

For: FSA Offices

**Modifying an Approved Milk Income Loss Contract Extension (MILCX) Contract
Application for Benefits Using the Revised CCC-580M**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

MILCX program participants are required to notify their local FSA Office immediately of any changes that potentially affect the terms, conditions, or participants under an approved contract application. 11-LD, subparagraph 40 B, provides that producers in a dairy operation must make changes or modifications to an approved contract application by completing and submitting CCC-580M to the County Office.

Notice LD-562 informed State and County Offices that CCC-580M was being revised and updated for MILCX program purposes. CCC-580M has been revised to allow MILCX program participants to modify their CCC-580X to:

- change the MILCX production start month selected by the dairy operation
- transfer a contract to another State and county when a dairy operation relocates
- modify producer/shareholder information when either:
 - adding a producer to CCC-580X
 - removing a producer from CCC-580X
 - changing a producers share percentage
- modify the organizational structure, including the tax identification number and name of the dairy operation, when applicable.

B Purpose

This notice provides State and County Offices with provisions to modify an approved MILCX contract application for benefits using the revised CCC-580M.

Disposal Date	Distribution
December 1, 2006	All FSA Offices; State Offices relay to County Offices

Notice LD-567

1 Overview (Continued)

C Contact

If there are questions about this notice, contact Dani Cooke, by either of the following:

- telephone at 202-720-1919
- e-mail at **Danielle.Cooke@wdc.usda.gov**.

2 Types of Modifications

A Change of MILCX Production Start Month

MILCX program participants may elect to change their production start month for a given fiscal year (FY). A change to a dairy operation's MILCX production start month must:

- be made in accordance with start month selection provisions provided in Notice LD-565, subparagraph 3 E
- occur before payment has been issued for the previous month selected on CCC-580X
- be designated on CCC-580M, Part B, according to instructions provided in Exhibit 1.

B Dairy Operation Relocation and Contract Transfers

Dairy operations must immediately notify their local County Office of intentions to relocate their dairy operation to another State and/or county in CCC-580M, Part C. When CCC-580M is received for this type of modification, County Offices shall:

- process the contract transfer in the eMILCX web-based system according to Notice PS-546, subparagraphs 3 F and G
- transfer dairy operation records according to 11-LD, subparagraph 50 B.

C Modification of Producer/Shareholder Information

To modify the producer/shareholder information on CCC-580X, producers in a dairy operation must complete and submit CCC-580M, Part D, which will allow CCC-580X to be modified when the following occurs:

- a new producer or shareholder is added to CCC-580X
- a producer or shareholder no longer participates or shares in the risk of production on an approved CCC-580X, and must be removed
- there is a change in the percentage of shares of any producer on an approved CCC-580X
- a spouse or child of a deceased producer replaces the deceased producer on CCC-580X.

2 Types of Modifications (Continued)

D Organizational Modifications

Various circumstances may cause a dairy operation to change the organization of the operation. Producers and shareholders in the operation may remain the same, however, the following may change:

- business structure of the operation
- taxpayer identification number
- name of the dairy operation.

Changes to CCC-580X, as a result of an organization modification to the dairy operation, **must** be recorded by the dairy operation using CCC-580M, Part E, according to instructions provided in Exhibit 1.

3 Filing CCC-580M

A Electronic Availability of CCC-580M

CCC-580M is available electronically for download on the following web sites:

- eForms web site at <http://www.sc.egov.usda.gov>
- FSA web site at <http://intranet.fsa.usda.gov/dam/ffasforms/forms.html>
- PSD web site at <http://www.fsa.usda.gov.dafp.psd>.

B Requesting CCC-580M

In addition to electronically downloading CCC-580M as provided by subparagraph A, MILCX program participants can obtain CCC-580M from any County Office as follows:

- in person
- by mail
- by telephone
- by FAX.

C Submitting CCC-580M

CCC-580M may be returned to the County Office where CCC-580X is being maintained as follows:

- in person
- by mail
- by FAX.

Notice LD-567

3 Filing CCC-580M (Continued)

D Signature Requirements

If authorized by the dairy operation, the contact producer or other person authorized under the general rules of signature authority provided in 1-CM, may sign and date CCC-580M, as applicable.

Exception: When producer/shareholder information is modified in CCC-580M, Part D, each producer/shareholder must sign, as applicable.

E Multiple Modifications

Producers must file a separate CCC-580M each time MILCX for the dairy operation is modified according to paragraph 2.

F Approving CCC-580M

COC, or designee may approve a completed CCC-580M after all necessary signatures have been obtained as applicable. The dairy operation will receive MILCX payments based on the modified changes of CCC-580M immediately beginning with the dairy operation's next MILCX payment issued after approval of CCC-580M, or according to the MILCX production start month change.

4 Action

A State Office Action

SED's and STC's shall:

- ensure that County Offices immediately notify producers of the contents of this notice using all available sources
- direct questions about this notice to the National Office according to subparagraph 1 C.

B County Office Action

County Offices shall:

- provide information to dairy producers of MILCX program requirements through:
 - over-the counter discussion
 - newsletters
 - other methods of communication, as applicable
- make CCC-580M available to dairy producers
- forward questions about the contents of this notice through the State Office specialist.

Completing CCC-580M

A Instructions for Completing CCC-580M

Complete CCC-580M according to the following.

Item	Instruction
PART A – GENERAL INFORMATION	
1A	Enter the name and address of the dairy operation. Note: A separate CCC-580M must be completed for each CCC-580X being modified.
1B	Enter the farm number assigned to the dairy operation, if applicable.
2	Enter the State code.
3	Enter the county code.
4	Enter the contract number assigned to CCC-580X.
5A	Enter the name, address, including ZIP code, of the contact person for the operation identified in item 1A. Note: The person entered in this item should be someone who has general knowledge of the production, operation, and marketings for the operation identified in item 1A.
5B	Enter a telephone number for the person identified in item 5A.
6A	Enter the name and address of the County Office, including ZIP code.
6B	Enter the telephone number for the County Office, including area code.
PART B – CHANGE OF MILCX PRODUCTION START MONTH	
7	Enter a check (✓) in the appropriate box to indicate which FY the change to the MILCX production start month is applicable.
8	Enter the current production start month selected on CCC-580X for which CCC was supposed to begin issuing payments to the dairy operation.
9	Enter the new production start month selected for which the dairy operation would like to begin receiving payments from CCC based on the selected month’s production.
10	Enter the signature of the person authorized to sign on behalf of the dairy operation. Note: Contact producer may sign this item on behalf of the dairy operation, if authorized.
11	Enter the date CCC-580M is signed by the authorized person for the dairy operation.
PART C – DAIRY OPERATION RELOCATION AND CONTRACT TRANSFER	
12A	Enter the State from which the dairy operation is relocating.
12B	Enter the county from which the dairy operation is relocating.
13A	Enter the State to which the dairy operation is relocating.
13B	Enter the county to which the dairy operation is relocating.
14	Enter the effective date of the relocation.
15	Enter the new address of the relocated dairy operation.
16	Enter the new farm number assigned to the dairy operation, if applicable.
17	Enter the signature of the person authorized to sign on behalf of the dairy operation.
18	Enter the date CCC-580M is signed by the authorized person for the dairy operation.

Completing CCC-580M (Continued)

A Instructions for Completing CCC-580M (Continued)

Item	Instruction
PART D – MODIFIED PRODUCER/SHAREHOLDER INFORMATION	
19	Enter a check (✓) in the appropriate “Yes” or “No” box to indicate whether or not the producer identified in item 20 is to remain on CCC-580X.
20	Enter the printed name of each producer or shareholder of the dairy operation identified in item 1A, for which a modification is being requested.
21	Enter the last 4 digits of the corresponding producer ID number for each producer.
22A	Enter a check (✓) in this box to indicate if a producer or shareholder is being added to the dairy operation.
22B	Enter a check (✓) in this box to indicate if a producer or shareholder is being removed from the dairy operation.
22C	Enter a check (✓) in this box to indicate if a producer or shareholder is changing their share percentage in the dairy operation.
23A	In the line corresponding to their printed name, enter the share percentage for each producer identified in item 22C, as their share percentages are currently reflected on CCC-580X, from which the producer is changing.
23B	In the line corresponding to their printed name, enter the new share percentage for each producer identified in item 22A or 22C
24	Each producer identified in item 20 must enter their signature in the line corresponding to their printed name.
25	Enter the date CCC-580M is signed by the producer identified in item 20.
PART E – ORGANIZATIONAL MODIFICATIONS	
26A-26E	Enter a check (✓) in the appropriate box to indicate the organizational structure from which the dairy operation is changing.
27A-27E	Enter a check (✓) in the appropriate box to indicate the organizational structure to which the dairy operation is changing.
28	Enter a check (✓) in the appropriate box to indicate whether or not the dairy operation has a new tax identification number as a result of the organizational change in items 26 and 27.
29	If item 28 is marked “Yes”, enter the new tax identification number for the dairy operation.
30	Enter a check (✓) in the appropriate box to indicate whether or not the name of the dairy operation changed as a result of the organizational change identified items 26 and 27.
31	If item 30 is marked “Yes”, enter the new name of the dairy operation.
32	Enter the signature of the person authorized to sign on behalf of the dairy operation.
33	Enter the date CCC-580M is signed by the authorized person for the dairy operation.
PART F – CCC ACCEPTANCE AND APPROVAL	
34	Enter a check in the appropriate box to indicate approval/disapproval of the modification being requested.
35	Enter any information that may be pertinent to this MILCX modification and was not entered or could not be entered in any of the previous fields.
36A	Enter the signature of COC designee approving CCC-580M.
36B	Enter the title of the approval/disapproval official.
36C	Enter the date of approval/disapproval, which is the date the official signs CCC-580M, item 36A.

Completing CCC-580M (Continued)

B Example of CCC-580M

The following is an example of CCC-580M, page 1.

This form is available electronically.

CCC-580M
(04-12-06)

U.S. DEPARTMENT OF AGRICULTURE
Commodity Credit Corporation

MILK INCOME LOSS CONTRACT EXTENSION (MILCX) MODIFICATION

(See Privacy Act and Public Burden Statements on Page 2)

PART A - GENERAL INFORMATION (If modifying more than one MILCX, a separate CCC-580M must be completed for each MILCX)

1A. Name and Address of Dairy Operation		1B. Farm Number, if applicable	2. State Code	3. County Code	4. Contract Number (Assigned to CCC580X)
5A. Contact Producer's Name and Address (Including Zip Code)			6A. Name and Address of County FSA Office (Including Zip Code)		
5B. Telephone Number (Including Area Code):			6B. Telephone Number (Including Area Code):		

PART B - CHANGE OF MILCX PRODUCTION START MONTH

7. Fiscal Year (Check one):	<input type="checkbox"/> 2006	<input type="checkbox"/> 2007	8. Current Month Selected (CCC-580X)	9. New Month Selected
10. Authorized Signature for the Dairy Operation			11. Date Signed (MM-DD-YYYY)	

PART C - DAIRY OPERATION RELOCATION AND CONTRACT TRANSFER

12. Relocation From:		13. Relocation To:		14. Effective Date (MM-DD-YYYY)	
A. State	B. County	A. State	B. County		
15. New Address of Relocated Dairy		16. New Farm Number, if applicable	17. Authorized Signature for the Dairy Operation		18. Date (MM-DD-YYYY)

PART D - MODIFIED PRODUCER/SHAREHOLDER INFORMATION (Producer's in a dairy operation must complete this section if modifications need to be made on CCC-580X)

19. REMAIN ON CONTRACT YES NO	20. Producer Name	21. Producer ID Number (Last 4 digits)	22. Modification Request (Check all that apply)			23. Share %		24. Signature	25. Date (MM-DD-YYYY)
			A. Add Producer /Shareholder	B. Remove Producer/ Shareholder	C. Change in Share %	A. From	B. To		

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Completing CCC-580M (Continued)

B Example of CCC-580M (Continued)

The following is an example of CCC-580M, page 2.

CCC-580M (04-12-06)		Page 2	
PART E - ORGANIZATIONAL MODIFICATIONS			
26. Organizational Change From:	27. Organizational Change To:	28. Tax ID Change	30. Dairy Operation Name Change
A. Individual	A. Corporation	YES (If you check this box enter new Tax ID No. in Item 29.)	YES (If you check this box enter new name of Dairy Operation in Item 31.)
B. Partnership	B. LLC	NO	NO
C. LLC	C. Partnership	29. Tax ID Number	31. Name of Dairy Operation
D. Corporation	D. Individual		
E. Other:	E. Other:		
32. Authorized Signature for the Dairy Operator		33. Date (MM-DD-YYYY)	
PART F - CCC ACCEPTANCE AND APPROVAL			
34. Modification Changes (Check appropriate box): <input type="checkbox"/> Approved <input type="checkbox"/> Disapproved			
35. Remarks			
36A. Signature of COC or Designee		36B. Title	36C. DATE (MM-DD-YYYY)
<p>NOTE: The authority for collecting the following information is Pub. L. 107-171. This authority allows for the collection of information without prior OMB approval mandated by the Paperwork Reduction Act of 1995. The time required to complete this information collection is estimated to average 20 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.</p> <p>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171 and the Agriculture Reconciliation Act of 2005 (Pub. L. 109-171)). The information requested is necessary for CCC to consider and process the offer to enter into a Milk Income Loss Contract, to assist in determining eligibility, and to determine the correct parties to the contract. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in a determination of ineligibility for certain program benefit and other financial assistance administered by USDA. 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 714; and 31 USC 3729, may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p>			