

**For:** Tobacco State and County Offices

**Tobacco Transition Payment Program (TTPP) Quota Holder Provisions #2**

**Approved by:** Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

Signup for TTPP began on March 14, 2005, and will end on June 17, 2005. Eligible quota holders have been applying for TTPP in each county where they own all or part of a tobacco farm by completing CCC-955 for each kind of tobacco on the farms. Notice TB-1124 informed State and County Offices of TTPP signup period information and of provisions for quota holders.

See Notice TB-1139 for supplementary producer TTPP provisions.

**Note:** A future notice will provide instructions for approving CCC-955's.

**B Purpose**

This notice informs State and County Offices of supplementary TTPP provisions for quota holders.

<b>Disposal Date</b>  October 1, 2005	<b>Distribution</b> Tobacco State Offices; State Offices relay to applicable County Offices
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## Notice TB-1138

### 2 Quota Holder Provisions

#### A Approving CCC-955's and CCC-959's

Do not approve either CCC-955 dated 3-3-05 or CCC-959 dated 3-31-05 at this time.

**Note:** Only CCC-959 dated 3-31-05 is acceptable for TTPP assignments.

#### B National Reserve for Establishing New Farms

A person is not eligible for TTPP payments on a new farm for which an acreage allotment or marketing quota was first established in 2003 or 2004 from the national reserve acres or pounds that are set aside each year for that purpose.

#### C Documenting Land Ownership

Quota holders who sign CCC-955 are certifying to land ownership. County Offices shall follow procedure in 3-CM, paragraph 22 regarding ownership of the land.

#### D Undivided Ownership Interest

Owners with undivided ownership interests in a tract can assign/divide quota pounds among all owners of the tract in any amount that does not exceed the tract's base quota level (BQL). Not all parties are required to sign CCC-955. However, if at a later date an owner disputes the assignment/division of the tract's BQL, no further payments shall be made to any owner until all administrative appeals have been exhausted and each owner's share has been determined.

#### E Spouses Signing for Zero Share

A spouse listed as an owner on a deed does not have to sign for a zero share on CCC-955. However, if at a later date the spouse disputes the assignment of BQL, no further payments shall be made to either party until all administrative appeals have been exhausted and each owner's share has been determined.

#### F FSA-375 S&P Filed Before October 22, 2004

If FSA-375 S&P, filed by all parties before October 22, 2004, would have been approved if a 2005 allotment or quota had been established, the buying farms owners shall be considered the quota holders for TTPP.

#### G Correcting County Office Reconstitution Errors

If County Office has erred in processing a farm reconstitution, County Office shall submit documentation to State Office that supports the error and corrective action that is required. After State Office review and concurrence, County Office shall correct the error.

## Notice TB-1138

### 2 Quota Holder Provisions (Continued)

#### H BQL Appeals

Data used to compute BQL is appealable under the provisions of 1-APP. BQL formula applies:

- to everyone
- is a matter of general applicability
- **not** appealable.

#### I Use of FSA-211 for TTPP Only

A quota holder who wants to appoint an attorney-in-fact with authority for **only** TTPP shall complete FSA-211 as follows.

Item/Section	Instruction
Item 1	Enter name of attorney-in-fact to be appointed.
Items 2 through 4	Enter mailing address, county and State of residence of attorney-in-fact to be appointed.
Item 5	Enter name of grantor.
Section A	Grantor will check: <ul style="list-style-type: none"><li>• <b>only</b> box for 11, “other”</li><li>• ENTER, “Tobacco Transition Payment Program only.”</li></ul> <b>Note:</b> Do <b>not</b> check any other box in Section A.
Section B	Grantor will check either: <ul style="list-style-type: none"><li>• box 1, “all actions”</li><li>• box 7, “other” and list the actions authorized.</li></ul>
Sections C and D	Leave blank.
Items 6 through 9	Grantor will sign, date, and enter ID number, as applicable. FSA will witness or instruct the grantor to have FSA-211 notarized. <b>Note:</b> According to 1-CM facsimile signatures are <b>not</b> acceptable.
Item 10	FSA will complete this item.

#### J Allotment or Quota Reduction

BQL shall be determined using the reduced allotment or quota when a farm allotment or quota reduction has occurred.

## Notice TB-1138

### 2 Quota Holder Provisions (Continued)

#### K Inequity Adjustments

BQL shall be determined using the inequity adjustment.

#### L Timing of Assignments and Successor-in-Interest Contracts

Assignments are allowed for FY 2005 payments. Successor-in-interest contracts will be available after June 17, 2005.

#### M Mailing CCC-955

County Offices shall mail CCC-955 and appendix upon request. Use the remarks section on CCC-955 to remind the quota holder of the June 17, 2005, signup deadline. The returned CCC-955 shall be entered into the system and CCC-955 with the original signature shall be attached to the computer-generated CCC-955.

#### N HELC/WC and Controlled Substance

Quota holders are **not** subject to HELC/WC or controlled substance compliance provisions.

#### O CCC Contracts

CCC-955 is a contract with CCC. CCC will treat these contractual obligations in the same manner it treats all its other contractual obligations. Similar multi-year contracts that CCC has entered into include:

- Conservation Reserve Program
- Peanut Quota Buyout.

CCC has honored every contractual commitment it has entered into since its inception in 1933.

### 3 Action

#### A State Office Action

State Offices shall ensure that County Offices follow and are guided by the provisions in this notice.

#### B County Office Action

County Offices shall follow and be guided by the provisions in this notice.