

For: State and County Offices

**Reminder for Issuing FY 2000 PFC Payments  
and Information on Adjusting FY 2000 MLA Payment Limitation Allocations**

Approved by: Acting Deputy Administrator, Farm Programs

*Christie White*

**1 Overview**

**A**

**Background**

Notice PF-134:

- reminded County Offices of:
  - requirements for issuing FY 2000 final PFC payments
  - processes that must be completed to ensure PFC payments are processed accurately and timely
- advised State and County Offices of:
  - how FY 2000 PFC payment software will function after August 1, 2000
  - actions that **shall be taken** to ensure that all payments are processed before the September 30, 2000, statutory deadline.

Notices PF-140 and PF-141 advised State and County Offices that:

- the Agricultural Risk Protection Action of 2000 (2000 Act) provides that MLA payments shall be issued no earlier than September 1, 2000, and no later than September 30, 2000
- County Offices will be locked out of the FY 2000 MLA regular payment process on October 1, 2000.

Continued on the next page

<b>Disposal Date</b>	<b>Distribution</b>
October 1, 2000	State Offices; State Offices relay to County Offices

## Notice PF-143

### 1 Overview (Continued)

---

#### B

#### Purpose

This notice:

- reminds County Offices that:
  - final PFC payment processing begins on August 1, 2000
  - the FY 2000 PFC and MLA regular payment processes will be disabled on October 1, 2000
- advises State and County Offices:
  - about a query that has been developed to assist County Offices in identifying producers whose FY 2000 MLA earnings exceed their MLA payment limitation allocation
  - that on or about July 27, 2000, KC-ITSDO will broadcast queries that allow County Offices to generate the “Producers With Projected Insufficient Payment Limitation Allocations” report

**Note:** This query is for MLA payment limitation allocations only.

- how the reports were developed and the information included on each report
  - about actions that shall be taken to ensure **all FY 2000 PFC and MLA payments are issued by the September 30, 2000, statutory deadline.**
-

## Notice PF-143

### 2 Producers With Projected Insufficient Payment Limitation Allocations Report

---

#### A

##### Introduction

The FY 2000 MLA regular payment process is designed to read the payment limitation file to ensure that:

- the total of all MLA payments issued to multi-county producers does not exceed the producer's established payment limitation allocation in the home county
- total MLA payments issued to combined producers does not exceed the established payment limitation allocation for any producer in the combination.

Once the total MLA payments issued to a producer in either of these categories reaches the established payment limitation allocation, remaining MLA payments will not be issued until the payment limitation allocation is increased by the control county for:

- multi-county producers
  - producers that are combined but participate in different counties.
- 

#### B

##### Why the Query Was Developed

On July 20, 2000, the FY 2000 MLA payment limitation allocations were downloaded to County Offices. These allocations were set to the same values as the FY 2000 PFC SL allocation. However, since FY 2000 MLA payment rates are higher than FY 2000 PFC payment rates, payment limitation adjustments are necessary for some producers.

Because of the short time frame allowed for issuing FY 2000 MLA payments, County Offices only have a limited number of subsidiary upload and download cycles to adjust payment limitation allocations before September 30, 2000. It has been determined that a tool is needed that identifies those producers whose MLA payment limitation allocation is insufficient to cover the MLA payments that will be issued.

As a result, the "Producers With Projected Insufficient Payment Limitation Allocations" query was developed to identify:

- multi-county producers whose 2000 MLA payments exceed the producer's established payment limitation allocation
  - combined producers where the 2000 MLA payments for the producers involved in the combination exceed the producer's established payment limitation allocation.
- 

Continued on the next page

## Notice PF-143

### 2 Producers With Projected Insufficient Payment Limitation Allocations Report (Continued)

---

#### C

##### Importance of Updating Payment Limitation Allocations

The 2000 Act does not provide FSA with any discretionary authority to issue FY 2000 MLA payments after September 30, 2000. As a result, the FY 2000 MLA regular payment process will be disabled on October 1, 2000.

It is imperative that all MLA payments to eligible producers on approved FY 2000 PFC's are issued timely.

Since MLA payment processing cannot begin until September 1, 2000, County Offices will only have approximately 4 weeks to issue all MLA payments. The typical subsidiary file upload/download cycles take from 7 days to 2 weeks.

**Therefore, it is important that the payment limitation adjustments are made before September 1, where possible.** Failure to increase payment limitation allocations before payment processing begins enhances the possibility that FSA will fail to meet the statutory requirements.

---

#### D

##### How the Query Works

The payment limitation allocation adjustment query:

- calculates the producer's accumulated MLA payment in each county using the FY 1999 MLA payment rates
- determines the producer's established payment limitation allocation for multi-county and combined producers by reading the payment limitation file.

**Note:** The query process does not identify single county producers or producers that are not considered multi-county, such as combined producers that participate in the same county. Since these producers do not have a payment limitation record, no action is required by the County Office for these producers.

- determines the difference between the total MLA payment and the payment limitation allocation.
- 

Continued on the next page

Notice PF-143

**2 Producers With Projected Insufficient Payment Limitation Allocations Report (Continued)**

**E**

**Information on the Report**

The query process identifies multi-county and combined multi-county producers earning a FY 2000 MLA payment greater than zero. This table identifies data that is included on the “Producers With Projected Insufficient Payment Limitation Allocations” report.

Column	Explanation	
Combined Producer	Reflects whether the producer is recorded as a combined producer in the name and address file.	
County Code	County code for the county generating the report.	
Producer Name	Name, ID number, and ID type for the producer whose projected MLA payments exceed the producer’s established payment limitation allocation.	
Producer ID and ID Type		
Projected MLA Payments	Total accumulated payment for the producer, including payments for: <ul style="list-style-type: none"> <li>any producer in the county combined with the affected producer</li> <li>member share from an interest in a joint operation.</li> </ul>	
	<b>IF the producer...</b>	<b>THEN the projected MLA payment amount is the total projected payments...</b>
	<ul style="list-style-type: none"> <li>does not have an interest in a joint operation</li> <li>is not a combined multi-county producer</li> </ul>	for the payee.
	is combined with a producer that participates in another county	
	is combined and at least 1 producer in the combination participates in the same county	<ul style="list-style-type: none"> <li>for the payee</li> <li>attributable to a payee through a joint operation interest, if applicable</li> <li>attributable to other producers combined with the payee.</li> </ul>
	is a member of a joint operation	<ul style="list-style-type: none"> <li>for the payee as an individual producer, if applicable</li> <li>attributable to the producer as a member of the joint operation.</li> </ul>
MLA Payment Limitation Allocation	MLA payment limitation allocation amount for the producer in the county issuing the payment.	
Control State/County	State and county code for the producer’s payment limitation control county.	

Continued on the next page

**Notice PF-143**

**2 Producers With Projected Insufficient Payment Limitation Allocations Report (Continued)**

**F**

**Generating the Report**

County Offices shall follow this table to generate the “Producers With Projected Insufficient Payment Limitation Allocations” report.

<b>Step</b>	<b>Menu</b>	<b>Action</b>	<b>Result</b>
1	FAX250	<ul style="list-style-type: none"> <li>• ENTER either of the following:                             <ul style="list-style-type: none"> <li>• “3”, “Application Processing (Headquarters Office)”</li> <li>• “4”, “Application Processing (Office Selection)”</li> </ul> </li> <li>• PRESS “Enter”.</li> </ul>	Either of the following menus will be displayed: <ul style="list-style-type: none"> <li>• Menu FAX07001 if option 3 was selected</li> <li>• Menu FAX09002 if option 4 was selected.</li> </ul>
2	FAX09002	If option “4” was selected on Menu FAX250, select the applicable County Office.	Menu FAX07001 will be displayed.
3	FAX07001	<ul style="list-style-type: none"> <li>• ENTER “9”, “Common Provisions”</li> <li>• PRESS “Enter”.</li> </ul>	Menu MA0000 will be displayed.
4	MA0000	<ul style="list-style-type: none"> <li>• On the command line, TYPE “MLALMT,QRPRADJ1”</li> <li>• PRESS "Enter".</li> </ul>	A series of prompts will be displayed.
5		A prompt will be displayed specifying that the report will be sent to the user’s default printer.	
		<b>IF the user enters...</b>	<b>THEN...</b>
		“Y” to continue with the query process	the next prompt will be displayed.
		“N” to exit the query process and select a different printer	Menu MA0000 will be redisplayed.

Continued on the next page

**2 Producers With Projected Insufficient Payment Limitation Allocations Report (Continued)**

---

**F  
Generating the  
Report  
(Continued)**

Step	Menu	Action	Result
6		<p>A prompt will be displayed asking whether a transmission file should be created to be sent to the State Office.</p> <p><b>Note:</b> This prompt will not be displayed the first time the user generates the report. The process is designed to automatically send a transmission file to the State Office the first time the process is accessed.</p>	
		<p><b>IF the user enters...</b></p>	<p><b>THEN...</b></p>
		<p>“Y” to continue with the query process and transmit a file to the State Office</p> <p><b>Note:</b> County Offices should only answer “Y” when the State Office has instructed the office that a transmission is required.</p>	<ul style="list-style-type: none"> <li>• the “Producers With Projected Insufficient Payment Limitation Allocations” report will be generated and sent to the default printer</li> <li>• a transmission file will be sent to the State Office.</li> </ul>
<p>“N” to continue with the query process without transmitting a file to the State Office.</p>	<p>The “Producers With Projected Insufficient Payment Limitation Allocations” report will be generated and sent to the default printer.</p>		

---

## Notice PF-143

### 3 County Office Action

---

#### **A** **Ensuring** **Payments Are** **Issued Timely**

All County Offices shall:

- take all steps necessary to ensure FY 2000 PFC and MLA payments are issued accurately to eligible producers on approved PFC's before the September 30, 2000 statutory deadline

**Reminder:** County Offices shall begin processing FY 2000 final PFC payments to all eligible producers on approved PFC's on August 1, 2000.

- refer to Notice PF-134 for additional information regarding:
    - processes that must be completed to ensure PFC payments are processed accurately and timely
    - tools available to assist with PFC payment processing.
- 

#### **B** **Payment** **Limitation** **Control County** **Office**

The payment limitation Control County Office:

- is responsible for allocating payment limitation amounts to all counties where the producer earns PFC and MLA payments
- shall ensure that 2000 PFC and MLA payments are not delayed because of inadequate payment limitation allocations.

**Note:** Payment limitation Control County Offices shall:

- request CCC-478P's for the producer anytime another County Office reports that an additional PFC payment limitation allocation is needed
  - follow this process anytime another County Office reports that an additional MLA payment limitation allocation is needed.
- 

Continued on the next page

Notice PF-143

3 County Office Action (Continued)

---

**B**

**Payment  
Limitation  
Control County  
Office  
(Continued)**

**Recommendation:** Where possible, more allocation shall be given to other County Offices than the amount actually needed. It is better that too much allocation be given to other County Offices than too little. The Control County Office can:

- increase the allocation in their county as soon as it is definitively known that too much allocation was given to another County Office
- issue payments immediately after the adjustment is made.

Other County Offices must wait until a new subsidiary upload/download cycle is processed.

---

Continued on the next page

**Notice PF-143**

**3 County Office Action (Continued)**

---

**B**

**Payment Limitation Control County Office (Continued)** County Offices shall follow the procedure in this table **immediately** after receiving notification that the MLA queries have been broadcast from KC-ITSDO.

Step	Action
1	Install the queries according to the Information Bulletin provided by KC-ITSDO.
2	Generate the "Producers With Projected Insufficient Payment Limitation Allocations" report according to subparagraph 2 F.
3	Print a "MABDIG" diagnostic listing for: <ul style="list-style-type: none"> <li>• each producer listed on the report</li> <li>• any producer combined with the affected producer.</li> </ul>
4	For each producer, and any producer combined with the producer, listed on the payment limitation Control County's report: <ul style="list-style-type: none"> <li>• contact all other County Offices to determine the total allocation needed for the producer</li> <li>• determine if the payment amount should be reduced because of:               <ul style="list-style-type: none"> <li>• cropland factor</li> <li>• permitted share</li> <li>• FAV acre-for-acre payment adjustments.</li> </ul> </li> </ul>
5	For each producer combined with the affected producer, contact all other County Offices to determine the total allocation needed for the combined producers.
6	Contact the State Office for assistance if all other County Offices have not submitted the requested information within 2 work days.
7	After the information described in steps 4 and 5 is received: <ul style="list-style-type: none"> <li>• determine the payment limitation allocation required in each county and update the system accordingly</li> <li>• notify affected County Offices of the allocation changes being made by providing a "MABDIG" to each County Office.</li> </ul>

---

Continued on the next page

**Notice PF-143**

**3 County Office Action (Continued)**

---

**C**

**Other County Offices**

Non-Control County Offices shall:

- submit CCC-478P’s for the producer to the Control County Office to request an additional PFC payment limitation allocations
- run the MLA payment limitation allocation query and provide the information to the Control County Office to request an additional MLA payment limitation allocation.

All County Offices shall **immediately** follow the procedure in this table:

- after receiving notification that the MLA queries have been broadcast from KC-ITSDO
- anytime a payment limitation Control County Office requests MLA payment information for a producer.

Step	Action
1	Install the queries according to the Information Bulletin provided by KC-ITSDO.
2	Generate the “Producers With Projected Insufficient Payment Limitation Allocations” report according to subparagraph 2 F.
3	Print a “MABDIG” diagnostic listing for: <ul style="list-style-type: none"> <li>• each producer listed on the report</li> <li>• any producer combined with the affected producer.</li> </ul>
4	For each producer, and any producer combined with the producer, listed on the report determine if the earned payment amount should be reduced because of: <ul style="list-style-type: none"> <li>• cropland factor</li> <li>• permitted share</li> <li>• FAV acre-for-acre payment adjustments.</li> </ul>
5	Submit the information to the producer’s Control County Office.
6	Contact the State Office for assistance if an increased allocation is not received within 2 subsidiary upload/download cycles.  <b>Note:</b> Do not contact the State Office if the payment limitation Control County Office indicates that the producer’s allocation cannot be increased.

**Notice PF-143**

**4 State Office Action**

---

**A**

**Status Report**

It is anticipated that a report will be provided to State Offices to monitor the progress of the MLA payment limitation allocation update process. Additional information will be provided in a future notice.

---

**B**

**Action**

State Offices shall ensure that all steps are taken to assist County Offices so that PFC and MLA payments are not unnecessarily delayed.

---