

## Farm Service Agency, USDA

## § 784.13

payments referred to in § 784.1, at the rates specified in § 784.9, sheep operations must have in the preceding year of which payment is sought had a gross annual revenue of \$2.5 million or less, and must for the year in which the payment is sought marketed qualifying feeder lambs. In order for a feeder lamb to be a qualifying feeder lamb it must have been:

(1) Owned by the operation, as part of its normal raising of lambs for slaughter, continuously for 30 days prior to the time of the qualifying marketing; and

(2) At the time of the marketing must have been, as determined and certified by AMS, thick-muscled and large-framed.

(d) To be eligible for any payments under this section, the sheep and lamb operation must be engaged in the business of producing and marketing agricultural products at the time of filing the application.

(e) In addition, to be eligible for "Year 2" and "Year 3" payments, a sheep and lamb operation must submit a timely application during the application period for "Year 2" and "Year 3" benefits and comply with all other terms and conditions of this part or are contained in the application to be eligible for such benefits.

### § 784.9 Year 2 and Year 3 rate of payment.

Subject to the availability of funds, and the proration rules set out in § 784.10, "Year 2" and "Year 3" payments may be made to sheep and lamb operations at the following rates:

(a) \$3 for each qualifying feeder lamb; plus

(b) \$5 for each eligible qualifying slaughter lamb, except those slaughter lambs marketed during the period of June 1 through July 31 of the applicable program year for which the payment rate will be \$8 per head.

### § 784.10 Availability of funds for Year 1 through Year 3.

Total payments under this part, unless otherwise determined by the FSA, cannot exceed \$30 million. In the event that funds should be insufficient to complete payments for a program year then the claims for that program year

shall be prorated by a national factor so as to reduce the payments to be made to the amount available. Payments for preceding years will not be affected.

### § 784.11 Appeals.

Any sheep and lamb operation which is dissatisfied with a determination made pursuant to this part may make a request for reconsideration or appeal of such determination in accordance with the appeal regulations set forth at parts 11 and 780 of this title.

### § 784.12 Misrepresentation and scheme or device.

(a) A sheep and lamb operation shall be ineligible to receive assistance under this program if it is determined by the State committee or the county committee to have:

(1) Adopted any scheme or device which tends to defeat the purpose of this program;

(2) Made any fraudulent representation; or

(3) Misrepresented any fact affecting a program determination.

(b) Any funds disbursed pursuant to this part to any person or operation engaged in a misrepresentation, scheme, or device, shall be refunded with interest together with such other sums as may become due. Any sheep and lamb operation or person engaged in acts prohibited by this section and any sheep and lamb operation or person receiving payment under this part shall be jointly and severally liable with other persons or operations involved in such claim for benefits for any refund due under this section and for related charges. The remedies provided in this part shall be in addition to other civil, criminal, or administrative remedies which may apply.

### § 784.13 Estates, trusts, and minors.

(a) Program documents executed by persons legally authorized to represent estates or trusts will be accepted only if such person furnishes evidence of the authority to execute such documents.

(b) A minor who is otherwise eligible for assistance under this part must, also:

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(1) Establish that the right of majority has been conferred on the minor by court proceedings or by statute;

(2) Show a guardian has been appointed to manage the minor's property and the applicable program documents are executed by the guardian; or

(3) Furnish a bond under which the surety guarantees any loss incurred for which the minor would be liable had the minor been an adult.

### **§ 784.14 Death, incompetency, or disappearance.**

In the case of death, incompetency, disappearance or dissolution of a person that is eligible to receive benefits in accordance with this part, such person or persons specified in part 707 of this chapter may receive such benefits, as determined appropriate by FSA.

### **§ 784.15 Maintaining records.**

Persons making application for benefits under this program must maintain accurate records and accounts that will document that they meet all eligibility requirements specified herein. Such records and accounts must be retained for 3 years after the date of payment to the sheep and lamb operations under this program. Destruction of the records after such date shall be the risk of the party undertaking the destruction.

### **§ 784.16 Refunds; joint and several liability.**

(a) In the event there is a failure to comply with any term, requirement, or condition for payment arising under the application, or this part, and if any refund of a payment to FSA shall otherwise become due in connection with the application, or this part, all payments made under this part to any sheep and lamb operation shall be refunded to FSA together with interest as determined in accordance with para-

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graph (c) of this section and late payment charges as provided in part 1403 of this title.

(b) All persons signing a sheep and lamb operation's application for payment as having an interest in the operation shall be jointly and severally liable for any refund, including related charges, which is determined to be due for any reason under the terms and conditions of the application or this part with respect to such operation.

(c) Interest shall be applicable to refunds required of any person under this part if FSA determines that payments or other assistance was provided to a person who was not eligible for such assistance. Such interest shall be charged at the rate of interest which the United States Treasury charges the Commodity Credit Corporation (CCC) for funds, from the date FSA made such benefits available to the date of repayment or the date interest increases as determined in accordance with applicable regulations. FSA may waive the accrual of interest if FSA determines that the cause of the erroneous determination was not due to any action of the person.

(d) Interest determined in accordance with paragraph (c) of this section may be waived at the discretion of FSA alone for refunds resulting from those violations determined by FSA to have been beyond the control of the person committing the violation.

(e) Late payment interest shall be assessed on all refunds in accordance with the provisions of, and subject to the rates prescribed in 7 CFR part 792.

(f) Any excess payments made by FSA with respect to any application under this part must be refunded.

(g) In the event that a benefit under this subpart was provided as the result of erroneous information provided by any person, the benefit must be repaid with any applicable interest.