

For: Peanut State and County Offices

1999 Peanut Poundage Quota Transfer Provisions

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

1-PN, subparagraph 202 B, provides for the transfer of peanut quota by sale or lease to farms administratively located within the same State.

B

Purpose

This notice instructs State and County Offices for accepting and approving FSA-375's (Peanuts) for the transfer of peanut poundage quota out-of-county for the 1999 crop year.

C

1999 Procedures

For the 1999 crop year:

- producers interested in transferring peanut quota out-of-county for the 1999 crop year will be required to register by signing FSA-377 during the period January 11, 1999, through January 29, 1999
- permanent transfers of peanut quota will **not** be given priority in selection and approval
- a random drawing will be used to select producers eligible for transfer when the county's transfer limitation is exceeded according to 1-PN, subparagraph 202 C

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<p>Disposal Date</p> <p>October 1, 1999</p>	<p>Distribution</p> <p>Peanut State Offices; State Offices relay to applicable County Offices</p>
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1 Overview (Continued)

C

1999 Procedures (Continued)

- when the county's transfer limitation is exceeded, producers selected must file a properly executed FSA-375 (Peanuts) by COB March 26, 1999

Note: If selected producers do **not** file a properly executed FSA-375 (Peanuts) by the specified date, County Offices will notify the next eligible producers from the log established in subparagraph 3 A, step 8, until the county's transfer limitation has again been met.

- when the county's limitation is not exceeded and a random selection is not required, producers signing FSA-377 must file a properly executed FSA-375 (Peanuts) by COB February 19, 1999

Note: If peanut quota is still available for transfer after February 19, 1999, County Offices shall accept FSA-375 (Peanuts) from any eligible producer for out-of-county transfer of peanut quota on a first-come first-served basis until the county transfer limitation is met or July 31, 1999, whichever event first occurs.

- FSA-375 (Peanuts) accepted on a first-come first-served basis will:
 - **not** have priority for permanent transfers
 - be accepted from all producers whether they previously signed FSA-377 or not
 - be considered accepted and filed when all required signatures are obtained and FSA-375 (Peanuts) is returned to the County Office.

Any requests to transfer peanut quota out-of-county by filing FSA-375 (Peanuts) or signing FSA-377 before January 11, 1999, shall be canceled.

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2 Peanut Quota Transfer Limitations

A

**State and County
Limitations**

See 1-PN, subparagraph 202 B, to determine which States can transfer peanut quota across county lines with or without limitations.

The amount of quota transferred from the county in each crop year shall not exceed the percentage in 1-PN, subparagraph 202 C, minus the previous years' out-of-county transfers by sale.

B

**Percentage of
Quota To Be
Transferred**

The cumulative amount of peanut quota transferred out-of-county for the 1999 crop year cannot exceed 35 percent. Determine the county's transfer limitation according to subparagraph 3 A, step 1.

C

**Within-County
Transfers**

Poundage quota may be transferred to any other farm in the same county without regard to the limitations in 1-PN, subparagraph 202 C.

D

**Fall-Quota
Transfers**

The limitations in 1-PN, subparagraph 202 C do not apply to temporary fall transfers.

E

**Owner and
Operator
Transfers**

Provisions of 1-PN, subparagraph 202 D, will remain applicable for owner and operator transfers.

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3 County Office Action

A

Action

County Offices shall take the following actions upon receiving this notice.

Step	Action
1	Determine the amount of quota eligible to be transferred from the county according to 1-PN, subparagraph 202 C. If subparagraph 202 C is applicable, determine the limitation amount for the 1999 crop year and post in the County Office. For the 1999 crop year, multiply 35 percent times the 1996 preliminary quota obtained from Report ID: MPK100-R001, Report of Decreased Quota, and from this product subtract the total of all permanent out-of-county transfers for the 1996 through 1998 crop years. The 1996 preliminary quota would be the quota in effect for the county on January 1, 1996, based on a national quota of 1,350,000 tons.
2	Mail the suggested letter (Exhibit 1) to all peanut farm owners and operators by January 11, 1999.
3	Prepare a secured container according to 1-PA, paragraph 50.
4	Allow owners or operators to register by signing FSA-377 during the period January 11, 1999, through January 29, 1999, if they are interested in transferring quota out-of-county. The person signing FSA-377 shall: <ul data-bbox="269 1062 1390 1283" style="list-style-type: none">• complete a 3- x 5-inch index card or similar paper, indicating the name, FSN, type of transfer, amount of quota, or percentage of quota to be transferred• sign the card• place the card in the container. <p data-bbox="269 1325 1430 1430">Do not allow producers to sign FSA-377 more than once for each type of transfer per farm. The total quota indicated for a farm, permanent and temporary combined, may not exceed 100 percent of the basic quota for the farm.</p> <p data-bbox="269 1472 1430 1577">Note: Owner-to-owner or operator-to-operator transfers to contiguous counties shall not be entered on FSA-377 if the requirements of 1-PN, subparagraph 202 D, have been met.</p>

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3 County Office Action (Continued)

A
Action
(Continued)

Step	Action	
5	All persons registering before COB January 29, 1999, shall be considered timely filed. County Offices shall not permit additional registrations after January 29, 1999.	
6	Review FSA-377's on February 2, 1999. Convert the percentage of quota requested to be transferred on FSA-377, if applicable, column 3 into pounds and enter in column 4. Conversion shall be based upon the farm's 1999 basic quota.	
7	Determine whether amount of quota requested to be transferred from the county exceeds the county's transfer limitation.	
	IF the amount requested to be transferred on FSA-377 does...	THEN...
	exceed the county's limitation determined in step 1	complete steps 8 through 13.
not exceed the county's limitation determined in step 1	notify all applicants who signed FSA-377 to complete the filing of their FSA-375 (Peanuts) by February 19, 1999. Complete steps 11 and 14. After February 19, 1999, allow all producers to file FSA-375's until July 30, 1999, or the county's limitation is met.	
8	County Office shall create a log for all producers selected in the random drawing.	
9	COC shall conduct a random drawing, open to the public, on February 5, 1999. COC shall randomly select index cards from the secured container until the county's transfer limitation is met. After each drawing, a COC representative shall enter the selected farm representative's name, FSN, and amount of quota requested to be transferred on the log created in step 8 in the order drawn.	
10	COC representative shall select entries from the log, in the order entered. If the last selection causes the total amount of quota selected for transfer to exceed the county's limitation, the County Office shall notify the owner or operator of the amount that can be approved without exceeding the limit.	

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3 County Office Action (Continued)

A
Action
(Continued)

Step	Action
11	Post a copy of FSA-377 and the log in the County Office until August 6, 1999. All entries on FSA-377 and the log shall be verified by COC, placed in a sealed envelope, and kept until January 28, 2000.
12	Notify all parties, by mail, as to whether or not their request to transfer peanut quota out-of-county was selected. By February 23, 1999, notify each producer eligible to transfer that they will have until COB March 26, 1999, to file a properly executed FSA-375 (Peanuts) with the transferring County Office.
13	If a properly executed FSA-375 (Peanuts) is not filed in the transferring County Office by COB March 26, 1999, COC shall select additional applicants until the county's transfer limitation is again met. The newly selected applicants shall be notified, by mail, of the selection and given until COB July 31, 1999, to execute and file FSA-375 (Peanuts).
14	If a random selection is not needed to determine which producers are eligible to transfer peanut quota out-of-county, County Offices shall accept FSA-375 (Peanuts) to transfer peanut quota out-of-county up to the county transfer limitation on a first-come first-served basis through July 30, 1999. All properly executed FSA-375 (Peanuts) accepted by the County Office must be marked with the date and time received to properly identify FSA-375 (Peanuts) accepted according to this step.

Note: Signing FSA-377 shall not be required for transfers requested according to step 14.

Suggested Letter to Owner or Operator

**United States Department of Agriculture
Farm Service Agency
Peanut County FSA Committee
El Campo, Texas 12345-6789**

March xx, 1999

Dear Farm Owner or Operator,

The Federal Agriculture Improvement and Reform Act of 1996 provides for the transfer of peanut poundage quota across county lines. For the 1996 and subsequent crops, peanut poundage quota transfers across county lines are subject to approval based upon certain limitations. For the 1999 crop year, no more than 35 percent of the basic quota allocated to the county, less quota permanently transferred out-of-county in the 1996 through 1998 crop years, may be transferred by sale or lease from (county name). Owner/operator transfers to contiguous counties if the farm had a basic quota in 1998, and fall transfers are not subject to this limitation. All requests to transfer peanut quota out-of-county by filing an FSA-375 or signing the FSA-377 before January 11, 1999, are hereby canceled.

If you wish to transfer peanut quota from the county for the 1999 crop year, you must visit the County Office to sign FSA-377, Register of Tentative Out-of-County Peanut Poundage Quota Transfers, January 11, 1999 through January 29, 1999, indicating your farm number, percentage or pounds of peanut quota you wish to transfer out-of-county, and type of transfer (sale or lease). The signing of the register does not indicate approval of the transfer of peanut quota.

If the total amount of quota listed on the county's FSA-377 does not exceed the county's limitation, no random selections will be conducted, and you will be notified of further action to be taken. You and any other producer in the county will be allowed to file a FSA-375 requesting to transfer peanut quota out-of-county February 22 through July 31, 1999, on a first-come first-served basis until the county transfer limitation is met.

If the total amount of quota listed on FSA-377 exceeds the limit allowed to be transferred from the county, transfers up to the limit will be randomly selected on February 5, 1999, at the County FSA Office. COC will randomly select all requests to transfer from a secured container. The selection process will be open to the public, and COC will not give priority to permanent peanut quota transfers.

If a random selection is required for the county, you will be notified by mail whether or not your request to transfer peanut quota out-of-county has been selected. If your request to transfer peanut quota is selected, you must return to the County Office to execute FSA-375 (Peanuts), Transfer of Peanut Quota, and obtain the signature of all interested parties by March 26, 1999. If a properly executed FSA-375 is not filed by March 26, 1999, beginning on March 29, 1999, COC will select additional entries until the county's limitation is met or July 31, 1999, whichever event comes first.

If a random selection is not required for the county, you will be notified by mail that your request to transfer peanut quota out-of-county has been authorized. You must return to the County Office to execute FSA-375 (Peanuts), Transfer of Peanut Quota, and obtain the signature of all interested parties by February 19, 1999. If a properly executed FSA-375 is not filed by February 19, 1999, you must request transfer of peanut quota out-of-county on a first-come first-served basis. The COC will accept FSA-375's requesting to transfer peanut quota out-of-county on a first-come first-served basis February 22 through July 31, 1999, or until the county limitation is met, whichever event comes first.

The _____ County Office will maintain a register of producers wishing to transfer peanut quota out-of-county.

If you have any questions about the procedures relating to the transfer of peanut poundage quota, please contact this office at (telephone number). (Add discrimination statement.)

Sincerely,

County Executive Director