

For: Peanut State and County Offices

**2000 Peanut Marketing Assistance Program (PMAP-II)**

Approved by: Acting Deputy Administrator, Farm Programs

*Christie White*

**1 Overview**

**A**

**Background**

On June 22, 2000, the President signed the Agricultural Risk Protection Act of 2000, which includes Title II, Agriculture Assistance.

Subtitle A, Market Loss Assistance provides assistance to peanut producers for the 2000 crop year. These payments will be provided to eligible peanut producers to partially compensate for continuing low commodity prices and increasing cost of production.

**B**

**Purpose**

This notice:

- informs State and County Offices of PMAP-II provisions
- provides instructions for allowing peanut producers to sign up to receive payments for marketing losses.

**C**

**Using FSA-1043**

FSA-1043 shall be used to allow eligible producers to sign up for PMAP-II for the 2000 crop year. See Exhibit 1.

**D**

**Signup Period**

Producers electing to apply for the PMAP-II payments must apply at the local FSA County Office from October 2, 2000, through February 1, 2001. Producers must have **completed marketing** of the **2000** crop before signing applications for payment.

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<p><b>Disposal Date</b></p> <p>April 1, 2001</p>	<p><b>Distribution</b></p> <p>Peanut State Offices; State Offices relay to applicable County Offices</p>
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## Notice PN-643

### 1 Overview (Continued)

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#### E

##### **Eligible Producers**

Producers of quota and/or additional peanuts in the United States will be eligible to receive payments if their share in the planted acreage on a farm for the 2000 crop year is greater than zero.

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#### F

##### **Payment Rate**

The payment rate for quota peanuts is \$.01525 per pound (\$30.50 per ton). The payment rate for additional peanuts is \$.00800 per pound (\$16.00 per ton).

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#### G

##### **Automation Software**

Automation Software to issue PMAP-II payments will be issued in County Release No. 443. Instructions for processing payments through the automation software will be issued in a PS notice. County Offices shall allow producers to sign up for payments using FSA-1043. Payments may be processed through the automated payment process immediately upon approval of FSA-1043.

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### 2 Method of Calculation

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#### A

##### **Determining Yield for Calculation**

The eligible yield to be used to calculate peanuts produced or considered produced that are eligible for payment is the higher of the farm yield or the 1997, 1998, 1999, or 2000 actual yield.

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#### B

##### **Considered Produced Credit on 1-Acre Farms**

When calculating produced or considered produced pounds for payment purposes on peanuts produced under the 1-acre provision, use the poundage marketed from the 1-acre of peanuts as the yield per acre for payment. Peanuts produced under the 1-acre provision are only eligible for payment at the quota rate.

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**2 Method of Calculation (Continued)**

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**C**

**Total Pounds  
Eligible for  
Payment**

The total pounds eligible for payment is calculated by multiplying the acres planted to peanuts on the farm times the producer's share of peanuts planted on the farm times the yield.

**Note:** **Abandoned** and **prevented** acreage of peanuts are ineligible for PMAP-II payments.

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**D**

**Poundage  
Eligible for  
Payment at the  
Quota Rate**

Quota pounds eligible for payment at the quota rate is the producer's effective quota at the time of sign up on the farm plus the producer's share of quota that was transferred from the farm by fall transfer.

Within farm fall transfers are to be treated in the same fashion as farm-to-farm transfers for PMAP-II purposes. County Offices shall take the following action to make PMAP-II payments for within farm fall transfers:

- verify that the within farm fall transfer meets the requirements of 7 CFR 729.214 for farm-to-farm transfers
  - verify that the within farm fall transfer was a bona fide transaction between different producers.
- 

**E**

**Poundage  
Eligible for  
Payment at the  
Additional Rate**

Additional pounds eligible for PMAP-II payment at the additional rate for a producer is calculated by subtracting the producer's share of quota pounds from the share of produced or considered produced pounds for each farm.

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**2 Method of Calculation (Continued)**

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**F  
Calculation of  
Payments**

The payment for quota pounds is calculated by multiplying the producer's effective quota at the time of signup on the farm plus the producer's share of quota that was transferred from the farm by fall transfer times the quota rate (.01525).

The payment for additional pounds is calculated by multiplying the producer's share of additional pounds at the time of signup on the farm times the additional rate (.00800 per pound).

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**G  
AD-1026,  
FSA-570 and  
CCC-502**

AD-1026, FSA-570, and CCC-502 are **not** applicable to PMAP-II.

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**H  
Refused  
Payments**

For cases involving multi-producers, where 1 or more of the producers fail to sign FSA-1043, County Offices shall pay the producer that signed and not pay the producer who does not sign. This can be accomplished by changing the default flag from "N" to "Y" for refusal of payment on Screen PIA12500 in the automated system.

The County Office shall:

- notify any producer who has not signed FSA-1043 for payment
  - remind them that if they have not signed FSA-1043 by February 1, 2001, that their portion of the payment will be considered refused.
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**3 Action**

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**A  
State Office  
Action**

State Offices shall instruct DD's to review a minimum of 5 FSA-1043's per county for accuracy, which should include applications for multi-producers, to protect the integrity of the program. The review should take place immediately after the signup begins.

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**Notice PN-643**

**4 County Office Action**

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**A**

**Suggested Letter**

County Offices shall mail the suggested letter, Exhibit 2, to all producers engaged in the production of quota and additional peanuts for the 2000 crop year as soon as this notice is received.

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**B**

**Signup  
Procedures**

County Offices shall take the following actions.

<b>Step</b>	<b>Action</b>
1	Print FSA-578 by producer, for each producer visiting the County Office to sign up for PMAP-II.  <b>Note:</b> In reviewing the producer's FSA-578, County Office personnel must ensure that inactive farms due to reconstitutions are not included in acreage eligible for PMAP-II.
2	Obtain peanut acreage eligible for PMAP-II from the most current FSA-578.
3	Print Peanut FSA-156 report for each farm the producer has an interest in peanut acreage greater than zero.
4	Complete FSA-1043 for each producer visiting the County Office to sign up for PMAP-II.
5	Obtain certification from the producer by signing, entering payment shares, and dating FSA-1043, Part C.

**Note:** The items printed in steps 1 and 2 are for reference and verification purposes. Peanut Automation Software County Release No. 443 will be issued to calculate and display these items.

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**FSA-1043, Peanut Marketing Assistance Program Payment Application and Summary**

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A

**Completing  
FSA-1043**

County Offices shall complete FSA-1043 according to the following table.

Item	Action
1	Enter the State code in which the peanut production was produced for the 2000 crop year.
2	Enter the county code.
3	Enter the crop year.
4	Enter the application number, assigned by the automated system.
5	Enter the contact producer's ID number.
6	Enter the producer's name, address, and telephone number.
7	Enter the County Office name, address, and telephone number.
8	<p>Enter FSN for each farm that the producer has a share in acreage listed on FSA-578.</p> <p><b>Note:</b> More than 1 FSA-1043 may be required for a producer that farms as an individual on some acreage and shares in other farming operations with other producers with an undivided interest in other acreage.</p> <p>In cases where multi-producers share in an acreage, the share (item 11) should reflect the percentage of peanut acreage on the farm the producer or farming operation has an interest. The payment share (item 17B) should reflect the division of payments in the acreage of peanuts for each person involved in the operation.</p>
9	Enter the total planted acreage of peanuts for the farm.
11	Enter the producer's share of acreage planted on the farm for this application.
10, 12-15	Entries in these items are not required for certification. Automation software will be issued at a later date to calculate entries for these items. County Offices shall verify and update these items when the automation software is available.
17 A and C	Producer enters signature and date.
17 B	Enter the producer's payment share.

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**FSA-1043, Peanut Marketing Assistance Program Payment Application and Summary**  
(Continued)

**B**  
**Example 1 of**  
**Completed**  
**FSA-1043**

This is an example of FSA-1043 for a producer who produced peanuts with 100 percent interest in all peanuts planted on 2 farms.

REPRODUCE LOCALLY. Include form number and date on all reproductions. <span style="float: right;">(See Reverse for Privacy Act)</span>						
FSA-1043 (11-10-99) U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency <b>PEANUT MARKETING ASSISTANCE PROGRAM PAYMENT APPLICATION AND SUMMARY</b>						
1. State Code 13	2. County Code 253					
3. Crop Year 2000	4. Application Number 1					
NOTE: The authority for collecting the following information is Pub. L. 106-78. This authority allows for the collection of information without prior approval mandated by the Paperwork Reduction Act of 1995.						
5. Producer's Identification Number 123-45-6789						
6. Producer's Name and Address (Including ZIP Code) C T Peanut 409 Left Lane Pender City, GA 31745  Telephone Number: (888 ) 524-2434	7. County Office Name and Address (Including ZIP Code) Somewhere County FSA 578 Right Road Pender City, GA 31745  Telephone Number: (888 ) 524-6108					
Each producer in the county with a share greater than zero in the planted acreage of peanuts for the current crop year is eligible for a payment.						
<b>PART A - CALCULATION OF TOTAL POUNDS ELIGIBLE FOR PAYMENT (Enter the effective quota per FSN for the producer.)</b>						
8. FSN	9. Planted Acres of Peanuts	10. Yield	11. Producer's Share	12. Produced/ Considered	13. Effective Quota Pounds	14. Additional Pounds
55	34.0	3378	1.0000	114,852	95,348	19,504
252	28.0	3200	.5000	44,800	25,000	19,800
317	14.2	4163	1.0000	59,115	60,000	0
15. Total Pounds Eligible for Payment (Totals for Columns 13 & 14)→					180,348	39,304
16. Remarks C.T. Peanut has 100% interest in all peanuts planted on FSN 55 and 317. FSN 252 has 28.0 acres planted on it, Mr. Peanut has 100% interest in 50% of the total acreage planted on the farm.						
<b>PART B - PRODUCER'S CERTIFICATION</b>						
I certify that all the information entered on this application is true and correct. I also understand that the quota payment is based on the effective quota assigned to me on each farm listed as of the date of this application. Providing a false certification to the government is punishable by imprisonment, fines and other penalties. All information provided herein is subject to verification by the Farm Service Agency. The provision of criminal and civil fraud statutes that apply to this certification, includes 18 USC 286, 297, 371, 641, 651, 1001 and 1014; USC 714m; and 31 USC 3729.						
By signing this document, I am acknowledging I have read this certification and agree to the terms of the certification as stated above.						
17A. Producer's Signature				17B. Payment Shares	17C. Date	
				1.0000	10-2-00	
<b>PART C - COC DETERMINATION</b>						
18A. Signature of COC or Designee					18B. Date	
18C. Title of COC or Designee					Approved	
					Disapproved	

Continued on the next page

**FSA-1043, Peanut Marketing Assistance Program Payment Application and Summary  
(Continued)**

**C  
Example 2 of  
Completed  
FSA-1043**

This is an example of FSA-1043 for multi-producers who shared in the production of peanuts with other producers having an undivided interest.

REPRODUCE LOCALLY. Include form number and date on all reproductions. (See Reverse for Privacy Act)

<b>FSA-1043</b> (11-10-99)  <b>U.S. DEPARTMENT OF AGRICULTURE</b> Farm Service Agency  <b>PEANUT MARKETING ASSISTANCE PROGRAM</b> <b>PAYMENT APPLICATION AND SUMMARY</b>		1. State Code 13	2. County Code 253			
		3. Crop Year 2000	4. Application Number 2			
NOTE: The authority for collecting the following information is Pub. L. 106-78. This authority allows for the collection of information without prior approval mandated by the Paperwork Reduction Act of 1995.		5. Producer's Identification Number 123-45-6789				
		6. Producer's Name and Address (Including ZIP Code)  CT Peanut 409 Left Lane Pender City, GA 31745  Telephone Number: ( 888 ) 524-2434				
		7. County Office Name and Address (Including ZIP Code)  Somewhere County FSA 578 Right Road Pender City, GA 31745  Telephone Number: ( 888 ) 534-6108				
Each producer in the county with a share greater than zero in the planted acreage of peanuts for the current crop year is eligible for a payment.						
<b>PART A - CALCULATION OF TOTAL POUNDS ELIGIBLE FOR PAYMENT (Enter the effective quota per FSN for the producer.)</b>						
8 FSN	9 Planted Acres of Peanuts	10 Yield	11 Producer's Share	12 Produced/ Considered	13 Effective Quota Pounds	14 Additional Pounds
252	28.0	3200	.5000	44,800	25,000	19,800
427	28.6	3517	1.0000	100,586	69,182	31,404
<b>15. Total Pounds Eligible for Payment (Totals for Columns 13 &amp; 14)→</b>					94,182	51,204
16. Remarks Multi-producers, C.T. Peanut and Sam Brown have an undivided interest (50/50 share) in 50% percent of the total peanuts planted on FSA 252 and 100% of peanuts on FSA 427. C.T. Peanut has a separate farming interest in peanuts, see example Exhibit 1 B.						
<b>PART B - PRODUCER'S CERTIFICATION</b>						
I certify that all the information entered on this application is true and correct. I also understand that the quota payment is based on the effective quota assigned to me on each farm listed as of the date of this application. Providing a false certification to the government is punishable by imprisonment, fines and other penalties. All information provided herein is subject to verification by the Farm Service Agency. The provision of criminal and civil fraud statutes that apply to this certification, includes 18 USC 286, 297, 371, 641, 651, 1001 and 1014; USC 714m; and 31 USC 3729.						
By signing this document, I am acknowledging I have read this certification and agree to the terms of the certification as stated above.						
17A. Producer's Signature		17B. Payment Shares	17C. Date			
		.5000	10-2-00			
		.5000	10-2-00			
<b>PART C - COC DETERMINATION</b>						
18A. Signature of COC or Designee		18B. Date				
18C. Title of COC or Designee		Approved				
		Disapproved				

Suggested Letter to Producers

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**United States Department of Agriculture  
Farm Service Agency  
Peanut County FSA Office  
Hometown, North Carolina 12345-6789**

Dear Peanut Producer: (date)

For the 2000 crop year, all producers of quota and additional peanuts are eligible for peanut marketing loss assistance to provide compensation for continuing low commodity prices and increasing costs of production. Each producer of quota or additional peanuts will be eligible for assistance based upon the amount of peanuts produced or considered produced for the 2000 crop year. The amount of assistance shall be \$30.50 per ton for quota and \$16.00 per ton for additional peanuts.

If you are interested in applying for this assistance, you must visit the County Office, upon **completion of marketing** your **2000** peanut crop and file FSA-1043. The signup period is October 2, 2000, through February 1, 2001. However, in order to be eligible, you must have an interest greater than zero in planted acreage of peanuts for the 2000 crop year.

If you have any questions about the procedures relating to the 2000 Market Loss Assistance Program, please contact this office at (telephone number).  
(Add discrimination statement.)

Sincerely,

County Executive Director

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