

§ 1305.3

order price and the compact over-order obligation for the following month.

[65 FR 16121, Mar. 27, 2000]

§ 1305.3 Equivalent price.

If, for any reason, a price specified in this part for use in computing class prices or for other purposes is not reported or published in the manner described in this part, the compact commission shall use one determined by the commission to be equivalent to the price that is specified.

PART 1306—COMPACT OVER-ORDER PRODUCER PRICE

Sec.

1306.1 Handler's value of milk for computing basic over-order producer price.

1306.2 Partially regulated plant operator's value of milk for computing basic over-order producer price.

1306.3 Computation of basic over-order producer price.

1306.4 Announcement of basic over-order producer price.

AUTHORITY: 7 U.S.C. 7256.

SOURCE: 62 FR 29644, May 30, 1997, unless otherwise noted.

§ 1306.1 Handler's value of milk for computing basic over-order producer price.

For the purpose of computing the basic over-order producer price, the compact commission shall determine for each month the value of milk of each handler with respect to each of the handler's pool plants and of each handler described in §1301.9(d) of this chapter with respect to milk that was not received at a pool plant, as directed in this section. Any pool plant that does not exceed 150,000 pounds of disposition in the compact regulated area in the month shall not be subject to the compact over-order obligation. The total assessment for each handler is to be calculated by multiplying the pounds of Class I fluid milk products as determined pursuant to §1304.1(a) of this chapter by the compact over-order obligation.

[65 FR 16121, Mar. 27, 2000]

7 CFR Ch. XIII (1-1-01 Edition)

§ 1306.2 Partially regulated plant operator's value of milk for computing basic over-order producer price.

For the purpose of computing the basic over-order producer price, the compact commission shall determine for each month the value of milk disposition in the regulated area by the operator of a partially regulated plant as directed in this section. Any partially regulated plant that does not exceed 150,000 of disposition in the compact regulated area in the month shall not be subject to the compact over-order obligation. The total assessment for each handler is to be calculated by multiplying the pounds of Class I fluid milk products as determined pursuant to §1304.1(a) of this chapter by the compact over-order obligation.

[65 FR 16121, Mar. 27, 2000]

§ 1306.3 Computation of basic over-order producer price.

The compact commission shall compute the basic over-order producer price per hundredweight applicable to milk received at plants as follows:

(a) Combine into one total the values computed pursuant to §1306.1 and §1306.2 of this chapter for all handlers from whom the compact commission has received at the Compact Commission's office prior to the 9th day after the end of the month the reports for the month prescribed in §1303.1 and the payments for the preceding month required under §1307.3 (a) of this chapter.

(b) Subtract 3% of the total value computed pursuant to paragraph (a) above for the purpose of retaining a reserve for WIC pursuant to the Formal Agreement for reimbursement of WIC Program costs entered into between the Commission and the six New England State WIC Program Directors, as approved by the Food and Consumer Service of the United States Department of Agriculture (USDA);

(c) In any month when the average percentage increase in production in the regulated area comes within 0.25 of the average percentage increase in production for the nation, subtract from the total value computed pursuant to paragraph (a) above, for the purpose of retaining a reserve, an amount estimated by the Commission in consultation with the USDA for anticipated

Northeast Dairy Compact Commission

§ 1307.1

costs to reimburse the Commodity Credit Corporation (CCC) at the end of its fiscal year for any surplus milk purchases. Should those funds not be needed because no surplus purchases were made by the CCC at the end of its fiscal year, it is to be disbursed as follows:

(1) Any producer who has received payment from a handler pursuant to § 1307.4 shall become eligible to receive a pro rata disbursement by submitting to the Commission documentation that the producer did not increase production of milk during and after the month on which the regional rate of production increase met or exceeded the national rate of production increase, as compared to the same period in the preceding year. Such documentation shall be filed with the Commission not later than 45 days after the end of the fiscal year.

(2) The Commission shall calculate the amount of refund to be provided to each eligible producer by taking into account the total amount of retained proceeds, the total production of milk by all producers eligible for refunds, and the total amount of production by each eligible producer.

(d) Beginning with the August 1998 pool, subtract from the total value computed pursuant to paragraph (a) of this section, an amount estimated by the Commission for the purpose of retaining a reserve for payment of obligations pursuant to § 1301.13(e) of this chapter. Surplus funds from this reserve shall be returned to the producer-settlement fund.

(e) Subtract 7.5 cents per hundredweight from the basic over-order producer price computed pursuant to this section and deposit that amount in the supply management-settlement fund, provided that the resultant over-order producer price is at least 25 cents.

(f) Add an amount equal to not less than one-half of the unobligated balance of the producer-settlement fund at the close of business on the 8th day after the end of the month;

(g) Divide the resulting amount by the sum of the following for all handlers included in these computations:

(1) The total hundredweight of producer milk;

(2) The total hundredweight for which a value is computed pursuant to § 1306.2(a); and

(h) Subtract not less than four (4) cents nor more than five (5) cents for the purpose of retaining a cash balance in the producer-settlement fund. The result shall be the basic over-order producer price for the month.

[62 FR 62826, Nov. 25, 1997, as amended at 63 FR 46388, Sept. 1, 1998; 65 FR 34580, May 31, 2000]

§ 1306.4 Announcement of basic over-order producer price.

The compact commission shall announce publicly on or before: The 13th day after the end of each month the over-order producer price resulting from the adjustment of the basic over-order producer price for such month, as computed under § 1306.3.

PART 1307—PAYMENTS FOR MILK

Sec.

1307.1 Producer-settlement fund.

1307.2 Handlers' producer-settlement fund debits and credits.

1307.3 Payments to and from the producer-settlement fund.

1307.4 Method of payment.

1307.5 Payments to producers.

1307.6 Statements to producers.

1307.7 Adjustment of accounts.

1307.8 Charges on overdue accounts.

1307.9 Dates.

AUTHORITY: 7 U.S.C. 7256.

SOURCE: 62 FR 29645, May 30, 1997, unless otherwise noted.

§ 1307.1 Producer-settlement fund.

(a) The compact commission shall establish and maintain a separate fund known as the *producer-settlement fund*. It shall deposit into the fund all amounts received from handlers under § 1307.3, § 1307.7, and § 1307.8 of this Chapter and the amount subtracted under § 1306.3(h). It shall pay from the fund all amounts due handlers under § 1307.3, § 1307.7, and § 1307.8 and the amount added under § 1306.3(d) subject to their right to offset any amounts due from the handler under these sections and under § 1308.1 of this chapter.

(b) All amounts subtracted under § 1306.3(h), including interest earned thereon, shall remain in the producer-