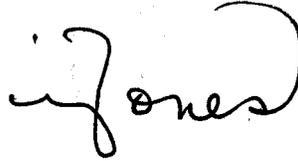


For: State and County Offices

**Manual Process for 2009 NAP Payments**

Approved by: Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

The Food, Conservation, and Energy Act of 2008 amended the Food Security Act of 1985 to provide that the “Secretary shall issue such regulations as are necessary to ensure that the total amount of payments are attributed to a person by taking into account the direct and indirect ownership interests of the person in a legal entity that is eligible to receive the payments.”

Notice PL-191 addresses preparing for implementation of direct attribution. As FSA transitions to direct attribution, releasing 2009 NAP payment software will be delayed until August 2009.

**B Purpose**

This notice informs State and County Offices that:

- eligible producers have the ability to request a manual 2009 NAP payment by signing CCC-583 (paragraph 4)
- although the NAP payment can be calculated using the automated NAP software, a manual process may be used to issue 2009 NAP payments until the automated NAP payment process is deployed
- a manual 2009 NAP payment shall **not** be issued unless all required NAP documentation is on file, and CCC-576 has been approved by COC according to 1-NAP.

<b>Disposal Date</b>	<b>Distribution</b>
December 1, 2009	State Offices; State Offices relay to County Offices

## Notice NAP-123

### 1 Overview (Continued)

#### C Signing CCC-583

Until the 2009 NAP payment software is released, producers may elect to receive a manual 2009 NAP payment by signing CCC-583 to certify that:

- all required forms about matters of general eligibility have been completed
- all general eligibility requirements are met
- the NAP payment will be refunded with interest in the event it is determined any of the general eligibility requirements are **not** met.

CCC-583 must be signed and dated by each producer before a manual 2009 NAP payment is issued.

**Note:** All NAP payments issued manually will be reconciled when the automated NAP payment software becomes available. County Offices will be provided with reconciliation procedures at that time.

### 2 Manual Payment Process

#### A Determining the NAP Payment Amount

Before the NAP payment amount can be determined, all required NAP documentation must be filed by the producer and entered in the appropriate system so an automated CCC-576 can be completed and approved by COC, as applicable. The NAP payment amount will then be available on CCC-576E. See 1-NAP, paragraph 1413 for information on CCC-576E. CCC-576E can be printed by using option 12 on Enrollment/Approval/Disapproval Screen MHACWM01.

**Note:** CCC-576E cannot be accessed from NAP Reports Menu MHAC01, as indicated in 1-NAP, paragraph 1414, until the actual automated NAP payment process is available.

The total projected 2009 NAP payment shown in CCC-576E, Part F, is the producer's payment amount, **not** taking into account any payment reductions. The CCC-576E payment amount **will not** include reductions for the following:

- payment limitation
- AGI
- substantive change
- direct attribution.

## Notice NAP-123

### 2 Manual Payment Process (Continued)

#### A Determining the NAP Payment Amount (Continued)

**Note:** County Offices shall:

- ensure that producers are **not** paid, directly or indirectly, in excess of the \$100,000 NAP payment limitation
- contact other County Offices servicing multi-county producers for 2009 NAP payment information.

If applicable, these reductions will be determined once the NAP payment software is available and the applications are processed in the automated system. If any of these reductions apply, the producer will be required to refund the amount of the reduction, plus interest.

#### B Determining Producer Eligibility

County Offices must manually review eligibility files to determine whether a producer or members of joint operations meet the following eligibility conditions:

- fraud, including FCIC, determination
- conservation compliance provisions
- controlled substance provisions
- NAP noncompliance provisions
- commodity AGI provisions.

#### C Recording Assignments and Joint Payments

Assignments and joint payments previously recorded in the Financial Services web application will **not** be recognized because of the change in the program code. These must be loaded in the Financial Services web application using program code "09NANAP". Instructions for loading assignments and joint payments in the Financial Services web application are included in Notice FI-2878.

Two Financial Web Application Data Mart reports have been released to provide a list of assignments or joint payments that were previously recorded using program code "09NAP". The County Office can access these reports through the FSA Data Mart application. From the FSA Data Mart page, select "FWADM" and "Financial Services". A separate report was developed for assignments and joint payments to aid the County Office in determining previously recorded assignments or joint payments that must be loaded.

A future FI notice will provide additional instructions for adjusting assignments when the automated NAP application is available.

## Notice NAP-123

### 2 Manual Payment Process (Continued)

#### D Funds Control

A separate funds control will be established for this manual NAP payment process. No initial allotment amount or reserve will be provided to State Offices for these nonautomated NAP payments. States Offices shall:

- determine the amount of funds required to issue nonautomated NAP payments
- forward a request for funds to the National Office by submitting an e-mail to **all** of the following National Office contacts:
  - **sandy.bryant@wdc.usda.gov**
  - **tina.nemec@wdc.usda.gov**
  - **steve.peterson@wdc.usda.gov**
  - **lenior.simmons@wdc.usda.gov**

State Offices will be responsible for moving money to County Offices through the funds control process. If additional funds are required, County Offices should contact the appropriate State Office specialist. The State Office specialist should do either of the following:

- reallocate funds from 1 or more County Offices
- allocate those funds to the requesting County Office or contact the National Office to request additional funds.

#### E Issuing NAP Payments Through the Online Payment Application

Follow procedures in Notice FI-2874 to issue payments through the web-based online payment application, using the following:

- program code “09NANAP”
- contract number “0001”

**Note:** “CT” is the reference code.

- payment amount determined on CCC-576E, unless reduced because of eligibility or payment limitation

## Notice NAP-123

### 2 Manual Payment Process (Continued)

#### E Issuing NAP Payments Through the Online Payment Application (Continued)

- the prompt pay due date, which is 30 calendar days after the later of the following:
  - date producer signs, dates, and submits a properly completed application and all required documentation for payment
  - date disputed applications are adjudicated
  - date the crop is approved for NAP payment.

**Note:** The “09NANAP” program code is temporary and will no longer be available for use to issue payments when the 2009 NAP payment software is available. Additional procedures will be provided for 2009 automated NAP payments and overpayment processing.

### 3 Action

#### A County Office Action

CED’s shall ensure that:

- producers requesting an immediate NAP payment for the 2009 crop year are informed of CCC-583
- 2009 NAP payment amount and producer eligibility are determined according to subparagraphs 2 A and B, respectively
- CCC-770 NAP is completed for each producer before payments are issued according to 1-NAP, paragraph 11

**Note:** Notice CM-644 does **not** apply.

- CCC-770 ELIG 2008 is completed for each producer before payments are issued according to Notice PL-188

**Note:** Notice CM-644 does **not** apply.

- producers requesting an immediate NAP payment shall complete CCC-583 according to paragraph 4.

## Notice NAP-123

### 3 Action (Continued)

#### B State Office Action

State Offices shall:

- ensure that County Offices are immediately informed of the contents of this notice
- request funds according to subparagraph 2 D.

### 4 Completing CCC-583

#### A Instructions to Complete CCC-583

All producers requesting an immediate NAP payment for the 2009 crop year are required to complete CCC-583. A copy of CCC-583 can be found in subparagraph B. County Offices shall:

- provide CCC-583 to each producer requesting a manual NAP payment for the 2009 crop year
- briefly discuss the manual payments with the producer to ensure that he or she understands that the calculated manual payment may be amended when automation software becomes available later this year and any overpayment must be refunded with interest
- ensure that proper signature authority has been obtained according to 1-CM, Part 25.

County Offices shall follow this table to complete CCC-583 for producers requesting an immediate NAP payment for the 2009 crop year.

Item	Instructions
1	Manually write in the State and county codes of the location where the producer is requesting the payment.
2	Manually write in the County Office name and address where the producer is requesting the payment.
3A	The producer shall print his or her name and address.
3B	The producer shall provide a contact telephone number.
4 A	The producer shall sign his or her name.
4 B	The producer shall provide his or her relationship to the person or entity receiving the payment, if applicable.
4 C	The producer shall provide the date CCC-583 was signed.

After the producer has completed CCC-583, make a copy of the completed CCC-583 for the producer and place the original in the producer's farm folder.

Notice NAP-123

4 Completing CCC-583 (Continued)

B Example of CCC-583

The following is an example of CCC-583.

This form is available electronically.		Form Approved - OMB No. 0560-0175
<b>CCC-583</b> (06-19-09)	<b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation	1. State and County Code  2. County FSA Office Name and Address (Including Zip Code)  Telephone No. (Including Area Code):
<b>Statement of Compliance with Program Provisions of the 2009 Noninsured Crop Disaster Assistance Program (NAP) and Waiver of Finality of Payment Provisions</b>		
<p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 USC 7333 and 7 CFR Part 1437. The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits.</p> <p>According to the Paperwork Reduction Act of 1995 an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0175. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p> <p>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.</p>		
<b>PART A - PRODUCER INFORMATION</b>		
3A. Name and Address of Producer (Including Zip Code)		3B. Telephone Number (Including Area Code)
<b>PART B - PRODUCER CERTIFICATION</b>		
Certain otherwise automated cross-checks on compliance for the 2009 NAP cannot be made at this time. So that the Applicant listed above may be paid at this time, if otherwise eligible, I state (and certify) the following:		
<p><b>(1) Payment Limitations and Adjusted Gross Income (AGI) Determinations.</b> I understand that no person, <u>directly</u> or <u>indirectly</u> can receive more than \$100,000 total in 2009-crop NAP payments and that such limit is a <u>combined</u> limit for all attributable NAP payments for <u>all counties</u> and <u>all commodities</u>. I certify that no person or entity with a direct interest in this payment or with an indirect interest through an entity at any sub-level will exceed that level. Further I assert that no person with a direct or indirect interest in the payment had a reportable (to the Internal Revenue Service) average adjusted gross nonfarm income (AGI) of more than \$500,000 for the 2005-2007 calendar years. (A person with an AGI over that amount cannot benefit, directly or indirectly from NAP payments.)</p> <p><b>(2) Conservation and Other Requirements.</b> No person with an interest in the payment or <u>any affiliated person</u> in 2008 or 2009 planted on highly erodible land without a USDA-approved plan, or at any time since 1985 converted a wetland to an agricultural use. An affiliated person for purposes of this certification is any entity in which a person has a direct or financial interest or any spouse or minor child. I certify that all other eligibility requirements have been met.</p> <p><b>(3) Finality Provisions Inapplicable and Waived.</b> I understand that the payments made under this certification are intended to be <u>preliminary payments</u> only, pending compliance checks. Finality provisions that might otherwise apply to make the payment unreviewable shall not apply and are, in any event, <u>waived</u> by me as a condition of receiving the preliminary payment by way of this certification and as a condition for the receipt of the payment.</p> <p><b>(4) Refunds of Payment.</b> Should any overpayment be made, such overpayment shall be refunded, with interest at the rate provided in 7 CFR Part 1403, beginning from the <u>date of the disbursement</u> of the funds. Other remedies may apply.</p> <p><b>(5) Accuracy of Certification.</b> I state that this certification is accurate, that it will be relied upon to make a federal payment. <u>I know the facts certified to</u> and the eligibility requirements of the program, and that I have the authority to submit this certification.</p>		
<b>PART C - PRODUCER SIGNATURE</b>		
4A. Signature (By):	4B. Title/Relationship of the Individual If Signing in a Representative Capacity	4C. Date (MM-DD-YYYY)
<p><b>NOTE:</b> This certification has been designed to cover compliance issues broadly and it is possible that in some instances a payment may nonetheless be due even if the certification cannot be signed. Persons who cannot make this certification but otherwise believe the payment is due should file a statement with the local office explaining why the certification cannot be made but why such payment is believed to be due, in which the person states that but for the explanation that person is otherwise making the declarations required by this certification.</p> <p><small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs 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, audiotape, 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, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</small></p>		