

For: FSA Offices, CMA's, DMA's, and LSA's

Additional Policy for Producers Under Hybrid Seed Contracts

Approved by: Acting Deputy Administrator, Farm Programs



1 Determining When Beneficial Interest Is Lost

A Background

Notice LP-1970 provides State and County Offices with policy for 2004 and subsequent crop year beneficial interest provisions for producers under hybrid seed contracts.

Questions have been raised about the date beneficial interest is lost for producers under hybrid seed contracts.

B Purpose

This notice provides the policy for determining when beneficial interest is lost for producers under hybrid seed contracts.

C When Beneficial Interest Is Lost for Hybrid Seed Contract Producers

To clarify Notice LP-1970, subparagraph 2 D, producers under hybrid seed contracts would be considered to have lost beneficial interest in the seed, the **earlier of** the date of:

- delivery to the hybrid seed company
- receipt for any payment of the seed.

<p>Disposal Date</p> <p>January 1, 2005</p>	<p>Distribution</p> <p>All FSA Offices; State Offices relay to County Offices; CMA's, DMA's, and LSA's</p>
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