

6205. Telephone requests for copies of the agreement will be accepted at (816) 926-6662. In order to participate in the program authorized by this subpart, domestic users and exporters must execute the Upland Cotton Domestic User/Exporter Agreement and forward the original and one copy to KCCO.

25. Revise § 1427.107 to read as follows:

**§ 1427.107 Payment rate.**

(a) Beginning July 18, 1996, and ending July 31, 2003, the payment rate for purposes of calculating the payments made in accordance with this subpart shall be determined as follows for exporters for cotton shipped on or after July 18, 1996, and for domestic users:

(1) Beginning the Friday following August 1 and ending the week in which the Northern Europe current (NEC) price, the Northern Europe forward (NEF) price, the U.S. Northern Europe current (USNEC) price, and the U.S. Northern Europe forward (USNEF) price first become available, the payment rate shall be the difference between the USNE price, minus 1.25 cents per pound, and the NE price in the fourth week of a consecutive 4-week period in which the USNE price exceeded the NE price each week by more than 1.25 cents per pound, and the AWP did not exceed the current crop-year loan level for the base quality of upland cotton by more than 134 percent in any week of the 4-week period; and

(2) Beginning the Friday through Thursday week after the week in which the NEC, the NEF, the USNEC, and the USNEF prices first become available and ending the Thursday following July 31, the payment rate shall be the difference between the USNEC price, minus 1.25 cents per pound, and the NEC price in the fourth week of a consecutive 4-week period in which the USNEC price exceeded the NEC price each week by more than 1.25 cents per pound, and the AWP did not exceed the current crop-year loan level for the base quality of upland cotton by more than 134 percent in any week of the 4-week period. If either or both the USNEC price and the NEC price are not available, the payment rate may be the difference between the USNEF price, minus 1.25 cents per pound, and the NEF price.

(b) Whenever a 4-week period under paragraph (a) of this section contains a combination of NE prices only for one to three weeks and NEC prices and NEF prices only for one to three weeks, such as occurs in the spring when the NE price is succeeded by the NEC price and the NEF price ("Spring transition") and at the start of a new marketing year when the NEC price and the NEF price

are succeeded by the NE price ("marketing year transition"), under paragraphs (a)(1) and (a)(2) of this section, during both the spring transition and the marketing year transition periods, to the extent practicable, the NEC price and the USNEC price in combination with the NE price and the USNE price shall be taken into consideration during such 4-week periods to determine whether a payment is to be issued. During both the spring transition and the marketing year transition periods, if either or both the USNEC price and the NEC price are not available, the USNEF price and the NEF price in combination with the USNE price and the NE price shall be taken into consideration during such 4-week periods to determine whether a payment is to be issued.

(c) For purposes of this subpart—

(1) With respect to the determination of the USNE price, the USNEC price, the USNEF price, the NE price, the NEC price, and the NEF price:

(i) If daily quotations are not available for one or more days of the 5-day period, the available quotations during the period will be used;

(ii) CCC will not take into consideration a week in which no daily quotes are available for the entire 5-day period for either or both the USNE price and the NE price during the period when only one daily price quotation is available for each growth quoted for M 1<sup>3</sup>/<sub>32</sub> inch cotton, delivered C.I.F. northern Europe, or the USNEC price and the NEC price, or the USNEF price and the NEF price. In that case, CCC may establish a payment rate at a level it determines to be appropriate, taking into consideration the payment rate determined in accordance with paragraph (a) of this section for the most recent available week; and

(iii) Beginning July 18, 1996, if no daily quotes are available for the entire 5-day period for either or both the USNEC and the NEC price, the marketing year transition shall be implemented immediately.

(2) With respect to the determination of the USNE price, the USNEC price, and the USNEF price, if a quotation for either the U.S. Memphis territory or the California/Arizona territory as quoted for M 1<sup>3</sup>/<sub>32</sub> inch cotton, delivered C.I.F. northern Europe, is not available for each day or any day of the 5-day period, the available quotation(s) will be used.

(d) Payment rates for loose, reginned notes and semi-processed notes that are of a quality suitable, without further processing, for spinning, papermaking or bleaching shall be based on a percentage of the basic rate for baled

lint, as specified in the Upland Cotton Domestic User/Exporter Agreement.

26. Amend § 1427.108 by revising paragraph (c)(2), and removing paragraph (c)(3), to read as follows:

**§ 1427.108 Payment.**

\* \* \* \* \*

(c) \* \* \*

(2) Through July 31, 2003, exported by the exporter on the date CCC determines is the date on which the cotton is shipped.

\* \* \* \* \*

**§ 1427.109 [Removed]**

27. Remove § 1427.109.

**PART 1430—DAIRY PRODUCTS**

28. The authority citation for part 1430 continues to read as follows:

**Authority:** 7 U.S.C. 7251 and 7252; and 15 U.S.C. 714b and 714c.

29. Revise § 1430.2 (a)(1) to read as follows:

**§ 1430.2 Price support levels and purchase conditions.**

(a)(1) The levels of price support provided to farmers marketing milk containing 3.67 percent milkfat from dairy cows are: \$10.35 per hundredweight for calendar year 1996, \$10.20 per hundredweight for calendar year 1997, \$10.05 per hundredweight for calendar year 1998, and \$9.90 per hundredweight for calendar years 1999 and 2000.

\* \* \* \* \*

30. Revise § 1430.401 (a) to read as follows:

**§ 1430.401 Applicability.**

(a) The regulations in this subpart are applicable to eligible dairy products produced after December 31, 2000. These regulations set forth the terms and conditions under which CCC will make recourse loans to eligible processors. Additional terms and conditions shall be those set forth in the loan application and the note and security agreement that a processor must execute in order to receive such a loan.

\* \* \* \* \*

31. Revise § 1430.403 (a) to read as follows:

**§ 1430.403 Loan rates.**

(a) The Secretary will announce before January 1, 2001, and thereafter, before October 1 of each year, that a recourse loan program is available under this subpart, and loan rates for Cheddar cheese, butter, and nonfat dry milk based on a milk equivalent value

of \$9.90 per hundredweight of milk containing 3.67 percent butterfat.

\* \* \* \* \*

32. Revise § 1430.407 (a)(2) to read as follows:

**§ 1430.407 Availability, disbursement, and maturity of loans.**

(a) \* \* \*

(2) A request for an initial loan must be filed no later than September 30 of the fiscal year in which the product was produced, but no earlier than January 1, 2001.

\* \* \* \* \*

33. The authority citation for part 1430 subpart D is revised to read as follows:

**Authority:** Pub. L. 105-277, 112 Stat. 2681; Pub. L. 106-78, 113 Stat. 1135.

34. In § 1430.500 revise the phrase "under Pub. L. 105-277, 112 Stat. 2681" to read "under Pub. L. 105-277, 112 Stat. 2681 and Sections 805 and 825 of Pub. L. 106-78 only".

35. Amend § 1430.502 and § 1430.503 by revising the phrase "May 21, 1999" wherever it appears to read "February 28, 2000".

36. Add § 1430.510 to read as follows:

**§ 1430.510 New producers.**

Notwithstanding other provisions of this subpart, producers who were new producers in 1999 and not affiliated with other eligible producers may receive payments from sums made available after October 2, 1999, based on their 1999 production levels.

**PART 1434—RECOURSE LOAN REGULATIONS FOR HONEY**

37. The authority citation for part 1434 is revised to read as follows:

**Authority:** Sec. 1122, Pub. L. 105-277, 112 Stat. 2681; Sec. 3018, Pub. L. 106-31, 113 Stat. 57; Sec. 801(f), Pub. L. 106-78, 113 Stat. 1175.

38. Amend § 1434.1 by revising the first sentence to read as follows:

**§ 1434.1 Applicability .**

The regulations of this part provide the terms and conditions under which the Commodity Credit Corporation (CCC) may issue recourse loans for 1998-crop and 1999-crop honey that has remained continuously within the beneficial interest of the producer.

\* \* \*

39. Amend § 1434.6 by revising paragraphs (a) and (d) and adding paragraph (i) to read as follows:

**§ 1434.6 Application, availability, disbursement, and maturity.**

(a) The deadline for requesting a loan under this part is May 7, 1999, for 1998-crop honey loans and March 31, 2000, for 1999 crop-honey loans.

\* \* \* \* \*

(d) Subject to paragraph (a) of this section, loans for the 1998 and 1999 crop of honey will be available to producers as soon as announced by CCC.

\* \* \* \* \*

(i) Subject to adjustments for quality and location as deemed appropriate by the Deputy Administrator, the average loan rate for loans made under this part shall be 85 percent of the average price of honey during the 5-crop years period preceding the crop year for which the loan is made, excluding the crop year in which the average price of honey was the highest and the crop year in which the average price of honey was the lowest in the period.

40. Revise § 1434.9(a) to read as follows:

**§ 1434.9 Fees and interest.**

(a) A producer shall pay a nonrefundable loan service fee to CCC at a rate determined by CCC. The amount of such fees will be available in State and county offices and will be shown on the note and security agreement.

\* \* \* \* \*

**PART 1435—SUGAR PROGRAM**

41. The authority citation for part 1435 continues to read as follows:

**Authority:** 7 U.S.C. 7272; and 15 U.S.C. 714b and 714c.

42. In § 1435.200, revise the introductory text of paragraph (b) to read as follows:

**§ 1435.200 General statement.**

(a) \* \* \*

(b) Except as provided in § 1435.205, the marketing assessment applies to:

\* \* \* \* \*

43. Revise § 1435.202(d)(1) introductory text to read as follows:

**§ 1435.202 Remittance.**

\* \* \* \* \*

(d)(1) Except as provided in § 1435.205, first processors shall prepare and submit a fully and accurately completed form CCC-80 each month that shows:

\* \* \* \* \*

44. Add § 1435.205 to read as follows:

**§ 1435.205 Special rules for fiscal years 2000 and 2001.**

(a) First processors are not required to pay the marketing assessments provided for in this subpart that would otherwise be due under this part during the period from October 22, 1999 through September 30, 2001;

(b) First processors are not required to prepare and submit form CCC-80 pursuant to § 1435.202(d)(1) during the period from October 22, 1999 through September 30, 2001; and

(c) Sugar in inventory at the end of fiscal year 2001 that is marketed thereafter will be subject to an assessment at the rate that is current at the time of marketing unless that sugar was the subject of a previously paid assessment.

**PART 1439—EMERGENCY LIVESTOCK ASSISTANCE**

45. The authority citation for 7 CFR part 1439 is revised to read as follows:

**Authority:** 15 U.S.C. 714b, 714c; Sec. 805, 825, Pub. L. 106-78, 113 Stat. 1135.

46. Revise the heading for the Subpart entitled "Subpart—1998 Livestock Assistance Program" to read "Subpart—1998-99 Livestock Assistance Program."

47. Revise § 1439.101 to read as follows:

**§ 1439.101 Applicability.**

(a) This subpart sets forth the terms and conditions applicable to the 1998 Livestock Assistance Program authorized by Public Law 105-277 and the 1999 Livestock Assistance Program authorized by the Public Law 106-78. Benefits will be provided to eligible livestock producers in the United States but only in counties where a natural disaster occurred, and that were subsequently approved by the Deputy Administrator for Farm Programs. For purposes of reference, the program authorized by Public Law 105-277 shall be referred to in this subpart as the "1998 LAP" and that administered under Public Law 106-78 shall be referred to in this subpart as the "1999 LAP".

(b) The two LAP programs provided for in this part will be treated as separate programs for purposes of payment limitations and for other purposes relating to eligibility.

(c) A county must have suffered a 40 percent or greater grazing loss for 3 consecutive months during the 1998 calendar year for 1998 LAP or for 3 consecutive months during the 1999 calendar year for the 1999 LAP, as a result of damage due to a natural disaster as determined by the Deputy