

FSA
HANDBOOK

FAV Payment Reductions

For State and County Offices

SHORT REFERENCE

4-CP
(Revision 8)

UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

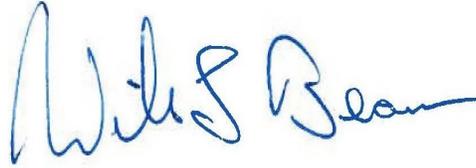
UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**FAV Payment Reductions
4-CP (Revision 8)**

Amendment 1

Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Revision

This handbook has been revised to provide:

- policy and procedure for the Agriculture Risk Coverage and the Price Loss Coverage programs as amended by the 2018 Farm Bill
- FAV policy previously provided in 1-ARCPLC (Rev. 1).

B Obsolete Material

4-CP (Rev. 7) is obsolete.

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Part 1 Basic Provisions

1 Handbook Purpose and Coverage

A Handbook Purpose

This handbook provides procedure for applying reductions to ARC or PLC payments for:

- acre-for-acre payment reductions
- maintenance defaults.

B Handbook Coverage

- This handbook provides guidance for applying payment reductions necessary under ARC and PLC.

1 Handbook Purpose and Coverage (Continued)

C Related Handbooks

The handbooks in this table relate to violations and payment reductions.

IF the material concerns...	THEN see...
acreage reports	2-CP.
appeals	1-APP.
ARC	1-ARCPLC (Rev. 1).
ARCPLC payments	1-ARCPLC (Rev. 1).
conservation compliance violations	6-CP.
information available to the public	2-INFO.
PLC	1-ARCPLC (Rev. 1).
supplementation procedures	1-AS.
equitable relief	7-CP (Rev. 4)

2 Authorities

A Sources of Authority

The sources of authority for payment reduction provisions are the following:

- Agricultural Act of 2014, as amended.
- 7 U.S.C. 9011 – 9019.
- 7 CFR Part 1412.

B STC Authority to Supplement This Handbook

Do **not** withdraw any procedure in this handbook.

This handbook may be supplemented with STC policies that have received DAFP authorization. See 1-AS for proper supplementation procedures.

3 Information Accessibility

A Access to Farms and Farm Records

Any authorized representative of the Secretary will have access to farms and farm records to make determinations on eligibility and compliance.

Note: Persons and legal entities choosing to participate **must** voluntarily provide any information necessary to establish eligibility for program benefits.

B FOIA

See 2-INFO for records available to the public.

4 Responsibilities

A County Office Responsibilities

COC's will ensure that CED's follow provisions in this handbook.

CED's will inform COC's of policy for proper administration when all program requirements have **not** been met by persons or legal entities choosing to participate in ARC or PLC.

COC will:

- when authorized make determinations based on the facts and merits of each case and document those matters in COC minutes
- send complete documented cases to STC for determination when COC is **not** authorized to make a determination.

B State Office Responsibilities

SED's will ensure that County Offices follow provisions in this handbook.

STC's will:

- make determinations for cases that exceed COC authority
- provide DD with a copy of STC or DAFP determinations for appeals or misaction or misinformation cases
- send complete documented cases to DAFP for determination when STC is **not** authorized to make a determination.

DD's will conduct the followup review to ensure that the County Office has carried out DAFP- or STC-approved action by:

- initialing and dating the County Office case file to signify that the case has been reviewed
- initialing and returning a copy of the STC determination to STC to document that the approved action has been taken.

5-19 (Reserved)

Part 2 FAV/WR Provisions

20 Overview

A Authorized Plantings

Any commodity may be planted on:

- any land, including base acres, on a farm **not** enrolled on CCC-862 or CCC-866
- nonpayment acres of a farm enrolled on CCC-862 or CCC-866
- payment acres; however, if FAV/WR are planted on payment acres enrolled on CCC-862 or CCC-866, an acre-for-acre-payment reduction is applied, according to paragraph 22.

B Exceptions

See paragraph 23 for exceptions.

21 FAV/WR Planting Applicability**A FAV Plantings**

FAV/WR planting provisions apply to the following fruits, vegetables, other than mung beans and pulse crops, and wild rice.

See Part 3 for FAV exceptions and Exhibit 10 for a list of FAV's.

B FAV/WR Planting - After Initial Crop or Prevented Planted

FAV/WR acres that are planted in the same field after either an initial crop was planted and failed, or an initial crop was prevented from being planted, are still considered the FAV/WR crop that was planted. There are no "ghost crop FAV provisions".

Example 1: A field of wheat was planted and failed. Potatoes are planted in the same field, after the wheat failed (this is **not** a double crop FAV county). This field will be considered as FAV (potatoes). The County Office will need to determine if an acre-for-acre payment reduction applies on the farm.

Example 2: A field intended to be planted to corn was reported to FSA as prevented planted. Carrots are subsequently planted in the same field, after prevented planted corn (this is **not** a double crop FAV county). Regardless if the prevented planting is approved or disapproved, the field will be considered as FAV (carrots). The County Office will need to determine if an acre-for-acre payment reduction applies on the farm.

22 FAV/WR Planting Limitations

A Statutory Provisions

Planting FAV/WR on payment acres enrolled in the ARC and PLC Program is permitted; however, if FAV/WR is planted on payment acres, an acre-for-acre reduction applies, **unless** FAV/WR is confirmed to have been destroyed without benefit before harvest.

Note: Payment acres are equal to 65 percent of base acres for a farm enrolled in ARC-IC and 85 percent of base acres for a farm enrolled in ARC-CO or PLC.

FAV/WR may be planted on payment acres enrolled in ARC or PLC without payment reduction if the FAV/WR is planted in a double-cropping practice with covered commodities in any region designated as having a history of double-cropping covered commodities or peanuts with FAV/WR (paragraph 32).

See Part 3 for FAV/WR exceptions and paragraph 23 for other compliance determinations, including when FAV/WR are destroyed before harvest.

B Farms and/or Covered Commodities Not Enrolled in the ARC and/or PLC Program

Planting and harvesting FAV/WR on payment acres on a farm that is **not enrolled** in the annual program is permitted in that year and requires no payment reduction.

Enrollment is by covered commodity. Accordingly, the base acres of any covered commodities **not** enrolled in the ARC and/or PLC Program and any unassigned base acres may be used as free acres when determining whether producers have planted FAV/WR on payment acres.

23 Compliance Determinations

A FAV/WR Determination Timing

FAV/WR are considered planted for harvest at the time of planting. Producers **cannot** negate the imposition of a payment reduction by changing the intended use of the crop.

The year of the payment reduction is based on the crop year when the fruit, vegetable, or wild rice is or would be harvested.

Example: FAV's planted on payment acres in either September or October 2020, for harvest in the 2021 contract year, will result in a 2021 contract year acre-for-acre payment reduction.

B Multiple FAV's on Same Acreage in Same FY

Multiple plantings of any FAV on the same acreage in a FY will be considered only once for compliance purposes. However, FAV's **must** be planted on the same acreage.

Example: Producer A plants and harvests 20.00 acres of tomatoes. After the tomatoes are harvested, Producer A plants and harvests carrots on the same 20.00 acres. For payment reduction purposes, only 20.00 acres of FAV's are considered.

If the carrots and tomatoes were planted on different areas, there would have been 40.00 acres of FAV's when determining acreage for the payment reductions.

C Perennial FAV's

Perennial FAV's, such as apples, oranges, strawberries, and nut crops, will be considered FAV's beginning in the FY in which they are planted and each succeeding year they are on payment acres enrolled in the ARC and PLC Program. Nut crops are considered FAV's.

The destruction of perennial FAV/WR before harvest does **not** negate a payment reduction.

Note: See Exhibit 10 for a list of FAV's.

23 Compliance Determinations (Continued)

D Destruction of Nonperennial FAV/WR Before Harvest

Nonperennial FAV/WR planted on payment acres enrolled in the ARC and PLC Program that are confirmed to have been destroyed without benefit **before** harvest will **not** result in an acre-for-acre payment reduction, if **all** of the following are met:

- producer notifies FSA that the commodity has been or will be destroyed without benefit **before** harvest
- FSA conducts a producer-paid-for farm visit and confirms and verifies that the commodity was destroyed without benefit **before** harvest

Note: In the event that the producer gives notice that the crop was destroyed and the visit is unable to confirm based on physical evidence in the field that destruction without benefit occurred as claimed, the acreage will be presumed to be FAV/WR subject to payment reduction. The burden is the ARC or PLC participant's to give timely notice and obtain FSA confirmation of destruction without benefit.

- producer revises FSA-578 to record the acres remaining for harvest according to 2-CP.

Unless the destruction of the commodity is verified with a producer-paid-for-farm visit, COC will consider FAV/WR harvested for compliance and payment reduction purposes.

Important: Intended uses of cover only, foraging, green manure, grazing, left standing, and silage, do not require a field visit and may be considered destroyed.

23 Compliance Determinations (Continued)

D Destruction of Nonperennial FAV/WR Before Harvest (Continued)

Example 1: Joe Brown enrolls FSN 25 in FY 2019 PLC with the following:

- 225.00 acres of effective DCP cropland
- zero double-cropped acres on the farm according to Farm Records
- 80.00 acres of wheat base acres
- 80.00 acres of corn base acres
- 40.00 acres of soybean base acres
- 200.00 acres of total base.

Brown plants 165.00 acres of soybeans and 60.00 acres of potatoes as reported on FSA-578.

Because all covered commodities on the farm are enrolled in PLC, the payment acres are 170.00 acres (200.00 base acres x 85 percent). The farm's nonpayment acres are 55.00 acres (225.00 effective DCP cropland acres – 170.00 payment acres = 55.00 acres).

Brown notifies FSA that 5.00 acres of potatoes have been destroyed without benefit **before** harvest and pays for a farm visit to verify the destruction. FSA conducts a producer-paid-for farm visit and verifies that 5.00 acres of potatoes were destroyed without benefit **before** harvest. Brown revises FSA-578 to indicate that 55.00 acres of potatoes remain planted in the field after the destruction of the 5.00 acres.

In this example, there will be no payment reduction, because all 55.00 acres that remain planted are on nonpayment acres. The FY 2019 payments for the farm are **not** affected by the 5.00 acres of destroyed potatoes on payment acres.

23 Compliance Determinations (Continued)

D Destruction of Nonperennial FAV/WR Before Harvest (Continued)

Example 2: Mary White enrolls FSN 365 in FY 2019 ARC-IC with the following:

- 225.00 acres of effective DCP cropland
- zero double-cropped acres on the farm according to Farm Records
- 80.00 acres of wheat base acres
- 80.00 acres of corn base acres
- 40.00 acres of soybean base acres
- 200.00 acres of total base.

White plants 110.00 acres of corn and 115.00 acres of wild rice as reported on FSA-578.

Because this farm is enrolled in ARC-IC, the payment acres are 130.00 acres (200.00 base acres x 65 percent). The farm's nonpayment acres are 95.00 acres (225.00 effective DCP cropland acres – 130.00 payment acres = 95.00 acres).

White notifies FSA that 20.00 acres of wild rice have been destroyed **before** harvest and pays for an FSA farm visit to verify destruction.

FSA conducts a producer-paid-for farm visit; however, it **cannot** verify that 20.00 acres of wild rice were destroyed **before** harvest. COC will **not** modify FSA-578 for FSN 365. COC will apply an acre-for-acre payment reduction of 20.00 acres (115.00 acres of FAV/WR – 95.00 nonpayment acres = 20.00 acres).

23 Compliance Determinations (Continued)**D Destruction of Nonperennial FAV/WR Before Harvest (Continued)**

Example 3: Jack Green enrolls FSN 1101 in FY 2020 ARC-CO with the following:

- 225.00 acres of effective DCP cropland
- zero double-cropped acres on the farm according to Farm Records
- 80.00 acres of wheat base acres
- 80.00 acres of corn base acres
- 40.00 acres of soybean base acres
- 200.00 acres of total base.

Green plants 165.00 acres of corn and 60.00 acres of apple trees as reported on FSA-578.

Because all covered commodities on the farm are enrolled in ARC-CO, the payment acres are 170.00 acres (200.00 base acres x 85 percent). The farm's nonpayment acres are 55.00 acres (225.00 effective DCP cropland acres – 170.00 payment acres = 55.00 acres).

Green notifies FSA that 5.00 acres of apple trees have been destroyed.

There is no provision to allow the destruction of perennial FAV/WR planted on payment acres to negate an acre-for-acre payment reduction in this situation. COC will **not** modify FY 2020 FSA-578 for FSN 1101. COC will apply an acre-for-acre payment reduction of 5 acres, (60.00 acres of FAV/WR – 55.00 nonpayment acres = 5.00 acres).

For compliance determinations, FAV/WR are considered planted for harvest at the time of planting.

The destruction of perennial FAV/WR before harvest does not negate a payment reduction

24-30 (Reserved)

Part 3 FAV/WR Exceptions**31 Background****A Exceptions**

Certain exceptions allow for the planting of FAV or WR on payment acres and the payment acres on the farm will not be reduced.

B Planting Intentions

The crop's intended use **must** be declared when FSA-578 is filed. Producers **cannot** subsequently change the reported intended use of FAV acreage to avoid an acre-for-acre payment reduction.

Note: Follow 2-CP for guidance on revising a crop's intended use. The intended use of a crop on FSA-578 cannot be revised after the ARD. Further, 2-CP does not permit revising acreage reports to negate program violations.

32 Double-Cropping Exception Policy

A Double-Cropping Exceptions

The double-cropping exception provides that FAV's and wild rice may be planted on payment acres enrolled in the ARC and PLC Program without payment reduction, if FAV or wild rice, as applicable, is planted in an approved double-cropping cycle with a covered commodity planted in a designated double-cropping region established by STC (see 2-CP).

Note: See subparagraph C for double-cropping regions.

B Determining Double-Cropping FAV's and/or Wild Rice with Covered Commodity

For the purpose of determining FAV and wild rice double-cropping regions, double-cropping FAV's or wild rice with covered commodities means planting and harvesting a covered commodity **for grain** in cycle with planting and harvesting FAV or wild rice on the same acreage, in a 12-month period, with the ability to plant and harvest the same 2 crops in the immediately succeeding 12-month period, under normal growing conditions.

FAV and wild rice may be planted before or after the covered commodity to be considered double-cropped.

C Double-Cropping Regions

FAV and wild rice double-cropping regions were established by STC, in consultation with NIFA, Land Grant Universities, and other agencies, based on the planting history for the region.

Note: Double-cropping of FAV's or wild rice in cycle with covered commodities **must** be customary for the region.

Established FAV and wild rice double-cropping regions:

- **must** be, at a minimum, an entire county
- borders **must** follow county lines
- were determined on a county-by-county basis
- will **not** be an area greater than the entire county.

To be eligible for this exception, the farm **must** be administratively located in a county established as FAV **and** wild rice double-cropping region. Do **not** consider the physical location of the farm in this determination.

32 Double-Cropping Exception Policy (Continued)**D COC Determining FAV and Wild Rice Double-Cropping**

In designated FAV and wild rice double-cropping regions, COC will each FY consider acreage double-cropped for determining FAV and/or wild rice double-cropped exception if **all** of the following are met:

- a fruit, vegetable, or wild rice is planted in cycle with a covered commodity or peanuts on the same acreage
- both crops were planted with reasonable expectations and realistic possibilities of harvesting each crop in a 12-month period
- both crops meet the definition of double-cropping in 2-CP.

Important: For covered commodities, harvesting means **harvested as grain**.

Example 1: Wheat is planted, but because of adverse weather, the wheat is abandoned, and the acreage is planted to green beans. If this occurs in a designated FAV and wild rice double-cropping region where wheat can be planted, harvested for grain, and followed by the planting and harvesting of green beans in a double-cropping situation within a 12-month period, this may be considered double-cropped, even though the green beans were planted early.

If the same situation occurs in a designated double-cropping region where wheat **cannot** be planted, harvested, and followed by the planting and harvesting of green beans in a double-cropping situation within a 12-month period, it is **not** double-cropping.

32 Double-Cropping Exception Policy (Continued)**D COC Determining FAV and Wild Rice Double-Cropping (Continued)**

Example 2: Wheat is planted and taken for hay **before** disposition. Carrots are then planted on the same base acres. If this occurs in a designated double-cropping region where carrots could have been planted and harvested following the harvest of the wheat for grain, this may be considered double-cropping.

If wheat **cannot** be carried to harvest as grain followed by the planting and harvesting of carrots on the same acreage in the same 12-month period, it is **not** double-cropping.

Any fruit, vegetable, or wild rice may be double-cropped with any covered commodity or peanuts; however, COC **must** be satisfied that both crops could be harvested within a 12-month period, and again during the immediately succeeding 12-month period, under normal growing conditions for the county. If COC determines both crops could **not** be harvested in a 12-month period double-cropping cycle under normal growing conditions, the crops will **not** be considered double-cropped and this exception will **not** apply.

E FAV/WR Double-Cropping Flexibility

FAV's or wild rice planted in a double-cropping situation with a covered commodity or peanuts on a farm administratively located in an established FAV and wild rice double-cropping region will **not** result in ARC or PLC payment reduction.

Any farm administratively located in an established FAV and wild rice double-cropping region may double-crop FAV's or wild rice in cycle with a covered commodity.

Provisions of this exception are **not** crop specific. Any fruit, vegetable, or wild rice may be double-cropped with any covered commodity.

33 Prevented Planting Provisions for FAV/WR Double-Cropping Exception

A Purpose of Prevented Planted Credit

The purpose of prevented planted credit is to allow a farm to remain eligible for the FAV/WR double-cropping exception when a natural disaster or a quarantine imposed by a State or local agency prevents the covered commodity from being planted.

Prevented planting provisions only apply to the covered commodity in a double-cropping practice with FAV/WR in an established double-cropping region.

B Definition of Prevented Planting

Prevented planting means the inability to plant crop acreage with proper equipment during the established planting period for the crop. A producer **must** be able to prove, to COC's satisfaction, that the:

- producer intended to plant the eligible crop acreage
- eligible crop acreage could **not** be planted because of a natural disaster or a quarantine imposed by a State or local agency.

C Final Planting Dates

The FCIC-established final planting dates will be used for prevented planting determinations.

Note: Spring wheat does **not** need to be planted as a replacement for winter wheat when the winter wheat is prevented from planting.

If FCIC-established final planting dates are **not** available, STC will establish the final planting date consistent with 1-NAP.

D Applying for Prevented Planting Credit

The producer **must** apply for prevented planted credit according to 2-CP.

34 Examples of Double-Cropping Region Exception

A Example 1

The following farm data applies to this double-cropping example:

- 100.00 acres of effective DCP cropland
- zero double-cropped acres on farm according to Farm Records
- 100.00 base acres for wheat
- 100.00 acres of total base
- base acres are enrolled in ARC-CO.

In this example the farm is administratively located in an established FAV/WR double-cropping region. COC determined that both commodities (wheat followed by carrots) can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period, under normal growing conditions.

Wheat Base Acres

100.00 acres wheat harvested for grain followed by 100.00 acres carrots harvested

No payment reduction is applied in this example, because of the following:

- the farm is administratively located in an established FAV/WR double-cropping region
- the carrots were double-cropped with a covered commodity (wheat)
- COC determined both commodities can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period, under normal growing conditions.

ARC-CO payments are unaffected.

34 **Examples of Double-Cropping Region Exception (Continued)**

B Example 2

The following farm data applies to this double-cropping example:

- 100.00 acres of effective DCP cropland
- zero double-cropped acres on farm according to Farm Records
- 100.00 base acres for wheat
- 100.00 acres of total base
- base acres are enrolled in PLC.

In this example the farm is administratively located in an established FAV/WR double-cropping region. COC determined that all commodities (lettuce and carrots followed by soybeans and grain sorghum) can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period, under normal growing conditions.

Wheat Base Acres

50.00 acres lettuce harvested and 50.00 acres carrots harvested followed by 75.00 acres soybeans harvested for grain and 25.00 acres grain sorghum harvested for grain

No payment reduction is applied in this example, because all the following are met:

- the farm is administratively located in an established FAV/WR double-cropping region
- both the lettuce and carrots were double-cropped with a covered commodity (soybeans or grain sorghum)
- COC determined all commodities can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period, under normal growing conditions.

PLC payments are unaffected.

34 Examples of Double-Cropping Region Exception (Continued)

C Example 3

The following farm data applies to this double-cropping example:

- 100.00 acres of effective DCP cropland
- zero double-cropped acres on farm according to Farm Records
- 100.00 base acres for wheat
- 100.00 acres of total base
- base acres are enrolled in ARC-CO.

In this example the farm is **not** administratively located in an established FAV/WR double-cropping region.

Wheat Base Acres

100.00 acres carrots harvested followed by 100 acres corn harvested for grain

This farm does **not** meet the double-cropping exception. The carrots were harvested in a 2-CP approved double-cropping situation with a covered commodity; however, the farm is **not** administratively located in an established FAV/WR double-cropping region.

Because all covered commodities on the farm are enrolled in ARC-CO, the payment acres are 85.00 acres (100.00 base acres x 85 percent). The farm's nonpayment acres are 15.00 acres (100.00 effective DCP cropland acres – 85.00 payment acres = 15.00 acres).

In this example 100.00 acres of carrots will count as FAV/WR because they were **not** administratively located in an established FAV/WR double-cropping region. COC will apply an acre-for-acre payment reduction of 85.00 acres, (100.00 acres of FAV/WR – 15.00 nonpayment acres = 85.00 acres).

34 Examples of Double-Cropping Region Exception (Continued)

D Example 4

The following farm data applies to this double-cropping example:

- 100.00 acres of effective DCP cropland
- zero double-cropped acres on farm according to Farm Records
- 100.00 base acres for wheat
- 100.00 acres of total base
- base acres are enrolled in ARC-CO.

In this example the farm is administratively located in an established FAV/WR double-cropping region and all covered commodities are enrolled in ARC-CO. COC determined that both commodities (carrots followed by corn) can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period, under normal growing conditions.

Wheat Base Acres

100.00 acres carrots harvested followed by 60.00 acres corn harvested for grain

In this example the farm is located in an established FAV double-cropping region; however, only 60.00 of the 100.00 acres of carrots were planted in a double-cropping situation with a covered commodity (corn).

Because all covered commodities are enrolled in ARC-CO, the payment acres are 85.00 acres (100.00 base acres x 85 percent). The farm's nonpayment acres are 15.00 acres (100.00 effective DCP cropland acres – 85.00 payment acres = 15.00 acres).

In this example, only 40.00 acres of carrots will count as FAV/WR because they were **not** in a double-cropping situation with a covered commodity. COC will apply an acre-for-acre payment reduction of 25.00 acres, (40.00 acres of FAV/WR – 15.00 nonpayment acres = 25.00 acres).

34 Examples of Double-Cropping Region Exception (Continued)

E Example 5

The following farm data applies to this double-cropping example:

- 100.00 acres of effective DCP cropland
- zero double-cropped acres on farm according to Farm Records
- 100.00 base acres for wheat
- 100.00 acres of total base
- base acres are enrolled in ARC-IC.

In this example the farm is administratively located in an established FAV/WR double-cropping region and is enrolled in ARC-IC. COC determined that the 2 commodities (spring wheat followed by tomatoes) **cannot** be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period, under normal growing conditions.

Wheat Base Acres

100.00 acres spring wheat failed followed by 100.00 acres tomatoes harvested
--

In this example the farm is located in an established FAV/WR double-cropping region. The producer planted 100.00 acres of spring wheat that failed. After the spring wheat failed, the producer planted and harvested 100.00 acres of tomatoes on the failed spring wheat acreage.

Because this farm is enrolled in ARC-IC, the payment acres are 65.00 acres (100.00 base acres x 65 percent). The farm's nonpayment acres are 35.00 acres (100.00 effective DCP cropland acres – 65.00 payment acres = 35.00 acres).

In this example, 100.00 acres of tomatoes will count as FAV/WR, because COC determined that spring wheat could **not** be harvested for grain followed by tomatoes in a double-cropping situation within a 12-month period, and again during the immediately succeeding 12-month period, under normal growing conditions. COC will apply an acre-for-acre payment reduction of 65.00 acres, (100.00 acres of FAV/WR – 35.00 nonpayment acres = 65.00 acres).

34 Examples of Double-Cropping Region Exception (Continued)

F Example 6

The following farm data applies to this double-cropping example:

- 100.00 acres of effective DCP cropland
- zero double-cropped acres on farm according to Farm Records
- 100.00 base acres for wheat
- 100.00 acres of total base
- base acres are enrolled in ARC-CO.

In this example the farm is administratively located in an established FAV/WR double-cropping region and all covered commodities are enrolled in ARC-CO. COC determined that both commodities (wheat followed by carrots) can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period, under normal growing conditions.

Wheat Base Acres

100.00 acres prevented planted wheat followed by 100.00 acres carrots harvested

In this example the producer submitted a request for prevented planted acreage credit for 100.00 acres of wheat according to this paragraph. COC approved the notice of loss for 100.00 acres of prevented planted wheat, and the farm maintained eligibility for the FAV/WR double-cropping exception.

The harvesting of 100.00 acres of carrots, in this example, will **not** result in a payment reduction because all of the following are met:

- the farm is administratively located in an established FAV/WR double-cropping region
- COC approved the notice of loss for prevented planted acreage credit for the farm to maintain eligibility for the FAV/WR double-cropping exception
- COC determined that both commodities can be harvested in a double-cropping situation within a 12-month period, and again in the immediately succeeding 12-month period, under normal growing conditions.

ARC-CO payments are unaffected.

35 Other FAV/WR Exceptions**A Destroyed Before Harvest**

Nonperennial FAV/WR planted on payment acres enrolled in ARC or PLC that are destroyed before harvest will **not** reduce ARC or PLC payment for the farm, if the provisions in paragraph 23, are met. A farm visit will be completed, and farm visit fee charged for FAV/WR that are destroyed according to 2-CP, paragraph 28.

B Home Gardens

FAV's that are designated as, and meet the definition of, a home garden will not reduce ARC or PLC payments for the farm.

C Certain Intended Uses

FAV's **planted and reported** with an intended use as follows, and do **not** have a "Land Use" code of "F" in (2-CP, Exhibit 11) will not reduce the ARC or PLC payments on the farm. All other FAV's are **not** part of this exception:

- cover only
- forage
- green manure
- grazing
- left standing
- silage.

D Not for Human Consumption

Any FAV planted in a mixture to an extent that harvest of FAV as a human food source is impractical, as determined by COC, will not reduce the ARC or PLC payments on the farm.

No field visit is required.

35 Other FAV/WR Exceptions (Continued)

E Certain Crops

The planting of mung beans or pulse crops, even if planted on payment acres, will not reduce ARC or PLC payments on the farm.

Pulse crops include:

- dry peas, including:
 - Austrian
 - green
 - Umatilla
 - wrinkled seed
 - yellow
- lentils
- small chickpeas (desi garbanzo beans)
- large chickpeas (kabuli garbanzo beans)

Important: Not all peas are dry peas. Not all peas are included in the FAV exemption. Peas grown for the following markets are **not** dry peas, and are **not** eligible for the FAV dry pea exemption:

- canning
- fresh
- frozen.
- tobacco
- hemp.

36-44 (Reserved)

Part 4 Computations

45 Computing Reduced Acres

A Determining Acres to Be Reduced

County Offices will determine whether FAV/WR is planted on payment acres enrolled in ARC or PLC according the following table.

Note: FAV/WR acres will **always** first be attributed to nonpayment acres.

Important: Payment shares are determined for:

- ARC-CO and PLC based on the individuals or entities who are producers with a crop share interest on base acres, according to 1-ARCPLC (Rev 1), paragraphs 101 and 113

Note: Producers planting FAV/WR on base acres **must** have a payment share interest on the ARC/PLC contract

- ARC-IC based on each producer's share interest in covered commodities planted on the enrolled ARC-IC farms, as reported on FSA-578.

Notes: Producers, including owners that have **no** share interest in the covered commodity planted on enrolled ARC-IC farm, will **not** receive an ARC-IC payment for the ARC-IC farms, according to 1-ARCPLC (Rev 1), paragraph 143.

Final payment shares will be determined by using each producer's share of covered commodities certified on FSA-578 on each ARC-IC elected and enrolled FSN in the State. If multiple covered commodities are planted on the farm, a blended share **must** be computed.

FAV/WR planted on the farm will always first be applied to nonpayment acres regardless of whether or **not** the producer shares in CCC-862 or CCC-866.

45 Computing Reduced Acres (Continued)

A Determining Acres to Be Reduced (Continued)

Step	Action		
1	IF the farm is enrolled in...	THEN determine the farms nonpayment acres as follows...	
	ARC-CO or PLC	Step	Action
		A	Determine effective DCP cropland on the farm.
		B	Determine number of double-cropped acres on farm according to farm records.
		C	Add result of step A and step B.
		D	Determine payment base acres by multiplying the total base acres for the farm times 85 percent. Note: <u>Total base acres</u> , in this case, mean all enrolled covered commodity base acres.
		E	Subtract result of step D from the result of step C.
	ACR-IC	Step	Action
		A	Determine effective DCP cropland on the farm.
		B	Determine number of double-cropped acres on farm according to farm records.
		C	Add result of step A and step B.
		D	Determine payment base acres by taking the total base acres for the farm times 65 percent.
	E	Subtract result of step D from the result of step C.	
	2	<p>Subtract the result of step 1 (ARC-IC, ARC-CO, or PLC, as applicable) from the total acres of FAV/WR planted on the farm.</p> <p>Important: The total acreage of FAV/WR planted on the farm includes FAV/WR acreage planted by producers with zero or no interest in the farm's CCC-862 or CCC-866.</p> <p>Note: Only count the acreage once when multiple plantings of FAV/WR are planted on the same crop acreage. See paragraph 23.</p> <p>If FAV/WR is double-cropped with a covered commodity in an established FAV/WR double-cropping region, it is not considered an FAV. See paragraph 23.</p>	

45 Computing Reduced Acres (Continued)

A Determining Acres to Be Reduced (Continued)

Step	Action	
3	IF the result of step 2 is...	THEN...
	equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>
	greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 C. <p>Note: For:</p> <ul style="list-style-type: none"> • ARC-CO and PLC, the acre-for-acre reduction will be attributed to each of the enrolled covered commodities on the farm having payment acres on a pro rata basis to reflect the ratio of the payment acres of the covered commodity on the farm to the total payment acres of all covered commodities on the farm • ARC-IC, the acre-for-acre reduction will be attributed to the total payment acres on the farm as the payment acres are determined solely by multiplying the 65 percent of the base acres of the farm.

45 Computing Reduced Acres (Continued)

B Examples

Example 1

This is an example of determining whether FAV/WR is planted on payment acres enrolled in ARC-CO and PLC for a farm with the following criteria:

- 300.00 acres of effective DCP cropland
- zero double cropped-acres
- 200.00 base acres
- 125.00 planted acres of FAV/WR that are **not** double-cropped/**no** FAV exemption.

Step	Action		Result	
1	IF the farm is enrolled in...	THEN determine the farms nonpayment acres as follows...		
	ARC-CO or PLC	Step	Action	
		A	Determine effective DCP cropland on the farm.	300.00
		B	Determine number of double-cropped acres on farm according to farm records.	0
		C	Add result of step A and step B.	300.00
		D	Determine payment acres by taking the total enrolled base acres for the farm times 85 percent. 200.00 total base x 85 percent = 170.00 payment acres	170.00
E	Subtract result of step D from the result of step C. 300.00 acres – 170.00 payment acres = 130.00 nonpayment acres	130.00		

45 Computing Reduced Acres (Continued)

B Examples (Continued)

Step	Action	Result								
2	<p>Subtract the result of step 1 from the total acres of FAV/WR planted on the farm.</p> <p style="text-align: center;">125.00 FAV/WR – 130.00 nonpayment acres = -5.00 acres</p> <p>Important: The total acreage of FAV/WR planted on the farm includes FAV/WR acreage planted by producers with zero interest in the farm’s CCC-862 or CCC-866.</p> <p>Note: Only count the acreage once when multiple plantings of FAV/WR are planted on the same crop acreage. See paragraph 23.</p> <p>If FAV/WR is double-cropped with a covered commodity in an established FAV/WR double-cropping region, it is not considered a FAV. See paragraph 23.</p>	-5.00								
3	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="383 909 607 974" style="width: 30%;">IF the result of step 2 is...</th> <th data-bbox="607 909 1312 974">THEN...</th> </tr> </thead> <tbody> <tr> <td data-bbox="383 974 607 1272">equal to or less than zero</td> <td data-bbox="607 974 1312 1272"> <ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p> </td> </tr> <tr> <td data-bbox="383 1272 607 1533">greater than zero</td> <td data-bbox="607 1272 1312 1533"> <ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. </td> </tr> </tbody> </table>	IF the result of step 2 is...	THEN...	equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>	greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td data-bbox="1312 898 1474 1272" style="text-align: center; vertical-align: middle;">Payment acres are not required to be reduced.</td> </tr> <tr> <td data-bbox="1312 1272 1474 1533" style="text-align: center; vertical-align: middle;">Not applicable.</td> </tr> </tbody> </table>	Payment acres are not required to be reduced.	Not applicable.
IF the result of step 2 is...	THEN...									
equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>									
greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. 									
Payment acres are not required to be reduced.										
Not applicable.										

45 Computing Reduced Acres (Continued)

B Examples (Continued)

Example 2

This example shows how to determine FAV/WR acreage planted on payment acres enrolled in ARC-CO and PLC on a farm with the following criteria:

- 300.00 acres of effective DCP cropland
- 10.00 double-cropped acres
- 200.00 base acres
- 2 producers exist on the farm
- Operator A plants 100.00 acres to non FAV/WR and plants 145.00 acres to FAV/WR
- Tenant B plants 50.00 acres to non FAV/WR and 5.00 acres to FAV/WR
- 150.00 planted acres of FAV/WR (includes the 145.00 acres from Operator A and 5.00 acres of from Tenant B) that are **not** double-cropped with a covered commodity.

Step	Action		Result	
1	IF the farm is enrolled in... ARC-CO or PLC	THEN determine the farms nonpayment acres...		
		Step	Action	
		A	Determine effective DCP cropland on the farm.	300.00
		B	Determine number of double-cropped acres on farm according to farm records.	10.00
		C	Add result of step A and step B.	310.00
		D	Determine payment acres by taking the total enrolled base acres for the farm times 85 percent. 200.00 total base acres x 85 percent = 170.00 payment acres	170.00
E	Subtract result of step D from the result of step C. 310.00 acres – 170.00 payment acres = 140.00 nonpayment acres	140.00		

45 Computing Reduced Acres (Continued)

B Examples (Continued)

Step	Action	Result						
2	<p>Subtract the result of step 1 from the total acres of FAV/WR planted on the farm.</p> <p style="text-align: center;">150.00 FAV/WR – 140.00 nonpayment acres = 10.00 acres</p> <p>Important: Operator A and Tenant B share in the ARC-CO and PLC contract.</p> <p>The total acreage of FAV/WR planted on the farm includes FAV/WR acreage planted by producers with zero interest in the farm’s CCC-862 or CCC-866.</p> <p>Note: Only count the acreage once when multiple plantings of FAV/WR are planted on the same crop acreage. See paragraph 23.</p> <p>If FAV/WR is double-cropped with a covered commodity in an established FAV/WR double-cropping region, it is not considered a FAV. See paragraph 23.</p>	10.00						
3	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="378 1020 565 1083">IF the result of step 2 is...</th> <th data-bbox="565 1020 1307 1083">THEN...</th> </tr> </thead> <tbody> <tr> <td data-bbox="378 1083 565 1272">equal to or less than zero</td> <td data-bbox="565 1083 1307 1272"> <ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p> </td> </tr> <tr> <td data-bbox="378 1272 565 1722">greater than zero</td> <td data-bbox="565 1272 1307 1722"> <ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A • ARC-CO and PLC payment acres for the farm will be reduced by 10 acres, in proportion to the payment acres of each covered commodity with base acres of the farm. </td> </tr> </tbody> </table>	IF the result of step 2 is...	THEN...	equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>	greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A • ARC-CO and PLC payment acres for the farm will be reduced by 10 acres, in proportion to the payment acres of each covered commodity with base acres of the farm. 	<div style="background-color: #cccccc; height: 20px; width: 100%;"></div> Not applicable.
IF the result of step 2 is...	THEN...							
equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>							
greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A • ARC-CO and PLC payment acres for the farm will be reduced by 10 acres, in proportion to the payment acres of each covered commodity with base acres of the farm. 							

Par. 45

45 Computing Reduced Acres (Continued)

B Examples (Continued)

Example 3

This example shows how to determine whether FAV/WR is planted on payment acres enrolled in ARC-IC on a farm with the following criteria:

- 300.00 acres of effective DCP cropland
- zero double-cropped acres
- 250.00 base acres
- 100.00 acres of lettuce, 50.00 acres of peppers, and 85.00 acres of tomatoes (**not** double-cropped with a covered commodity).

Note: Fifteen acres of the 50.00 acres of peppers were planted on the lettuce acreage after it was harvested resulting in 35.00 acres of FAV/WR. In addition, 75.00 acres of the 85.00 acres of tomatoes were planted on the lettuce acreage after it was harvested resulting in 10.00 acres considered FAV/WR.

Step	Action		Result
1	IF the farm is enrolled in...	THEN determine the farms nonpayment acres...	
	ACR-IC	Step	Action
		A	Determine effective DCP cropland on the farm.
		B	Determine number of double-cropped acres on farm according to farm records.
		C	Add result of step A and step B.
		D	Determine payment base acres by taking the total base acres for the farm times 65 percent. 250.00 total base x 65 percent = 162.50 payment acres
		E	Subtract result of step D from the result of step C. 300.00 acres - 162.50 payment acres = 137.50 nonpayment acres
			300.00
			0
			300.00
			162.50
			137.50

45 Computing Reduced Acres (Continued)

B Examples (Continued)

Step	Action	Result						
2	<p>Subtract the result of step 1 from the total acres of FAV/WR planted on the farm.</p> <p style="text-align: center;">145.00 acres of FAV/WR - 137.50 nonpayment acres = 7.50 acres</p> <p>Note: Total FAV/WR is calculated using 100.00 acres of lettuce, 35.00 acres of peppers, and 10.00 acres of tomatoes.</p> <p>Important: The total acreage of FAV/WR planted on the farm includes FAV/WR acreage planted by producers with zero interest in the farm's CCC-862 or CCC-866.</p> <p>Note: Only count the acreage once when multiple plantings of FAV/WR are planted on the same crop acreage. See paragraph 23.</p> <p>If FAV/WR is double-cropped with a covered commodity in an established FAV/WR double-cropping region, it is not considered a FAV. See paragraph 23.</p>	7.50						
3	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="383 1012 584 1087">IF the result of step 2 is...</th> <th data-bbox="584 1012 1318 1087">THEN...</th> </tr> </thead> <tbody> <tr> <td data-bbox="383 1087 584 1272">equal to or less than zero</td> <td data-bbox="584 1087 1318 1272"> <ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p> </td> </tr> <tr> <td data-bbox="383 1272 584 1541">greater than zero</td> <td data-bbox="584 1272 1318 1541"> <ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. </td> </tr> </tbody> </table>	IF the result of step 2 is...	THEN...	equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>	greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. 	<div style="background-color: #cccccc; height: 20px; width: 100%;"></div> Not applicable. ARC-IC payment acres for the farm will be reduced by 7.50 acres.
IF the result of step 2 is...	THEN...							
equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>							
greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. 							

45 Computing Reduced Acres (Continued)

B Examples (Continued)

Example 4

This example shows how to determine FAV/WR acreage planted on payment acres enrolled in ARC-IC on a farm with the following criteria:

- 300.00 acres of effective DCP cropland
- zero double-cropped acres
- 200.00 base acres
- 2 producers exist on the farm
- Operator A plants 50.00 acres to covered commodity and plants 195.00 acres to FAV/WR
- Tenant B plants 50.00 acres to sugar beets and 5.00 acres to FAV/WR
- 200.00 planted acres of FAV/WR (includes the 195.00 acres from Operator A and 5.00 acres of from Tenant B) that are **not** double-cropped with a covered commodity.

Step	Action		Result	
1	IF the farm is enrolled in...	THEN determine the farms nonpayment acres...		
	ACR-IC	Step	Action	
		A	Determine effective DCP cropland on the farm.	300.00
		B	Determine number of double-cropped acres on farm according to farm records.	0
		C	Add result of step A and step B.	300.00
		D	Determine payment base acres by taking the total base acres for the farm times 65 percent. 200.00 total base x 65 percent = 130.00 payment acres	130.00
E	Subtract result of step D from the result of step C. 300.00 acres – 130.00 payment acres = 170.00 nonpayment acres	170.00		

45 Computing Reduced Acres (Continued)

B Examples (Continued)

Step	Action	Result						
2	<p>Subtract the result of step 1 from the total acres of FAV/WR planted on the farm.</p> <p style="text-align: center;">200.00 acres of FAV/WR – 170.00 nonpayment acres = 30.00 acres</p> <p>Note: Operator A would have 100 percent share on the ARC-IC contract because Tenant B’s sugar beets are not a covered commodity.</p> <p>Important: The total acreage of FAV/WR planted on the farm includes FAV/WR acreage planted by producers with zero interest in the farm’s CCC-862 or CCC-866.</p> <p>Note: Only count the acreage once when multiple plantings of FAV/WR are planted on the same crop acreage. See paragraph 23.</p> <p>If FAV/WR is double-cropped with a covered commodity in an established FAV/WR double-cropping region, it is not considered a FAV. See paragraph 23.</p>	30.00						
3	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="378 1060 573 1123">IF the result of step 2 is...</th> <th data-bbox="573 1060 1304 1123">THEN...</th> </tr> </thead> <tbody> <tr> <td data-bbox="378 1123 573 1312">equal to or less than zero</td> <td data-bbox="573 1123 1304 1312"> <ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p> </td> </tr> <tr> <td data-bbox="378 1312 573 1617">greater than zero</td> <td data-bbox="573 1312 1304 1617"> <ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. </td> </tr> </tbody> </table>	IF the result of step 2 is...	THEN...	equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>	greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. 	<div style="background-color: #cccccc; height: 20px; margin-bottom: 5px;"></div> <p>Not applicable.</p> <p>ARC-IC payment acres for the farm will be reduced by 30.00 acres.</p>
IF the result of step 2 is...	THEN...							
equal to or less than zero	<ul style="list-style-type: none"> • FAV/WR are not planted on payment acres • acre-for-acre reduction does not apply to the farm. <p>Note: A payment reduction will not be applied if the result of step 2 is equal to or less than zero.</p>							
greater than zero	<ul style="list-style-type: none"> • FAV/WR are planted on payment acres • acre-for-acre reduction applies to the farm based on the result of step 2 • apply the acre-for-acre reduction to the farm according to subparagraph 22 A. 							

45 **Computing Reduced Acres (Continued)****C Applying for ARC and PLC Acre-for-Acre Payment Reduction**

For:

- ARC-CO and PLC, the acre-for-acre reduction will be attributed to each of the covered commodities on the farm having payment acres on a pro rata basis to reflect the ratio of the payment acres of the covered commodity on the farm to the total payment acres of all covered commodities on the farm
- ARC-IC, the acre-for-acre reduction will be attributed to the total payment acres on the farm as the payment acres are determined solely by multiplying the 65 percent of the base acres of the farm.

D ARC-CO and PLC Acre-for-Acre Payment Reduction

The following table provides the steps in applying the acre-for-acre payment reduction for farms with crops enrolled in ARC-CO or PLC. See subparagraph F for an example of applying an acre-for-acre reduction to a farm enrolled on ARC-CO and PLC.

Step	Action
1	Determine the number of FAV/WR acres planted on payment acres enrolled in ARC-CO or PLC according to subparagraph 21 C.
2	Multiply each covered commodity's base acres times 85 percent to determine each crop's payment acres.
3	Total the number of payment acres for each farm.
4	For each covered commodity, divide step 2 by step 3 to determine each covered commodity's percent of payment acres.
5	For each covered commodity, multiply step 4 times step 1 to determine the amount of payment acres to reduce for each covered commodity. The result can never be less than zero.

45 **Computing Reduced Acres (Continued)**

E ARC-IC Acre-for-Acre Payment Reduction

The following table provides the steps in applying the acre-for-acre payment reduction for farms with crops enrolled in ARC-IC. See subparagraph G for an example of applying an acre-for-acre reduction to a farm enrolled on ARC-IC.

Step	Action
1	Determine the number of FAV/WR acres planted on payment acres enrolled in ARC-IC according to subparagraph 21 C.
2	Multiply the total base acres of all covered commodities times 65 percent to determine the payment acres for the farm.
3	Subtract step 1 from step 2. This number can never be less than zero. The remaining amount is the number of payment acres for the applicable farm.

F Example of Calculation for ARC-CO and PLC

This example applies the acre-for-acre reduction to the applicable covered commodities on a farm enrolled in ARC-CO and PLC with 100.00 acres of FAV/WR planted on payment acres.

Crop	Base Acres	Payment Acres	Percent of Payment Acres	Payment Acres Reduced	Final Payment Acres
Corn	75.00	63.75	0.3659	36.59	27.16
Oats	30.00	25.50	0.1463	14.63	10.87
Wheat	100.00	85.00	0.4878	48.78	36.22
Total	205.00	174.25	1.0000	100.00	74.25

G Example of Calculation for ARC-IC

This example applies the acre-for-acre reduction to the applicable farm enrolled in ARC-IC with 100.00 acres of FAV/WR planted on payment acres.

Crop	Base Acres	Payment Acres	Payment Acres Reduced	Final Payment Acres
Corn	75.00	48.75		
Oats	30.00	19.50		
Wheat	100.00	65.00		
Total	205.00	133.25	100.00	33.25

46 Other Reductions

A Payment Limitation

Apply acre-for-acre reduction to ARC or PLC payments **before** applying payment limitation.

B Adjustments

There are **no** adjustments for acre-for-acre reductions.

47-54 (Reserved)

Part 5 Maintenance**55 ARC or PLC Acreage Maintenance****A Maintenance Requirements**

Producers will protect all acreage (cropland and noncropland) on a farm enrolled in ARC or PLC from:

- wind and water erosion
- noxious weeds.

Note: See 1-ARCPLC (Rev. 1) , paragraph 284.

B Establishing Rates

COC will establish rates for calculating maintenance default payment reductions if the maintenance requirements provided in subparagraph A are **not** met. Except for 2019 and 2020, the rates **must** be established by January 1 of each respective program year and will represent the normal cost per acre necessary to correct the default. These established rates will **not** be adjusted for individual producers.

C Calculating Maintenance Payment Reductions

If a maintenance default is determined according to this paragraph, a payment reduction is calculated by multiplying:

- acres in default, times
- COC established maintenance rate, times
- 1.5 for both a 2nd and 3rd default, as applicable.

55 ARC or PLC Acreage Maintenance (Continued)

D First Default

Producers sharing in ARC or PLC payments on a farm are entitled to 1 warning letter for the first maintenance default.

The warning letter will include the following:

- type of default
- date default was discovered
- number of acres in default
- action that is required to avoid a payment reduction
- when required action **must** be completed.

Note: A notice issued to a farm operator is considered notice to all producers and owners on a farm. Anyone who shares in a potential payment reduction will be notified on the reduction..

E Example of Warning Letter for Noncontrol of Weeds

This is a sample letter that may be used for the first weed control default.

<p><i>Name</i>]County FSA Committee [<i>Address, City, State, and ZIP Code</i>]</p> <p>[<i>Date</i>]</p> <p>Dear [<i>Operator or Producer's Name</i>]:</p> <p>A maintenance spot check conducted on [<i>date</i>] on FSN [<i>Number</i>] revealed that weeds were not being controlled on 25.00 acres of land. Controlling noxious weeds on farms enrolled in or subject to an application under [<i>ARC or PLC, as applicable</i>] is a condition of eligibility as outlined in the governing regulations.</p> <p>You have 15 calendar days to control the weeds in a manner that will ensure that the weed will not spread to other acreage. After 15 calendar days, a[<i>Name</i>] County Office representative will inspect the acreage in question and, if the necessary action has not been taken, [<i>ARC or PLC, as applicable</i>] payments on this farm will be reduced.</p> <p>If you have any questions regarding this manner, please contact this office.</p>

Note: Producers may request and extension of time to address the default, if circumstances beyond their control prevent them from taking the necessary action in a timely manner.

55 ARC or PLC Acreage Maintenance (Continued)**F 2nd Default**

County Office will notify producers that have previously received a warning letter that a maintenance default payment reduction will be applied to their ARC or PLC payment, **not** to exceed 50 percent of the farm's total ARC or PLC payment. The amount of the payment reduction will be:

- acres in default, times
- COC established maintenance rate, times
- 1.5.

Corrective action **must** be taken within 15 calendar days from the notification letter.

G 3rd Default

County Office will notify producers that have previously received both a warning letter and 2nd default letter that a maintenance default payment reduction will be applied to their ARC or PLC payment, **not** to exceed the farm's total ARC or PLC payment. The amount of the payment reduction will be:

- acres in default, times
- COC established maintenance rate, times
- 1.5.

Note: The 3rd default payment reduction, in addition to the 2nd default payment reduction, when applicable, would result in the total farm reduction being 3 times the COC- established maintenance rate.

H Subsequent Defaults

If producers fail to take necessary action to correct a maintenance default after receiving notification of a 3rd default, **no** further notification letters will be issued, or payment reductions assessed. COC may elect to terminate the ARC or PLC contract for the respective program year, taking into consideration factors in paragraph 56.

56 Making Determinations

A Consideration Before Making Determinations

The reviewing authority will consider these guidelines when determining whether CCC-862 or CCC-866 should be terminated, considering the following questions.

- What was the degree of the violation?
- How many acres were in default?
- Should the producer have been reasonably expected to know there was a violation?
- Did the producer control, or could the producer have controlled, the factors contributing to the violation?
- Did the violation occur because of:
 - carelessness by the producer?
 - part of a scheme or device to avoid compliance?
- Were there extenuating circumstances that caused or contributed to the violation?

56 Making Determinations (Continued)**B Authority for Maintenance Violation Determinations**

COC has the authority to determine, with STC concurrence, if CCC-862 or CCC-866 should be terminated when ARC or PLC maintenance default occurs.

C STC Authority

STC **must** concur with COC determinations made according to subparagraph B for the ARC or PLC contract to be terminated.

D Employees and Committee Members

When STC's, COC's, or employees, including spouses and minor children, have an interest in a farm that is in violation, the next highest reviewing authority **must** determine whether CCC-862 or CCC-866 should be terminated.

E Documenting Determinations

All COC or STC decisions, and reasons for those decisions, **must** be documented in the applicable minutes.

F Producer Notification

In cases where it is determined that the degree of maintenance default warrants terminating CCC-862 or CCC-866, the farm operator and all affected producers will be notified by letter of the following:

- CCC-862 or CCC-866 is in violation and has been terminated
- reason for violation (type of maintenance default)
- appeal rights according to 1-APP.

Note: Notification to the farm operator is considered notice to all producers on the farm.

57-69 (Reserved)

Part 6 FPR's

70 FPR Process

A Introduction

The FPR process:

- calculates ARC/PLC payment reductions for the following:
 - acre-for-acre reductions
 - inaccurate acreage reporting for FAV/WR
- adjusts payment reductions
- provides notification letters to producers of payment reduction amounts
- summarizes payment reductions for each producer by farm.

B Accessing FPR Process

The FPR Home Page may be accessed from the FSA Intranet web site at <https://intranet.fsa.usda.gov/fsa/applications.asp>

From the FSA Intranet Screen, under “FSA Applications”, “Applications Directory”, CLICK “A-C”. The FSA Intranet Screen will be redisplayed with the Applications Directory providing names starting with A to C. CLICK “ARC/PLC – FAV Payment Reductions”.

70 FPR Process (Continued)

C FAV Payment Reductions Login Screen

After users click “ARC/PLC – FAV Payment Reductions”, the following FAV Payment Reductions Login Screen will be displayed. CLICK “FAV Payment Reductions Login” to continue.



After users click “FAV Payment Reductions Login”, the eAuthentication Warning Screen will be displayed. CLICK “I Agree”, and the eAuthentication Login Screen will be displayed. Users must:

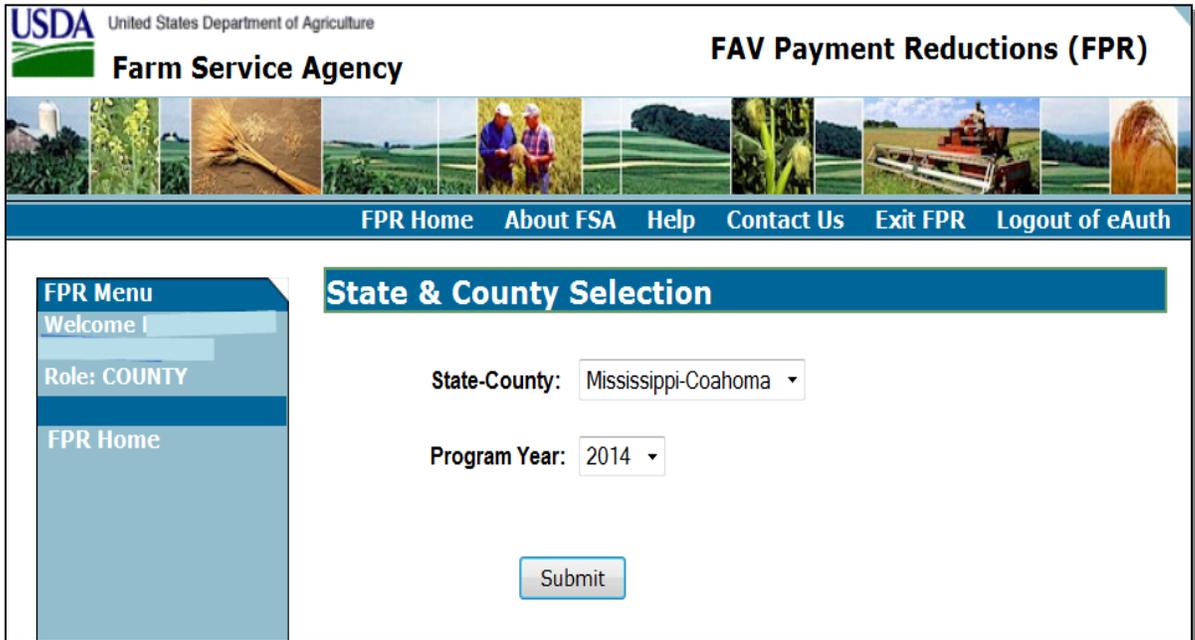
- enter eAuthentication user ID
- enter eAuthentication password
- CLICK “Login”.

The State and County Selection Screen will be displayed.

71 State and County Selections

A State & County Selection Screen

Users must select a State, county, and year to process FPR's. Following is an example of the State & County Selection Screen.



B Action

Using the drop-down menus, users will select the applicable:

- State/county
- program year.

CLICK “Submit”, and the FAV Payment Reductions Screen will be displayed.

72 FAV Payment Reductions

A FAV Payment Reductions Screen

Following is an example of the FAV Payment Reductions Screen.

The screenshot displays the USDA Farm Service Agency (FSA) ARC-PLC FAV Payment Reductions (FPR) interface. At the top, the USDA logo and 'United States Department of Agriculture' are visible, along with the 'Farm Service Agency' name and the title 'ARC-PLC FAV Payment Reductions (FPR)'. A navigation bar includes links for 'FPR Home', 'About FSA', 'Help', 'Contact Us', 'Exit FPR', and 'Logout of eAuth'. The main content area features a left-hand 'FPR Menu' with options like 'Welcome', 'Role: COUNTY', 'FPR Home', 'Select County', 'Farm Search', 'Main Menu', 'Reductions' (with sub-items: 'Maintenance Default Rates', 'Maintenance Default Acres', 'Acre-for-Acre'), 'Reports', and 'Notification Letters'. The main title 'FAV Payment Reductions' is followed by 'Year: 2014', 'State: Mississippi(28)', and 'County: Coahoma(027)'. A grid of buttons provides access to various functions: 'Maintenance Default Rates', 'Maintenance Default Acres', 'Acre-For-Acre Reductions', 'Reporting Violations', 'Planting Violations', 'Adjustment Options', 'Notification Letters', 'Reports', and a 'Cancel Reductions' button at the bottom.

72 FAV Payment Reductions (Continued)

B Available Options

This following table provides the options available on the FAV Payment Reductions Screen.

Option	Result	Option Use
Maintenance Default Rates	The Maintenance Default Rates Screen will be displayed (paragraph 74).	Entering maintenance default rates established by COC.
Maintenance Default Acres	Either of the following will be displayed: <ul style="list-style-type: none"> • Search Selection Screen (paragraph 73) • Maintenance Default Acres Screen (paragraph 75). 	<ul style="list-style-type: none"> • Entering the number of acres in default. • Calculating maintenance default payment reductions.
Acre-For-Acre Reductions	Either of the following will be displayed: <ul style="list-style-type: none"> • Search Selection Screen (paragraph 73) • Acre-For-Acre Reductions Screen (paragraph 76). 	<ul style="list-style-type: none"> • Entering the number of base acres enrolled in and planted to FAV/WR. • Applying acre-for-acre reduction to the covered commodities on the farm.

72 FAV Payment Reductions (Continued)

B Available Options (Continued)

Option	Result	Option Use
Notification Letters	The Notification Letters Screen will be displayed (paragraph 77).	Printing notification letters for acre-for-acre reductions.
Reports	The Reports Screen will be displayed (paragraph 78).	Printing: <ul style="list-style-type: none"> • Farm Payment Reduction Report • FAV and WR Planted on Base Acres Report.
Cancel Reductions	Either of the following will be displayed: <ul style="list-style-type: none"> • Search Selection Screen (paragraph 73) • Cancel Reductions Screen (paragraph 81). 	Cancelling all payment reductions that have been entered for a farm

73 **Selecting a Farm**

A Search Selection Screen

A farm must be selected **before** entering any of the following:

- acre-for-acre reductions
- maintenance default acres (2015-2018).

A farm can be selected by either of the following methods:

- from the FAV Payment Reductions Screen, click the desired option (subparagraph 52 A)

Note: If a farm has already been selected, users **must** click “Farm Search” under the FPR Menu, to select a new farm. Clicking the desired option from the FAV Payment Reductions Screen will **not** allow selecting a new farm.

- under FPR Menu, CLICK “Farm Search”.

Following is an example of the Search Selection Screen.

The screenshot displays the USDA Farm Service Agency (FSA) ARC-PLC FAV Payment Reductions (FPR) interface. At the top, the USDA logo and 'United States Department of Agriculture' are visible. The main header reads 'Farm Service Agency' and 'ARC-PLC FAV Payment Reductions (FPR)'. Below the header is a navigation bar with links: 'FPR Home', 'About FSA', 'Help', 'Contact Us', 'Exit FPR', and 'Logout of eAuth'. The left sidebar contains a 'FPR Menu' with options: 'Welcome', 'Role: COUNTY', 'FPR Home', 'Select County', 'Farm Search', 'Main Menu', 'Reductions', 'Maintenance Default Rates', 'Maintenance Default Acres', and 'Acre-for-Acre'. The main content area is titled 'Search Selection' and shows the following information: 'Year: 2014', 'State: Mississippi(28)', and 'County: Coahoma(027)'. Below this, a message states: 'The farm can be found by searching for the producer on the farm or entering the farm number'. There are two radio buttons: 'Producer' (unselected) and 'Farm Number' (selected). A text input field is next to the 'Farm Number' radio button. At the bottom of the search area are 'Search' and 'Cancel' buttons.

73 Selecting a Farm (Continued)

B Action

Do either of the following:

- CLICK “Producer” and CLICK “Search”
- enter a farm number and CLICK “Search”.

If a farm number is entered, the FAV Payment Reductions Screen will be displayed with the selected farm number.

Note: The selected farm must:

- be active in the selected program year
- have an approved ARCPLC contract in the selected program year.

If users click “Producer”, the SCIMS Customer Search Screen will be displayed. Enter the applicable search criteria and CLICK “Search”. The Farm Search – Farm Selection Screen will be displayed.

C Farm Search – Farm Selection Screen

This is an example of the Farm Search – Farm Selection Screen.



D Action

Click either of the following:

- “Farm Number” option next to the desired farm, and CLICK “Continue”
- “New Search” to return to the Search Selection Screen.

74 Maintenance Default Rates

A Maintenance Default Rates Screen

From the FAV Payment Reductions Screen (subparagraph 72 A), if users click “Maintenance Default Rates”, either of the following will be displayed:

- Search Selection Screen (paragraph 73)
- Maintenance Default Rates Screen.

Following is an example of Maintenance Default Rates Screen.

The screenshot shows the 'Maintenance Default Rates' screen. At the top, it says 'USDA United States Department of Agriculture Farm Service Agency' and 'ARC-PLC FAV Payment Reductions (FPR)'. Below this is a navigation bar with links: 'FPR Home', 'About FSA', 'Help', 'Contact Us', 'Exit FPR', and 'Logout of eAuth'. On the left is a 'FPR Menu' with options like 'Welcome', 'Role: COUNTY', 'FPR Home', 'Select County', 'Farm Search', 'Main Menu', 'Reductions', 'Maintenance Default Rates', 'Maintenance Default Acres', and 'Acre-for-Acre'. The main content area has a title 'Maintenance Default Rates' and displays the following information:

Year: 2014 **State:** Mississippi(28) **County:** Coahoma(027)

Maintenance Default Type	Rate per Acre
Failure to control wind and water erosion.	\$0.00
Failure to control weeds (including noxious weeds).	\$0.00

Below the table, a blue message reads: "Maintenance default rates have been previously loaded. This process cannot be accessed again." A 'Cancel' button is located at the bottom right of the main content area.

B Action

The maintenance default rates are established by COC as instructed in paragraph 55. On the Maintenance Default Rates Screen, enter the COC-established maintenance default rates for failure to control wind and water erosion and failure to control weeds, and CLICK “Submit”.

Note: Maintenance default rates for 2014 were entered systematically at \$0.00. Since maintenance default rates have already been loaded for the county, the message, “Maintenance default rates have been previously loaded. This process cannot be accessed again.” will be displayed.

If the maintenance rates were loaded incorrectly and need to be changed the request must be submitted through the State Office specialist to the National Office for correction.

75 Maintenance Default Acres

A Maintenance Default Acres Screen

From the FAV Payment Reductions Screen (subparagraph 72 A), after users click “Maintenance Default Acres”, either of the following will be displayed:

- Search Selection Screen (paragraph 73)
- Maintenance Default Acres Screen.

Following is an example of Maintenance Default Acres Screen.

The screenshot shows the 'Maintenance Default Acres' screen. At the top, it says 'USDA United States Department of Agriculture Farm Service Agency' and 'ARC-PLC FAV Payment Reductions (FPR)'. Below this is a navigation bar with links: 'FPR Home', 'About FSA', 'Help', 'Contact Us', 'Exit FPR', and 'Logout of eAuth'. On the left is a 'FPR Menu' with options like 'Welcome', 'Role: COUNTY', 'FPR Home', 'Select County', 'Farm Search', 'Main Menu', 'Reductions', 'Maintenance Default Rates', 'Maintenance Default Acres', and 'Acre-for-Acre'. The main content area is titled 'Maintenance Default Acres' and shows 'Year: 2014', 'State: Mississippi(28)', and 'County: Coahoma(027)'. Below this is a table with the following data:

Default Type	Acreage in Second Default	Acreage in Third Default	Rate per Acre
Erosion	<input type="text"/>	<input type="text"/>	\$0.00
Weeds (including noxious)	<input type="text"/>	<input type="text"/>	\$0.00

At the bottom of the table are 'Submit' and 'Cancel' buttons.

B Action

Users must not enter Maintenance Default acres for 2014.

On the Maintenance Default Acres Screen, County Offices must:

- enter the number of acres in second and third default as determined according to paragraph 55

Note: The maintenance default rates per acre entered on the Maintenance Default Rates Screen, according to paragraph 74, will be displayed.

- CLICK “Submit” to create maintenance default payment reductions; the FAV Payment Reductions Screen will be redisplayed with the message, “Maintenance Default Acres Recorded Successfully”.

If users click “Cancel” to cancel maintenance default acre loading, the FAV Payment Reductions Screen will be displayed.

76 Acre-For-Acre Reductions

A Acre For Acre Reductions Screen

After users click “Acre-For-Acre Reductions” from the FAV Payment Reductions Screen (subparagraph 72 A), either of the following will be displayed:

- Search Selection Screen (paragraph 73)
- Acre For Acre Reductions Screen.

Following is an example of the Acre For Acre Reductions Screen.

USDA United States Department of Agriculture
Farm Service Agency **ARC-PLC FAV Payment Reductions (FPR)**

FPR Home About FSA Help Contact Us Exit FPR Logout of eAuth

FPR Menu
Welcome MELISSA HILLHOUSE
Role: COUNTY

FPR Home
Select County
Farm Search
Main Menu

Reductions
Maintenance Default Rates
Maintenance Default Acres
Acre-for-Acre

Acre For Acre Reductions
Year: 2014 State: Mississippi(28) County: Coahoma(027)
Farm Number: 4367

Enter the number of payment acres enrolled in ARC-PLC that were planted to FAV's and wild rice

Submit Cancel

76 Acre-For-Acre Reductions (Continued)

B Action

The number of FAV/WR acres planted on payment acres enrolled in ARC/PLC must be loaded in the FPR software to apply the acre-for-acre reduction to the farm according to paragraph 45.

On the Acre For Acre Reductions Screen, enter the number of FAV/WR acres planted on payment acres enrolled in ARC/PLC for the farm and CLICK “Submit”.

The FAV Payment Reductions Screen will be displayed with the message, “Acre for Acre Reduction Recorded Successfully”.

The acre-for-acre reduction for each covered commodity on the farm will be calculated according to paragraph 44.

77 Notification Letters

A Notification Letters Screen

On the FAV Payment Reductions Screen (subparagraph 72 A), CLICK “Notification Letters”. The following Notification Letters Screen will be displayed.

The screenshot displays the USDA Farm Service Agency (FSA) ARC-PLC FAV Payment Reductions (FPR) interface. At the top, the USDA logo and 'United States Department of Agriculture' are visible, along with the text 'Farm Service Agency' and 'ARC-PLC FAV Payment Reductions (FPR)'. Below this is a navigation bar with links: 'FPR Home', 'About FSA', 'Help', 'Contact Us', 'Exit FPR', and 'Logout of eAuth'. The main content area is titled 'Notification Letters' and shows the following information: 'Year: 2014', 'State: Mississippi(28)', and 'County: Coahoma(027)'. There are four radio button options: 'All Pending', 'Acre-For-Acre', 'Maintenance Default', and 'All Available For Printing'. A 'Farm Number' input field is present next to the radio buttons. At the bottom right, there are 'Submit' and 'Main Menu' buttons. On the left side, there is a vertical menu with categories: 'FPR Menu' (containing 'Welcome' and 'Role: COUNTY'), 'FPR Home' (containing 'Select County', 'Farm Search', and 'Main Menu'), 'Reductions' (containing 'Maintenance Default Rates', 'Maintenance Default Acres', and 'Acre-for-Acre'), and 'Reports' (containing 'Notification Letters').

B Action

To print all pending notification letters, click “All Pending”. To print notification letters for a specific farm number:

- enter the farm number in the “Farm Number” box
- click the button next to the applicable type of notification letter

Note: If users click the “All Available For Printing” button, all notification letters applicable to the entered farm will be displayed.

- CLICK “Submit”.

The notification letters will be displayed in a separate window.

77 Notification Letters (Continued)

C Acre-for-Acre Notification Letter

Following is an example of a producer notification letter for acre-for-acre reductions.

<p>Producer Name and Address</p> <p>DOUGLAS HELGENSEN 1034 HARTWELL RD PAVLON, NY 14225-8722</p>
<p style="text-align: right;"><small>Fold Line</small></p> <p>Dear Producer:</p> <p>This letter is to notify you that, under the terms of the Agricultural Act of 2018, your (Price Loss Coverage or Agricultural Revenue Coverage) payment acres for farm number [REDACTED] will be reduced by 12.79 acres for the required acre-for-acre reduction for fruits, vegetables and wild rice planted on payment acres enrolled in ARC-PLC. The attached report shows the acres to be reduced for each covered commodity on the farm.</p> <p>If you have any questions regarding these reductions, please do not hesitate to contact us.</p> <p>Sincerely,</p> <p>County Executive Director</p>

77 Notification Letters (Continued)

D Maintenance Default Notification Letter

Following is an example of a producer notification letter for a maintenance defaults.

<p>Producer Name and Address</p> <p>DOUGLAS HELKENBERG 10304 HARTWELL RD PAVILION, NY 14525-8722</p>
<p>Dear Producer:</p> <p>This letter is to notify you that, under the terms of the Agricultural Act of 2018, your (Price Loss Coverage or Agricultural Revenue Coverage) payment acres for farm number [REDACTED] will be reduced by 12.79 acres for the required acre-for-acre reduction for fruits, vegetables and wild rice planted on payment acres enrolled in ARC-PLC. The attached report shows the acres to be reduced for each covered commodity on the farm.</p> <p>If you have any questions regarding these reductions, please do not hesitate to contact us.</p> <p>Sincerely,</p> <p>County Executive Director</p>

Fold Line

78 Reports

A Reports Screen

On the FAV Payment Reductions Screen, CLICK “Reports”. The following Reports Screen will be displayed.



B Action

Take the following actions to view the reports:

- enter the farm number in the “Farm Number” box
- click the button next to the applicable report
- CLICK “Submit”.

The selected report will be displayed in a separate window.

79 Farm Payment Reduction Report

A Example of Farm Payment Reduction Report

On the Reports Screen, CLICK “Farm Payment Reduction Report” to view and print the Farm Payment Reduction Report.

This is an example of the Farm Payment Reduction Report.

State: Mississippi(28) County: Coahoma(027)		USDA-FSA 2014 ARC/PLC Program Farm Payment Reduction Report		Prepared: 11-9-2015 8:18 PM Page: 1
FARM NUMBER: 4367				
FAV's/Wild Rice on Payment Acres = 2.00 Acres				
Covered Commodity		Payment Acres		# of Acres Reduced
Wheat		10.38		0.29 *
Oats		0.00		0.00 *
Rice - Long Grain		0.00		0.00 *
Rice - Medium Grain		0.00		0.00 *
Flax		0.00		0.00 *
Corn		39.95		1.10 *
Small Chickpeas		0.00		0.00 *
Large Chickpeas		0.00		0.00 *
Grain Sorghum		0.00		0.00 *
Dry Peas		0.00		0.00 *
Peanuts		0.00		0.00 *
Sunflower		0.00		0.00 *
Safflower		0.00		0.00 *
Soybeans		4.24		0.12 *
Barley		0.00		0.00 *
Rapeseed		0.00		0.00 *
Mustard		0.00		0.00 *
Sesame Seed		0.00		0.00 *
Lentils		0.00		0.00 *
Canola		17.77		0.49 *
Crambe		0.00		0.00 *
TOTAL				2.00 *
Base Acres in Default				
Type of Default	Acreege in Second Default	Acreege in Third Default	Rate Per Acre	Total Reduction
Erosion	1.00	1.00	0.00	\$0
Weeds	1.00	1.00	0.00	\$0
TOTALS	2.00	2.00		\$0
* Acre-for-acre payment reduction amount is not included on this report. However, the farm's ARCPLC payment acres will be reduced by the number of FAV's/Wild Rice planted on payment acres, as shown above.				

80 FAV and WR Planted on Base Acres Report

A Example of FAV and WR Planted on Base Acres Report

On the Report Screen, select “FAV and WR Planted on Base Acres Report” to view and print the FAV and WR Planted on Base Acres Report.

Following is an example of the FAV and WR Planted on Base Acres Report.

State: Mississippi(28) County: Coahoma(027)		United States Department of Agriculture Farm Service Agency 2014 ARC-PLC FAV Payment Reductions FAV and WR Planted on Payment Acres			Farms on Report: 11
Farm Number	Effective DCP Cropland	Payment Acreage	Free Acres (Non-Base Acres)	FAV/WR Planted	FAV/WR Planted on Base Acreage
4367	85.11	72.34	12.77	25.00	12.23
4230	1232.60	1038.36	194.24	12.16	0.00
4130	1229.79	58.99	1170.80	160.31	0.00
3097	19.36	15.30	4.06	2.16	0.00
2302	4536.05	3855.64	680.41	19.00	0.00
2199	133.13	1.19	131.94	113.13	0.00
1501	1726.82	1188.32	538.50	55.89	0.00
502	437.47	241.16	196.31	67.54	0.00
293	27.00	8.33	18.67	13.00	0.00
199	122.23	77.18	45.05	6.28	0.00
20	28.22	23.63	4.59	5.95	1.36

80 FAV and WR Planted on Base Acres Report (Continued)

B Fields/Descriptions

The following table provides the fields and descriptions provided on the FAV and WR Planted on Base Acres Report.

Field	Description
Farm Number	Selected farm number.
Effective DCP Cropland	Effective DCP cropland for the farm.
Payment Acreage	85 percent of base acreage for farms enrolled in ARC-CO or PLC and 65 percent of base acres for farms enrolled in ARC-IC.
Free Acres (Nonbase Acres)	Effective DCP cropland minus payment acreage. If result is negative, nonbase acreage is equal to zero.
FAV/WR Planted Acreage	FAV and WR planted acreage on the farm.
FAV/WR Planted on Payment Acreage	FAV/WR planted acreage minus free acres. If result is negative, FAV/WR planted on payment acres will be equal to zero.

81 Cancel Reductions

A Cancel Reductions Screen

After users click “Cancel Reductions” from the FAV Payment Reductions Screen (subparagraph 72 A), either of the following will be displayed:

- Search Selection Screen (paragraph 73)
- Cancel Reductions Screen.

Following is an example of the Cancel Reductions Screen.



B Action

Select “Yes” to cancel all reductions for the selected farm. The FAV Payment Reductions Screen will be displayed and the reductions will be cancelled for the selected farm.

Select “No” to return to the FAV Payment Reductions Screen without cancelling the reductions for the selected farm.

82 Automatic Cancellations

A Overview

FAV payment reduction software reads ARC/PLC contract software to determine base acres, shares, and producers. FAV payment reductions will be automatically cancelled if the ARC/PLC contract is cancelled.

B Action

County Offices will initiate a new FAV payment reduction record when the ARC/PLC contract is re-enrolled, if applicable.

83 State Office Administrative Access**A Overview**

State Office users who are granted administrative access will be able to enter and update FAV payment reductions for all counties within their State.

B Requesting Access

State Office users must complete FSA-13-A and submit to the State Security Liaison requesting that the following role be added to the employees profile “FSA_DCPFAV_STATE” in order to obtain State level administrative access.

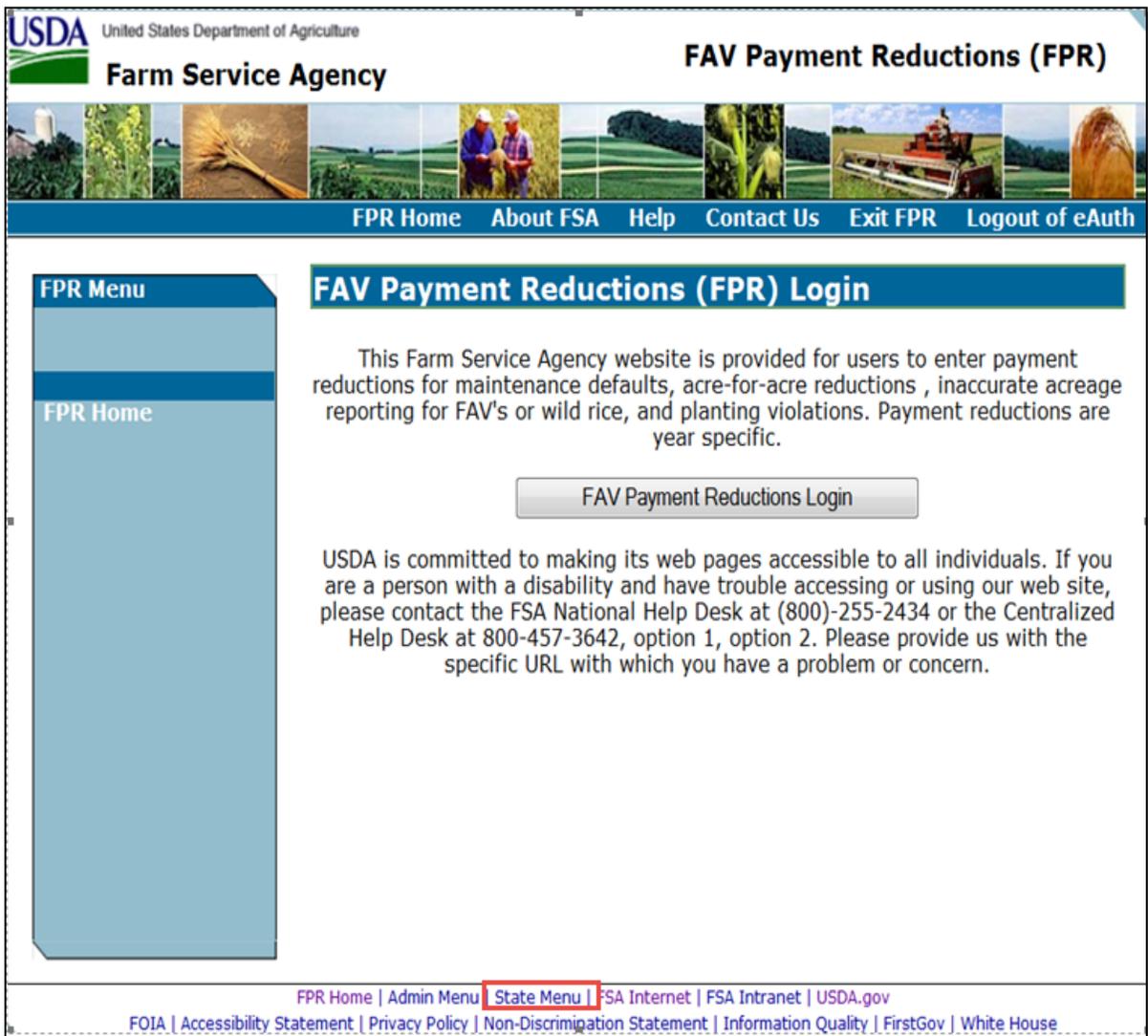
C Accessing the FPR Web Site

The FPR Home Page may be accessed from FSA’s Applications Intranet web site at **<https://intranet.fsa.usda.gov/fsa/applications.asp>**. From the FSA Intranet Screen, under “FSA Applications”, “Applications Directory”, CLICK “A-C”. The FSA Intranet Screen will be redisplayed with the Applications Directory, A to C. CLICK “ARC/PLC – FAV Payment Reductions”.

83 State Office Administrative Access (Continued)

D FPR Home Page

Once a State Office user with State Office administrative access logs into FPR, the following screen will be displayed.



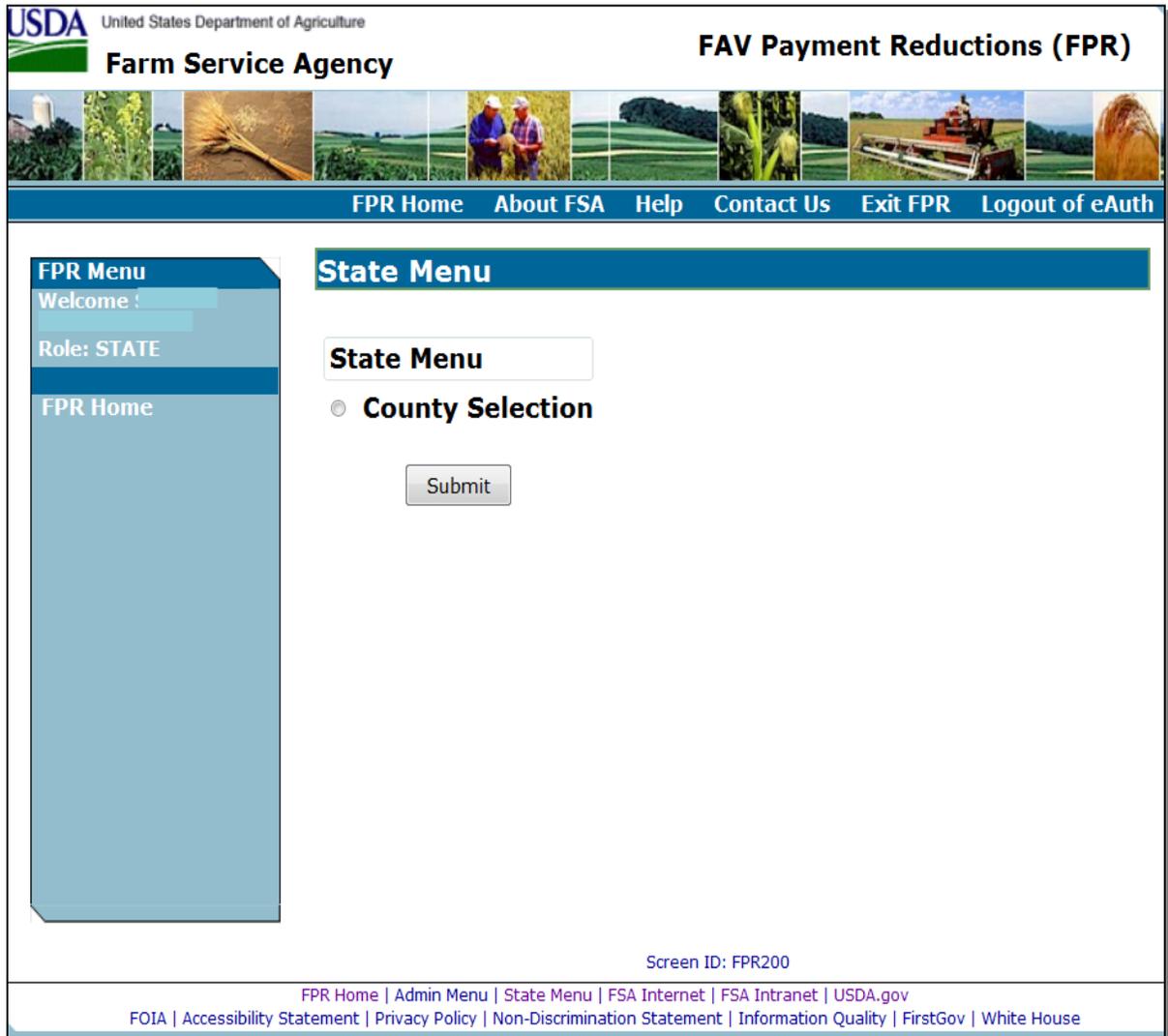
CLICK "State Menu" to enter as a State user.

83 State Office Administrative Access (Continued)

E State Menu Screen

After users click “State Menu”, the State Menu Screen will be displayed. Following is an example of the State Menu Screen.

On the State Menu Screen, select the “County Selection” option and CLICK “Submit”.



83 State Office Administrative Access (Continued)

F Select County Screen

After users select “County Selection” and click “Submit”, the Select County Screen will be displayed. Following is an example of the Select County Screen.

From the drop-down menus, select the State, County, and Program Year.

Note: State Office administrative users will only be able to access counties within the State(s) to which the user is assigned.

83 State Office Administrative Access (Continued)

G FAV Payment Reductions Screen

After selecting the State, county, and program year, the FAV Payment Reductions Screen will be displayed. Following is an example of the FAV Payment Reductions Screen.

Note: From this point forward, State Office user screens are identical to County Office user screens. Users will follow procedure in paragraphs 52 through 62 to access the FAV payment reduction software.

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None.

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
CCC-862	Agricultural Risk Coverage - Individual Option (ARC-IC) Contract		20, 45, 56, 73, Ex. 2
CCC-866	Agriculture Risk Coverage – County Option (ARC-CO) and Price Loss Coverage (PLC) Election and Contract		20, 45, 56,
FSA-13-A	System Access Request Form		83
FSA-578	Report of Acreage		23, 31, 45

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviation	Term	Reference
ARC	agriculture risk coverage	Text
ARC-CO	agriculture risk coverage – county	Text
ARC-IC	agriculture risk coverage – individual	Text
CTAP	Cotton Transition Assistance Program	Text
FAV/WR	FAV and/or wild rice	Text
FPR	FAV Payment Reductions	Text
PLC	price loss coverage	Text

Re delegations of Authority

None.

Definitions of Terms Used in This Handbook

Acre-for-Acre Reduction

Acre-for-acre reduction means a reduction of payment acres when FAV/WR are planted on base acreage and payment acres are required to be reduced according to 1-ARCPLC (Rev. 1).

Maintenance Default

Maintenance default means base acres enrolled in ARCPLC and is **not** maintained as required according to 1-ARCPLC (Rev. 1).

Nonpayment Acres

Nonpayment acres means the difference between DCP cropland plus the number of approved double-cropped acres for the farm, as identified in farm records, minus:

- 85 percent of total base acres for the farm if enrolled in PLC and/or ARC-CO
- 65 percent of total base acres for the farm if enrolled in ARC-IC.

Note: Base acres include covered commodity base acres plus any planted covered commodity that attributes generic base acres.

Prevented Planting

Prevented planting means the inability to plant crop acreage with proper equipment during the established planting period for the crop.

Menu and Screen Index

The following menus and screens are referenced in this handbook.

Menu or Screen	Title	Reference
	Acre For Acre Reductions Screen	76
	Cancel Reductions	81
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	FAV Payment Reductions Login Screen	70
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List of FAV's

The following crops are FAV's.

Note: The list may **not** be all inclusive.

acerola ("Barbados cherry")	cherimoyas ("sugar apples")
antidesma	canary melon
apples	cantaloupes
apricots	cardoon
arugula	casaba melon
aronia (chokeberry)	cassava
artichokes	cherries
asparagus	Chinese bitter melon
atemoya ("custard apple")	Chinese mustard
avocados	chicory
babaco papayas	Chinese cabbage
bananas	Chinese water chestnuts
beans (except adzuki, faba/fava, lupin, mung, and soybeans)	chufes
beets (other than sugar)	citron
blackberries	citron melon
black-eyed peas	coffee
blueberries	collards
bok spare choy	cowpeas
boysenberries	crabapples
breadfruit	cranberries
broccoflower	cressie greens
broccolo-cavalo	crenshaw melons
broccoli	cucumbers
Brussel sprouts	currants
cabbage	cushaw
cailang	daikon
caimito	dasheen
calabaza	dates
carambola ("star fruit")	dry edible beans
calaboose	dunga
carob	eggplant
carrots	elderberries elut
cascadeberries	endive
cauliflower	escarole
celeriac	etou
celery	feijoas
chayote	figs

List of FAV's (Continued)

gai lien	mongosteen
gailon	moqua
galanga	mulberries
genip	murcotts
gooseberries	mushrooms
grapefruit	mustard greens
grapes	nectarines
guambana	nuts (except peanuts)
guavas	ny Yu
guy choy	okra
honeydew melon	olallieberries
huckleberries	olives
jackfruit	onions
Jerusalem artichokes	opo
jicama	oranges
jojoba	papaya
kale	paprika
kenya	parsnip
kiwifruit	passion fruits
kohlrabi	peaches
kumquats	pears
leeks	peas (except Austrian, green, Umatilla, wrinkled, and yellow)
lemons	all peppers
lettuce	persimmon
limequats	Persian melon
limes	pimentos
lobok	pineapple
loganberries	pistachios
longon	plantain
loquats	plumcots
lotus root	plums
lychee ("litchi")	pomegranates
mandarins	potatoes
mangos	prunes
marionberries	pummelo
mar bub	pumpkins
melongene	quinces
mesple	radicchio
mizuna	radishes

List of FAV's (Continued)

raisins	Swiss chard
raisins (distilling)	sweet corn
rambutan	sweet potatoes
rape greens	tangelos
rapini	tangerines
raspberries	tangos
recao	tangors
rhubarb	taniers
rutabaga	taro root
santa claus melon	tau chai
salsify	tindora
saodilla	tomatillos
sapote	tomatoes
savory	turnip greens
scallions	turnips
shallots	watercress
shiso	watermelons
spinach	white sapote
squash	yams
strawberries	yu choy
suk gat	

