ERP Phase 2

California Association of Winegrape Growers

Phase 2

Signup Period: January 23, 2023 – June 2, 2023

Phase 2 provides assistance for crop losses due to qualifying disaster events and related conditions that occurred in calendar years 2020 and 2021.

Revenue based program that accounts for crop losses due to qualifying disaster events through a producer's decrease in revenue.

- **Disaster Year** – Calendar year 2020 or 2021.

- **Benchmark Year** – Tax year 2018 or 2019

Producers are eligible for benefits if the crop loss resulted in a decrease in allowable gross revenue in the Disaster Year as compared to the Benchmark Year.

Qualifying Disaster Events

- Qualifying Drought
- Derecho
- Excessive Heat
- Excessive Moisture
- Flooding
- Freeze
- Hurricane
- Smoke exposure
- Wildfire
- Winter storm

Eligible Crops/Ineligible Crops

Eligible: A crop that is produced in the United States as part of a farming operation and is intended to be commercially marketed.

Ineligible: Crops intended for grazing; Aquatic species that do not meet the definition of aquaculture; *Cannabis sativa* L. and any part of that plant that does not meet the definition of hemp; Timber.

If one crop suffered a loss from a qualifying disaster event or related condition, revenue from **all eligible crops** is considered.

Eligible Producer

Persons or legal entities that are entitled to an ownership share and are at risk in the crop production and marketing associated with the crops on the farm.

- US Citizen
- Resident alien, also known as “lawful alien”
- Partnership consisting solely of citizens of the U.S. or resident aliens
- Corporation, Limited Liability Company, or other organizational structure organized under State law consisting solely of citizens of the U.S. or resident aliens.
- Indian Tribe or Tribal Organization

Allowable Gross Revenue Overview

- Farm income from sales of eligible crops and certain government program payments
- Includes revenue from all eligible crops if one crop suffered from a qualifying disaster event
- Based on the tax year applicable to that revenue
- Allowable Gross Revenue Chart on FSA-521
- FSA-521-A Form
- Allowable Gross Revenue Tool

These resources are available to producers on the ERP public interfacing website:

https://www.fsa.usda.gov/programs-and-services/emergency-relief/index

Allowable Gross Revenue

HOW TO DETERMINE ALLOWABLE GROSS REVENUE

Table 1 provides guidance for:

- Determining allowable gross revenue source
- What to include/exclude when determining allowable gross revenue

Table 1.

Allowable Revenue Source:	Include Gross Revenue from the Following Sources:	Exclude Gross Revenue from the Following Sources:
Schedule F Line 1c *"Sales of purchased livestock and other resale items,"* or information that could be reported on a Schedule F	Sales of eligible crops purchased for resale that had a change in characteristic due to the time held, such as: • A plant purchased at a size of 2 inches and sold as an 18-inch plant after 4 months	Sales of livestock
Schedule F Line 2 *"Sales of livestock, produce, grains, and other products you raised,"* or information that could be reported on a Schedule F	Sales of eligible crops grown and sold in the United States and its Territories by the applicant Sales of eligible crops grown by the applicant resulting from value added through post-production activities that could have been reported on IRS Schedule F For example: • Strawberries into jam Sales of aquatic species that are grown: • As food for human or livestock consumption • For industrial or biomass uses • As fish raised as feed for fish that are consumed by humans • As ornamental fish propagated and reared in an aquatic medium	Sales of animals and their by-products: • Animals for consumption by the owner, lessee, or contract grower • Eggs • Milk • Mink including pelts • Revenue from animals for show, sport, or recreational purposes • Wild free-roaming animals • Revenue from raised breeding livestock (Schedule 4797 Part 1, Column (d) or (g) or other information that could be reported on a Schedule F) Sales of agricultural commodities resulting from value added through post-production activities if reported on Schedule C Commodities not grown in the United States and its Territories
Schedule F Line 3a *"Cooperative distributions,"* Form 1099-PATR, or information that could be reported on a Schedule F	The taxable amount of cooperative distributions directly related to the sale of **eligible crops** produced by the applicant such as: • Per-unit allocations paid to patrons for gross grain sales	Distributions that are not directly related to the sale of eligible crops that are not produced by the applicant
Schedule F Line 4a *"Agricultural program payments"*, Form 1099-G, or information that could be reported on a Schedule F	• Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Program • Biomass Crop Assistance Program (BCAP) • Loan Deficiency Payment (LDP) Program • Market Loan Gains (MLG) - repayment of Commodity Credit Corporation (CCC) loan less than the original amount • Market Facilitation Program (MFP) • Seafood Trade Relief Program (STRP) • **For the applicable disaster year only**- Emergency Relief Program (ERP) Phase 1 payments issued to another person or entity for the applicant's share of an eligible crop, regardless of the tax year in which the payment would be reported to the IRS	• Conservation Program Payments • Dairy Margin Coverage (DMC) Program • Marketing Assistance Loan (MAL) Pandemic Assistance payments including, but not limited to: • cost-share assistance • loss of buildings • livestock portion • Coronavirus Food Assistance Program (CFAP) - CFAP 1 and CFAP 2 • Pandemic Livestock Indemnity Program (PLIP) • Spot Market Hog Pandemic Program (SMHPP)

Benchmark Year Revenue

Benchmark Year Revenue is the amount of allowable gross revenue from tax year 2018 or 2019 that represents a typical year of revenue for the producer's operation.

Only one benchmark year can be selected for each disaster year, either 2018 or 2019.

The same benchmark year may be used for both 2020 and 2021 disaster years when the producer applies for both disaster years, or the producer may use benchmark years separately when applying for both disaster years.

Adjusted Benchmark Year Revenue

Benchmark year revenue can be adjusted when:

1. Actual allowable gross revenue is not available in a benchmark year (New Producer), or

2. Benchmark year revenue is not a fair representation of the selected disaster year because there has been a change in the producer's operation capacity. Increase or Decrease

Operation capacity refers to the potential scope that a farming operation has to produce crops or commodities with available physical resources, such as land and facilities.

FSA-521-A Worksheet and ERP Application Tool

A Tool has also been developed and can be used in conjunction with FSA-521-A to calculate Adjusted Benchmark Revenue. In addition, the tool can be used to assist producers in determining allowable gross revenue for both the Benchmark and Disaster Years.

Both available on FSA's public facing ERP site at: **www.fsa.usda.gov/programs-and-services/emergency-relief/index**

Disaster Year Representative Tax Year

Applicants will choose the tax year that best represents their disaster year allowable gross revenue according to this table:

For disaster year…	Producers can choose tax years…
2020	**2020 or 2021 as the representative tax year**
2021	**2021 or 2022 as the representative tax year**

If applying for both the 2020 and 2021 disaster years:

- the representative tax year must be paired with only one disaster year
- the representative tax years must be consecutive

Expected Allowable Gross Revenue

For each disaster year selected on the FSA-521, producers will certify to the **percentage** of their expected allowable gross revenue from:

- Specialty and High Value
- Other Crops

} Must Equal 100%

The percentages represent what the producer would have reasonably expected for the disaster year if the qualifying disaster event had not occurred.

Application Submission

A producer may submit an application using any of the following methods:

- One application for entire operation nationwide processed in the Recording County Office.
- In person, when available-Make a appointment with the office
- By mail
- Electronically by:
    - FAX
    - email with a scanned or photocopy of FSA-521 attached
    - other authorized method (provided by supplemental notice or other guidance) on-line at https://www.fsa.usda.gov/programs-and-services/emergency-relief/index
    - on-line application requires level 2 e-Authentication account

OMB Control Number: 0560-0309
Expiration Date: 12/31/2025

FSA-521
(01-23-23)

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency

EMERGENCY RELIEF PROGRAM (ERP) PHASE 2 APPLICATION

1. Application Number	
2. Recording State Name/Code	3. Recording County Name/Code

NOTE: 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 the Extending Government Funding and Delivering Emergency Assistance Act (Pub. L. 117-43). The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, and 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. Payments may be made under the program to which the form applies only to the extent permitted by applicable authorities.

Public Burden Statement (Paperwork Reduction Act): Public reporting burden for this collection is estimated to average 60 minutes per response, including reviewing instructions, gathering, and maintaining the data needed, completing (providing the information), and reviewing the collection of information. You are not required to respond to the collection of information, unless it displays a valid OMB control number. ***RETURN THIS COMPLETED FORM TO YOUR RECORDING COUNTY FSA OFFICE.***

PART A - PRODUCER AGREEMENT

The Farm Service Agency *(FSA)* will make payments under ERP Phase 2 to eligible producers who meet the requirements of the program, subject to the availability of funds. The following information is needed for FSA to determine whether the applicant is eligible to receive ERP Phase 2 assistance. By submitting this application, the applicant agrees:

1. To comply with the regulatory requirements in 7 CFR part 760, Subpart S. A copy of these regulations may be found at: https://www.fsa.usda.gov/programs-and-services/emergency-relief/index
2. That the applicant experienced a decrease in allowable gross revenue due to necessary expenses related to losses of eligible crops due in whole or in part to a qualifying disaster event that occurred in the 2020 or 2021 calendar year. For ERP, qualifying disaster event means: wildfires, hurricanes (including excessive wind, storm surges, tornadoes, tropical storms, and tropical depressions that occurred as a direct result of a hurricane), floods (including silt and debris that occurred as a direct and proximate result of flooding), derechos (including excessive wind that occurred as a direct result of a derecho), excessive heat, winter storms (including excessive wind and blizzards that occurred as a direct result of a winter storm), freeze (including a polar vortex), smoke exposure, excessive moisture, and qualifying drought, and related conditions, occurring in calendar years 2020 and 2021. Related conditions mean damaging weather and adverse natural occurrences that occurred concurrently with and as a direct result of a specified qualifying disaster event. "Qualifying drought" means an area within the county in which the loss occurred was rated by the U.S. Drought Monitor as having a drought intensity of D2 (severe drought) for eight consecutive weeks or D3 (extreme drought) or higher for any period of time during the applicable calendar years. A list of counties that experienced a qualifying drought in calendar years 2020 and 2021 is available through local FSA service centers and at https://www.fsa.usda.gov/programs-and-services/emergency-relief/index.
3. To provide FSA all information that is necessary to verify the information provided on this form is accurate. Producer is required to retain documentation in support of their application for 3 years after the date of approval. All information provided to FSA for program eligibility and payment calculation purposes, including certification that a producer suffered an eligible loss due to a qualifying disaster event, is subject to spot check.
4. To comply with payment attribution and payment eligibility provisions by submitting the following forms within 60 days from the date of the ERP Phase 2 application deadline, as applicable, if not already on file with FSA for the applicable disaster year:
   - CCC-902, Farm Operating Plan for Payment Eligibility
   - CCC-901, Member Information for Legal Entities, if applicable
   - FSA-510, Request for an Exception to the $125,000 Payment Limitation for Certain Programs (optional)
   - CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification (optional)
   - AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification
   - AD-2047, Customer Data Worksheet

   Failure of an individual, entity, or member of an entity to timely submit all required eligibility documents may result in no payment or a reduced payment.
5. The application will not be considered complete until the applicant has signed Item 27 and completed the FSA-522, Crop Insurance and/or NAP Coverage Agreement.

PART B - PRODUCER INFORMATION

4. Producer Name, Address (City, State, and Zip Code), and Phone Number (include Area Code):

PART C - 2020 DISASTER YEAR REVENUE CERTIFICATION

5. % of Expected Revenue from Specialty & High Value Crops	6. % of Expected Revenue from Other Crops	7. Benchmark Year	8. Benchmark Revenue	9. Representative Revenue Year	10. Disaster Year Revenue	COC USE ONLY 11. COC Adjusted % of Expected Revenue from Specialty & High Value Crops	12. COC Adjusted % of Expected Revenue from Other Crops	13. COC Adjusted Benchmark Revenue	14. COC Adjusted Disaster Year Revenue	15. COC Approved or Disapproved
		☐ 2018 ☐ 2019 ☐ Adjusted		☐ 2020 ☐ 2021						☐ Approved ☐ Disapproved

PART D - 2021 DISASTER YEAR REVENUE CERTIFICATION

16. % of Expected Revenue from Specialty & High Value Crops	17. % of Expected Revenue from Other Crops	18. Benchmark Year	19. Benchmark Revenue	20. Representative Revenue Year	21. Disaster Year Revenue	COC USE ONLY 22. COC Adjusted % of Expected Revenue from Specialty & High Value Crops	23. COC Adjusted % of Expected Revenue from Other Crops	24. COC Adjusted Benchmark Revenue	25. COC Adjusted Disaster Year Revenue	26. COC Approved or Disapproved
		☐ 2018 ☐ 2019 ☐ Adjusted		☐ 2021 ☐ 2022						☐ Approved ☐ Disapproved

PART E - PRODUCER CERTIFICATION

I hereby sign and acknowledge under penalty of perjury in accordance with 28 U.S.C. § 1746 and 18 U.S.C. § 1621 that all information on this application, whether entered by me or by someone else on my behalf, is true and correct. I understand that if any information is determined to be in error, the application may be denied, and such errors may result in a determination of ineligibility in whole or in part.

27A. Signature (By)	27B. Title/Relationship of the Individual Signing in the Representative Capacity	27C. Date (MM/DD/YYYY)

PART F - COUNTY COMMITTEE (COC) DETERMINATION

28A. COC or Designee Signature	28B. Date (MM/DD/YYYY)

In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its agencies, offices, and employees participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

Date Stamp

Complete Application

- FSA-521 – Phase 2 Application
- FSA-521A – Adjusted Benchmark Revenue Tool-optional
- FSA-522 – Agreement to purchase Crop Insurance or NAP, Linkage Requirement

The following eligibility documentation is required within 60 days of the Phase 2 application deadline if not already on file:

- CCC-902
- CCC-901
- FSA-510
- AD-1026
- AD-2047

Separate Payment Limitation Exists for Specialty/High Value Crops and Other Crops

Program Year 2020 Phase 1 and Phase 2

- $125,000 payment limitation for Specialty and High Value Crops
- $125,000 payment limitation for Other Crops
- **Program Year 2021 and 2022 Phase 1 and Phase 2**
- $125,000 payment limitation for Specialty and High Value Crops
- $125,000 payment limitation for Other Crops

*****$250,000 max payment limitation by program year with no FSA-510 on file***

An optional payment limitation per program year may apply if at least 75% of a person's or legal entity's average AGI is derived from farming, ranching, or forestry operations. Applicants obtain this increase by filing an FSA-510 by program year, 2020 or 2021.

Max PL $900K per year-Specialty/High Value

Max PL $250K per year-Other crops

Pandemic Assistance Revenue Program

(PARP)

PARP

PARP provides financial assistance to eligible producers who experienced a 15 percent or more decrease in revenue from 2020 compared to either 2018 or 2019 for all agricultural commodities.

- Signup for PARP began January 23, 2023
- Enrollment period ends on June 2, 2023

Eligibility Requirements

To be **eligible** for PARP, a producer **must**

- have been in the business of farming to produce an agricultural commodity during any part of calendar year 2020

- be one of the following:
  - Citizen of the United States
  - Resident alien or "lawful" alien (possessing a Resident Alien Card (I-551)
  - Partnership of the United States
  - Corporation, LLC, or other organizational structure organized under State law
  - Indian Tribe or Tribal organization as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25-U.S.C. 5304)
  - Foreign person or foreign entity who meets foreign person rules in 5-PL

Payment Limitation

- Payments will not exceed $125,000 for a person or legal entity.

- Joint Operation payments will not exceed $125,00 per person or legal entity with first level of ownership within the joint operation (GPs or JVs).

Example

- John Deer - $125k max
- JD Corp. - $125k max

- John & Mary Deer Joint Venture
  - John Deer- $125k
  - Mary Deer- $125k

  *membership share % applied

AGI Requirements

AGI Certification for 2020

- Applicants must certify their AGI on form CCC-941 of either more than or less than $900,000s income

  (using tax years 2016, 2017, 2018)

If More Than $900k…

- Applicants may complete an FSA-1123 certifying their 2020 AGI is not more than $900k
- FSA-1123 must be certified by a CPA or Attorney.

Eligibility Form Requirements

PARP Forms

- FSA-1122- PARP Application
- FSA-1122A- AGR Adjustment request *(required if requesting adj.)*

Eligibility Forms

- CCC-902 – Farm Operating Plan
- CCC-941 – Adjusted Gross Income Certification
- FSA-1123 –2020 AGI certification *(optional)*
- AD-1026 – used to collect HELC/WC certification
- CCC-860 – used to report SDA, Limited Resource, Veteran and Beginning Farmer/Rancher Status *(optional)*
- SF-3881- Direct Deposit form

Allowable Gross Revenue

Allowable Gross Revenue is self certifiable and:

- includes all revenue a producer received on a “cash basis” during the applicable **calendar year** as reported on Schedule F or some other Federal tax form, and

- must have been received from the production or sale of an ag commodity including crops, aquaculture, livestock, livestock byproduct, or other animal or animal byproduct.

Example of FSA-1122

HOW TO DETERMINE ALLOWABLE GROSS REVENUE

Table 1 provides guidance for:

- determining allowable gross revenue source
- what to include/exclude when determining allowable gross revenue.

Table 1.

Allowable gross revenue INCLUDES revenue from the following sources:	Allowable gross revenue EXCLUDES revenue from the following sources:
(1) Sales of agricultural commodities produced by the producer, including sales resulting from value added through post-production activities. *(Sched. F Line 2, or other comparable Federal tax form)* **NOTE:** include income from: • inventory carried over from the prior tax year • post-production activities (value added) i.e., grapes into wine or strawberries into jam. • Commodities not grown in the U.S. *(if grown by U.S. producer and marketed in the U.S.)* • Interest Charge Domestic International Sales Corporation (IC-DISC) income from the sale of agricultural commodities. (2) Sales of agricultural commodities purchased for resale, less the cost or other basis of such commodities. *(Sched. F Line 1C, or other comparable Federal tax form)* **NOTE:** The sale of eligible aquatic species may only be included if the eligible aquatic species were raised by a commercial operator and in water in a controlled environment. (3) The taxable amount of cooperative distributions directly related to the sale of agricultural commodities produced by the applicant. *(Sched F – Line 3a, or other comparable Federal tax form)* (4) Payments received under the following agricultural programs regardless of crop year or program year *(Sched F Line 4a & 4b, or other comparable Federal tax form)*: • Agriculture Risk Coverage and Price Loss Coverage Program (ARC/PLC) • Biomass Crop Assistance Program (BCAP) • Dairy Margin Coverage Program (DMC) • Loan Deficiency Payment (LDP) and Market Loan Gains (MLG) • Market Facilitation Program (MFP) • Margin Protection Program (MPP Dairy) • Seafood Trade Relief Program (STRP) (5) Commodity Credit Corporation (CCC) loans reported under election if elected to be treated as income and reported to IRS. *(Schedule F Line 5a, or other comparable Federal tax form)*	(1) Pandemic Assistance from: • Coronavirus Food Assistance Program (CFAP) 1 • Coronavirus Food Assistance Program (CFAP) 2 • Pandemic Livestock Indemnity Program (PLIP) • Spot Market Hogs Pandemic Program (SMHPP) (2) 2020 Emergency Relief Program (ERP) Payments (3) Wild free-roaming animals (4) Horses and other animals used for racing or wagering (5) Aquatic species that are **NOT** grown: • as food for human or livestock consumption, • for industrial or biomass uses, • as fish raised as feed for fish that are consumed by humans, or • as ornamental fish propagated and reared in an aquatic medium. *(6) Cannabis sativa L.* and any part of that plant including the seeds, thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, weather growing or not, with a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis, that is grown under a license or other required authorization issued by the applicable governing authority that permits the production of hemp (7) Timber (8) Resale of items not held for characteristic change 9) Income from a pass-through entity such as an S Corporation or LLC (10) Conservation Program payments (11) Certificate Exchanges (12) Any pandemic assistance payments that were not for the loss of agricultural commodities or the loss of revenue from agricultural commodities, including, but not limited to: • cost-share assistance • loss of buildings, • etc.

Producer Certification

PARP Applicants will self-certify their:

- 2018 **<u>or</u>** 2019 actual allowable gross revenue (as determined by the program applicant), and
- 2020 actual allowable gross revenue.

Note: The allowable gross certification will be for the applicant's entire operatio.n nationwide

Producer Exceptions

2019 Adjustment Only

Producers may request a COC adjustment to the 2019 actual gross revenue for the following reasons:

- New Producer in 2020
- New Producer in 2019 without a full year's revenue to report

2018 OR 2019 Adjustment

Producers may request a COC adjustment to the 2018 or 2019 revenue for the following reason:

- Increased production capacity from 2018 or 2019 to 2020

How to Apply

Applicants may submit 1 application, FSA-1122, for their entire operation nationwide using any of the following methods:

- in person by appointment
- by mail
- electronically by:
  - FAX
  - email with a scanned or photocopy of FSA-1122 attached
  - other authorized method (provided by supplemental notice or other guidance) online at www.farmers.gov
  - online application (requires Level 2 eAuthentication account)

To locate your County Office, go to:
https://www.fsa.usda.gov/state-offices/California/index

Example of FSA-1122

OMB Expiration Date: 07/31//2023

FSA-1122 (01-23-23) — **U.S. DEPARTMENT OF AGRICULTURE** Farm Service Agency

PANDEMIC ASSISTANCE REVENUE PROGRAM (PARP) APPLICATION

1. Recording State	2. Program Year 2020
3. Recording County	4. Application Number

NOTE: 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 the Consolidated Appropriations Act (Pub. L 116-260) and 7 CFR Part 9. The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, and 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. Payments may be made under the program to which the form applies only to the extent permitted by applicable authorities.

Public Burden Statement (Paperwork Reduction Act): Public reporting burden for this collection is estimated to average 60 minutes per response, including reviewing instructions, gathering and maintaining the data needed, completing (providing the information), and reviewing the collection of information. You are not required to respond to the collection, or USDA may not conduct or sponsor a collection of information unless it displays a valid OMB control number. ***RETURN THIS COMPLETED FORM TO LOCAL USDA-FARM SERVICE AGENCY OFFICE.***

PART A – PRODUCER AGREEMENT

The Department of Agriculture *(USDA)* will make PARP payments to producers who meet the requirements of the program, subject to the availability of funds. The following information is needed for USDA to make a determination that the applicant is eligible to receive a PARP payment. By submitting this application, and upon approval by USDA, the applicant agrees:

1. To comply with regulations set forth in 7 CFR Part 9, subpart D;
2. That a PARP payment will only be made with respect to decreases in revenue for commodities grown in the US, unless the commodity was produced outside the US by a producer located in the US and marketed in the US;
3. To provide, upon request, to USDA all information that is necessary to verify that the information provided on this form is accurate and to allow USDA representative access to alldocuments and records of the producer, including those in the possession of a third-party such as a warehouse operator, processor or packer;
4. To comply with payment limitation, adjusted gross income, and other rules applicable to the PARP by completing forms:
   - CCC-902, Farm Operating Plan for Payment Eligibility
   - CCC-901, Member Information for Legal Entities, if applicable
   - CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information
   - FSA-1122A, Continuation Sheet For Pandemic Assistance Revenue Program (PARP) Adjusted Revenue, if applicable
   - FSA-1123, Certification of 2020 Adjusted Gross Income, optional
   - CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, optional
   - AD-2106, Form to Assist in Assessment of USDA Compliance With Civil Rights Laws, optional
   - AD-2047, Customer Data Worksheet, optional;
5. To provide USDA all eligibility documents required for program participation within 60 days from the PARP application deadline. Failure of an individual, entity, or member of an entity to timely submit all eligibility documents required may result in no payment or a reduced payment;
6. To comply with the provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands. All applicants must complete and submit all portions of form AD-1026, Highly Erodible Land Conservation *(HELC)* and Wetland Conservation *(WC)* Certification unless:

6A. I. The applicant does not participate in USDA benefits subject to HELC and WC compliance except Federal Crop Insurance or PARP, and

II. The applicant only has an interest in land devoted to the production of agricultural commodities that are perennial crops, excluding sugar cane, such as tree fruits, tree nuts, grapes, olives, native pasture and perennial forage. If the applicant produces alfalfa, the applicant must contact the Natural Resources Conservation Service to determine if such production qualifies as the production of a perennial crop; and

III. The applicant has not converted a wetland after December 23, 1985; or

6B. I. The applicant does not own or rent land devoted to an agricultural activity including cropland, rangeland, pastureland or forestland; or

II. The applicant is a producer of livestock, nursery crops, honey or similar commodity that is not produced from tillage of land;

7. If the applicant meets either the conditions in item 6A *(certification with box 5B on AD-1026)* or 6B Certification *(certification with box 5A on AD-1026)*, the applicant is only required to complete Parts A and D of form AD-1026.
8. If the applicant identifies as being a new producer or has increased their operation size between the benchmark year and 2020 they may complete supplemental worksheet FSA-1122 A to request an adjusted revenue.
9. If applicant receives assistance through the Coronavirus Food Assistance Program 1 or 2, Pandemic Livestock Indemnity Program, Spot Market Hog Pandemic Program, or Emergency Relief Program for 2020 after their PARP payment is issued, their PARP payment will be recalculated and the applicant must refund any resulting overpayment.

PART B – PRODUCER INFORMATION

5. Producer Name, Address *(City, State and Zip Code)* and Phone Number *(Include Area Code)*

PART C – ALLOWABLE GROSS REVENUE

6. 2018 Allowable Gross Revenue	7. 2019 Allowable Gross Revenue	8. 2020 Allowable Gross Revenue	AGENCY USE ONLY 9. COC Adjusted 2018 Allowable Gross Revenue	10. COC Adjusted 2019 Allowable Gross Revenue	11. COC Adjusted 2020 Allowable Gross Revenue

PART D – PRODUCER CERTIFICATION

I hereby sign and acknowledge under penalty of perjury in accordance with 28 U.S.C. § 1746 and 18 U.S.C. § 1621 that the foregoing is true and correct.

12A. Signature *(By)*	12B. Title/Relationship of the Individual Signing in the Representative Capacity	12C. Date *(MM/DD/YYYY)*

PART E – COUNTY COMMITTEE (COC) DETERMINATION

13. COC or Designee Signature	14. Date *(MM/DD/YYYY)*	15. Determination ☐ APPROVED ☐ DISAPPROVED

In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its agencies, offices, and employees participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

DATE STAMPED

Payment Factor & Program Factor

Payment Factors

- Underserved Producers may receive up to **90%** estimated payment (must certify eligibility on an FSA-860)
- All other applicants receive **80%** of the estimated payment.

Payment disbursement date – To Be Announced

Program Factor

- Payments are subject to the availability of funds.
- Once the program enrollment period ends, payments will be computed, and a program factor will be applied if needed.
- The program factor will be set to 1% to start with upon approval.
- Final payment factor to be determined AFTER program sign-up (June 2, 2023)

Payment Calculation & Reductions

- 2018 or 2019 allowable gross revenue **minus** 2020 allowable gross revenue* **multiplied** by payment factor.
- The factored amount will be further reduced by
  - payments the applicant received, or will receive, from all the following programs:
    - CFAP 1
    - CFAP 2
    - PLIP
    - SMHPP
    - 2020 ERP
  - a potential program factor (to be determined after 6/2/23)

  * Decrease must be >15%

PARP Fact Sheets

PARP Fact Sheet QR Code:

Side-by-side comparison of PARP and ERP QR Code:

****Please note that FACT SHEETS have been updated****