

For: State and County Offices

**New FSA-510 Pay Limit Exception Request Field in Subsidiary**

Approved by: Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

Participants applying for an increased payment limitation for ELRP and ERP, must submit FSA-510, Request for an Exception to the \$125,000 Payment Limitation, by the applicable program deadline.

County Offices were previously advised to document the receipt of an FSA-510 by loading it in the existing **Adjusted Gross Income Rule – 75%** Subsidiary field and given guidance not to remove existing data in the **Adjusted Gross Income Rule – 75%** field if there was a CCC-942 already on file and flagged in the Subsidiary system prior to receiving FSA-510.

**Note:** Currently, there is no active program for which CCC-942, is applicable. However, there are program benefits for previously administered programs that were delayed or de-obligated, that are now being issued due to an FSA-510 date being loaded.

CCC-942 and FSA-510 are not interchangeable and vary distinctly for FSA programs. Therefore, a new **FSA-510 Pay Limit Exception Request** field has been created in Subsidiary and data loaded in the **Adjusted Gross Income Rule – 75% field** requires County Office intervention to prevent unauthorized program payments from being issued.

**B Purpose**

This notice provides:

- introduction and guidance for use of the new **FSA-510 Pay Limit Exception Request** field in Subsidiary, strictly for data loading FSA-510
- reports and guidance to State and County Offices for Subsidiary data entry in the Adjusted Gross Income Rule – 75% and FSA-510 Pay Limit Exception Request fields.

<b>Disposal Date</b>	<b>Distribution</b>
December 1, 2022	State Offices; State Offices relay to County Offices

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### 2 FSA-510 Pay Limit Exception Request Field in Subsidiary

#### A Introduction

On August 26, 2022, the new FSA-510 Pay Limit Exception Request field became an available option in the web-based Subsidiary system for 2020 and subsequent years. This option will allow payment processes of applicable programs to determine if an increase to a program pay limit has been requested by the program applicant, using FSA-510.

**Notes:** There will be approximately a **one-week** period when the FSA-510 Pay Limit Exception Request field will be available for County Offices to begin using the option and when the applicable systems will be redirected to read the field. This will allow County Offices the time needed to load data from previously received FSA-510's into this field that were either not recorded or were recorded in the Adjusted Gross Income - 75% field.

ERP and ELRP software will begin reading the FSA-510 Pay Limit Exception Request field for payment purposes on or around September 8, 2022.

Following is an example of the FSA-510 Pay Limit Exception Request field.

**FSA-510 Pay Limit Exception Request**

Certification

**Producer Certifies at least 75% of their average adjusted gross income was derived from farming, ranching or forestry?**

Yes  No

Date Documentation Filed by Producer

#### B Using the New FSA-510 Pay Limit Exception Request Field

Upon the availability of the new FSA-510 Pay Limit Exception Request field, County Office users will:

- load FSA-510, when received or was previously received, into the new **FSA-510 Pay Limit Exception Request** field in Subsidiary
- ensure **all** FSA-510 data is **removed** from the **Adjusted Gross Income Rule - 75%** Subsidiary field (set back to “no” if no CCC-942 on file) and re-entered into the new **FSA-510 Pay Limit Exception Request** field within one week of the new field becoming available
- no longer use the Adjusted Gross Income Rule - 75% field for data loading FSA-510.

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### 3 Reports for Data Loading CCC-942 and FSA-510 Fields in Subsidiary

#### A Reports Provided

Two reports are provided to State Office payment limitation/eligibility specialist at [Payment Limitations \(sharepoint.com\)](#) to assist offices in correctly loading data in the proper Subsidiary fields, based on specific program participation for the producers listed on the reports.

**Note:** Reports are specific to 2020, County Office users can run the Common Producer Eligibility Report in the Data Marts intranet application to identify FSA-510s loaded in the Adjusted Gross Income Rule – 75% for subsequent years.

**Report 1:** Producers with the Adjusted Gross Income Rule - 75% Subsidiary flag updated since the creation of FSA-510 (April 4, 2022). This is a listing of producers that were flagged in Subsidiary as:

- not AGI Compliant (Individuals and Legal Entities exceeding the \$900,000 Average AGI limitation), that
- may have filed an FSA-510 since April 4, 2022.

**Note:** The Adjusted Gross Income Rule -75% Subsidiary flag may have been updated due to either a CCC-942 or FSA-510 being filed and must be verified.

**This report** will assist County Offices in preventing/identifying overpayments for current and previously administered programs that may be re-obligated.

**Report 2:** Is a listing of **ALL** producers with the Adjusted Gross Income - 75% field marked as a “Yes” and includes program applications filed by producers for CFAP and ERP.

**This report** will help identify producers with a CCC-942 loaded in the Adjusted Gross Income Rule - 75% field, with a subsequently filed FSA-510.

State Office users will provide County Offices with the applicable reports. From these reports, County Offices will determine if they need to adjust Subsidiary data fields for producers filing a CCC-942, FSA-510, or both. See the table in subparagraph 3 B.

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**B Using Reports 1 and 2 for Loading Data in Subsidiary**

Following is a chart that provides examples and proper County Office action for Reports 1 and 2.

<b>Producer And Program Participation From Reports 1 And/Or 2</b>	<b>Initial Data Load In Subsidiary Adjusted Gross Income-75% Field</b>	<b>County Office Action Needed Effective With This Notice</b>
<p>Mr. Douglas, CFAP 2 and ERP</p> <p>(Filed a CCC-942 for CFAP 2 and later filed a CCC-510 for ERP)</p>	<p>County Office left CCC-942 original filed data in Adjusted Gross Income-75%, FSA-510 was not loaded in system.</p>	<p>Leave CCC-942 data as is. Load FSA-510 in new FSA-510 Pay Limit Exception Request field.</p>
<p>Mr. Kimball, CFAP 2 and ERP</p> <p>(Filed a CCC-942 for CFAP 2 and later filed a CCC-510 for ERP)</p>	<p>County Office replaced original CCC-942 data in the Adjusted Gross Income -75% field with that of the FSA-510 data.</p>	<p>Reload CCC-942 data in the Adjusted Gross Income -75% field and load FSA-510 in the new FSA-510 Pay Limit Exception Request field.</p>
<p>Mr. Haney, ERP</p> <p>(No CCC-942 filed)</p>	<p>County Office loaded FSA-510 data in the Adjusted Gross Income-75% field.</p>	<p>Delete FSA-510 data from Adjusted Gross Income -75% field, set flag back to “no”. Load FSA-510 data in FSA-510 Pay Limit Exception Request field.</p>
<p>Green Acres-LLC, CFAP 2 &amp; ERP</p> <p>Hooterville Farms, Inc. CFAP 2 &amp; ERP</p> <p>(Entities have same members, three individuals, 1/3 share each.</p> <p>Filed a CCC-942 for CFAP 2 for LLC, Corporation, and all members, and later filed a CCC-510 for ERP, only for the LLC and Corporation, not the members.)</p>	<p>County Office left CCC-942s’ for LLC, Corporation, and all three members in Adjusted Gross Income-75% field with original dates. FSA-510s’ were not loaded in Subsidiary.</p>	<p>Leave CCC-942 data as is for LLC, Corporation, and members. Load FSA-510 data for LLC and Corporation in FSA-510 Pay Limit Exception Request field.</p> <p>Entities may have been overpaid as FSA-510’s were not filed at member level. In this example: Members would be capped at \$125,000 each, check ERP overpayment reports</p>

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### 4 Action

#### A State Office Action

State Offices will:

- ensure that County Offices are aware of and follow the provisions of this notice
- provide all respective County Offices reports 1 and 2 for their State
- contact Jenae Prescott with questions about this notice.

#### B County Office Action

County Offices will:

- load FSA-510 when received into the new FSA-510 Pay Limit Exception Request field in Subsidiary, immediately upon field becoming available
- ensure **all** 2020, 2021, and 2022 FSA-510s that were previously loaded in the Adjusted Gross Income Rule - 75% Subsidiary field are **removed**, flag set back to “no” if **no** CCC-942 on file, and entered in the new FSA-510 Pay Limit Exception Request field **within approximately one week** of the FSA-510 Exception Request field becoming available
- ensure participants requesting an increased payment limitation for ERP submit the FSA-510, Request for an Exception to the \$125,000 Payment Limitation, by the applicable program deadline
- use the reports provided to identify producers that need Subsidiary intervention and follow the table in subparagraph 3 B
- continue to monitor overpayment registers for ERP and CFAP
- **not** certify or sign CFAP payments that populate in NPS; leave in pending status awaiting further guidance
- ensure, prior to issuing **any** program payments for ERP, ELRP, CFAP and/or QLA, the proper Payment Eligibility forms are on file and flagged in the appropriate Subsidiary field according to the following table.

Program	Payment Limitation Exception Form	Subsidiary Field
2020 QLA	CCC-942	Adjusted Gross Income Rule - 75% Subsidiary
2020 CFAP	CCC-942	Adjusted Gross Income Rule - 75% Subsidiary
ELRP, ERP	FSA-510	FSA-510 Pay Limit Exception Request