

For: State and County Offices

**Continuing With FY 2002 Farm Divisions and Tract Divisions on Multiple Ownership Farms**

Approved by: Deputy Administrator, Farm Programs



**1 Overview**

**A**

**Background**

Notice CM-434, subparagraph 2 C stated that any FSA-155 received after June 3, 2002, would be held and processed for FY 2003.

Notice CM-438, stated that the reconstitution software would not allow a farm combination or farm division to be initiated on a participating farm beginning August 1, 2002.

These policies have been revised because of the following:

- the number of multi-ownership farms
- all owners on a farm needing to agree to the base and yield calculations and selections for DCP.

The regulations provide that tobacco farms cannot be reconstituted **after** tobacco is planted. Therefore, this revised policy does not apply to tobacco farms.

**B**

**Purpose**

This notice provides:

- new guidelines for accepting FY 2002 FSA-155's for multiple ownership farms
- revised policy for processing FY 2002 farm divisions and tract divisions for multiple ownership farms
- policy on issuing payments on resulting farms.

<b>Disposal Date</b>	<b>Distribution</b>
October 1, 2003	State Offices; State Offices relay to County Offices

## Notice CM-441

### 2 Policy Changes and Action

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#### A

##### Accepting FSA-155

County Offices shall accept FSA-155's for FY 2002 farm divisions and tract divisions for farms that currently have multiple owners. This extension does not apply to any other farms.

Requests shall not be accepted for farm combinations or tract combinations.

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#### B

##### Processing Farm Divisions and Tract Divisions

After accepting a completed FSA-155 for FY 2002, the County Office may process multiple ownership farm divisions and tract divisions on participating and nonparticipating farms.

County Offices shall **not** process any:

- farm divisions or tract divisions using the landowner designation method
- farm combinations or tract combinations
- farm divisions or tract divisions on any farm where tobacco has been planted for the 2002 crop year.

**Note:** Reconstitutions are effective for the entire FY 2002. Therefore, ensure that producers are aware of the impact on other 2002 programs.

**Reminder:** Before a farm division can be processed, **all** PFC payments issued on the farm for FY 2002 shall be refunded.

The County Office may print the View/Update Acreage Screen in the Acreage History Software for the tracts that will be divided before initiating the division. This will provide the total acreage for the parent tract that needs to be accounted for on the resulting tracts.

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#### C

##### Multiple Ownership Farms Not Divided

If a multiple ownership farm is not divided, then all owners:

- must agree to the base and yield options selected
  - will be able to distribute the base acres to the tract level in any way they agree upon.
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## Notice CM-441

### 2 Policy Changes and Action (Continued)

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#### D

##### **Publicizing Policy Changes**

County Offices shall publicize the policy changes using any media available, which may include, but is not limited to:

- radio spots
  - newspaper articles
  - newsletters.
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#### E

##### **PFC and DCP Payments**

Because August 1, 2002, has passed, County Offices have no authority to obtain signatures or approve CCC-478 for the resulting farms. Therefore, FY 2002 PFC payments shall **not** be issued on farms resulting from divisions processed according to this notice.

FY 2002 DCP payments will be issued on these resulting farms after enrollment, receipt of all applicable documentation, and determination of payment eligibility.

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#### F

##### **FY 2003 Reconstitutions**

Software to process FY 2003 reconstitutions will not be available until FY 2002 reconstitutions are closed permanently.

FSA-155's for FY 2003 reconstitutions may be accepted and held until the software is available.

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