

For: State and County Offices

Final Production Evidence for Fed Commodities

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

7-LP, paragraph 700, provides the requirements for production evidence. Production evidence is required for loans when any portion of the loan has been repaid at less than the loan rate and for all LDP's.

Producers who requested a certified farm-stored loan and later repaid all or part of that loan using Posted County Price are required to submit final production evidence for the quantity in which a market gain was earned. If the producer fed any of the commodity without requesting measurement service, there is no final production evidence for the producer to submit. This makes the producer ineligible for the market gain. This situation may also apply to LDP's if the producer certified the quantity for LDP and later fed the quantity without requesting measurement service.

Notice LP-1682 provided instructions for final production evidence for fed quantities. The same requirement also applies to quantities harvested as whole grain, fed, and production evidence is nonexistent.

B

Purpose

This notice informs State and County Offices of new requirements for production evidence for quantities when market gain is earned or certified LDP quantities that are fed and production evidence is nonexistent.

Disposal Date	Distribution
October 1, 1999	State Offices; State Offices relay to County Offices

Notice LP-1683

2 New Production Evidence Requirement

**A
Production
Evidence for Fed
Quantities**

Final production evidence may be any of the following:

- measurement service
- for any loan or LDP that was spot-checked and the producer requests to use the spotchecked production as final production evidence, require the producer to pay for measurement service performed under the spotcheck
- maximum eligible quantity determined by obtaining the acres harvested from FSA-578 and establishing a reasonable production yield from the following in the order given:
 - all 1998 crop comparable, actual production harvested as grain on the same farm, if available
 - if whole grain **was** or was not harvested, set a yield based upon 1998 crop comparable, actual production on 3 similar farms
 - if 3 similar farms are not available, COC shall establish a yield

Note: STC shall establish guidelines for COC to use in establishing the yield. COC shall exercise judgment and rely on their knowledge of practices and growing conditions.

- multiply the acres harvested times the yield.
-

**B
Effective Date**

The effective date for this new requirement is the date this notice is received in the County Office. The new production evidence requirement is not retroactive.

**C
Obsolete
Material**

Notice LP-1682 is obsolete.
