

§ 1427.1105

payment to the extent that the revenue from cottonseed sale is shared with the producer.

§ 1427.1105 Payment application.

(a) Payments in accordance with this subpart shall be made available to eligible first handlers of cottonseed based on information provided on a Cottonseed Payment Program Application/Certification.

(b) Payment applications must be received within the program application period announced by CCC. Applications received after such application period may not be accepted for payment.

(c) Cottonseed Payment Program Applications/Certifications may be obtained from the CCC as announced by press release. In order to participate in the program authorized by this subpart, first handlers of cottonseed must execute the Cottonseed Payment Program Application/Certification and forward the completed original to CCC as announced and directed on the application.

§ 1427.1106 Total available program funds.

The total available program funds shall be \$100 million as provided by Section 204(e) of Public Law 106-224.

§ 1427.1107 Applicant payment quantity.

(a) The applicant's payment quantity of cottonseed will be determined by CCC based on the number of eligible ginned cotton bales and cotton lint weight submitted on the Cottonseed Payment Application/Certification and/or obtained by CCC, with the agreement of the applicant, from the Agricultural Marketing Service.

(b) The applicant's payment quantity of cottonseed shall be calculated by multiplying:

(1) The applicant's weight of lint for which payment is requested, as approved by CCC, by

(2) The 1995-99 Olympic average of estimated pounds of cottonseed per pound of ginned cotton lint for all domestic ginners.

§ 1427.1108 Total payment quantity.

(a) The total quantity of 2000-crop cottonseed produced in the United

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States is eligible for payment under this subpart. The total payment quantity of cottonseed will be the total of eligible cottonseed for which applications for payment are received within the application period announced by CCC.

(b) The total payment quantity of cottonseed (ton-basis) shall be calculated by multiplying:

(1) The weight of cotton lint (ton-basis) for which payment is requested by all applicants, as approved by CCC, by

(2) The 1995-99 Olympic average of estimated pounds of cottonseed per pound of ginned cotton lint .

§ 1427.1109 Payment rate.

The payment rate (dollars per ton) for the purpose of calculating payments made available in accordance with this subpart shall be determined by CCC by dividing the total available program funds by the total payment quantity of 2000-crop cottonseed.

§ 1427.1110 Payment calculation and form.

(a) Payments in accordance with this subpart shall be determined for individual applicants by multiplying:

(1) The payment rate, determined in accordance with §1427.1109, by

(2) The payment quantity of the applicant, determined in accordance with §1427.1107.

(b) After receipt of the application for payment, together with required supporting documents and the determination of the payment rate, CCC will issue payments to the applicant by electronic deposit to the applicant's account. Applicants may request that payment be made by mailed check. If a payment is not made within 30 days of the close of the announced application period, CCC will pay interest at the prompt payment interest rate.

§ 1427.1111 Liability of first handler.

(a) If a first handler makes any fraudulent representation in obtaining a cottonseed payment, such payment shall be refunded upon demand by CCC. The first handler shall be liable for the amount of the payment and applicable interest on such payment, as determined by CCC.

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(b) If more than one person executes a payment application with CCC, each such person shall be jointly and severally liable for any violation of the terms and conditions of the application and the regulations set forth in this subpart. Each such person shall also remain liable for the repayment of the entire payment amount until the payment is fully repaid without regard to such person's claimed share in the cottonseed payment.

(c) If the payment recipient is suspected by CCC to have knowingly:

(1) Adopted any scheme or device which violates this Application;

(2) Made any fraudulent representation; or

(3) Misrepresented any fact affecting a determination under this Application, CCC will notify the appropriate investigating agencies of the United States and take steps deemed necessary to protect the interests of the government.

(d) If the payment applicant receives a payment in excess of the entitled payment in accordance with the application, the applicant shall refund to CCC an amount equal to the excess payment, plus interest thereon, as determined by CCC.

(e) From the date of the payment application until the earlier of 3 years after the date of the application or July 31, 2004, the applicant shall keep records and furnish such information and reports relating to the application as may be requested by CCC. Such records shall be available at all reasonable times for an audit or inspection by authorized representatives of CCC, United States Department of Agriculture, or the Comptroller General of the United States. Failure to keep, or make available, such records may result in refund to CCC of all payments received, plus interest thereon, as determined by CCC. Nothing in this section shall, however, authorize the destruction of any records where there is an on-going dispute or where the party involved has reason to know that such records remain material to the operation of the program.

(f) No Member or Delegate of Congress or Resident Commissioner shall be admitted to any share or part of payments provided under this Applica-

tion or to any benefit to arise therefrom, except that this provision shall not be construed to extend to their interest in any incorporated company, if this Application is for the general benefit of such company, nor shall it be construed to extend to any benefit that may accrue to such official in their capacity as a producer.

Subpart G—Extra Long Staple (ELS) Cotton Competitiveness Payment Program

SOURCE: 65 FR 36565, June 8, 2000, unless otherwise noted.

§ 1427.1200 Applicability.

(a) Except as specified by CCC, the regulations in this subpart are applicable to the period beginning June 8, 2000, unless the Executive Vice President, CCC, shall apply the regulations to an earlier period, but not earlier than October 1, 1999, consistent with the authorizing statute. These regulations set forth the terms and conditions under which CCC shall make payments, in the form of commodity certificates or cash, to eligible domestic users and exporters of extra long staple (ELS) cotton who have entered into an ELS Cotton Domestic User/Exporter Agreement with CCC to participate in the ELS cotton competitiveness payment program in accordance with section 136A(c) of the Federal Agriculture Improvement and Reform Act of 1996 (Pub. L. 104-127).

(b) During the effective period of these regulations, CCC may issue marketing certificates or cash payments to domestic users and exporters, at the option of the recipient, in accordance with this subpart in any week following a consecutive 4-week period in which:

(1) The lowest adjusted Wednesday through Tuesday average price quotation for foreign growths (LFQ), as quoted for ELS cotton, delivered C.I.F. (cost, insurance and freight) Northern Europe is less than the Wednesday through Tuesday adjusted average domestic spot price quotation for U.S. Pima cotton, grade 3, staple 44, micronaire 3.5 or higher, uncompressed, F.O.B. warehouse; and