

For: State and County Offices

Issuing Payments on CRP Contracts Requiring Modifications

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

CRP automated systems were shut down on September 28, 2018, for the FY rollover (normal processing). However, the 2014 Farm Bill expiration resulted in a continuation of the automated system shutdown to ensure that State and County Offices would not take actions without program authority.

With the expiration of the 2014 Farm Bill on September 30, 2018, USDA no longer has the authority to make CRP contract modifications requiring an increase in contract acres. However, other CRP contract modifications can be made and payments will be issued for contracts that had been approved by September 30, 2018.

B Purpose

This notice provides State and County Offices the procedure to complete CRP contract modifications and issue CRP payments.

2 Policy

A Authorized CRP Contract Modifications

County Offices are authorized to complete CRP contract modifications if the CRP contract was approved before September 30, 2018, and the State Office determines the following:

- contract revision does not increase the CRP-1 acreage
- change in the cost-share payment or extent did not increase the acres under CRP-1.

Note: See Exhibit 1 for examples of authorized modifications. These examples are not all inclusive.

Disposal Date	Distribution
July 1, 2019 11-9-18	State Offices; State Offices relay to County Offices

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2 Policy (Continued)

B County Office Action

Before the County Office completes a CRP contract modification in the Conservation Contract Maintenance System (CCMS), the County Office:

- must submit the following documentation to the State Office:
 - CRP-1 originally approved
 - CRP-1 revised with the producer signature or signatures
 - documentation that justifies the modification
 - screen print of the View Contract Screen showing the status of “Finalized”
- may process the modification in CCMS through the finalization step
- is not authorized to enter the COC approval date to complete the modification
- may issue payments only after the authorized State Office representative has entered the COC approval date into CCMS and CED or COC signs CRP-1. The CED or COC signature date must be the same as the date entered in CCMS by the authorized State Office representative.

Note: The COC approval date will be entered by an authorized State Office representative.

For all CRP cost shares, the County Office:

- must submit the following to the State Office:
 - CRP-1
 - Conservation Plan
 - FSA-848A
 - FSA-848A modification, if applicable
 - FSA-848B, if applicable
 - documentation that justifies the modification
 - screen print showing the modification at the COC Approval Date Screen, when applicable
- may process the modification in the Cost-Share Software (CSS)

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2 Policy (Continued)

B County Office Action (Continued)

- is not authorized to enter the COC approval date to complete the modification
- may issue payments only after the authorized State Office representative has entered the COC approval date into CSS, as applicable. The CED or COC signature date must be the same as the date entered in CSS by the authorized State Office representative. An IB will be issued when funding is available to issue payments.

Note: The COC approval date will be entered by an authorized State Office representative.

C State Office Action

The State Office shall:

- ensure that County Offices follow instructions in this notice
- sign the authorized representative certification statement provided in Exhibit 2 before taking any action in this notice

Note: Only 1 signed certification statement must be completed.

- submit a copy of a fully executed certification statement to Beverly Preston, CEPD, at beverly.preston@wdc.usda.gov.

Note: After certification is completed, the authorized State Office representative is authorized to enter the COC approval date into the applicable system.

3 Reports

A Monitoring

CEPD will:

- monitor CRP contract activity
- provide a report of any discrepancies to the State Office for review and future action.

Examples of CRP Contract Modifications

A CRP Contract Modifications in CCMS

The following are examples of CRP contract modifications in CCMS.

Issue/Scenario	County Office Action	State Office Action
<p>Deceased producer/succession in interest. Producer A is on the CRP contract with 100 percent share. Producer A died on July 8, 2018. On July 20, 2018, Son A provides documentation to the County Office that he is the heir to Producer A.</p>	<p>Modify the CRP contract to remove deceased Producer A and add Son A to the CRP contract through the finalization step. Follow subparagraph 2 B and 2-CRP, paragraphs 468 and 555.</p>	<p>Review and certify (using certification statement in Exhibit 2) submitted documentation to ensure that the acres do not increase on the contract. Once certified, the State Office must record approval in CCMS, notify COC or CED to sign CRP-1, and instruct the County Office to issue the FY 2018 CRP annual rental payment, if applicable.</p>
<p>Deceased producer/succession in interest. Producer A is on the CRP contract with 100 percent share. Producer A died on July 8, 2018. On July 20, 2018, Son A provides documentation to the County Office that Entity A is the heir to Producer A. Entity A has 3 members. Because of direct attribution, rounding may cause an increase to the annual rental payment of \$3.</p>	<p>Modify the CRP contract to remove deceased Producer A and add Entity A to the contract through the finalization step. Follow subparagraph 2 B and 2-CRP, paragraphs 468, 547, and 555. Payment may be made with the \$3 increase.</p>	
<p>Land was sold. Producer A owns Farm 123 and has a CRP contract. Producer A receives 100 percent share of the CRP contract. Producer A sells the land in Farm 123 to Buyer B. Buyer B wants to succeed to the CRP contract.</p>	<p>Modify the CRP contract to remove deceased Producer A and add Buyer B to the CRP contract up through the finalization step. Follow subparagraph 2 B and 2-CRP, paragraphs 468, 547, and 555.</p>	
<p>Changes in participant names. Sandy Producer was married on September 3, 2018, and requested that the County Office change her name on the FSA records.</p>	<p>Modify the CRP contract to change the name up through the finalization step. Follow subparagraph 2 B.</p>	

Examples of CRP Contract Modifications (Continued)

A CRP Contract Modifications in CCMS (Continued)

Issue/Scenario	County Office Action	State Office Action
<p>Change in producer shares. Producer A and Producer B were each on the CRP contract with a 50 percent share. A change in shares was requested by the producers in May 2018.</p>	<p>Modify the CRP contract to reflect the new shares: Producer A - 60 percent and Producer B - 40 percent to the CRP contract up through the finalization step. Follow subparagraph 2 B.</p>	<p>Review and certify (using certification statement in Exhibit 2) submitted documentation to ensure that the acres do not increase on the contract. Once certified, the State Office must record approval in CCMS, notify CED to sign CRP-1, and instruct the County Office to issue the FY 2018 CRP annual rental payment, if applicable.</p>
<p>Partial termination. On May 3, 2018, Producer A is requested to remove 2 acres from the CRP contract to build a house.</p>	<p>Modify the CRP contract through the finalization step to remove 2 acres. Follow subparagraph 2 B and 2-CRP, paragraphs 546, 571, and 573. Issue FY 2018 payment on remaining acres under the contract.</p>	
<p>Full contract termination. Producer A requested to terminate the contract on May 3, 2018. Termination was not complete before September 28, 2018.</p>	<p>Modify the CRP contract to terminate the contract. Follow subparagraph 2 B and 2-CRP, paragraphs 546, 571, and 573.</p>	
<p>Unrecorded CCMS approval. The contract revision was started in CCMS. The producer signed completed CRP-1 documents, and CED or COC signed revised CRP-1 before September 28, 2018. Approval was not recorded in CCMS.</p>	<p>No modification is required. Follow subparagraph 2 B. Issue FY 2018 annual rental payment.</p>	<p>The authorized State Office representative must record approval in CCMS using the CED or COC signature date on CRP-1.</p>

Examples of CRP Contract Modifications (Continued)

B Cost-Share Payments in CSS

The following are examples of cost-share payments in CSS.

Issue/Scenario	County Office Action	State Office Action
<p>Complete FSA-848A. The County Office did not approve FSA-848A associated with the approved CRP contract by September 28, 2018. The cost share is a part of the approved CRP contract; therefore, the County Office is authorized to complete the process of approving the required FSA-848A.</p>	<p>Complete the cost-share agreement associated with the CRP contract up to the agreement approval stage. Print FSA-848A from the “view print forms, letters” option. Provide required documentation from subparagraph 2 B to the State Office.</p>	<p>Review submitted documentation to ensure that the acres on FSA-848A do not exceed the acres on CRP-1. Once reviewed, record approval in CSS and notify the County Office of approval.</p>
<p>Make a cost-share payment. The producer has an existing approved cost-share agreement. The producer installs a practice or completes mid-contract management, provides receipts to the County Office, and requests payment. There is no increase in practice acres.</p>	<p>Record producer certification, record TSP certification, print FSA-848B, and secure producer signature. Provide required documentation from subparagraph 2 B to the State Office.</p>	<p>Review submitted documentation to ensure that the acres on FSA-848B do not exceed the acres on CRP-1. Once reviewed, notify the County Office that payment may be made.</p>
<p>Make a cost-share payment with modification. The producer has an existing approved cost-share agreement. The producer installs a practice, provides receipts to the County Office, and requests payment. There is an increase in extent because of additional earthwork without an increase in practice acres.</p>	<p>Record modification up to “COC Approval”. Change component extent approved without increasing practice acres. Provide required documentation from subparagraph 2 B to the State Office. Follow instructions under the “Make a cost-share payment” option once the State Office approves the revised FSA-848A.</p>	<p>Review submitted documentation to ensure that the acres on the modified FSA-848A do not exceed the acres on CRP-1. Once reviewed, approve FSA-848A modification and notify the County Office of approval.</p>

Authorized Representative Certification Statement

The following is an example of the authorized representative certification statement.

By signing this certification, I acknowledge the policy and provisions of Notice CRP-862. Further, I certify that the contract modifications reviewed by me will not have the effect of increasing acreage under the CRP contract.	
_____	_____
Printed Name & Signature of Authorized State Office Representative	Date
_____	_____
Printed Name & Signature of State Executive Director	Date