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the producer’s actions, shall be re-

funded with interest together with

such other sums as may become due. Any producer engaged in acts prohibited by this section and any person re-

ceiving payment under this subpart, as a result of such acts, shall be jointly and sev-

erally liable for any refund due

under this section and for related charges. The remedies provided in this

subpart shall be in addition to other

civil, criminal, or administrative rem-

edies which may apply.

§ 1421.306 Refunds; joint and several

liability.

(a) In the event there is a failure to comply with any term, requirement, or condition for payment arising under

this application, of this subpart, and if any refund of a payment to CCC shall become due for that or other reason in

connection with the application, of this subpart, all payments made under this subpart to any producer shall be re-

funded to CCC together with interest as determined in accordance with para-

graph (c) of this section and late-pay-

ment charges as provided for in part

1402 of this chapter.

(b) All persons listed on an application shall be jointly and severally liable for any refund due in connection with that application and for any re-
lated charges which may be determined to be due for any reason.

(c) Interest shall be applicable to refunds required from the producer. Such interest shall be charged at the rate of interest which the United States Treasury charges CCC for funds, as of the date CCC made such benefits avail-

able. Such interest shall accrue from the date such benefits were made available to the date of repayment but the interest rate shall increase to reflect any increase in the rate charged to CCC by Treasury for any percent of time for which the interest assessment is collected. CCC may waive the acc-

crual of interest if CCC determines that the cause of the erroneous determin-

ation was not due to any action of the producer.

(d) Late payment interest shall be as-

sessed on refunds in accordance with the provisions of, and subject to the rates in part 1403 of this chapter.

(e) Producers must refund to CCC any excess payments made by CCC with respect to any application in which they have an interest. Such refund shall be subject to interest at the same rate that applies to other refunds.

§ 1421.401 DMA responsibilities.

(a) DMAs are eligible to process the marketing loans and loan deficiency payments provided for in this part only for peanut producers and only if the DMA and the producers and peanuts meet all eligibility criteria set out in this part, including, but not limited to, the DMA eligibility provisions of this subpart. In carrying out those func-

tions, DMAs must:

(1) Prepare and execute the appro-

priate CCC peanut MAL and LDP application documents;

(2) Determine whether producers and the commodity are eligible for MALs and LDPs, including whether the oth-

erwise eligible peanuts are free and
§ 1421.402 DMA eligibility to process loans and loan deficiency payments.

(a) A DMA is eligible to process any marketing assistance loan or loan deficiency payments only if approved in advance to handle such matters by the Farm Service Agency pursuant to this part; and:

(1) The DMA meets the financial requirements and other requirements in this subpart and part;

(2) The DMA is comprised solely of peanut producers or is a subsidiary of an organization of peanut producers;

(3) The DMA is not controlled directly or indirectly by a person or entity that acquires peanuts for processing or crushing through a business involved in buying and selling peanuts or peanut products;

(4) The DMA does not take title at any time to any peanuts for which it processes loans or loan deficiency payments, irrespective of whether such title is taken before or after those activities are performed. If such title or interest is taken, the DMA shall be responsible to return to CCC the full amount of the CCC proceeds disbursed with respect to the peanuts; and

(5) The DMA meets any additional requirements imposed by CCC or FSA.

(b) As part of performing the responsibilities in paragraph (a) of this section, DMAs shall:

(1) Become knowledgeable of and follow the procedures in CCC and FSA peanut program regulations, applicable notices published in the Federal Register, applicable FSA peanut program handbooks and amendments thereto, and any applicable notices or instructions issued by FSA and the Agricultural Marketing Service.

(2) Make and service CCC peanut MALs and LDPs, only upon the presenting by producers or their agents of the warehouse receipts, unless otherwise directed by CCC.

(3) Attend, at the DMAs expense, DMA peanut MAL, and LDP program training offered by CCC.

(4) Provide sufficient personnel, computer hardware, computer communications systems, and software, as determined necessary by CCC, to administer the peanut MAL and LDP program.


§ 1421.403 DMA approval.

(a) Entities wishing to apply to be a DMA enabled to perform loan and loan deficiency functions under this part for peanuts must submit an application for such approval to FSA in a form approved by CCC. That application shall include the following:

(1) Two originals of a properly executed Designated Marketing Association agreement containing the terms and conditions prescribed by CCC.

(2) A financial statement of not less than 1 year old on the date submitted, including accompanying notes, schedules, or exhibits, certified by a certified public accountant as fairly representing the entity’s financial condition.

(3) The entity’s tax identification number.