

commission that each deduction from the total amount due is properly authorized and properly chargeable to the producer.

(c) In making payment to producers under paragraph (b) of this section for milk diverted from a pool plant the handler may elect to pay such producers at the price of the plant from which the milk was diverted, if the resulting net payment to each producer is not less than the otherwise required under this section and the rate of payment and the deduction shown on the statement required to be furnished under §1307.6 are those used in computing the payment.

(d) If a handler claims that the required payment cannot be made because the producer is deceased or cannot be located, such payment shall be made to the producer-settlement fund, and in the event that the handler subsequently locates and pays the producer or a lawful claimant, or in the event that the handler no longer exists and a lawful claim is later established, the compact commission shall make such payment from the producer-settlement fund to the handler or to the lawful claimant, as the case may be.

(e) If not later than the date when such payment is required to be made, legal proceedings have been instituted by the handler for the purpose of administrative or judicial review of the compact commission findings upon verification as provided above such payment shall be made to the producer-settlement fund and shall be held in reserve until such time as the above-mentioned proceedings have been completed or until the handler submits proof to the compact commission that the required payment has been made to the producer in which latter event the payment shall be refunded to the handler.

(f) At a partially regulated plant each handler shall make payments, on a pro rata basis, to all producers and dairy farmers for milk (excluding diverted pool producer milk) received from them during the month, the payment received pursuant to §1307.3(b).

[62 FR 29645, May 30, 1997, as amended at 62 FR 62827, Nov. 25, 1997. Redesignated at 64 FR 23538, May 3, 1999, as amended at 65 FR 16122, Mar. 27, 2000]

§ 1307.6 Statements to producers.

In making the payments to producers required under §1307.4, each handler and each cooperative shall furnish each producer, in addition to the information required under Federal and State regulations, a supporting statement, in such form acceptable to the commission, which shall show: The rate and amount of the compact over-order producer price.

§ 1307.7 Adjustment of accounts.

(a) Whenever the compact commission verification of a handler's reports or payments discloses an error in payments to or from the compact commission under Sec. 1307.3 or Sec. 1308.1, the compact commission shall promptly issue to the handler a charge bill or a credit, as the case may be, for the amount of the error. Adjustment charge bills issued during the period beginning with the 10th day of the prior month and ending with the 9th day of the current month shall be payable by the handler to the compact commission on or before the 15th day of the current month. Adjustment credits issued during that period shall be payable by the compact commission to the handler on or before the 16th day of the current month.

(b) Whenever the compact commission's verification of a handler's payments discloses payment to a producer or a cooperative association of an amount less than is required by Sec. 1307.4, the handler shall make payment of the balance due the producer not later than the 16th day after the end of the month in which the handler is notified of the deficiency.

[65 FR 16122, Mar. 27, 2000]

§ 1307.8 Charges on overdue accounts.

Any unpaid obligation due the compact commission from a handler pursuant to the provisions of 7 CFR parts 1307 and 1308 shall be increased 1.0 percent each month beginning with the day following the date such obligation was due under the regulation. Any remaining amount due shall be increased at the same rate on the corresponding day of each succeeding month until paid. The amounts payable pursuant to this section shall be computed monthly

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on each unpaid obligation and shall include any unpaid charges previously computed pursuant to this section. The late charges shall accrue to the administrative assessment fund. For the purpose of this section, any obligation that was determined at a date later than prescribed by 7 CFR parts 1307 and 1308 because of a handler's failure to submit a report to the compact commission when due shall be considered to have been payable by the date it would have been due if the report had been filed when due.

[65 FR 16122, Mar. 27, 2000]

§ 1307.9 Dates.

If a date required for payment contained in 7 CFR parts 1307 and 1308 falls on a Saturday, Sunday, or national holiday, such payment will be due on the next day that the compact commission office is open for public business.

[65 FR 16122, Mar. 27, 2000]

PART 1308—ADMINISTRATIVE ASSESSMENT

Sec.

1308.1 Assessment for pricing regulations administration.

1308.2 Method to waive or change the administrative assessment.

AUTHORITY: 7 U.S.C. 7256.

§ 1308.1 Assessment for pricing regulations administration.

On or before the 15th day after the end of the month, each handler shall pay to the compact commission his pro rata share of the expense of administration of this pricing regulation. The payment shall be at the rate of 3.2 cents per hundredweight. The payment shall apply to:

(a) The quantity of fluid milk products disposed in the regulated area from a pool plant for which a value is determined under § 1306.1;

(b) The quantity of fluid milk products disposed in the regulated area from a cooperative association in its capacity as a handler under Section 1301.9(d) for which a value is determined under Section 1306.1; and

(c) The quantity distributed as route disposition in the regulated area from

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a partially regulated plant for which a value is determined under § 1306.2.

[62 FR 29646, May 30, 1997, as amended at 64 FR 23538, May 3, 1999; 65 FR 16122, Mar. 27, 2000]

§ 1308.2 Method to waive or change the administrative assessment.

The compact commission may waive or change the assessment for pricing regulation administration to maintain the operating reserve in the range of 80% to 120% of four months operating expenses, as determined in the budget approved by the compact commission. The compact commission will announce, pursuant to § 1305.2 of this chapter, the waiver or change in rate of assessment.

[64 FR 23538, May 3, 1999]

PART 1309—SUPPLY MANAGEMENT REFUND PROGRAM

Sec.

1309.1 Producer qualification for supply management refund program.

1309.2 Computation of supply management refund prices.

1309.3 Supply management-settlement fund.

1309.4 Payment to producers of supply management refund.

AUTHORITY: 7 U.S.C. 7256.

SOURCE: 65 FR 34580, May 31, 2000, unless otherwise noted.

§ 1309.1 Producer qualification for supply management refund program.

A dairy farmer who is a qualified producer pursuant to § 1301.11(a) or (b) of this chapter for the entire refund year, July 1 through June 30, and the dairy farmer's milk production during the refund year is less than or the increase is not more than 1% of the milk production of the preceding refund year.

§ 1309.2 Computation of supply management refund prices.

The compact commission shall compute the supply management refund prices applicable to all qualified milk as follows:

(a) Combine into one total the values, including all interest earned, deducted pursuant to § 1306.3(e) of this chapter for the refund year;