

For: State and County Offices

Clarifying Required Eligibility Forms for ECP

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

Notice ECP-52 provided guidance for AD-245's approved beginning October 1, 2008, about actively engaged, direct attribution, and adjusted gross income (AGI) statements for ECP.

After the regulations at 7 CFR Part 1400 were published, Notices PL-183, PL-184, and PL-185 were issued that provided guidance on completing eligibility, payment limitation, and AGI limitation forms as well as updating 2009 web-based eligibility.

Notice ECP-54 authorized discontinued use of AD-245A and provided that actively engaged is not a prerequisite for ECP participation. Clarification of the required forms for ECP eligibility is necessary.

B Purpose

This notice provides policy on the:

- required eligibility forms for ECP participation
- additional eligibility documentation necessary for ECP participation.

2 Contact

A State Office

If there are questions about this notice, State Offices shall contact Katina Hanson, ECP Program Manager, by either of the following:

- e-mail to **katina.hanson@wdc.usda.gov**
- telephone at 202-720-0062.

Disposal Date	Distribution
October 1, 2009 2-2-09	State Offices; State Offices relay to County Offices

Notice ECP-55

2 Contact (Continued)

B County Offices

If there are questions about this notice, County Offices shall contact the State Office.

3 Required Eligibility Forms for ECP Cost-Share Approved After September 30, 2008

A CCC-901

CCC-901 is required to apply direct attribution for all entities named on AD-245. If a minor is a member of an entity named on AD-245, follow subparagraph 3 B for direct attribution purposes.

B CCC-902I

If a minor is a participant or member of entity on AD-245:

- Complete CCC-902I only for the following Items or Parts:
 - Item 1 – County
 - Item 2 –State
 - Item 3 – Program Year – “Enter 2009”
 - Part A – Basic Information
 - Part B – Additional Information for the following items:
 - Item 4A
 - Item 5A, Item 5B, Item 5C, and Item 5D
 - Item 6A, Item 6B Item 6C, Item 6D, and Item 6E
- Designate CCC-902I “For ECP direct attribution purposes only” by hand writing at the top of the form according to Exhibit 1.

Note: AD-245 will be revised in the near future to address additional information needed for minors and to adhere to direct attribution purposes.

C CCC-926

CCC-926 is only required for individuals or entities on AD-245 that are funded by a special appropriations subject to AGI. Currently, this only includes contracts with a fund code of “ECP-AGI”.

D AD-1026

AD-1026 is required as described under 1-ECP, paragraph 4.

Notice ECP-55

3 Required Eligibility Forms for ECP Cost-Share Approved After September 30, 2008 (Continued)

E Additional Information

Update producer eligibility information and combined producer information according to 3-PL.

4 Action

A State Office Action

State Offices shall ensure that County Offices understand and follow the provisions of this notice.

B County Office Action

County Offices shall:

- implement the provisions of this notice
- ensure that the forms described in this notice are completed and signed for each participant on ECP AD-245's approved **after** September 30, 2008.

Example of CCC-902I

The following is an example of CCC-902I with the designated statement.

"For ECP Direct Attribution Purposes Only"						
This form is available electronically. CCC-902I (12-22-08)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		1. County 2. State	3. Program Year	
FARM OPERATING PLAN FOR AN INDIVIDUAL 2009 and Subsequent Program Years						
For "actively engaged in farming" and other payment eligibility and limitation determinations. <i>This form is to be completed by, or on behalf of, an individual who is seeking benefits from the Farm Service Agency (FSA) as an individual (and not as part of an entity) under one or more programs that are subject to the regulations at 7 CFR Part 1400. This form collects farming and other information about the individual who receives program benefits directly using the social security number identified in Part A. This form also collects information about entities engaged in farming in which the individual has an interest. Such entities must complete a CCC-902E if they are requesting program benefits. Payment eligibility for the individual is based upon the contribution level of certain inputs to a farming operation such as land, capital, equipment, labor, and management by the individual identified in Part A. The information on this form will be used by FSA to determine payment eligibility and limitation of payments by direct attribution.</i>						
PART A – BASIC INFORMATION						
1. Individual's Name and Address (Include Zip Code)			2. Social Security Number (If the social security number or Taxpayer ID number is on file, only the last4 digits are required)			
PART B - ADDITIONAL INFORMATION						
1. Is this individual a U.S. citizen? <input type="checkbox"/> YES. Go to Item 4A <input type="checkbox"/> NO. Go to Item 2 →	2. Is this individual an alien lawfully admitted into the U.S.? <input type="checkbox"/> YES, must present Alien Registration Receipt Card (I-551). <input type="checkbox"/> NO		3. FOR COUNTY FSA USE ONLY (Was an Alien Registration Receipt Card, I-551 shown?) <input type="checkbox"/> YES <input type="checkbox"/> NO			
4A. Is this individual under 18 years of age as of April 1 of the program year specified in Item 3? <input type="checkbox"/> NO. Go to Item 7 <input type="checkbox"/> YES, continue with Item 4B			4B. Enter Date of Birth (MM-DD-YYYY)			
5. Enter the name, address, and social security number of parent or guardian:						
A. Parent's or Guardian's Name		B. Parent's or Guardian's Address		C. Social Security Number of Parent or Guardian (If the social security number or Taxpayer ID number is on file, only the last4 digits are required)		
D. Does this individual maintain a separate household from parent or guardian? <input type="checkbox"/> YES <input type="checkbox"/> NO						
6. List the direct and indirect interests in all farming operations of this individual's parents or guardians:						
A. Parent's or Guardian's Name	B. Name of Farming Interest	C. % Share of Farming Interest	D. Tax ID Number of Farming Interest (If the social security number or Taxpayer ID number is on file, only the last4 digits are required)	E. County and State Where Farming Interest is Located		
7. Other Farming Interests: Complete this item for all farming entities, including joint operations, in which the individual identified in Part A has an interest, and for any farming interests of a spouse or minor child. <input type="checkbox"/> N/A, Go to Part C.						
A. Other Farming Interests	B. Whose Farming Interest?			C. % Share	D. Tax ID Number of Farming Interest (If the social security number or Taxpayer ID number is on file only the last four digits are required)	E. County and State Where Farming Interest is Located
	Self	Spouse	Minor Child			
The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotope, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.						

Example of CCC-902I (Continued)

CCC-902I (12-22-08) Name of Individual (as identified in Part A): _____ Page 2 of 4

INSTRUCTIONS FOR PARTS C THROUGH H. Only include information for the individual identified in Part A. Do not include information for any entities listed in Part B, Item 7.

PART C - LAND

1. **Land:** Enter the following information for ALL land farmed by the individual identified in Part A and not as part of an entity. (For additional space, complete CCC-902 Continuation and attach to this form.) Check here if attached.

A. Farm No.	B. Location (County and State)	C. Check One			D. Name of Individual or Entity Whom Land is Leased to and/or From (Includes names of landowners and landlords)	E. Acres	F. Rental Rate \$ per Acre Or % of Crop Share	G. Check here if same land interest was held last year
		Owned	Leased To	Leased From				
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>

PART D - CAPITAL

1. What is the source of all farming capital for the individual identified in Part A for the farms listed in Part C? (Check all that apply. Show the percent of capital from each source. Total should equal 100%.)

Non-borrowed capital _____ % FSA loan(s) _____ %

Commercial loans/credit _____ % FSA program payments from this crop year _____ %

Private loans/credit _____ % Other: _____ %

2. Will contributions of farming equipment or land be acquired as a result of a loan or credit arrangement?
 Equipment: YES NO Land: YES NO

3. If capital includes loans or credit, will such loan or credit be acquired from, guaranteed by, co-signed by, or secured by another individual or entity? N/A. Go to Part E. NO. Go to Part E. YES. Complete Items 3A through 3E

A. Type of Capital Contribution (Specify loan, cash advance, farm supply account)	B. Name of Loan or Credit Source	C. Guarantor's Name	D. Credit Source or Guarantor's Affiliation or Interest in the Farming Operation	E. Percent of Total Capital
				%
				%
				%

PART E - EQUIPMENT (All percentages are based on annual rental values.)

1. **Owned Equipment:** What percent of ALL equipment to be used by the individual identified in Part A on the farms listed in Part C is owned by the individual identified in Part A? If the individual specified in Part A does not own any of the equipment used in the farming operation, enter 0%. _____ %

2. **Leased Equipment:** Enter the following information for ALL leased equipment to be used by the individual identified in Part A on the farms listed in Part C:

A. Percent of Total Equipment Used by the Individual	B. Name of Party/Entity Equipment is Leased From	C. Type of Equipment Leased
%		
%		
%		

Example of CCC-902I (Continued)

CCC-902I (12-22-08)	Name of Individual (as identified in Part A):	Page 3 of 4	
PART F - CUSTOM SERVICES			
1. Will custom services on cash-leased acres be utilized by the individual listed in Part A on the farms listed in Part C? <input type="checkbox"/> NO. Go to Part G <input type="checkbox"/> YES, complete Items 1A through 1D of this Part.			
A. Type of Services (tillage, planting, cultivating, harvesting)	B. Farm Number(s)	C. Number of Acres	D. Name of Provider
PART G – LABOR			
For the farms listed in Part C, enter the information for contributions of labor both active personal and hired, which will be provided by the individual identified in Part A, hired laborers, or by others:			
Type	Amount		
1. Active personal labor. Enter the percentage or hours to be provided personally by the individual listed in Part A.	%		
	hrs		
2. Hired labor. Enter the percentage or hours of labor that will be hired.	%		
	hrs		
A. Will any of the hired labor originate from the same source as leased equipment shown in Part E? <input type="checkbox"/> NO <input type="checkbox"/> YES <i>If "YES", attach documentation, acceptable to CCC, to prove such relationship.</i>			
B. Will any of the hired labor be included in the custom farming services shown in Part F? <input type="checkbox"/> NO <input type="checkbox"/> YES <i>If "YES", attach documentation, acceptable to CCC, to prove such relationship.</i>			
3. Other labor. Enter the percentage of labor to be donated by family members or others. <i>(No payment will be owed).</i>	%		
PART H – MANAGEMENT (The total percentage shown in Items 1 through 3 must equal 100%)			
For the farms listed in Part C, enter the estimated percent of the individual's total management responsibility and the type of managerial duties required which will be provided by the individual identified in Part A, by hired persons or entities, or by others who are not hired.			
1. Active personal management:			
A. Enter the estimated percent of the active personal management to be provided by the individual identified in Part A: _____		%	
B. List the type of managerial duties/activities to be personally performed by the individual identified in Part A:			
2. Hired management:			
A. Enter the estimated percent of hired management: _____		%	
B. Describe any paid management services provided by someone other than the individual identified in Part A:			
3. Other management:			
A. Enter the estimated percent of other management: _____		%	
B. Describe any non-compensated management duties/activities provided by someone other than the individual identified in Part A:			
PART I – CERTIFICATION			
<i>I certify that all the information entered on this document and any supporting documentation is true and correct. I understand furnishing incorrect information will result in forfeiture of payments and may result in the assessment of a penalty. I will timely provide written notification to the Farm Service Agency committees for the county and State listed on this form of any changes in this farming operation.</i>			
<i>By signing this form, I acknowledge that:</i> <ul style="list-style-type: none"> • all supporting documentation has been submitted as required. • I have read and understood all definitions and requirements on Page 4. • all information contained on this form is true and correct, and will be considered in effect continuously unless changes or revisions are submitted. • it is my responsibility to timely notify FSA in writing of any changes in the farming, ranching or forestry operation, or financial status that may affect these representations. • evidence such as tax records, certified public accountant's certification, or other documentation may be required to validate these representations and that I will take all necessary actions to provide such materials to FSA if requested. 			
1. Signature (By)	2. Title/Relationship of the Individual Signing in Representative Capacity	3. DATE (MM-DD-YYYY)	

Example of CCC-902I (Continued)

CCC-902I (12-22-08)

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DEFINITIONS

The following definitions apply to Form CCC-902I.

1. **ACTIVELY ENGAGED IN FARMING** – means providing both: 1) significant contributions of capital, equipment, or land, or combination thereof to the farming operation; and 2) significant contributions of active personal labor or active personal management, or a combination thereof, to the farming operation as described. Further, for a person or legal entity to be considered actively engaged in farming for program payment purposes, the contributions of the person or legal entity must be at-risk and commensurate with the person's or legal entity's claimed share of the profit and loss of the farming operation. Failure to meet these requirements will result in the determination of ineligibility for payments under programs specified in 7 CFR Part 1400.
2. **INTEREST IN A FARMING OPERATION** – a person or legal entity is considered to have an interest in a particular farming operation if the person or legal entity owns or rents land to or from that farming operation; has an interest in the agricultural commodities produced on the operation; or is a member of a joint operation that either owns or rents land to or from the farming operation, or has an interest in the agricultural commodities produced on that operation.
3. **JOINT OPERATION** - is a general partnership, joint venture, or similar organization.
4. **PERSON** – is a natural person (an individual) and does not include a legal entity.
5. **ACTIVE PERSONAL LABOR** – a person is considered to be providing active personal labor with respect to a farming operation if that person is directly and personally providing physical activities necessary to conduct the farming operation, including land preparation, planting, cultivating, harvesting, and marketing of agricultural commodities. Other qualifying physical activities include establishing and maintaining conserving covers and those physical activities necessary for livestock production for the farming operation.
6. **ACTIVE PERSONAL MANAGEMENT** – a person is considered to be providing active personal management with respect to a farming operation if that person is directly and personally providing the general supervision and direction of activities and labor involved in the farming operation; or providing services (whether performed on-site or off-site) reasonably related and necessary to the farming operation.
7. **CAPITAL** – with respect to a farming operation is the funding provided by a person or legal entity to the farming operation in order for such operation to conduct farming activities. To be considered a countable contribution for a person or legal entity, the capital must have been derived from a fund or account separate and distinct from that of any other person or entity involved in such operation. Countable capital does not include the value of any labor or management which is contributed to the farming operation. A capital contribution may be a direct non-borrowed (out-of-pocket) input of a specified sum or an amount borrowed by the person or entity. Capital does not include advance program payments.
8. **CONTRIBUTION** – with respect to a farming operation is the provision of land, capital or equipment assets, and providing active personal labor, or active personal management to the farming operation in exchange for, or the expectation of, deriving benefits based solely on the success of the farming operation.
9. **CUSTOM SERVICES** – with respect to a farming operation is the hiring of a contractor or vendor that is in the business of providing such specialized services to perform services for the farming operation in exchange for the payment of a fee for such services performed.
10. **ENTITY** - is a corporation, joint stock company, limited liability company, association, limited partnership, limited liability partnership, irrevocable trust, revocable trust, estate, charitable organization, or other similar organization including any such organization participating in the farming operation as a partner in a general partnership, participant in a joint venture, a grantor of a revocable trust, or as a participant in a similar organization.
11. **EQUIPMENT** – with respect to a farming operation is the machinery and implements needed to conduct activities of the farming operation including machinery and implements used for land preparation, planting, cultivating, harvesting or marketing crops. Equipment also includes machinery and implements needed to establish and maintain conserving covers.
12. **FAMILY MEMBER** – a person is considered to be a family member of another person in the farming operation of that person is related to the other as a lineal ancestor, lineal descendant, sibling, spouse, or otherwise by marriage.
13. **FARMING OPERATION** - is a business enterprise engaged in the production of agricultural products which is operated by a person or a formal or informal entity which is eligible to receive payments, directly or indirectly.
14. **LAND** – with a respect to a contribution to a farming operation is farmland consisting of cropland, pastureland, wetland, or rangeland which meets the specific requirements of the applicable program for which payments or benefits are sought.
15. **SUPPORTING DOCUMENTATION** – is any information that supports the relevant representations made such as, but not limited to: articles of incorporation; corporate meeting minutes; stock certificates; organizational papers; trust agreement; last will or testament or a deceased individual; affidavit of heirship approved by Office of General Counsel; partnership agreement; property lease agreement; purchase agreement; land deed; lending security agreement; and financial statement.
16. All other terms utilized in this form shall be defined pursuant to 7 CFR Part 1400.

NOTE: *The primary authority for requesting and safeguarding the information described on this form is the Food, Conservation, and Energy Act of 2008 (Pub. L 110-246). Additionally, the authority for requesting this information is 7 CFR Part 1400 and 7 CFR Part 1410. The information requested is necessary for CCC to assist in determining eligibility for program benefits. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in a determination of ineligibility for certain program benefits and other financial assistance administered by USDA. The information collected as a result of this form may be released to USDA employees, USDA contractors, or authorized USDA cooperators who are bound to safeguard the information under Section 1619 of the Food, Conservation, and Energy Act, the Privacy Act or 1974, the E-Government Act of 2002, and related authorities. This information collection is exempted from the Paperwork Reduction Act, as is required for the administration of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246, Title I, Subtitle F – Administration). The provisions of criminal and civil fraud statutes may be applicable to the information provided. **RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.***