

For: State and County Offices

2000 Crop Year Sugar Program

Approved by: Deputy Administrator, Farm Programs



1 Overview

A

Background

Processors obtaining nonrecourse loans are required to pay eligible producers the established minimum grower payment level according to 10-SU, Part 7. According to 10-SU, subparagraph 217 B, processors who fail to pay producers minimum grower payments are ineligible to receive CCC loans for the next 2 crop years.

B

Purpose

This notice provides instructions on:

- modifying CCC-677A to ensure that the producer minimum grower payments are paid
- the penalty imposed on processors if minimum grower payments are **not** paid
- 2000 crop year loan rates.

C

Policy Change

Effective immediately, failure to make minimum grower payments will cause the applicable processor to be ineligible for **any loans until** the minimum grower payments are paid-in-full.

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<p><b>Disposal Date</b></p> <p>October 1, 2001</p>	<p><b>Distribution</b></p> <p>State Offices; State Offices relay to County Offices</p>
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### 1 Overview (Continued)

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#### D

#### Modifying CCC-677A

Until a revised automated CCC-677A is available through APSS, County Offices shall manually modify CCC-677A, Part B by adding the following statements to:

- Section 1 (f)(v)

“Upon final settlement of the loan, the processor shall ensure that the minimum grower payment as required by 7 CFR 1435.106 (c) has been paid to all eligible producers who have delivered sugar beet or sugarcane to such processor. Failure to make minimum grower payments will cause the processor to be ineligible for all future loans until the delinquent minimum grower payments are paid-in-full.”

- Section 2 (iii)

“agrees to share the proceeds with growers when sugar pledged as collateral for a CCC loan is forfeited, in accordance with the contract between the processor and the grower”.

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### 2 Sugar Loan Rates

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#### A

#### National Average

This table provides the national weighted average loan rates for the 2000 crop of domestically grown sugar beets and sugarcane.

Commodity	Loan Rate/Pounds
Beet Sugar, Refined	22.90
Cane Sugar, Raw Value	18.00

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2 Sugar Loan Rates (Continued)

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**B**

**Regional Beet**

This table provides the 2000 crop regional loan rates for refined beet sugar.

<b>Region</b>	<b>State</b>	<b>Loan Rate Cents per Pound</b>
1	Michigan Ohio	23.70
2	Minnesota North Dakota (Eastern half)	22.80
3	Colorado (Northeastern quarter) Nebraska Wyoming (Southeastern quarter)	23.67
4	Texas	23.39
5	Montana Wyoming (Northwestern quarter) North Dakota (Western half)	22.68
6/7	Idaho Oregon Washington	22.08
8	California	23.77

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2 Sugar Loan Rates (Continued)

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C

Regional Cane

This table provides the 2000 crop regional loan rates for cane sugar, raw value.

State	Loan Rate Cents per Pound
Florida	17.68
Hawaii	17.60
Louisiana	18.44
Texas	18.14
Puerto Rico	18.38
Sugar processed in Hawaii or Puerto Rico, but placed under loan in the continental U.S.	18.00

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