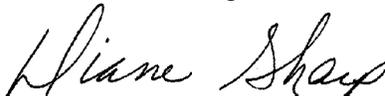


For: State and County Offices

FY 2002 Agricultural Market Transition Act (AMTA) Notification Letters and Reminders

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

In a previous notice, County Offices were instructed to mail producer notification letters, fact sheets, and payment request sheets, regarding FY 2002 AMTA, by November 30, 2001.

The notification letters identified the FY 2002 production flexibility contract (PFC) status for enrolled farms by:

- indicating the designated payment shares for owners and producers for each crop
- identifying payment shares that remained “undesigned” as of the date the notification letter queries were processed.

Although many producers have designated payment shares for FY 2002 PFC, reports indicate that payment shares are not designated on all farms. As producers continue to enter into rental arrangements with landowners and designate payment shares on PFC’s, County Offices are instructed to monitor program activities and signature deadlines to ensure that PFC’s are completed timely and according to established procedures.

The authority for implementing AMTA ends September 30, 2002. Therefore, at this time, all payments must be processed by September 30, 2002.

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Disposal Date	Distribution
October 1, 2002	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

B

Purpose

This notice provides instructions for preparing and distributing notification letters to producers and owners on enrolled farms for which PFC payment shares have not been designated for FY 2002.

Note: New queries have been developed to generate the letters and will be included in County Release No. 480, which is scheduled to arrive in County Offices by March 8, 2002.

C

Reminders on PFC Signature Requirements

The deadline to designate payment shares and meet PFC signature requirements for FY 2002 is August 1, 2002. FY 2002 PFC payments may not be issued on a farm, unless **all** producers and owners meet the PFC signature requirements by August 1, 2002. This signature deadline also applies to successions-in-interest. No payments will be earned on a farm unless all applicable producers timely sign a revised PFC to reflect the succession.

Note: It is critical for producers, owners, and FSA personnel to understand that 1 producer or owner failing to meet **PFC signature requirements** will cause **all producers** on the farm to be ineligible to receive or retain payments.

Farms resulting from the reconstitution of a participating farm must be enrolled into PFC within 30 calendar days from the FSA-476 mailing date. The August 1 signature deadline does **not** apply to reconstituted farms, unless at least 1 owner or producer **timely** enrolls the resulting farm or farms into PFC.

D

Reminders on Other Eligibility Requirements

In addition to PFC signature requirements, producers must file all supporting documents, such as CCC-502, AD-1026, and FSA-570, by August 1, 2002, to be eligible for FY 2002 PFC payments. The fact that a producer on a farm has not timely filed a supporting document, or is otherwise ineligible for payment, does not necessarily mean that other producers on the farm are ineligible. However, it remains necessary for County Offices to:

- publicize program information and requirements
 - monitor the eligibility status of each farm and producer as efficiently as possible.
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1 Overview (Continued)

E

Special Instructions

State Offices shall carefully monitor each Service Center through DD's, to ensure that provisions of this notice are completed timely and accurately.

Note: Signatures on PFC's should be timely filed and succession-in-interest problems should be minimized when instructions in this notice are carefully followed by producers and Service Centers.

2 Producer Notification Letters

A

Queries and Shell Documents

Queries and shell documents will be included in County Release No. 480, which is scheduled to arrive in County Offices by March 8, 2002. These queries shall be used to create FY 2002 reminder letters for owners and producers on farms for which not all PFC payment shares have been designated.

Note: To avoid unnecessary confusion, County Offices may wish to process known reconstitutions for FY 2002 before running the queries and generating notification letters. The notification letters shall be mailed by April 10, 2002. The timing of this notification process shall **not** affect the final date to enroll farms resulting from a reconstitution, which is 30 calendar days from the date of notification (FSA-476) that reconstitution has been completed.

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2 Producer Notification Letters (Continued)

B

Processing Queries

To facilitate the mailing and filing of producer notification letters, County Offices have the option to print the letters in either ZIP Code or farm number order. The letters must be processed separately for each county in the system, according to this table.

Step	Menu or Screen	Action
1	FAX250	ENTER "3" or "4", "Application Processing".
2	FAX07001	ENTER "9", "Common Provisions".
3	MA0000	To process the letters in: <ul style="list-style-type: none">• ZIP Code order, on the command line, ENTER "PFCRMD2Z,QRPRADJ1" and PRESS "Enter"• farm number order, on the command line, ENTER "PFCRMD2F,QRPRADJ1" and PRESS "Enter".

C

Query List

A query list will print each producer name and applicable farm number for which a letter should be mailed. The last page of the list contains the "Total" number of letters that will be generated.

D

Printing Letters

A DisplayWrite/36 print option allows for printing the letters. A letter will be printed for each producer and owner in the farm producer file, on farms enrolled in PFC for which 1 or more payment shares have not been designated.

Notes: All crops and shares will be included for the farm, including crops for which shares have been designated, if 1 or more payment shares have not been designated on the farm.

This query **will not** print letters for farms having all shares designated, but having missing signatures. Ensure that the other applicable reports are run according to subparagraph 3 C.

County Offices shall enter the desired printer ID and PRESS "Enter".

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2 Producer Notification Letters (Continued)

E

Sending Letters

County Offices shall mail the system-generated notification letters (Exhibit 1) as soon as possible, but **no later than April 10, 2002**.

Note: Letters should be mailed to producers on farms reconstituted in FY 2002 **only if both** of the following apply:

- at least 1 producer signed CCC-478 to enroll the farm, within 30 calendar days from the FSA-476 mailing date
 - 1 or more payment shares remain “undesigned” on the farm.
-

F

Reconstituted Farms

The letters generated by the queries intentionally do **not** include owners and producers on farms reconstituted in FY 2002, unless the resulting farm or farms have been enrolled into PFC. For a resulting farm or farms following the reconstitution of a participating farm or farms:

- ensure that FSA-476 was mailed upon completing the reconstitution
 - make every effort to remind producers of the enrollment requirements, such as mailing second reminder letters and making telephone contacts according to 1-PF, paragraph 244, during the 30-calendar-day period
 - reduce PFC acreage to zero, according to 1-PF, subparagraph 40 D, on farms not timely enrolled, immediately following the 30-calendar-day period.
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Notice PF-176

3 County Office Action

A Notification Letters

County Offices shall:

- prepare and distribute producer notification letters according to paragraph 2 as soon as possible, but **no later than April 10, 2002**
- attach a copy of the letter to the query printout, and file in the 2002 Program Year folder as verification the documents were mailed.

Note: County Offices may run the queries identified in paragraph 2, as often as necessary, to assist in:

- monitoring share designations
 - providing additional reminder letters to producers.
-

B CCC-478 Processing and Payments

County Offices shall:

- follow 1-PF, Part 7 to approve CCC-478's and record payment flags, after all required signatures have been obtained

Exception: COC shall **not** approve PFC based on cash-rent certification statements according to 1-PF, subparagraph 301 J, until **after** June 30, 2002.

- issue FY 2002 payments to producers who have requested payment, providing all other eligibility requirements are met, according to 2-PF.
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3 County Office Action (Continued)

C Publicity and Producer Support

County Offices shall:

- publicize CCC-478, CCC-502, and AD-1026 requirements **throughout** FY 2002, including, but not limited to, the following:
 - signature requirements following farm reconstitutions
 - the August 1, 2002, deadline for properly designating payment shares and filing supporting documentation, such as CCC-502, as necessary
 - limitations on fruit and vegetable plantings
- carefully monitor signature deadlines for:
 - reconstituted farms
 - designating payment shares
 - filing supporting documentation
- cooperate with and follow established procedure for producers having **valid** payment share disputes, according to 1-PF, paragraph 255

Note: COC shall:

- determine whether the dispute remains valid, based on new information
- if the dispute remains valid, advise each producer in writing that failure to settle the dispute by **August 1, 2002**, will result in a loss of payments.

Note: This applies to all PFC payment share disputes, from FY 1996 through FY 2002, as statutory authority to issue payments under AMTA will be rescinded September 30, 2002.

- process Producer Payment Selection Reports according to 1-PF, paragraph 683, as often as necessary, to ensure that payments are issued timely and according to producer requests
 - take advantage of all available opportunities to remind producers of deadlines and requirements.
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Example of Producer Notification Letter

**UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY
(Print on County Office Letterhead)**

March 14, 2002

State/County Code 38069
Farm Number 1055

CCSB PARTNERSHIP
1957 PANTHER DRIVE
ANYWHERE, USA 12345-6789

Dear CCSB PARTNERSHIP:

You are listed as either an Owner or Producer on a Production Flexibility Contract (Form CCC-478) for the farm number shown above. This letter serves as a reminder that **no producers are eligible** to receive PFC payments on this farm, based on our records as of the date of this letter. For fiscal year 2002, the PFC shows the following crops, producers, and producer payment shares:

Crop	Producer	2002 Payment Share
WHEAT	CCSB PARTNERSHIP	.6667
WHEAT	G. R. KRAFT	.1667
WHEAT	M. K. SVEUND	.0000
OATS	CCSB PARTNERSHIP	.6667
OATS	G. R. KRAFT	.1667
OATS	M. K. SVEUND	.0000
CORN	CCSB PARTNERSHIP	.0000
CORN	G. R. KRAFT	.0000
CORN	M. K. SVEUND	.0000

The contract shows the following crops and shares are "UNDESIGNATED".

WHEAT	.1666
OATS	.1666
CORN	1.0000

Note: The PFC payment shares, as indicated above, relate to the total PFC acreage on the farm for the crops indicated.

Example of Producer Notification Letter (Continued)

IMPORTANT: All payment shares must be designated on the farm, and all signature requirements must be met on the PFC, on or before August 1, 2002, for **any** producer to earn a PFC payment on the farm. Please note that your prompt attention to this matter is required. According to our records, **payment shares have NOT been designated** for all crops or producers on the above identified farm number. In addition, for a producer to receive a payment for the fiscal year, all other eligibility requirements according to CCC-478 Appendix must also be met by August 1, 2002, which may include filing CCC-502, AD-1026, and FSA-570. After payment shares are timely designated, any changes to the farming operation, including, but not limited to, payment shares and change of producers, must be reported to FSA on or before August 1, 2002. Failure to report changes by August 1, 2002, may result in **all** producers on the farm being ineligible for FY 2002 PFC payments.

The PFC acreage and payment yield data for the farm are provided below for informational purposes:

Crop	PFC Acres	Payment Yield
WHEAT	120.0	36
OATS	152.5	64
CORN	230.6	105

Sincerely,

/s/

COUNTY EXECUTIVE DIRECTOR
PIERCE COUNTY FSA OFFICE

Enclosure(s)

Producer Name, Farm Number 1055