

For: State and County Offices

Extension of 2005 1st Advance Counter-Cyclical (CC) Final Payment Date

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The Farm Security and Rural Investment Act of 2002 provides for CC payments for covered commodities and peanuts beginning with crop years 2002 through 2007.

Notice DCP-142 advised County Offices to issue 2005 1st advance CC payments on or before October 31, 2005.

Information Bulletin No. 3565 provided that:

- County Release No. 572/573 contained changes to receivable software that impacted 2003 CC overpayments
- software that was designed to transfer 2003 overpayments to receivables was erroneously released October 1 instead of the correct date of October 31 and, because of this error, the 2003 overpayments are no longer automatically offset against future DCP payments
- although the automatic offset for 2003 overpayments was turned off, Service Centers should continue to offset 2003 overpayments against final direct and CC payments.

Disposal Date	Distribution
January 1, 2006	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

B Purpose

This notice:

- informs State and County Offices that the final payment date for issuing 2005 1st advance CC payments has been extended to **November 28, 2005**
- informs State and County Offices that a new program parameter file containing the extended date of November 28, 2005, for issuing the 2005 1st advance CC payments will be downloaded to County Offices on November 1, 2005, according to a forthcoming information bulletin
- advises County Offices to issue 2005 1st advance CC payments no later than **November 28, 2005**.

2 2005 1st Advance CC Payments

A Deadline for Issuing 2005 1st Advance CC Payments

County Offices shall issue all 2005 1st advance CC payments no later than **November 28, 2005**.

Note: 2005 1st advance CC payment software will be disabled as of November 29, 2005.

B Extension of 2005 1st Advance CC Final Payment Date

Extending the 2005 1st advance CC final payment date allows for 2003 CC overpayments to continue to be offset from 2005 1st advance CC payments. Since producers were informed that offset would occur from all DCP payments being issued, it is important for payment software to provide for as many 2003 CC overpayment reductions as possible before sending the producer a demand letter because of a remaining overpayment.

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3 Issuing Payments to Producers With Special Circumstances

A Bankruptcy

County Offices shall follow procedures already in place for producers who have filed bankruptcy. County Offices shall refer to 67-FI.

B Deceased Producers

County Offices shall follow the policy in 1-DCP, paragraph 394 for deceased producers.

C Successor-in-Interest

County Offices shall follow the policy in 1-DCP, paragraph 393 for successor-in-interest.

4 Action

A State Office Action

State Offices shall ensure that County Offices:

- are informed of the contents of this notice
- follow directions in the forthcoming information bulletin for loading the program parameter file.

B County Office Action

County Offices shall:

- follow directions in the forthcoming information bulletin to ensure that the new program parameter file is loaded to the County Office system
- issue all 2005 1st advance CC payments no later than **November 28, 2005**.