

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Sugar Loans
10-SU (Revision 4)**

Amendment 11

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Exhibit 2 has been amended to provide the average quality for 2010 crop sugarcane.

Exhibit 9 has been amended to:

- remove all rates for crop year 2008
- add the 2010 national average sugar loan rates
- add the 2010 regional rates for beet, cane, in-processed beet, and in-processed cane sugar loans.

Exhibit 10 has been amended to:

- remove 2008 sugarcane minimum price support levels
- add 2010 sugarcane minimum price support levels.

Exhibit 18 has been amended to include the bulk raw cane sugar polarity premium and discount schedule for crop year 2010 sugar loans applicable at settlement or forfeiture.

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Definitions of Terms Used in This Handbook

*--Average Quality for 2010 Crop Sugarcane

For 2010 crop sugarcane, average quality sugarcane means, for:

- **Florida**, sugarcane containing **14.80** percent sucrose in normal juice
- **Hawaii**, sugarcane that yields **261.18** pounds of raw sugar per net ton.
- **Louisiana**, sugarcane that yields **219.96** pounds of raw sugar per gross ton
- **Texas**, sugarcane that yields **193.64** pounds of raw sugar per gross ton.--*

Crop Year

Crop year means the period October 1 through September 30 of the applicable crop year.

Note: Sugar that is processed from desugaring molasses shall be considered as having been processed in the crop year during which the desugaring took place.

Eligible Producer

Eligible producer is the owner of a portion or all of the sugar beets, sugarcane, or in-process sugar including share rent landowners, at both the time of harvest and the time of delivery to the processor. Producers determined to be ineligible because of any of the following regulations are **ineligible** producers:

- HELC and WC provisions in 7 CFR Part 12
- controlled substance violations according to 7 CFR Part 718.

Initial Loans

Initial loans are loans disbursed from October 1 through September 30 of the applicable crop year.

In-Process Loans

In-process loans are nonrecourse loans made available to processors of a crop of domestically grown sugarcane or sugar beets for in-process sugars derived from the crop. The loan rate shall be equal to 80 percent of the loan rate applicable to raw cane sugar or refined beet sugar. In-process loans mature on the last day of the 9th month after the month the loan was disbursed.

In-Process Sugar

In-process sugar means the intermediate sugar containing products as CCC determines produced in the processing of domestic sugar beets and sugarcane. It does not include raw sugar, liquid sugar, inverted sugar, inverted syrup, or other finished products that are otherwise eligible for a loan.

Definitions of Terms Used in This Handbook (Continued)

Nonrecourse Loan

Nonrecourse loan is a loan for which the eligible sugar offered as loan collateral may be delivered or forfeited to CCC, at loan maturity, in satisfaction of the loan indebtedness.

Normal Juice

Normal juice is the undiluted juice extractable from sugarcane by a mill tandem, if no maceration water is added during the milling process.

Processor

Processor is a person or legal entity that commercially processes sugar beets into refined sugar or processes sugarcane into raw sugar, cane syrup, or edible molasses.

Raw Value

The raw value of any quantity of sugars means its equivalent in terms of ordinary commercial raw sugar testing 96 degrees by the polariscope.

The principal grades and types of sugar and liquid sugar are translated into raw value in the following manner for:

- **direct-consumption sugar**, derived from **sugar beets** and testing 92 or more sugar degrees by the polariscope, by multiplying the number of pounds times 1.07
- **sugar**, derived from **sugarcane** and testing more than 92 sugar degrees by the polariscope, by multiplying the number of pounds times the figure obtained by adding to 0.93 the result of multiplying 0.0175 times the number of degrees and fractions of a degree of polarization above 92 degrees
- **sugar** and **liquid sugar**, testing less than 92 sugar degrees by the polariscope, by dividing the number of pounds of the “total sugar content” by 0.972.

Repledged Loans

Repledged loans are initial loans that:

- were repaid at principal plus interest before the loan maturity date
- are repledged before the final loan availability date by the same eligible processor
- mature on the same date as that of the original note and security agreement.

Supplemental Loan

Supplemental loan is a loan disbursed between October 1 and October 31, which was originally made in July, August, or September, and is repledged during the current loan year, not to exceed 9 months minus the number of whole months that the initial loan was in effect.

Crop Loan Rates

A National Average Sugar Loan Rates

*--This table provides the national (weighted average) loan rates for the **2010** crops of domestically grown sugar beets and sugarcane.

Commodity	Loan Rate (Cents Per Pound)
Beet Sugar, Refined	23.77
Cane Sugar, Raw Value	18.50

B Regional Beet Sugar Loan Rates

The regional loan rates have been adjusted to reflect the processing location of sugar offered as collateral for price support loans. This table provides the regional **2009** crop (FY 2010) loan--* rates for refined beet sugar.

Area/Region Code	States	Loan Rate (Cents Per Pound)
1	Michigan Ohio	24.94
2	Minnesota eastern half of North Dakota	23.41
3	northeastern quarter of Colorado Nebraska southeastern quarter of Wyoming	*--22.58
4	Montana northwestern quarter of Wyoming western half of North Dakota	23.40
5	Idaho Oregon Washington	22.60
6	California	24.74--*

Crop Loan Rates (Continued)

B Regional Beet Sugar Loan Rates (Continued)

The regional loan rates have been adjusted to reflect the processing location of sugar offered as *-collateral for price support loans. This table provides the regional **2010** crop (FY 2011) loan rates for refined beet sugar.

Area/Region Code	States	Loan Rate (Cents Per Pound)
1	Michigan Ohio	25.32
2	Minnesota eastern half of North Dakota	23.64
3	northeastern quarter of Colorado Nebraska southeastern quarter of Wyoming	23.96
4	Montana northwestern quarter of Wyoming western half of North Dakota	23.80
5	Idaho Oregon Washington	22.55
6	California	24.75

C Regional Cane Sugar Loan Rates

This table provides **2009** crop (FY 2010) regional loan rates for cane sugar, raw value.

Area/Region Code	Area	Loan Rate (Cents Per Pound), Raw Value
1	Florida	17.92
2	Hawaii	15.88
3	Louisiana	18.96
4	Texas	17.81
6	Sugar processed in Hawaii, but placed under loan on the United States mainland	18.25--*

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Crop Loan Rates (Continued)

C Regional Cane Sugar Loan Rates (Continued)

*--This table provides **2010** crop (FY 2011) regional loan rates for cane sugar, raw value.

Area/Region Code	Area	Loan Rate (Cents Per Pound), Raw Value
1	Florida	18.21
2	Hawaii	16.52
3	Louisiana	19.10
4	Texas	18.02
6	Sugar processed in Hawaii, but placed under loan on the United States mainland	18.50

D Regional In-Process Beet Sugar Loan Rates

This table provides the regional **2009** crop (FY 2010) loan rates for in-process beet sugar, which is 80 percent of the applicable loan rate.

Area/Region Code	States	Loan Rate (Cents Per Pound)
1	Michigan Ohio	19.95
2	Minnesota eastern half of North Dakota	18.73
3	northeastern quarter of Colorado Nebraska southeastern quarter of Wyoming	18.06
4	Montana northwestern quarter of Wyoming western half of North Dakota	18.72
5	Idaho Oregon Washington	18.08
6	California	19.79--*

Crop Loan Rates (Continued)

D Regional In-Process Beet Sugar Loan Rates (Continued)

*--This table provides the regional **2010** crop (FY 2011) loan rates for in-process beet sugar, which is 80 percent of the applicable loan rate.

Area/Region Code	States	Loan Rate (Cents Per Pound)
1	Michigan Ohio	20.26
2	Minnesota eastern half of North Dakota	18.91
3	northeastern quarter of Colorado Nebraska southeastern quarter of Wyoming	19.17
4	Montana northwestern quarter of Wyoming western half of North Dakota	19.04
5	Idaho Oregon Washington	18.04
6	California	19.80

E Regional In-Process Cane Sugar Loan Rates

This table provides the regional **2009** crop (FY 2010) loan rates for in-process cane sugar, raw value, which is 80 percent of the applicable loan rate.

Area/Region Code	States	Loan Rate (Cents Per Pound), Raw Value
1	Florida	14.34
2	Hawaii	12.70
3	Louisiana	15.17
4	Texas	14.25
6	Sugar processed in Hawaii, but placed under loan on the United States mainland	14.60

This table provides the regional **2010** crop (FY 2011) loan rates for in-process cane sugar, raw value, which is 80 percent of the applicable loan rate.

Area/Region Code	States	Loan Rate (Cents Per Pound), Raw Value
1	Florida	14.57
2	Hawaii	13.22
3	Louisiana	15.28
4	Texas	14.42
6	Sugar processed in Hawaii, but placed under loan on the United States mainland	14.80--*

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Minimum Price Support Payment Levels for Sugar Beets and Sugarcane

A Sugarcane Minimum Price Support Levels

*--This table provides the **2009** crop (FY 2010) regional minimum price support levels per net or gross ton for average quality sugarcane.

Area	Level
Florida	\$29.03 per net ton
Hawaii	\$24.65 per net ton
Louisiana	\$27.81 per gross ton
Texas	\$24.54 per gross ton

This table provides the **2010** crop (FY 2011) regional minimum price support levels per net or gross ton for average quality sugarcane.

Area	Level
Florida	\$27.37 per net ton
Hawaii	\$24.16 per net ton
Louisiana	\$26.74 per gross ton
Texas	\$23.30 per gross ton--*

Note: Adjust the prices in this exhibit for sugarcane of greater or lesser than average quality under the method agreed upon by the producer and the processor according to the terms and conditions of the producer-processor marketing contract.

B Sugar Beet Minimum Payment

Sugar beet grower minimum payments must not exceed the amount specified in the grower processor contract.

Bulk Raw Cane Sugar Polarity Premium and Discount Schedule

This table provides schedule for premiums and discounts adjusted for polarity degree that shall be
*--applied to 2010 Raw Cane sugar loans at settlement or forfeiture.

Premiums		Discounts	
Polarity Degree	Adjustment Cents/Lb.	Polarity Degree	Adjustment Cents/Lb.
99.0	0.0000	96.0	0.0000
98.9	0.7086	95.9	-0.1018
98.8	0.6864	95.8	-0.2035
98.7	0.6642	95.7	-0.3053
98.6	0.6420	95.6	-0.4070
98.5	0.6198	95.5	-0.5088
98.4	0.5976	95.4	-0.6105
98.3	0.5754	95.3	-0.7123
98.2	0.5532	95.2	-0.8140
98.1	0.5310	95.1	-0.9158
98.0	0.5088	95.0	-1.0175
97.9	0.4671	94.9	-1.0684
97.8	0.4255	94.8	-1.1193
97.7	0.3839	94.7	-1.1701
97.6	0.3423	94.6	-1.1859
97.5	0.3006	94.5	-1.2719
97.4	0.2590	94.4	-1.3228
97.3	0.2174	94.3	-1.3736
97.2	0.1758	94.2	-1.4245
97.1	0.1341	94.1	-1.4754
97.0	0.0925	94.0	-1.5263
96.9	0.0833		
96.8	0.0740		
96.7	0.0648		
96.6	0.0555		
96.5	0.0463		
96.4	0.0370		
96.3	0.0278		
96.2	0.0185		
96.1	0.0093		

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