

For: Burley Tobacco State and County Offices

Burley Tobacco Harvested in 2004 Calendar Year

Approved by: Deputy Administrator, Farm Program



1 Marketing Tobacco Harvested During 2004 Calendar Year

A Background

Burley tobacco farms faced a reduction in pounds carried forward from the 2003 marketing year to the 2004 marketing year during Phase II of the 2004 annual establishment of burley quotas because of legislation enacted in the Agricultural Risk Protection Act of 2000. This legislation required the Secretary to limit the total poundage of burley tobacco carried forward (undermarketings) by all farms to 10 percent of the national basic quota for the preceding crop year.

Given the reduction, some producers have inquired as to whether or not a crop of burley tobacco harvested in the 2004 calendar year could:

- be marketed before the end of the 2003 marketing year (September 30, 2004)
- have the sale of this tobacco applied to the 2003 marketings for the respective farm.

Burley tobacco harvested during the 2004 **calendar year** must count against the 2004 marketing quota established for the farm. Therefore, any tobacco harvested during the 2004 calendar year **must** be recorded on the farm's 2004 marketing card even if marketed before the beginning of the 2004 marketing year. The 2004 marketing year will begin on October 1, 2004. Producers that acted on previous advice of the Agency may be eligible for relief.

B Purpose

This notice provides instructions for:

- publicizing that **any** tobacco harvested during the 2004 **calendar year** must be recorded on the 2004 marketing card issued for the farm
- accepting and approving requests from producers who acted on previously disseminated information contrary to the policy contained in this notice.

<p>Disposal Date November 1, 2004</p>	<p>Distribution Burley Tobacco State Offices; State Offices relay to applicable County Offices</p>
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Notice TB-1102

1 Marketing Tobacco Harvested During 2004 Calendar Year (Continued)

C County Office Action

County Offices shall:

- publicize the provisions of this notice by all means possible
- accept relief requests on FSA-321 according to 7-CP, if applicable, and forward the requests with supporting documentation to State Office for action
- spot-check **all** relief tobacco acreage before harvest.

D State Office Action

State Office shall:

- publicize the provisions of this notice by all means possible
- ensure that County Offices spot-check all relief tobacco acreage before harvest.

E SED Action

SED is authorized to grant equitable relief if provisions of subparagraph F were met. Each case must be documented on FSA-321.

Note: OGC concurrence is not necessary.

F Criteria for Granting Equitable Relief

By no later than **September 30, 2004**, producer must:

- complete all of the following actions
- submit required documentation to the County Office.

The relief allowed will permit the marketing of 2004 harvested tobacco on the farm's 2003 marketing card. The following conditions apply:

- producers must have requested relief on FSA-321 by **July 15, 2004**
- producer must provide evidence that they adjusted their plantings for 2004 or took other action based on information previously disseminated
- producer must have believed that they could recover lost 2003 undermarketings by marketing a portion of the 2004 crop before October 1, 2004

Notice TB-1102

1 Marketing Tobacco Harvested During 2004 Calendar Year (Continued)

F Criteria for Granting Equitable Relief (Continued)

- producer must file FSA-578 and indicate in pen and ink the fields that will be harvested and marketed before **September 30, 2004**
- producer must acknowledge that all relief tobacco acreage must be spot-checked by FSA before harvest
- relief will be limited only to tobacco that is both marketed before September 30, 2004 and at the time of marketing has matured and been processed to a point that the tobacco is in the condition in which tobacco is normally marketed at auction markets

Note: Producer's tobacco leaves must be cured and removed from the stalk before grading and must, as indicated, have matured and been processed to the point that the tobacco is in the condition which tobacco is normally marketed at auction markets. That is, producer will not be permitted relief based on marketings that attempt to sell tobacco at an earlier stage in its evolution than is normal for burley tobacco.

- producer must file a manual FSA-808 giving market location and pounds to be marketed at that location
- producer's 2003 marketing card issued under relief provisions must be limited to only the quota pounds reduced under the 10 percent carry forward rule

Note: The number of pounds that relief is granted may **not** exceed the number of pounds that were lost to the producer because of the 10 percent limitation on undermarketings.

- producer's 2004 effective marketing quota shall not be recalculated after marketing pounds on the 2003 marketing card when approved under equitable relief

Note: County Offices will **not** enter equitable relief marketings in the automated system.

- producer's relief tobacco will not be eligible for "price support" loans
- producer must return 2003 marketing card with sale bills and proof of AMS grade (TB-85)
- additional considerations and limits may be added as needed.

Failure to meet all of these actions will result in applying the sales to the 2004 marketing card for the respective farm.