

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

**2010 Policy and Procedures for Peanut Marketing Activities**

Approved by: Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

The Food, Conservation, and Energy Act of 2008 (2008 Act) authorized MAL's and LDP's for peanuts for the 2008 through 2012 crop years. Enhancement for the 2010 crop peanut MAL's and LDP's include:

- enrolling eligible producers in the ACRE Program if requested
- discontinuing the use of commodity certificates
- processing all LDP requests through the eLDP system.

For 2010 crop peanuts, the policy for the following items will be unchanged from the 2009 crop year:

- the loan rate will **not** be reduced for unpaid storage
- CCC will pay handling and other associated costs (other than storage) when peanuts are placed in a warehouse-stored MAL

**Note:** The handling and associated costs will be repaid at MAL redemption.

- FV-95 will continue to be used as a note sheet to record the official peanut inspection and grading information
- FSA-1007 approved template provided to the industry will continue to be used
- FSA-1007 data will continue to be transmitted to the FSA Peanut Market Place-Data Collection (PMP-DC) in Kansas City
- warehouse receipt for peanuts will be required to apply for a warehouse-stored MAL

<b>Disposal Date</b>	<b>Distribution</b>
August 1, 2011	Peanut State Offices; State Offices relay to County Offices, Peanut CMA's, and DMA's

## Notice LP-2154

### 1 Overview (Continued)

#### A Background (Continued)

- new handlers should request handler numbers through PSD
- new buying points should request buying point numbers through the Fruit and Vegetable Branch, AMS
- wire transfer may be used for repaying peanut MAL's.

#### B Purpose

This notice:

- provides State and County Office responsibilities associated with peanut marketing activities for the 2010 crop
- highlights PSD, ITSD, DACO, EWR, Inc. (Provider), peanut handler/sheller, and buying point responsibilities
- defines the roles of other entities involved in peanut marketing activities
- provides policy and procedures for:
  - handling:
    - statement of charges attached to peanut warehouse receipts
    - charges and other associated cost
    - segregation 1, 2, and 3 peanut loan and eLDP requests
    - peanuts harvested as green, hay, or feed
    - 2010 crop year peanuts MAL and eLDP program
    - eligible farm storage
    - CCC-633 EZ
    - beneficial interest
  - determining the eligible:
    - eLDP quantity when using FSA-1007 for production evidence
    - loan and eLDP when using a warehouse receipt
- authorizes offset charges associated with storage.

## Notice LP-2154

### 1 Overview (Continued)

#### C Contact

If there are any questions about this notice, contact Tonye Gross, PSD, by 1 of the following:

- e-mail at [tonye.gross@wdc.usda.gov](mailto:tonye.gross@wdc.usda.gov)
- telephone at 202-720-4319
- FAX at 202-690-1536.

**Note:** County Offices shall route questions through the State Office.

### 2 Responsibilities

#### A PSD Responsibilities

PSD shall provide:

- guidelines and procedures for marketing farmers stock peanuts to peanut handlers/shellers and buying points
- guidelines for obtaining MAL or eLDP
- overall program integration.

#### B ITSD Responsibilities

ITSD shall do the following.

Step	Action
1	Operate PMP-DC.
2	Receive, process, and distribute FSA-1007 transmission files.
3	Provide technical support on issues about FSA-1007 transmissions. <b>Note:</b> This does <b>not</b> include support of the buying point automation software.
4	Generate FSA-1007 transmission reports.
5	Monitor mandatory "TEST" and "DAILY" transmission activity.
6	Provide shellers support to PMP-DC.
7	Provide sign-up procedures for e-Auth to access profiles.

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**2 Responsibilities (Continued)**

**C State Office Responsibilities**

State Offices shall do the following.

<b>Step</b>	<b>Action</b>
1	Inform buying points and handlers/shellers that technical questions about FSA-1007 processing and transmissions shall be handled by handler/sheller representatives.
2	Contact PSD for questions about buying point automation procedures and peanut MAL's and eLDP's.
3	Refer questions on peanut inspection and grading to Federal-State Inspection Service, AMS.  <b>Note:</b> See Exhibit 1 for Federal-State Inspection Service, AMS contact information.
4	Inform County Offices, Peanut CMA's, and DMA's of the contents of this notice.

**D County Office Responsibilities**

County Offices shall do the following.

<b>Step</b>	<b>Action</b>
1	Inform producers that: <ul style="list-style-type: none"> <li>• the FSA-1003 Producer ID Information Summary Report is available</li> <li>• they will be responsible for tracking their peanut production and maintaining beneficial interest</li> <li>• the final loan availability date is January 31 of the year following the harvest</li> <li>• loans mature no later than the last day of the ninth calendar month following the month in which CCC-677 or CCC-678 was approved.</li> </ul>
2	Inform peanut producers that they will be responsible for keeping track of individual producer shares for each load of peanuts delivered for commercial sale, warehouse-stored MAL, or eLDP.
3	Inform peanut producers and handlers/shellers to contact Federal-State Inspection Service, AMS for questions associated with peanut inspection and grading.  <b>Note:</b> See Exhibit 1 for Federal-State Inspection Service, AMS contact information.
4	Instruct buying points and handlers/shellers to contact the handler/sheller designated representative for technical questions about FSA-1007 processing and transmissions.
5	Instruct peanut producers to contact the warehouse operator for questions about the contents of the warehouse receipt for peanuts.
6	Inform peanut producers that warehouse-stored MAL's will be based on the warehouse receipt for peanuts.

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### 2 Responsibilities (Continued)

#### D County Office Responsibilities (Continued)

Step	Action
7	Remind peanut producers, handlers/shellers, and warehouse operators that County Offices, CMA's, and DMA's <b>shall not</b> : <ul style="list-style-type: none"> <li>• receive FSA-1007 transmissions</li> <li>• handle corrections to FSA-1007 and warehouse receipt for peanuts.</li> </ul>
8	Inform peanut producers, buying points, handlers/shellers, warehouse operators, and other entities associated with the peanut industry of the contents of this notice.

#### E Peanut Handler/Sheller Responsibilities

Peanut handlers/shellers shall do the following.

Step	Action
1	Continue to use the assigned handler number and buying point number.  <b>Note:</b> New peanut handler/sheller must contact PSD for handler number assignment. New buying points must continue to be registered with Federal-State Inspection Service, AMS.
2	Provide affiliated peanut buying points with software and hardware to process and transmit <b>all</b> FSA-1007 records to PMP-DC following the requirements established by FSA.
3	Instruct affiliated buying points on the continued use of FSA-1007 to reflect official results of farmer's stock inspection. Use FSA-1007's following the guidelines issued by FSA.
4	Designate a handler/sheller technical representative who will provide technical support and training to affiliated buying points.
5	Contact the FSA National Help Desk for questions about transmissions to PMP-DC. See paragraph 10 for FSA National Help Desk information.
6	Contact Linda Morgan at 816-926-2631 before sending test transmissions to PMP-DC.
7	Ensure that <b>all</b> FSA-1007 records processed by all affiliated buying points are transmitted daily to PMP-DC following the guidelines issued by FSA.
8	Contact Linda Morgan at 816-926-2631 to request a new transmission ID and password to transmit to PMP-DC.
9	Inform peanut producers that warehouse-stored MAL's will be processed based on the warehouse receipt for peanuts.
10	Instruct affiliated buying points that corrections to peanut grading and inspection data will be handled by Federal-State Inspection Service, AMS. Transmitted records with errors in FSA-1007, Section I will be superseded upon approval by the Federal-State Inspection Service, AMS inspector.  <b>Note:</b> There is no need to notify the County Office of superseded or corrected FSA-1007's.

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**2 Responsibilities (Continued)**

**E Peanut Handler/Sheller Responsibilities (Continued)**

<b>Step</b>	<b>Action</b>
11	Submit end-of-season reconciliation file (Recon.dat) to ITSD after completing all marketing activities for the 2010 crop year.
12	Complete the online peanut handler/sheller and buying point profile survey at <a href="https://arcticocean.sc.egov.usda.gov/pmp-web/splash.do">https://arcticocean.sc.egov.usda.gov/pmp-web/splash.do</a> .
13	Print the buying point number where the peanuts were inspected on the warehouse receipt for peanuts. If using EWR, complete the "Buying Point Number" field as identified in the file layout when creating the receipt.
14	Follow 2010 Guidelines for Peanut Marketing Activity issued by PSD.
15	If using EWR, follow the requirements issued by the provider and Notice PS-671.

**F Buying Point Responsibilities**

Buying points shall do the following.

<b>Step</b>	<b>Action</b>
1	Install peanut buying point hardware and software following the instructions provided by the affiliated peanut handler/sheller.
2	Continue to use the assigned buying point number and handler number.  <b>Note:</b> New buying point numbers will be assigned by AMS. See Exhibit 1 for Federal-State Inspection Service, AMS contact information.
3	Follow the instructions issued by the handler/sheller about FSA-1007 processing and transmissions.
4	Contact the affiliated handler/sheller representative for technical software support.
5	Inform peanut producers that warehouse-stored MAL's will be processed based on the warehouse receipt for peanuts.
6	Contact Federal-State Inspection Service, AMS for questions about peanut grading, inspection, and FV-95 authentication code signatures.
7	Direct peanut producers to their local County Office for questions about warehouse-stored MAL's and eLDP's.
8	Create a backup of all FSA-1007 transmissions and keep the backup until all marketings for the 2010 crop year have been reconciled.
9	Print the buying point number on the warehouse receipts for peanuts if issuing receipts from this location.
10	Follow 2010 Guidelines for Peanut Marketing Activity issued by PSD.

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### 2 Responsibilities (Continued)

#### G Federal-State Inspection Service, AMS Responsibilities

Federal-State Inspection Service, AMS shall do the following.

Step	Action
1	Continue to assign buying point numbers and notify ITSD and PSD of newly assigned numbers.
2	Sign and date FSA-1007, Section I.
3	Approve superseded FSA-1007 to correct errors in a transmitted FSA-1007, Section I.
4	Handle questions about grading, inspection, and FV-95 authentication code signatures.
5	Issue official FSA-1007 serial numbers provided by PSD.

#### H DACO Responsibilities

DACO shall do the following.

Step	Action
1	Handle questions about peanut warehouses storing farmer's stock peanuts offered as collateral for warehouse-stored MAL's.
2	Handle issues about rates for storage, receiving, and loadout for warehouse-stored loan collateral and forfeited peanuts, when applicable.
3	Handle questions about peanut storage agreements and warehouse receipts for peanuts.
4	Handle warehouse receipt corrections for peanuts, as applicable.
5	Maintain a current list of approved peanut warehouses. A list is available at <a href="https://saltlake.sc.egov.usda.gov/approved_whses/peanuts/approved_peanut_whses.asp">https://saltlake.sc.egov.usda.gov/approved_whses/peanuts/approved_peanut_whses.asp</a> .

#### I Provider Responsibilities

The provider shall do the following.

Step	Action
1	Provide assistance and information to shellers/handlers interested in using EWR's at their warehouse locations.
2	Store and maintain a centralized filing system of all EWR's in a secure manner.
3	Provide County Offices with warehouse receipt data to process loans in APSS and eLDP's.

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### 3 Marketing of Segregation 1, Segregation 2, and Segregation 3 Peanuts

#### A Segregation 1 Peanuts

Segregation 1 peanuts are subject to premiums and discounts based on the grade factors shown on the warehouse receipt.

#### B Segregation 2 and 3 Peanuts

Segregation 2 and 3 peanuts are eligible for nonrecourse MAL's or eLDP's. The quantity of Segregation 2 and 3 peanuts eligible for loan or eLDP shall be the net weight (excluding foreign material and excess moisture) of the load, and including the loose-shelled kernels (LSK) pounds or tons. Segregation 2 and 3 peanuts are repaid at principal plus interest.

Segregation 2 and 3 peanuts pledged as collateral for loan will:

- be discounted to 35 percent of the national loan rate for the applicable type
- **not** be subject to any other premiums or discounts.

Segregation 2 and 3 peanuts are eligible for eLDP. Eligible quantity will be based on net quantity according to the acceptable production evidence.

#### C Reinspecting Segregation 3 Peanuts

Farmer's stock peanuts graded Segregation 3 may be reconditioned at the buying point to remove foreign material and LSK. When a load of peanuts is presented for regrade, a copy of FV-95 must be presented to the inspector to identify the load.

### 4 Peanuts Harvested for Green Peanuts

#### A Definition of Green Peanuts

Green peanuts are peanuts that, before drying or removal of moisture from the peanuts either by natural or artificial means, are marketed by the producer for consumption exclusively as boiled peanuts.

**Note:** Peanuts harvested as green peanuts are eligible for eLDP's; however, they are **not** eligible for MAL's.

#### B Using NAP Crop Planting Periods

To ensure that producers receive eLDP program benefits for the applicable crop year's production, County Offices shall use NAP crop planting periods to establish final planting and harvest dates for green peanuts since there is a wide range of planting and harvest dates in some States.

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### 4 Peanuts Harvested for Green Peanuts (Continued)

#### C NAP Crop Information Tables

See 1-NAP, Exhibit 7.5 for NAP crop information tables.

**Note:** County Offices **must** determine the maximum eligible quantity according to 8-LP, paragraph 536.

### 5 Statement of Charges

#### A Authorizing Offsets of Unpaid Charges

8-LP, paragraph 410 provides policies for authorizing offsets of amounts, contained on a separate statement of unpaid charges or a separate bill for unpaid charges, from the loan proceeds. These charges must be associated with the:

- handling of the commodity represented by the warehouse receipt
- marketing of the commodity pledged for loan collateral.

For peanuts, County Offices are authorized to **only** offset charges associated with cleaning, drying, custom harvesting, seed accounts, and storing peanuts from the producer's loan proceeds. These charges are **not** considered a lien, but must be included on CCC-679, item 5 (c), if an offset will be made for these charges. Storage charges can be offset only if the warehouse receipt indicates storage has been paid or provided for, as applicable.

#### B Request for Additional Charges To Be Offset

State and County Offices and DMA's must request DAFP concurrence for any charges, except for cleaning, drying, custom harvesting, seed accounts, and storage costs associated with the handling of peanuts that will be offset from a producer's loan proceeds.

### 6 Minimum Quality Standards

#### A Definition of Segregation 1 Peanuts

Segregation 1 peanuts are farmer stock peanuts with no more than 2.49 percent damaged kernels; no more than 1 percent concealed damage caused by rancidity, mold, or decay; and are free from visible *Aspergillus flavus*.

#### B Definition of Segregation 2 Peanuts

Segregation 2 peanuts are farmer stock peanuts with more than 2.49 percent damaged kernels; no more than 1 percent concealed damage caused by rancidity, mold, or decay; and are free from visible *Aspergillus flavus*.

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### 6 Minimum Quality Standards (Continued)

#### C Definition of Segregation 3 Peanuts

Segregation 3 peanuts are farmer stock peanuts with visible *Aspergillus flavus*.

#### D Loan Eligibility

For loan eligibility, peanuts:

- must **not** contain less than 2.49 percent or more than 10.49 percent moisture
- that contain more than 10.49 percent foreign material will be discounted according to the peanut discounts table in Notice PS-670, Exhibit 2.

### 7 Designation of Agent (CCC-605P, CCC-605P-1, and CCC-605P-2)

#### A Producer Responsibility

Producers may designate an agent to redeem all or a portion of the peanuts pledged as collateral for MAL.

Designation of an agent does **not** relieve the producer from the terms and conditions of the note and security agreement. Agents:

- designated may transfer the designation to a subsequent agent on CCC-605P by endorsement
- subsequently designated may transfer the designation to other subsequent agents on CCC-605P-2 by endorsement.

#### B Authorized Signatures of Agents

Each sheller/handler or entity **must** provide a list of authorized agents/representatives with sample signatures for designated agents from their company to PSD and the State Office. The State Office will provide a copy of all authorized agents' signatures to each peanut County Office in their State.

#### C Commodity Certificates

Commodity certificates will **not** be available for exchange for any 2010 and subsequent crop year MAL's. However, commodity certificates may be used to repay 2009 crop and prior year MAL's.

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### 8 Peanut MAL's and eLDP Provisions

#### A Peanuts Harvested for Hay

Peanuts harvested for hay are eligible for eLDP's. County Offices must determine the maximum eligible quantity according to 8-LP, paragraph 536.

#### B In-Handling Charges

The 2008 Act requires CCC to pay handling and other associated costs (other than storage) when peanuts are placed in the MAL Program for the 2008 through 2012 crop years. The Commodity Operations Division will continue to be responsible for setting these rates for the 2008 through 2012 crop years.

In-handling charges shall be:

- paid to the storing warehouse at the time the loan is disbursed
- repaid when MAL is redeemed.

#### C Storage Charges

The 2008 Act requires CCC to pay storage, handling, and other associated costs for peanuts that are forfeited. As a result, the warehouse-stored loan rate shall **not** be reduced if the warehouse receipt issued by the warehouse has **not** been paid through the loan maturity date.

For peanuts that are placed under the warehouse-stored MAL for the 2010 crop year, which are subsequently forfeited to CCC, CCC will pay storage, handling, and associated costs.

#### D ACRE Election

ACRE farms will have 30 percent reduction in loan rates according to Notice PS-670. When requesting MAL or eLDP, producers shall be responsible for informing the County Office whether the quantities included in the request are from ACRE or non-ACRE farms. County Offices shall verify the producer's ACRE status before processing MAL/eLDP.

County Offices shall process the loan/eLDP request for quantities from ACRE farms separate from request for loans/eLDP's from non-ACRE farms.

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### 8 Peanut MAL's and eLDP Provisions (Continued)

#### E Peanut Forfeited to CCC

If MAL is **not** repaid within the 9-month period and peanuts are subsequently forfeited to CCC, storage charges will be handled as follows.

<b>IF storage charges were...</b>	<b>THEN CCC will pay storage charges to the warehouse...</b>
paid through loan maturity	starting the day after loan maturity through final disposition.
<b>not</b> fully paid	from the later of the "Date Storage Paid Through" or "Date Document Received" through final disposition, when applicable.

**Note:** The producer will be billed for storage charges incurred from the storage start date to date all loan documents were received, if applicable.

#### F Loan Rates by Peanut Type

The 2010 crop approved loan rates by peanut type were issued in Notice LP-2150.

#### G Beneficial Interest

To obtain MAL or eLDP, producers **must** have beneficial interest in the peanuts at the time of the request, and beneficial interest must be maintained through repayment for MAL's. CCC has determined that if a producer has control of the commodity, it is assumed that the producer has risk of loss of the commodity; therefore, the risk of loss component is removed when determining whether a producer has beneficial interest in the commodity. Beneficial interest consists of the producer maintaining control of the commodity and title to the commodity. If either of these conditions are **not** true, the producer does **not** have beneficial interest in the peanuts. There are **no** provisions for waiving beneficial interest for the 2010 and subsequent crop years.

**Notes:** For the 2010 crop year, FSA-1007 may be considered acceptable production evidence only if a producer has filed a completed CCC-633 EZ, pages 1 and 2, and peanuts are immediately sold upon delivery. The date peanuts are sold will be the date:

- printed in the "Date Delivered for Immediate Sale" field under FSA-1007, columns R, S, and T
- used when determining when beneficial interest is lost.

This date should **not** exceed 72 hours from "Date Inspected" field in FSA-1007, Section I.

**8 Peanut MAL's and eLDP Provisions (Continued)**

**H Approved Contracts**

Any contract that has been reviewed and approved by FSA for determining the loss of beneficial interest is **not** interchangeable or replaceable unless the contract is amended, revised, or canceled before the earlier of the date:

- peanuts are harvested
- beneficial interest is lost.

Any written and/or verbal agreement or revision to an approved contract, with or without the producer's awareness, may cause the producer to lose beneficial interest and could result in refund of unearned benefits to CCC.

**I Loan Service Fee**

The service fee for peanut loans shall be the smaller of the following:

- ½ of 1 percent times the gross loan amount
- \$45 per loan plus \$3 for each receipt or bin more than 1.

**J Eligible Farm Storage**

Peanuts stored in approved farm-storage structures are eligible for farm-stored loans. Eligible farm storage structures must:

- be located on or off of the farm, excluding public warehouses
- provide safe storage for the peanuts through the loan maturity date
- be measurable.

Peanuts can be stored in bags if all of the conditions provided in 8-LP, paragraph 424 are met for storing commodities in bags. Peanut wagons are considered eligible storage structures for farm-stored loans.

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### 8 Peanut MAL's and eLDP Provisions (Continued)

#### K National Posted Price (NPP)

NPP for peanuts will:

- be announced each Tuesday at 3 p.m. e.t. for each of the 4 types of peanuts
- become effective on Wednesday at 12:01 a.m.

NPP rates are used to determine:

- alternative loan repayment rates for MAL's
- eLDP's.

Producers will repay outstanding peanut MAL's at a rate that is the lesser of the principal plus interest or NPP. When NPP for peanuts is less than the national loan rate for the applicable type, producers can request eLDP instead of MAL.

The rates can be obtained at [http://www.fsa.usda.gov/Internet/FSA\\_File/peanut.htm](http://www.fsa.usda.gov/Internet/FSA_File/peanut.htm).

#### L Peanut EWR

PSD has been authorized to continue using EWR's for peanuts for the 2010 crop year. Beginning with the 2009 crop year, peanut EWR's were migrated to a web-based EWR system that is also used to handle rice EWR's. The web-based system will provide the functionalities needed to process EWR's for price support and can be accessed using eAuthentication ID and password.

Peanut EWR's will continue to be issued by warehouses through a single peanut EWR Provider, EWR, Inc (provider).

The provider will be responsible for maintaining a central filing system for all EWR's for peanuts. Following the guidelines issued by FSA, the provider will continue operating under an agreement with DACO.

Notice PS-671 provides instructions for using peanut EWR's. The EWR User Guide will be updated in the near future.

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**8 Peanut MAL's and eLDP Provisions (Continued)**

**M Peanut Promotion and Research Fees**

7 CFR Part 1405 provides CCC the authority to collect commodity assessments from the proceeds of MAL's when the proceeds from MAL's are disbursed.

Research and promotion fees are processed in Kansas City and disbursed to the applicable State Board, Commission, or Association monthly.

The following entities are the authorized commodity assessment deductions for the 2010 crop year.

<b>Entity Name</b>	<b>Applicability</b>	<b>Rate</b>
National Peanut Board	All farm-stored and warehouse-stored MAL's	1 percent of total loan amount
North Carolina Peanut Growers Association	All farm-stored and warehouse-stored MAL's for peanuts produced in North Carolina	\$.15 per pound or \$3 per ton of loan quantity
Oklahoma Peanut Commission	All farm-stored and warehouse-stored MAL's for peanuts produced in Oklahoma	\$4 per ton of loan quantity
South Carolina Peanut Board	All farm-stored and warehouse-stored MAL's for peanuts produced in South Carolina	\$2 per ton of loan quantity
Texas Peanut Producers Board	All farm-stored and warehouse-stored MAL's for peanuts produced in Texas	\$2 per ton of loan quantity
Virginia Peanut Board	All farm-stored and warehouse-stored MAL's for peanuts produced in Virginia	<ul style="list-style-type: none"> <li>• \$6 per ton of loan quantity for 2010 through 2012 crop years</li> <li>• \$3 per ton of loan quantity for 2013 and subsequent crop years</li> </ul>

The amount deducted will be printed on CCC-677's and CCC-678's as the following:

- marketing assessments for the National Research and Promotion fee

**Note:** The 1 percent National assessment will be calculated using the reduced loan rate for all ACRE farms.

- assessment for all authorized State commodity assessment fees.

**Note:** The 2008 Act terminated the authority for CCC to collect any administrative fees with respect to the administration of commodity assessments.

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### 8 Peanut MAL's and eLDP Provisions (Continued)

#### N DMA and CMA Peanut Research and Promotion Fee Collection

Peanut DMA's and CMA's shall be responsible for collecting the research and promotion fee from the producer and remitting that amount to the National Peanut Board and all approved applicable State entities. DMA and CMA Service County Offices **must** enter zero in the "Marketing Assessment" and "Assessment" fields.

#### O Determining MAL and eLDP Quantities

Eligible quantities for:

- MAL's on warehouse-stored segregation 1, 2, and 3 peanuts shall be the "Total Tons", that is the sum of "Net Tons" and "Net LSK Tons", from the warehouse receipt for peanuts
- eLDP's requested on all grades of peanuts:
  - a warehouse receipt for peanuts shall be the "Total Tons" that is the sum of "Net Tons" and "Net LSK Tons"
  - FSA-1007 shall be the "net weight" provided in Section II, item G.

Applicable eLDP rates for peanuts can be obtained at [http://www.fsa.usda.gov/Internet/FSA\\_File/peanut.htm](http://www.fsa.usda.gov/Internet/FSA_File/peanut.htm).

**Note:** See Exhibit 2 for examples of determining eligible MAL and eLDP quantities.

### 9 Peanut Warehouse-Stored Loans

#### A Peanut Forfeitures

Peanut warehouse-stored loan forfeitures should be processed in APSS immediately. There is **no** waiting period after the loan maturity date.

#### B Reconciling Peanut Warehouse-Stored Loans

See 8-LP, Part 8, Section 3 for policy and procedures for reconciling peanut warehouse-stored loans.

## **Notice LP-2154**

### **10 FSA National Help Desk Technical Assistance**

#### **A Contact Information**

Designated handler/sheller representatives may call the FSA National Help Desk at 816-926-1552 for technical support relating to PMP-DC and FSA-1007 transmissions.

#### **B Hours of Operation**

FSA National Help Desk calls:

- will be answered directly Monday through Friday from 8 a.m. to 5:30 p.m. c.t.
- received after work hours will be recorded by voicemail and returned the next workday morning.

**Federal-State Inspection Service, AMS Contact Information**

The following are Federal-State Inspection Service, AMS contact persons, addresses, and telephone numbers.

<b>Southeast (Georgia, Alabama, Florida, and Mississippi)</b>	
<b>Federal Contacts</b>	<b>State Contacts</b>
<p>Mr. Gary Verheek                      Mr. Robert Bently                      Federal Program Managers                      USDA, AMS, FVP, Fresh Products Branch                      PO Box 3999                      Haines City, FL 33845-3999</p> <p>Telephone: 863-421-0973                      FAX: 863-421-6783</p>	<p>Mr. Jeff Jeffers                      Alabama Federal-State Inspection Service                      PO Box 1368                      Dothan, AL 36302  <b>Telephone:</b> 334-792-5185; <b>FAX:</b> 334-671-7984</p> <p>Mr. Barry Gaffney                      Florida Federal-State Inspection Service                      PO Box 566                      Graceville, FL 32440  <b>Telephone:</b> 850-263-2355; <b>FAX:</b> 850-263-7382</p> <p>Mr. Charles Beasley                      Florida Federal-State Inspection Service                      PO Box 1072                      Winter Haven, FL 33882-1072  <b>Telephone:</b> 863-291-5820; <b>FAX:</b> 863-291-5215</p> <p>Mr. Phillip Sutton                      Georgia Federal-State Inspection Service                      PO Box 71767                      Albany, GA 31708-1767  <b>Telephone:</b> 229-432-7505; <b>FAX:</b> 229-438-8920</p> <p>Mr. Kevin Riggan                      MDAC/Federal-State Inspection Service                      PO Box 1609                      Jackson, Mississippi 39215-1609  <b>Telephone:</b> 601-359-1138; <b>FAX:</b> 601-359-1175</p>

Federal-State Inspection Service, AMS Contact Information (Continued)

<b>Virginia-Carolina (Virginia, North Carolina, and South Carolina)</b>	
<b>Federal Contacts</b>	<b>State Contacts</b>
<p>Mr. N.W. "Chip" Taylor                      Mr. Gary Crane                      Federal Program Managers                      USDA, AMS, FVP, Fresh Products Branch                      1400 Independence Avenue, SW                      Room 06461                      Washington, DC 20250-0240</p> <p><b>Telephone:</b> 202-205-8075  <b>FAX:</b> 202-720-1416</p>	<p>Mr. Wayne Bryant                      NCDA Cooperative Grading Service                      PO Box 588                      Williamston, NC 27892  <b>Telephone:</b> 252-792-1672; <b>FAX:</b> 252-792-4784</p> <p>Mr. Jack Dantzer                      SCDA, Inspection Service                      PO Box 13391                      Columbia, SC 29201  <b>Telephone:</b> 803-737-4588; <b>FAX:</b> 803-737-4667</p> <p>Mr. Jerry Gillespie                      VDACS, Peanut Marketing Program                      PO Box 1130                      Suffolk, VA 23434  <b>Telephone:</b> 757-925-2286; <b>FAX:</b> 757-925-2275</p>

<b>Southwest (Texas, Oklahoma, New Mexico, and Arkansas)</b>	
<b>Federal Contacts</b>	<b>State Contacts</b>
<p>Mr. Dave Markwardt                      Federal Program Managers                      USDA, AMS, FVP, Fresh Products Branch                      1511 N. E. Parvin Road                      Kansas City, MO 64116</p> <p><b>Telephone:</b> 816-453-4926  <b>FAX:</b> 816-453-4914</p>	<p>Mr. Daryle Brown                      Texas Cooperative Inspection Program                      PO Box 368                      Gorman, TX 76454  <b>Telephone:</b> 254-734-3006; <b>FAX:</b> 254-734-3009</p> <p>Mr. Stacy Gerk                      New Mexico Federal-State Inspection Service                      PO Box 483                      Portales, NM 88130  <b>Telephone:</b> 575-356-8393; <b>FAX:</b> 575-356-6464</p> <p>Mr. Steve Mueller                      USDA, AMS FVP, FFB                      218 SW First Street                      Anadarko, OK 73005  <b>Telephone:</b> 405-247-2040; <b>FAX:</b> 405-247-2232</p> <p><b>Note:</b> Arkansas shall use "Federal Contacts" in Kansas City, MO.</p>

**Example of Determining Eligible MAL and eLDP Quantities**

**Example 1:** A warehouse receipt was used to determine the eligible loan quantity.

Producer A presents a warehouse receipt and makes a request for MAL on segregation 1, 2, or 3, Runner type peanuts. The warehouse receipt contains the following information.

- “Net Pounds” = 8,200
- “LSK Pounds” = 165

Eligible quantity:

- pounds:  $8,200 + 165 = 8,365$
- tons:  $8,200 \div 2,000 = 4.10$
- tons:  $165 \div 2,000 = \underline{.08}$   
4.18

Loan rate per ton of segregation 1, Runner peanuts:

\$354.54

Loan amount:

$\$354.54 \times 4.18 = \$1,481.98$

Loan rate per ton of segregations 2 and 3, Runner peanuts:

35 percent of \$354.54 = \$124.09/ton

Loan amount:

$\$124.09 \times 4.18 = \$518.70$

**Note:** Premiums and discounts were **not** applied to the segregation 1 example.  
Premiums and discounts are **not** applicable to segregations 2 and 3 peanuts.

**Example of Determining Eligible MAL and eLDP Quantities (Continued)**

**Example 2:** A warehouse receipt was used as production evidence to determine eligible eLDP quantity.

Producer B presents a warehouse receipt and makes a request for eLDP on segregation 1, 2, or 3, Virginia type peanuts. The warehouse receipt contains the following information.

- “Net Pounds” = 10,000
- “LSK Pounds” = 345

Eligible quantity:

- pounds:  $10,000 + 345 = 10,345$
- tons:  $10,000 \div 2,000 = 5.00$
- tons:  $345 \div 2,000 = \underline{\underline{.17}}$   
5.17

Loan rate per ton of segregation 1, Virginia peanuts:

\$358.06

NPP for Virginia peanuts:

\$341.66

eLDP rate per ton of Virginia peanuts:

$\$358.06 - \$341.66 = \$16.40/\text{ton}$

eLDP amount:

$\$16.40 \times 5.17 = \$84.79$

**Example of Determining Eligible MAL and eLDP Quantities (Continued)**

**Example 3:** FSA-1007 was used as production evidence to determine eligible eLDP quantity.

Producer C presents FSA-1007 and makes a request for eLDP on segregation 1, 2, or 3, Valencia type peanuts. FSA-1007 contains the following information.

- FSA-1007, Section II, item G = 6,000 pounds

Eligible quantity:

- pounds: 6,000
- tons:  $6,000 \div 2,000 = 3$

Loan rate per ton of segregation 1, Valencia peanuts:

\$358.06

NPP for Valencia peanuts:

\$338.66

eLDP rate per ton of Valencia peanuts:

$\$358.06 - \$338.66 = \$19.40/\text{ton}$

eLDP amount:

$\$19.40 \times 3 = \$58.20$