



United States
Department of
Agriculture

June 3, 2005

BCD-98

Farm and Foreign
Agricultural Services

Notice to the Trade

Farm Service
Agency

TO: All Warehouse Operators Approved Under the Uniform Grain and
Rice Storage Agreement (UGRSA)

Kansas City
Commodity Office
P.O. Box 419205
Kansas City,
Missouri
64141-6205

SUBJECT: Hard White Wheat

Background

Marketing loan provisions for 2005-crop Hard White Wheat provide instructions to County Offices to use the loan rate, posted county price, and loan deficiency payment (LDP) rate applicable to:

- Hard Red Spring Wheat, for **spring** seeded Hard White Wheat
- Hard Red Winter Wheat, for **fall** seeded Hard White Wheat.

Some warehouse operators have questioned whether they must differentiate between spring and winter varieties of Hard White Wheat on warehouse records and in storage practices, and whether this is required for producers to be eligible for a loan or LDP.

UGRSA and Official United States Standards for Grain

The UGRSA, Part III, Item K, provides requirements for record keeping. One of the requirements is for warehouse operators to maintain a Daily Position Record (DPR) which shows the total quantity of grain received, loaded out, and all adjustments which are made, by kind and class, including subclass for white club wheat, and the quantity of each kind and class of grain remaining in the warehouse.

The Grain Inspection, Packers and Stockyard Administration (GIPSA) maintains the Official United States Standards for Grain. The class Hard White Wheat includes all hard endosperm white wheat varieties. There are no subclasses of Hard White Wheat. While there has been discussion in the past for creating distinct classes or subclasses on growth habit, i.e., spring vs. winter, such standards do not currently exist.

Daily Position Records

Based on the UGRSA, Warehouse Operator's Handbook, and the Official United States Standards for Grain, warehouse operators are under no obligation to differentiate between

spring and winter varieties of Hard White Wheat. However, warehouse operators who choose to differentiate between spring and winter varieties shall maintain a separate DPR for each variety.

Storing Hard White Wheat

Spring and winter varieties of Hard White Wheat **must** be stored separately if the warehouse operator differentiates between spring and winter varieties.

Warehouse operators who indicate only the kind and class (and do not differentiate between spring and winter varieties) are **not** required to store spring and winter varieties separately.

Producers Certify to the Variety of Hard White Wheat at FSA

Section 1305(c) of the Farm Security and Rural Investment Act of 2002 requires annual acreage reports as a condition on the receipt of direct payments, counter-cyclical payments, and marketing assistance loans and LDP's. Producers must certify all cropland uses on Form FSA-578, Report of Acreage, each year, including whether wheat was planted in the spring or fall.

In addition, producers with Hard White Wheat stored on the farm or in a warehouse are required to certify the variety when requesting a loan or LDP. Accordingly, documentation from a warehouse that does not include the variety of Hard White Wheat will not cause a producer to be ineligible for loan or LDP.

Protein Content is Required on Warehouse Receipts

Warehouse operators are reminded that protein content is a required entry on warehouse receipts for all CCC-interest hard wheat.

Additional Information

Any questions regarding this notice should be directed to the Kansas City Commodity Office at (816) 926-6446 or (816) 926-6474.

/s/

George W. Aldaya
Director