## Amendment Transmittal

### A Reasons for Amendment

Subparagraph 2 A has been amended to include updated regulatory language for CFAP 1 and CFAP 2.

Subparagraph 3 D has been amended to remove sending CFAP 2 contracts to AMS for review.

Subparagraphs 15 A, 35 A, 36 A and B, 51 D, and 52 A have been amended to include updated policy for contract producer eligibility and revenue reporting requirements.

Subparagraph 16 D has been added to include policy authorizing corporations, LLC’s, LP’s, trusts, and estates to seek an increase in the CFAP 2 payment limitation to either $500,000 or $750,000 because of the additional assistance announced in this amendment. County Offices will monitor payments to the legal entities and ensure that applicants reaching maximum payment limitation as result of the additional assistance are aware of the opportunity to seek an increase in payment limitation to either $500,000 or $750,000 by February 26, 2021.

Subparagraph 21 A has been amended to include turfgrass sod and additional assistance to eligible contract producers who produced broilers, pullets, layers, chicken eggs, turkeys, hogs, or pigs.

Subparagraphs 21 B, 50 C, 51 E, and 52 B have been amended to include an additional signup period for producers of pullets, turfgrass sod, and contract producers. The application period also allows for producers to amend their application to:

- include crop insurance indemnities, NAP, and WHIP+ payments received in crop year 2019 in their eligible sales
- notify FSA of their insurance status to potentially increase the payment yield of acre-based crops to 100 percent of the weighted 2019 ARC-CO benchmark yield.

Subparagraph 22 A has been amended to include updated policy on CFAP 2 payment calculations for sales commodities and additional policy for eligible contract producers.
Amendment Transmittal (Continued)

A  Reasons for Amendment (Continued)

Subparagraph 51 B has been amended to include policy for reviewing reasonableness of AD-3117’s for contract producers and sales commodities.

Subparagraph 52 C has been amended to clarify a new producer signature is not required if the only revision to AD-3117 is an addition of a COC Adjusted Weighted Insurance Approved Yield.

Paragraph 221 has been amended to:

- add pullets and turfgrass sod as eligible sales commodities

- clarify that the eligible sales commodity of pheasants includes chukars for “Other Livestock”.

Paragraph 222 has been amended to:

- include crop insurance indemnities, NAP, and WHIP+ payments in sales certification
- add a clarification note for eligible sales.

Part 8 has been amended to provide that for price trigger crops, 100 percent of the weighted 2019 ARC-CO benchmark yield will be used to calculate benefits when a producer does not have a weighted 2020 APH-approved yield for a crop, and the producer notifies FSA that the producer meets 1 of the appliable exceptions outlined in this amendment.

Part 9 has been added for policy on CFAP 2 assistance for contract producers.

Exhibit 2 has been amended to include new and updated definitions.

Exhibit 20 has been amended to revise the instructions for AD-3117 to include:

- updated instructions for Part F (Sales Commodities) to include crop insurance indemnities, NAP, and WHIP+ payments
- new instructions for Part H (Contract Producer Revenue).
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E Delegations of Authority and Approvals

The authority to approve routine CFAP 2 applications prepared according to this handbook may be redelegated, in writing according to 16-AO, by COC to CED, except forms and documents in which CED has a monetary interest.

Follow this table for delegated authority for approval of CFAP 2 applications.

<table>
<thead>
<tr>
<th>IF the producer is…</th>
<th>THEN the approval authority is…</th>
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<tbody>
<tr>
<td>a Federal or non-Federal, State or County Office employee</td>
<td>CED.</td>
</tr>
<tr>
<td>COC member</td>
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<tr>
<td>DD</td>
<td></td>
</tr>
<tr>
<td>SED</td>
<td></td>
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<tr>
<td>STC member</td>
<td></td>
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<tr>
<td>CED</td>
<td></td>
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<tr>
<td>any producer in a recording county</td>
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Notes: Questionable cases may be referred to the next higher authority for determination.

Any employee serving as Acting CED is viewed as CED.

F CFAP 2 Websites

The following websites provide information used to administer CFAP 2.

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<td>CFAP 2 Payment Rates</td>
<td><a href="https://www.farmers.gov/CFAP">https://www.farmers.gov/CFAP</a> 2</td>
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<tr>
<td>FFAS Employee Forms/Publications Online Website</td>
<td><a href="http://intranet.fsa.usda.gov/dam/ffasforms/forms.html">http://intranet.fsa.usda.gov/dam/ffasforms/forms.html</a></td>
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<td>Notices</td>
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<td>FSA Box</td>
<td><a href="https://nrcs.account.box.com/login">https://nrcs.account.box.com/login</a></td>
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<tr>
<td>CFAP 2 Training Materials and Payment Calculator</td>
<td><a href="https://inside.fsa.usda.gov/program-areas/dafp/dap/CFAP">https://inside.fsa.usda.gov/program-areas/dafp/dap/CFAP</a> 2/index</td>
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A  Applicability and Administration [7 CFR 9.1]

(a) This part specifies the eligibility requirements and payment calculations for the *Coronavirus Food Assistance Program (CFAP). CFAP will provide payments with respect to commodities that have been significantly impacted by the effects of the COVID-19 outbreak. CFAP is being implemented through two rounds of payments, with the first round (CFAP 1) determined as specified in subpart B of this part, and the second round (CFAP 2) determined as specified in subpart C of this part. To be eligible for CFAP payments, participants must comply with all provisions under this subpart and the relevant particular subpart for CFAP 1 or CFAP 2. Payments will be made with respect to only commodities produced in the United States; commodities other than livestock that are imported into the United States may not be used to determine any payment made under this part. For livestock, “produced in the United States” means physically located in the United States: (1) For assistance under subpart B, (i) on January 15, 2020, and remaining in the United States until sold between January 15, 2020, and April 15, 2020; or (ii) On the applicable dates selected for livestock in inventory between April 16, 2020, and May 14, 2020; and (2) For assistance under subpart C, on the applicable date selected for livestock in inventory between April 16, 2020, and August 31, 2020.--*

(b) The program is administered under the general supervision and direction of the Administrator, Farm Service Agency (FSA) with the assistance of the Agricultural Marketing Service (AMS).

(c) The FSA State committee will take any action required by this part that an FSA county committee has not taken. The FSA State committee will also:

(1) Correct, or require an FSA county committee to correct, any action taken by such county FSA committee that is not in accordance with the regulations of this part; or

(2) Require an FSA county committee to withhold taking any action that is not in accordance with this part.

(d) No provision or delegation to an FSA State or county committee will preclude the FSA Administrator, the Deputy Administrator, or a designee or other such person, from determining any question arising under the programs of this part, or from reversing or modifying any determination made by an FSA State or county committee.
2 Administrative Provisions (Continued)

B Forms

Any document that collects data from a participant, regardless of whether the participants signature is required:

- is subject to the Privacy Act and information collection procedures
- requires approval or clearance by the following applicable office:
  - DAFP
  - FPAC
  - OMB.

Forms, worksheets, applications, and other documents other than those provided in this handbook or issued by the National Office are not authorized for CFAP 2 and must not be used.

3 Responsibilities

A STC Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, STC’s must:

- direct the administration of CFAP 2
- ensure that State and County Offices follow CFAP 2 provisions
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP
- require reviews be conducted by DD to ensure that County Offices comply with CFAP 2 provisions according to paragraph 5

Note: STC may establish additional reviews to ensure that CFAP 2 is administered according to these provisions.

- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments
- STC may approve or disapprove any CFAP 2 application except those in which an STC member has a monetary interest
- comply with all CFAP 2 provisions.
3 Responsibilities (Continued)

B SED Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, SED’s will:

- ensure that County Offices follow CFAP 2 provisions
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP
- ensure that DD’s or other designated employees conduct reviews according to paragraph 5

Note: SED may establish additional reviews to ensure that CFAP 2 is administered according to these provisions.

- ensure that all County Offices publicize CFAP 2 provisions
- immediately notify the National Office CFAP 2 Program Manager of software problems, incomplete or incorrect procedures, specific problems, or findings
- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments
- STC may approve or disapprove any CFAP 2 application except forms or documents in which an STC member has a monetary interest
- comply with all CFAP 2 provisions.
Responsibilities (Continued)

C DD Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, DD’s will:

- ensure that COC’s and County Offices follow CFAP 2 provisions

- ensure that the CED’s review of the first five CFAP 2 applications from each county are sufficiently thorough to confirm:
  - signatures are included
  - values on AD-3117 are correct in the software based on producer’s certification
  - eligibility requirements are understood
  - payments are proper

- on the basis of the review documentation received, provide CED authority to enter COC (or delegated) actions in the software upon completing the first five CFAP 2 applications for any commodity (reviewed by CED) from each county

  **Note:** If the initial documentation received contains evidence of misunderstood policy, provide clarification of that policy to the county employees until authorization to make payments is warranted.

- conduct reviews as determined by SED according to paragraph 5

  **Note:** SED may establish additional reviews to ensure that CFAP 2 is administered according to these provisions.

- ensure that all County Offices publicize CFAP 2 provisions

- immediately notify the National Office CFAP 2 Program Manager through their State FSA Office specialist responsible for CFAP 2 of software problems, incomplete or incorrect procedures, specific problems, or findings

- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments.
responsibilities (Continued)

d coc responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 9, COC’s will:

• fully comply with all CFAP 2 provisions

• ensure that CED directs the County Office to follow all CFAP 2 provisions

• review, approve, and disapprove CFAP 2 applications, and document in the COC minutes

Note: COC may redelegate authority to CED to review and approve routine CFAP 2 applications. Redelegation of authority must be documented in the COC minutes. All adverse actions must go to COC for review.

***

• handle appeals according to 1-APP

• thoroughly document all actions taken in the COC minutes

• ensure that the County Office publicizes CFAP 2 provisions

• take any oversight actions necessary to ensure that IPIA provisions are met to prevent the County Office from issuing any improper payments.

• ensure that FSA assists persons by providing program information as it becomes available, using a variety of different methods.

Notes: Because of the limits of FSA resources, publication of program information may or may not be by direct mail or on an individual basis. FSA meets its publication responsibilities by making broad program announcements in press releases, print and electronic media, Federal Register documents, radio and television announcements, and through posting program information in USDA Service Centers.
15 Producer Eligibility

A Producer

[7 CFR Part 9 Subpart C §9.201] A producer is a person or legal entity who shares in the risk of producing a commodity. *** A person or legal entity who is not in the business of farming at the time of application is not considered a producer.

***

*--A contract producer is a producer who grows or produces an eligible commodity under contract on behalf of another person or entity. The contract producer does not have ownership in the commodity and is not entitled to a share from sales proceeds of the commodity.

[7 CFR Part 9 Subpart C §9.202] Producers, excluding contract producers, are eligible for payment for eligible price-triggered crops, flat rate crops, price-triggered livestock, eggs, broilers, dairy, and sales commodities if they meet all other requirements for eligibility.

Contract producers are eligible for payment if they:

• produced broilers, pullets, layers, chicken eggs, turkeys, hogs, or pigs under a contract in both the 2019 and 2020 calendar years and received revenue under such a contract during the period from January 1, 2020, through December 27, 2020

• had a loss in eligible revenue for the period from January 1, 2020, to December 17, 2020, as compared to the period from January 1, 2019, through December 27, 2019

• meet all other requirements for eligibility.

Contract producers must provide a copy of their contract and documentation to support the information provided on their application if requested by FSA.--*
Producer Eligibility (Continued)

A Producer (Continued)

[7 CFR Part 9 Subpart A §9.3] To be eligible for a CFAP 2 payment, a person or legal entity must be 1 of following:

- citizen of the United States
- resident alien (possessing a Resident Alien Card (I-551))
- partnership of citizens of the United States
- corporation, LLC, or other organizational structure organized under State law
- Indian Tribe or Tribal organization, as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)
- foreign person or foreign entity who meets Foreign Person Rules as described in 5-PL.

B Ineligible Producer

The following persons or legal entities are ineligible for CFAP 2 payments:

- Federal, State, and local governments, including public schools as defined in 5-PL
- persons or legal entities who did not have a reported ownership interest in any of the eligible commodities, excluding contract producers
- persons and legal entities that have been suspended or debarred or otherwise excluded from participating in Federal programs (1-CM, paragraph 823)
- persons and legal entities that do not meet payment limitation, payment eligibility, AGI and HELC/WC requirements for CFAP 2.
Payment Limitation Increases Because of Authorization of Additional Program Benefits

Corporations, LLC’s, LP’s, trusts, and estates qualifying for additional assistance because of rule changes may seek an increase in the legal entity’s payment limitation to either $500,000 or $750,000 according to this paragraph.

For producers who previously filed an application for assistance, an authorized representative of the legal entity may revise the previously filed CFAP application to provide names of 2 or 3 persons who are members of the legal entity that provided 400 or more hours of active personal labor, active personal management, or a combination thereof. The authorized representative must sign the revised application and COC must review and approve or disapprove the revised application as applicable.

For producers who now qualify for assistance for the first time, the producer will file a new application and provide names of 2 or 3 persons who are members of the legal entity that provided the requisite labor/management contributions.

The deadline for applicants to request an optional increase in limitation on a new or revised application is February 26, 2021.--*

E Attribution of Payments

[7 CFR Part 9 Subpart A §9.7] CFAP 2 payments to persons and legal entities that do not qualify for the increased payment limitation will be pay limited according to the rules for attribution in 7 CFR 1400.105.

CFAP 2 payments made directly or indirectly to a person or legal entity will be combined and limited to the per person or legal entity.

CFAP 2 payments to corporations, LLC’s, LP’s, trusts, and estates qualified for the increased payment limitation will be limited to the lesser of the increased limitation or the sum of the amount that each eligible member, stockholder, partner, heir, or beneficiary of the legal entity may receive, regardless of ownership share.

Example 1: ABC Corporation pay limit is increased to $500,000 based on 2 members contributing labor or management. Member 1 (90 percent ownership share) maximum payment limitation is $250,000. Member 2 (10 percent ownership share) maximum payment limitation is $250,000. In this example, each eligible member may receive (directly or indirectly) up to $250,000. The sum of payments the eligible members may receive is $500,000 ($250,000 + $250,000), regardless of ownership share. Total payment to ABC Corporation would be $500,000.

Note: Payments will be reduced to ABC Corporation if any member receives prior payments through another farming operation or is otherwise ineligible for CFAP benefits (i.e. AGI non-compliant).
E Attribution of Payments (Continued)

CFAP 2 payments to a legal entity wholly owned by an embedded legal entity will be limited to the lesser of the increased limitation or the sum of the amount that each eligible member, stockholder, partner, heir or beneficiary of the first level embedded legal entity may receive, regardless of ownership share.

Example 2: Corporation A pay limit is increased to $500,000 based on 2 individual persons contributing labor or management. The first-level shareholder of Corporation A is wholly owned by YZ LLC. Shareholders of YZ LLC are Joe (90% ownership share) and Jon (10% ownership share). Joe and Jon are each pay limited at $250,000. The pay limit is increased for Corporation A and YZ LLC to the sum of payments that both Joe and Jon may receive, which is $500,000 ($250,000 + $250,000), regardless of ownership share.

CFAP 2 payments to a legal entity will be tracked through 4 levels of ownership and will be reduced for members, partners, stockholders, heirs, or beneficiaries holding an ownership interest below the 4th level.

Rules for “common attribution” (such as minor children) do not apply to CFAP 2 payments.

F Changes in Farming Operations to Add Persons (Including Spouses)

Applicants seeking to add persons (including spouses) to a farming operation for CFAP 2; resulting in an increase in the number of persons to which payment limitation applies; must be legitimate, documented, and effective for the year that CFAP 2 benefits are being sought. For example, if the farming operation is requesting CFAP 2 benefits for 2019 crop corn, the addition of a person must be effective for the 2019 program year and all contracts, applications and eligibility forms must be corrected to reflect the change.

For legal entities, including general partnerships, the farming operation must provide the organizational documents to COC and the documents must evidence the person was legally added as a member, partner or stockholder to the legal entity.

For informal joint ventures, the new member must provide acceptable documentation to COC’s satisfaction and prove the member made “at-risk” contributions, commensurate with their claimed share of the farming operation. Documentation may include, but is not limited to signed loan notes and security agreements, proof of payment for capital, land, or equipment contributions, etc.

For farming operations seeking to qualify for the optional increase in payment limitation, COC must consider whether the new person being added to the farming operation made a contribution of 400+ hours of active personal labor or active personal management.
F  Changes in Farming Operations to Add Persons (Including Spouses) (Continued)

Example 1:  An applicant is seeking CFAP 2 benefits for 2019 corn, requesting consideration to add a person (stockholder) to the corporate business structure and requesting the option increase in payment limitation applicable to corporations. The addition of the stockholder must be documented to have occurred before June 1, 2019 (following FSA’s rules for attribution in 7 CFR Part 1400). Additionally, COC must consider whether the added stockholder made a 400+ hour contribution of labor or management for the increased payment limitation. In this situation, the farming operation must also correct its representations on all 2019 contracts, applications, acreage reports and eligibility document to reflect the change in the farming operation.

Example 2:  An applicant is seeking CFAP 2 benefits for 2020 dairy and requesting consideration to recognize the farming operation as a husband and wife joint venture. COC must consider the couple’s marital status for the time period CFAP 2 benefits are requested and whether the spouse made at-risk contributions to the farming operation commensurate with the claimed share of the farming operation for the year which CFAP 2 benefits are being sought. If the farming operation participated in DMC and received program benefits, the DMC contract must also be revised to recognize the addition of the spouse to the farming operation.

The addition of a person to a farming operation must be documented on CCC-902 and will apply to all programs in which the farming operation participates.

17  AGI

A  AGI Requirements

[7 CFR Part 9 Subpart A §9.7] Rules for AGI, as found in 5-PL, apply to CFAP 2 payments.

To be eligible for payment, a person or legal entity (including members, stockholders or partners of the legal entity) must have an average AGI for program year 2020 that does not exceed the $900,000 limitation, unless, at least 75 percent of the person’s or legal entity’s average AGI is derived from farming, ranching or forestry operations. See 5-PL for defining income from farming, ranching, or forestry operations.

The 3 base years used to compute the average AGI and Farm AGI are 2016, 2017, and 2018.

CCC-941 must be completed by all CFAP 2 applicants.

Applicants exceeding the $900,000 limitation may complete CCC-942 and obtain a certification from a licensed CPA or attorney verifying that 75 percent of AGI is derived from farming, ranching or forestry operations.
18 Other Eligibility Provisions

A HELC/WC Compliance

Certification of conservation compliance (HELC/WC compliance), AD-1026, and provisions of 6-CP statutorily apply to CFAP 2. The producer applying for CFAP 2 agrees to conservation compliance provisions on AD-3117, Part A, items 8, 8A, 8B, and 9.

CFAP 2 applicants that have AD-1026 continuous certification with box 5B, agreeing to AD-3117, Part A, item 8A, do not have to file new AD-1026. CFAP 2 applicants filing AD-1026 for the first time can certify AD-1026 with box 5B if they meet those provisions. These producers do not have to establish farm records for which their certification of compliance applies (6-CP, subparagraph 641 D). A producer’s certification of box 5B for CFAP 2 is a certification that the producer:

- does not participate in any USDA benefits subject to HELC and WC compliance except Federal Crop Insurance or CFAP 2

- only has interest in land devoted to agriculture that is exclusively used for perennial crops (excluding sugar cane), such as tree fruits, tree nuts, grapes, olives, native pasture, and perennial forage

Note: If the applicant produces alfalfa, the applicant must contact NRCS to determine whether this production qualifies as the production of a perennial crop.

- has not converted a wetland after December 23, 1985.

Note: The December 23, 1985, AD-3117 wetland conversion certification date is used as low risk assessment of conservation compliance violation to forego farm records establishment for producers that have perennial crops only. A wetland converted December 24, 1985, through November 28, 1990 (determination of CW) is not a conservation compliance violation (those acreages may incur a wetland planting violation but not a conversion violation).
### Eligible Commodities and Signup Period

#### A Eligible Commodities

CFAP 2 provides financial assistance to eligible producers with an ownership interest in the following eligible commodities that have been determined to have been impacted by the effects of the COVID-19 outbreak.

<table>
<thead>
<tr>
<th>Commodity Category</th>
<th>Eligible Commodity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy (See Part 4)</td>
<td>• Dairy (milk)</td>
</tr>
</tbody>
</table>
| Eggs and Broilers (See Part 5) | • Broilers  
|                     | • Shell Eggs  
|                     | • Dried Eggs  
|                     | • Liquid Eggs  
|                     | • Frozen Eggs |
| Livestock (See Part 6) | • Beef Cattle  
|                      | • Hogs and Pigs  
|                      | • Sheep and Lambs |
| Sales Commodities (See Part 7) | • Aquaculture grown in a controlled environment  
|                                 | • Nursery crops and floriculture  
|                                 | • Other livestock (excluding breeding stock) not included under the price trigger category that were grown for food, fiber, fur, or feathers  
|                                 | • Other crops not included in the price trigger and flat-rate categories, including tobacco  
|                                 | • Goat milk  
|                                 | • Mink (including pelts)  
|                                 | • Mohair  
|                                 | • Wool  
|                                 | • Turfgrass sod--*  
|                                 | • Other commodities as determined by the Secretary. |
| Acreage Based Crops (See Part 8) |                     |
| Price Trigger Crops | • Barley  
|                     | • Corn  
|                     | • Sorghum  
|                     | • Sorghum, Dual Purpose  
|                     | • Soybeans  
|                     | • Sunflowers  
| Flat-Rate Crops | • Alfalfa  
|                     | • Amaranth grain  
|                     | • Buckwheat  
|                     | • Canola  
|                     | • Cotton, ELS  
|                     | • Crambe (Colewort)  
|                     | • Einkorn  
|                     | • Emmer  
|                     | • Flax  
|                     | • Guar  
|                     | • Hemp  
|                     | • Indigo  
|                     | • Industrial Rice  
|                     | • Kenaf  
|                     | • Khorasan  
|                     | • Millet  
|                     | • Mustard  
|                     | • Oats  
|                     | • Peanuts  
|                     | • Quinoa  
|                     | • Rapeseed  
|                     | • Rice  
|                     | • Rice, Sweet  
|                     | • Rice, Wild  
|                     | • Rye  
|                     | • Safflower  
|                     | • Sesame  
|                     | • Speltz  
|                     | • Sugar Beets  
|                     | • Sugarcane  
|                     | • Teff  
|                     | • Triticale |
Eligible Commodities and Signup Period (Continued)

A Eligible Commodities (Continued)

*--CFAP 2 provides financial assistance to eligible contract producers who produced broilers, pullets, layers, chicken eggs, turkeys, hogs, or pigs under a contract in both the 2019 and 2020 calendar years, received revenue under such a contract during the period from January 1, 2020, through December 27, 2020, and had a loss in eligible revenue for the period from January 1, 2020, through December 27, 2020, as compared to the period from January 1, 2019, through December 27, 2019. See Part 9.--*

B CFAP 2 Signup Period

An eligible producer who had an ownership share interest and risk of production loss in 1 or more of the eligible CFAP 2 commodities can file a CFAP 2 application by submitting a completed AD-3117 to any USDA Service Center from September 21, 2020, through *--December 11, 2020, for all eligible commodities other than pullets and turfgrass sod and contract producers. CFAP 2 applications for pullets, turfgrass sod, and contract producers must be submitted to any USDA Service Center by February 26, 2021. The recording county will be responsible for acting on AD-3117.

Note: The payment calculation for sales-based commodities has been amended to include the amount of crop insurance indemnities, NAP, and WHIP+ payments for crop year 2019, in addition to the amount of the producer’s 2019 eligible sales. Producers of eligible sales-based commodities who received crop insurance indemnities, NAP, or WHIP+ payments for crop year 2019 may amend their CFAP 2 applications through February 26, 2021, to include those amounts.

AD-3117’s submitted or postmarked after December 11, 2020, for all eligible commodities other than pullets, turfgrass sod, and contract producers or after February 26, 2021, for pullets, turfgrass sod, contract producers, and amended applications to include the amount of crop insurance indemnities, NAP, and WHIP+ payments for sales-based commodities will--* be disapproved. See subparagraph 51 E.
22 CFAP 2 Payments and Payment Rates

A CFAP 2 Payments

The CFAP 2 payment is:

- available to eligible producers who had or still have an ownership interest in 1 or more of the eligible commodities and eligible contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs, or pigs;

- not subject to sequestration

- not subject to offset.

Generally, the payment will be issued as a single payment for each producer nationwide; however, subsequent payments may be issued as more data is received from each producer. See paragraph 52 on revising AD-3117’s.

Payments will be determined according to the following table.

<table>
<thead>
<tr>
<th><strong>Category</strong></th>
<th>Part 1 (CARES Act Funds)</th>
<th>Part 2 (CCC Funds)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy (See Part 4)</td>
<td>Part 1 (CARES Act Funds)</td>
<td>For each eligible producer, a payment rate per pound of milk production including dumped milk for the months of April through August 2020, and estimated production from September through December 2020.</td>
</tr>
<tr>
<td>Broiler and Eggs (See Part 5)</td>
<td>Part 1 (CARES Act Funds)</td>
<td>For each eligible producer, a payment rate per head for broilers, per dozen for shell eggs, and per pound for dried, liquid, and frozen egg 2019 total production.</td>
</tr>
</tbody>
</table>
A CFAP 2 Payments (Continued)

<table>
<thead>
<tr>
<th><strong>Category</strong></th>
<th>Part 1 (CARES Act Funds)</th>
<th>Part 2 (CCC Funds)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Livestock (See Part 6)</td>
<td>Payments will be based on the highest owned inventory of eligible livestock, excluding breeding stock, on a date selected by the eligible producer from April 16, 2020, through August 31, 2020.</td>
<td></td>
</tr>
<tr>
<td>Sales Commodities (See Part 7)</td>
<td>FOR TOBACCO ONLY - Payment calculations will use a sales-based approach based on 5 payment gradations associated with the producer’s 2019 sales of the commodity multiplied by the payment rate for that range.</td>
<td>Payment calculations for the sales commodities will use a sales-based approach based on 5 payment gradations associated with the producer’s 2019 sales, <em>-including crop insurance indemnities, NAP, and WHIP+ payments for crop year 2019.--</em> of the commodity multiplied by the payment rate for that range.</td>
</tr>
<tr>
<td>Acreage Based Crops (See Part 8)</td>
<td>For each eligible producer, payments will be based on the number of 2020 acres of either price-trigger or flat-rate crops.</td>
<td></td>
</tr>
<tr>
<td>*--Contract Producers (See Part 9)</td>
<td>For eligible contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs, or pigs, if eligible revenue received beginning January 1, 2020, and ending on December 27, 2020, decreased compared to eligible revenue for the period from January 1, 2019, through December 27, 2019, then payments will be equal to:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• eligible revenue received from January 1, 2019, through December 27, 2019, minus eligible revenue received from January 1, 2020, through December 27, 2020, multiplied by 80 percent.--*</td>
<td></td>
</tr>
</tbody>
</table>
Section 2  Eligibility Requirements

35  CFAP 2 Eligibility

*--A General Eligibility for CFAP 2 Commodities and Contract Producers

Specific commodity and contract producer eligibility policy can be found in:--*

- Part 4 for Dairy (Milk)
- Part 5 for Eggs and Broilers
- Part 6 for Livestock
- Part 7 for Sales Commodities
- Part 8 for Acreage-Based Crops

*--Part 9 for Contract Producers (broilers, pullets, layers, chicken eggs, turkeys, hogs, or pigs).

36  Production, Sales, Revenue, Inventory, and/or Acreage Reporting for CFAP 2 Eligible Commodities

A  Reporting Requirements

The requirement to provide production, sales, revenue, inventory, and/or acreage certification on AD-3117 is based on each eligible producer’s nationwide ownership interest in the commodity, regardless of where the commodity was grown or is stored or eligible contract producer’s nationwide interest in designated commodities under contract.--*

Note: Ownership interest does not mean interest as a landowner. In this context, ownership interest means as owners of the commodity with both control of and title to the commodity.

B  Documentation

Producers must maintain documentation, as discussed in subparagraph 51 B, to support all *--certifications of production, sales, revenue, inventory, and/or acreage.--*
A Payment Eligibility

To be considered eligible for CFAP 2 payment, in addition to submitting a completed AD-3117, persons or legal entities must have filed the following forms for the 2020 production year:

- AD-1026 according to 6-CP (see subparagraph 18 A for AD-1026)
- applicable CCC-902 according to 5-PL
- CCC-941 or CCC-942 for AGI certification according to 5-PL.

Note: 2016, 2017, and 2018 tax years are used to calculate AGI for 2020 CFAP 2. All required eligibility forms must be filed before an CFAP 2 payment can be issued.
C Signature Requirements

A complete AD-3117, including the applicant’s signature must be received no later than:

• --December 11, 2020, for applications of all eligible commodities other than pullets, turfgrass sod, and contract producers

• February 26, 2021, for applications for pullets, turfgrass sod, contract producers, and amended applications to include the amount of crop insurance indemnities, NAP, and WHIP+ payments for crop year 2019 for the sales-based commodities.--*

See 1-CM for signature requirements.

D Recording Receipt of AD-3117’s and Accessing CFAP 2 Application

Offices must make every effort to process the AD-3117 in the system and then have the producer sign the application. If the CFAP 2 system is not available, a manual AD-3117 must be completed.

Note: COC’s are not to approve any AD-3117 until after AD-3117 has been loaded into the CFAP 2 system.

If a producer submits a signed manual AD-3117 to the County Office, enter the application in the system. County Office will date stamp AD-3117 upon receipt of AD-3117 signed in Part I by the producer.

If a producer submits an application to a County Office that is not the producer’s recording County Office, the receiving County Office will date stamp the signed application and send a copy by e-mail or FAX to the recording County Office.

See Exhibit 20 for instructions on completing AD-3117.
Reviewing and Acting on AD-3117’s

A Redelegation of Authority for AD-3117’s

COC may redelegate authority to CED to approve routine AD-3117’s; however, CED cannot further redelegate authority to PT.

All adverse actions must go to COC for review.

Important: Approved AD-3117’s are subject to prompt pay interest; therefore, every effort must be made to complete the payment process as soon as possible for approved AD-3117’s.

B Reviewing AD-3117’s for Reasonableness

*--Production, sales, revenue, inventories, and/or acreage, as applicable, will be a--* self-certification by the producer and is subject to spot check. COC’s may request additional documentation from a CFAP 2 applicant to support a producer’s certification of eligible commodities. The following table provides a list of examples of supporting documentation.

Note: If a producer fails to submit additional documentation in response to a request to substantiate production, sales, and/or inventories, as applicable, of any eligible commodity on the application, COC will make the applicable COC adjustments on the application for the commodities and/or disapprove the application, as applicable.

<table>
<thead>
<tr>
<th>Commodity/ Category</th>
<th>Source of Supporting Documentation--*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>• milk marketing statements for the months of April, May, June, July, and August 2020</td>
</tr>
<tr>
<td></td>
<td>• records documenting milk that was dumped during April, May, June, July, and August 2020</td>
</tr>
<tr>
<td></td>
<td>• other records determined acceptable by COC.</td>
</tr>
<tr>
<td>Eggs and Broilers</td>
<td>• egg and broilers marketing statements for 2019</td>
</tr>
<tr>
<td></td>
<td>• contracts</td>
</tr>
<tr>
<td></td>
<td>• sales receipts</td>
</tr>
<tr>
<td></td>
<td>• other records determined acceptable by COC.</td>
</tr>
</tbody>
</table>

Note: If the applicant was a new producer after December 31, 2019, provide 2020 documentation.
### B Reviewing AD-3117’s for Reasonableness (Continued)

<table>
<thead>
<tr>
<th>Commodity/Category</th>
<th>Source of Supporting Documentation--*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Commodities</td>
<td>• schedule F</td>
</tr>
<tr>
<td></td>
<td>• sales receipts</td>
</tr>
<tr>
<td></td>
<td>• other sales documents indicating when a commodity was sold</td>
</tr>
<tr>
<td></td>
<td>• ledgers of income</td>
</tr>
<tr>
<td></td>
<td>• income statements of deposit slips</td>
</tr>
<tr>
<td></td>
<td>• register tapes</td>
</tr>
<tr>
<td></td>
<td>• invoices for custom harvesting</td>
</tr>
<tr>
<td></td>
<td>• records to verify production costs</td>
</tr>
<tr>
<td></td>
<td>• contemporaneous measurements</td>
</tr>
<tr>
<td></td>
<td>• truck scale tickets</td>
</tr>
<tr>
<td></td>
<td>• contemporaneous diaries – determined acceptable by COC</td>
</tr>
<tr>
<td></td>
<td>•<em>--crop insurance, NAP, and WHIP+ records--</em></td>
</tr>
<tr>
<td></td>
<td>• other records determined acceptable by COC.</td>
</tr>
</tbody>
</table>

**Note:** If the applicant was a new producer after December 31, 2019, provide 2020 documentation.

<table>
<thead>
<tr>
<th>Livestock</th>
<th>Documentation that verifies the number of head claimed as owned inventory, which includes but is not limited to:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• breeding records</td>
</tr>
<tr>
<td></td>
<td>• feeding records</td>
</tr>
<tr>
<td></td>
<td>• inventory records</td>
</tr>
<tr>
<td></td>
<td>• rendering receipts</td>
</tr>
<tr>
<td></td>
<td>• sales receipts</td>
</tr>
<tr>
<td></td>
<td>• veterinary records</td>
</tr>
<tr>
<td></td>
<td>• other records determined acceptable by COC.</td>
</tr>
</tbody>
</table>

**Note:** 1099-MISC forms document calendar year income. For CFAP 2, 2019 and 2020 revenue must be certified by the contract producer for a period beginning January 1 and ending on December 27 of each respective year. Revenue received between December 28 and December 31 in each calendar year must not be included.

<table>
<thead>
<tr>
<th>Contract Producers</th>
<th>2019 and 2020 1099-MISC forms</th>
</tr>
</thead>
<tbody>
<tr>
<td>*--Contract Producers</td>
<td>2019 and 2020 1099-MISC forms</td>
</tr>
</tbody>
</table>

**Note:** 1099-MISC forms document calendar year income. For CFAP 2, 2019 and 2020 revenue must be certified by the contract producer for a period beginning January 1 and ending on December 27 of each respective year. Revenue received between December 28 and December 31 in each calendar year must not be included.

<table>
<thead>
<tr>
<th>*--Contract Producers</th>
<th>contract grower agreements, ledgers of income, income or revenue statements, and reports issued by owners of eligible commodity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• other records determined acceptable by COC.--*</td>
</tr>
</tbody>
</table>
Reviewing and Acting on AD-3117’s (Continued)

C Acting on AD-3117’s

The recording county’s COC, or CED if delegated, will act on all completed and signed AD-3117’s submitted. No action by COC is applicable to Part G, Specialty Crop Information.

Important: Payments cannot be authorized until DD has approved the CED’s review of the first five AD-3117’s according to subparagraph 3 C.

D Approving AD-3117’s

Before approving AD-3117’s, COC or CED, if delegated, must ensure that:

- all program eligibility requirements are met
- the person or legal entity applying for CFAP 2 is determined to be according to subparagraph 15 A
- signature requirements are met according to 1-CM, signed AD-3117 in Part I

*---production, sales, revenue, and/or inventories as certified and, as applicable, are---* reasonable

- AD-3117 was received or postmarked by the end of the signup period.

If all program eligibility requirements are met and COC or delegate has determined that the information on AD-3117 is reasonable and accurate, COC or delegate will approve AD-3117 and thoroughly document approval in the COC minutes.

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

Completing eligibility forms (AD-1026, CCC-902, CCC-941, etc.) are not a condition of COC, or CED, approving AD-3117. However, these forms must be filed within 60 calendar days of the producer signing AD-3117. Failure to timely provide all eligibility forms may result in no payment or a reduced payment. County Offices must immediately update the Business File and Subsidiary record when the eligibility forms are filed.
51 Reviewing and Acting on AD-3117’s (Continued)

E COC Adjusting or Disapproving AD-3117’s

If it is determined that any of the information as certified on AD-3117 is not reasonable or is questionable, evidence may be requested from the participant according to subparagraph B. If evidence provided by the participant differs from the information certified, COC’s do have authority to make adjustments. See subparagraph 3 G on producer responsibilities.

COC will disapprove AD-3117 if any of the following occur:

- program eligibly requirements are not met
- person or legal entity applying for CFAP 2 is determined to not to be an eligible producer according to subparagraph 15 B
- information on AD-3117 or supporting documentation provided by the participant is not accurate or reasonable
- evidence that applicant did not have a reported ownership share interest in the eligible commodity
- signature requirements were not met according to 1-CM, signed AD-3117 in Part I

Note: If AD-3117 was completed but never signed by the producer or someone on behalf of the producer, take no action on AD-3117. It is not considered filed unless it is signed.

*--AD-3117 was submitted or postmarked after December 11, 2020, for applications for all eligible commodities other than pullets and turfgrass sod and contract producers or February 26, 2021, for applications for pullets, turfgrass sod, contract producers, and amended applications to include the amount of crop insurance indemnities, NAP, and WHIP+ payments received for crop year 2019 for the sales-based commodities.--*

If COC disapproves AD-3117 for any reasons listed, or adjusts AD-3117 for any reason, then COC must take the following actions:

- adjust or disapprove AD-3117 as applicable
- notify the participant of the adjustment or disapproval
- provide participant applicable appeal rights according to 1-APP
- thoroughly document reasons for the adjustment of disapproval in the COC minutes.
Revised AD-3117’s and Signature Requirements

A Revised AD-3117’s

AD-3117’s can be revised after filing and after AD-3117 was approved and paid before the end of the signup period. The reasons for revision can vary. Some reasons may include:

*--production, sales, revenue, or inventory reported was incorrect or entered in error

• additional production, sales, revenue, or inventory was not reported on original--*

application.

For any revision to an approved and paid AD-3117, thoroughly document the reason for the revision in the COC minutes and provide the producer a copy of the revised AD-3117.

B Revisions That Require New Producer Signatures and Approval

Any revision to a previously approved and paid AD-3117 that would increase the calculated payment amount requires a new producer signature and new approval date entered.

*--The payment calculation for sales-based commodities has been amended to include the amount of crop insurance indemnities, NAP, and WHIP+ payments received for crop year 2019 for the sales-based commodities in addition to the amount of the producer’s 2019 eligible sales. Producers of eligible sales-based commodities who received crop insurance indemnities, NAP, and WHIP+ payments in 2019 may amend their CFAP 2 approved applications through February 26, 2021, to include those amounts. A new producer signature on AD-3117 is required.--*

C Revisions That Do Not Require New Producer Signature

A revision that adversely affects an application does not require a new producer signature. Notify the participant in writing of the revision, provide participant applicable appeal rights according to 1-APP, and thoroughly document reason for the revision in the COC minutes.

If a revision results in less payment acres, CED will issue a reduced payment letter along with a copy of the revised AD-3117.

*--A new producer signature is not required on AD-3117 if revisions or updates are required in item 25, “COC Adjusted Weighted Insurance Approved Yield”, according to paragraph 262.--*

Any revised AD-3117 must have a new approval entered.

53-64 (Reserved)
Section 2 General Program Policies and Provisions

221 General Sales Commodities Eligibility

A Eligible Commodities

Eligible commodities include commercially produced:

- aquaculture, including mollusks
- specialty crops:
  - all CFAP 1 specialty crops as discussed in 1-CFAP, Part 8
  - crops identified by AMS as specialty crops

  **Note:** A list of AMS specialty crops can be found at
- nursery crops and floriculture
- other livestock commercially raised for food, fiber, fur, or feathers including:
  - alpacas
  - bison, buffalo, beefalo
  - deer
  - ducks
  - elk
  - emus
  - geese
  - goats
  - guinea pigs
  - llamas
  - ostrich
  - pheasants (includes chukars)
  - pullets--*
  - quail
  - rabbits
  - reindeer
  - turkeys
  - water buffalo
  - yak

  **Note:** This includes by-products of the eligible “other livestock” live animals, such as
  fleece, milk, eggs (excluding eggs to be hatched for breeding stock), etc.--*
A General Sales Commodities Eligibility (Continued)

A Eligible Commodities (Continued)

• miscellaneous commodities including:
  • goat milk
  • mink, including pelts
  • mohair
  • Christmas trees
  • wool
  • turfgrass sod--*
  **
  • tobacco.

B Ineligible Commodities

*--All breeding stock (including eggs from “other livestock” to be hatched for breeding stock), equine, companion or comfort animals/pets, commodities produced by ineligible producers,--*
  livestock raised for hunting or game purposes, bees, amphibians, and reptiles are ineligible for CFAP 2.

222 Sales Certification

A Requirement

A producer of eligible 2020 sales commodities must certify their 2019 sales for those commodities. The 2019 sales must be reasonable. If COC believes the sales are not reasonable, COC can require documentation to substantiate information entered on the application before approving it.

Eligible sales include:

• sales of raw commodities grown by the producer, as delivered to the first buying point, warehouse, packer, etc.

  Note: For “Other Livestock” this is the value of the live animal at the point of harvest.

•--by-products from the live animal “Other Livestock”, in their original form--*

• commodities purchased for resale only if there is a change in characteristic due to the time held (for example, purchased a 2-inch plant and sold it as an 18-inch plant after 4 months)

•--crop insurance indemnities, NAP, and WHIP+ payments for crop year 2019 for eligible sales-based commodities.--*
A Requirement (Continued)

Eligible sales do not include any portion of sales derived from adding value to or marketing of the commodity, such as sorting, processing, packaging, or costs for any other activity necessary for a consumer-ready sale that occurs off the farm.

Example 1: Joe grows fruit and sells it through a sorting and processing operation on his farm, which serves other local fruit growers as well. Joe harvests the fruit, packing it in large crates to transport to the processing facility. The value of sales Joe would enter on the CFAP 2 application would include the value captured by harvesting the fruit and loading it in crates on the farm. The value would be reduced for the value added to the fruit at the processing facility, such as grading, re-packaging, brokering fees, transportation to market hubs, etc.

Example 2: Sally breeds and grows buffalo for direct marketing of the meat and by-products to online customers. Sally’s sales records show several income streams from various products she sells including buffalo meat, hides, and shoulder mounts. The sales value Sally would enter on the CFAP 2 application would be the value of the live animal “delivered” to the point of harvest, whether on or off farm. After delivery there is value added by processing the animal into the various products sold. Sales of the by products such as meat, hides, and shoulder mounts should not be included, only the value of the live animal.

Example 3: Charlie raises a herd of alpacas and sells primarily alpaca fleece. Charlie would enter the value of 2019 raw sales of alpaca fiber on the CFAP 2 application, not the yarn. The sales of alpacas could also be included if they were not breeding stock.

Example 4: Sam raises cucumbers and sells raw cucumbers and cucumber pickles at a local farmer’s market directly to customers. The 2019 sales would be the value of raw cucumbers sold at the market plus the raw value of the cucumber pickles. Sam would use the quantity of cucumbers processed into pickles and the price of raw cucumbers sold at the market to calculate the raw value of the cucumber pickles.

Example 5: Doug raises almonds that he sells through a tree nut pool. The nuts are hulled, processed, and sold by the pool up to 18 months after harvest. Doug would use the proportion of pooled sales associated to his production that is received by the pool in the 2019 calendar year, adjusted to reasonable historic raw value of the nut. This value does not include the value added from hulling and processing.

Example 6: Shawn grows grapes and owns a winery to process grapes into wine. Shawn also buys grapes from other growers. For the CFAP 2 application Shawn should determine the value for his raw grapes at a price comparable to what was paid by the winery for similar quality, raw grapes. The sales of the value-added product, wine, would not be included on the CFAP 2 application.
**General Sales Commodities Eligibility (Continued)**

**A Requirement (Continued)**

**Notes:** COC may require documentation to support sales.

*--Expenses such as bin charges and transportation costs may be included in eligible sales only if these types of expenses are broken out and can be distinguished. If expenses are recorded as a single line item, they cannot be included in the eligible sales without additional information to support the specific amounts.--*

Research shows a conversion factor of 37.44 percent to convert maple syrup sales to maple sap sales; therefore, producers may use a factor of 37.44 percent if they do not know the operation’s conversion factor.

**Example:** Producer A sold 100 gallons of syrup and received $2,500 in calendar year 2019. To get the raw value of sap that was used to produce the syrup, the conversion factor of .3744 will be used. $2,500 * .3744 = $936; therefore, Producer A will certify to a total of $936 for their 2020 Sales Commodities.

**B New Producers**

A producer who began farming an eligible sales commodity in 2020 and had no 2019 sales will certify their actual 2020 sales, at the time of application, in lieu of 2019 sales. The producer’s actual 2020 sales must be reasonable. If COC does not believe the sales entered are reasonable, COC may require any documentation it deems necessary to determine if the sales are reasonable.

**Notes:** If a producer began farming an eligible sales commodity in 2019 and had no sales due to the immaturity of the commodity, the producer can self-certify to their actual 2020 sales.

*--Actual 2020 sales are without inclusion of crop insurance indemnities, NAP, or WHIP+ payments.--*

Eligible sales include only sales of raw commodities grown by the producer. Any portion of sales derived from adding value to or marketing of the commodity, such as sorting, processing, packaging, or costs for any other activity necessary for a consumer-ready sale that occurs off the farm must not be included in the amount of sales.

**Note:** COC may require documentation to support sales.

**Example 1:** Producer A grew 100 acres of blueberries as an individual with 100 percent share in 2019 with total sales of $250,000. In 2020, Producer A’s spouse, Producer B, began farming as a new producer, Producer A and Producer B grew 100 acres of blueberries and now share 50/50 with total sales of $200,000. Producer A will certify to their 2019 total sales of $250,000 and Producer B will certify to $100,000, their 50 percent share of the 2020 sales.
Sales Certification (Continued)

B New Producers (Continued)

Example 2: Producer C grew 120 acres of watermelons in 2018, but did not plant anything in 2019. In 2020, Producer C grew 120 acres of watermelons and had total sales of $320,000. Because Producer C farmed before 2020, their 2019 sales will be $0.

Example 3: Producer D historically raised and sold turkeys commercially, with no other agricultural activity. In 2020, Producer D grew 50 acres of pumpkins. Producer D will certify 2019 sales for the turkeys as the applicable sales for 2019.

C AD-3117, Part F

Following is an example of AD-3117, Part F, Sales Commodities Information.

<table>
<thead>
<tr>
<th>PART F – SALES COMMODITIES</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>18. Commodity</td>
<td>19. 2019 Total Commodity Sales</td>
</tr>
<tr>
<td>AQUACULTURE</td>
<td></td>
</tr>
<tr>
<td>CROPS</td>
<td></td>
</tr>
<tr>
<td>NURSERY/FLORICULTURE CROPS</td>
<td></td>
</tr>
<tr>
<td>MISCELLANEOUS</td>
<td></td>
</tr>
<tr>
<td>OTHER LIVESTOCK (Excluding Breeding Stock)</td>
<td></td>
</tr>
<tr>
<td>TOBACCO</td>
<td></td>
</tr>
</tbody>
</table>

D COC Adjustments

COC may adjust the “Total 2019 Sales”:

- if the 2019 total commodity sales are determined to be unreasonable or inaccurate
- to reflect the actual 2019 total commodity sales based on documentation, when deemed necessary by COC
- to reflect the actual 2020 total commodity sales for new producers based on documentation, when deemed necessary by COC.

223-234 (Reserved)
C Definitions (Continued)

Prevented planting means the inability to plant the intended crop acreage with proper equipment by the final planting date for the crop type because of a natural disaster.

Price trigger crops means any of the following crops: barley, corn, sorghum, soybeans, sunflowers, upland cotton, wheat (all classes), excluding crops with an intended use of grazing, green manure, or left standing.

D Price Trigger Crops

For price trigger crops, CFAP 2 benefits will be based on the producer’s:

- eligible acres for the crop, as defined in subparagraph C
- weighted 2020 APH-approved yield, determined in subparagraph 262 D, or if a weighted 2020 APH-approved yield is not available, 85 or 100 percent of the weighted 2019 ARC-CO benchmark yield, as determined in subparagraph 262 G.*

CFAP 2 payment rates are determined for each eligible price-trigger crop based on:

- the decline in average prices between the weeks of January 13-17, 2020, and July 27-31, 2020, as provided in subparagraph 284 B
- an 80 percent coverage factor
- estimated share of 2020 crop marketing percentages from harvest through December 31, 2020, as provided in subparagraph 284 B

Depending on the yield for a specific location, the producer’s payment may calculate to less than $15 per acre. In these cases, the payment is raised to $15 per acre, which is the payment rate for flat-rate crops, described in subparagraph E.

E Flat-Rate Crops

For flat-rate crops, CFAP 2 benefits will be based on the producer’s:

- eligible acres for the crop, as defined in subparagraph C
- $15 per acre.
General Provisions – Acreage-Based Crops

A Eligible Producers

For both price trigger and flat-rate crops, to be considered eligible for CFAP 2, producers must:

- meet the definition of eligible producer in paragraph 15
- file a report of acreage for the crop on FSA-578.

B Eligible Acres

CFAP 2 payments for both price-trigger and flat rate crops are based on the producer’s eligible acres, as defined in subparagraph 250 C, nationwide.

Failed acres are considered eligible acres for CFAP 2.

C Interaction With FSA-578

The automated CFAP 2 application, AD-3117, will interface with CARS to pre-populate the producer’s eligible acres on the application.

Note: For CFAP purposes, FSA-578 does not need to be certified.

For both price trigger and flat-rate crops, the following items will be prepopedulated for the producer in AD-3117, Part G:

- **item 21**, Crop – all crops the producer has reported as planted and having a share in nationwide, as reported on the producer’s 2020 FSA-578’s

- **item 22**, Total 2020 Reported Acres – the total eligible acres, as defined in subparagraph 250 C, for each crop nationwide.

<table>
<thead>
<tr>
<th>PART G – ACREAGE-BASED CROPS</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>21 Crop</td>
<td>22 Total 2020 Reported Acres</td>
</tr>
<tr>
<td>Corn</td>
<td>1500</td>
</tr>
</tbody>
</table>

Notes: COC may adjust “Total 2020 Reported Acres”, in item 23, if the quantity is determined to be unreasonable or inaccurate.

See 1-APP for notification requirements.
Yields for Price Trigger Crops

A Overview

*--For price trigger crops, CFAP 2 payments will be based on 1 of the following:

- producer’s weighted 2020 APH-approved yield, as described in subparagraph C
- 100 percent of the ARC-CO benchmark yield, if a weighted 2020 APH-approved yield is not available and the producer meets 1 of the conditions described in subparagraph E
- for all other producers, 85 percent of the weighted 2019 ARC-CO benchmark yield, as--* determined according to subparagraph F.

Note: Yields are not a factor for flat-rate crops; therefore, yields are only determined according to this paragraph for price trigger crops.

B 2020 APH-Approved Yields

The CFAP 2 application software will interface with the RMA-shared service each time an automated application is initiated. If a match is found, based on the producer’s tax ID number, RMA will return to FSA, by county, the producer’s:

- 2020 APH-approved yield
- 2020 insured acreage.

Note: The yield and acres returned from RMA represents a blend of irrigated and nonirrigated yields for the producer by county.

RMA will return to FSA the data listed in this subparagraph for all counties where the tax ID number matches:

*--primary insurance policyholder, including policyholders who are insured through a transfer of coverage and right to an indemnity--*

- secondary insurance policyholder, if the secondary policyholder is the CFAP 2 applicant’s spouse.

*--Note: See subparagraph E for secondary insurance policyholders who are landlords, tenants, or members of a joint venture.--*
Yields for Price Trigger Crops (Continued)

C Weighted 2020 APH-Approved Yields

For producers who insured a price-trigger crop under an RMA policy or plan of insurance, the producer’s yield for CFAP 2 will be the weighted 2020 APH-approved yield for all of the producer’s insured acres nationwide, as determined in subparagraph D.

*--Note: This subparagraph also is applicable to producers who are insured through RMA through a Transfer of Coverage Right to an Indemnity or insured as a secondary policy holder as a spouse.--*

For price-trigger crops with a weighted 2020 APH-approved yield, AD-3117, item 24, Weighted Insurance Approved Yield, will be prepopulated for the producer in Part G.

<table>
<thead>
<tr>
<th>PART G – ACREAGE-BASED CROPS</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barley</td>
<td>350</td>
</tr>
</tbody>
</table>

Notes: COC may adjust “Weighted Insurance Approved Yield”, in item 25, if the quantity is determined to be unreasonable or inaccurate.

See 1-APP for notification requirements.

D Calculating Weighted 2020 APH-Approved Yield

The CFAP 2 application software will calculate a producer’s weighted 2020 APH-approved yield by averaging the producer’s 2020 APH-approved yields for the crop nationwide and weighting the yield based on the producer’s 2020 insured acres nationwide, as provided in the following table.

Important: This is an automated calculation. The calculation is provided for informational purposes only.

<table>
<thead>
<tr>
<th>Step</th>
<th>Instruction</th>
</tr>
</thead>
</table>
| 1    | For each county and insurance unit, the expected production is calculated by multiplying:
|      | • 2020 insured acres, times
|      | • 2020 APH-approved yield. |
| 2    | Expected production nationwide is calculated by summing the expected production for all counties and units. |
| 3    | 2020 insured acres nationwide is calculated by summing 2020 insured acres for all counties and units. |
| 4    | Weighted 2020 APH-approved yield is calculated by dividing:
|      | • expected production nationwide (result in step 2), by
|      | • 2020 insured acres nationwide (result in step 3). |
Yields for Price Trigger Crops (Continued)

D Calculating Weighted 2020 APH-Approved Yield (Continued)

If a producer is growing a price trigger crop on uninsured acres in a county, but has insured acres for the same price-trigger crop in another county, the producer will receive the weighted 2020 APH-approved yield for the uninsured acres.

If a producer does not have a weighted 2020 APH-approved yield, the producer will be *--assigned the weighted ARC-CO 2019 benchmark yield, as determined in subparagraph G.--*

Example 1:

Producer E applies for CFAP 2 for corn, crop code 041. Producer E has an RMA insurance policy on corn (041) in 5 counties nationwide. The following are the 2020 insured acres and APH-approved yields returned from RMA for Producer E nationwide.

The CFAP 2 application software will determine the Weighted 2020 APH-Approved Yield for Producer E, as follows.

**Important:** This is an automated calculation. The calculation is provided for informational purposes only.

- **Step 1** - Expected production, by county and unit, is determined by multiplying 2020 insured acres, times APH-approved yield.

<table>
<thead>
<tr>
<th>County</th>
<th>Insured Acres</th>
<th>APH-Approved Yield</th>
<th>Expected Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>6.7</td>
<td>118</td>
<td>790.6</td>
</tr>
<tr>
<td>B</td>
<td>18.4</td>
<td>91</td>
<td>1,674.4</td>
</tr>
<tr>
<td>C</td>
<td>47.7</td>
<td>151</td>
<td>7,202.7</td>
</tr>
<tr>
<td>D</td>
<td>91.8</td>
<td>151</td>
<td>13,861.8</td>
</tr>
<tr>
<td>E</td>
<td>10.4</td>
<td>96</td>
<td>998.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td></td>
<td><strong>24,527.9</strong></td>
</tr>
</tbody>
</table>

- **Step 2** - Expected production nationwide is determined by summing the expected production for all counties and units. Producer E’s expected production nationwide is 24,527.9 bushels.

- **Step 3** - 2020 insured acres nationwide is determined by summing insured acres for all counties and units. Producer E’s 2020 insured acres nationwide are 175 acres.

- **Step 4** - Weighted 2020 APH-approved yield is determined by dividing expected production nationwide, by insured acres nationwide. Producer E’s weighted 2020 APH-approved yield is equal to 24,527.9 bushels, divided by, 175 acres, equals **140.16 weighted 2020 APH-approved yield.**
Yields for Price Trigger Crops (Continued)

D Calculating Weighted 2020 APH-Approved Yield (Continued)

Example 1 (Continued):

Producer E files FSA-578 for 175 acres of corn. Producer E’s AD-3117, Part G, will automatically pre-populate item 22, Total 2020 Reported Acres, and item 24, Weighted Insurance Approved Yield, as follows.

<table>
<thead>
<tr>
<th>PART G – ACREAGE-BASED CROPS</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corn</td>
<td>175</td>
</tr>
</tbody>
</table>

Exceptions for 2020 Insured Producers – 100 Percent of Weighted 2019 ARC-CO Benchmark Yields

For a producer who does not have a weighted 2020 APH-approved yield for a crop, as described in subparagraph C, and notifies FSA that 1 of the following exceptions applies, the producer’s CFAP 2 yield for the crop will be 100 percent of the weighted 2019 ARC-CO benchmark yield, as determined in subparagraph H:

- has coverage for the crop under an Area Risk Protection Insurance Plan, Margin Protection Plan, Stacked Income Protection Plan, Supplemental Coverage Option, or Whole-Farm Revenue Protection Plan under the Federal Crop Insurance Act
- is a landlord of the applicable acreage and their share is insured by the tenant under an RMA policy or plan of insurance
- is a tenant of the applicable acreage and their share is insured by the landlord under an RMA policy or plan of insurance
- is a joint venture and the crop is insured by 1 of the members under an RMA policy or plan of insurance.

Important: When a producer claims 1 of these exceptions, County Offices must:

- use WHIPIR (see 2-WHIP, Exhibit 11) to verify the producer meets 1 of the exceptions in this subparagraph
- calculate 100 percent of the weighted 2019 ARC-CO benchmark yield, according to subparagraph H
- process the CFAP 2 application according to instructions in 4-CFAP.**
Yields for Price Trigger Crops (Continued)

---F 2019 ARC-CO Benchmark Yields – 85 Percent

For producers who do not have a weighted 2020 APH-approved yield for a crop, as described in subparagraph C, and do not meet 1 of the exceptions described in subparagraph E, the producer’s CFAP 2 yield for the crop will be determined by multiplying:

- weighted 2019 ARC-CO benchmark yield, as determined in subparagraph G, times
- 85 percent.

G Weighted 2019 ARC-CO Benchmark Yield

The producer’s weighted 2019 ARC-CO benchmark yield will be determined for the crop based on 85 or 100 percent, as applicable, of the producer’s:

- eligible acres, defined is subparagraph 250 C, by physical location county
- 2019 ARC-CO benchmark yield for each physical location county.

The CFAP 2 application software will calculate and prepopulate 85 percent of the--* weighted 2019 ARC-CO benchmark yield on AD-3117, item 26, 85% of Weighted County Yield, as follows.

<table>
<thead>
<tr>
<th>PART G – ACREAGE-BASED CROPS</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barley</td>
<td>450</td>
</tr>
</tbody>
</table>

---Important: 100 percent of the ARC-CO benchmark yield is not prepopulated on AD-3117. When a producer meets 1 of the exceptions provided in subparagraph E, the County Office must calculate and enter 100 percent of weighted 2019 ARC-CO benchmark yield on AD-3117, according to subparagraph H.

Example:

Producer A does not meet any of the exceptions in subparagraph E. Producer A is--* determined to have the following eligible acres (FSA-578) and 2019 ARC-CO benchmark yields for barley, by physical location.

<table>
<thead>
<tr>
<th>County</th>
<th>Eligible Acres</th>
<th>2019 ARC-CO Benchmark Yield</th>
<th>Expected Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>350</td>
<td>76</td>
<td>26,600</td>
</tr>
<tr>
<td>B</td>
<td>100</td>
<td>73.6</td>
<td>7,360</td>
</tr>
<tr>
<td>Total</td>
<td>450</td>
<td>33,960</td>
<td></td>
</tr>
</tbody>
</table>
G  Weighted 2019 ARC-CO Benchmark Yield (Continued)

Producer A’s **weighted 2019 ARC-CO benchmark yield** is calculated by dividing:

- 33,960 bushels of expected production nationwide, divided by
- 450 eligible acres nationwide, equals
- **75.47 weighted 2019 ARC-CO benchmark yield.**

Producer A’s CFAP 2 benefits will be based on:

- 75.47 weighted 2019 ARC-CO benchmark yield, times
- *--85 percent, as applicable, equals--*
- 64.15 bushels.

**Important:** This is an automated calculation. The calculation is provided for informational purposes only.

Producer A files FSA-578 for 450 acres of barley nationwide. Producer E’s AD-3117, Part G, will automatically pre-populate item 22, Total 2020 Reported Acres, and item 26, 85% of Weighted County Yield, as follows.

<table>
<thead>
<tr>
<th>PART G – ACREAGE-BASED CROPS</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barley</td>
<td>450</td>
</tr>
</tbody>
</table>

**--H  Calculating 100 Percent of Weighted 2019 ARC-CO Benchmark Yield**

A producer who meets 1 of the exceptions in subparagraph E will have their CFAP 2 yield for the crop determined by multiplying:

- weighted 2019 ARC-CO benchmark yield, as determined in subparagraph G, times
- 100 percent.

**Important:** This is **not** an automated calculation. COC must calculate and enter 100 percent of the weighted 2019 ARC-CO benchmark yield in item 25, COC Adjusted Weighted Insurance Approved Yield, on AD-3117.

When applicable, County Offices must manually calculate 100 percent of the weighted 2019 ARC-CO benchmark yield as follows:

- 85 percent of the weighted 2019 ARC-CO benchmark yield, as prepopulated on AD-3117, item 26, divided by
- .85.**--*
Yields for Price Trigger Crops (Continued)

*--H Calculating 100 Percent of Weighted 2019 ARC-CO Benchmark Yield (Continued)

COC must enter the result of this calculation, 100 percent of the weighted 2019 ARC-CO benchmark yield, in item 25, COC Adjusted Weighted Insurance Approved Yield, on AD-3117.

Example:

John Farmer applied for CFAP 2 for 191.25 acres or upland cotton. John Farmer did not have a weighted 2020 APH-approved yield for upland cotton, as described in subparagraph D; therefore, the CFAP 2 payment was calculated and issued based on a yield of 758.31, 85 percent of weighted 2019 ARC-CO benchmark yield, as shown in this screenshot.

John Farmer notifies the County Office that he meets 1 of the exceptions outlined in subparagraph E and the County Office verified through the WHIPIR that John Farmer meets 1 of the exceptions; therefore, the County Office must calculate John Farmer’s 100 percent of the weighted 2019 ARC-CO benchmark yield, based on 85 percent of the weighted 2019 ARC-CO benchmark yield prepopulated on AD-3117, item 26, as follows:

- 758.31, divided by
- .85, equals
- 892.13

• 892.13
Yields for Price Trigger Crops (Continued)

*--H Calculating 100 Percent of Weighted 2019 ARC-CO Benchmark Yield (Continued)

Example: (Continued)

COC must adjust John Farmer’s yield on AD-3117, item 25, COC Adjusted Weighted Insurance Approved Yield, to 892.13, as shown in this screenshot.

![Screenshot of COC adjusting yield](image)

**Note:** See 4-CFAP for additional instructions and screen prints for processing the CFAP 2 application.--*

263-272 (Reserved)
284 Price Trigger Crops Payment Calculation

A Payment Calculation Overview

For price trigger crops, the CFAP 2 payment will be equal to the greater of:

- result of multiplying:
  - producer’s eligible acres, as defined in subparagraph 250 C, times
  - producer’s weighted 2020 APH-approved yield, or if a weighted 2020 APH-approved yield is not available, 85 or 100 percent, as determined according to paragraph 262, of the weighted 2019 ARC-CO benchmark yield, times
  - applicable crop marketing percentage, provided in subparagraph B, times
  - applicable crop payment rate, provided in subparagraph B

- result of multiplying:
  - producer’s eligible acres, as defined in subparagraph 250 C, times
  - $15 payment rate per acre.

B Payment Rates

Payment rates for price trigger crops are based on the following factors:

- the decline in average prices between the weeks of January 13-17, 2020, and July 27-31, 2020
- an 80 percent coverage factor
- share of 2020 crop marketing percentages from harvest through December 21, 2020.
## B Payment Rates (Continued)

The following table provides the payment factors and payment rates for eligible price trigger crops.

<table>
<thead>
<tr>
<th>Crop</th>
<th>Units</th>
<th>Average Price Jan 13-17</th>
<th>Average Price July 27-31</th>
<th>Change in Price</th>
<th>Payment Rate (80% factor)</th>
<th>Crop Marketing Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barley</td>
<td>bu</td>
<td>4.27</td>
<td>3.60</td>
<td>-0.67</td>
<td>0.54</td>
<td>63</td>
</tr>
<tr>
<td>Corn</td>
<td>bu</td>
<td>4.02</td>
<td>3.29</td>
<td>-0.73</td>
<td>0.58</td>
<td>40</td>
</tr>
<tr>
<td>Cotton, Upland</td>
<td>lb</td>
<td>0.72</td>
<td>0.62</td>
<td>-0.10</td>
<td>0.08</td>
<td>46</td>
</tr>
<tr>
<td>Sorghum</td>
<td>bu</td>
<td>3.82</td>
<td>3.12</td>
<td>-0.70</td>
<td>0.56</td>
<td>55</td>
</tr>
<tr>
<td>Soybean</td>
<td>bu</td>
<td>9.63</td>
<td>8.91</td>
<td>-0.72</td>
<td>0.58</td>
<td>54</td>
</tr>
<tr>
<td>Sunflowers</td>
<td>lb</td>
<td>0.18</td>
<td>0.16</td>
<td>-0.02</td>
<td>0.02</td>
<td>44</td>
</tr>
<tr>
<td>Wheat (all classes)</td>
<td>bu</td>
<td>5.57</td>
<td>4.89</td>
<td>-0.68</td>
<td>0.54</td>
<td>73</td>
</tr>
</tbody>
</table>
C Payment Calculation Example 1

Producer E:

- applies for CFAP 2 for corn, crop code 041
- files 2020 FSA-578’s for 175 acres of corn nationwide
- has an RMA insurance policy on corn (041) in 5 counties nationwide for which a weighted 2020 APH-approved yield of 140.16 bushels was calculated, as calculated *--according to subparagraph 262 G.--*

Producer E’s CFAP 2 payment is equal to the greater of:

- the result of multiplying:
  - 175 eligible acres, times
  - 140.16 bushels, weighted 2020 APH-approved yield, times
  - $0.58 corn payment rate, times
  - .40, crop marketing percentage, equals
  - $5,690.50

- result of multiplying:
  - 175 eligible acres, times
  - $15 payment rate per acre, equals
  - $2,625.

Producer E’s CFAP 2 payment is equal to $5,690.50, before applying any applicable payment reductions.
D Payment Calculation Example 2

Producer A:

- applies for CFAP 2 for barley
- files 2020 FSA-578’s for 450 acres of barley nationwide
- does not have RMA crop insurance on the 450 acres of barley
- has a weighted 2019 ARC-CO benchmark yield equal to 75.47 bushels, as calculated *--according to subparagraph 262 G.--*

Producer A’s CFAP 2 payment is equal to the greater of:

- the result of multiplying:
  - 450 eligible acres, times
  - 75.47 bushels, 2019 ARC-CO benchmark yield, times
  - $0.54, barley payment rate, times
  - .63 crop marketing percentage rate, equals
  - $11,553.70.

- the result of multiplying:
  - 450 eligible acres, times
  - $15 payment rate per acre, equals
  - $6,750.

Producer A’s CFAP 2 payment is equal to $11,553.70, before applying any applicable payment reductions.
A Payment Calculation Overview

For flat-rate crops, the CFAP 2 payment will be calculated by multiplying:

- eligible acres, as defined in subparagraph 250 C, for the crop, times
- $15 payment rate per acre.

B Example – Flat-Rate Crop Payment Calculation

Producer C:

- applies for CFAP 2 for Canola, crop code 0711
- files 2020 FSA-578’s for 200 acres of Canola nationwide.

Producer C’s CFAP 2 payment will be calculated by multiplying:

- 200, eligible acres, times
- $15 payment rate per acre, equals
- $3,000, before applying any payment reductions.
Overview

A Purpose

The Final Rule published in the FR on January 19, 2021, provides assistance to contract producers who raise swine and poultry (including broilers, pullets, layers, chicken eggs, turkeys, hogs, and pigs) because of market disruptions and reduced harvesting facility output resulting from the COVID-19 outbreak. A swine or poultry contract producer is one who produces swine or poultry owned by someone else under a production contract. Contract producers who grow or produce an eligible commodity under contract for or on behalf of another person or entity in 2019 and 2020 that sustained a revenue loss for a period from January 1, 2020, through December 27, 2020, as compared to January 1, 2019, through December 27, 2019, may be eligible.

B General Information

CFAP 2 payments will be issued for eligible contract producers who had a loss in revenue when producing the following eligible commodities under contract in 2019 and 2020:

- chickens (broilers, pullets, layers)
- chicken eggs (shell, dried, frozen, liquid)
- turkeys
- hogs and pigs.--*
A Eligible Contract Producer

Contract producer means a producer who grows or produces an eligible commodity under contract for or on behalf of another person or entity. The contract producer does not have ownership in the commodity and is not entitled to a share from sales proceeds of the commodity.

Contract producers are eligible for payment if they:

- produced broilers, pullets, layers, chicken eggs, turkeys, or swine under a contract in both the 2019 and 2020 calendar years
- received eligible revenue under such a contract for the period beginning on January 1, 2020, and ending December 27, 2020
- had a loss in eligible revenue for the period from January 1, 2020, through December 27, 2020, as compared to eligible revenue for the period from January 1, 2019, through December 27, 2019
- meet all other requirements for CFAP 2 eligibility.

Contract producers must provide:

- a copy of their contract pursuant to which they raised an eligible commodity as specified in subparagraph 300 B
- documentation to support the information provided on their application if requested by FSA.

B Contract Producers Ineligible for Payment

Contract producers are ineligible for payment if they:

- did not produce 1 of the eligible commodities identified in subparagraph 300 B in both 2019 and 2020 calendar years
- were not under a contract in both 2019 and 2020 calendar years

Note: New contract producers in 2020 are not eligible for payment.

- did not receive eligible revenue under such a contract from January 1, 2020, through December 27, 2020
- did not suffer a loss in eligible revenue from January 1, 2020, through December 27, 2020, as compared to the period from January 1, 2019, through December 27, 2019
- did not meet all other requirements for CFAP 2 eligibility.--*
A Requirement

A contract producer of eligible commodities must self-certify their 2019 and 2020 eligible revenue for eligible commodities. If COC believes the certified revenues are not reasonable, COC can require documentation to substantiate information entered on the application before approving it, including requesting a copy of the contract producer’s production contracts.

B Eligible Revenue

Eligible revenue is the revenue received by a contract producer for contract production of the eligible commodity identified in subparagraph 300 B, as reported on IRS Form 1099. 2019 and 2020 revenue are for the periods beginning on January 1 and ending on December 27 in each respective year. Revenue received between December 28 and December 31 in each respective year is not eligible revenue.

Note: The applicable period for eligible revenue is consistent with the provisions of the Consolidated Appropriations Act, 2021 (Pub. L. 116-260), which was signed on December 27, 2020; therefore, only revenue received on or before that date is considered eligible revenue. The same time period of January 1 and ending December 27 has been established for eligible revenue received for both 2019 and 2020 calendar years.

C AD-3117, Part H

Following is an example of AD-3117, Part H, Contract Producer Revenue.

<table>
<thead>
<tr>
<th>PART H – CONTRACT PRODUCER REVENUE</th>
<th>COC USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>27. Commodity</td>
<td></td>
</tr>
<tr>
<td>28. 2019 Revenue</td>
<td></td>
</tr>
<tr>
<td>29. 2020 Revenue</td>
<td></td>
</tr>
<tr>
<td>30. COC Adjusted 2019 Revenue</td>
<td></td>
</tr>
<tr>
<td>31. COC Adjusted 2020 Revenue</td>
<td></td>
</tr>
</tbody>
</table>

D COC Adjustments

COC may adjust the “2019 Revenue” and/or “2020 Revenue”:

- if the 2019 and/or 2020 revenue is determined to be unreasonable or inaccurate
- to reflect the actual 2019 and/or 2020 revenue based on documentation, when deemed necessary by COC.--*
326 Contract Producers Payment Components

A Basis for Payment

Contract producers are paid based on their revenue loss in 2020 compared to their 2019 revenue for the respective periods as specified.

B Payment Calculation

For eligible contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs, or pigs, if eligible revenue for the period from January 1, 2020, through December 27, 2020 (AD-3117, item 29), decreased compared to eligible revenue for the period from January 1, 2019, through December 27, 2019 (AD-3117, item 28), then payments will be equal to:

- eligible revenue received from January 1, 2019, through December 27, 2019, minus eligible revenue received January 1, 2020, through December 27, 2020, multiplied by

- 80 percent.

This calculation is subject to the availability of funds and will be factored, if needed. --*
Exhibit 1

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None.

Forms

This table lists all forms referenced in this handbook.

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Display Reference</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>AD-1026</td>
<td>Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification (Includes Form AD-1026 Appendix)</td>
<td></td>
<td>5, 18, 19, 37, 51, 67, 68</td>
</tr>
<tr>
<td>AD-3117</td>
<td>Coronavirus Food Assistance Program 2 (CFAP 2) Application</td>
<td>Ex. 20</td>
<td>Text</td>
</tr>
<tr>
<td>AD-3117A</td>
<td>Continuation Sheet for Coronavirus Food Assistance Program 2 (CFAP 2) Milk Production Modification</td>
<td>Ex. 21</td>
<td>96, 97</td>
</tr>
<tr>
<td>CCC-36</td>
<td>Assignment of Payment</td>
<td></td>
<td>65, 68</td>
</tr>
<tr>
<td>CCC-37</td>
<td>Joint Payment Authorization</td>
<td></td>
<td>65, 68</td>
</tr>
<tr>
<td>CCC-901</td>
<td>Members Information</td>
<td></td>
<td>5, 19, Ex. 20</td>
</tr>
<tr>
<td>CCC-902</td>
<td>Farm Operating Plan for Payment Eligibility 2009 and Subsequent Program Years</td>
<td></td>
<td>5, 16, 19, 37, 51, 68, Ex. 20</td>
</tr>
<tr>
<td>CCC-902E</td>
<td>Farm Operating Plan for an Entity</td>
<td></td>
<td>19</td>
</tr>
<tr>
<td>CCC-902I</td>
<td>Farm Operating Plan for an Individual</td>
<td></td>
<td>19</td>
</tr>
<tr>
<td>CCC-903</td>
<td>Worksheet for Payment Eligibility and Payment Limitation Determinations</td>
<td></td>
<td>19</td>
</tr>
<tr>
<td>CCC-941</td>
<td>Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information - Agricultural Act of 2014</td>
<td></td>
<td>5, 17, 19, 37, 51, 67, 68</td>
</tr>
<tr>
<td>CCC-942</td>
<td>Certification of Income From Farming, Ranching, and Forestry Operations</td>
<td></td>
<td>5, 17, 19, 37, 68</td>
</tr>
<tr>
<td>FSA-325</td>
<td>Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent</td>
<td></td>
<td>65</td>
</tr>
<tr>
<td>FSA-578</td>
<td>Report of Acreage</td>
<td></td>
<td>250, 251, 262, 284, 285, Ex. 20</td>
</tr>
<tr>
<td>IRS Form 1099</td>
<td>Miscellaneous Information</td>
<td></td>
<td>312, Ex. 2</td>
</tr>
<tr>
<td>1099-MISC Form</td>
<td>Miscellaneous Information</td>
<td></td>
<td>51</td>
</tr>
<tr>
<td>SF-3881</td>
<td>ACH Vender/Miscellaneous Payment Enrollment Form</td>
<td></td>
<td>68</td>
</tr>
</tbody>
</table>
Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Abbreviations Not Listed in 1-CM

This table lists all abbreviations not listed in 1-CM.

<table>
<thead>
<tr>
<th>Approved Abbreviations</th>
<th>Term</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARC-CO</td>
<td>Agriculture Risk Coverage-County Option</td>
<td>250, 262, 284</td>
</tr>
<tr>
<td>CARES Act</td>
<td>Coronavirus Aid, Relief, and Economic Stability Act</td>
<td>1, 22, Ex. 20</td>
</tr>
<tr>
<td>CARS</td>
<td>Crop Acreage Reporting System</td>
<td>251, 273</td>
</tr>
<tr>
<td>CFAP</td>
<td>Coronavirus Food Assistance Program</td>
<td>Text, Ex. 2, 20</td>
</tr>
<tr>
<td>IPIA</td>
<td>Improper Payments Information Act</td>
<td>3</td>
</tr>
<tr>
<td>LP</td>
<td>limited partnership</td>
<td>16, Ex. 20</td>
</tr>
<tr>
<td>PPB</td>
<td>Program Policy Branch, SND</td>
<td>1</td>
</tr>
<tr>
<td>SND</td>
<td>Safety Net Division</td>
<td>1</td>
</tr>
<tr>
<td>WHIP+</td>
<td>Wildfires and Hurricanes Indemnity Program+</td>
<td>21, 22, 50-52, 222, Ex. 2, 20</td>
</tr>
<tr>
<td>WHIPIR</td>
<td>WHIP Information Report</td>
<td>262</td>
</tr>
</tbody>
</table>

Redelegations of Authority

This table lists the redelegations of authority in this handbook.

<table>
<thead>
<tr>
<th>Redelegation</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>In routine cases, COC may redelegate, in writing, to CED the authority to review and approve AD-3117.</td>
<td>1, 51</td>
</tr>
<tr>
<td>The redelegation <strong>must</strong> define what COC considers routine.</td>
<td></td>
</tr>
</tbody>
</table>
Definitions of Terms Used in This Handbook

Aquaculture

Aquaculture means any species of aquatic organisms grown as food for human consumption, fish raised as feed for fish that are consumed by humans, ornamental fish propagated and reared in an aquatic medium.

Breeding Stock

Breeding stock means:

• for cattle, bulls and cows
• for hogs and pigs, boars and sows
• for lambs and sheep, rams and ewes
•*--for other livestock, livestock that are a sire or dam maintained to produce offspring.--*

Broilers

Broilers includes any chicken that has been commercially produced for meat purposes that has left the farm for slaughter, and not used for laying or breeding purposes.

Commodity

Commodity means an agricultural commodity produced in the United States and intended to be marketed for commercial production that has been designated as eligible for payments under CFAP.

*--Contract Producer

Contract producer means a producer who grows or produces an eligible commodity under contract for or on behalf of another person or entity. The contract producer does not have ownership in the commodity and is not entitled to a share from sales proceeds of the commodity.--*

Controlled Environment

Controlled environment means an environment, with respect to crops for which a controlled environment is expected to be provided, including but not limited to ornamental nursery, aquaculture (including ornamental fish), and floriculture, an environment in which everything that can practicably be controlled with structures, facilities, growing media (including but not limited to water, soil, or nutrients) by the producer, that is in fact controlled by the producer, as determined by industry standards.
Definitions of Terms Used in This Handbook (Continued)

*--Crop Insurance

_Crop insurance_ means an insurance policy reinsured by FCIC under the provisions of the Federal Crop Insurance Act, as amended. It does not include private plans of insurance.--*

Eggs

_Eggs_ means dried, frozen, liquid, and shell eggs.

*--Eligible Revenue

_Eligible revenue_ means the revenue received by a contract producer for contract production of broilers, pullets, layers, chicken eggs, turkeys, hogs, or pigs, as reported on IRS Form 1099.--*

Experimental

_Experimental_ means a crop for which all of the following apply:

- the crop is planted for experimental purposes conducted under the direct supervision of a State experiment station or commercial company
- production of the crop is destroyed before harvest or used for testing or other experimental purposes
- a representative of the State experiment station or the commercial company certifies that any production harvested from the experiment will not be marketed in any form.

Flat-Rate Crop

_Flat-rate crop_ means alfalfa, amaranth grain, buckwheat, canola, cotton, ELS, crambe (colewort), einkorn, emmer, flax, guar, hemp, indigo, industrial rice, kenaf, khorasan, millet, mustard, oats, peanuts, quinoa, rapeseed, rice, sweet, rice, wild, rye, safflower, sesame, speltz, sugar beets, sugarcane, teff, triticale, and other crops as determined by the Secretary. The term excludes hay, except alfalfa, and crops with intended uses of grazing, green manure, or left standing.

Floriculture

_Floriculture_ means cut flowers and cut greenery from annual and perennial flowering plants grown in a container or controlled environment for commercial sale.
Definitions of Terms Used in This Handbook (Continued)

---Fruits

Fruits means any of the following fruits: Abiu, acerola (Barbados cherry), achachairu, antidesma, apples, apricots, aronia (chokeberry), atemoya (custard apple), avocados, bananas, blueberries, breadfruit, cacao, caimito, calabaza melon, canary melon, canary seed, caneberries, canistel, cantaloupes, carambola (star fruit), casaba melon, cherimoya (sugar apple), cherries, Chinese bitter melon, citron, citron melon, coconuts, cranberries, crenshaw melon, dates, donauqa (winter melon), durian, elderberries, figs, genip, gooseberries, grapefruit, grapes, ground cherry, guamabana (soursop), guava, guavaberry, honeyberries, honeydew, huckleberries, Israel melons, jack fruit, jujube, juneberries, kiwiberry, kiwifruit, Korean golden melon, kumquats, langsat, lemons, limequats, limes, longan, loquats, lychee, mangos, mangosteen, mayhaw berries, mesple, mulberries, nectarines, noni, olives, oranges, papaya, passion fruits, pawpaw, peaches, pears, pecans, persimmons, pineapple, pitaya (dragon fruit), plantain, plumcots, plums, pomegranates, prunes, pummelo, quinces, raisins, rambutan, sapodilla, sapote, schizandra berries, sprite melon, star gooseberry, strawberries, tangelos, tangerines, tangors, wampee, watermelon, wax jamboo fruit, and wolfberry (goji).

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Hemp

Hemp means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a THC concentration of not more than 0.3 percent on a dry weight basis, that is grown under an official certification or license issued by the applicable governing authority that permits the production of the hemp.

---

Hogs

Hogs means any swine 120 pounds or more.

---

Ineligible Commodities

Ineligible commodities for CFAP 2 means any of the following commodities: birdsfoot and trefoil, clover, cover crop, fallow, forage soybeans, forage sorghum, gardens (commercial and home), grass, kochia (prostrata), lespedeza, milkweed, mixed forage, pelts (excluding mink), perennial peanuts, pollinators, sunn hemp, vetch, seed of ineligible crops, and other commodities as determined by the Secretary.

---

Layer

Layer means a chicken producing table or commercial type shell eggs.

---

NAP

NAP means the Noninsured Crop Disaster Assistance Program under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) and part 1437 of this title.
Definitions of Terms Used in This Handbook (Continued)

Nursery

Nursery means decorative or nondecorative plants grown in a container or controlled environment for commercial sale.

Other Livestock

Other livestock means any of the following livestock: animals commercially raised for food, fur, fiber, or feathers, including alpacas, bison, buffalo, beefalo, deer, ducks, elk, emus, geese, goats, *--guinea pigs, llamas, mink, ostrich, pheasants, quail, rabbits, reindeer, turkey, and other livestock as determined by the Secretary. It excludes all equine, reptiles, bees, breeding stock (including eggs to be hatched for breeding stock), companion or comfort animals, pets, and--* animals raised for hunting or game purposes and other livestock, as determined by the Secretary.

Pigs

Pigs means any swine weighing less than 120 pounds.

Prevented Planting

Prevented planting means the inability to plant the intended crop acreage with proper equipment by the final planting date for the crop type because of a natural disaster.

Price Trigger Commodities

Price trigger commodities means price trigger crops and price trigger livestock and products as defined in this section.

Price Trigger Crops

Price trigger crops means any of the following crops: barley, corn, sorghum, soybeans, sunflowers, upland cotton, wheat (all classes), excluding crops with an intended use of grazing, green manure, or left standing.

Price Trigger Livestock and Products

Price trigger livestock and products means any of the following livestock and products: beef cattle, broilers, dairy (cow milk), eggs, lambs, sheep, hogs, and pigs; excluding breeding stock.

Producer

Producer means a person or legal entity who shares in the risk of producing a commodity. * * * A person or legal entity who is not in the business of farming at the time of application is not considered an eligible producer. A dairy operation must be commercially marketing milk at the time of enrollment.
Definitions of Terms Used in This Handbook (Continued)

*--Pullet

Pullet means a young female chicken that has not laid an egg.--*

Sales-Based Commodities

**Sales-based commodities** means, as defined in this section, aquaculture, sales-based crops, nursery crops and floriculture, other livestock, and the following commodities: goat milk, mink *--(including pelts); mohair, wool, turfgrass sod, and other commodities as determined by the--*

Secretary.

Sales-Based Crops

**Sales-based crops** means ambrosia, arundo, camelina, cactus, cardoon, fruits, honey, horticulture, maple sap, tobacco, tree nuts, and vegetables. The term excludes crops with an intended use of grazing, green manure, or left standing.

*--Tree Nuts

**Tree nuts** means any of the following tree nuts: Almonds, carob, cashew, chestnuts, coffee, hazelnuts, jojoba, macadamia nuts, pecans, pine nuts, pistachios, and walnuts.

Vegetables

**Vegetables** means any of the following vegetables: Alfalfa sprouts, aloe vera, artichokes, arugula (greens), asparagus, bamboo shoots, batatas, bean sprouts, beans (including dry edible), beets, bok choy, broccoliflower, broccoli, broccolini, broccoli-cavalo, Brussel sprouts, cabbage, calaloo, carrots, cauliflower, celeriac, celery, chickpea (see beans, garbanzo), chives, collard greens, coriander, corn sweet, cucumbers, daikon, dandelion greens, dasheen (taro root, malanga), dill, eggplant, endive, escarole, frisee, gailon (gai lein, Chinese broccoli), garlic, gourds, greens, horseradish, Jerusalem artichokes (sunchoke), kale, kohlrabi, leeks, lentils, lettuce, melongene, mesculin mix, microgreens, mushrooms, okra, onions, parsnip, peas (including dry edible), pejibaye (heart of palm), peppers, potatoes, potatoes sweet, pumpkins, radicchio, radishes, rhubarb, rutabaga, salsify (oyster plant), scallions, seed—vegetable, shallots, spinach, squash, swiss chard, tannier, taro, tomatillos, tomatoes, truffles, turnip top (greens), turnips, yam, and yautia (malanga).

WHIP+

**WHIP+** means the Wildfires and Hurricanes Indemnity Program Plus (WHIP+) under part 760, subpart O of this title.--*
A Completing AD-3117 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part D – Egg/Broiler Production (Continued)</strong></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Displays the applicable unit of measure for the commodities entered in item 11. The applicable unit of measure for the eligible commodities in Part D are:</td>
</tr>
<tr>
<td></td>
<td>• Broilers – Head</td>
</tr>
<tr>
<td></td>
<td>• Dried Eggs – Pounds (LBS)</td>
</tr>
<tr>
<td></td>
<td>• Frozen Eggs – Pounds (LBS)</td>
</tr>
<tr>
<td></td>
<td>• Liquid Eggs – Pounds (LBS)</td>
</tr>
<tr>
<td></td>
<td>• Shell Eggs – Dozen.</td>
</tr>
<tr>
<td>13</td>
<td>Enter the 2019 total production nationally for the commodities entered in item 11, if applicable.</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> If farming began after December 31, 2019, then the producer must provide 2020 production.</td>
</tr>
<tr>
<td>14</td>
<td>COC may enter the adjusted 2019 total production, if applicable.</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> An entry is only required when COC determines the 2019 total production is different than what is certified to by the producer in item 13.</td>
</tr>
<tr>
<td><strong>Part E – Livestock Inventory (Excluding Breeding Stock)</strong></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Displays the eligible livestock for Part E. The eligible livestock are:</td>
</tr>
<tr>
<td></td>
<td>• Cattle (Beef Cattle Only)</td>
</tr>
<tr>
<td></td>
<td>• Hogs/Pigs</td>
</tr>
<tr>
<td></td>
<td>• Sheep.</td>
</tr>
<tr>
<td>16</td>
<td>Enter the highest owned inventory (excluding breeding stock) on a date between April 16, 2020, and August 31, 2020, for the livestock entered in item 15, if applicable.</td>
</tr>
<tr>
<td>17</td>
<td>COC will enter the adjusted highest owned inventory (excluding breeding stock) on a date between April 16, 2020, and August 31, 2020, if applicable.</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> An entry is only required when COC determines the highest owned inventory (excluding breeding stock) on a date between April 16, 2020, and August 31, 2020, is different than what is certified to by the producer in item 16.</td>
</tr>
</tbody>
</table>
## A Completing AD-3117 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part F – Sales Commodities</strong></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Displays the eligible sales commodities.</td>
</tr>
<tr>
<td></td>
<td>The eligible sales commodities are:</td>
</tr>
<tr>
<td></td>
<td>• Aquaculture</td>
</tr>
<tr>
<td></td>
<td>• Crops (excluding Part G crops)</td>
</tr>
<tr>
<td></td>
<td>• Nursery/Floriculture Crops</td>
</tr>
<tr>
<td></td>
<td>• Miscellaneous</td>
</tr>
<tr>
<td></td>
<td>• Other Livestock (Excluding Breeding Stock)</td>
</tr>
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<td></td>
<td><strong>Note:</strong> Other livestock means any of the following livestock: animals commercially raised for food, fur, fiber, or feathers, including alpacas, bison, buffalo, bison, deer, ducks, elk, emus, geese, goats, guinea pigs, <em>--llamas, mink, ostrich, pheasants, pullets, quail, rabbits, reindeer, turkeys,--</em> water buffalo, and yak.</td>
</tr>
<tr>
<td>19</td>
<td>*--Enter the total dollar value of 2019 sales and all 2019 crop year crop insurance indemnities, NAP, and WHIP+ payments received for the commodity(s) in item 18.</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> If farming began after December 31, 2019, producer must provide 2020 sales (not including crop insurance indemnities, NAP, or WHIP+ payments).</td>
</tr>
<tr>
<td>20</td>
<td>COC will enter the adjusted dollar value of 2019 total commodity(s) sales, including all 2019 crop year crop insurance indemnities, NAP, and WHIP+ payments received, if--* applicable.</td>
</tr>
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<td><strong>Note:</strong> An entry is only required when COC determines the dollar value of 2019 total commodity(s) sales is different than what is certified to by the producer in item 19.</td>
</tr>
</tbody>
</table>
### A Completing AD-3117 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
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<tbody>
<tr>
<td><strong>Part G – Acreage-Based Crops</strong></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>System will display eligible commodities based on the 2020 FSA-578’s on file, nationally for the producer.</td>
</tr>
<tr>
<td>22</td>
<td>System will display the total 2020 reported acres or determined acres, if available, on the 2020 FSA-578’s on file, nationally for the producer, for the commodities displayed in item 21.</td>
</tr>
</tbody>
</table>
| 23 | COC will enter adjusted total 2020 reported acres, if applicable.  
**Note:** An entry is only required when COC determines the acres to be unreasonable or inaccurate. |
| 24 | System will display the producer’s Weighted Insurance Approved Yield from RMA for the commodities displayed in item 21, if applicable.  
**Note:** If no Weighted Insurance Approved Yield is available, then item 26 will be populated. |
| 25 | COC will enter Adjusted Weighted Insurance Approved Yield, if applicable.  
**Note:** An entry is only required when COC determines the Weighted Insurance Approved Yield is different than the result in item 24 or as required according to paragraph 262.--* |
| 26 | System will display 85 percent of the Weighted County Yield for the commodity displayed in item 21, if applicable.  
**Note:** Will only display if item 24 is not available. |

*--Part H – Contract Producer Revenue*

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
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</thead>
</table>
| 27 | If a contract producer, enter the eligible commodities grown pursuant to a grower contract.  
The eligible contract producer commodities are:  
- Chickens (Broilers, Layers, and Pullets)  
- Chicken Eggs  
- Turkeys  
- Hogs/Pigs. |
| 28 | Enter the total dollar value of eligible revenue received January 1, 2019, through December 27, 2019, for the commodity entered in item 27. |
| 29 | Enter the total dollar value of eligible revenue received January 1, 2020, through December 27, 2020, for the commodity entered in item 27. |
| 30 | COC will enter the total dollar value of eligible revenue received January 1, 2019, through December 27, 2019, if applicable.  
**Note:** An entry is only required when COC determines the total dollar value of eligible revenue for the 2019 calendar year is different than the result in item 28. |
| 31 | COC will enter the total dollar value of eligible revenue received January 1, 2020, through December 27, 2020, if applicable.  
**Note:** An entry is only required when COC determines the total dollar value of eligible revenue for the 2020 calendar year is different than the result in item 29.--* |
A  Completing AD-3117 (Continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Instructions</th>
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</thead>
</table>
| 32 A-C | Enter the member, partner stockholder, beneficiary, or heir name(s) who provide 400 hours or more of active personal labor or active personal management, or combination thereof, to the farming operation identified in Part A, item 5.  
  **Note:** Entry only required to be completed by Corporations, LLC’s, LP’s Trusts, or Estates. |
| 33A | Producer applying for CFAP 2 benefits must sign. |
| 33B | Enter title and/or relationship to the individual when signing in a representative capacity.  
  **Note:** If the producer signing is not signing representative capacity, this field should be left blank. |
| 33C | **--Enter the date AD-3117 is signed in item 33A.** |
| 34 | Displays the payment parts – CARES *** and CCC. |
| 35 | COC or their representative will sign.  
  **--Note:** COC must complete for both payment parts, if applicable in item 34. |
| 36 | Enter the date COC or their representative signs AD-3117. |
| 37 | COC or their representative will check (✓) either “Approved” or “Disapproved” for both payment parts in item 34. **--** |
| Important: | AD-3117 will be approved or disapproved as certified by the producer after applicable COC adjustment fields are completed. |


B Example of AD-3117

The following is an example of AD-3117.

---

**AD-3117, Coronavirus Food Assistance Program 2 (CFAP 2) Application (Continued)**

### PART A – PRODUCER AGREEMENT

The Department of Agriculture (USDA) will make payments under the CFAP 2 to producers who meet the requirements of the program. The following information is needed in order for USDA to make a determination that the applicant is eligible to receive a CFAP 2 payment. By submitting this application, and upon its approval by USDA, the applicant agrees:

1. To comply with regulations set forth in 7 CFR Part 9 and any applicable Notice of Funds Availability published by USDA. Copies of these documents may be found at [www.regulations.gov](http://www.regulations.gov) (doctype=1-7CF-7-7-08-0004).
2. That the applicant is in the business of farming at the time of application.
3. That payments for producers who began farming in 2020, for which 2019 production or sales is required, must provide actual 2020 production or sales information, as applicable.
4. That a CFAP 2 payment will only be made with respect to a commodity produced in the United States and intended to be marketed for commercial production.
5. To provide to USDA all information that is necessary to verify that the information provided on this form is accurate, and to allow USDA representatives access to all documents and records of the producer, including those in the possession of a third party as a warehouse operator, processor, or packer.
6. To comply with maximum payment limitation and adjusted gross income provisions applicable to the CFAP 2 by completing forms:
   - CCC-912, Farm Operating Plan for Payment Eligibility (NOTE: Only Parts A and B of the form are required).
   - CCC-801, Member Information for Legal Entities, if applicable.
   - CCC-841, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information.
   - CCC-842, Certification of Income from Farming, Ranching and Forestry Operations (optional).
7. To provide to USDA all information required for program participation within 60 days from the date the applicant signs this application. Failure of an individual, entity, or member of an entity to timely submit all information required may result in no payment or a reduced payment.
8. To comply with the provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands. All applicants must complete and submit all portions of form AD-1026, Highly Erodible Land Conservation (HEL) and Wetland Conservation (WC) Certification unless:
   - The applicant does not participate in USDA benefits subject to HELC and WC compliance except Federal Crop Insurance or CFAP, and
   - The applicant is an owner of land devoted to the production of agricultural commodities that are perennial crops, excluding sugarcane, such as fruits, tree nuts, grapes, olives, native pasture and perennial forage. If the producer produces alfalfa, the applicant must contact the Natural Resources Conservation Service to determine if such production qualifies as the production of a perennial crop; and
   - The applicant has not converted a wetland after December 23, 1985, or
   - The applicant does not own or rent land devoted to an agricultural activity including cropland, rangeland, pastureland, or forest land.
9. If the applicant meets either the conditions in section 8A (with box 5B on AD-1026) or 8B (with box 5A on AD-1028), the applicant is only required to complete Parts A and B of form AD-1028.

### PART B – PRODUCER INFORMATION

5. Producer’s Name, Address (City, State and Zip Code) and Phone Number (Include Area Code)

### PART C – DAIRY PRODUCTION

- **COC USE ONLY**
  - **9.** Estimated Total Production (Sept. 10-30, 2020 – Dec. 31, 2020)

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<tr>
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<tbody>
<tr>
<td>LBS</td>
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10A. If you are no longer producing milk, what is the last date milk was produced? (MM/DD/YYYY): ____________

**NOTE:** If you cease producing milk before Dec. 31, 2020, or if you are a seasonal dairy, you are required to notify the FSA County office of the date you stopped producing milk.

### PART D – EGGS/BROILERS PRODUCTION

- **COC USE ONLY**
  - **14.** COC Adjusted 2019 Total Production

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>BROILERS HEAD</td>
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<td></td>
</tr>
<tr>
<td>DRIED EGGS</td>
<td>LBS</td>
<td></td>
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<tr>
<td>FROZEN EGGS</td>
<td>LBS</td>
<td></td>
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<tr>
<td>LIQUID EGGS</td>
<td>LBS</td>
<td></td>
</tr>
<tr>
<td>SHELL EGGS</td>
<td>DOZEN</td>
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1-15-21 3-CFAP Amend. 4 Page 7
AD-3117, Coronavirus Food Assistance Program 2 (CFAP 2) Application (Continued)

B Example of AD-3117 (Continued)

* * *

15. Livestock

CATTLE

HOOG/PIGS

SHEEP

18. Commodity

20. Total Commodity Sales

AQUACULTURE

CROPS (Excluding Part G Crops)

NURSERY/FLORICULTURE CROPS

MISCELLANEOUS

OTHER LIVESTOCK (Excluding Breeding Stock)

TOBACCO

21. Crop

22. Total 2020 Reported Acres

23. COC Adjusted Total 2020 Reported Acres

24. Weighted Insurance Approved Yield

25. COC Adjusted Weighted Insurance Approved Yield

26. 85% of Weighted County Yield

PART H – CONTRACT PRODUCER REVENUE

27. Commodity

28. 2019 Revenue

29. 2020 Revenue

30. COC Adjusted 2019 Revenue

31. COC Adjusted 2020 Revenue

PART I – INCREASED PAYMENT LIMITATION FOR CORPORATIONS, LIMITED LIABILITY COMPANIES (LLCS), LIMITED PARTNERSHIPS, TRUSTS & ESTATES

32. Applicants who are corporations, LLCs, and limited partnerships, trusts or estates may seek an increase in the per-person payment limitation from $500,000 to either $600,000. If such entity has two members, partners, stockholders, beneficiaries or heirs who each provided at least 400 hours of personal labor or active personal management, or combination thereof, to the farming operation as defined in 7 CFR Part 1400, or a maximum of $800,000 if such entity has three members, partners, stockholders, beneficiaries or heirs who each provided at least 400 hours of personal labor or active personal management, or combination thereof, to the farming operation as defined in 7 CFR Part 1400. The applicant must identify the names of members, partners, stockholders, beneficiaries or heirs who provided at least 400 hours of personal labor or active personal management, or combination thereof, to the farming operation identified in Part B, Item 5.

PART J – PRODUCER CERTIFICATION

I hereby sign and acknowledge under penalty of perjury in accordance with 28 U.S.C. § 1746 and 18 U.S.C. § 1621 that the foregoing is true and correct.

33A. Signature (by) 33B. Title/Relationship of the Individual Signing in the Representative Capacity 33C. Date (MM/DD/YYYY)

PART K – COC DETERMINATION

34. Payment Part 35. CCC or Designee Signature 36. Date (MM/DD/YYYY) 37. Determination

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