

For: State and County Offices

**Additional Instructions for Processing Loan Deficiency Payments  
(LDP's) for Contract Commodities Produced on Noncontract Farms**

Approved by: Deputy Administrator, Farm Programs



**1 Overview**

**A**

**Background**

Notice LP-1767:

- provides important 2000 crop year beneficial interest information
- subparagraph 3 B authorizes processing LDP's as "field direct" when the request results in multiple LDP rates too numerous to manually calculate a weighted average rate. See subparagraph 2 B of this notice.

8-LP, subparagraph 16 B provides that LDP's are due for payment 30 calendar days from the date the producer provides all information needed to complete the LDP request. After that 30-day period, late payment interest applies.

LDP's for contract commodities produced on noncontract farms were **authorized on October 27, 2000**, by a revision to 7 CFR Part 1421.

**B**

**Purpose**

This notice provides additional instructions for processing LDP's in APSS for contract commodities produced on noncontract farms.

When all information needed to process an LDP for contract commodities produced on noncontract farms was provided by the producer:

- **before** October 27, 2000, process LDP according to paragraph 2
- **after** October 27, 2000, process LDP according to paragraph 3.

<b>Disposal Date</b>	<b>Distribution</b>
February 1, 2001	State Offices; State Offices relay to County Offices

## Notice PS-376

### 2 Processing Noncontract LDP's Approved for Payment Before October 27, 2000

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#### A

##### CCC-666 LDP Requests Involving Single Rate

When processing LDP's in APSS for contract commodities produced on noncontract farms that were requested by CCC-666 LDP and approved for payment **before** October 27, 2000:

- enter "10-27-00" in the "LDP Approval Date" field on Screen PGA10010
  - prompt payment interest begins accruing on November 26, 2000.
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#### B

##### CCC-666 LDP Requests Involving Multiple Rates

When processing LDP's in APSS for contract commodities produced on noncontract farms that were requested on multiple CCC-666 LDP's approved for payment before October 27, 2000, on:

- Screen PGA10015, enter:
  - **actual** CCC-666 LDP approval date in the "709 Approval Date" field
  - "10-27-00" in the "Date of Certification or Documentation Received" field

**Note:** Prompt payment interest begins accruing on November 26, 2000.

- Screen PGB12500:
    - all LDP rate dates:
      - shall be entered in "Delivery Date" fields
      - must fall **between** date entered in the "709 Approval Date" field on Screen PGA10015 and October 27, 2000
    - make entries in the normal manner for:
      - CCC-determined values
      - delivery quantities.
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## Notice PS-376

### 2 Processing Noncontract LDP's Approved for Payment Before October 27, 2000 (Continued)

C

#### CCC-709 Field Direct LDP's

When processing actual field direct LDP's for contract commodities produced on noncontract farms that were requested by CCC-709, and delivered and approved for payment **before** October 27, 2000, on:

- Screen PGA10015, enter:
  - CCC-709 approval date in the "709 Approval Date" field
  - "10-27-00" in the "Date of Certification or Documentation Received" field

**Note:** Prompt payment interest begins accruing on November 26, 2000.

- Screen PGB12500, make entries in the normal manner for:
  - delivery dates
  - CCC-determined values
  - delivery quantities.

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### 3 Processing Noncontract LDP's Approved for Payment After October 27, 2000

A

#### LDP's Requested After October 27, 2000

Process LDP's in APSS for contract commodities produced on noncontract farms that were approved for payment **on or after** October 27, 2000, by entering applicable dates in the normal manner.

**Note:** These normal manner transactions can be either as single rate LDP's, or "field direct" LDP's when the request results in multiple LDP rates too numerous to manually calculate a weighted average rate.

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