

**For:** State and County Offices

**Reminder of Entities Ineligible for MILC Program**

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



**1 Overview**

**A Background**

The Food, Conservation, and Energy Act of 2008 (2008 Act):

- Section 1502, reauthorizes the MILC Program through 2012
- Section 1603(f)(5), provides that a Federal agency shall **not** be eligible to receive any payment, benefit, or loan under title I or title XII of the 2008 Act
- Section 1603(f)(6), provides that State or local government, or political subdivision or agency of the government, shall **not** be eligible to receive any payment, benefit, or loan under title I or title XII of the 2008 Act.

MILC is a title I program under the 2008 Act. Therefore, Federal agencies, States, political subdivisions, and agencies thereof, including public schools owning dairy operations, are ineligible for MILC program benefits. Currently, the MILC software does **not** limit these entity types from being entered into the MILC software. These entity types must be manually handled through procedure.

Accordingly, State and County Offices shall continue to follow:

- 7 CFR Part 1430 and 11-LD for MILC program policy and procedure
- 7 CFR Part 1400 and 4-PL for general CCC program payment eligibility policy and procedure.

<b>Disposal Date</b>	<b>Distribution</b>
December 1, 2009	State Offices; State Offices relay to County Offices

## Notice LD-611

### 1 Overview (Continued)

#### B Purpose

This notice reminds State and County Offices of the following:

- entities ineligible for MILC program benefits
- that ineligible entities must be manually disapproved.

#### C Contact

If there are questions about this notice, State Offices shall contact either of the following.

Contact	Telephone Number	E-Mail Address
Dani Cooke	202-720-1919	<a href="mailto:danielle.cooke@wdc.usda.gov">danielle.cooke@wdc.usda.gov</a>
Toni Williams	202-720-2270	<a href="mailto:toni.williams@wdc.usda.gov">toni.williams@wdc.usda.gov</a>

### 2 Ineligible Entities for MILC

#### A State or Local Government, Political Subdivision, and Agency Eligibility

According to 11-LD, subparagraph 10 H, beginning with 2009 program benefits, States, political subdivisions, and agencies thereof, are **not** eligible for 2009 MILC benefits. These provisions include, but are not limited to, the following:

- State universities
- prisons.

**Note:** The term “public school” includes State universities or colleges

#### B Federal Dairies and Agencies

Federally owned dairies and/or agencies are **not** eligible for MILC.

#### C Erroneously Issued MILC Payments

If MILC payments were erroneously issued to an ineligible entity, County Offices must:

- establish a manual CCC-257, according to 3-FI, paragraph 62
- establish a receivable
- record the collection in the system when the MILC program correction software is available.

## Notice LD-611

### 3 Action

#### A State Office Action

SED's and STC's shall:

- supervise and monitor MILC to ensure that policies and procedures in this notice and 11-LD are being uniformly followed by County Offices
- direct questions about this notice to the National Office according to subparagraph 1 C.

#### B County Office Action

County Offices shall:

- **disapprove** CCC-580's received from ineligible entities provided in paragraph 2
- **not** enter CCC-580's received from ineligible entities provided in paragraph 2 in the automated MILC application and payment processing software
- forward questions about the contents of this notice through the State Office specialist.