

For: State and County Offices

**2002 Through 2007 Crop Year Marketing Assistance
Loan and LDP Program for Dry Peas, Lentils, and Small Chickpeas (Pulse Crops)**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A

Background

The Farm Security and Rural Investment Act of 2002 (the Act) provides 2002 through 2007 crop year marketing assistance loans and LDP's for pulse crops to eligible producers who produce and harvest pulse crops.

Eligible producers who produce and harvest pulse crops can either:

- request a 9-month marketing assistance loan
- agree to forgo the loan for an LDP.

B

Purpose

This notice:

- provides general policies and procedures for:
 - implementing the 2002 through 2007 crop year marketing assistance loan and LDP program for pulse crops
 - accepting loan and LDP requests.
 - accepting LDP requests when beneficial interest was lost before the publication of the regulations

Note: This notice does **not** provide authority to issue marketing assistance loans or LDP's for pulse crops. Authority to disburse marketing assistance loans and LDP's will be provided in a future LP notice.

- obsoletes Notice LP-1859.

Disposal Date June 1, 2003	Distribution State Offices, State Office relay to County Offices
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Notice LP-1867

2 General Policies

A

General Policy Overview

Pulse crops are eligible for marketing assistance loans and LDP's under the general marketing assistance loan and LDP policies in 8-LP and 2-LP Grains and Oilseeds.

Note: 2-LP will be revised to include pulse crops.

B

Producer and Commodity Eligibility

Producer and commodity eligibility requirements are provided in 8-LP.

In addition to the commodity eligibility requirements in 8-LP, to be eligible for a small chickpea loan or LDP, the chickpea must fall through a 20/64 sieve.

C

Applicable Loan and LDP Forms

Producers will complete the applicable loan and LDP forms when requesting loans or LDP's according to instructions in 8-LP. Forms are available in PDF format at the following:

- PSD website at <http://www.fsa.usda.gov/dafp/psd>
 - FFAS Intranet website at <http://165.221.16.90/DAM/ffasforms/forms.html>.
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D

Final Loan Availability Date

The final loan availability date to request a pulse crop loan or LDP is May 31 of the year following the year in which the applicable commodity is normally harvested.

E

Payment Limitation

For each of the 2002 through 2007 crop year, the per person payment limitation is \$75,000.

Continued on the next page

2 General Policies (Continued)

F

**2002 Crop
Beneficial
Interest Waiver
for LDP's**

Section 1205(f) of the Act provides that the Secretary make producers who lost beneficial interest in a 2002 crop of pulse crops before the publication of the regulations, eligible to receive LDP. Producers are required to provide acceptable production evidence which indicates the date beneficial interest was lost.

Producers who lose beneficial interest before the regulations are published, must submit CCC-633 LDP request no later than the final loan availability date.

Producers who retain beneficial interest must request LDP's in the normal manner. The current beneficial interest rules are applicable.

G

Eligible Storage

County Offices shall refer to 8-LP, paragraph 424 to determine eligible storage for pulse crops.

Producers who store pulse crops in facilities that have received temporary CCC approval for storing CCC loan collateral are eligible for warehouse-stored loans provided the warehouse issues a negotiable receipt approved by CCC.

Note: Pulse crops stored in facilities that are not CCC approved, may be placed under loan if the producer redeems the marketing assistance loan with a commodity certificate on the same day as the loan disbursement.

Notice LP-1867

3 Loan and Repayment Rates for Pulse Crops

A

Loan Rates

The national loan rates by crop year for lentils and small chickpeas are as follows.

Commodity	Loan Rate 2002 and 2003 Crop Years	Loan Rate 2004 Through 2007 Crop Years
Lentils	\$11.94 per cwt.	\$11.72 per cwt.
Small Chickpeas	\$7.56 per cwt.	\$7.43 per cwt.

There are 2 regional rates for dry peas. The regional rates by crop year for dry peas are yet to be determined. These regional rates will be announced when they are made available.

APSS will be modified to include the pulse crops in the County Office maintained table files.

B

**Repayment
Rates**

The terminal market rates will be announced every Friday at 7 a.m. e.t. County Offices will calculate the CCC-determined value to determine the alternative repayment and LDP rate.

4 State and County Office Action

A

**State Office
Action**

State Offices shall:

- publicize the contents of this notice immediately to the maximum extent possible
 - instruct County Offices to notify all producers immediately of the contents of this notice using all available resources
 - inform County Offices **not** to disburse loan proceeds or issue any LDP's until authorization is received in a future notice.
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B

**County Office
Action**

County Offices shall:

- notify producers immediately of the contents of this notice using all available resources
 - accept loan or LDP requests from producers
 - **not** disburse loans or LDP's until regulations are published in the Federal Register.
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