

For: State and County Offices

APSS Enhancements for Printing Maturity Letters for Honey Loans

Approved by: Acting Deputy Administrator, Farm Programs

Bradley Karmen

1 Overview

A Background

2-LP Honey, subparagraph 16 B instructs County Offices to send a notification letter to producers:

- with maturing honey crop loans
- at least 45 calendar days, but not more than 60 calendar days, **before** the loan maturity date.

Note: Notification letters shall be sent according to the example in 2-LP Honey, subparagraph 16 D. A future amendment to 2-LP Honey will include the revised honey maturity letter according to subparagraph 2 B.

Except for honey, maturity letters have been available in APSS to notify a producer of a commodity loan(s) maturing within 45 calendar days.

County Office Release No. 611 includes APSS software to provide maturity letters specific to honey loans.

B Purpose

This notice provides State and County Offices with instructions for printing maturity letters for honey loans.

C Contact

For questions or situations **not** addressed in this notice, State Offices shall contact Laura Schlote, PSD, by either of the following:

- e-mail at laura.schlote@wdc.usda.gov
- telephone at 202-720-7785.

Disposal Date	Distribution
September 1, 2007	State Offices; State Offices relay to County Offices

Notice PS-589

2 APSS Enhancements for Maturing Honey Loans

A Action

County Offices shall print maturity letters for maturing honey loans according to the following.

Step	Action
1	<p>On Price Support Main Menu PCA005:</p> <ul style="list-style-type: none"> • ENTER “9”, “Perform Administrative Functions” • PRESS “Enter”.
2	<p>On Administrative Main Menu PAA010:</p> <ul style="list-style-type: none"> • ENTER “8”, “Price Support Query Menu” • PRESS “Enter”.
3	<p>On Price Support Query Menu PQA015:</p> <ul style="list-style-type: none"> • ENTER “2”, “Loan Maturity Letters” • PRESS “Enter”.
4	<p>On Query Type Selection Screen PAQ01150:</p> <ul style="list-style-type: none"> • ENTER “7”, “Honey Loan Maturity Letter” • PRESS “Enter”. <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <pre> PRICE SUPPORT 119-LYON PQA01150 QUERY TYPE SELECTION SCREEN VERSION: AD49 03-09-07 15:25 TERM H5 ----- 1. Non-Recourse Farm-Stored Loan Maturity Letter 2. Non-Recourse Warehouse-Stored Loan Maturity Letter 3. Recourse Loan Maturity Letter 4. Cotton Loan Maturity Letter 5. Sugar Loan Maturity Letter 6. Distress Loan Maturity Letter 7. Honey Loan Maturity Letter Enter the number of your selection and press the "Enter" key. _ . Cmd3=Previous Menu Cmd7=End Of Job </pre> </div>

Notice PS-589

2 APSS Enhancements for Maturing Honey Loans (Continued)

B Honey Maturity Letter

The following is an example of the honey maturity letter that will be generated.

Dear AJ Wallace:

According to our records, you have a 2007 crop year honey loan #12.

April 30, 2007, is the loan maturity date. You may repay the loan on or before the maturity date. The only option available to you after the maturity date is to settle your loan with the Commodity Credit Corporation (CCC) through a local sale. If you have not already notified the FSA office of your intentions, please do so at once. If you intend to settle the honey to CCC, the following provisions will apply:

- you will be notified of the local sale and date to deliver the honey to the purchaser
- settlement is limited to the quantity of honey in the number of containers originally certified on the loan less the number of repaid containers
- you or your authorized agents must be at the storage location AT THE TIME OF SAMPLING to designate the lots by color and floral source, and to sign the necessary documents
- even though your containers may have been previously inspected, the FSA representative will make the final container eligibility
- your honey will be weighed by an FSA representative to determine the quantity delivered
- title to the container passes to CCC at maturity
- you are responsible for inspection and testing fees.

An FSA representative will sample the honey for color, moisture, and adulteration. Determinations will be made by AMS. The value of the settlement of your honey shall be the settlement rate times the quantity. The following provision will apply:

- the settlement rate for positive adulteration or moisture content in excess of 18.5 is "zero"
- the color of honey will be determined according to AMS
- the FSA representative will not remove residue or defects on top of the honey before drawing samples
- you will be given 5 workdays after the date of notification to appeal the quality determination made by AMS, and you must pay for any expenses resulting from the appeal
- if the settlement value of the honey is less than the amount due on the loan, the amount of any deficiency and charges plus interest thereon shall be paid to CCC
- if the settlement value of the honey exceeds the amount due, CCC will provide you a check for the excess amount.

If you have any questions about the provisions in this letter, please contact this office for more information.

Sincerely,

/s/ John Smith
County Executive Director