

For: State and County Offices

Deadline for Completing DDAP-III Application Process

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

DDAP-III provides up to \$16 million in benefits to dairy producers for dairy production losses that occurred between January 1, 2005, and December 31, 2007, because of natural disasters. Signup concludes on May 5, 2008. Notice LD-593 provides that if FSA determines at the conclusion of signup that the total value of eligible losses exceeds the available funding, less any reserve, that payments will be made according to an alternative payment method, rather than at the maximum established payment rates.

Therefore, FSA-747's must be entered in the eDDAP-III web-based application software, according to Notice PS-620, by a specified date to ensure that DDAP-III payments are calculated according to the appropriate payment method.

B Purpose

This notice:

- reminds County Offices that producers must submit their DDAP-III applications and supporting documentation by the program deadline of May 5, 2008
- provides procedure for notifying producers of denied payments when their applications have been approved but result in zero payment
- provides the date by which all DDAP-III applications must be approved or disapproved by COC and entered into the eDDAP-III web application software
- provides clarification of policy and procedure for implementing DDAP-III program.

Disposal Date	Distribution
January 1, 2009	State Offices; State Offices relay to County Offices

Notice LD-600

1 Overview (Continued)

C Contact

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2 Application Close Out Procedure

A Supporting Documentation

County Offices are reminded of the provisions in Notice LD-595, subparagraph 1 C that require FSA-747's to be completed and returned to the applicable County Office by COB on May 5, 2008. When supporting documentation, such as milk production records is required to be submitted as part of the application process, producers must submit the required documentation by the May 5, 2008, application deadline. Additional information requested by the County Office to verify losses is not subject to this deadline, but must be submitted no later than the deadline for processing applications provided in subparagraph 2 C.

Note: There is **no** provision for accepting late-filed DDAP-III applications.

B Denied Payment Notification

Applications that are complete and meet all the eligibility requirements as provided in Notice LD-593 shall be approved even when the application results in a zero payment. These applications shall be recorded in the COC minutes and entered into the DDAP-III application software as approved. County Offices shall send payment denial letters indicating that the DDAP-III application was approved; however no payment will be issued, to producers who are not eligible to receive a payment because:

- their application results in a negative or zero production loss
- production value exceeds 95 percent of the expected production for the disaster period as provided in Notice LD-597, subparagraph 5 A.

C Determination Notifications

County Office shall provide written notification to producers with appropriate appeal rights, as provided in 1-APP, for the following:

- calculated adjustments applied to qualifying losses as required in Notice LD-593, subparagraph 8 B, including an explanation for the adjustment
- disapprovals.

Notice LD-600

2 Application Close Out Procedure (Continued)

D Deadline for Processing Applications

The deadline for County Offices to process FSA-747's is **May 30, 2008**. After this date, no FSA-747's may be recorded in the application processing software. To determine if the alternative method is necessary, County Offices shall ensure that the following are completed by COB on May 30, 2008:

- all DDAP-III applications must be entered in the application processing software as provided in Notice PS-620, including applications that will not receive a payment because of a zero loss or production value exceeding 95 percent of the expected production for the disaster period
- all COC determinations must be made and recorded in the DDAP-III application software. A status of "approved" or "disapproved" must be recorded in the "status" field
- entries in the eDDAP software are reviewed for accuracy.

E Issuing Payments

Program payments will be issued after all of the following take place:

- signup deadline
- CCC-747's are entered in eDDAP-III web-based application software
- losses have been factored by the appropriate payment rates
- eDDAP-III payment processing software and instructions have been released
- authorization provided by DAFP.

3 Additional Clarification

A Dairy Operations Going Out of Business

In some cases dairy operations have gone out of business during the disaster year. Regardless of the reason for going out of business, the County Office shall:

- follow Notice LD-597, subparagraph 3 D to adjust the months of production in which the operation was not in business during the calendar year
- record adjustments on FSA-747 as applicable.

B Production Records

In some cases dairy herds have remained at the same location with the same management practices; however the operator of the dairy operation has changed. County Offices may use milk production records for an existing herd to establish base production if:

- producers have changed
- production records are available during the base period
- the cows and facilities have remained the same.