

For: State and County Offices

Processing 2003 Peanut Loans and LDP's Using APSS County Release No. 518

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Peanut producers may request marketing assistance loans and LDP's for 2003 crop peanuts until the final loan availability date of January 31, 2004. County Release No. 518, August 18, 2003, includes the following enhancements to APSS covering peanut loans and LDP's for the 2003 year:

- updated 2003 crop year:
 - loan rate
 - premiums and discounts for percent sound mature kernel (SMK) and sound split (SS)
- modified manner of calculating the loan amount and quantity for warehouse-stored peanuts
- new validations for grade factors recorded when processing warehouse-stored loans
- new report summarizing loan and warehouse receipt information
- modified manner of recording LDP's for peanut hay and green peanuts
- ability to display on the loan inquiry screens the:
 - amount of load-in charges
 - "date document received" date.

Refer to Notice LP-1939 for additional policies and procedures for processing peanut loans and LDP's for the 2003 crop year.

Disposal Date August 1, 2004 9-2-03	Distribution State Offices; State Offices relay to County Offices
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1 Overview (Continued)

B Purpose

This notice provides instructions to State and County Offices for processing peanut loans and LDP's for the 2003 crop year.

2 Basic Peanut Loan and LDP Program Information

A General References

County Offices shall refer to the following handbooks for general guidelines in processing peanut loans and LDP's:

- 12-PS, for general instructions related to APSS
- 8-LP, for general policies and procedures relating to loans and LDP programs.

B Loan Availability and Maturity Dates

The final loan availability date for peanuts will be **January 31** of the year following the harvest. Loans shall mature no later than the last day of the 9th calendar month following the month in which the Note and Security Agreement was approved.

C Peanut Loan Rate for the 2003 Crop Year

The loan rates for the 2003 crop year are as follows.

Type	Loan Rate
Runner	\$355.98
Spanish - Southeast	\$338.67
Spanish - Southwest	\$338.67
Valencia	\$353.27
Virginia	\$353.27

APSS has been enhanced to **automatically upload** the 2003 loan rates for peanuts in the Commodity Loan Rate Table for Peanuts in the County-Maintained Table File.

D Warehouse Name and Address

Warehouse information must be entered in the Other Name and Address File according to 1-CM, paragraph 931 before loading the 2003 rates for peanuts in the Offer Shipping Rate Table according to subparagraph E.

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2 Basic Peanut Loan and LDP Program Information (Continued)

D Warehouse Name and Address (Continued)

Enter the information relating to the warehouses storing loan collateral peanuts in the Other Name and Address File. The list of CCC approved peanut warehouses can be accessed at http://www.fsa.usda.gov/approved_whses/peanuts/approved_peanut_whses.asp. Use the "Custom Search" option to select a specific peanut warehouse by location, name, or warehouse code.

When entering the peanut warehouse name and address, County Offices shall use the following information:

- "ID Number" - request for the tax identification number from the warehouse that signed the CCC Agreement with DACO, and enter information in the ID Number field
- Facility Code - "12"
- Warehouse Master Code - assigned to the storing warehouse
- Warehouse Status - "1"
- State County Code - for the warehouse location
- License Code:
 - "F" for Federal warehouses licensed by DACO
 - "S" for State-licensed warehouse
 - "U" for unlicensed warehouse
- Eligible for Designation - "Y".

Important: For warehouses that have already been recorded in the Other Name and Address File during the 2002 crop year, County Offices must review and update the data to reflect the information applicable to the 2003 crop year.

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2 Basic Peanut Loan and LDP Program Information (Continued)

E Offer Shipping Rate Table

County Offices must enter the 2003 peanut warehouse charges on the Offer Shipping Rate Table in the following manner:

- access the Peanut Offer Shipping Rate Table, option 6, from Menu PAA79000
- enter "U" to update the table
- enter the warehouse code assigned to the warehouse
- enter the "Effective Date" date of **7/01/03**
- enter "N" or "Y" to the question, "Is this a merged warehouse?"
- enter the 2003 warehouse rates applicable to the State where the storing warehouse is located on Screen PAA79035.

Enter the peanut warehouse rates for the 2003 crop year are as follows.

State	Load-in Rate	Storage Rate	Load Out
Alabama	\$35.50	\$2.71 per ton, per month	\$8.00 per ton
Arkansas	\$36.00		
Florida	\$35.25		
Georgia	\$35.20		
New Mexico	\$35.50		
North Carolina	\$36.75		
Oklahoma	\$36.00		
South Carolina	\$37.00		
Texas	\$35.00		
Virginia	\$37.50		

Refer to Notice LP-1938 announcing the rates of peanut warehouse charges for the 2003 crop year.

Note: Ensure that each storing warehouse is entered in the Other Name and Address File according to subparagraph D before completing the Offer Shipping Rate Table.

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2 Basic Peanut Loan and LDP Program Information (Continued)

F Other Peanut Loan and LDP Features

The following program features remain unchanged from the 2002 crop year:

- commodity code and peanut type abbreviation
- interest rate
- service fees
- program codes for loans and LDP's
- promotion fee assessment
- assignments
- commodity certificate exchange.

3 Processing Peanut Loans and LDP's in APSS

A Peanut Loan and LDP Processing

Process peanut loans and LDP's by selecting the applicable option from the Price Support - Main Menu PCA005. These options are the same as the 2002 crop year.

B Date Document Received

When processing warehouse-stored loan, enter on the "Date Document Received" date on Screen PLC10005 using the **actual date** all required loan documents are received by the County Office.

This date shall be the later of the dates the following documents are received by the County Office:

- loan application
- warehouse receipt
- other applicable documents, like lien waiver (excluding lien search).

Important: For the 2003 crop year, **do not** enter the "Storage Date" shown on the warehouse receipt as the "Date Document Received" date as in the 2002 crop year.

APSS will continue to use the "Date Document Received" date to calculate the storage credit applicable to each warehouse-stored loan. Storage credit will not be applied to farm-stored loan peanuts.

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3 Processing Peanut Loans and LDP's in APSS (Continued)

C Warehouse Receipt Validation for Peanuts

Enter the peanut warehouse receipt data, including the weights indicated on the warehouse receipt on Screen PLC40000, Peanut Warehouse Receipt Validation.

The following is an example of Screen PLC40000:

083 - LEFLORE		PLC40000
PRICE SUPPORT - LOAN MAKING	Version: AC73	08-01-03 8:32 Term M0
ABC PEANUT COMPANY	CY 03 LOAN#	001 COMM Pnut
PEANUT WAREHOUSE RECEIPT VALIDATION		
Warehouse Receipt Number		101
Date Receipt Issued (MMDDYY)		080103
Date Commodity Received (MMDDYY)		080103
Net Pounds	42000	
Net Tons	21	
LSK Pounds	1000	
LSK Tons	.5	
Total Pounds	43000	
Total Tons	21.5	
In Transportation Code (R/B/A or T)		
Press "Enter" To Continue	Cmd3=Previous Screen	Cmd7=End of Job

For Transportation Code, enter:

- "R" for rail
- "B" for barge
- "A" for truck
- "T" for truck with transit.

D Grading Factors for Peanuts

Enter the peanut grade factors shown on the warehouse receipt on Screen PLC23500, Grading Factors Input-Peanuts. APSS allows entry of the grade factors to 2 digits right of the decimal place. All grading factors are rounded to the nearest whole number before applying the premiums and discounts for peanuts.

The screen has been revised to capture additional information from the warehouse receipt. The additional fields are:

- Concealed RMD
- Hulls
- Total Kernels/Hulls.

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3 Processing Peanut Loans and LDP's in APSS (Continued)

D Grading Factors for Peanuts (Continued)

The following is an example of Screen PLC23500.

```
083 - LEFLORE                                     PLC23500
PRICE SUPPORT - LOAN MAKING                       Version: AC73   08-01-03  8:32  Term M0
ABC PEANUT COMPANY                               CY 03 LOAN#   001  COMM PNU
-----
GRADING FACTORS INPUT - PEANUTS

Receipt Number                1

Grade..... 1      Foreign Material..... 4.00
Sound Splits..... 8.50  Total SMK..... 69.50
Other Kernels..... 6.25  Moisture..... 9.00
Total Damage..... 1.00  ELK.....
Concealed RMD.....      Hulls..... 24.25
Total Kernels/Hulls..... 100.00

Do you have additional Receipts? (Y or N)  ___

Press "Enter" To Continue   Cmd3=Previous Screen   Cmd7=End of Job
```

For 2003, APSS will validate and display the appropriate message when the grade factors entered on Screen PLC23500 **do not** meet the following criteria:

- **Moisture** cannot be less than **2.50** percent or more than **10.49** percent
- **Total Damage** cannot be more than **2.49** percent for **Seg. 1** peanuts
- **Concealed RMD** cannot be more than **1.00** percent for **Seg. 1** peanuts
- **Total Kernels and Hulls** must be:
 - between **98.50** through **101.49** percent
 - equal to **Total SMK** plus **Total Damage** plus **Other Kernels** plus **Hulls** percents
- **ELK** is required when processing Virginia type peanut loans.

Note: For the 2003, procedures for completing the warehouse receipt has been modified to discontinue adding the percent LSK to the percent OK.

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3 Processing Peanut Loans and LDP's in APSS (Continued)

E Premiums and Discounts for Peanuts

The table of premiums and discounts applicable to the 2003 crop peanuts are shown on Exhibits 1 through 3. The premiums and discounts for the Percent SMK and SS shown on Exhibit 1 have changed from the 2002 crop year. The ranges for the rates of discounts on Exhibit 2 have been adjusted, while premiums shown on Exhibit 3 remain unchanged.

APSS will apply the peanut premiums and discounts to **Seg. 1 warehouse-stored loans** only.

Seg. 2 and **Seg. 3** peanuts will be discounted to 35 percent of the 2003 loan rate for the applicable peanut type. No additional premiums and discounts will be applied to Seg. 2 and Seg. 3 peanuts.

F Determining Loan Quantity for Peanuts

For the 2003 crop year, APSS will determine the loan quantity for peanuts in the following manner:

- For **farm-stored loans**, the manner of determining the eligible quantity remains unchanged.
- For **warehouse-stored loans**, APSS has been modified to determine the total loan quantity for peanuts by adding the:
 - Net Tons (excluding LSK)
 - LSK Tons.

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3 Processing Peanut Loans and LDP's in APSS (Continued)

G Determining Peanut Loan Amount

APSS will calculate the loan amount for peanuts in the following manner.

- For **farm-stored loan**, multiply the eligible loan quantity times the 2003 loan rate for the applicable peanut type.
- For **warehouse-stored loan peanuts**, calculate the loan amount as follows:
 - **Seg. 1 peanuts**, add the value of Net Tons (excluding LSK) plus Value of LSK tons, where:
 - **value of Net Tons (excluding LSK)** will be calculated by:
 - applying premiums and discounts to the 2003 loan rate for the applicable peanut type to determine the adjusted loan rate
 - multiplying Net tons (excluding LSK) times the adjusted loan rate
 - **value of LSK Tons** is calculated by multiplying the LSK Tons by \$140
 - **Seg. 2 and 3 peanuts**, multiply the eligible loan quantity times 35 percent times of the 2003 loan rate.

H Warehouse Receipt Summary for Peanuts

APSS has been enhanced to provide the ability to print a Warehouse Receipt Summary for Peanuts before completing the loan. An example of the report is shown on Exhibit 4.

County Offices shall:

- review the warehouse receipt data associated with each loan
- file a copy of the report in the producer's loan folder.

I Processing LDP's in APSS

APSS will calculate the amount of LDP's for peanuts in the same manner as the 2002 crop year.

For the 2003, APSS has been enhanced to capture LDP's for peanut hay and green peanuts as a sub-class under the applicable peanut type.

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3 Processing Peanut Loans and LDP's in APSS (Continued)

I Processing LDP's in APSS (Continued)

County Offices shall use the sub-class information for peanut hay and green peanuts according to the following table.

Commodity Abbreviation	Class Abbreviation	Sub-class Abbreviation	
		Type	Abbrv
PNUT	RUN	Hay	HAY
	SPE		
	SPW		
	VAL		
	VIR	Green	GRN

LDP's for peanuts can be processed using either option 1, 2, 3, 4, or 7 of the Loan Deficiency Payment Making Menu PGA000. Process LDP's for hay and green peanuts by selecting option 1, Farm-Stored and Warehouse-Stored Certified Quantities.

Refer to Notice LP-1939 for additional information on LDP's for peanut hay and green peanuts.

4 Processing Peanut Loan Repayment

A Processing Peanut Loan Repayment in APSS

County Release No. 518 does not include the updated repayment software for the 2003 crop year peanuts. Instructions on the peanut loan repayment shall be provided in a future notice.

5 Peanut Loan Inquiry

A Displaying the Amount of Load-in Charges

APSS Screen PVA30005, "Additional Loan Information", accessed through Main Menu option 1, "Inquire about a Loan/LDP", has been enhanced to display the amount of load-in charges applicable to the warehouse-stored loan.

B Displaying the Date Document Received

APSS Screen PVA33501, "Receipt Information", accessed through Main Menu option 1, "Inquire about a Loan/LDP", has been enhanced to display the "Date Document Received" date for warehouse stored loan.

SMK and SS Premiums and Discounts for Peanuts for the 2003 Crop Year

SMK + SS	Virginia	Runner	Spanish	Valencia
85	68.84	57.89	73.16	83.29
84	63.87	53.02	68.31	78.15
83	58.91	48.15	63.47	73.02
82	53.94	43.28	58.62	67.88
81	48.98	38.41	53.78	62.75
80	44.01	33.54	48.93	57.61
79	39.04	28.67	44.09	52.47
78	34.08	23.80	39.24	47.34
77	29.11	18.93	34.40	42.20
76	24.15	14.06	29.55	37.07
75	19.18	9.19	24.71	31.93
74	14.21	4.33	19.86	26.79
73	9.25	-0.54	15.02	21.66
72	4.28	-5.41	10.17	16.52
71	-0.68	-10.28	5.32	11.39
70	-5.65	-15.15	0.48	6.25
69	-10.62	-20.02	-4.37	1.11
68	-15.58	-24.89	-9.21	-4.02
67	-20.55	-29.76	-14.06	-9.16
66	-25.51	-34.63	-18.90	-14.29
65	-30.48	-39.50	-23.75	-19.43
64	-35.45	-44.36	-28.59	-24.57
63	-40.41	-49.23	-33.44	-29.70
62	-45.38	-54.10	-38.28	-34.84
61	-50.34	-58.97	-43.13	-39.97
60	-55.31	-63.84	-47.97	-45.11
59	-60.28	-68.71	-52.82	-50.25
58	-65.24	-73.58	-57.66	-55.38
57	-70.21	-78.45	-62.51	-60.52
56	-75.17	-83.32	-67.35	-65.65
55	-80.14	-88.19	-72.20	-70.79
54	-85.11	-93.05	-77.04	-75.93
53	-90.07	-97.92	-81.89	-81.06
52	-95.04	-102.79	-86.73	-86.20
51	-100.00	-107.66	-91.58	-91.33
50	-104.97	-112.53	-96.42	-96.47
49	-109.94	-117.40	-101.27	-101.61
48	-114.90	-122.27	-106.11	-106.74
47	-119.87	-127.14	-110.96	-111.88

SMK and SS Premiums and Discounts for Peanuts for the 2003 Crop Year (Continued)

SMK + SS	Virginia	Runner	Spanish	Valencia
46	-124.83	-132.01	-115.80	-117.01
45	-129.80	-136.88	-120.65	-122.15
44	-134.77	-141.74	-125.49	-127.29
43	-139.73	-146.61	-130.34	-132.42
42	-144.70	-151.48	-135.18	-137.56
41	-149.66	-156.35	-140.03	-142.69
40	-154.63	-161.22	-144.87	-147.83
39	-159.60	-166.09	-149.72	-152.97
38	-164.56	-170.96	-154.56	-158.10
37	-169.53	-175.83	-159.41	-163.24
36	-174.49	-180.70	-164.25	-168.37
35	-179.46	-185.57	-169.10	-173.51
34	-184.43	-190.43	-173.94	-178.65
33	-189.39	-195.30	-178.79	-183.78
32	-194.36	-200.17	-183.63	-188.92
31	-199.32	-205.04	-188.48	-194.05
30	-204.29	-209.91	-193.32	-199.19
29	-209.26	-214.78	-198.17	-204.33
28	-214.22	-219.65	-203.01	-209.46
27	-219.19	-224.52	-207.86	-214.60
26	-224.15	-229.39	-212.70	-219.73
25	-229.12	-234.26	-217.55	-224.87
24	-234.09	-239.12	-222.39	-230.01
23	-239.05	-243.99	-227.24	-235.14
22	-244.02	-248.86	-232.08	-240.28
21	-248.98	-253.73	-236.93	-245.41
20	-253.95	-258.60	-241.77	-250.55
19	-258.92	-263.47	-246.62	-255.69
18	-263.88	-268.34	-251.46	-260.82
17	-268.85	-273.21	-256.31	-265.96
16	-273.81	-278.08	-261.15	-271.09
15	-278.78	-282.95	-266.00	-276.23
14	-283.75	-287.81	-270.84	-281.37
13	-288.71	-292.68	-275.69	-286.50
12	-293.68	-297.55	-280.53	-291.64
11	-298.64	-302.42	-285.38	-296.77
10	-303.61	-307.29	-290.22	-301.91

SMK and SS Premiums and Discounts for Peanuts for the 2003 Crop Year (Continued)

SMK + SS	Virginia	Runner	Spanish	Valencia
9	-308.58	-312.16	-295.07	-307.05
8	-313.54	-317.03	-299.91	-312.18
7	-318.51	-321.90	-304.76	-317.32
6	-323.47	-326.77	-309.60	-322.45
5	-328.44	-331.64	-314.45	-327.59
4	-333.41	-336.50	-319.29	-332.73
3	-338.37	-341.37	-324.14	-337.86
2	-343.34	-346.24	-328.98	-343.00
1	-348.30	-351.11	-333.83	-348.13
0	-353.27	-355.98	-338.67	-353.27

Peanut Discounts

Damage	
Percent	Deduction
1	None
2	\$3.40

Foreign Material	
Percent	Deduction
1	None
2	None
3	None
4	None
5	\$1.00
6	\$2.00
7	\$3.00
8	\$4.00
9	\$5.00
10	\$6.00
11	\$7.00
12	\$8.50
13	\$10.00
14	\$11.50
15	\$13.00
Above 15%	\$13.00 + \$2.00 for each % over 15%

Sound Splits	
Percent	Deduction
1	None
2	None
3	None
4	None
5	\$0.80
6	\$1.60
7	\$2.40
8	\$3.20
9	\$4.00
10	\$4.80
11	\$5.60
12	\$6.40
13	\$7.20
14	\$8.00
15	\$8.80
Above 15%	\$8.80 + \$0.80 for each percent over 15 %

Peanut Premiums

Percent Other Kernels Percent x \$1.40	
Percent	Premium
1	1.40
2	2.80
3	4.20
4	5.60
5	7.00
6	8.40
7	9.80
8	11.20
9	12.60
10	14.00
11	15.40
12	16.80

Peanut Premiums (Continued)

ELK Premium Percent Per Ton Virginia Peanuts Only Percent ELK x \$.35	
50	17.50
49	17.15
48	16.80
47	16.45
46	16.10
45	15.75
44	15.40
43	15.05
42	14.70
41	14.35
40	14.00
39	13.65
38	13.30
37	12.95
36	12.60
35	12.25
34	11.90
33	11.55
32	11.20
31	10.85
30	10.50
29	10.15
28	9.80
27	9.45
26	9.10
25	8.75
24	8.40
23	8.05
22	7.70
21	7.35
20	7.00
19	6.65
18	6.30
17	5.95
16	5.60

Warehouse Receipt Summary for Peanuts

WAREHOUSE RECEIPT SUMMARY FOR PEANUTS													1. SI & CO. CODE 05 083		2. CROP YR 03	
													3. LOAN NO. 001		4. DISBURSEMENT DATE 08/01/03	
													5. WAREHOUSE CODE 012345		6. DATE DOCUMENT RCVD. 08/01/03	
7. NAME OF CONTACT PRODUCER JOHN DOE											8. LOAD-IN CHARGE 612.75					
WHSE RCPT NO	STORAGE START DATE (MMDDYY)	PNUT TYPE SEG	FM	MOI	SS	TOT SMK	DMG KNL	OTH KNL	HULLS	TOTAL KNL & HULLS	ELK	NET TONS (EXCL. LSK)	LOAN RATE TONS (EXCL. LSK)	LSK TONS	LSK VAL	RCPT LOAN AMT
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
101	080103	RU/1	4.00	9.00	8.50	69.50		6.25	24.25	100.00		21.00	355.23	.50	70.00	7529.83
TOTAL												21.00		.50	70.00	7529.83