UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington DC 20250

Notice LP-1961

For: Upland Cotton State and County Offices, CMA's, and LSA's

Upland Cotton Loan Repayments May Be Made With Loan Gains Applicable

Approved by: Deputy Administrator, Farm Programs

1 Upland Cotton Loan Repayments

A Background

The Farm Security and Rural Investment Act of 2002 (the Act) provides that for the 2002 through 2007 crop years upland cotton loan repayments may be made with loan gains applicable if the upland cotton Adjusted World Price (AWP) is less than Upland National Average Loan Rate (UPNALR). Follow the procedure in 7-CN, paragraph 201. The upland cotton AWP became less than UPNALR on Thursday, June 3, 2004.

B Purpose

This notice reminds State and County Offices that outstanding upland cotton loans may be repaid with loan gains applicable.

C Effective Date

The effective date for repaying outstanding upland cotton loans with loan gains applicable is 12:01 a.m. eastern daylight savings time June 4, 2004.

Disposal Date	Distribution
August 1, 2005	State Offices; State Offices relay to Cotton CMA's and LSA's