

Part 324 – Guidance for Form CCC-902 Filing Requirements for NRCS Program Applicants and Participants

Subpart A – Purpose, Background, and General Instructions

November 2023

324.0 Purpose

This national instruction supplements respective conservation program manual guidance for applicant and participant compliance with mandatory filing requirements of Form CCC-902, "Farm Operating Plan," in order to meet certain eligibility requirements for NRCS program participation and payments.

324.1 Background

- A. The Food Security Act of 1985, as amended, and 7 CFR pt. 1400 set forth certain payment eligibility and payment limitation requirements applicable to persons and legal entities applying for and participating in certain Farm Service Agency (FSA) and NRCS programs. The payment eligibility and payment limitation requirements set forth in 7 CFR pt. 1400 are a component of program-specific eligibility and payment requirements. NRCS and FSA share responsibility to administer statutory and regulatory provisions common to both agencies.
- B. NRCS began implementing CCC-902 filing requirements in fiscal year 2020. As a result, NRCS issued guidance for revised CCC-902 filing requirements and transition flexibilities through NB 300-21-7, NB 300-22-5, and NB 300-22-59, which have since expired. FSA issued guidance in fiscal year 2021 through Notice PL-293, which was later incorporated in FSA Handbook 6-PL.
- C. Questions about this national instruction may be directed through the appropriate state contact to the Financial Assistance Programs Division [SharePoint](#) or, for easement programs, to EasementSupport@usda.gov.

324.2 CCC-902 Filing Requirement Applicability to NRCS Programs

- A. Before contracts or agreements may be executed, obligated, or transferred and payments may be approved, persons and legal entities that are applicants or participants must have a CCC-902 in “determined” status for the following NRCS conservation programs:

1. Agricultural Conservation Easement Program (ACEP)
 2. Agricultural Management Assistance Program (AMA)
 3. Conservation Stewardship Program (CSP)
 4. Environmental Quality Incentives Program (EQIP)
 5. Regional Conservation Partnership Program (RCPP)
 6. Wildlife Habitat Incentives Program (WHIP)
- B. The following programs do not require a CCC-902 for application, participation, or payment, and therefore are not subject to sections 524.3 through 524.5 of this national instruction:
1. Emergency Watershed Protection Program – Floodplain Easements (EWPP-FPE)
 2. Healthy Forests Reserve Program (HFRP)
 3. Water Bank Program (WBP)
- Note:** Although EWPP-FPE, HFRP, and WBP do not require a CCC-902, all applicants and participants must have customer records with FSA. Records may be established using the CCC-902, AD-2047, or other acceptable forms and evidence.
- C. Program payment limitations apply to EQIP and CSP. Other payment eligibility-related determinations (e.g., payment attribution, foreign-person requirements, payments to minor children, and adjusted gross income (AGI) apply to all the programs identified above except for EWPP-FPE, HFRP, and WBP. See FSA Handbook 6-PL for FSA guidance and the applicable NRCS program manuals for program-specific guidance on payment eligibility requirements.
- D. For ACEP and all RCPP-funded easements, all landowners of record must each submit a CCC-902 and have a “determined” status.
- E. AGI waivers, including the RCPP or EQIP Water Management Entity AGI applicability waivers, do not remove the requirement for persons and legal entities to submit a CCC-902.
- F. Federally Recognized Indian Tribes (FSA business type 20) are exempt from payment limitation requirements. However, FSA requires this business type to file a CCC-902 to make land eligibility determinations. This business type will not have a “determined” status in the FSA Business File; NRCS must verify with FSA that a CCC-902 has been filed and then document it in the case file.

324.3 Coordination with FSA on CCC-902 Filing Requirements

- A. NRCS and FSA must coordinate at the state and local levels to ensure NRCS applicants and participants comply with CCC-902 filing requirements.
1. FSA is responsible for—

- a. Collecting information from program applicants and participants on required forms, including Form CCC-902, “Farm Operating Plan,” and as needed, Form CCC-901, “Member Information.”
 - b. Assisting applicants and participants with completing the forms, if necessary.
 - c. Determining eligibility of program applicants and participants under 7 CFR pt. 1400 and providing such eligibility determinations to NRCS.
 - d. Coordinating with NRCS to ensure that applicants and participants comply with filing requirements.
2. NRCS is responsible for—
- a. Notifying customers of filing requirements with a timeframe to comply.
 - b. Coordinating with FSA to ensure that applicants and participants comply with filing requirements.
 - c. Verifying and documenting compliance with filing requirements.
- B. New NRCS applicants must establish records with FSA. NRCS customers that are also FSA customers typically already comply with the CCC-902 filing requirements. Those who are not already FSA customers must establish the records. Establishing farm records and obtaining eligibility determinations can take several months, so it is important to notify applicants of this requirement early.
- C. States should use the appropriate application information and checklist to notify the applicant of the requirements that must be completed with FSA. Early notification gives the customer adequate time to complete necessary actions and serves as documentation for NRCS.
- D. Applicants and participants who fail to comply may be determined ineligible for NRCS programs or payments.
- E. NRCS must work with customers that are taking all necessary actions to comply with the documentation requirements. Coordinate with FSA when needed and put a note in the file if additional time is required.
- F. States should not make an adverse eligibility determination if the customer has completed all required paperwork with FSA by identified deadlines and the paperwork is in the process of being reviewed by FSA.
- G. States must elevate issues that cannot be resolved at the local or state level to the appropriate national headquarters division under the Deputy Chief for Programs

324.4 CCC-902 Filing, Determination, and Status Requirements—

- A. Applicants – Each person or legal entity applying for an NRCS program must file a CCC-902 with FSA and receive a “determined” status in the FSA Business File before they may be determined eligible to enroll in an NRCS program and receive program benefits.

- B. New Participants – Each person or legal entity identified on a contract or agreement must have a CCC-902 in “determined” status in the current fiscal year prior to the execution, obligation, or transfer of such contract or agreement.
- C. Existing Participants – Participants will be ineligible for payments if their CCC-902 is missing in the current fiscal year or until their CCC-902 is in a “determined” status.
- D. Members of a legal entity are not required to file a CCC-902 unless they are also independently applying for or are participating in an NRCS program.
- E. Members of informal joint operations (i.e., participants of the contract receiving payments under their social security number), are not required to file a CCC-902. The informal joint operation must have a CCC-902 in “determined” status. FSA makes the eligibility determination for the members at the time they make the determination for the informal joint operation.
- F. Customers with a CCC-902 in “pending,” “initiated,” or “filed” status are not eligible for program participation or payments. NRCS and FSA must take necessary actions to ensure the customer understands the actions needed to become compliant.
- G. NRCS and FSA (national and state) must ensure the final determination by the FSA county committee (i.e., COC determination) is recorded by the FSA county office in a timely manner to avoid delays in determining eligibility for program participation; executing, obligating, or transferring a contract or agreement; or approving a payment.
- H. The FSA local office will manually update the customer record or create a new plan in the FSA Business File once the COC determination is final.
- I. Fiscal Year-End Rollover – FSA will only roll over CCC-902s in “determined” status to the next fiscal year.

Applicants and participants who submit a CCC-902 late in the fiscal year and do not receive a “determined” status by the fiscal year-end rollover will not need to submit a new CCC-902 in the next fiscal year. FSA will continue processing those CCC-902s and update the record once the final determination is made.

324.5 Guidance for Verification and Documentation of Findings

- A. With new development in agency business tools, NRCS staff should be able to verify the CCC-902 status requirement for most programs and customer types in the applicable business tools (see exhibits 524.10 and 524.11 of this national instruction for more information).
- B. In the absence of business tool automation, states must manually verify and document compliance with the CCC-902 status requirements using [the FSA Business File](#).

1. A CCC-902 for an Indian tribe cannot be loaded in the FSA Business File as tribes are exempt from payment limitation requirements. FSA only accepts a manual CCC-902 for the land determination.
 2. States must confirm with FSA that the CCC-902 for the tribe is complete and then document compliance with the CCC-902 filing requirement in the case file.
- C. States must follow guidance provided in this instruction, business tools procedural guidance, and program-specific requirements found in applicable agency directives.
1. For EQIP, CSP, AMA and WHIP, follow 440 CPM § 530.42 for contract document management guidance.
 2. For RCPP Land Management and Rental Producer Contracts, Form CCC-902 must be included in the CD Bulk Obligation Package electronically filed in CD-DMS.
 3. For ACEP and RCPP easements, documentation of the CCC-902 and its status for each landowner of record must be kept in the business tool used for the specific easement program as set forth in applicable program policy and directives (see 440 CPM Part 527, 440 CPM Part 528, 300 NI 300, 300 NI 310, and annual easement implementation guidance and financial management instructions).

324.6 Guidance for Monitoring, Notification, and Adverse Actions Requirements

- A. Monitoring – NRCS and FSA national headquarters will continue to run reports on a regular basis to monitor persons or legal entities who filed form CCC-902 but did not obtain a “determined” status prior to the end of the fiscal year.
- B. Notification – If applicants and participants are not compliant with CCC-902 requirements, states must send a written notification to the applicants and participants. The notification should include a timeframe to comply and the consequences if the required actions are not completed in the timeframe specified. Applicants and participants that do not submit the required paperwork are not eligible. NRCS must follow the notification and documentation requirements in the respective program manuals, including:
1. For FA Programs: 440 CPM § 530.142(E), “Conservation Program Application Checklist”
 2. For Easement Programs:
 - a. 440 CPM 527.250(A), “Sample Letter Providing Information to the Applicant for a Conservation Easement Held by the United States”
 - b. 440 CPM 527.250(B), “Checklist of Information to be Provided by the Landowner Upon Application for an NRCS Conservation Easement Held by the United States”

- C. Adverse Actions – Before making an adverse determination, NRCS must comply with the documentation and notification requirements listed above.
1. State conservationists may not terminate contracts or agreements if the applicant or participant has complied with the requirements and is waiting for FSA to make the final determination.
 2. Applicant or participant noncompliance with CCC-902 filing requirements may result in a violation of the terms of the contract or agreement and improper payments. Follow program and contracting policies in the applicable manuals for appropriate procedures (e.g., contract and agreement cancellation or termination, cost recovery).
 3. FSA will notify NRCS when a determination adversely affects the applicant’s or participant’s eligibility. NRCS must obtain all necessary information from FSA and the applicant or participant to take necessary actions for managing the application or contract or agreement.
 - a. A CCC-902 in “terminated” or “suspended” status may be due to a change in the business structure of a legal entity. NRCS must work with FSA and the applicant or participant to ensure a new CCC-902 is in progress and document the findings.
 - b. If applicable, NRCS must take necessary actions to notify the affected persons or legal entities of requirements needed to regain compliance.