



United States
Department of
Agriculture

BCD-42

Farm and Foreign
Agricultural Services

NOTICE TO THE TRADE

Farm Service
Agency

DATE: March 17, 2003

Kansas City
Commodity Office
P.O. Box 419205
Kansas City,
Missouri
64141-6205

TO: Warehouse Operators Approved Under the Cotton Storage Agreement (CSA)
State FSA Committees - Cotton Belt States, Cotton Cooperative Associations and
Loan Service Agents

SUBJECT: Change to Cotton Tariff Rate Policy

Background

In the past, Commodity Credit Corporation (CCC) has allowed warehouse operators to backdate the effective date of their tariff rates for receiving, outhandling and storage on file with CCC to the effective date listed on their public tariff. Farm Service Agency (FSA) county offices, as well as authorized Loan Servicing Agents and approved Cooperative Marketing Associations, have experienced problems in computing cotton loan repayments when retroactive tariff rates must be applied.

New Policy

Effective immediately, tariff rates will be effective either ten days after the date CCC receives written notification of change or the effective date of the tariff, whichever is later. CCC will consider the failure to submit new tariff rates by the warehouse operator as an indication of no change, and the current tariff rates on file with the Kansas City Commodity Office will continue in effect. If a tariff rate is reduced below the current accepted CSA rate, the corresponding CSA rate will be reduced to the applicable tariff rate. All new and amended tariffs should be submitted to:

Kansas City Commodity Office
Bulk Commodities Division B Stop 8748
Storage Contract Branch B Cotton
P O Box 419205
Kansas City, Missouri 64141-6205

/s/ George Aldaya
George Aldaya
Director