

For: State and County Offices

**Signup for the Wool and Mohair Market Loss Assistance Program (WAMLAP II)**

Approved by: Acting Deputy Administrator, Farm Programs



**1 Overview**

**A**

**Background**

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (the 2001 Act), Section 814 provided for payments to wool and mohair producers who produced and sheared wool or mohair during the 2000 marketing year.

**B**

**Purpose**

This notice provides:

- policy and procedure for implementing WAMLAP II
- the signup period for WAMLAP II
- eligibility criteria
- instructions for filing applications
- payment rates
- compliance instructions
- instructions for completing CCC-1155.

**Note:** This notice does not provide authority to issue payments. Automated price support system (APSS) software for processing payments will be provided in a future software release.

<p><b>Disposal Date</b></p> <p>October 1, 2001</p>	<p><b>Distribution</b></p> <p>State Offices; State Offices relay to County Offices</p>
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## Notice LD-504

### 2 General Information

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#### A

##### Source of Authority

The source of authority for WAMLAP II is Section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (the 2001 Act).

Regulations for WAMLAP II will be:

- provided in 7 CFR Part 1469
  - available on BBS after it is published in the Federal Register (FR)
  - available on the PSD home page at <http://www.fsa.usda.gov/dafp/psd/>, after it is published in FR.
- 

#### B

##### Program Availability

WAMLAP II is available to wool and or mohair producers who produced and sheared wool or mohair during the marketing year January 1, 2000, through December 31, 2000. The 2001 Act provides up to \$20 million of CCC funds for direct payments to wool and mohair producers.

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#### C

##### Signup Period

Signup for WAMLAP II begins on March 5, 2001, and ends on April 13, 2001. Eligible producers may file an application anytime during this signup period. Producers shall file CCC-1155 for a payment at the County Office nearest to the producer's place of residence or, if the producer is already an FSA customer, where the producer's records are maintained.

**Note:** A multi-county wool and mohair producer should make application for WAMLAP II benefits in the county where the headquarters is located.

All WAMLAP II applications must be submitted to the applicable County Office by COB April 13, 2001. Late-filed provisions do not apply to WAMLAP II. CCC-1155's requested or received after COB April 13, 2001, will not be accepted. This includes FAXed applications, accepted according to 1-CM, paragraph 1008.

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## Notice LD-504

### 2 General Information (Continued)

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#### D

#### Policies and Procedures

All procedural instructions for administering WAMLAP II will be issued through LD notices.

All automated instructions for processing WAMLAP II through APSS will be issued through PS notices.

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#### E

#### Payment Processing

County Offices **shall not** make any WAMLAP II payments until further notice from the National Office. A subsequent LD notice will notify County Offices when payments may be issued.

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#### F

#### Related Handbooks

Handbooks related to WAMLAP II include:

- 1-CM for signatures, estates, trusts, or minors
- 1-APP for appeals
- 1-FI for issuing payments
- 4-CP for scheme or device.

**Note:** Assignments do not apply.

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### 3 Responsibilities and Action

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#### A

#### FSA Responsibilities

FSA has primary responsibility through STC's and COC's for administering WAMLAP II.

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#### B

#### STC Action

STC's shall supervise and monitor WAMLAP II to ensure that policies and procedures in this notice are being uniformly followed by County Offices.

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#### C

#### COC Action

COC's shall:

- administer WAMLAP II at the county level under STC supervision
  - inform producers about the eligibility requirements for a WAMLAP II payment
  - approve or disapprove WAMLAP II payment requests according to this notice.
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## Notice LD-504

### 4 WAMLAP II Definitions

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#### A

#### Definitions

The following definitions are applicable to WAMLAP II.

- An application means CCC-1155.
- Application period means March 5, 2001, through April 13, 2001.
- A goat is an adult Angora goat or the kid of an Angora goat.
- Grease mohair is mohair as it comes from the Angora goat or the kid of an Angora goat before applying any process to remove the natural oils or fats.
- Grease wool is wool as it comes from the sheep or lambs before applying any process to remove the natural oils or fats.
- Hide is thick tough skin of the animal.
- A lamb is a young ovine animal that has not cut the second pair of permanent teeth. The term includes animals referred to in the livestock trade as lambs, yearlings, or yearling lambs.
- Marketing year means the period beginning January 1, 2000, and ending December 31, 2000, both dates inclusive.
- Mohair is the hair sheared from a live goat before applying any process that removes the natural oils or fats or produces a mohair product. Mohair does not include grease mohair shorn from pelts or hides.
- A pelt is the skin of the animal with wool still attached to the skin.
- A person is any individual, group of individuals, partnership, corporation, estate, trust, association, cooperative, or other business enterprise or legal entity who is, or whose members are, a citizen or citizens of, or legal resident alien or aliens in, the United States.
- Producers means any person or group of persons who as a single unit produce wool or mohair and whose production and facilities are located in the United States.
- Pulled mohair is mohair obtained from the pelts or hides of dead goats.
- Pulled wool is wool obtained from the pelts or hides of dead sheep.

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## Notice LD-504

### 4 WAMLAP II Definitions (Continued)

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#### A Definitions (Continued)

- Shorn mohair is grease mohair sheared from a live Angora goat or the kid of an Angora goat. Shorn mohair does not include pelts, hides, or pulled mohair.
  - Shorn wool is grease wool sheared from live sheep or lambs. Shorn wool does not include pelts, hides, or pulled wool.
  - United States means the 50 United States of America, the District of Columbia, and the Commonwealth of Puerto Rico.
  - Wool is the hair sheared from a live sheep before applying any process that removes the natural oils or fats or produces a wool product. Wool does not include grease wool shorn from pelts or hides.
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### 5 General Eligibility

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#### A Definition of Eligible Wool or Mohair Producer

An eligible wool or mohair producer is a producer:

- who as a single unit produced wool or mohair
  - whose production and facilities are located in the United States.
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#### B Other Eligible Wool or Mohair Producers

An eligible wool or mohair producer may also include any of the following entities that are engaged in producing wool or mohair in the United States:

- an individual that has a beneficial interest in wool or mohair production, has a financial risk in the production, and is a citizen of, or legal resident alien in, the United States
  - Indian tribe as defined by the Indian Self-Determination and Education Assistance Act
  - Indian organization or entity chartered under the Indian Reorganization Act
  - economic enterprise under the Indian Financing Act of 1974.
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## Notice LD-504

### 5 General Eligibility (Continued)

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#### C

##### Wool or Mohair Producer Eligibility

WAMLAP II payments are made to producers. Only 1 application per producer is required. To be eligible to receive payment, a producer must:

- have produced and sheared domestic wool or domestic mohair during the 2000 marketing year
- apply for payment during the application period
- still be in the business of producing and marketing agricultural products at the time of request.

**Note:** The wool and mohair does not need to be sold to be eligible for WAMLAP II. Also a producer does not have to be currently producing wool or mohair; however, the producer must still be in the business of producing and marketing agricultural products.

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#### D

##### Eligible Wool or Mohair

Eligible wool or mohair must have been produced and sheared:

- in the United States and the livestock must have been owned for 30 calendar days or more by the producer at time of shearing
  - from the livestock during the 2000 marketing year.
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#### E

##### Ineligible Wool or Mohair

Ineligible wool or mohair is:

- wool or mohair shorn outside of the United States
  - pulled wool or pulled mohair shorn from hides or pelts
  - wool or mohair not shorn during the 2000 marketing year
  - greased wool or greased mohair shorn from hides or pelts
  - wool or mohair shorn from livestock owned for less than 30 calendar days
  - wool or mohair shorn while the sheep or goats were held in quarantine in connection with their importation into the United States.
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## Notice LD-504

### 6 Payment Rates and Calculations

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#### A

##### Funding

Because the spending authority is limited to \$19.956 million, \$44,000 deducted because of the FY 2001 Rescission (Public Law 106-554), WAMLAP II payments will not be issued until:

- signup has ended
- a payment rate has been determined
- KC-ITSDO mainframe payment calculations have been processed.

Information concerning the determination of the payment rate will be issued in a:

- future notice
  - press release.
- 

#### B

##### National Payment Rate

CCC will determine the national payment rate at the close of the application period, based on:

- the \$19.956 million allotted
- reported eligible wool and mohair.

The payment rate per pound for wool and mohair will then be determined based on the factoring of the available funds divided by the total pounds of eligible wool and mohair reported on each approved application and **shall not** exceed \$0.40 per pound for wool and mohair.

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#### C

##### Advance Payments

Advance payments will not be issued for the WAMLAP II program.

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## Notice LD-504

### 6 Payment Rates and Calculations (Continued)

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#### D Offsets, Withholdings, and Payment Limitations

WAMLAP II payments are not subject to:

- offsets
  - withholdings
  - payment limitations.
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#### E Forms

Producers shall:

- file AD-1026, if 1 is currently not on file
- certify on AD-1026 that they are in compliance with highly erodible land conservation/wetland conservation provisions before payments are made.

**Note:** CCC-502-A is not required for WAMLAP II.

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### 7 Filing Applications

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#### A Filing and Completing CCC-1155

Eligible producers of wool and mohair shall file CCC-1155 to apply for WAMLAP II payments. A separate CCC-1155 shall be filed for wool and for mohair produced and sheared during the 2000 marketing year.

See Exhibit 1 for instructions on completing CCC-1155. CCC-1155 is available on the:

- eForms website at <http://www.sc.egov.usda.gov/>
- FSA website at <http://intranet.fsa.usda.gov/dam/ffasforms/forms.html>.

State Offices shall locally reproduce CCC-1155.

The WAMLAP II regulation may be obtained from the PSD website at <http://www.fsa.usda.gov/dafp/psd/>.

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## Notice LD-504

### 7 Filing Applications (Continued)

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#### **B Requests**

Eligible producers can file CCC-1155 to request a WAMLAP II payment at the County Office nearest to the producer's place of residence or, if the producer is already an FSA customer, where the producer's records are located. Requests can be made:

- in person
- by mail
- by telephone
- by facsimile, according to 1-CM, paragraph 1008.

If applications are requested by mail, telephone, facsimile, or downloaded from the Internet, the applications must be completed correctly, signed, and returned to the applicable County Office by COB Friday, April 13, 2001.

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#### **C Signature Requirements**

All producer signatures, including FAXed signatures, must be received by COB April 13, 2001.

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#### **D Direct Deposit**

The Debt Collection Improvement Act of 1996 requires any recipient of Federal payments who becomes eligible for that payment after July 25, 1996, to receive the payment by electronic funds transfer.

All producers receiving payments under WAMLAP II must file SF-1199A according to 1-FI, Part 3.

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#### **E Producer Self-Certification**

Producers must complete CCC-1155 by:

- self-certifying the pounds of shorn wool or shorn mohair shorn during the 2000 marketing year
- answering the eligibility questions
- signing CCC-1155.

Because the producer certifies that the information is correct, no additional documentation is requested from the producer at time of sign-up.

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**7 Filing Applications (Continued)**

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**F  
COC Approval  
of CCC-1155**

COC, or designee, shall:

- be satisfied that all eligibility requirements have been met before approving CCC-1155
  - not approve any CCC-1155 that was requested or received after COB April 13, 2001. This includes any mailed or FAXed CCC-1155's.
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**8 Compliance**

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**A  
Spot Checks**

County Offices shall spot check 5 percent of all approved CCC-1155's to ensure that all producer and production eligibility criteria has been met. Use the following procedures to implement spot checks:

- by June 18, 2001, select 1 out of every 20 producers approved for a WAMLAP II payment
  - inform each contact producer, by telephone, that a spot check is being conducted and request the contact producer to indicate the buyer or buyers of the wool or mohair reported on CCC-1155 only if the wool or mohair was sold
  - request copies of supporting documents to verify that the pounds of wool or mohair produced and sheared during the marketing period are the same number of pounds indicated on CCC-1155
  - if the wool or mohair has been destroyed, request documents to support the producer's herd size during the 2000 marketing year
  - if the wool or mohair was sold, verify that the buyer of the wool or mohair listed on sales documents is the same buyer that the contact producer identified when informed of CCC-1155 spot check.
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## Notice LD-504

### 8 Compliance (Continued)

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#### B

##### **Completing Verifications**

Verifications of CCC-1155's selected for spot check must be completed within 90 calendar days after signup has ended (on July 16, 2001).

If the requested documentation does not support the number of pounds certified on CCC-1155, and is not within tolerance (which will be issued in a future spot check notice), or the buyer is not the same as indicated by the contact producer, or both, the producer will be required to refund the payment for the difference or the entire payment.

Document results of the verification in CCC-1115, remarks section, and inform the State Office of the number of CCC-1155's selected and the results of the verification.

Additional instructions will be issued for handling overpayments and underpayments.

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#### C

##### **State Office Reports**

Within 5 workdays of receiving the spot check information, the State Office shall prepare a written report describing the review results and submit a copy of the report to PSD. The FAX number for PSD is 202-690-3307.

Additional instructions will be issued regarding the report format.

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#### D

##### **Misrepresentation, Scheme, or Device**

Any person who is determined by STC or COC to have committed any of the following violations shall repay the amount of the WAMLAP II payment:

- adopted any scheme or device that tends to defeat the purpose of WAMLAP II
  - made any fraudulent representation
  - misrepresented any fact affecting a program determination.
- 

#### E

##### **Maintaining Records**

Producers requesting payment under WAMLAP II shall maintain records for a period of 3 years after the date of the payment to document that eligibility requirements were met.

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**CCC-1155, Wool and Mohair Market Loss Assistance Program II Payment Application**

**A**

**Completing CCC-1155**

Complete CCC-1155 according to this table if the producer is requesting WAMLAP II in person at the County Office. Separate CCC-1155's must be completed for wool and mohair.

All producers who share in the production must certify and sign CCC-1155.

Item	Instructions
1	Enter the applicable State code.
2	Enter the applicable county code.
3	ENTER "2000" for the marketing year.
4	County Office will enter the application number assigned by APSS <b>after</b> CCC-1155 has been recorded in APSS.
5	Enter the name, address, and telephone number of the contact producer.
6	Enter the name and address of the applicable County Office.
7	Check the applicable box in response to the question, "Was all of the wool or mohair shorn during 2000?"
8	Check the applicable box in response to the question, "Was the wool or mohair shorn in the United States?"
9	Check the applicable box in response to the question, "Did you own the livestock for 30 days or more in the United States prior to shearing the sheep or goats?"
10	Check the applicable box in response to the question, "Was all of the wool or mohair shorn from live animals in the United States and not pulled wool or mohair or grease wool or mohair shorn from hides or pelts?"
11	Check the applicable box in response to the question, "Are you still in the business of producing and marketing agricultural products?"
12	Check the applicable box in response to the question, "Do you understand that FSA will perform random spot checks and request documentation?"
13	Enter the pounds of shorn wool produced during the 2000 marketing year.
14	Enter the pounds of shorn mohair produced during the 2000 marketing year.
15-18	After reading the certification statement in Part C, all producers must sign, provide ID number, date, and indicate share, as applicable.
19	COC shall approve or disapprove CCC-1155.  <b>Note:</b> Do not approve CCC-1155 if "No" is entered in any of the items 7 through 12.
20	COC or designee shall sign, provide title, and date.  <b>Note:</b> Provide a copy of CCC-1155 to the contact producer.
21	Record all spot check verifications and all pertinent information in relation to the spot check performed.

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CCC-1155, Wool and Mohair Market Loss Assistance Program II Payment Application  
(Continued)

**B**  
**Example of**  
**CCC-1155**

This is an example of CCC-1155.

Form Approved - OMB No. 0560-0209

REPRODUCE LOCALLY. Include form number and date on all reproductions.

<b>CCC-1155</b> U.S. DEPARTMENT OF AGRICULTURE (03-07-01) Farm Service Agency  <b>WOOL AND MOHAIR MARKET LOSS ASSISTANCE PROGRAM PAYMENT APPLICATION</b>	1. State Code  51	2. County Code  179
	3. Marketing Year  2000	4. Application Number  600

**NOTE:** *The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Pub. L. 106-387) and 7 CFR Part 1469. The information will be used to establish eligibility and determine payment amounts. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in a determination of ineligibility. This information may be provided to other agencies, IRS, Department of Justice or other State and Federal Law enforcement agencies and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001, 15 USC 714m, and 31 USC 3729, may be applicable to the information provided.*

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0209. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.*

5. Contact Producer Name and Address (Including ZIP Code) <b>Terry Buck</b> <b>5122 Sheila Street</b> <b>Denver CO 80112</b>  Telephone No. ( 303 ) 856-3811	6. Name and Address of County FSA Office (Including ZIP Code) <b>Mills County FSA Office</b> <b>6442 County Drive</b> <b>Sanford CO 80110</b>
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**PART A - WOOL OR MOHAIR ELIGIBILITY ( Use Separate Application for each)**

	YES	NO
7. Was all of the wool or mohair shorn during 2000?	X	
8. Was the wool or mohair shorn in the United States?	X	
9. Did you own the livestock for 30 days or more in the United States prior to shearing the sheep or goats?	X	
10. Was all of the wool or mohair shorn from live animals in the United States and not pulled wool or mohair or grease wool or mohair shorn from hides or pelts?	X	
11. Are you still in the business of producing and marketing agricultural products?	X	
12. Do you understand that FSA will perform random spot checks and request documentation?	X	

**PART B - POUNDS OF SHORN WOOL OR SHORN MOHAIR**

Type	Pounds
13. Shorn Wool	650
14. Shorn Mohair	325

**PART C - PRODUCER'S CERTIFICATION**

*I certify that all the information entered on this application is true and correct and all persons involved have submitted the accurate poundage of shorn wool or shorn mohair for the 1999 marketing year. To ensure that all program eligibility requirements are met, I understand that I may be selected for a spot check. If I am selected for a spot check, I may be required to provide any information that may be required to determine program eligibility. Providing a false certification to the government is punishable by imprisonment, fines and other penalties. All information provided herein is subject to verification by the Farm Service Agency.*

15. Producer's Signature	16. Producer's ID Number	17. Date	18. Share

**PART D - COC DETERMINATION**

19.  Approved  Disapproved

20. Signature of COC or Designee <b>/s/ Cordell Sanders</b>	Title <b>County Executive</b>	Date <b>03-02-XX</b>
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CCC-1155, Wool and Mohair Market Loss Assistance Program II Payment Application  
(Continued)

**B**  
**Example of**  
**CCC-1155**  
**(Continued)**

CCC-1155 (03-07-01) (Reverse) Form Approved - OMB No. 0560-0209

21. Remarks

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

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**CCC-1155, Wool and Mohair Market Loss Assistance Program II Payment Application  
(Continued)**

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**C**

**Instructions to  
Producer**

If a producer requests WAMLAP II by telephone, mail, or by facsimile, County Offices shall:

- complete items 1 through 3 and 6
- not complete items 4 and 19 through 20 until the WAMLAP II producer has completed and returned CCC-1155 to the County Office
- send CCC-1155 to the WAMLAP II producer as requested
- provide the following instructions for the WAMLAP II producer to complete CCC-1155.

Item	Instructions
5	Enter the contact producer's name, address, and telephone number.
7-12	Enter your responses to the eligibility questions 7 through 12.  <b>Note:</b> If your answer to any of the eligibility questions is "NO", you are ineligible for a WAMLAP II payment and should not complete the remainder of this form.
13	Enter the pounds of shorn wool produced during the 2000 marketing year.
14	Enter the pounds of shorn mohair produced during the 2000 marketing year.
15-18	After reading the certification statement in Part C, sign, provide your ID number, date, and indicate your share, as applicable. All producer's who share in the commodity must also sign, date, indicate shares, and provide ID numbers, as applicable.  When all signatures and information have been obtained, take your completed application to the County Office in item 6 by COB April 13, 2001. If you elect to mail or FAX your completed application, the County Office in item 6 must receive the application by COB April 13, 2001.  <b>Note:</b> There are no exceptions.

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