

For: State and County Offices

Tolerance for Wool and Mohair Market Loss Assistance Program (WAMLAP I) Spotchecks

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

Notice LD-500 provided guidelines for WAMLAP I spotchecks.

B

Purpose

This notice provides State and County Offices with:

- tolerance for WAMLAP I spotchecks
- examples of tolerance.

2 WAMLAP I Tolerance Guidelines

A

WAMLAP I Tolerance

Notice LD-500, subparagraph 2 D explained actions necessary based on results of spotcheck reviews. A 10 percent tolerance level has been established for WAMLAP I spotchecks for any of the following for the 1999 marketing year wool and/or mohair:

- not shorn during the marketing year
- does not equal certified pounds
- were not shorn in the United States.

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<p>Disposal Date</p> <p>January 1, 2002</p>	<p>Distribution</p> <p>State Offices; State Offices relay to County Offices</p>
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Notice LD-512

2 WAMLAP I Tolerance Guidelines (Continued)

B

Tolerance Level The following example provides situations when a producer would be within and not within the 10 percent tolerance level.

Certified Pounds on CCC-1155 for 1999 Wool and/or Mohair	Documented Eligible Pounds	Difference Between Certified and Verified Pounds (shortage)	Tolerance	Determination and Action
1200 pounds	1085 pounds	115 pounds	120 pounds	Within tolerance - collect back the shortage.
1200 pounds	1075 pounds	125 pounds	120 pounds	Not within tolerance - collect entire payment from producer.

Notes: Good faith determinations are not required.

No collection is necessary for amounts due to CCC of **\$9.99 or less.**

C

Handling Situations Where Refund Has Been Collected

If a producer has already refunded the entire WAMLAP I payment, because of the guidelines that were issued in Notice LD-500, subparagraph 2 D, County Offices shall review the spotcheck results to determine the 10 percent tolerance. If a producer is determined to be:

- **within** tolerance, calculate the shortage at \$0.20 per pound for wool and \$0.40 per pound for mohair and request a refund of the applicable sum from the producer using the table above as guidance
 - **not within** tolerance, no action is needed if a refund was made.
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