

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency  
Washington, DC 20250

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**Loans and Loan Deficiency  
Payments for Honey  
2-LP Honey (Revision 11)**

**Amendment 14**

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



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**Amendment Transmittal**

**A Reasons for Amendment**

All references to the “2012” crop year, where applicable, have been updated to “2013” because the American Taxpayer Relief Act of 2012 provided for continuing the MAL and LDP program for the 2013 crop year.

Subparagraph 1 B has been amended to reference the American Taxpayer Relief Act of 2012, as a source of authority for honey MAL’s and LDP’s.

Subparagraph 3 A has been amended to update a form reference.

Subparagraph 111 A has been amended to clarify eligible container requirements for storing honey under MAL.

Subparagraph 200 B has been amended to clarify that all LDP’s will be processed through the eLDP web-based software.

Subparagraphs 201 B and 427 A have been amended to correct paragraph references in 8-LP.

Subparagraphs 602 B, 610 A, 611 A, and 848 A, and paragraph 903 have been amended to either delete reference to CCC-184, or replace with Treasury check, because CCC-184’s are no longer issued by CCC.

Subparagraph 650 D has been amended to edit the instructions for obtaining the honey repayment rates that are announced on the last day of each month for the following month.

Subparagraphs 800 C and 848 A have been amended to update the name of the lab responsible for adulteration testing.

**Amendment Transmittal (Continued)**

**A Reasons for Amendment (Continued)**

Exhibit 16 has been amended to:

- remove the 2011 crop year premiums and discounts, as applicable
- add 2013 crop year premiums and discounts.

Exhibit 45 has been amended to correct the names, addresses, and phone numbers of AMS grading laboratories.

**B Effective Date**

These premiums and discounts are effective **April 1, 2013**.

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
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**Part 1 Basic Program Provisions**

**Section 1 Handbook Provisions**

**1 Handbook Purpose and Authority**

**A Purpose**

[7 CFR Part 1434] This handbook provides general instructions for administering loans and LDP's for honey.

Use this handbook with 8-LP, as applicable.

**B Sources of Authority**

Authority for the policies prescribed in this handbook is in:

- \*--American Taxpayer Relief Act of 2012--\*
- Food, Conservation, and Energy Act of 2008
- 7 CFR Part 1434.

2 Administrative Responsibilities

A Responsibilities

The responsibilities of the administrative levels for loan and LDP programs are provided in the following table.

IF the administrative level is...	THEN...
National Office	<ul style="list-style-type: none"> <li>• the CCC Board and Executive Vice President shall determine policy and program provisions</li> <li>• the Executive Vice President, CCC, or designee, shall:                             <ul style="list-style-type: none"> <li>• make a determination on any question arising under this program</li> <li>• revise or rescind an incorrect determination made by COC, STC, KCCO, KCAO, or KCFO</li> </ul> </li> <li>• PSD shall administer loan and LDP programs under the general supervision and direction of DAFP.</li> </ul>
State Office	<p>STC shall:</p> <ul style="list-style-type: none"> <li>• determine State-wide policy according to this handbook, *--8-LP, and guidance received from the National Office--*</li> <li>• administer all phases of the program in the State through SED.</li> </ul> <p><b>Note:</b> STC may:</p> <ul style="list-style-type: none"> <li>• correct, or require COC to correct, any action taken that contradicts this handbook and other current policy</li> <li>• require COC to withhold taking any action that is not consistent with this handbook and other current policy.</li> </ul>

2 Administrative Responsibilities (Continued)

A Responsibilities (Continued)

IF the administrative level is...	THEN...
KC-ITSTO	KC-ITSTO shall: <ul style="list-style-type: none"> <li>• certify and distribute reports of loan and LDP activities</li> <li>• maintain all required interfaces with accounting to reflect loan and LDP activity</li> <li>• provide automation support to implement loan and LDP program policies when requested by PSD.</li> </ul>

B Nondiscrimination Responsibilities

STC or COC shall **not**, on the basis of race, color, age, sex, national origin, disability, religion, or marital status, bar any producer from participation in, or otherwise subject any producer to discrimination with respect to any benefits resulting from its approval to participate in a loan or LDP program.

C Outreach Responsibilities

STC and COC shall ensure that price support marketing assistance loan and LDP program information and awareness is communicated to underrepresented individuals, groups, and communities. Underrepresented individuals, groups, and communities may include, but are not limited to minority farmers and cooperatives.

### 3 Signatures, Authorizations, and Approvals

#### A Signatures

County Offices shall follow 1-CM for producers' signature and authorization provisions.

See 1-CM, Exhibit 80 for a list of forms for which FAX signatures are **not** acceptable.

Persons may sign loan or LDP documents, repay a loan, or act in a representative or fiduciary capacity **only** when evidence of authority is granted by completing 1 of the following and filing the document in the County Office:

- FSA-211
- \*--CCC-902E signed by an officer.--\*

**Exception:** A husband and wife may sign loan or LDP documents for each other, **unless** written documentation denying this authority is provided to the County Office.

**\*--102 Market Loan Gain, LDP Payment, and AGI Limitation for 2009 Through 2013 Crop Years**

**A Payment Limitation for 2009 Through 2013 Crops**

For the 2009 through 2013 crop years, CCC will not limit market loan gains and LDP's.

**B AGI Limitation Rule for 2009 Through 2013 Crop**

A person or legal entity shall not be eligible to receive Market Loan Gains or LDP benefits during the 2009 through 2013 crop program if the average nonfarm AGI exceeds--\* \$500,000.

**Exception:** The person or entity is eligible for MAL, but the loan must be repaid at principal plus interest.

**103 (Withdrawn--Amend. 11)**

**104-109 (Reserved)**



**Section 2 Commodity Eligibility**

**110 Honey Eligibility**

**A Eligible Honey**

\*--To be eligible for a 2008 through 2013 crop year honey loan, the honey must:--\*

- have been produced by an eligible producer
- have been produced in the United States during the applicable calendar year
- be of merchantable quality deemed by CCC to be suitable for loan
- be stored in acceptable containers.

## 110 Honey Eligibility (Continued)

**B Eligible Floral Source**

The following table lists honey floral sources that are eligible for a nonrecourse marketing assistance loan and LDP.

<b>Table Class</b>	<b>Nontable Class</b>
Alfalfa	Aster
Apple	Athel
Basswood	Avocado
Bird's-foot Trefoil	Brazilian Pepper
Blackberry	Buckwheat
Blueberry	Cabbage Palmetto
Brazil Brush	Christmas Berry
Catsclaw	Cranberry
Chinese Tallow	Dandelion
Clover	Eucalyptus
Cotton	Goldenrod
Fireweed	Heartsease (Smartweed)
Gallberry	Horsemint
Huajillo	Kiawe
Knapweed (American)	Loosestrife
Lima Bean	Macadamia
Mesquite	Mangrove
Orange	Manzanita
Raspberry	Mint
Sage	Partridge Pea
Saw Palmeto	Rattan Vine
Snowberry	Safflower
Sourwood	Salt Cedar (Tamarix Gallica)
Soybean	Spanish Needle
Star Thistle (Barnaby's Thistle)	Spikeweed
Sunflower	Titi
Sweet Clover	Toyon
Tupelo	Tulip Poplar
Vetch	Wild Cherry
Western Wild Buckwheat	Yaupon
Wild Alfalfa	

**110 Honey Eligibility (Continued)****C Ineligible Floral Source**

Honey derived from the following floral sources is **not** eligible for a marketing assistance loan or LDP:

- andromeda
- bitterweed
- broomweed
- cajeput (melaleuca)
- carrot
- chinquapin
- desert hollyhock
- dog fennel
- gumweed
- mescal
- onion
- prickly pear
- prune
- queens delight
- rabbit brush
- snowbrush (ceanothus)
- snow-on-the-mountain
- spurge (leafy spurge)
- tarweed.

111 Container Eligibility

A Container Requirements

\*--To be eligible for a loan, the honey must be packed in 5-gallon metal or plastic containers, plastic IBC's, or steel drums that meet the following conditions:--\*

- clean
- sound
- uncased
- free from appreciable dents or rust.

\*--See subparagraph B for waiving eligible container requirements for LDP's.--\*

The following table provides additional requirements for specific types of containers.

Container	Requirement	Eligibility
5 gallon plastic or 5 gallon metal container	Shall: * * * <ul style="list-style-type: none"> <li>• be equipped with a cover providing a tight seal</li> <li>• have handles strong enough to permit carrying a filled container</li> <li>• <b>not</b> be punctured or have been punctured and resealed by soldering</li> <li>• 5-gallon container must hold 60 pounds of honey.</li> </ul> * * * Five gallon plastic containers must be lined with a new plastic pail liner or plastic bag that is FDA-approved low-density polyethylene.	Meets eligibility requirements if <b>all</b> conditions are met.
Plastic IBC	Shall hold 275-300 gallons of honey.	

111 Container Eligibility (Continued)

A Container Requirements (Continued)

Container	Requirement	Eligibility
Steel drums	<p>Shall:</p> <ul style="list-style-type: none"> <li>•*--be a capacity of not less than 5 gallons or greater than 70-gallons--*</li> <li>• be open-end, fitted with gaskets that provide a tight seal</li> <li>• be filled no closer than 2 inches from the top of the drum</li> <li>• be new</li> </ul> <p><b>Exception:</b> If used, containers must be:</p> <ul style="list-style-type: none"> <li>• reconditioned inside and out</li> <li>• in suitable condition to adequately protect the storability and quality of the honey</li> <li>• free of appreciable dents and rust.</li> </ul> <ul style="list-style-type: none"> <li>• be clean and treated inside and outside to prevent rusting</li> <li>• have an inside food coating suitable for honey storage.</li> </ul> <p>*--Notes: 30-gallon containers must hold 360 pounds of honey (steel drums).  55-gallon containers must hold 660 pounds of honey (steel drums).--*</p>	Meets eligibility requirements if <b>all</b> conditions are met.
Severely dented drums	<p>Have any of the following characteristics:</p> <ul style="list-style-type: none"> <li>• sharp dents that that would crease the inside lining</li> <li>• dents affecting the upper or lower rims</li> <li>• dents that may leak</li> <li>• dents that would affect stacking capability.</li> </ul>	Containers having these characteristics are not eligible containers.
55-gallon steel drums	*--Have a tare weight of less than 38 pounds.--*	
30-gallon steel drums	Have a tare weight of less than 26 pounds.	

111 Container Eligibility (Continued)

A Container Requirements (Continued)

\*--

Container	Requirement	Eligibility
Other containers	<ul style="list-style-type: none"> <li>• bulk tanks</li> <li>• rusted drums with corroded areas that may affect the storage capability of the drum</li> <li>• used 5-gallon cans</li> <li>• closed-end, bung-type drums</li> <li>• drums containing removable liners</li> </ul>	Containers having these characteristics are not eligible.

--\*

B Waiver of Requirements

If the producer agrees to forgo a marketing assistance loan and request LDP, eligible container requirements are considered waived.

## Part 3 Loanmaking Provisions

### 120 Basic Loan Provisions

#### A Basic Loanmaking Provisions

A marketing assistance loan is available for honey stored on the farm and will be:

- considered farm-stored loans
- made on CCC-677.

For honey stored on the farm, use CCC-633 (Honey) for producers to:

- request honey loans
- certify the following:
  - quantity
  - single predominant floral source
  - color.

Complete CCC-633 (Honey) according to paragraph 125.

Use the applicable crop year loan rate in Exhibit 16 to calculate the loan amount.

**Note:** Additional containers of honey shall not be added to lots of honey pledged as collateral at any time after the loan is disbursed.

Distribute the following to the contact producer:

- CCC-601
- \*--copy of the approved CCC-677
- copy of the transaction summary report.

#### B 2008 Through 2013 Crop Honey Loan Rate

The national average loan rate for the 2010 through 2013 crop year honey is 69 cents per pound. For 2008 through 2009 crop year honey the rate was 60 cents per pound.

County Offices shall use 69 cents per pound to calculate initial disbursements and transfers for the 2010 through 2013 crop year honey.--\*

120 Basic Loan Provisions (Continued)

**C Initial Loan Requests**

Eligible producers may obtain a honey loan up to 100 percent of certified quantity stored in eligible containers and stored in approved farm storage.

**D Loan Number Register**

APSS will assign a loan number sequentially with LDP numbers for each crop year.

**Note:** If a manual loan is prepared for entry into APSS at a later date, assign a 90000 series number sequentially with the 90000 series LDP numbers obtained from CCC-676 for the applicable crop year.

**E Joint Loans and LDP's**

Loans and LDP's must be disbursed jointly if the honey is jointly owned or stored in the same eligible container.

**F Maturity Date**

The loan will mature 9 months after the month in which CCC-677 is approved by CCC.

\*--The following table shows applicable maturity months. Loans **cannot** be extended.

Month Disbursed/Approved	Maturity Month (Last Day)
June	March
July	April
August	May
September	June
October	July
November	August
December	September
January	October
February	November
March	December
April	January
May	February

--\*

**Part 4 Loan Deficiency Payments****200 Basic LDP Provisions****A Definition of LDP's**

LDP's are payments made to producers who, although eligible to obtain a CCC loan, agree to forgo the loan in return for a payment on eligible honey.

**B General Provisions**

LDP's:

- will be processed through \* \* \* eLDP web-based software
  - will be made in cash subject to assignment according to 63-FI
  - will be issued by EFT or check, as applicable
  - are subject to administrative offset according to 58-FI
- \* \* \*
- must be approved when all eligibility requirements are met
  - cannot be canceled or repledged once a request has been made or disapproved
  - cannot be repaid to secure a subsequent loan or LDP on the same quantity
  - are not subject to State commodity assessments
  - are subject to spot check according to Part 5
  - will be paid when approved.

Lien searches and lien waivers are not required.

**200 Basic LDP Provisions (Continued)**

**C Producer Eligibility Requirements**

Producers applying for LDP must:

- meet eligibility requirements in Part 2, as applicable
- agree to forgo obtaining a loan for the quantity on which LDP is requested.

**D No Storage Requirements**

\*--Approved storage requirements are waived for LDP's; however, all other MAL eligibility requirements **must** be met including beneficial interest, to receive LDP's instead of MAL's.--\*

**E CCC-676**

APSS will assign an LDP number sequentially with loan numbers for each crop year.

**F Filing LDP's**

LDP's shall be maintained in 1 of the following:

- separate LDP file for each request received
- 1 LDP file for each producer
- 1 LDP file for each producer by commodity.

**201 Requests for LDP's (Continued)**

**A Request (Continued)**

LDP requests must be:

- approved when all eligibility requirements are met
- date-stamped when CCC-633 EZ, pages 1 and 2 are received in the County Office to indicate the request date.

Issue payments when the completed CCC-633 EZ is approved.

**B Prompt Payment**

\*--See 8-LP, paragraph 35 for the prompt payment due date.--\*

**202 FAXed LDP Applications**

**A Acceptable FAXed LDP Applications**

Properly signed and dated FAXed LDP application requests are considered completely filed when \* \* \* CCC-633 EZ is:

- correctly completed by the producer, including all producer signatures
- received in the County Office, as applicable.

\* \* \*

**B Unacceptable FAXed LDP Applications**

FAXed LDP requests submitted on any form other than \* \* \* CCC-633 EZ are not acceptable.

**427 Failure to Provide Acceptable Production Evidence**

**A Loan Provisions**

County Offices shall follow the procedures in 8-LP, Part 3, Section 3 for market loan repayments when the producer receives a market gain and when:

- **no** acceptable production evidence is received in the County Office within 30 calendar \*--days from date notified according to 8-LP, subparagraph 337 B--\*
- the total loan quantity is determined ineligible.

**428-599 (Reserved)**



**Part 6 Repayments**

**Section 1 Types of Repayments**

**600 Principal Plus Interest Repayments**

**A General Repayment Provisions**

\*--See 8-LP, Part 7, Section 1 for general repayment provisions.--\*

**B Applicability of Repayment at Principal Plus Interest**

Producers are required to repay loans at principal plus interest for the following reasons:

- after 15<sup>th</sup> calendar day after expiration of CCC-681-1 for the quantity delivered
- incorrect certification determination
- loan has been called
- quantity removed or disposed of without prior authorization
- for any quantity delivered on CCC-681-1 after maturity.

\* \* \*

**601 Marketing Loan Repayments**

**A Cash Marketing Loan Repayments**

Market loan repayments with cash are at the **lesser** of the following:

- principal plus interest
- CCC-determined value.

The CCC-determined value, in some cases, may be higher than the loan rate, but less than the loan principal plus interest.

**B Determining CCC-Determined Value**

The CCC-determined value for the day the repayment is received in the County Office that disbursed the loan shall be used in determining the repayment rate.

See paragraph 631 for locking-in repayment rates on CCC-697.

**C Payment Limitation**

\*--Payment limitation is **not** applicable during 2009 through 2013 crop years.--\*

602 Lump-Sum Repayments (Continued)

B Applying Lump-Sum Repayment Amounts (Continued)

Step	Action		
1	Determine the number of days applicable at each interest rate for the lot or container being repaid.		
2	Multiply the number of days at each interest rate times outstanding principal amount for the selected lot or container.		
3	Add outstanding principal and calculated interest amounts for the selected lot or container to determine the payoff amount for the selected lot or container.		
4	<b>IF the lump-sum amount received is...</b>	<b>AND any remaining amount will be...</b>	<b>THEN...</b>
	equal to or greater than the amount determined in step 3	refunded to the producer or buyer, as applicable	<ul style="list-style-type: none"> <li>• complete the repayment using the amount determined in step 3</li> <li>• prepare a refund * * * according to 1-FI.</li> </ul>
		applied to another lot or container	note the calculated lot or container repayment amount and go back to step 1 for the next selected bin.
		calculate a liquidation factor according to step 5.	

**602 Lump-Sum Repayments (Continued)****B Applying Lump-Sum Repayment Amounts (Continued)**

Step	Action
5	To determine a liquidation factor for the selected lot or container, divide the lump-sum amount received by the amount determined in step 3. Round this factor to 9 decimal places.
6	Multiply the liquidation factor determined in step 5 times the outstanding quantity for the selected lot or container. Round any partial unit up to the next whole unit.
7	Multiply the quantity determined in step 6 times the loan rate for the selected lot or container to determine the principal amount to be repaid.
8	Subtract the amount determined in step 7 from the lump-sum amount received. The difference is the interest amount for the lump-sum repayment.
9	Complete the repayment and prepare a manual CCC-500 using the total repayment amounts calculated for all lots or containers selected for the lump-sum repayment.

**603-609 (Reserved)**

## Section 2 Interest

**610 Applicable Interest Rates****A Interest Applicable to Loans**

The interest rate:

- applicable to CCC loans shall be:
  - equal to the interest rate plus 1 percent announced by CCC for the month in which the loan is disbursed
  - adjusted on January 1 to equal the interest rate announced for the month of January by CCC
- is assessed at the rate applicable to the loan, subject to January 1 adjustment, from the disbursement date to the **earlier** of the following:
  - second day before date of repayment for loans disbursed by EFT
  - \*--repayment date for loans disbursed by Treasury check--\*
  - settlement date.

See 50-FI for applicable interest rates.

610 Applicable Interest Rates (Continued)

**B Interest Applicable to Receivable, Overpayment, and Overdisbursement Amounts**

For receivable, overpayment, and overdisbursement amounts, follow this table to determine the following:

- applicable interest rate
- time period for interest assessment.

IF...	THEN interest is assessed...
a receivable was created	<ul style="list-style-type: none"> <li>• at the rate applicable to CCC loans disbursed in the month that the receivable was created</li> <li>• from the date the receivable was created to the <b>earlier</b> of the following:                             <ul style="list-style-type: none"> <li>• date of repayment</li> <li>• 31<sup>st</sup> calendar day after the date of demand letter.</li> </ul> </li> </ul>
an LDP overpayment occurred	<ul style="list-style-type: none"> <li>• at the rate applicable to CCC loans, excluding the additional 1 percent, for the month in which LDP was made</li> <li>• from the date LDP was made to the <b>earlier</b> of the following:                             <ul style="list-style-type: none"> <li>• date of refund</li> <li>• 31<sup>st</sup> calendar day after the date of demand letter.</li> </ul> </li> </ul>
an overdisbursement occurred	<ul style="list-style-type: none"> <li>• at the interest rate applicable to the loan</li> <li>• from the loan disbursement date to the <b>earlier</b> of the following:                             <ul style="list-style-type: none"> <li>• date of repayment</li> <li>• 31<sup>st</sup> calendar day after the date of demand letter.</li> </ul> </li> </ul>

**Note:** After an interest rate is established for a receivable, overpayment, or overdisbursement, the interest rate will:

- **not** change on January 1
- remain in effect until the amount due is repaid or a claim is established on the 31<sup>st</sup> calendar day.

**610 Applicable Interest Rates (Continued)**

**C Interest Applicable to Violations**

The interest rate for:

- loan violations is the interest rate applicable to the loan, according to subparagraph A
- LDP violations is the interest rate applicable to CCC loans, excluding the additional 1 percent, for the month in which LDP was made.

## 611 Manual Interest Calculations

### A Manually Calculating Interest

Interest is calculated by APSS for transactions processed through APSS. When APSS is inoperable, interest may be manually computed.

For regular loan repayments for loans:

- \*--disbursed by Treasury check, interest is computed on a daily basis from the date of--\* disbursement to, but not including, the date of repayment
- disbursed by EFT, interest is computed on a daily basis from the date of disbursement to, but not including, the second day before the date of repayment
- when different interest rates apply, interest is computed from:
  - date of disbursement to, but not including, the effective date interest changed
  - date of interest change to, but not including, date of repayment, or another rate change occurs.

**Note:** If the interest period includes February 29, include February 29 in the number of days computed, **but** divide the total number of days by **365** when computing the interest.

**Section 5 Calculating Alternative Repayment Rate (CCC-Determined Value)****650 General Information****A CCC-Determined Value**

The CCC-determined value (lesser of subparagraph C) is the amount used to determine:

- LDP rates
- market loan repayment rates.

**B LDP Rate**

The LDP rate is determined by the amount the applicable commodity loan rate exceeds the CCC-determined value where the honey is either stored or marketed. See Part 4 for LDP's.

**C Market Loan Repayment Rate**

Market loan repayment rates are at the lesser of the following:

- principal plus interest
- 30-calendar-day repayment rate.

Complete market loan repayments according to Section 1.

**D Repayment Rate Announcement**

The repayment rates announced for honey will be available on the last day of each month at 3 p.m. EST and can be found on the FSA Internet at

\*--<http://www.fsa.usda.gov/FSA/webapp?area=home&subject=ecpa&topic=dsa>. Scroll down to the middle of the Web page, and CLICK "Monthly CCC Honey 30-Day Repayment Rate"--\*

**651-659 (Reserved)**

**Section 6 (Withdrawn--Amend. 11)**

**660 (Withdrawn--Amend. 11)**

**661-699 (Reserved)**

**Part 7 (Reserved)**

**700-799 (Reserved)**



**Part 8 Basic Loan Settlements**

**Section 1 Basic Provisions**

**800 Final Settlement Procedures**

**A Basic Provisions**

Because there are no approved CCC warehouses for honey, all nonrecourse marketing assistance loans not repaid by the loan maturity date must be disposed through local sales.

The value of the settlement for eligible honey shall be made on the basis of the color for unprocessed honey. Discounts will be applied in final settlement.

\*--Calculate the settlement value from the information on CCC-691, FV-237, and the--\* applicable crop year loan rate and discounts in paragraph 861 and Exhibit 40.

Complete settlements according to Part 9, **after** receiving all of the following:

- CCC-691
- \*--FV-237 from AMS grading laboratory--\*
- moisture test results
- adulteration test results.

**800 Final Settlement Procedures (Continued)**

**B State Office Action**

For all honey loans that will be settled by local sale, State Offices shall:

- instruct County Offices to immediately follow Section 3 for drawing samples, producers fees, etc.
- remind County Offices that producers are responsible for all expenses associated with the local sale, including sampling, weighing, and advertising.

**C County Office Action**

For all honey loans that will be settled by local sale, County Offices shall:

- immediately sample all honey nonrecourse marketing assistance loans according to Part 8, Section 3
- contact the AMS laboratory according to Exhibit 45, to receive instruction on processing samples
- remind producers that they are responsible for all expenses involved with conducting a local sale
- complete, send, and attach CCC-169 to each sample drawn according to Exhibit 41 and mail to the designated AMS laboratory according to Exhibit 45
- send each sample for color and moisture to the designated AMS laboratory according to Exhibit 45
- send sample or samples for adulteration only to the following:

COASTAL SCIENCE LABORATORY \* \* \*  
6000 MOUNTAIN SHADOWS DR  
AUSTIN TX 78735-8012

- immediately notify the producer of the AMS laboratory results by sending a copy of FV-237
- inform the producer that he or she has 5 calendar days to appeal the results.

848 Adulteration Test

A Samples for Adulteration Test

The FSA representative supervising the delivery shall follow this table for preparing adulteration test samples.

Step	Action
1	<p>Draw at least 1 honey test sample from each lot. See paragraph 846 for the number of samples to draw for adulteration testing.</p> <p>Adulteration test samples shall be:</p> <ul style="list-style-type: none"> <li>• approximately 1/2 pint of honey</li> <li>• placed in glass or plastic containers, suitable for honey storage</li> <li>• drawn from any part of the container</li> <li>• requested for the protein test.</li> </ul>
2	<p>Mark test sample container with:</p> <ul style="list-style-type: none"> <li>• State and county codes</li> <li>• loan and lot number</li> <li>• a letter code, if more than 1 test sample is required per lot.</li> </ul> <p><b>Example:</b> 49 085 36 A.</p>
3	<p>Pack test samples for mailing.</p>
4	<p>Mail the test samples to the adulteration test laboratory:</p> <ul style="list-style-type: none"> <li>• as soon as possible</li> <li>• at the following address:</li> </ul> <p>*--COASTAL SCIENCE LABORATORY          6000 MOUNTAIN SHADOWS DR          AUSTIN TX 78735-8012.--*</p> <p>Additional information for Coastal Science Laboratory is at <a href="http://www.csl-sira.com">www.csl-sira.com</a>.</p>

848 Adulteration Test (Continued)

A Samples for Adulteration Test (Continued)

Step	Action
5	Adulteration test laboratory will return test results to the loanmaking County Office.
6	After receiving bill for collection from adulteration testing laboratory, loanmaking County Offices shall: <ul style="list-style-type: none"> <li>• confirm and pay bill for adulteration charges</li> <li>•*--request Treasury check, according to 1-FI, using program code "LAB".--*</li> </ul>
7	If the honey fails the adulteration, then immediately notify the producer that the settlement rate is "zero".

**902 Abandonment Cases**

**A Action When Collateral Abandoned**

If the commodity securing a farm-stored loan is abandoned, call the loan immediately and begin the local sale process.

**B Expenses Incurred**

The expenses incurred by the County Office in the settlement of the commodity shall be charged against the local sale.

**\*--903 Returning Unnegotiated Treasury Checks**

**A Returning Unnegotiated Loan Treasury Checks**

If unnegotiated Treasury checks for a loan disbursement are returned to the County Office, follow this table for proper action.

<b>IF all unnegotiated Treasury checks for a loan disbursement are...</b>	<b>THEN...</b>
returned to the County Office and no repayments have been made on the loan	cancel the loan as follows: <ul style="list-style-type: none"> <li>• use the correct a loan process, according to 12-PS, Part 11, to remove the loanmaking transaction</li> <li>• cancel Treasury checks during the loan cancellation--* process.</li> </ul> <p><b>Note:</b> LDP may be made on the quantity originally requested on the canceled loan, if eligibility requirements are met.</p>
<b>not</b> returned to the County Office	<ul style="list-style-type: none"> <li>• use the correct a loan process, according to 12-PS, Part 11, to remove the loanmaking transaction</li> <li>• a receivable will be created</li> <li>• notify producer of the receivable amount due CCC</li> <li>• do <b>not</b> release any collateral until receivable is repaid.</li> </ul>

**\*--903 Returning Unnegotiated Treasury Check (Continued)**

**B Returning Unnegotiated LDP Treasury Checks**

If unnegotiated Treasury checks for an LDP are returned to the County Office, follow this table for proper action.

<b>IF all unnegotiated Treasury checks issued for LDP are...--*</b>	<b>THEN...</b>
returned to the County Office	<p>use the correction process to cancel LDP.</p> <p><b>Notes:</b> The same LDP quantity may <b>not</b> be pledged as collateral for a loan.</p> <p>However, if the producer later requests another LDP for the same LDP quantity, an LDP would be made:</p> <ul style="list-style-type: none"> <li>• for the original LDP quantity</li> <li>• at the same LDP rate in effect for the date the original LDP was requested.</li> </ul>
<b>not</b> returned to the County Office	<ul style="list-style-type: none"> <li>• use the correction process to cancel LDP</li> <li>• a receivable will be created</li> <li>• notify the producer of the receivable amount due CCC.</li> </ul>

**904 Deceased Producers****A Notification to Heirs**

When the County Office learns that a producer is deceased and has outstanding loans, the County Office shall:

- send a certified letter, drafted on the advice of the regional attorney, to the fiduciary representative, heirs, or other persons in charge of settling the estate that notifies them:
  - of the existing outstanding CCC loan
  - that the loan is covered by a security agreement or secured by pledged warehouse receipts
- attach a copy of the letter to the loan papers on file in the County Office.

**B Application for Loan or LDP by Heirs**

CCC-686 shall be completed for a deceased producer when:

- heirs want to obtain or continue a loan or request LDP
- there will be no administrator
- probate of the estate is closed.

If CCC-686 has **not** been executed by the appropriate party for a deceased producer who has outstanding loans, the:

- County Office shall immediately notify the State Office
- State Office shall forward notification of deceased producers to the regional attorney for appropriate action.

## Reports, Forms, Abbreviations, and Delegations of Authority

### Reports

None

### Forms

This table lists the forms referenced in this handbook.

Number	Title	Display Reference	Reference
CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents		15, 123
CCC-169	Honey Sampling Worksheet		800
CCC-500	Loan Repayment Receipt		602, 970
CCC-601	Commodity Credit Corporation Note and Security Agreement Terms and Conditions		120
CCC-633 (Honey)	Honey Nonrecourse Market Assistance Loan Certification and Worksheet	125	Text
CCC-633 EZ	Loan Deficiency Payment Certification and Application	205	Text
CCC-638	Confirmation of Sale	822	820
CCC-639	Competitive Bid Pricing Worksheet	822	820

## Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

## Forms (Continued)

Number	Title	Display Reference	Reference
CCC-676	LDP and Loan Number Register		120, 200
CCC-677	Farm Storage Note and Security Agreement		18, 120, 966
CCC-677-1	Farm Storage Loan Worksheet		401
CCC-679	Lien Waiver		122
CCC-681-1	Authorization for Delivery of Loan Collateral for Sale		15, 425, 600, 620, 630
CCC-686	Application for Loan or Loan Deficiency Payment by Heirs (On a Commodity Produced by a Person Who Has Died)	904	
CCC-691	Commodity Delivery Notice	860	800, 820, 822, 823, 861, 901
CCC-692	Settlement Statement		987
CCC-697	Request to Lock in a Market Loan Repayment Rate		15, 601, 631
CCC-770 LDP/eLDP	Loan Deficiency Payment (LDP) and eLDP Program Review Checklist		15
CCC-770 MAL	Marketing Assistance Loan (MAL) Processing Checklist		15
CCC-902E	Farm Operating Plan for an Entity		3
FSA-211	Power of Attorney		3, 17
FSA-578	Report of Acreage		101
FV-237	Inspection/Reinspection/Appeal/Audit Request	Ex. 40	800, 860, 861
UCC-1	Financing Statement		15, 122

**\*--2012 and 2013 Support Rates for Honey Loans**

**A 2012 and 2013 Crop Loan Rate and Survey Price**

The national average loan rate for the 2012 and 2013 crop year honey is 69 cents per pound.--\*

County Offices shall use 69 cents per pound to calculate initial disbursements \* \* \* and transfers for the applicable crop year honey loans.

Monthly CCC honey survey prices for MAL's can be found on the FSA Internet at <http://www.fsa.usda.gov/FSA/webapp?area=home&subject=ecpa&topic=dsa>. Scroll down to find "Monthly CCC Honey 30-day Repayment Rate" located in the center of the web page.

**\*--B 2012 and 2013 Crop Settlement Values**

The following tables list the premiums and discounts that shall be applied to the national average loan rate to calculate settlements of delivered loan collateral to CCC for 2012 and 2013 crop honey.

<b>Class</b>	<b>Premiums/Discounts for 2012 Crop (cents/lbs)</b>
White	3.3
Extra Light Amber	0.5
Light Amber	-7.1
Amber and Nontable	-9.4

<b>Class</b>	<b>Premiums/Discounts for 2013 Crop (cents/lbs.)</b>
White	4.9
Extra Light Amber	0.8
Light Amber	-7.2
Amber and Nontable	-8.8

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**AMS Grading Laboratories**

**A Selecting Appropriate Laboratory**

Select the laboratory that serves the appropriate State. If there is doubt about the correct laboratory, contact 1 of the laboratories in the appropriate area before submitting samples.

Mail samples to the following:

Officer In Charge  
Processed Product Branch  
F&V Division  
USDA, AMS Inspection Office.

**B Eastern Region**

The following is a list of field locations for the eastern region.

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<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Winter Haven, Florida</b></p> <p>98 3RD ST SW WINTER HAVEN FL 33880-2905</p> <p>Phone: 863-294-7416 FAX: 863-294-4219 Hours: 8 to 4:30 e.t.</p>	<p>Lincoln Square Bldg 18441 NW 2ND AVE STE 103 MIAMI FL 33169-4517</p> <p>Phone: 305-999-3350 FAX: 305-652-1765 Hours: 8 to 4:30 e.t.</p>
<p><b>College Park, Georgia</b></p> <p>1651 PHOENIX BLVD STE 1 COLLEGE PARK GA 30349-5552</p> <p>Phone: 770-909-6780 FAX: 770-909-7540 Hours: 8 to 4:30 e.t.</p>	
<p><b>South Bend, Indiana</b></p> <p>4318 TECHNOLOGY DR SOUTH BEND IN 46628-9752</p> <p>Phone: 574-287-5407 FAX: 574-287-5456 Hours: 8 to 4:30 e.t.</p>	<p>c/o Hanson Cold Storage 1151 S GRISWOLD ST HART MI 49420-9700</p> <p>Phone: 231-873-5654 FAX: 231-873-5654 Hours: 8 to 4:30 e.t.</p>

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**AMS Grading Laboratories (Continued)**

**B Eastern Region (Continued)**

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<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Hunt Valley, Maryland</b></p> <p>Hunt Valley Professional Bldg. 9 SCHILLING RD STE 213 HUNT VALLEY MD 21031-8604</p> <p>Phone: FTS: 410-584-9008 Comm: 410-527-0400 or 410-527-0401 FAX: 410-527-0402 Hours: 8 to 4:30 e.t.</p>	<p>USDA, DLA Troop Support 700 ROBBINS ST RM 5D308 BLDG 5D SOUTH PHILADELPHIA PA 19111-5008</p> <p>Phone: 215-737-2598 FAX: 215-737-7965 Hours: 8 to 4:30 e.t.</p> <p>102 MARYLAND AVE EASTON MD 21601-3409</p> <p>Phone: 410-822-3383 FAX: 410-822-9069 Hours: 8 to 4:30 e.t.</p> <p>105 MAIN ST STE 1 SOUTH PORTLAND ME 04106-2621</p> <p>Phone: 207-767-8130 FAX: 207-767-8132 Hours: 8 to 4:30 e.t.</p>
<p><b>North Brunswick, New Jersey</b></p> <p>Park Plaza Professional Bldg 622 GEORGES RD STE 304 NORTH BRUNSWICK NJ 08902-3377</p> <p>Phone: 732-545-0939, 732-545-0958, 732-214-1866 FAX: 732-545-1909 Hours: 8 to 4:30 e.t.</p>	<p>Genesee Valley Regional Market 900 JEFFERSON RD STE 200 ROCHESTER NY 14623-3238</p> <p>Phone: 585-424-2096 or 585-424-2092 FAX: 585-424-2169 Hours: 8 to 4:30 e.t.</p>

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**AMS Grading Laboratories (Continued)**

**B Eastern Region (Continued)**

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<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Puerto Rico</b></p> <p>Federal State Inspection Service General Service Administration Center Tadeo Rivera St Pda 5 1/2 Entrance Pier 13 Pta De Tierra PO BOX 10163 SAN JUAN PR 00908-1163</p> <p>Phone: 787-783-8777 or 787-977-6330 FAX: 787-722-3447 Hours: 8 to 4:30 e.t.</p>	
<p><b>San Antonio, Texas</b></p> <p>Specialty Crops Inspection Division 3453 IH 35 N STE 103 SAN ANTONIO TX 78219-2337</p> <p>Phone: 210-228-9695, 210-228-9663, 210-228-9626 FAX: 210-224-0729 Hours: 8 to 4:30 c.t.</p>	<p>3622 MORELAND DR WESLACO TX 78596-9131</p> <p>Phone: 956-514-5562 or 956-514-5439 FAX: 956-825-7296 Hours: 8 to 4:30 c.t.</p>
	<p>716 S 2nd ST STE 106 STILLWELL OK 74960-4806</p> <p>Phone: 918-696-6333 FAX: 918-696-5568 Hours: 8 to 4:30 c.t.</p>
	<p>Federal Bldg 2320 LA BRANCH ST RM 12 HOUSTON TX 77004-1002</p> <p>Phone: 713-652-3171 FAX: 713-659-3836 Hours: 7 to 3:30 c.t.</p>
	<p>2732 SHAMROCK AVE STE 100 FORT WORTH TX 76107-1312</p> <p>Phone: 817-348-9323 FAX: 817-348-8133 Hours: 8 to 4:30 c.t.</p>

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**AMS Grading Laboratories (Continued)**

**B Eastern Region (Continued)**

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<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Richmond, Virginia</b></p> <p>Federal State Inspection Service 600 N 5TH ST RM B38 RICHMOND VA 23219-1439</p> <p>Phone: 804-786-2422 FAX: 804-786-7130 Hours: 8 to 4:30 e.t.</p>	
<p><b>Oshkosh, Wisconsin</b></p> <p>2490 ENTERPRISE DR OSHKOSH WI 54904-6321</p> <p>Phone: 920-232-0295 FAX: 920-232-0341 Hours: 8 to 4:30 c.t.</p>	<p>2126 HOFFMAN RD MANKATO MN 56001-5863</p> <p>Phone: 507-387-6101 FAX: 507-387-3201 Hours: 8 to 4:30 c.t.</p>

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**AMS Grading Laboratories (Continued)**

**C Western Region**

The following is a list of field locations for the western region.

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<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Covina, California</b></p> <p>720 E ARROW HWY STE A COVINA CA 91722-2103</p> <p>Phone: 626-967-9790 FAX: 626-967-6267 Hours: 7:30 to 4 p.t.</p>	<p>83-912 AVE 45 STE 3 INDIO CA 92201-6040</p> <p>Phone: 760-347-2571 FAX: 760-347-2591 Hours: 7 to 3:30 p.t.</p>
<p><b>Fresno, California</b></p> <p>2202 MONTEREY ST STE 102A FRESNO CA 93721-3129</p> <p>Phone: 559-487-5210 FAX: 559-485-5914 Hours: 8 to 4:30 p.t.</p>	<p>17850 MORO RD STE C SALINAS CA 93907-8564</p> <p>Phone: 831-663-6221 FAX: 831-663-5764 Hours: 8 to 4:30 p.t.</p>
<p><b>Stockton, California</b></p> <p>5635 STRATFORD CIR STE 11 STOCKTON CA 95207-5055</p> <p>Phone: 209-946-6301 FAX: 209-476-8919 Hours: 8 to 4:30 p.t.</p>	

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**AMS Grading Laboratories (Continued)**

**C Western Region (Continued)**

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<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Honolulu, Hawaii</b></p> <p>State of Hawaii Dept. of Agriculture 1851 AUIKI ST HONOLULU HI 96819-3100</p> <p>Phone: 808-832-0709 FAX: 808-832-0683 Hours: 7:45 to 4:30 h.t.</p>	
<p><b>Yakima, Washington</b></p> <p>108 S 6TH AVE YAKIMA WA 98902-3387</p> <p>Phone: 509-575-5869 FAX: 509-575-5881 Hours: 8 to 4:30 p.t.</p>	<p>1250 MILLER AVE STE 1 BURLEY ID 83318-1632</p> <p>Phone: 208-677-2216 FAX: 208-677-2325 Hours: 8 to 4:30 m.t.</p> <hr/> <p>1193 ROYVONNE AVE SE STE 16 SALEM OR 97302-6502</p> <p>Phone: 503-399-5761 FAX: 503-399-5846 Hours: 8 to 4:30 p.t.</p>

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