

PART 873—SUGARCANE; FLORIDA

NOTE: See List of CFR Sections Affected for citations to determinations and regulations issued under this part for previous calendar years.

Fair and Reasonable Prices for 1973 Crop

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AUTHORITY: Secs. 301, 403, 61 Stat. 929, as amended, 932 (7 U.S.C. 1131, 1153).

SOURCE: 38 FR 33583, Dec. 6, 1973, unless otherwise noted.

§ 873.31 General requirements.

A producer of sugarcane in Florida who is also a processor of sugarcane, to which this part applies as provided in § 873.38 (herein referred to as "processor"), shall have paid or contracted to pay for sugarcane of the 1973 crop grown by other producers and processed by him, or shall have processed sugarcane of other processors under a toll agreement, in accordance with the following requirements.

§ 873.32 Definitions.

For the purpose of this part, the term:

(a) "Price of raw sugar" means the daily spot quotation of raw sugar of the New York Coffee and Sugar Exchange No. 10 domestic contract, except that if the Director of the Sugar Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250, determines that such price does not reflect the true market value of raw sugar, because of inadequate volume or other factors, he may designate the price to be effective under this part which he determines will reflect the true market value of raw sugar.

(b) "Season's average price of raw sugar" means (1) the weighted average price of raw sugar for the months in

which 1973-crop sugar is delivered to the purchaser determined by weighting the simple average of the daily prices of raw sugar for each month in which sugar is delivered to the purchaser by the quantity of 1973-crop raw sugar or raw sugar equivalent delivered during each corresponding month, or (2) the average price of raw sugar received by a processor who disposes of all of his sugar under a single contract with a refiner or a cooperative sales organization composed of processors.

(c) "Raw sugar" means raw sugar, 96° basis.

(d) "Net sugarcane" means the gross weight of sugarcane delivered by a producer to a processor minus a deduction equal to the average percentage weight of trash delivered with all sugarcane ground at each mill operated by a processor. If the mill receives both hand-cut and machine-cut cane, the average percentage weight of trash delivered with cane harvested by hand shall be computed separately from that harvested by machine and the applicable trash deduction applied to the gross weight of cane harvested by each method.

(e) "Trash" means green or dried leaves, sugarcane tops, dirt, and all other extraneous material delivered with sugarcane.

(f) "Standard sugarcane" means net sugarcane containing 12.5 percent sucrose in the normal juice.

(g) "Salvage sugarcane" means sugarcane containing less than 9.5 percent sucrose in the normal juice.

(h) "Average percent sucrose in normal juice" means (1) the average percent crusher juice sucrose of the producer's sugarcane multiplied by a factor representing the ratio of factory normal juice sucrose to factory crusher juice sucrose at the processor's mill; or (2) the average percent sample mill juice sucrose of the producer's sugarcane multiplied by a factor representing the ratio of factory normal juice sucrose to the average sample mill juice sucrose analyses of producers' sugarcane.

(i) "Average percent crusher juice sucrose" means the percentage of sucrose in undiluted crusher juice as determined by direct analysis in accordance with standard procedures.

(j) "Factory normal juice sucrose" means the percentage of sucrose in undiluted juice extracted by a mill tandem as determined by multiplying factory dilute juice purity by factory normal juice Brix.

(k) "Factory crusher juice sucrose" means the percentage of sucrose in undiluted crusher juice as determined by direct analysis.

(l) "Average percent sample mill juice sucrose" means the percentage of sucrose solids in juice extracted from samples of each producer's sugarcane by the sample mill.

(m) "Factory normal juice Brix" means the percentage of soluble solids in undiluted juice extracted from sugarcane by a mill tandem as determined by multiplying factory crusher juice Brix by a dry milling factor representing the ratio of factory normal juice Brix to factory crusher juice Brix.

(n) "Factory crusher juice Brix" means the percentage of soluble solids in undiluted crusher juice as determined by direct analysis.

(o) "Factory dilute juice purity" means the ratio of factory dilute juice sucrose to factory dilute juice Brix which are determined by direct analysis.

(p) "State office" means the Florida State Agricultural Stabilization and Conservation Service Office, 401 Southeast First Avenue, Gainesville, FL 32601.

(q) "State committee" means the Florida State Agricultural Stabilization and Conservation Committee.

§ 873.33 Basic price.

(a) The basic price for standard sugarcane shall be not less than \$1.12 per ton for each one-cent per pound of the season's average price of raw sugar.

(b) The basic price for salvage sugarcane shall be as agreed upon between the processor and producer, subject to the approval of the State office.

§ 873.34 Conversion of net sugarcane to standard sugarcane.

Net sugarcane (except salvage sugarcane) shall be converted to standard sugarcane by multiplying the total quantity of net sugarcane delivered by each producer by the applicable quality factor in accordance with the following table:

Average percent sucrose in normal juice:

	<i>Standard sugarcane quality factor</i> ¹
9.5	0.70
10.0	.75
10.5	.80
11.0	.85
11.5	.90
12.0	.95
12.5	1.00
13.0	1.05
13.5	1.10
14.0	1.15
14.5	1.20
15.0	1.25
15.5	1.30

¹The quality factor for sugarcane of intermediate percentages of sucrose in normal juice shall be interpolated and for sugarcane having more than 15.5 percent sucrose in the normal juice shall be computed in proportion to the immediately preceding interval.

§ 873.35 Molasses payment.

The processor shall pay to the producer for each ton of net sugarcane delivered an amount equal to the product of 6.0 gallons times one-half of the excess above 4.75 cents per gallon of the weighted average net sales price per gallon of blackstrap or final molasses, basis, f.o.b. tank truck or railroad car at mill, sold during the 12-month period ending May 31, 1974.

§ 873.36 Other related specifications.

(a) If the processor furnishes labor, materials, or services used in harvesting, loading, or transporting the producer's sugarcane from the field to the delivery point(s) on the farm, the charge made for such labor, materials, or services may be as agreed upon between the two parties if the producer has the option of performing such operations himself or by contract with a third party. If contractual arrangements between the processor and producer preclude the producer from performing such operations himself or by contract with a third party, the charge made by the processor shall be limited to the actual direct costs of labor, materials, or services plus applicable overhead expenses which are properly apportionable under generally accepted accounting principles: *Provided*, That the charge for overhead shall not exceed 10 percent of the actual direct costs of labor, materials, or services.

(b) The price for sugarcane established by this part is applicable to sugarcane loaded on carts or trucks at the farm, or if sugarcane is transported by railroad, loaded in railroad cars at the railroad siding nearest the farm, and the processor is required to bear the cost of transporting sugarcane (gross weight) from such points to the mill. If sugarcane is transported a distance of more than 14.9 miles to the mill by railroad or other common carrier, the producer may be required to bear the additional cost of transporting such sugarcane (based upon published tariffs). If the processor transports, in his own conveyance, or arranges for the transportation of sugarcane with other than a common carrier, he may charge the producer 5 cents per ton for each mile such sugarcane is transported in excess of 14.9 miles, or if the producer transports sugarcane to the mill by other than railroad or other common carrier the processor shall pay the producer 5 cents per ton for each mile such sugarcane is transported, but not in excess of 14.9 miles.

(c) Deductions for frozen sugarcane, fiber content determinations and deductions, definitions of delivery schedules and similar specifications employed in connection with the purchase of 1973-crop sugarcane shall be substantially in accordance with the general practices in Florida and as agreed upon between the producer and the processor.

(d) Nothing in paragraph (c) of this section shall be construed as prohibiting modification of customs and practices which may be necessary because of unusual circumstances, any such modification to be reported in writing by the processor to the State office.

(e) In the event a general freeze causes abnormally low recoveries of raw sugar by a processor in relation to the sucrose test of the sugarcane, payment for such sugarcane may be made as agreed upon between the producer and the processor subject to the written approval of the State office upon a determination by the State committee that the payment is fair and reasonable.

(f) The processor shall submit to the State office for approval (1) a statement

setting forth the weighted average price of raw sugar upon which settlements with producers are based; (2) a statement setting forth the gross proceeds and the handling and delivery expenses deducted in arriving at the weighted average net sales price of blackstrap molasses; and (3) if subject to the limitation set forth in paragraph (a) of this section, a statement setting forth for each producer the direct costs of labor, materials, and services, plus applicable overhead expenses, used in harvesting, loading, or transporting the producer's sugarcane from the field to the farm delivery point.

§ 873.37 Toll agreements.

The rate for processing sugarcane produced by a processor and processed under a toll agreement by another processor shall be the rate they agree upon.

§ 873.38 Applicability.

The requirements of this part are applicable to all sugarcane purchased from other producers and processed by a processor who produces sugarcane (a processor-producer is defined in 7 CFR 821.1); and to sugarcane purchased by a cooperative processor from non-members. The requirements are not applicable to sugarcane processed by a cooperative processor for its members.

§ 873.39 Subterfuge.

The processor shall not reduce returns to the producer below those determined in accordance with the requirements of this part through any subterfuge or device whatsoever.

§ 873.40 Processor mill procedures and checking compliance.

The procedures to be followed by processors in determining net sugarcane, trash, average percent sucrose in normal juice, average percent crusher juice sucrose, factory normal juice sucrose, factory crusher juice sucrose, average percent sample mill juice sucrose, and other related mill procedures and required reports are set forth in Handbook 9-SU entitled "Sampling, Testing, and Reporting for Florida Sugar Processors," copies of which have been furnished each processor. The processors shall maintain on

file for a period of 5 years records of the original data compiled for the reports required by Handbook 9-SU. The procedures to be followed by the State office in checking compliance with the requirements of this part are set forth under the heading "Fair Price Compliance" in Handbook 3-SU, issued by the Deputy Administrator, Programs, Agricultural Stabilization and Conservation Service. Handbooks 9-SU and 3-SU may be inspected at County ASCS offices and copies may be obtained from the Florida State ASCS Office, 401 Southeast First Avenue, Gainesville, FL 32601.

PART 874—SUGARCANE; LOUISIANA

NOTE: See List of CFR Sections Affected for citations to determinations and regulations issued under this part for previous calendar years.

Fair and Reasonable Prices for 1973 Crop Sec.

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- 874.40 Mutual plan for improving harvesting and delivery.
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- 874.43 Subterfuge.
- 874.44 Processor mill procedures and checking compliance.
- 874.45 Reporting requirements.

AUTHORITY: Secs. 301, 403, 61 Stat. 929, as amended, 932; (7 U.S.C. 1131, 1153).

SOURCE: 38 FR 29473, Oct. 25, 1973, unless otherwise noted.

§ 874.33 General requirements.

A producer of sugarcane in Louisiana who is also a processor of sugarcane, to which this part applies as provided in § 874.42 (herein referred to as "processor"), shall have paid or contracted to pay for sugarcane of the 1973 crop grown by other producers and processed by him, or shall have processed sugarcane of other processors under a toll agreement, in accordance with the following requirements.

§ 874.34 Definitions.

For the purpose of this part, the term:

(a) "Price of raw sugar" means the price of 96° raw sugar quoted by the Louisiana Sugar Exchange, Inc., except that if the Director of the Sugar Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250, determines that such price does not reflect the true market value of raw sugar, because of inadequate volume, failure to report sales in accordance with the rules of such Exchange or other factors, he may designate the price to be effective under this determination, which he determines will reflect the true market value of raw sugar.

(b) "Price of blackstrap molasses" means the price per gallon of blackstrap molasses quoted by the Louisiana Sugar Exchange, Inc., except that if the Director of the Sugar Division determines that such price does not reflect the true market value of blackstrap molasses, because of inadequate volume, failure to report sales in accordance with the rules of such exchange or other factors, he may designate the price to be effective under this determination, which he determines will reflect the true market value of blackstrap molasses.

(c) "Weekly average price" means the simple average of the daily prices of raw sugar or blackstrap molasses, for the week (Friday through the following Thursday) in which the sugarcane is delivered.

(d) "Season's average price" means the simple average of the weekly prices of raw sugar or of blackstrap molasses for the period October 5, 1973, through April 11, 1974.

(e) "Delivered average price" means the weighted average price of 1973-crop raw sugar determined by weighting: (1) The simple average of the daily prices of raw sugar for the period October 5, 1973, through December 31, 1973, by the quantity of 1973-crop sugar, raw value, marketed under the processors' 1973 marketing allotment; and (2) the simple average of the daily prices of raw sugar for the period January 1, 1974, through February 21, 1974, by the quan-