

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice MPP-6

For: State and County Offices

**Clarifying When to Apply Bumped Production When Completing CCC-781 and CCC-782 for
2014 and 2015 Margin Protection Program for Dairy Producers (MPP-Dairy) Registration**

Approved: Deputy Administrator, Farm Programs



1 Overview

A Background

Notice MPP-4 informed State and County Offices of the following:

- a revision to CCC-782 that instructed County Offices to enter the applicable production history from the MPP-Dairy Production History and Premium Calculator Workbook (MPP-Dairy Workbook) that includes the national bump, in CCC-782, item 15, rather than from CCC-781 entries that do not include the national bump
- a new CCC-782 would not be required for previously registered dairy operations unless requested by the producers in the dairy operation.

However, a review of this procedure has revealed that further clarification is required about when to apply the national bump for those dairy operations that are only completing CCC-781 to establish production history versus those that are also completing CCC-782 to register for MPP-Dairy coverage in 2014 and 2015 to ensure the following:

- an accurate production history is recorded appropriately on CCC-781
- the adjusted production history that includes the applicable national bump is recorded appropriately on CCC-782
- the appropriate amount is certified to by the producers in the dairy operation on the appropriate forms.

B Purpose

This notice informs State and County Offices about accurately recording the following:

- production history on CCC-781
- adjusted production history on CCC-782.

Disposal Date	Distribution
May 1, 2015 12-17-14	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C Contact

If there are questions about this notice, State Offices shall contact Dani Cooke, PSD, by either of the following:

- e-mail to **danielle.cooke@wdc.usda.gov**
- telephone at 202-720-1919.

2 CCC-781 and CCC-782

A CCC-781

CCC-781 is used to establish production history for new and existing dairy operations. The production history determined by the County Office from the marketing data provided by the dairy operation must be entered in CCC-781, item 15A. The entry in item 15A should **not** be:

- adjusted to include the national bump
- taken from the MPP-Dairy Production History and Premium Calculator Workbook.

Note: A 1-MPP amendment is forthcoming to revise CCC-781 instructions.

County Offices must review CCC-781 for each dairy operation to:

- ensure that the entry included for CCC-781, item 15A is equal to the highest annual production history for 2011, 2012, and 2013, and is **not** adjusted by the national bump
- correct any entries that are **not** recorded accurately according to this subparagraph
- have producers initial and date any corrected production history entry.

Note: Corrections to CCC-781, item 15A, production history entries do not have to be completed by the registration deadline of December 19, 2014; however, all corrections must be completed within 30 calendar days of the issue date of this notice.

B CCC-782

CCC-782 is used to initially register for coverage under MPP-Dairy and make annual coverage elections. For each CCC-782 accepted, County Offices **must**:

- use the MPP-Dairy Production History and Premium Calculator Workbook to accurately compute the covered production history for each registering dairy operation

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2 CCC-781 and CCC-782 (Continued)

B CCC-782 (Continued)

- record in CCC-782, Part D, item 15 covered production history from item 4 of the MPP-Dairy Workbook:
 - for 2014 applicants that does **not** include the national bump
 - for 2015 applicants that **does** include the national bump.

Note: A 1-MPP amendment is forthcoming to revise CCC-782 instructions.

County Offices **must** review CCC-782 for each registering dairy operation to:

- ensure that the production history is accurately recorded according to this subparagraph for both 2014 and 2015 MPP-Dairy applicants

Note: No further action is required for correct item 15 production history entries.

- correct any item 15 entries **not** recorded accurately according to this subparagraph
- obtain producer initials and date of initials for any item 15 corrected production history entry
- attach a copy of the printout of the MPP-Dairy Workbook to CCC-782.

Note: Corrections to CCC-782, item 15, production history entries do not have to be completed by the registration deadline of December 19, 2014; however, all corrections must be completed within 30 calendar days of the issue date of this notice.

C Miscalculated Premium

County Offices that make corrections to CCC-782, item 15 must:

- if the corrected premium is less than the premium originally calculated, and:
 - the premium has been paid in full, refund the difference between the corrected premium and the original premium according to 64-FI, paragraph 43
 - at least 25 percent of the corrected premium has been paid:
 - adjust the remaining balance due June 1, 2015
 - notify the producer that they may ask for a refund of the overpayment
 - less than 25 percent of the corrected premium has been paid, adjust the 25 percent minimum due by February 1, 2015, and remaining balance due June 1, 2015

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2 CCC-781 and CCC-782 (Continued)

C Miscalculated Premium (Continued)

- if the corrected premium is more than the premium originally calculated:
 - adjust the 25 percent minimum due by February 1, 2015, and the remaining balance due June 1, 2015
 - notify the dairy operation that the amount of the additional premium is due by February 1, 2015, and the remaining balance is due by June 1, 2015.

3 Action

A State Office Action

State Offices shall ensure that County Offices:

- are immediately informed of the contents of this notice
- continue to follow procedure in 1-MPP
- direct questions about MPP-Dairy Program policy and procedure to the National Office according to subparagraph 1 C.

B County Office Action

County Offices shall:

- review CCC-781's and CCC-782's and take appropriate actions according to this notice
- continue to follow procedure in 1-MPP
- forward questions about the contents of this notice to the State Office Price Support specialist.