

**§ 1425.19**

**7 CFR Ch. XIV (1-1-05 Edition)**

necessary to condition the commodity or otherwise make the commodity eligible for loans or LDP's; and

(iii) Within 15 work days from the date the CMA receives loan or LDP proceeds from CCC, except when loans are redeemed within 15 work days of the date of the loan.

(2) CMA's may credit advances to its members made before loans and LDP's are obtained against the distribution of loan and LDP proceeds requirement in paragraph (a)(1)(iii) of this section.

(b)(1) Except as provided in paragraph (b)(2) of this section, loan pool proceeds shall not be combined with non-loan pool proceeds and the CMA shall distribute loan pool proceeds according to the information it provided CCC in accordance with §1425.4(b)(7).

(2) Sales proceeds from a loan pool may be combined with sales proceeds from other pools if the proceeds from such pools are allocated among the pools according to the quantity and quality of the commodity included in the pools.

(3) Loan and LDP proceeds shall only be issued to members involved in pools used for loans or LDP's.

(4) When notified by CCC that loan and LDP distributions to a member must be reduced for a program year, farm, or crop, a CMA shall not make subsequent pool distributions and shall reimburse CCC for distributions previously issued, if applicable.

**§ 1425.19 Member cooperatives.**

A CMA may obtain loans or LDP's on behalf of a member cooperative when the member cooperative is itself a CMA operating in accordance with this part. Loans and LDP's are restricted based on the CMA obtaining the loan or LDP.

**§ 1425.20 [Reserved]**

**§ 1425.21 Records required.**

(a) A CMA shall maintain records for each loan or LDP commodity showing the quantity:

(1) Received from each member and nonmember;

(2) Eligible for loans and LDP's;

(3) By quality factors specified in the applicable commodity regulations including class, grade, and quality, where applicable; and

(4) Of unprocessed inventory broken down by items 1 through 3 above.

(b) Except as provided in paragraph (c) of this section, inventory shall be allocated in the following manner until all inventory in a loan pool is depleted:

(1) For processed commodities, the pool's inventory shall be adjusted when the commodity is withdrawn from inventory for processing; and

(2) For commodities that are not processed, the pool's inventory shall be allocated to the pool and the pool's inventories adjusted when the commodity is shipped.

(c) Records of loan and non-loan pool dispositions do not have to be maintained separately when sales proceeds from pools are allocated according to the quantity and quality of commodity in the pools.

**§ 1425.22 Inspection and investigation.**

(a) The books, documents, papers, and records of the CMA and subsidiaries shall be maintained for five years after the applicable crop year and shall be available to CCC for inspection and examination at all reasonable times.

(b) At any time after an application is received, CCC shall have the right to examine all books, documents, papers, and determine whether the CMA is operating or has operated in accordance with the regulations in this part, its articles of incorporation or articles of association, and agreements with producers, the representations made by the CMA in its application for approval, and, where applicable, its agreements with CCC.

**§ 1425.23 Reports.**

(a) CMA's shall annually provide CCC a report of all commodity deliveries involved in loans and LDP's by FSA farm number for each member.

(b) When requested by CCC, CMA's shall report market gains received on behalf of each member.

**§ 1425.24 OMB control number assigned pursuant to Paperwork Reduction Act.**

The information collection requirements contained in these regulations (7 CFR 1425) have been approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C.

**Commodity Credit Corporation, USDA**

**Pt. 1427**

Chapter 35 and have been assigned OMB number 0560-0040.

**§ 1425.25 Appeals.**

Parts 11 and 780 of this title apply to this part.

[67 FR 64459, Oct. 18, 2002]

**PART 1427—COTTON**

**Subpart A—Nonrecourse Cotton Loans and Loan Deficiency Payments**

Sec.

- 1427.1 Applicability.
- 1427.2 Administration.
- 1427.3 Definitions.
- 1427.4 Eligible producer.
- 1427.5 General eligibility requirements.
- 1427.6 Disbursement of loans.
- 1427.7 Maturity of loans.
- 1427.8 Amount of loan.
- 1427.9 Classification of cotton.
- 1427.10 Approved storage.
- 1427.11 Warehouse receipts.
- 1427.12 Liens.
- 1427.13 Fees, charges and interest.
- 1427.14 [Reserved]
- 1427.15 Special procedure where funds are advanced.
- 1427.16 Reconcentration of cotton.
- 1427.17 Custodial offices.
- 1427.18 Liability of the producer.
- 1427.19 Repayment of loans.
- 1427.20 Handling payments and collections not exceeding \$9.99.
- 1427.21 Settlement.
- 1427.22 Commodity certificate exchanges.
- 1427.23 Cotton loan deficiency payments.
- 1427.24 [Reserved]
- 1427.25 Determination of the prevailing world market price and the adjusted world price for upland cotton.

**Subpart B [Reserved]**

**Subpart C—Upland Cotton User Marketing Certificates**

- 1427.100 Applicability.
- 1427.101-1427.102 [Reserved]
- 1427.103 Eligible upland cotton.
- 1427.104 Eligible domestic users and exporters.
- 1427.105 Upland Cotton Domestic User/Exporter Agreement.
- 1427.106 Form of payment.
- 1427.107 Payment rate.
- 1427.108 Payment.

**Subpart D—Recourse Seed Cotton Loans**

- 1427.160 Applicability.
- 1427.161 Administration.
- 1427.162 [Reserved]

- 1427.163 Disbursement of loans.
- 1427.164 Eligible producer.
- 1427.165 Eligible seed cotton.
- 1427.166 Insurance.
- 1427.167 Liens.
- 1427.168 [Reserved]
- 1427.169 Fees, charges, and interest.
- 1427.170 Quantity for loan.
- 1427.171 Approved storage.
- 1427.172 Settlement.
- 1427.173 Foreclosure.
- 1427.174 Maturity of seed cotton loans.
- 1427.175 Liability of the producer.

**Subpart E—Standards for Approval of Warehouses for Cotton and Cotton Linters**

- 1427.1081 General statement and administration.
- 1427.1082 Basic standards.
- 1427.1083 Bonding requirements for net worth.
- 1427.1084 Examination of warehouses.
- 1427.1085 Exceptions.
- 1427.1086 Approval of warehouse, requests for reconsideration.
- 1427.1087 Exemption from requirements.
- 1427.1088 Contract fees.
- 1427.1089 OMB Control Numbers assigned pursuant to Paperwork Reduction Act.

**Subpart F—2002-Crop Cottonseed Payment Program**

- 1427.1100 Applicability.
- 1427.1101 Administration.
- 1427.1102 Definitions.
- 1427.1103 Eligible cottonseed.
- 1427.1104 Eligible first handlers.
- 1427.1105 Payment application.
- 1427.1106 Available funds.
- 1427.1107 Applicant payment quantity.
- 1427.1108 Total payment quantity.
- 1427.1109 Payment rate.
- 1427.1110 Payment calculation and form.
- 1427.1111 Liability of first handler.

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

- 1427.1200 Applicability.
- 1427.1201 [Reserved]
- 1427.1202 Definitions.
- 1427.1203 Eligible ELS cotton.
- 1427.1204 Eligible domestic users and exporters.
- 1427.1205 ELS Cotton Domestic User/Exporter Agreement.
- 1427.1206 Form of payment.
- 1427.1207 Payment rate.
- 1427.1208 Payment.

AUTHORITY: 7 U.S.C. 7231-7237 and 7931-7939; and 15 U.S.C. 714b and 714c.