

**For:** Peanut State and County Offices, Peanut CMA's, and DMA's

### 2013 Policy and Procedures for Peanut Marketing Activities

**Approved by:** Deputy Administrator, Farm Programs



## 1 Overview

### A Background

The Food, Conservation, and Energy Act of 2008 (2008 Act) authorized MAL's and LDP's for peanuts for the 2008 through 2012 crop years. The American Taxpayer Relief Act of 2012 (ATRA) extends the MAL and LDP provisions for peanuts from the 2008 Act to the 2013 crop year.

For 2013 crop peanuts, the policy for the following items will be unchanged from the 2012 crop year:

- eligible producers may enroll in the ACRE Program
- all LDP requests will be processed through the eLDP system
- the loan rate will **not** be reduced for unpaid storage
- CCC will pay handling and other associated costs, other than storage, when peanuts are placed in a warehouse-stored MAL

**Note:** The handling and associated costs will be repaid at MAL redemption.

- FV-95 will continue to be used as a note sheet to record the official peanut inspection and grading information
- FSA-1007 approved template will continue to be used by the industry to process FSA-1007 data
- FSA-1007 data will continue to be transmitted to the FSA Peanut Marketplace-Data Collection (PMP-DC) in Kansas City
- warehouse receipt for peanuts will be **required** to apply for a warehouse-stored MAL

| Disposal Date | Distribution   |
|---------------|--|
| July 1, 2014  | Peanut State Offices; State Offices relay to County Offices, Peanut CMA's, and DMA's |

## 1 Overview (Continued)

### A Background (Continued)

- new handlers should request handler numbers through PSD
- new buying points should request buying point numbers by contacting Nate Tickner, AMS, Fruits and Vegetable - Fresh Products Branch by either of the following:
  - telephone at 202-690-0603
  - e-mail at [nate.tickner@ams.usda.gov](mailto:nate.tickner@ams.usda.gov)
- wire transfer may be used for repaying peanut MAL's according to 8-LP, paragraph 720
- general MAL and LDP requirements in 8-LP addressing obtaining loans, CCC-10's, liens and lien waivers, and producer eligibility requirements are applicable.

### B Purpose

This notice:

- provides State and County Office responsibilities associated with peanut marketing activities for the 2013 crop
- highlights PSD, ITSD, DACO, EWR, Inc. (Provider), peanut handler/sheller, and buying point responsibilities
- defines the roles of other entities involved in peanut marketing activities
- provides policy and procedures for:
  - handling:
    - statement of charges attached to peanut warehouse receipts
    - charges and other associated cost
    - segregation 1, 2, and 3 peanut loan and LDP requests
    - peanuts harvested as green, hay, or feed
    - 2013 crop year peanut MAL and LDP program
    - eligible farm storage
    - CCC-633 EZ
    - beneficial interest
  - determining the eligible:
    - LDP quantity when using FSA-1007 for production evidence
    - loan and LDP when using a warehouse receipt
- authorizes the offset of charges associated with storage.

## 1 Overview (Continued)

### C Contact

If there are any questions about this notice, contact DeAnn Allen, PSD, by any of the following:

- e-mail at **deann.allen@wdc.usda.gov**
- telephone at 202-720-9889
- FAX at 202-690-3307.

**Note:** County Offices shall route questions through the State Office.

## 2 Responsibilities

### A PSD Responsibilities

PSD shall provide:

- guidelines and procedures for marketing farmers stock peanuts to peanut handlers/shellers and buying points
- guidelines for obtaining MAL or LDP
- overall program integration
- Federal-State Inspection Service serial numbers for FSA-1007.

### B ITSD Responsibilities

ITSD shall do the following.

| Step | Action  |
|------|---|
| 1    | Operate PMP-DC.   |
| 2    | Receive, process, and distribute FSA-1007 transmission files.   |
| 3    | Provide technical support on issues about FSA-1007 transmissions.<br><b>Note:</b> This does <b>not</b> include supporting the buying point automation software. |
| 4    | Generate FSA-1007 transmission reports.   |
| 5    | Monitor mandatory “TEST” and “DAILY” transmission activity.   |
| 6    | Provide shellers support to PMP-DC.   |
| 7    | Provide to USDA handler/sheller customers signup procedures for e-Authentication to access profiles.  |

## 2 Responsibilities (Continued)

### C State Office Responsibilities

State Offices shall do the following.

| Step | Action  |
|------|---|
| 1    | Instruct buying points and handlers/shellers to contact the handler/sheller designated representative for technical questions about FSA-1007 processing and transmissions.                  |
| 2    | Contact PSD for questions about buying point automation procedures and peanut MAL's and LDP's.  |
| 3    | Refer questions on peanut inspection and grading to Federal-State Inspection Service, AMS.<br><br><b>Note:</b> See Exhibit 1 for Federal-State Inspection Service, AMS contact information. |
| 4    | Inform County Offices, peanut CMA's, and DMA's of the contents of this notice.  |

### D County Office Responsibilities

County Offices shall do the following.

| Step | Action  |
|------|---|
| 1    | Inform producers: <ul style="list-style-type: none"> <li>• of their responsibility for tracking the peanut production and maintaining beneficial interest</li> <li>• that the final loan availability date is January 31 of the year following the harvest</li> <li>• that loans mature no later than the last day of the 9th calendar month following the month in which CCC-677 or CCC-678 was approved.</li> </ul> |
| 2    | Inform peanut producers that they will be responsible for keeping track of individual producer shares for each load of peanuts delivered for commercial sale or upon which a warehouse-stored MAL or LDP is requested.  |
| 3    | Inform peanut producers and handlers/shellers to contact Federal-State Inspection Service, AMS for questions associated with peanut inspection and grading.<br><br><b>Note:</b> See Exhibit 1 for Federal-State Inspection Service, AMS contact information.  |
| 4    | Instruct buying points and handlers/shellers to contact the handler/sheller designated representative for technical questions about FSA-1007 processing and transmissions.  |
| 5    | Instruct peanut producers to contact the warehouse operator for questions about the contents of the warehouse receipt for peanuts.  |
| 6    | Inform peanut producers that warehouse-stored MAL's will be based on the warehouse receipt for peanuts.   |

## 2 Responsibilities (Continued)

### D County Office Responsibilities (Continued)

| Step | Action   |
|------|--|
| 7    | Remind peanut producers, handlers/shellers, and warehouse operators that County Offices, CMA's, and DMA's <b>shall not</b> : <ul style="list-style-type: none"> <li>• receive FSA-1007 transmissions</li> <li>• handle corrections to FSA-1007 and warehouse receipt for peanuts.</li> </ul> |
| 8    | Inform peanut producers, buying points, handlers/shellers, warehouse operators, and other entities associated with the peanut industry of the contents of this notice.   |

### E Peanut Handler/Sheller Responsibilities

Peanut handlers/shellers shall do the following.

| Step | Action  |
|------|---|
| 1    | Continue to use the assigned handler number and buying point number.<br><br><b>Note:</b> New peanut handler/sheller <b>must</b> contact PSD for handler number assignment. New buying points <b>must</b> continue to be registered with Federal-State Inspection Service, AMS.  |
| 2    | Provide affiliated peanut buying points with software and hardware to process and transmit <b>all</b> FSA-1007 records to PMP-DC following the requirements established by FSA.   |
| 3    | Instruct affiliated buying points on the continued use of FSA-1007 to reflect official results of farmer's stock inspection. Use FSA-1007's following the guidelines issued by FSA.   |
| 4    | Designate a handler/sheller technical representative who will provide technical support and training to affiliated buying points.   |
| 5    | Contact the FSA National Help Desk for questions about transmissions to PMP-DC. See paragraph 10 for FSA National Help Desk information.  |
| 6    | Contact Cecile Wynne at 202-720-8413 <b>before</b> sending test transmissions to PMP-DC.  |
| 7    | Ensure that <b>all</b> FSA-1007 records processed by all affiliated buying points are transmitted daily to PMP-DC following the guidelines issued by FSA.   |
| 8    | Contact Cecile Wynne at 202-720-8413 to request a new transmission ID and password to transmit to PMP-DC.   |
| 9    | Inform peanut producers that warehouse-stored MAL's will be processed based on the warehouse receipt for peanuts.   |
| 10   | Instruct affiliated buying points that corrections to peanut grading and inspection data will be handled by Federal-State Inspection Service, AMS. Transmitted records with errors in FSA-1007, Section I will be superseded upon approval by the Federal-State Inspection Service, AMS inspector.<br><br><b>Note:</b> There is <b>no</b> need to notify the County Office of superseded or corrected FSA-1007's. |

## 2 Responsibilities (Continued)

### E Peanut Handler/Sheller Responsibilities (Continued)

| Step | Action  |
|------|---|
| 11   | Submit end-of-season reconciliation file (Recon.dat) to PMP-DC after completing all marketing activities for the 2013 crop year no later than April 15, 2014.<br><br><b>Note:</b> Notify Cecile Wynn at 202-720-8413 if you have transmissions after submitting the Recon.dat file. |
| 12   | Complete the online peanut handler/sheller and buying point profile survey at <a href="https://arcticoccean.sc.egov.usda.gov/pmp-web/splash.do">https://arcticoccean.sc.egov.usda.gov/pmp-web/splash.do</a> before transmitting any data.   |
| 13   | Enter or print the buying point number where the peanuts were inspected on the warehouse receipt for peanuts. If using EWR, complete the “Buying Point Number” field as identified in the file layout when creating the receipt.  |
| 14   | Follow 2013 Guidelines for Peanut Marketing Activity issued by PSD.   |

### F Buying Point Responsibilities

Buying points shall do the following.

| Step | Action   |
|------|--|
| 1    | Install peanut buying point hardware and software following the instructions provided by the affiliated peanut handler/sheller.  |
| 2    | Continue to use the assigned buying point number and handler number.<br><br><b>Note:</b> New buying point numbers will be assigned by AMS, Fruits and Vegetable - Fresh Products Branch. |
| 3    | Follow the instructions issued by the handler/sheller about FSA-1007 processing and transmissions.   |
| 4    | Contact the affiliated handler/sheller representative for technical software support.  |
| 5    | Inform peanut producers that warehouse-stored MAL's will be processed based on the warehouse receipt for peanuts.  |
| 6    | Contact Federal-State Inspection Service, AMS for questions about peanut grading, inspection, and FV-95 authentication code signatures.  |
| 7    | Direct peanut producers to their local County Office for questions about warehouse-stored MAL's and LDP's.   |
| 8    | Create a backup of all FSA-1007 transmissions and keep the backup until all marketings for the 2013 crop year have been reconciled.  |
| 9    | Enter or print the buying point number on the warehouse receipts for peanuts, if issuing receipts from this buying point location.   |
| 10   | Follow 2013 Guidelines for Peanut Marketing Activity issued by PSD.  |

## 2 Responsibilities (Continued)

### G Federal-State Inspection Service, AMS Responsibilities

Federal-State Inspection Service, AMS shall do the following.

| Step | Action  |
|------|---|
| 1    | Continue to assign buying point numbers and notify PSD of newly assigned numbers.     |
| 2    | Sign and date FSA-1007, Section I.  |
| 3    | Approve superseded FSA-1007 to correct errors in a transmitted FSA-1007, Section I.   |
| 4    | Handle questions about grading, inspection, and FV-95 authentication code signatures. |
| 5    | Issue official FSA-1007 serial numbers provided by PSD.                               |

### H DACO Responsibilities

DACO shall do the following.

| Step | Action  |
|------|---|
| 1    | Handle questions about peanut warehouses storing farmer's stock peanuts offered as collateral for warehouse-stored MAL's.   |
| 2    | Handle issues about rates for storage, receiving, and load-out for warehouse-stored loan collateral and forfeited peanuts, when applicable.   |
| 3    | Handle questions about peanut storage agreements and warehouse receipts for peanuts.  |
| 4    | Handle warehouse receipt corrections for peanuts, as applicable.  |
| 5    | Maintain a current list of approved peanut warehouses. A list is available at <a href="https://saltlake.sc.egov.usda.gov/approved_whses/peanuts/approved_peanut_whses.asp">https://saltlake.sc.egov.usda.gov/approved_whses/peanuts/approved_peanut_whses.asp</a> . |
| 6    | Handle questions about EWR Provider Agreements.   |

### I EWR Provider Responsibilities

The EWR provider shall do the following.

| Step | Action  |
|------|---|
| 1    | Provide assistance and information to shellers/handlers interested in using EWR's at their warehouse locations. |
| 2    | Store and maintain a centralized filing system of all EWR's in a secure manner.                                 |
| 3    | Provide County Offices with EWR data to process loans in APSS and eLDP's.                                       |

### 3 Marketing of Segregation 1, Segregation 2, and Segregation 3 Peanuts

#### A Segregation 1 Peanuts

Segregation 1 peanuts are subject to premiums and discounts based on the grade factors shown on the warehouse receipt.

#### B Segregation 2 and 3 Peanuts

Segregation 2 and 3 peanuts are eligible for nonrecourse MAL's or LDP's. The quantity of Segregation 2 and 3 peanuts eligible for MAL or LDP shall be the net weight (excluding foreign material and excess moisture) of the load, and include loose-shelled kernel (LSK) pounds or tons. Segregation 2 and 3 peanut MAL's must be repaid at principal plus interest.

Segregation 2 and 3 peanuts pledged as collateral for MAL will:

- be discounted to 35 percent of the national loan rate for the applicable type
- **not** be subject to any other premiums or discounts.

Segregation 2 and 3 peanuts are eligible for LDP. Eligible quantity will be based on net quantity according to the acceptable production evidence. The LDP rate will **not** be calculated using the discounted loan rate.

#### C Reinspecting Segregation 3 Peanuts

Farmer's stock peanuts graded Segregation 3 may be reconditioned at the buying point to remove foreign material and LSK. When a load of peanuts is presented for regrade, a copy of FV-95 **must** be presented to the inspector to identify the load.

### 4 Peanuts Harvested for Green Peanuts

#### A Definition of Green Peanuts

Green peanuts are peanuts that, before drying or removal of moisture from the peanuts either by natural or artificial means, are marketed by the producer for consumption exclusively as boiled peanuts.

**Note:** Peanuts harvested as green peanuts are eligible for LDP's; however, they are **not** eligible for MAL's.

#### B Using NAP Crop Planting Periods

To ensure that producers receive LDP program benefits for the applicable crop year's production, County Offices shall use NAP crop planting periods to establish final planting and harvest dates for green peanuts, because there is a wide range of planting and harvest dates in some States.



## 4 Peanuts Harvested for Green Peanuts (Continued)

### C NAP Crop Information Tables

See 1-NAP, Exhibit 7.4.6 for 2013 NAP crop information tables.

**Note:** County Offices **must** determine the maximum eligible quantity according to 8-LP, subparagraph 230 E and paragraph 528.

## 5 Statement of Charges

### A Authorizing Offsets of Unpaid Charges

8-LP, paragraph 547 provides policies for authorizing offsets of amounts, contained on a separate statement of unpaid charges or a separate bill for unpaid charges, from the loan proceeds. These charges **must** be associated with the:

- handling of the commodity represented by the warehouse receipt
- marketing of the commodity pledged for loan collateral.

For peanuts, County Offices are authorized to **only** offset charges associated with cleaning, drying, custom harvesting, seed accounts, and storing peanuts from the producer's loan proceeds. These charges are **not** considered a lien, but **must** be included on CCC-679, item 5 (c), if an offset will be made for these charges. Storage charges can be offset **only** if the warehouse receipt indicates storage has been paid through the date indicated on the statement of charges or separate bill.

**Note:** According to 8-LP, subparagraph 505 C, all statements of charges or bills for authorized offsets **must** be signed by the producer.

### B Request for Additional Charges To Be Offset

State and County Offices and DMA's must request DAFP concurrence before any charges for other than cleaning, drying, custom harvesting, seed accounts, and storage costs associated with the handling of peanuts will be offset from a producer's loan proceeds.

## 6 Minimum Quality Standards

### A Definition of Segregation 1 Peanuts

Segregation 1 peanuts are farmer stock peanuts with no more than 2.49 percent damaged kernels; no more than 1 percent concealed damage caused by rancidity, mold, or decay; and are free from visible *Aspergillus flavus*.

**Note:** Farmers stock peanuts are defined as harvested peanuts that have **not** been shelled, cleaned, or crushed.

**6 Minimum Quality Standards (Continued)**

**B Definition of Segregation 2 Peanuts**

Segregation 2 peanuts are farmer stock peanuts with more than 2.49 percent damaged kernels; no more than 1 percent concealed damage caused by rancidity, mold, or decay; and are free from visible *Aspergillus flavus*.

**C Definition of Segregation 3 Peanuts**

Segregation 3 peanuts are farmer stock peanuts with visible *Aspergillus flavus*.

**D Loan Eligibility**

For loan eligibility, peanuts must **not** contain less than 2.49 percent or more than 10.49 percent moisture.

**7 Designation of Agent (CCC-605P, CCC-605P-1, and CCC-605P-2)**

**A Producer Responsibility**

Producers may designate an agent to redeem all or a portion of the peanuts pledged as collateral for MAL.

**Note:** FSA-211 must be on file in the processing County Office if anyone other than the producer requests MAL and/or LDP.

Designation of an agent does **not** relieve the producer from the terms and conditions of the note and security agreement. Agents:

- designated may transfer the designation to a subsequent agent on CCC-605P by endorsement
- subsequently designated may transfer the designation to other subsequent agents on CCC-605P-2 by endorsement.

**B Authorized Signatures of Agents**

Each sheller/handler or entity **must** annually, at the start of the peanut marketing season, provide a list of authorized agents/representatives with sample signatures for designated agents from their company to PSD and the State Office. The State Office will provide a copy of all authorized agents' signatures to each peanut County Office in their State.

## 8 Peanut MAL's and LDP Provisions

### A Peanuts Harvested for Hay

Peanuts harvested for hay are eligible for LDP's. County Offices must determine the maximum eligible quantity according to 8-LP, paragraph 336.

### B In-Handling Charges

The 2008 Act and ATRA require CCC to pay handling and other associated costs (other than storage) when peanuts are placed in the MAL Program for the 2008 through 2013 crop years. DACO will continue to be responsible for setting these rates for the 2008 through 2013 crop years.

In-handling charges shall be:

- paid to the storing warehouse at the time the loan is disbursed
- repaid by the producer when MAL is redeemed.

### C Storage Charges

The 2008 Act and ATRA require CCC to pay storage, handling, and other associated costs for peanuts that are forfeited. Therefore, the warehouse-stored loan rate shall **not** be reduced if the warehouse receipt issued by the warehouse indicates that storage has **not** been paid through the loan maturity date. The warehouse receipt must contain an entry for the "Date Storage Paid Through". If no storage has been paid, then that date shall be the same as the storage "Start Date".

For peanuts that are placed under the warehouse-stored MAL for the 2013 crop year, which are subsequently forfeited to CCC, CCC will pay storage, handling, and associated costs from the date all completed MAL documents are received in the applicable County Office. Producers are responsible for storage from the storage start date to the date documents are received.

### D ACRE Election

ACRE farms will have 30 percent reduction in loan rates according to 8-LP, paragraphs 235 and 506. When requesting MAL or LDP, producers shall be responsible for informing the County Office whether the quantities included in the request are from ACRE or non-ACRE farms. County Offices shall verify the producer's ACRE status **before** processing MAL/eLDP.

County Offices shall process the MAL/eLDP request for quantities from ACRE farms separate from request for MAL's/eLDP's from non-ACRE farms.

**Note:** Effective for the 2013 crop year, producers could enroll in the ACRE program. ACRE enrollment from previous years will not carry over on the farm. This is a change from previous years.

## Notice LP-2182

### 8 Peanut MAL's and LDP Provisions (Continued)

#### E Peanut Forfeited to CCC

If MAL is **not** repaid within the 9-month period and peanuts are subsequently forfeited to CCC, storage charges will be handled as follows.

| IF storage charges were... | THEN CCC will pay storage charges to the warehouse...   |
|----------------------------|---|
| paid through loan maturity | starting the day after loan maturity through final disposition.<br><br><b>Note:</b> A refund will be issued to the producer for any storage they paid from the "Date Documents Received" through the "Date Storage Paid Through". |
| <b>not</b> fully paid      | from the later of the "Date Storage Paid Through" or "Date Document Received" through final disposition, when applicable.   |

**Note:** During the forfeiture process, a receivable will be created to bill and collect from the producer any unpaid storage from the "Storage Start Date" to the "Date Documents Received".

#### F Loan Rates by Peanut Type

The 2013 crop approved loan rates by peanut type were issued in Notice LP-2180.

#### G Beneficial Interest

To obtain MAL or LDP, producers **must** have beneficial interest in the peanuts at the time of the request, and beneficial interest **must** be maintained through repayment for MAL's. CCC has determined that if a producer has control of the commodity, it is assumed that the producer has risk of loss of the commodity; therefore, the risk of loss component is removed when determining whether a producer has beneficial interest in the commodity. Beneficial interest consists of the producer maintaining control of the commodity and title to the commodity. If either of these conditions is **not** true, the producer does **not** have beneficial interest in the peanuts. There are **no** provisions for waiving beneficial interest for the 2013 crop year.

**Notes:** For the 2013 crop year, FSA-1007 may be considered acceptable production evidence for LDP **only** if the producer has filed completed CCC-633 EZ, pages 1 and 2, and peanuts are immediately sold on delivery. The date peanuts are sold will be the date:

- printed in the "Date Delivered for Immediate Sale" field under FSA-1007, columns R, S, and T
- used when determining when beneficial interest is lost.

This date should **not** exceed 72 hours from "Date Inspected" field in FSA-1007, Section I.

## 8 Peanut MAL's and LDP Provisions (Continued)

### H Approved Contracts

Any contract that has been reviewed and approved by FSA for determining the loss of beneficial interest is **not** interchangeable or replaceable unless the contract is amended, revised, or canceled **before** the earlier of the date:

- peanuts are harvested
- beneficial interest is lost.

Any written and/or verbal agreement or revision to an approved contract, with or without the producer's awareness, may cause the producer to lose beneficial interest and could result in refund of unearned benefits to CCC.

### I Loan Service Fee

The service fee for peanut loans shall be the smaller of the following:

- $\frac{1}{2}$  of 1 percent times the gross loan amount
- \$45 per loan plus \$3 for each receipt or bin more than 1.

### J Eligible Farm Storage

Peanuts stored in approved farm-storage structures are eligible for farm-stored loans. Eligible farm-storage structures **must**:

- be located on or off of the farm, excluding public warehouses
- provide safe storage for the peanuts through the loan maturity date
- be measurable.

Peanuts can be stored in bags if all of the conditions provided in 8-LP, paragraph 522 are met for storing commodities in bags. Peanut wagons are considered eligible storage structures for farm-stored loans.

## 8 Peanut MAL's and LDP Provisions (Continued)

### K National Posted Price (NPP)

NPP for peanuts will:

- be announced each Tuesday at 3 p.m. e.t. for each of the 4 types of peanuts
- become effective on Wednesday at 12:01 a.m.

NPP rates are used to determine:

- alternative loan repayment rates for MAL's

**Note:** Seg. 2 and Seg. 3 MAL's must be repaid at principal plus interest.

- LDP's.

**Note:** CCC-633 EZ, pages 1 and 2 must be completed for LDP requests according to 8-LP, Part 10.

Producers will repay outstanding peanut MAL's at a rate that is the lesser of the principal plus interest or NPP. When NPP for peanuts is less than the national loan rate for the applicable type, producers can request LDP instead of MAL.

**Note:** A person or legal entity shall not be eligible to receive Market Loan Gains or LDP benefits for the 2013 crop year if the average nonfarm AGI exceeds \$500,000. The person or entity is eligible for MAL, but the loan **must** be repaid at principal plus interest.

The rates can be obtained at [http://www.fsa.usda.gov/Internet/FSA\\_File/peanut.xls](http://www.fsa.usda.gov/Internet/FSA_File/peanut.xls).

### L Peanut EWR's

PSD has been authorized to continue using EWR's for peanuts for the 2013 crop year. The web-based system will provide the functionalities needed to process EWR's for price support and can be accessed using eAuthentication ID and password.

Peanut EWR's will continue to be issued by warehouses through a single peanut EWR provider, EWR, Inc. (provider).

The provider will be responsible for maintaining a central filing system for all EWR's for peanuts. Following the guidelines issued by FSA, the provider will continue operating under an agreement with DACO.

## 8 Peanut MAL's and LDP Provisions (Continued)

### M Peanut Research and Promotion Fees

7 CFR Part 1405 provides CCC the authority to collect commodity assessments from the proceeds of MAL's when the proceeds from MAL's are disbursed.

Research and promotion fees are processed in Kansas City and disbursed to the applicable National or State Board, Commission, or Association monthly.

The following entities are the authorized commodity assessment deductions for the 2013 crop year.

| Entity Name                               | Applicability  | Rate   |
|---|--|--|
| National Peanut Board                     | All farm-stored and warehouse-stored MAL's.  | 1 percent of total loan amount.                  |
| North Carolina Peanut Growers Association | All farm-stored and warehouse-stored MAL's for peanuts produced in North Carolina. | \$.15 per pound or \$3 per ton of loan quantity. |
| Oklahoma Peanut Commission                | All farm-stored and warehouse-stored MAL's for peanuts produced in Oklahoma.       | \$4 per ton of loan quantity.                    |
| South Carolina Peanut Board               | All farm-stored and warehouse-stored MAL's for peanuts produced in South Carolina. | \$2 per ton of loan quantity.                    |
| Texas Peanut Producers Board              | All farm-stored and warehouse-stored MAL's for peanuts produced in Texas.          | \$2 per ton of loan quantity                     |
| Virginia Peanut Board                     | All farm-stored and warehouse-stored MAL's for peanuts produced in Virginia.       | \$6 per ton of loan quantity.                    |

The amount deducted will be printed on CCC-677's and CCC-678's as the following:

- marketing assessments, for the National Research and Promotion fee

**Note:** The 1 percent National assessment will be calculated using the reduced loan rate for all ACRE farms.

- assessments for all authorized State commodity assessment fees.

**Note:** The 2008 Act and ATRA terminated the authority for CCC to collect any administrative fees with respect to administering commodity assessments.

## 8 Peanut MAL's and LDP Provisions (Continued)

### N DMA and CMA Peanut Research and Promotion Fee Collection

Peanut DMA's and CMA's shall be responsible for collecting the research and promotion fee and assessments from the producer and remitting that amount to the National Peanut Board and all approved applicable State entities. DMA and CMA Service County Offices **must** enter zero in the "Marketing Assessment" and "Assessment" fields.

### O Determining MAL and LDP Quantities

Eligible quantities for:

- MAL's on warehouse-stored segregation 1, 2, and 3 peanuts shall be the "Total Tons", that is the sum of "Net Tons" and "Net LSK Tons", from the warehouse receipt for peanuts
- LDP's requested on all grades of peanuts shall be:
  - on the warehouse receipt "Total Tons", which is equal to the sum of "Net Tons" and "Net LSK Tons"
  - on FSA-1007 "net weight" provided in Section II, item G.

**Note:** CCC-633 EZ, pages 1 and 2 must be completed for eLDP requests according to 8-LP, Part 10.

Applicable LDP rates for peanuts can be obtained at  
[http://www.fsa.usda.gov/Internet/FSA\\_File/peanut.xls](http://www.fsa.usda.gov/Internet/FSA_File/peanut.xls).

**Note:** See Exhibit 2 for examples of determining eligible MAL and LDP quantities.

## 9 Peanut Warehouse-Stored Loans

### A Peanut Forfeitures

Peanut warehouse-stored loan forfeitures should be processed in APSS immediately. There is **no** waiting period after the loan maturity date.

**Exception:** If the maturity date falls on a nonworkday, repayment will be accepted the following workday and warehouse receipts will not be forfeited until the next workday.

### B Reconcentrating Peanut Warehouse-Stored Loans

See 8-LP, Part 6, Section 3 for policy and procedures for reconcentrating peanut warehouse-stored loans.



**10 FSA National Help Desk Technical Assistance**

**A Contact Information**

Designated handler/sheller representatives may call the ITS Service Desk Support at 800-457-3642. Choose option 2 for technical support relating to PMP-DC and FSA-1007 transmissions. Tell the ITS Service Desk to assign the incident to the FSA Service Desk.

**B Hours of Operation**

ITS Service Desk Support calls:

- will be answered directly Monday through Friday from 8 a.m. to 5:30 p.m. c.t.
- received after work hours will be recorded by voicemail and returned the next workday morning.

**Federal-State Inspection Service, AMS Contact Information**

The following are Federal-State Inspection Service, AMS contact persons, addresses, and telephone numbers.

| <b>Southeast (Georgia, Alabama, Florida and Mississippi)</b>   |   |
|--|---|
| <b>Federal Contacts</b>  | <b>State Contacts</b>   |
| Mr. Gary Verheek<br>Mr. Robert Bentley<br>Federal Program Managers<br>USDA, <b>AMS</b> , FVP, Specialty<br>Crops Division<br>PO Box 3999<br>Haines City, FL 33845-3999<br><br><b>Telephone:</b> 863-421-0973<br><b>FAX:</b> 863-421-6783 | Mr. Jeff Jeffers<br>Alabama Federal-State Inspection Service<br>PO Box 1368<br>Dothan, AL 36302<br><b>Telephone:</b> 334-792-5185; <b>FAX:</b> 334-671-7984<br><br>Mr. Barry Gaffney<br>Florida Federal-State Inspection Service<br>PO Box 566<br>Graceville, FL 32440<br><b>Telephone:</b> 850-263-2355; <b>FAX:</b> 850-263-7382<br><br>Mr. Charles Beasley<br>Florida Federal-State Inspection Service<br>PO Box 1072<br>Winter Haven, FL 33882-1072<br><b>Telephone:</b> 863-291-5820; <b>FAX:</b> 863-291-5215<br><br>Mr. Phillip Sutton<br>Georgia Federal-State Inspection Service<br>PO Box 71767<br>Albany, GA 31708-1767<br><b>Telephone:</b> 229-432-7505; <b>FAX:</b> 229-438-8920<br><br>Mr. Kevin Riffin<br>MDAC/Federal State Inspection Service<br>PO Box 1609<br>Jackson, Mississippi 39215-1609<br><b>Telephone:</b> 601-359-1138; <b>FAX:</b> 601-359-1175 |

## Federal-State Inspection Service, AMS Contact Information (Continued)

| Virginia-Carolina (Virginia, North Carolina, and South Carolina)   |  |
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| Federal Contacts   | State Contacts   |
| Mr. Alan Novakowski<br>Mr. Gary Crane<br>Federal Program Managers<br>USDA, <b>AMS</b> , FVP, Specialty<br>Crops Division<br>8610 Baltimore Washington<br>Blvd. Suite 212<br>Jessup, MD 20794<br><br><b>Telephone:</b> 301-317-5365<br><b>FAX:</b> 301-317-5438 | Mr. Ronnie Wynn<br>NCDA Cooperative Grading Service<br>PO Box 588<br>Williamston, NC 27892<br><b>Telephone:</b> 252-792-1672; <b>FAX:</b> 252-792-4784<br><br>Mr. Jack Dantzler<br>SCDA, Inspection Service<br>PO Box 13391<br>Columbia, SC 29201<br><b>Telephone:</b> 803-737-4588; <b>FAX:</b> 803-737-4667<br><br>Ms. Teresa Byrd<br>VDACS, Peanut Marketing Program<br>PO Box 1130<br>Suffolk, VA 23434<br><b>Telephone:</b> 757-925-2286; <b>FAX:</b> 757-925-2275  |
| Southwest (Texas, Oklahoma, New Mexico, and Arkansas)  |  |
| Federal Contacts   | State Contacts   |
| Mr. Edgar Rippee<br>Mr. Douglas Goodson<br>Federal Program Managers<br>USDA, <b>AMS</b> , FVP, Specialty<br>Crops Division<br>1511 NE Parvin Road<br>Kansas City, MO 64116<br><br><b>Telephone:</b> 816-453-4926<br><b>FAX:</b> 816-453-4914                   | Mr. Layne Marlow<br>Texas Cooperative Inspection Program<br>PO Box 368<br>Gorman, TX 76454<br><b>Telephone:</b> 254-734-3006; <b>FAX:</b> 254-734-3009<br><br>Mr. Stacy Gerk<br>New Mexico Federal-State Inspection Service<br>PO Box 483<br>Portales, NM 88130<br><b>Telephone:</b> 575-356-8393; <b>FAX:</b> 575-356-6464<br><br>Mr. Steve Mueller<br>USDA, AMS FVP, SCI<br>218 SW First Street<br>Anadarko, OK 73005<br><b>Telephone:</b> 405-247-2040; <b>FAX:</b> 405-247-2232<br><br>Mr. John Lansdale<br>Mr. Scott Bray<br>Arkansas State Plant Board<br>285 Bradley 124<br>Hermitage, AR 71647<br><b>Telephone:</b> 870-820-0290; <b>FAX:</b> 870-463-8719 |

**Example of Determining Eligible MAL and LDP Quantities**

**Example 1:** A warehouse receipt was used to determine the eligible loan quantity.

Producer A presents a warehouse receipt and makes a request for MAL on segregation 1, 2, or 3, Runner type peanuts. The warehouse receipt contains the following information.

- “Net Pounds” = 8,200
- “LSK Pounds” = 165

Eligible quantity:

- pounds:  $8,200 + 165 = 8,365$
- tons:  $8,200 \div 2,000 = 4.10$
- tons:  $165 \div 2,000 = \frac{+.08}{4.18}$

Loan rate per ton of segregation 1, Runner peanuts:

\$354.74

Loan amount:

$\$354.74 \times 4.18 \text{ tons} = \$1,482.81$

Loan rate per ton of segregations 2 and 3, Runner peanuts:

35 percent of \$354.74 = \$124.16 per ton

Loan amount:

$\$124.16 \times 4.18 \text{ tons} = \$518.99$

**Note:** Premiums and discounts were **not** applied to the segregation 1 example.  
Premiums and discounts are **not** applicable to segregations 2 and 3 peanuts.

**Example of Determining Eligible MAL and LDP Quantities (Continued)**

**Example 2:** A warehouse receipt was used as production evidence to determine eligible LDP quantity.

Producer B presents a warehouse receipt and makes a request for LDP on segregation 1, 2, or 3, Virginia type peanuts. The warehouse receipt contains the following information.

- “Net Pounds” = 10,000
- “LSK Pounds” = 345

Eligible quantity:

- pounds:  $10,000 + 345 = 10,345$
- tons:  $10,000 \div 2,000 = 5.00$
- tons:  $345 \div 2,000 = \frac{+.17}{5.17}$

Loan rate per ton of segregation 1, Virginia peanuts:

\$358.38

NPP for Virginia peanuts:

\$341.66

LDP rate per ton of Virginia peanuts:

$\$358.38 - \$341.66 = \$16.72$  per ton

eLDP amount:

$\$16.72 \times 5.17 \text{ tons} = \$86.44$

**Example of Determining Eligible MAL and LDP Quantities (Continued)**

**Example 3:** FSA-1007 was used as production evidence to determine eligible LDP quantity.

Producer C presents FSA-1007 and makes a request for LDP on segregation 1, 2, or 3, Valencia type peanuts. FSA-1007 contains the following information.

- FSA-1007, Section II, item G = 6,000 pounds

Eligible quantity:

- pounds: 6,000
- tons:  $6,000 \div 2,000 = 3$

Loan rate per ton of segregation 1, Valencia peanuts:

\$358.38

NPP for Valencia peanuts:

\$338.66

LDP rate per ton of Valencia peanuts:

$\$358.38 - \$338.66 = \$19.72$  per ton

eLDP amount:

$\$19.72 \times 3 \text{ tons} = \$59.16$