

News Release

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FLUE-CURED TOBACCO BALING PROJECT

WASHINGTON, July 20, 1998--The Farm Service Agency (FSA) today enumerated actions taken to ensure the integrity of the flue-cured tobacco baling project for the 1998 marketing season. Criteria for baling flue-cured tobacco were recommended to Secretary Glickman by the Flue-Cured Advisory Committee.

All flue-cured producers are reminded that tobacco produced on one farm cannot be commingled with tobacco from other farms. This rule applies whether the baling occurs on the farm or at off-farm locations, including auction warehouses. The term "farm" applies to the land so classified under one of the unique numbers assigned by FSA for program administration.

Auction warehouse operators and other persons who prepare flue-cured tobacco for market, including baling, are required to maintain records which will enable them to furnish the State FSA office the name of the farm operator and the approximate amount of scrap tobacco obtained from the grading of tobacco from each farm. These tobacco program regulations are set forth at 7 CFR part 723.

The Flue-Cured Advisory Committee recommended that the target weight of the bale be 750 pounds with a tolerance of plus or minus 100 pounds and that bales weighing over 850 pounds have a zero loan value. Auction warehouse contracts between the Flue-Cured Tobacco Cooperative Stabilization Corporation, the producer-cooperative making price support loans available to producers, and flue-cured auction warehouses have been amended to implement the 850 pound weight limitation for price support purposes.

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