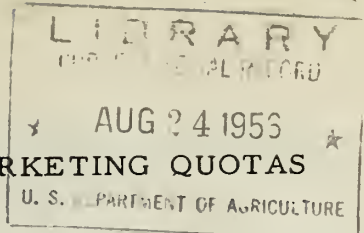


Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

Ag 84 Pro
Cop. 3



EXTRA LONG STAPLE COTTON MARKETING QUOTAS
FOR 1956

In a referendum on December 13, 1955, producers of extra long staple cotton will decide whether marketing quotas will be in effect for the 1956 crop. At least two-thirds of the farmers voting must approve the quotas if they are to be in effect.

If quotas are approved in the referendum:

*Marketing quotas will be in effect on all farms growing extra long staple cotton in 1956.

*Penalties will apply on "excess cotton."

*Acreage allotments will be in effect.

*Price support will be available to "eligible" growers (who comply with their acreage allotments) at the full level of effective supports. Price support for the 1955 crop is at an average of 55.2 cents per pound, which is 75 percent of parity. With the supply situation as indicated in November 1955, it appears that 1956 price support will also be at 75 percent of parity.

If producers disapprove quotas:

*Marketing quotas and penalties will not be in effect for the 1956 crop of extra long staple cotton.

*Acreage allotments will continue in effect.

*Price supports to eligible growers will be available at 50 percent of parity.

As directed by law, the Secretary of Agriculture must proclaim marketing quotas on extra long staple cotton when the "total supply" (carryover plus current crop plus imports) exceeds the "normal supply" (expected domestic consumption and exports plus a 30-percent reserve) by more than 8 percent. Prospective supplies for the 1955-56 marketing year are estimated at 319,593 running bales--170,093 bales more than the normal supply of 149,500 bales.

The quota for the 1956 crop of extra long staple cotton is 35,300 bales. Converted to acreage, the quota provides a national acreage allotment of 45,305 acres, based on a national average yield for the 5 years 1950-54, inclusive.

UNITED STATES DEPARTMENT OF AGRICULTURE

Questions and Answers - Extra Long Staple Cotton Acreage Allotments and Marketing Quotas for 1956.

1. How will the extra long staple cotton referendum be held and who can vote?

There will be a vote by secret ballot in each designated extra long staple cotton-growing county in the Nation. All farmers who produced extra long staple cotton which was planted in 1955 in designated counties are eligible to vote. Any farmer who is in doubt about his voting eligibility or has other questions should check with his county Agricultural Stabilization and Conservation Committee, which will be in general charge of the referendum.

2. What is the farm marketing quota for 1956 extra long staple cotton?

If the acreage of extra long staple cotton on the farm in 1956 does not exceed the farm acreage allotment, the farm marketing quota is the entire production of extra long staple cotton on the farm. If the acreage of extra long staple cotton on the farm is in excess of the farm acreage allotment, the farm marketing quota will be the total production of extra long staple cotton on the farm less the "farm marketing excess."

3. How is the farm marketing excess determined?

The farm marketing excess will be the normal yield per acre established for the farm, multiplied by the acreage of extra long staple cotton on the farm in excess of the allotment. If the producer, in accordance with regulations, establishes promptly after harvest that the actual yield per acre for the farm is less than the normal yield, the ASC county committee will reduce the amount of the farm marketing excess.

4. Will the farmer who has overplanted be permitted to adjust the acreage planted to extra long staple cotton to the farm acreage allotment?

Yes. The Secretary of Agriculture will issue regulations under which such adjustment may be made.

5. What is the amount of the penalty for extra long staple cotton on the farm marketing excess?

The penalty per pound will be the higher of (a) 50 percent of the parity price of extra long staple cotton as of June 15, 1956, or (b) 50 percent of the support price for extra long staple cotton. (The penalty rate for 1955 was 36.6 cents per pound.)

6. How will the penalty be collected?

The producer may pay the penalty to the ASC county committee and get a marketing card or a marketing certificate. If he does not do this, the person who buys the cotton from the farmer must collect the penalty and pay it to the ASC county committee for transfer to the United States Treasurer.

7. After the penalty on the farm marketing excess for a farm has been paid, is the producer liable for further penalty?

No. After the penalty is paid to the county committee, the farmer will receive a marketing card or a marketing certificate, which entitles him to market his crop without paying further penalty. Until the penalty is paid, a lien on the entire crop of extra long staple cotton produced on the farm shall be in effect in favor of the United States.

8. What happens if the penalty is not paid when due?

(a) No marketing card for extra long staple cotton will be issued for the farm until the penalty on the farm marketing excess is paid.

(b) Action to collect the penalty from the producer or person liable for payment may be taken through the courts.

(c) The producer will be liable also for interest on the penalty at the rate of 6 percent per annum from the date the penalty becomes due until it is paid. If extra long staple cotton is marketed without being properly identified by a marketing card or a marketing certificate and the penalty is not remitted by the buyer, the buyer will be liable for the penalty and for interest thereon from the date of his purchase of the extra long staple cotton.

9. What makes a farm eligible for a 1956 extra long staple cotton acreage allotment?

(a) The farm must be located in an area designated by the Secretary of Agriculture as suitable for the production of the varieties and types of extra long staple cotton as defined in Section 347 (a) of the Agricultural Adjustment Act of 1938, as amended. Your ASC county committee can advise you whether your county is so designated.

(b) If extra long staple cotton was planted on the farm during any of the years 1953, 1954, or 1955, the farm is entitled to an extra long staple cotton allotment as an "old extra long staple cotton farm."

(c) If no cotton was planted on the farm during any of the years 1953, 1954, or 1955, and the operator desires an extra long staple cotton allotment for the farm in 1956, the operator of the farm (or the owner if there is no operator) must file an application with the ASC county committee not later than an established closing date for consideration of an allotment as a "new extra long staple cotton farm."

10. How are allotments established for farms?

The law and regulations provide two methods for computing basic allotments for "old extra long staple cotton farms." An ASC county committee may use either of the following methods in determining basic farm allotments in the county:

(a) By applying to the cropland on the farm, excluding certain crops specified by law, a uniform county cropland percentage. The law provides maximum allotments based on the largest acreage planted to extra long staple cotton during 1953, 1954, or 1955, whenever this method is used.

(b) By applying to the average acreage planted to extra long staple cotton on the farm for the 3 years 1953, 1954, and 1955, adjusted where necessary for abnormal conditions affecting planting, a uniform county percentage based on the average acreage planted to extra long staple cotton on all farms in the county for the 3 years 1953, 1954, and 1955. Where the ASC county committee elects to use this method it may also elect to establish maximum farm allotments based on 50 percent of the cropland on the farm.

The ASC county committee under either method may use up to 15 percent of the county allotment to adjust basic allotments for "old extra long staple cotton farms" and to establish allotments for "new extra long staple cotton farms."

11. If a producer is dissatisfied with his farm acreage allotment, may he appeal?

Yes. Within 15 days after the mailing of the allotment notice by the ASC county committee, any farmer may ask for a review of his case. A review committee of three farmers, appointed by the Secretary of Agriculture, will receive the evidence and decide whether the allotment was established in accordance with the regulations. If the farmer is not satisfied with the review committee's decision, he may, within 15 days, institute proceedings for a review of the case by a court.

12. Can a person who will operate two or more farms in 1956 plant all or a part of the allotment assigned by the ASC county committee to one such farm on another of his farms?

No. Extra long staple cotton allotments are established for specific farms and not assigned to individuals; therefore, allotments cannot be transferred by the farm operator from one farm to another.

13. What action should a person take who receives an allotment notice for a farm which he operated in 1955 or a prior year but which he will not operate in 1956?

He should promptly return the notice to the ASC county committee which sent the notice and give the name of the 1956 operator, if known.

14. What action should a farm operator for 1956 take if he has not received an official written notice of the farm extra long staple cotton allotment for 1956 and he believes the farm is eligible for such allotment?

He should promptly request from the ASC county committee an official written notice of the allotment for the farm.

For answers to other questions see your Agricultural Stabilization and Conservation County Committee.
