

**§ 1427.56**

(b) Upland Cotton First Handler Agreements may be obtained from Cotton Branch, CRD, Kansas City Commodity Office, P.O. Box 419205, Kansas City, Missouri 64141-6205. In order to participate in the program authorized by this subpart, first handlers must execute the Upland Cotton First Handler Agreement and forward an original and two copies to KCCO.

**§ 1427.56 Form of payment.**

Payments in accordance with this subpart shall be made available in the form of commodity certificates issued in accordance with part 1470 of this chapter, or in cash, as determined and announced by CCC.

[57 FR 14329, Apr. 20, 1992]

**§ 1427.57 Payment rate.**

The payment rate for the purposes of calculating payments made available in accordance with this subpart shall be based upon the difference between the adjusted world price for upland cotton determined in accordance with §1427.25 and the loan repayment rate determined in accordance with §1427.19 and the Upland Cotton First Handler Agreement. A coarse count adjustment shall be applied in accordance with §1427.25(f) and the Upland Cotton First Handler Agreement. Payment rates for Below Grade, loose and semi-processed notes shall be based on a percentage of the basic rate for baled lint, exclusive of coarse count adjustment, as specified in the Upland Cotton First Handler Agreement.

**§ 1427.58 Payment.**

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

(1) The payment rate, determined in accordance with §1427.57, by

(2) The net weight (gross weight minus the weight of bagging and ties), determined as specified in the Upland Cotton First Handler Agreement, of eligible upland cotton that is purchased by an eligible first handler for either domestic consumption or export during a period in which a payment rate is established.

(b) Eligible upland cotton will be considered to be purchased by the first

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handler on the date title to the cotton passes to the first handler, as determined by CCC.

(c) Payments in accordance with this subpart shall be made available upon application for payment and submission of supporting documentation, as required by the provisions of the Upland Cotton First Handler Agreement and instructions issued by CCC.

**Subpart C—Regulations for the Upland Cotton User Marketing Certificate Program.**

SOURCE: 56 FR 41435, Aug. 21, 1991, unless otherwise noted.

**§ 1427.100 Applicability.**

(a) The regulations in this subpart are applicable during the period beginning August 1, 1991, and ending July 31, 2003. These regulations set forth the terms and conditions under which the CCC shall make payments, in the form of commodity certificates or cash, to eligible domestic users and exporters of upland cotton who have entered into an Upland Cotton Domestic User/Exporter Agreement with CCC to participate in the upland cotton user marketing certificate program in accordance with Section 136(a) of the Federal Agriculture Improvement and Reform Act of 1996.

(b) During the period beginning August 1, 1991, and ending July 31, 2003, subject to the availability of funds, CCC shall issue marketing certificates or cash payments to domestic users and exporters in accordance with this subpart in a week following a consecutive 4-week period in which—

(1) The Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling one and three thirty-seconds inch (“M 1<sup>3</sup>/<sub>32</sub> inch”) cotton, delivered C.I.F. (cost, insurance and freight) northern Europe, (“U.S. Northern Europe (USNE) price”) exceeds the Friday through Thursday average price quotation for the five lowest-priced growths, as quoted for M 1<sup>3</sup>/<sub>32</sub> inch cotton, delivered C.I.F. northern Europe, (“Northern Europe (NE) price”) by more than 1.25 cents per pound; and