

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

<b>Sugar Loans 10-SU (Revision 4)</b>	<b>Amendment 33</b>
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**Approved by:** Acting Deputy Administrator, Farm Programs



**Amendment Transmittal**

**A Reasons for Amendment**

Subparagraph 34 C has been amended to update KC-227, item 6 instructions to change in-store to in storage.

Subparagraph 34 D has been amended to correct refined sugar to raw sugar in the Privacy Act and Burden Statement on KC-227.

Subparagraphs 62 A and B have been amended to clarify requirements for determining compliance.

Exhibit 9 has been amended to update 2023 crop sugar loan rates.

Exhibit 10 has been amended to update 2023 crop sugarcane minimum price support levels.

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
	2-5 through 2-8 4-1, 4-2	9, pages 1, 2 9, page 3 10, pages 1

## 34 General Warehouse Document Requirements

### A General Requirements

The processor must submit the original KC-227 or KC-227-A that meets the following guidelines.

All KC-227's or KC-227-A's shall:

- represent eligible sugar actually stored in the CCC-approved warehouse
- be issued to the eligible processor or CCC, as applicable
- show ownership, if sugar is owned by the processor solely, jointly, or in common with others.

KC-227 shall be used for raw sugar. KC-227-A shall be used for refined beet sugar. All KC-227's or KC-227-A's shall include **all** of the following:

- type of sugar
- name and location of storing warehouse
- CCC-assigned warehouse code
- date issued
- crop year
- whether sugar was received by rail, truck, barge, or cart
- signature of the warehouse operator or authorized agent
- total net pounds (commercial weight for cane sugar)
- control number assigned by the warehouse operator
- zeros, where applicable, when in or out charges have **not** been prepaid.

County Offices shall verify that all required entries on KC-227's or KC-227A's have been completed and maintain the original KC-227's or KC-227A's until repayment.

**Note:** For in-process loans, KC-227 or KC-227-A must be submitted when sugar is converted, as applicable.

\*--See Exhibit 4 for the addendum to sugar loan disbursements.--\*

### B Additional Requirements

KC-227's, for raw cane sugar, will also include the following:

- total net pounds
- polarity (with 1 number after the decimal point)
- ash (use whole percentage with 2 digits)
- color (use whole units of 4 digits)
- grain size (use whole percentages with 2 digits)
- percent moisture (use whole percentages with 2 digits).

34 General Warehouse Document Requirements (Continued)

**B Additional Requirements (Continued)**

KC-227-A's, for refined sugar, will include applicable quality factors, including gross weight and number of units, if bagged.

**C Instructions for Completing KC-227**

County Offices shall complete KC-227, items 1 and 2 when the loan is approved.

Warehouse operators shall complete KC-227, items 3 through 11.

Item	Action
1	Enter the sugar loan application date.
2	Enter the FSA County Office or Service Center assigned loan number.
3	Enter warehouse's name, street address, city, State, and ZIP Code.
4	Enter the warehouse code assigned by AMS.
5	"Raw Cane Sugar" is preprinted in this item.
6	Check the applicable box indicating sugar received by truck, rail, barge, cart, or *--in storage.--*
7	Enter the crop year the sugarcane was grown.
8	Enter the control number assigned by the warehouse operator.  <b>Note:</b> The warehouse operator should use a numbering system to consecutively assign control numbers for tracking purposes. For example, the 1st KC-227 may be assigned Control No. 1, the 2nd KC-227 Control No. 2, etc. Do not use alpha characters as part of the numbering system.
9	Enter the date KC-227 is issued.
10 A	Enter the total net pounds received for this KC-227. Enter quantity in pounds as made.  <b>Note:</b> A separate KC-227 shall be used for each separate amount.
10 B	Enter the polarization for the quantity of sugar represented by this KC-227. Polarity degree entered shall have only 1 number after the decimal point, such as "98.2".
10 C	Enter the ash content (percentage) for the quantity of sugar represented by this KC-227. Use whole percentages with 2 digits, such as "24".
10 D	Enter the color (units) for the quantity of sugar represented by this KC-227. Use whole units with 4 digits, such as "1280". Check "Affined" or "Whole".
10 E	Enter the grain size (percentage) for the quantity of sugar represented by this KC-227. Use whole percentages with 2 digits, such as "30".
10 F	Enter the percent moisture for the quantity of sugar represented by this KC-227. Use whole percentages with 2 digits, such as "30".
11 A and B	Enter the: <ul style="list-style-type: none"><li>• signature of an authorized individual, such as corporate officer, partner, or proprietor</li><li>• date this KC-227 is signed.</li></ul>

34 General Warehouse Document Requirements (Continued)

D Example of KC-227

The following is an example of KC-227, for raw cane sugar, received from a processor.

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<b>KC-227</b> <small>(09-27-23)</small>		U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency			<b>FOR CCC USE ONLY</b>	
<b>RAW SUGAR CERTIFICATION REPORT</b>					1. LOAN APPLICATION DATE (MM-DD-YYYY)	
3. NAME AND LOCATION OF RECEIVING WAREHOUSE					2. LOAN NUMBER	
					4. WAREHOUSE CODE	
5. COMMODITY  <b>RAW CANE SUGAR</b>	6. RECEIVED BY <input type="checkbox"/> TRUCK <input type="checkbox"/> RAIL <input type="checkbox"/> BARGE <input type="checkbox"/> CART <input type="checkbox"/> IN STORAGE	7. CROP YEAR	8. CONTROL NUMBER	9. DATE ISSUED (MM-DD-YYYY)		
<b>10. QUANTITY AND QUALITY</b>						
A. TOTAL NET POUNDS	B. POLARIZATION	C. ASH	D. COLOR (Units): <input type="checkbox"/> Affined <input type="checkbox"/> Whole	E. GRAIN SIZE	F. % MOISTURE	
<b>11. CERTIFICATION AND SIGNATURE</b>						
I certify that the raw sugar described on this report is raw sugar:						
<ul style="list-style-type: none"> <li>• in which title is vested in CCC, or placed in storage by someone other than CCC and pledged to CCC as security for a CCC loan, and</li> <li>• which will be safely stored so that raw sugar equivalent to the quantity and quality stated in Item 10 of this KC-227 may be delivered, upon demand, to the owner of such raw sugar, CCC, or to another person (transferee).</li> </ul>						
This form must be signed by an authorized individual; i.e., corporate officer, partner or proprietor. A manager cannot sign unless authorized by a Resolution of the Board of Directors or Power of Attorney furnished by a partner or proprietor.						
A. WAREHOUSE OPERATOR'S SIGNATURE					B. DATE (MM-DD-YYYY)	
<b>PRIVACY ACT AND PUBLIC BURDEN STATEMENTS</b>						
The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), 7 CFR Part 1423, and 7 CFR Part 1435. The information will be used to record raw sugar received into the warehouse for storage of CCC-interest sugar. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits.						
<b>Paperwork Reduction Act (PRA) Statement:</b> The information collection is exempted from PRA as specified in 7 U.S.C. 8781(c)(2).						
The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO THE APPROPRIATE FARM SERVICE AGENCY COUNTY OFFICE OR SERVICE CENTER.</b>						
<b>NONDISCRIMINATION STATEMENT</b>						
In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.						
Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.						
To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a> . USDA is an equal opportunity provider, employer, and lender.						

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## 34 General Warehouse Document Requirements (Continued)

**E Instructions for Completing KC-227-A**

County Offices shall complete KC-227-A, items 1 and 2.

Warehouse operators shall complete KC-227-A, items 3 through 13.

Item	Action
1	Enter the sugar loan application date.
2	Enter the FSA County Office or Service Center assigned loan number.
3	Enter warehouse's name, street address, city, State, and ZIP Code.
4	*--Enter the warehouse code assigned by AMS.--*
5	Check applicable box indicating if commodity is raw cane or beet sugar.
6	Check applicable box indicating if sugar was received by truck, rail, barge, or in-store.
7	Enter the crop year the sugar was grown.
8	Enter the control number assigned by the warehouse operator.  <b>Note:</b> The warehouse operator should use a numbering system to consecutively assign control numbers for tracking purposes. For example, the first KC-227-A may be assigned Control No. 1, the second KC-227-A Control No. 2, etc. Do not use alpha characters as part of the numbering system.
9	Enter the date KC-227-A is issued.
10 A	Enter the total net pounds received for this KC-227-A.
10 B	Not required.
10 C	Enter the number of units, if the sugar is bagged, for this KC-227-A.
10 D	Enter the number of units damaged, short, or over for this KC-227-A.
11	Quality: Refined sugar must be dry and free flowing, free of excessive sediment, and free of any objectionable color, flavor, odor, or other characteristic which would impair its merchantability, or which would impair or prevent its use for normal commercial purposes.
12 A and B	Enter the following: <ul style="list-style-type: none"> <li>• signature of an authorized individual, such as corporate officer, partner, or proprietor</li> <li>• date KC-227-A is signed.</li> </ul>

**Part 4 Loanmaking****Section 1 Compliance and Noncompliance****62 Compliance Provisions****A Determining Compliance**

A loan is available to eligible processors on sugar processed from the production of sugar beets or sugarcane determined to be eligible according to HELC and WC provisions in 6-CP and acreage reporting requirements.

\*--The STC must determine if the Loanmaking or Administrative County Offices will:

- annually request processors to provide by county where the sugar is grown, an alphabetical list of the names, addresses, and CCID numbers, if available, of--\* producers, owners, and operators who did either of the following:
  - delivered sugar beets or sugarcane in previous years for processing
  - contracted or made arrangements to deliver sugar beets or sugarcane for the current crop year
- request that this information be submitted to the County Office by a date established by STC or COC; however, all information must be submitted by **August 1** before the crop year for which loan benefits will be requested.

**Example:** To determine compliance for the 2022 crop year (FY 2023), the requested information must be submitted to the County Office by August 1, 2022.

**Note:** Use the suggested sample letter in subparagraph B to contact processors.

62 Compliance Provisions (Continued)

B Contacting Processors

This is a sample letter sent annually to processors for obtaining names and addresses.

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Dear Processor:

Sugar used as collateral to obtain loans must have been delivered by producers, owners, or operators who have certified on form AD-1026, Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification, that the producer, owner, or operator will comply with the necessary conservation provisions during the crop year in which benefits are requested. They are also required to complete form FSA-578, Report of Acreage, before the final acreage reporting date established by the county.

To continue monitoring this process, we need your assistance. Please provide this office by county(s) where the sugar is grown, an alphabetical listing of the names, addresses, and CCID numbers, if available, of sugar producers, owners, or operators who did either of the following:

- delivered sugar to your facility for processing in the previous crop year
- contracted or made arrangements with you to deliver sugar for the current crop year.

Please provide this information to us by August 1, 20 . Additionally, please provide this office with the same information on any new producers, owners, or operators that you anticipate will deliver sugar in the current crop year, as you receive this information.

If applicable, every effort will be made to provide you with a list of eligible and ineligible producers, owners, or operators before October 1, 20 . This will prevent disbursement of loan amounts that may ultimately have to be refunded to the Commodity Credit Corporation.

If you have any questions, please feel free to call this office.

Your cooperation will be appreciated.

Sincerely,

County Executive Director

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**Crop Loan Rates**

**A National Average Sugar Loan Rates**

\*--The following provides the national (weighted average) loan rates for the **2023** crops of--\*  
domestically grown sugar beets and sugarcane.

Commodity	Loan Rate (Cents Per Pound)
Beet Sugar, Refined	25.38
Cane Sugar, Raw Value	19.75

**B Regional Beet Sugar Loan Rates**

The regional loan rates have been adjusted to reflect the processing location of sugar offered as  
\*--collateral for price support loans. The following provides the regional **2023** crop (FY 2024) loan  
rates for refined beet sugar.

Area/Region Code	States	Loan Rate (Cents Per Pound)
1	Michigan Ohio	26.44
2	Minnesota Eastern half of North Dakota	25.01
3	Northeastern quarter of Colorado Nebraska Southeastern quarter of Wyoming	25.55
5	Montana Northwestern quarter of Wyoming Western half of North Dakota	25.14
6/7	Idaho Oregon Washington	25.66
8	California	26.79

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**Crop Loan Rates (Continued)**

**C Regional Cane Sugar Loan Rates**

\*--The following provides **2023** crop (FY 2024) regional loan rates for cane sugar, raw value.

Area/Region Code	Area	Loan Rate (Cents Per Pound), Raw Value
1	Florida	18.60
3	Louisiana	20.92
4	Texas	19.38

**D Regional In-Process Beet Sugar Loan Rates**

The following provides the regional **2023** crop (FY 2024) loan rates for in-process beet sugar, which is 80 percent of the applicable loan rate.

Area/Region Code	States	Loan Rate (Cents Per Pound)
1	Michigan Ohio	21.15
2	Minnesota Eastern half of North Dakota	20.01
3	Northeastern quarter of Colorado Nebraska Southeastern quarter of Wyoming	20.44
5	Montana Northwestern quarter of Wyoming Western half of North Dakota	20.11
6/7	Idaho Oregon Washington	20.53
8	California	21.43

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**Crop Loan Rates (Continued)**

**E Regional In-Process Cane Sugar Loan Rates**

\*--The following provides the regional **2023** crop (FY 2024) loan rates for in-process cane sugar, raw value, which is 80 percent of the applicable loan rate.

<b>Area/Region Code</b>	<b>States</b>	<b>Loan Rate (Cents Per Pound), Raw Value</b>
1	Florida	14.88
3	Louisiana	16.74
4	Texas	15.50

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**Minimum Price Support Payment Levels for Sugar Beets and Sugarcane**

**A Sugarcane Minimum Price Support Levels**

\*--This table provides the **2023** crop (FY 2024) regional minimum price support levels per net ton for Florida or gross ton for Louisiana and Texas for average quality sugarcane.

Area	Level
Florida	\$27.62 per net ton
Louisiana	\$31.89 per gross ton
Texas	\$28.68 per gross ton

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**B Sugar Beet Minimum Payment**

Sugar beet grower minimum payments are the amount specified in the grower processor contract.