Commodity Credit Corporation, USDA

§ 1421.418 Submitting MAL and LDP documentation to FSA.

(a) Until such time as an alternative FSA loan or LDP making system is made available to DMAs, within 3 business days of any DMA prepared disbursement, the DMA shall group separately and submit to FSA:

(1) MALs with the same disbursement date, peanut type, warehouse code, and State where peanuts were inspected; and

(2) LDPs with the same LDP rate, approval date, and peanut type.

(b) Each of the groups identified in paragraph (a) of this section shall be

§ 1421.417 Disbursing MAL and LDP proceeds.

(a) A DMA may request that CCC establish a drawdown account from which to disburse MAL and LDP amounts to producers, and designate the financial institution they wish to use.

(b) CCC will determine whether a drawdown account is justified and the amount of the account.

(c) If there is no drawdown account, MAL and LDP proceeds shall be distributed to the producer within 3 work days from the date the DMA receives MAL or LDP proceeds from CCC, after deduction of authorized charges or fees for services. If there is a drawdown account, the MAL and LDP proceeds shall be distributed to the producer within 3 days of the completion of the application.

(d) The DMA shall assess charges and fees at the same rate for each producer that it serves.

(e) If a drawdown account is used, CCC shall replenish the amount as necessary as it is drawn down.

(f) The DMA must notify CCC of the actual date on which the MAL is disbursed.

§ 1421.416 Processing loan deficiency payments.

(a) DMAs shall take the following actions in the following order when an application for an LDP is filed:

(1) In addition to other determinations as must be made, the DMA shall determined whether the producer has sufficient remaining eligibility under the applicable payment limit to allow the receipt of the LDP. If there is not sufficient eligibility, the DMA must refuse to process the request;

(2) If EWRs are applicable for the peanuts for which the LDP is sought, the DMA must instruct the current holder to notify the EWR provider to amend the EWR to show that the peanuts were used to obtain an LDP;

(3) The DMA must insure that the producer or the person holding the power of attorney for the producer signs the LDP documents; and

(4) If the peanuts and the producer are eligible for the loan and all other conditions have been met, the DMA may disburse funds to the producer subject to the time limits set out elsewhere in this part.

(70 FR 33799, June 10, 2005. Redesignated at 74 FR 15656, Apr. 7, 2009)
submitted to FSA with the following documents:

(1) Individual paper warehouse receipts or EWR numbers, and the EWR provider’s name representing the bundled MALs or LDPs.

(2) A form to itemize receipts, and other data, as required, or a pre-processed electronic file containing data required by FSA.

(c) FSA may process each DMA prepared MAL or LDP group for the volume of peanuts on multiple receipts as one MAL or LDP, waive the service fee to the DMA, and either hold MAL paper warehouse receipts, or verify that CCC is holder of the EWRs as of the date of disbursement.

(d) In the case of an MAL, if CCC was not the holder of the EWRs on or before the date the DMA prepared MAL was disbursed, the applicable receipts shall be rejected, and funds shall not be distributed to the DMA drawdown account until CCC becomes the holder of the EWR.

(e) If MAL and LDP documentation is acceptable, FSA will disburse MAL or LDP funds to the DMA, with appropriate supporting documentation.

[70 FR 33799, June 10, 2005. Redesignated at 74 FR 15656, Apr. 7, 2009]

§ 1421.419 MAL or LDP servicing.

(a) The DMA shall be responsible for servicing MALs and are required to take the following actions:

(1) Send the producer a maturity notice letter before MAL maturity.

(2) Maintain the MAL or LDP documents according to FSA requirements.

(3) Transmit the necessary funds to repay the MAL to FSA.

(b) FSA shall process the CCC release of paper receipts or EWRs where such a release is appropriate.

[70 FR 33799, June 10, 2005. Redesignated at 74 FR 15656, Apr. 7, 2009]

§ 1421.420 Inspections and reviews.

The books, documents, papers, and records of the DMA and parent company shall be maintained for six years after the applicable crop year and shall be made available to CCC for inspection and examination at all reasonable times. At any time after an application is received, CCC shall have the right to examine all books, documents, papers, and determine whether the DMA is operating or has operated in accordance with the regulations in this part, any articles of incorporation, articles of association, partnership documents, agreements with producers, the representations made by the DMA in its application for approval, and, where applicable, its agreements with CCC. If the DMA is determined to be not complying with this part or any of its agreements, CCC will take appropriate action as provided in elsewhere in this subpart or other action CCC determines appropriate.

[70 FR 33799, June 10, 2005. Redesignated at 74 FR 15656, Apr. 7, 2009]

PART 1423—COMMODITY CREDIT CORPORATION APPROVED WAREHOUSES

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SOURCE: 71 FR 35773, June 22, 2006, unless otherwise noted.

§ 1423.1 Applicability.

(a) This part sets forth the terms and conditions for approval of a warehouse operator by the Commodity Credit Corporation (CCC) to store and handle CCC interest commodities, which are owned by CCC and, as may be required under