Amendment Transmittal

A Reasons for Amendment

Subparagraph 21 B has been amended to clarify FAV policy.

Paragraph 34 has been withdrawn because CRP maintenance policy has been provided in 2-CRP.

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Part 2  FAV/WR Authorized Plantings

20  Overview

A  Authorized Plantings

FAV/WR may be planted on payment acres enrolled in ARC or PLC; however, an acre-for-acre payment reduction will be applied for each acre of FAV/WR, or portion thereof, planted on payment acres.

B  Double-Cropping Exception

FAV/WR that is double-cropped with a covered commodity in an established FAV/WR double-cropping region, according to 1-ARCPLC, paragraph 290, is not considered an FAV planted on payment acres.

21  Acre-for-Acre Reductions

A  Applicability

Farms with FAV/WR planted on payment acres enrolled in ARC or PLC must have ARC or PLC payments reduced for each acre of FAV/WR planted on payment acres, unless the double-cropping exception in subparagraph 20 A applies. Additional FAV exceptions are outlined in subparagraph B.

B  Other FAV Exceptions

The following are exceptions to consider a crop as FAV when determining acre-for-acre reductions.

- 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 1-ARCPLC, paragraph 287, are met. A farm visit will be completed and farm visit fee charged for FAV/WR that are destroyed according to 2-CP, paragraph 102.

- FAV’s that are designated as, and meet the definition of, a home garden.
B Other FAV Exceptions (Continued)

*--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 10.5). All other FAV’s are not part of this exception:*--*

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

*--Any FAV planted in a mixture to an extent that harvest of FAV as a human food source is impractical, as determined by COC. No field visit is required.*--*

- Mung beans and pulse crops.

Note: 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.
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, CTAP, or PLC payment, not to exceed 50 percent of the farm’s total ARC, CTAP, 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, CTAP, or PLC payment, not to exceed the farm’s total ARC, CTAP, 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’s; however, may elect to terminate the ARC, CTAP, or PLC contract for the respective program year, taking into consideration factors in paragraph 35.
Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None.

Forms

This table lists all forms referenced in this handbook.

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<tr>
<td>CCC-861</td>
<td>Agricultural Risk Coverage - County Option (ARC-CO) and Price Loss Coverage (PLC) Contract</td>
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<td>Report of Acreage</td>
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Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

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<th>Approved Abbreviation</th>
<th>Term</th>
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<td>ARC</td>
<td>agriculture risk coverage</td>
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<td>ARC-CO</td>
<td>agriculture risk coverage – county</td>
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<tr>
<td>ARC-IC</td>
<td>agriculture risk coverage – individual</td>
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<td>CTAP</td>
<td>Cotton Transition Assistance Program</td>
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<td>FAV and/or wild rice</td>
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<tr>
<td>PLC</td>
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Redelegations of Authority

None.