

For: State and County Offices, Peanut CMA's and DMA's

2006 Crop Peanut Warehouse Rates

Approved by: Deputy Administrator, Farm Programs



1 2006 Crop Peanut Warehouse Rates

A Background

Farm Security and Rural Investment Act of 2002 (the Act), Section 1307(a)(6) authorizes the Secretary to use CCC funds to pay storage, handling, and other associated costs to ensure proper storage of 2002 through 2006 crop year peanuts pledged as security for CCC marketing assistance loans (MAL's).

CCC will pay storage and receiving charges associated with peanuts pledged as collateral for warehouse-stored MAL's. The storage charges will be paid in the form of a credit at the time of repayment of the MAL. The receiving charges will be paid on a monthly basis to the applicable warehouse. The load-in charges will include the State specific grading and inspection fees for peanuts. CCC will pay load-out charges if CCC deems it necessary to load-out CCC loan collateral on peanuts forfeited to CCC.

B Purpose

This notice informs State and County Offices of the:

- approved monthly storage rates and load-in and load-out charges
- peanut storage credit provided to the producers at the time of loan repayment
- payment of load-in charges to warehouses.

<p>Disposal Date</p> <p>February 1, 2007</p>	<p>Distribution</p> <p>State Offices; State Offices relay to County Offices; FAX to Peanut CMA's and DMA's</p>
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2 Warehouse Charges

A Monthly Warehouse Charges

The monthly storage rates and load-in and load-out charges are on a per ton basis. The rates are provided in the following table.

State	Load-In Charges	Storage Rate	Load-Out Charges
Alabama	\$35.75	\$2.71 per ton/month (daily storage rate is \$0.089)	\$8.00 per ton
Florida	\$35.90		
Georgia	\$35.20		
New Mexico	\$35.50		
North Carolina	\$36.75		
Mississippi	\$37.00		
Oklahoma	\$37.35		
South Carolina	\$37.00		
Texas	\$35.00		
Virginia	\$37.95		

Notes: Rates include **\$30.00** plus the initial grading and inspection fee as determined by the State where the inspection was completed. Since the receiving rate in the table includes the cost for grading of the peanuts, the cost of this service is the warehouse operator's responsibility and must be paid to AMS, Federal-State Inspection Service from the receiving fees.

B Warehouse-Stored Charges for CCC-Owned Peanuts

If peanuts are forfeited to CCC, KCCO will pay the storage charges from the storage start date through the maturity date for all forfeited peanuts. Producers will be responsible for the amount of storage from the storage start date to the day before the date all loan documents are received at the County Office. Payment for storage of CCC-owned peanuts will be paid at the daily storage rate in subparagraph A. CCC will pay load-out charges for CCC-owned peanuts only when CCC orders this service.

C Entering Approved Warehouse Rates and Charges in APSS

APSS has a county-maintained table for entering CCC-approved peanut warehouse monthly storage and load-out charges. County Offices shall enter the monthly storage rate and load-out charges according to subparagraph A. The rate of load-in-charges in subparagraph A will be:

- built into APSS software
- used to calculate the amount of monthly load-in-charges paid to each warehouse.

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3 Payment of Certain Peanut Warehouse Charges

A Peanut Warehouse Storage Credit

Storage charges will be paid to the producer in the form of a credit when MAL's are repaid. The repayment amount due will be reduced by the storage charges accrued from the date all required documents are received from the producer for the MAL, through the date the repayment is received and processed by the County Office.

B Payment of Load-In Charges

CCC-approved warehouses that store peanuts offered as collateral to secure a warehouse-stored MAL will receive payment of all load-in charges incurred for handling loan peanuts, according to the fees provided in subparagraph 2 A. Payment of load-in charges to the warehouse will be issued to the parent warehouse on a monthly basis.