

See CCC-1200 for Privacy Act and Public Burden Statements

U. S. DEPARTMENT OF AGRICULTURE
Commodity Credit Corporation

APPENDIX TO FORM CCC-1200
AGRICULTURAL MANAGEMENT ASSISTANCE (AMA) PROGRAM CONTRACT

1. DEFINITIONS

The following definitions are applicable to the Agricultural Management Program contract:

- A. AMA Contract** means the program documents, including the completed CCC-1200 form and this contract Appendix, entered into between the Commodity Credit Corporation (CCC) and the participant. Such contract shall set forth the terms and conditions for participation in AMA and receipt of AMA payments.
- B. Conservation Plan** means a record of the participant's decisions, and supporting information, for treatment of a unit of land or water, and includes the schedule of operations, activities, and estimated expenditures needed to solve identified natural resource concerns.
- C. Eligible Conservation Practice** means a structural, vegetative practice, which is planned and applied according to Natural Resources Conservation Services (NRCS) standards and specifications as a part of a conservation plan.
- D. Cost Share** means the financial assistance from CCC to the participant to share the cost of installing a conservation practice.
- E. Technical Assistance** means the personnel and resources needed to conduct conservation planning; conservation practice survey, layout, design, installation, and certification; quality assurance; and assessment of the program.

2. ELIGIBILITY REQUIREMENT FOR AGRICULTURAL MANAGEMENT ASSISTANCE (AMA)

- A.** A person may be eligible for AMA assistance if the person:
 - 1.** Meets the "person" determination as defined in Section 1001 (5) of the Food Security Act, (7U.S.C. 1308(5));
 - 2.** Is an agricultural producer whereby the farm or ranch is used to produce crops, pasture, rangeland, livestock, other agricultural commodities, or other crops used for subsistence;
 - 3.** Has control of the land for the contract period, and, upon demand provides evidence to CCC demonstrating that such participant will control the land for that period; and
 - 4.** Agrees to establish and maintain eligible conservation practice(s) that meet the objectives of AMA.

B. Land eligibility:

1. To be enrolled in AMA, the land must be located within the eligible states as designated by the Secretary.
2. Land otherwise eligible for the AMA shall not be eligible if the land is subject to a deed or other restriction prohibiting the application of the conservation practices or where a benefit has or will be obtained from a Federal agency in return for the participant's agreement not to implement the conservation practices on the land during the same time as the land would be enrolled in AMA. By applying for the AMA contract, the participant certifies as a condition for payment that no such restrictions apply to such land.

3. AGREEMENT

- A. The AMA contract shall be for a term of five to ten years. The participant agrees to place eligible land into AMA for the period specified on form CCC-1200 from the date the contract is executed by CCC. Payments will be based on completion of the conservation practice(s) according to NRCS standards and specifications.
- B. The participant agrees that the CCC-1200 (AMA contract) and its addenda shall be considered a request to enter into the Agricultural Management Assistance Program (AMA) on the terms specified on the CCC-1200 and its addenda.
- C. The participant agrees not to start any financially assisted practice before the contract is executed by CCC. The participant may be granted a waiver to this requirement by the NRCS State Conservationist.
- D. The participant agrees that all conservation practices listed within the implementation schedule will be completed within the time specified in the agreement, and maintained for the required practice lifespan.
- E. The participant agrees not to undertake any action on land under the participant's control, which tends to defeat the purposes of the contract, as determined by CCC.
- F. The participant agrees to comply with all Federal, State and local laws that apply to the conservation plan and the contract.
- G. The participant agrees to maintain proof of payment documentation of 3 years after the end of the fiscal year in which the practice was completed and to present this documentation to CCC within 30 days if selected for administrative compliance check.
- H. NRCS shall provide technical assistance to assist the participant in meeting the requirements outlined in the implementation schedule.
- I. CCC agrees to share the cost with the participant of establishing an eligible practice, or an identified unit hereof, agreed to in the contract.
- J. CCC agrees to pay the participant an interest penalty on cost share payments not made by the date, as determined by CCC, the payment is due.
- K. The participant hereby agrees that the total amount of all AMA payments received, from all AMA sources (NRCS, Risk Management Agency, and Agricultural Marketing Service, or any entity acting on behalf of these agencies), shall not exceed a total of \$50,000 per person for any fiscal year. Payments received in excess of this limit are subject to refund.

4. CONSERVATION PLAN

- A.** A conservation plan is required for the area to be included in the contract and becomes the basis for developing the AMA contract. The conservation plan must:
1. Be developed in accordance with NRCS conservation planning policy and the National Planning Procedures Handbook (NPPH).
 2. Be mutually acceptable to NRCS and the participant.
 3. Be approved by the conservation district.
 4. Be signed by the participant, designated conservationist, and the conservation district.
 5. Clearly identify the conservation practices that will be cost shared with AMA funds as well as the non-cost shared practices needed in the conservation plan.

5. PAYMENTS

- A.** Subject to the availability of funds, cost-share or incentive payments, as approved by CCC, shall be made available upon a determination by CCC that an eligible conservation practice, or an identifiable unit thereof, has been established in compliance with the AMA contract and with appropriate standards and specifications.
- B.** CCC will make cost-share or incentive payments for eligible conservation practices available to the participant, and as approved by CCC as follows:
1. Seventy five (75) percent of the cost of eligible conservation practice(s) installed based on any of the following payment methods as determined by the State Conservationist: percent of actual cost; percent of actual cost with not-to-exceed (NTE) limits; flat rates; average costs.
- C.** Except as otherwise provided for in this paragraph, cost-share or incentive payments, as approved by CCC, may be made available under AMA only for the establishment of application of an eligible practice. In order to receive cost-share on incentive payments, as approved by CCC, the participant, upon certification of the completion of a practice, must file form CCC-1245 with CCC as the local USDA Service Center responsible for the administration of the participant's farm records.

6. PROVISIONS RELATING TO TENANTS AND LANDLORDS

Notwithstanding Paragraph 13, no application or payment will be approved for AMA if CCC determines that any of following conditions exist:

- A.** The landlord or operator has not given the tenants that have an interest in the unit of concern covered by the conservation plan, or that have a lease that runs through the CCC-1200 period at the time of sign up, an opportunity to participate in the benefits of AMA;
- B.** The landlord or operator has adopted any other scheme or device for the purpose of depriving any tenant of any benefits to which such tenant would otherwise be entitled. If any such conditions occur or are discovered after payments have been made, all or any part of the payments, as determined by CCC, must be refunded with interest and no further payments shall be made.

7. ERRONEOUS REPRESENTATION AND SCHEME AND DEVICE

- A.** A participant who is determined to have erroneously represented any fact affecting a determination with respect to this contract and the regulations applicable to this contract, adopted any scheme or device which tends to defeat the purposes of this contract, or made any fraudulent representation with respect to this contract will not be entitled to payments or any other benefits made in accordance with this contract, and the participant must refund to CCC all payments received by such participant, plus interest and liquidated damages thereon, with paragraph 8 of this Appendix.
- B.** Refunds determined to be due and owed to CCC in accordance with this contract will bear interest at the rate which CCC is required to pay for its borrowing from the United States Treasury on the date of the disbursement by CCC of the moneys to be refunded. Interest will accrue from the date of such disbursement by CCC.
- C.** The provisions of paragraph 6A of this Appendix shall be applicable in addition to any liability under criminal and civil fraud statutes, including 18 U.S. C. 268, 287, 371, 641, 1001; 15 U.S.C. 714m; and 31 U.S.C. 3729, or any other liability to which the participant may be subject.

8. LIQUIDATED DAMAGES

It is mutually agreed that in the event the approved AMA contract is breached by the participant, CCC will suffer substantial damages that may not be possible to quantify with certainty. Therefore, in addition to the refund of payments received plus interest due, for breach of contract prescribed in this contract, the participant agrees to pay an amount equal to the product obtained by multiplying: (1) 25 percent by, (2) the sum of payments disbursed for practices specified on form CCC-1245 that have been performed subject to the contract, as liquidated damages and not as a penalty.

9. NOTIFICATION OF CHANGES TO TERMS AND CONDITIONS OF THE CONTRACT

CCC agrees that if any changes of any terms and conditions of this contract become necessary prior to the date that this contract is approved on behalf of CCC, CCC will notify the persons signing the CCC-1200 of such change and such persons will be given 10 days from the date of notification in which to agree to the revised terms and conditions or to withdraw from the contract request. The participant agrees to notify the CCC of an intention to withdraw from the contract request with 10 days from the date of the issuance of such notice and further agrees that failure to notify the CCC will constitute agreement to the revised terms and conditions.

10. CORRECTIONS

CCC reserves the right to correct all errors in entering data or the results of computations in the contract.

11. EFFECTIVE DATE AND MODIFICATIONS TO THE CONTRACT

- A.** The AMA contract is effective when signed by the participants and CCC. Except as otherwise determined by CCC, the agreement may not be revoked unless by mutual agreement between the parties.
- B.** Changes may be made in this contract through modifications that are agreed to by the participant(s) and CCC. CCC may modify this contract to add or substitute certain practices when:
 - 1.** The installed practice failed to adequately treat a unit of land or water through no fault of the participants.
 - 2.** The installed practice has caused adverse impacts to significant cultural and environmental resources identified in the conservation plan, or those discovered as a result of installation.

3. The installed measure has deteriorated because of conditions beyond the control of the participants.
 4. Another practice will achieve at least the same level of benefits.
- D. The participant must apply the practices scheduled within the length of time the contract is scheduled to be in effect.
- E. In the event that a statute is enacted during the period of this agreement which would materially change the terms and conditions of this agreement, CCC may require the participants to elect between acceptance of modifications in this agreement consistent with the provisions of such statute or termination of this agreement.

12. TERMINATION OF CONTRACT; JOINT LIABILITY

- A. If a participant fails to carry out the terms and conditions of this contract but CCC determines that such failure does not warrant termination of this contract, CCC may require such participant to refund, with interest, payments received under this contract, or require the participant to accept such adjustments in the subsequent payments as are determined to be appropriate by CCC.
- B. The AMA contract shall be carried out in accordance with all Federal statutes and regulations, including but not limited to the National Environmental Policy Act, the Endangered Species Act, National Historic Preservation Act, Title VI and VII of the Civil Rights Acts of 1964, as amended, the Civil Rights Restoration Act of 1987, other nondiscrimination statutes, and the regulations of the Secretary of Agriculture found at 7 CFR Part 15, Subparts A&B. The CCC may, without incurring liability for breach of the contract, terminate the AMA contract, in whole or in part, if CCC determines that continued operation of the contract will result in the violation of a Federal statute or regulation, or if CCC determines that termination would be in the public interest.

13. REGULATIONS TO PREVAIL

- A. Any regulations for AMA, when published, are incorporated herein. In the event of a conflict between these regulations and the terms of this Appendix, the provisions of the regulations will prevail.
- B. By signing the AMA contract, the participant certifies that he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while conducting any activity associated with the AMA contract. This certification is a material representation of fact upon which reliance was placed when CCC determined to award this AMA contract. If it is later determined that the participant knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act (Public Law 100-690, Title V, Subtitle D; 41 U.S. C. 701 et seq.; 7 CFR Part 3017, Subpart F, Section 3017.600) CCC in addition to any other remedies available to the United States, may take action authorized under the Drug-Free Workplace Act.
- C. The participant agrees to include in any single contractual agreement estimated to exceed \$10,000 the non-segregated facilities provisions applicable to federally assigned construction contracts. The participant agrees to comply with Executive Order 11246 and the non-segregated facilities provisions with regard to employment of people specifically to assist the participant in construction work estimated to exceed \$10,000 to be installed in any 12-month period. The participant agrees to actively assist NRCS in obtaining from the contractor full compliance with the non-segregated facilities provisions in any contractual arrangement entered into by the participant. The contracting officer is to furnish the participant all forms, posters, and instructions for compliance with Executive Order 11246 and the non-segregated facilities provisions.
- D. The participant agrees to include in any single contractual agreement estimated to exceed \$100,000 the certification regarding lobbying in accordance to the regulations in 7 CFR Part 3018.

The following owners, operators, and producers, by entering their signature, acknowledge receipt of this Appendix to CCC-1200 and agree to the terms and conditions thereof. Further if the undersigned are succeeding to an existing AMA contract, the undersigned agree and certify that no agreement exists or will be entered into between the undersigned, the previous owner and operator of the property, or mortgage holder, that would maintain or create an interest in the property of any previous participant on the AMA contract for that property, or to receive payments under the contracts.

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|----------------------|------------------|
| 1. Signature: _____ | 1a. Date: _____ |
| 2. Signature: _____ | 2a. Date: _____ |
| 3. Signature: _____ | 3a. Date: _____ |
| 4. Signature: _____ | 4a. Date: _____ |
| 5. Signature: _____ | 5a. Date: _____ |
| 6. Signature: _____ | 6a. Date: _____ |
| 7. Signature: _____ | 7a. Date: _____ |
| 8. Signature: _____ | 8a. Date: _____ |
| 9. Signature: _____ | 9a. Date: _____ |
| 10. Signature: _____ | 10a. Date: _____ |
| 11. Signature: _____ | 11a. Date: _____ |
| 12. Signature: _____ | 12a. Date: _____ |
| 13. Signature: _____ | 13a. Date: _____ |
| 14. Signature: _____ | 14a. Date: _____ |
| 15. Signature: _____ | 15a. Date: _____ |
| 16. Signature: _____ | 16a. Date: _____ |
| 17. Signature: _____ | 17a. Date: _____ |
| 18. Signature: _____ | 18a. Date: _____ |

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