

## **1 Beginning Farmer and Rancher (BFR) Qualifications**

Section 11016 of the Agricultural Act of 2014 provided a definition and specific benefits for Beginning Farmer and Rancher (BFR) unique to the Federal crop insurance program, which means that other USDA programs may have different BFR benefits. To be a BFR for crop insurance purposes, an individual must not have actively operated and managed a farm or ranch in any county, in any state, with an insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than five crop years, excluding any crop year the BFR was under the age of 18, in post-secondary studies, or on active duty in the U.S. military, as provided in subparagraph C.

### **A. Must be an Individual**

Only an individual person (i.e., a single human being) can be a BFR.

**Exception:** If all SBI holders in an entity are BFR(s), the entity is eligible for BFR benefits.

**Example:** The insured is an individual – married policy and is eligible for BFR benefits if both spouses qualify as BFRs.

**Example:** The insured is a corporation whose only SBI is an individual who produced corn and raised livestock for 2 crop years qualifies as a BFR. The corporation is eligible for BFR benefits until the individual no longer qualifies as a BFR or the corporation gains other SBI(s) who are not BFR(s).

**Example:** The insured is an individual who insures his/her landlord's share on his/her policy. The landlord has produced crops for more than 5 crop years. Because the landlord is ineligible for BFR, the insured will also be ineligible for BFR if he insures the landlord's share.

**Example:** The insured is a partnership whose SBIs include an individual (who qualifies as a BFR) and a corporation, which has 3 SBIs who are individuals. The individuals with a SBI in the corporation must qualify as BFRs for the corporation to qualify for BFR benefits and subsequently the partnership to qualify for BFR benefits.

### **B. Insurable Interest**

An insurable interest in any crop or livestock includes any interest as an individual, or as a SBI holder in another person, who has an insurable interest in any crop or livestock, and may exclude any crop year's insurable interest earned as indicated in Subparagraph C. Insurable interest in any crop or livestock exists regardless of whether such crop or livestock was insured or whether the person had participated in a USDA program. For the purposes of determining BFR eligibility, the crop year for insurable crops and livestock is the same as the

**1 Beginning Farmer and Rancher (BFR) Qualifications (continued)**

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crop year in the applicable insurance policy, regardless of whether the crop or livestock is insured. For uninsurable crops, the crop year is the period within which the crop is normally grown, regardless of whether or not it is actually grown, and designated by the calendar year in which the insured crop is normally harvested. For uninsurable livestock, the crop year is the twelve-month period, beginning July 1, and ending the following June 30, which is designated by the calendar year in which it ends.

**Example:** An individual has held a 20 percent interest in a corporation for the past two years during which the corporation has grown corn. The individual has had an insurable interest in a crop for 2 crop years.

**Example:** An individual has held a 20 percent interest in a family corporation for four years during which time the corporation raised feeder pigs. The individual has an insurable interest in livestock for 4 crop years.

**Example:** An individual has held a 50 percent interest in a partnership that raised corn during the 2002 and 2003 crop years; uninsurable dry beans during the 2004-2007 crop years; and feeder pigs during the 2002-2008 crop years. The individual has an insurable interest in crops and livestock for 7 crop years.

**C. Exclusions from Insurable Interest**

An individual may exclude crop years as insurable interest, if the insurable interest in the crop occurred while the individual was:

- (1) under the age of 18, which includes any crop year during which a BFR turns 18;
- (2) in full-time duty in the active military service of the United States. This includes members of the Reserve Component serving on active duty, but does not include National Guard duty unless it is qualifying National Guard duty during a war or other military operation or national emergency.

Qualifying National Guard duty means service on full-time National Guard duty under a call to active service authorized by the President, the Secretary of Defense or the Governor for a period of more than 30 consecutive days in connection with a war, other military operation, or a national emergency declared by the President and supported by Federal funds; and/or

- (3) in a post-secondary education program whose curriculum is designed primarily for students who are beyond the compulsory age for high school, such as academic, vocational, and continuing professional education. This excludes avocational classes taken for personal pleasure or hobby and adult basic education programs, such as GED programs.

For the crop year to be excluded when determining the 5 crop years of producing any crop or livestock, the individual must have been enrolled as a student for at least the

**1 Beginning Farmer and Rancher (BFR) Qualifications (continued)**

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equivalent of one semester (at least 4 months) of the crop year, not to exceed 5 crop years of post-secondary education. An individual may choose not to exclude crop years that are eligible for insurable interest exclusion. For instance, an individual farming while attending college classes may choose not to exclude that crop year, even though it qualifies for the exclusion, and could still receive BFR benefits if they qualify as a BFR.

- Example:** Parents provide 20 acres to their minor child to participate in a 4-H project and the child produced corn during 4 years of high school, 2002-2005, while under the age of 18. The insurable interest in the crop during these 4 years can be excluded as insurable interest for BFR.
  
- Example:** An individual held a 20 percent interest in a family corporation that raised corn while he/she attended a 4-year college (fall and spring semesters beginning fall 2007 through spring 2011). In the summer of 2011, the individual returns home (still having a 20 percent interest in the family corporation) and takes over the family farm as an individual (family corporation is dissolved) for the 2012 crop year and produces corn in 2012, 2013 and 2014. Effective in 2015 when BFR benefits are authorized, the individual has 2 crop years of benefits remaining [farming experience for 8 crop years (2007-2014) minus the insurable interest exclusion of 5 crop years (2007-2011) leaves 3 years counting and 2 years remaining].
  
- Example:** Upon high school graduation in 2015, an individual decides to take over a portion of the family’s farming operation in crop year 2016 and attend classes at the community college. These classes meet the criteria for insurable interest exclusion.
  
- Example:** An insured has been a SBI in the family farm (Corporation A) prior to going to college and joining the military. After discharge from the military, the insured has decided to begin farming on his/her own.

<b>Dates Producing Any Crop or Livestock</b>			
<b>From</b>	<b>To</b>	<b>Crop Year</b>	<b>Type of Crop(s)/livestock</b>
March 2005	November 2009	2005-2009	Corn/sheep
January 2010	December 2010	2010	Corn/sheep
August 2011	December 2012	2012	wheat
January 2013	June 2014	2013, 2014	cattle

**1 Beginning Farmer and Rancher (BFR) Qualifications (continued)**

<b>Dates of Exclusion</b>			
<b>From</b>	<b>To</b>	<b>Crop Year(s)</b>	<b>Type of Exclusion</b>
July 1990	July 2008	1990-2008	Under 18
January 2009	May 2011	2009-2011	Military
August 2012	December 2012	2012	College

The insured identified an insurable interest in a crop or livestock for 9 years less the allowable exclusions for 7 of the 9 crop years. Therefore, the insured would be eligible for 3 crop years of BFR benefits.

<b>Crop Years Crop or Livestock Produced</b>	<b>Number of Years Producing Crop or Livestock</b>	<b>Crop Years Excluded</b>	<b>Number of Years Excluded</b>	<b>Number of Years Considered when Determining BFR</b>
2005-2009	5	2005-2009	5	0
2010	1	2010	1	0
2012-2014	3	2012	1	2
Total Years	9		7	2

**Note:** Even though a BFR excludes crop years under the exclusion allowances, any production history for excluded crop years are included, in accordance with the CIH and procedure contained in this bulletin, in the APH database.

**D. Nationwide Basis**

BFR applies to individuals on a nationwide basis and not for each state, county and crop. This means that if the crop or livestock is produced anywhere in the country and the individual has an insurable interest it counts toward BFR status.

**E. New Producer Not Excluded**

BFR does not prevent an insured from also qualifying as a New Producer on a crop/county basis. Consult the applicable New Producer procedures in the Crop Insurance Handbook.

**F. Limitation of BFR Benefit**

Once an individual has 5 crop years of an insurable interest in any crop or livestock, including being a SBI in another person who has an insurable interest in any crop or livestock, the producer is no longer entitled to BFR benefits.

## **1 Beginning Farmer and Rancher (BFR) Qualifications (continued)**

### **G. BFR Status is Continuous**

BFR status is continuous once an individual elects and qualifies for BFR. BFR status ends only when the individual or, in the case of an entity any one or more of the SBIs, has:

- (1) actively operated and managed a farm or ranch in any county, in any state, with an insurable interest in any crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 5 crop years;
- (2) exhausted all 5 crop years of BFR benefits; or
- (3) canceled the BFR Application.

## **2 Requesting BFR**

To be eligible for BFR and have BFR status apply to the current crop year, an individual must complete the BFR Application by the applicable sales closing date (SCD) for the crop year. If an insured is a person with an employer identification number (EIN), all individuals with a SBI in the insured must be qualified as a BFR; the business entity with an EIN does not complete a BFR Application. Each individual that is part of a policy, whether the insured or a SBI, must complete a separate BFR Application and must separately qualify as a BFR for the policy to receive BFR benefits. If an insured has a landlord/tenant policy, both individuals must qualify as a BFR for the policy to be eligible for BFR benefits if the tenant/landlord will be insuring the other's share.

BFR status will not apply to any crops with a SCD prior to completion of the BFR Application. If an individual misses the deadline, the individual may request BFR by submitting a BFR Application by the next applicable SCD. For example, if an insured does not request BFR for a fall crop but does request and qualify for BFR on or before the spring SCD, the BFR would receive benefits for the spring crop but not the fall crop.

Documentation for excluded years of insurable interest must be provided by the individual at the time of BFR application. Such documentation may include a driver's license to substantiate age; military records to substantiate active military service; and transcripts to substantiate post-secondary education.

The BFR Application is only required to be completed the initial crop year that BFR is requested. The initial BFR Application will be used for subsequent crop years.

**Exception:** An amended BFR Application is required to update the status of the BFR when there is a change in the exclusions of insurable interest in any crop or livestock or to correct any misreported information. For example, when an individual in the Army Reserves goes on active duty or to correct any misreported information (e.g., a year of producing the crop was not reported). [See Para. 4E] for more information regarding corrections.

## **2 Requesting BFR (continued)**

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If the BFR has multiple policies with different AIPs for the same crop year, only one BFR Application must be completed. However, the individual must provide a copy of that BFR Application to each AIP. The individual must also provide a copy of the BFR Application to any other AIP in subsequent crop years if the insured changes or adds new AIP(s), while the individual remains qualified as a BFR.

The AIP that accepts the initial BFR Application must verify the BFR status (see Para. 3) and provide a copy of the BFR Application to any subsequent assuming AIP.

## **3 AIP Verification of BFR Status**

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### **A. Application**

The AIP that accepts the BFR Application must verify BFR status no later than the acreage reporting date (ARD). AIPs must use the RMA-provided tools (i.e., CIMS, Policyholder Tracking, CAE Hydra or other subsequently developed tools) as part of the verification of the accuracy of an insured's certification of BFR status. In determining a BFR's eligibility, the AIP must also consider the information reported by the individual on the BFR Application, such as crop production that was not insured that must be added to any experience found in RMA provided tools. Use of RMA-provided tools is sufficient to provide reasonable assurance for insurable interest in crops when they support the information certified on the BFR Application. AIPs may use additional means to verify BFR status when warranted, such as when the information provided on the BFR Application is not consistent with RMA tools or AIPs have knowledge that does not support the BFR Application.

### **B. Subsequent Policies**

For policies where the insured has previously submitted a BFR Application and has previously qualified for BFR status, AIPs must verify continued BFR eligibility for the current crop year. RMA will maintain data reported by AIPs for BFR eligibility, such as the BFR Application information and BFR benefits obtained.

### **C. Documentation**

AIPs must maintain documentation substantiating the determination of BFR status in the insured's file. Supporting documentation may include underwriting verification from available RMA-provided tools, documents or phone logs of conversations from county FSA offices, etc.

### **3 AIP Verification of BFR Status (continued)**

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AIPs must maintain documentation substantiating the crop year(s) of insurable interest exclusions in the insured's file. Supporting documentation may include a driver's license to substantiate age; military records to substantiate active military service; and transcripts to substantiate post-secondary education.

### **4 AIP Acceptance**

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- A.** The AIP must ensure the qualification requirements and certification statements have been explained to the individual. AIPs must advise the individual of his/her responsibility to provide the approved BFR Application to any additional or subsequent AIPs.
- B.** Using the information provided by the individual, the AIP must determine the number of eligible crop years for BFR benefits.
- (1) To determine the number of eligible crop years:
- (a) count the number of crop years in which the individual had an insurable interest in any crop or livestock;
  - (b) subtract the eligible number of crop years excluded on the BFR application;
  - (c) subtract the resulting number from 5 (which is the maximum number of crop years for which BFR Benefits are available). This result is the number of remaining eligible crop years for BFR benefits.
- (2) The AIP will identify on the BFR Application the number of eligible crop years for BFR benefits. (See example provided in Part 1C.) The AIP must verify any crop year exclusions based on the documentation outlined in Part 3C.

When a policy includes a named insured and one or more SBIs, each of the individuals must complete a separate BFR Application and each must separately qualify as a BFR. If all individuals qualify as BFRs, the insured will receive BFR benefits equal to the individual with the **fewest** number of remaining BFR benefit crop years.

**Example:** A partnership has two SBIs, both are individuals. Each SBI completes a BFR Application. The first SBI qualifies for 4 crop years of BFR benefits and the second SBI qualifies for 2 crop years of BFR benefits. The partnership policy is eligible for 2 crop years of BFR benefits.

**Example:** Both spouses on an individual-married policy complete a BFR Application. One spouse qualifies for 5 crop years of BFR benefits, and the other spouse qualifies for 1 crop year of BFR benefits. The policy will be eligible to receive 1 crop year of BFR benefits.

**4 AIP Acceptance (continued)**

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- C. The AIP must approve or reject the BFR Application no later than the ARD. If the individual does not qualify as a BFR or if any certified information is inaccurate and the inaccurate information was not corrected by the SCD, the AIP shall:
- (1) notify the individual he/she does not qualify as BFR, including the reason;
  - (2) notify the individual:
    - (a) that administrative fee(s) and any applicable premium must be paid in accordance with the policy terms or the policy will be terminated and the person will become ineligible for insurance coverage;
    - (b) of any changes to the approved APH yield due to non-BFR status;
    - (c) provide a copy of the notice to the insured, when the individual is not the named insured (e.g., the individual is a SBI to the insured); and
  - (3) terminate the policy and the individual becomes ineligible for insurance coverage, if the administrative fee and/or premium is not paid according to policy terms.
- D. AIPs must submit the BFR Application to RMA's Policy Acceptance Storage System (PASS) (see Appendix III).
- E. When the AIP determines any information on the BFR Application is inaccurate, the individual may amend the BFR Application and eligibility shall be recalculated if the AIP determines there is no evidence of fraud or misrepresentation. In such instances, an amended BFR Application must be submitted to RMA when an initial BFR Application was previously submitted.

If the individual does not amend the BFR Application, the AIP must submit an amended BFR Application to RMA through PASS in accordance with Appendix III. Any penalties for misreporting, concealment, fraud or misrepresentation under the terms of the policy may apply.

**5 BFR Benefits: Waiver of Administrative Fees**

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All catastrophic (CAT) and additional coverage policy's administrative fees will be waived when the insured and all of their SBIs qualify for BFR benefits.

**6 BFR Benefits: Premium Subsidy on Additional Coverage Policies**

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BFRs will receive an additional premium subsidy that is 10 percentage points greater than the premium subsidy identified in the actuarial documents. Any plan of insurance with premium subsidy qualifies for the additional BFR premium subsidy. For example, LGM Cattle and Swine do not have premium subsidy so these products are not eligible for BFR additional premium subsidy.



## **6 BFR Benefits: Premium Subsidy on Additional Coverage Policies (continued)**

**Example:** An insured elects Revenue Plan with 80 percent coverage level for corn and receives a subsidy factor of 0.48. If the insured qualifies as a BFR, the insured would receive an additional 10 percentage points of premium assistance which will increase the subsidy factor to 0.58.

When an insured qualifies for BFR benefits and plants on native sod acreage which results in a reduction in the premium subsidy, the additional premium subsidy for BFR is applied prior to the reduction of premium subsidy due to planting on native sod acreage. The reduction in premium subsidy applies only to the native sod acreage and does not extend to other acreage in the insured's operation.

**Example:** An insured elects RP with 80 percent coverage level for corn and receives a subsidy factor of 0.48. If the insured qualifies as a BFR, the insured would receive an additional 10 percentage points of premium subsidy which will increase the subsidy factor to 0.58. However, if the insured plants on insurable native sod acreage and receives a reduction of 50 percentage points of premium subsidy, the subsidy factor will be reduced to 0.08 on the native sod acres ( $0.48 + 0.10 - 0.50 = 0.08$ ).

## **7 BFR Benefits: Use of Another Person's Production History**

In addition to the procedures located in Paragraph 1207 and 1208 of the 2014 CIH, a BFR may use the APH of the previous producer when the BFR (transferee) was previously involved in the farming or ranching operation. When all of the requirements of this paragraph are met, an AIP may transfer APH database actual yields of another insured to the BFR when it is higher than what the approved APH yield would be based on the variable T-Yield. However, this benefit is not applicable when a person is required to use another person's history due to insureds changing or land being transferred to another person as required in Paragraph 1209 of the 2014 CIH. In such instances, the procedure contained in Paragraph 1209 must be followed and this paragraph will not apply.

### **A. Basic Requirements**

When an insured with an approved APH yield transfers acreage to a BFR, the AIP may transfer the previous insured's actual yields for the acreage to the BFR. To qualify for the use of the previous insured's production history, the BFR must meet both of the following:

- (1) The BFR must have been previously involved in the farming or ranching operation's:
  - (a) decision making necessary to produce the crop or livestock on the farm; **or**
  - (b) physical activities necessary to produce the crop or livestock on the farm; and
- (2) The BFR must provide the AIP with verifiable evidence indicating the involvement in the farming or ranching operation decision making or physical activities.

**7 BFR Benefits: Use of Another Person's Production History (continued)****B. Approved APH Yield Determinations for BFR**

- (1) When establishing APH databases for BFRs who qualify to use the production history from the previous insured for the transferred acreage, use the higher of:
  - (a) the approved APH yield calculated from the transfer of actual yields from the APH database of the previous insured on the acreage transferred; or
  - (b) the applicable variable T-Yield (see Paragraph 1203 of the CIH), unless the insured qualifies as a new producer. If the insured qualifies as a new producer, 100 percent of the applicable T-Yield will apply when 100 percent of the T-Yield is higher than the approved APH yield in (1)(a). In such instances, follow the new producer procedures contained in Part 14, Section 5 of the CIH.
- (2) AIPs may only transfer production history for those years for which there is an actual yield.
  - (a) Years with non-actual or assigned yields are considered a break in continuity of production reports for APH transfer purposes and cannot be transferred.
  - (b) Actual yields prior to the break in continuity cannot be used.
  - (c) Actual yields transferred must be identified with the yield descriptor of BF to denote they are actual yields that have been transferred to a BFR, with the exception of:
    - 1 actual yields less than 60 percent of the T-Yield that do not qualify for yield substitutions identified with the yield descriptors of AY, GY, VY, OY, UY, WY. These yields should continue to be identified with their original yield descriptor;  
  
**NOTE:** When a yield identified with a NA, NG or NV yield descriptor is transferred to a BFR, the yield should be identified with a BF yield descriptor unless the BFR chooses to not substitute the transferred actual yield that is less than 60 percent of the T-Yield and qualifies for yield adjustment. In this situation, the yield descriptors of NA, NG or NV, as appropriate, should be used.
    - 2 transitional yields, for acreage transitioning to certified organic, identified with G, PG, DG, GW yield descriptors in certified organic APH databases only. These yields should continue to be identified with their original yield descriptor;

**7 BFR Benefits: Use of Another Person's Production History (continued)**

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- 3 actual yields that are reduced or replaced identified with the yield descriptors of AC, AX, EX, GC, GX, IX, NX, TX, VC, and VX. These yields should continue to be identified with their original yield descriptor
- (3) The BFR will only be required to maintain production records within the record retention period of the previous insured to support the transferred actual yields.

**8 BFR Benefits: APH Yield Adjustment**

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BFRs may elect APH yield adjustment (YA) in accordance with the policy and Part 12, Section 3 of the CIH, with the exception that the replacement yield will be equal to 80 percent of the applicable T-Yield instead of 60 percent of the applicable T-Yield. All other requirements for YA remain unchanged, including the requirement that the actual yield being replaced must be less than 60 percent of the applicable T-Yield to qualify for YA. When a person no longer qualifies as a BFR in subsequent crop years, the YA elected by the insured will use a replacement yield of 60 percent of the applicable T-Yield which is the same replacement yield used by all non-BFRs.

**Example:** The insured is a BFR and qualifies to use his/her father's actual yields on transferred acreage and has elected YA for all eligible actual yields. In this example:

- the 2005-2011 county T-Yield are 97 bushels ( $97 \times .8 = \text{YA } 78$ ),
- the 2012- 2014 county T-Yields are 110 ( $110 \times .8 = \text{YA } 88$ ).

**8 BFR Benefits: APH Yield Adjustment (continued)**

APH CALCULATION WITHOUT YA/SUBSTITUTIONS			
CROP CORN	PRACTICE NI	TYPE GR	UNIT 0001-0001
YEAR	PROD	ACRES	YIELD
2005	0	90.0	BF0
2006	16000	100.0	BF160
2007	10850	70.0	BF155
2008	7700	55.0	BF140
2009	11375	65.0	BF175
2010	13178	125.5	BF105
2011	3000	100.0	BF30
2012	6800	100.0	BF68
2013	3510	90.0	BF39
2014	0	100.0	BF0
		TOTAL	872
METHOD:	AVG. YIELD	YIELD FLOOR	CUP
YIELD	872/10= 87	110x .8 = 88	NA
RATE YIELD= 87	APPROVED APH YIELD		<b>88</b>

APH CALCULATION WITH YA/SUBSTITUTIONS			
CROP CORN	PRACTICE NI	TYPE GR	UNIT 0001-0001
YEAR	PROD	ACRES	YIELD/YA
2005		90.0	BF0/78
2006	16000	100.0	BF160
2007	10850	70.0	BF155
2008	7700	55.0	BF140
2009	11375	65.0	BF175
2010	13178	125.5	BF105
2011	3000	100.0	BF30/78
2012	6800	100.0	BF68
2013	3510	90.0	BF39/88
2014	0	100.0	BF0/88
		TOTAL	1,135
METHOD	AVG. YIELD	YIELD FLOOR	CUP
YIELD	872/10=87	88	NA
RATE YIELD= 87	APPROVED APH YIELD		<b>114</b>

In the example above, the average yield prior to yield adjustment is 87 bushels. The approved APH yield would be 88 bushels using the yield floor (cups do not apply because there is no prior year's approved APH yield) if YA was not elected. For yield substitution to apply, the yield must be below 60 percent of the applicable T-Yield. Because the insured is a BFR, 80 percent of the T-Yield is used for the substitution purposes and the approved APH yield is 114 bushels.

**8 BFR Benefits: APH Yield Adjustment (continued)**

**Example:** The individual is a BFR in 2015 and since he has produced corn for 3 years, he has 2 crop years of eligibility for BFR benefits. In 2017, the individual no longer qualifies for BFR benefits and the replacement yield for YA will revert to 60 percent of the applicable T-Yield. In this example: the 2012- 2014 county T-Yields are 110 ( $110 \times 6 = \text{YA } 66$ ;  $110 \times 0.80 = \text{YA } 88$  for BFR); and the 2015-2017 county T-Yields are  $110 (110 \times 0.60) = \text{YA } 66$ .

2015 (BFR) APH CALCULATION WITH YA			
CROP CORN	PRACTICE NI	TYPE GR	UNIT 0001-0001
YEAR	PROD	ACRES	YIELD
2011	0.0	0.0	T110
2012	6800	100.0	A68
2013	3510	90.0	A39/88
2014	0	100.0	A0/88
		TOTAL	354
METHOD:	<b>AVG. YIELD</b>	<b>YIELD FLOOR</b>	<b>CUP</b>
YIELD	$217/4=54$	$110 \times .75 = 83$	NA
RATE YIELD= 54	APPROVED APH YIELD		<b>89</b>

2017 (NO LONGER BFR) APH CALCULATION WITH YA			
CROP CORN	PRACTICE NI	TYPE GR	UNIT 0001-0001
YEAR	PROD	ACRES	YIELD/YA
2012	6800	100.0	A68
2013	3510	90.0	A39/66
2014	0	100.0	A0/66
2015	15,000	100.0	A150
2016	12,000	100.0	A140
		TOTAL	490
METHOD	<b>AVG. YIELD</b>	<b>YIELD FLOOR</b>	<b>CUP</b>
YIELD	$397/5=79$	$110 \times .8 = 88$	NA
RATE YIELD= 79	APPROVED APH YIELD		<b>98</b>

**BFR Application**

A BFR Application is completed when an individual initially applies for BFR status; chooses to modify the crop year(s) of insurable interest exceptions; or to correct a previously submitted BFR Application. The BFR Application is required to be submitted by the applicable SCD. BFR status will not apply to any crops with a SCD prior to completion of the BFR Application.

**1 APPLICANT INFORMATION**

- A. "Applicant's Name" (Substantive)
- B. "Applicant's Street or Mailing Address" (Substantive)
- C. "Telephone Number" (Substantive)
- D. "Crop Year" (Substantive)
- E. "Applicant's Identification Number" (Substantive)
- F. "Applicant's Identification Number Type" (Substantive)

**2 BEGINNING FARMER/RANCHER CERTIFICATION**

- A. "I have produced the following crop(s) and/or livestock in the identified State(s)/County(ies) during the time periods provided:

<b>Dates Producing Any Crop or Livestock</b>					
<b>From (mm/yy)</b>	<b>To (mm/yy)</b>	<b>Type of Crop(s)/livestock</b>	<b>State/County</b>	<b>Crop Year</b>	<b>USDA Program*</b>

\* Identify any USDA Agency/Program that you participated in for the crops/livestock" (Substantive)

More spaces are authorized to allow multiple States and Counties and time periods of producing crop(s) or livestock. AIPs must assist the applicant in identifying appropriate crop year for the dates producing the crop/livestock.

**2 BEGINNING FARMER/RANCHER CERTIFICATION (Continued)**

- B.** “I request the following Beginning Farmer/Rancher authorized exclusions from consideration as crop years producing crop(s) or livestock. I certify that I was:

<b>Dates of Exclusion</b>			
<b>Type of Exclusion</b>	<b>From (mm/yy)</b>	<b>To (mm/yy)</b>	<b>Crop Year(s)</b>
Under Age 18			
Active Military			
College			

” (Substantive)

More spaces are authorized to allow multiple time periods of post-secondary studies or active duty in the U.S. Military.

A BFR must only complete the dates for exclusion when the person is requesting previous crop/livestock insurable interest to be excluded.

- C.** “I am/am not (circle one) requesting to use the production history for a farm/ranch for which I was involved in the decision making or the physical activities necessary to produce the crop or livestock on the farm.

If I have elected to use the production history, I will identify the applicable crop years that I qualify to use the production history, whose production history will be used and the Farm/Tract and Field number of the acreage for the APH information being transferred.”  
(Substantive)

**3 ADDITIONAL INFORMATION**

- A.** To be completed by the AIP “Eligible Number of Crop Years the BFR applicant qualifies to receive BFR benefits\_\_\_\_\_, this number includes the crop year of BFR Application.”  
(Substantive)

<b>Crop Years Crop or Livestock Produced</b>	<b>Number of Years Producing Crop or Livestock</b>	<b>Crop Years Excluded</b>	<b>Number of Years Excluded</b>	<b>Number of Years Considered when Determining BFR</b>
Total Years				

**3 ADDITIONAL INFORMATION (continued)**

More spaces are authorized to allow multiple States and Counties and time periods of producing crop(s) or livestock and multiple time periods of exclusion due to post-secondary studies or active duty in the U.S. Military.

**B. “Comments:” (Substantive)****4 REQUIRED STATEMENTS**

**A.** “As provided by me on this form, I certify that I have not had an interest in any crop(s) or livestock for more than 5 crop years, nationwide, excluding time periods that I was under the age of 18, in post-secondary studies or serving in active military service. I understand that an interest in crops or livestock includes an interest:

- (1) as an individual;
- (2) as an interest holder of at least 10 percent interest in another person; and/or
- (3) of any person(s) with an interest of at least 10 percent in me.

I understand that any inaccurate certification or BFR benefits beyond 5 crop years will result in recalculation of my yield guarantees, administrative fee, premiums and any applicable loss payments.” (Substantive)

**B.** “I understand that I must only complete one application for BFR; no amendment is necessary unless I choose to cancel the benefits, correct a previously submitted form or amend my exceptions for consideration. I also understand that I must provide the application for BFR to any other AIPs that I may have a policy with in the current or subsequent years.

I understand that if at any time following this application, any changes are made to the insured or substantial beneficial interest holder(s) to the policy, it may affect my eligibility for Beginning Farmer/Rancher benefits.

I understand that if my policy has multiple substantial beneficial interest holders or is insuring a landlord/tenant’s share, all must qualify as Beginning Farmer/Ranchers for benefits to apply.” (Substantive)

**C.** “New , Amended Application , or Cancellation .

 (Substantive)

**D.** Certification Statement. [(Substantive) See DSSH Exhibit 2]

**E.** Privacy Act Statement. [(Substantive) See DSSH Exhibit 3]

**F.** Nondiscrimination Statement. [(Substantive) See DSSH Exhibit 4]



**5 OTHER INFORMATION AND SIGNATURES**

- A.** "Applicant's Printed Name, Signature and Date." (Substantive)
- B.** "Approved Insurance Provider's (AIP) Name, AIP Representative's Name, Signature and Date." (Substantive)