop, payment acres for the SURE guarantee calculation will be based on RMA acres determined eligible according to Part 4. However, if the planted acres of an insured crop for which an RMA Guarantee Basis is provided differs by more than the larger of 5 percent or 10 acres not to exceed 50 acres, the participant will be notified of the discrepancy and that refunds of unearned payments may be required.

C Tolerance Determination

Tolerance will be determined **only** for insured crops for which an RMA Guarantee Basis is provided. **Tolerance will apply to the total acres for the physical location county, crop, type, and IU.** See paragraph 162 for a list of policies for which RMA will not provide an RMA Guaranteed Basis.

Note: See the Tolerance Tool instructions in paragraph:

- 522 for 2008
- 581 for 2009
- *--620 for 2010
- 670 for 2011.--*

Use the following table to calculate tolerance.

Step	Action
1	For RMA acreage, total the SURE eligible acreage from the "A" (Acreage) Records unless there are "L" (Loss) Records. If there are "L" (Loss) Records present, include the acres from the "L" (Loss) Records in the total instead of the acreage from the "A" (Acreage) Records.
2	For FSA acreage, total FSA-578 SURE eligible reported acreage unless there are determined acres present. If determined acres are present, include the determined acres in the total instead of the reported acres.
3	Compare the result of steps 1 and 2. Subtract whichever number is lower from the higher number to determine the difference. Note: Tolerance rules will apply to PRF only if acres determined in step 1 exceed acres determined in step 2.
4	Calculate the tolerance threshold for the crop as follows: <ul style="list-style-type: none"> • result of step 1 x 5 percent or 10 acres • not to exceed 50 acres.
5	If step 3 is: <ul style="list-style-type: none"> • equal to or less than step 4, then the acreage is within tolerance • greater than step 4, then the acreage exceeds tolerance.
6	See subparagraph E for handling tolerance determinations.

100 Tolerance (Continued)

D Tolerance Determination Example Table

The following calculation examples demonstrate using the Step/Action table in *-subparagraph C, for 4 crops in 1 physical location county.--*

Crop, Type, IU	Result of Step 1 (RMA Acres)	Result of Step 2 (FSA Acres)	Result of Step 3 (Difference Between RMA and FSA Acres)	Result of Step 4 (5 Percent of Total RMA Acres)	Allowable Acreage Difference	Within Tolerance ?
Corn YEL GR	307.0	300.0	7.0	15.4	15.4	Y
Soybeans COM GR	21.1	25.2	4.1	1.1	10.0	Y
Oats SPR GR	702.4	759.3	56.9	35.1	35.1	N
Wheat HRW GR	1,149.4	1,237.9	88.5	57.5 <u>1/</u>	50.0 <u>1/</u>	N

1/ RMA Acres x 5 Percent = 57.5 Acres and 50 acres is the maximum allowable acreage.

E County Office Action for Tolerance Determinations

--Use the instructions in this table whenever there is a difference between SURE eligible RMA and FSA acreage for a specific crop/type/IU, by physical location county.--

WHEN the difference between the RMA and FSA acreage...	THEN the County Office shall...
is within tolerance	process FSA-682 using RMA acres determined eligible according to Part 4 to calculate the SURE guarantee.
exceeds tolerance	<ul style="list-style-type: none"> calculate the SURE guarantee based on the lesser of RMA acres or FSA acres determined eligible according to Part 4 <p>Note: Follow paragraph 12 for determining misrepresentation, scheme, or device.</p> <ul style="list-style-type: none"> notify producer of discrepancy and request a refund of the unearned payment, if applicable <p>Note: Follow paragraph 715 to modify or delete a previously recorded SURE payment amount.</p>

201 Production (Continued)**E Considerations for RMA Production**

Skip-Row Crops - Skip-row corn and grain sorghum may use RMA production for 2008. For *--cotton, and 2009 and subsequent skip-row corn, see note in subparagraph D to determine--* when RMA production may **not** be used.

Winter Coverage Endorsements - Because of initial crop/subsequent crop rules, production may or may not count on the winter coverage endorsements. If winter wheat is planted in the fall and is lost during the winter, and the producer elects to receive an indemnity on this loss, this is considered as the initial crop by FSA. Production to count will be on this crop only; regardless what is planted after (subsequent crop) this failed winter crop. However, if the producer elects not to receive an indemnity and plants spring wheat with continued coverage under this endorsement, the spring wheat production will count as the initial crop.

Fruit Policies and Multiple Marketed Crops - For all multiple marketed crops, follow paragraph 307. Florida citrus and stone fruit policies that cover fresh apricots, fresh freestone peaches, fresh nectarines, processing apricots, processing cling peaches, and processing freestone peaches in California, Idaho, Oregon, Utah, and Washington are **not** considered multiple market crops. For these policies, production provided from RMA may have been converted from other uses on the "SY Yield" and "L" (Loss) Records. Therefore, these producers will be **required** to provide production records according to subparagraphs G through J. Follow subparagraph 204 A when final use differs from IU to determine total crop value for all nonmultiple market crops.

201 Production (Continued)**F Considerations for NAP Covered Production**

Multiple-Marketed Crops (even with IU of fresh) - The production will be used as reported on CCC-576 for fresh, processed, or juice and total crop value will be determined based on this production.

Secondary Use Production - Will be counted as production for SURE purposes. Any crop that is harvested for secondary use and reported as production on CCC-576 will be converted *--to IU, if possible, using 8-LP, subparagraph 336 C.--*

Salvage Value - Will **not** be counted as production. The dollar value will be added into the total farm revenue calculation. See subparagraph 263 F for determining salvage value.

If production has been assigned because of ineligible causes of loss and documented on CCC-576, column 40, this production shall be used.

NAP provisions require production to be assigned when crops are late-planted. This assigned production will **not** be included in the SURE production to count. Late-planted reductions *--will be based on guarantee adjustment factors according to subparagraph 163 B.--*

Production will be reported to the physical location State/physical location county level by crop/type/IU for SURE purposes. This will pose a problem in certain situations because of NAP unit structure. Basic units in NAP are setup with all land administered by a county for which a producer has 100 percent share, including owner-operator and cash-rented land. For crops included in NAP units that cover more than 1 county:

- determine the eligible acreage for each physical location county
- prorate production using procedure in subparagraph 203 F, to determine applicable production for each physical location county.

G Acceptable Production Records

The producer must submit verifiable or reliable production records to substantiate production to COC. If the eligible crop was sold or otherwise disposed of through commercial channels, acceptable production records include any of the following:

- commercial receipts
- settlement sheets
- ledger sheets or load summaries from warehouse, processor, or buyer
- appraisal information from LA acceptable to FSA.

311 Pecans (Continued)

D Calculating a SURE Guarantee for Pecans

The SURE * * * Workbook will calculate the SURE guarantee, revenue, and payment data with the elements entered as provided in subparagraph C.

Notes: To calculate the SURE guarantee for:

- waived-in pecans, follow subparagraph 162 C
- NAP-covered pecans, follow subparagraph 163 A.

E Production

See subparagraph 201 D for production requirements.

312 Hybrid Corn Seed

A Background

Hybrid corn seed is generally produced under a contract or agreement with a seed company and is insured by RMA under Plan Code 55, yield-based dollar amount of insurance. Only the production from the female plants is insurable. The producer will receive a receipt or settlement sheet showing the field corn equivalent or commercial corn equivalent bushels that the producer is eligible to sell instead of a cash amount for the production delivered.

B Data Elements for Hybrid Corn Seed

The following illustrates the data elements used for insured hybrid corn seed to compute the SURE guarantee. **The instructions in the following table deviate from the instructions for Plan Code 55 in subparagraph 162 C.** Specifically, County Offices are instructed to use the Stage Codes/Stage Code Factors and Multi-Crop Codes/Multi-Crop Factors contained in SIR when calculating the SURE guarantee rather than the adjustment factors used for NAP crops.

Element	Reference
Record Type	“A”.
CROP	“0062 Hybrid Corn Seed”.
TYPE	As provided. Example, “210 Standard Planting”.
PRAC	As provided. Example “997 No Practice Specified”.
PLAN	“55”.
SHR	As provided.
UNIT	As provided.
COVERAGE CAT/LVL	As provided.
PRICE ELC PCT	As provided.
ACRES	As provided.
ZERO ACRE	As provided.
PRICE	*--Load 100 percent of CORN/YEL/GR NAP price.--*
RMA Guarantee Basis	Not provided – Group C Plan Code.
UOM	*--Load BU (not "DOL") as in SIR.--*
YIELD	Load 100 percent of CEY for CORN/YEL/GR.
ADJ APH	Not applicable.
WTD ADJ YLD	Not applicable.
GUAR REDUC CDE	As provided.
GUAR REDUC FCTR	As provided.
PROD PREMIUM	As provided.
GRID ID	As provided.
OPTION CODE	As provided.
OPTION FCTR	As provided.
WRTN AGMT	As provided.
PLANT DATE	As provided.
LOC ST/CTY	As provided.
FSN	As provided.
AGR	As provided.
UPDATE DATE	As provided.

***--665 Completing SURE Workbook Farm Summary Worksheet (Continued)**

F SURE Information

The following data will be automatically calculated.

Item	Title and Rule
11	Program Farm Guarantee (total of item 1)
12	90 percent of Expected Revenue Cap (90 percent multiplied times the total of item 3)
13	SURE Guarantee (lesser of item 11 or item 12)
14	Total Farm Revenue (Total of item 4 plus total of item 5)
15	SURE Payment, Prior to PL (60 percent times (item 13 - item 14)). Zero if negative.

Payment Information		
Calculated	11. Program Farm Guarantee (Total of Item 1)	\$ 595,724
Payment	12. 90% of Expected Revenue Cap (90% times the total of Item 3)	\$ 692,558
Amount	13. SURE Guarantee (lesser of Item 11 or Item 12)	\$ 595,724
	14. Total Farm Revenue (Total of Item 4 + Total of Item 5)	\$ 231,726
	15. SURE Payment, Prior to PL (60% times (Item 13 - Item 14)). Zero if negative.	\$ 218,399

Note: Screen capture for example purposes **only**.

G Disclaimer Statement

The following disclaimer will print on the bottom of the Farm Summary Worksheet.

DISCLAIMER: The payment data reflected on this farm summary is the result of the SURE payment calculation process. Payment amounts are subject to payment eligibility and payment limitation requirements and may vary.

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665 Completing SURE Workbook Farm Summary Worksheet (Continued)

H FSA County Office Use Portion

The following data will be automatically calculated.

Item	Definition and Rule
SURE Payment Amount	Automatically calculated. This SURE payment amount will be entered into the payment software for SURE payment processing.
Data Loaded by	FSA employee that completed the SURE Workbook will enter their initials and date completed.
2nd Party Rev	FSA employee that completed the required second-party review of the SURE Workbook will enter their initials and date completed. *--Employees completing the second party review shall pay close attention to the producer share, acres, NAMP, and differences between FSA and RMA data to ensure that correct data has been entered.--*
Finalized by	<p>When all the following necessary summarization is done and FSA-682 is ready for payment, the FSA recording county employee that completed all of the following will complete the “Finalized by” field:</p> <ul style="list-style-type: none"> • confirmed with all counties that all the administrative county workbooks are complete, including the COC determinations, if applicable • ensured all COC determinations for all counties have been made and entered, if necessary • summarized all workbooks together, if applicable. <p>Notes: “Finalized by” will only be displayed on recording county’s SURE Workbook, regardless of whether the SURE Workbook is for a multi-county producer.</p> <p>For 2 person offices, the final review may be performed by either the person that loaded the data or the person that performed the 2nd party review.</p>

FSA County Office Use Only		
SURE Payment Amount	\$	218,399
	Initials	Date (mm/dd/yyyy)
Data Loaded by:	aaa	11/11/2012
2nd Party Rev:	bbb	11/12/2012
<i>Finalized by:</i>	ccc	11/13/2012

Note: Screen capture for example purposes **only**.