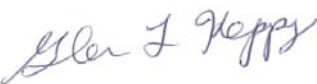


**For:** AL, AZ, AR, CA, FL, GA, IL, KS, KY, LA, MD, MS, MO, NV, NM, NC, OK, SC, TN, TX, and VA State and County Offices

**Assisting in the Upland Cotton Signup Period**

**Approved by:** Acting Administrator



**1 Overview**

**A Background**

AMS reviewed the need for a continuance referendum on the 1991 Cotton Research and Promotion Order (Order) amendments. On March 6, 2007, AMS published the Department’s determination, based on the results of the review, **not** to provide for a continuance referendum on its own initiative.

According to the Cotton Research and Promotion Act (Act), AMS will provide an opportunity for all eligible persons to signup to request a referendum on the 1991 Order amendments during a signup period. The signup period will be from September 4, 2007, until November 30, 2007. **This is not a referendum (or a “yes or no vote”) of the program, but an opportunity for producers to signup, if they would like AMS to conduct a referendum in the future on the Cotton Research and Promotion Program. No action is necessary by the producer if a continuance referendum is not desired.**

The Act, Section 8(c)2 provides that if USDA determines, based on the results of the signup, that 10 percent (4,622) or more of the total number of eligible producers and importers that voted in the most recent 1991 referendum request a continuance referendum on the 1991 Order amendments, a referendum will be held within 12 months after the end of the signup period. If USDA determines that 10 percent (4,622) or more of the number of producers and importers who voted in the most recent referendum favor a continuance referendum, a referendum will be held.

**Caution:** As in past years, this signup may be audited, contested in court, or both. Accordingly, it is extremely important that State and County Offices follow this notice timely and accurately.

<b>Disposal Date</b>  January 1, 2008	<b>Distribution</b>  Above State Offices; State Offices relay to applicable County Offices
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## Notice AO-1395

### 1 Overview (Continued)

#### B Purpose

This notice provides instructions to State and County Offices about FSA's responsibilities for the upcoming Cotton Research and Promotion Program signup period.

#### C State and County Office Action

State and County Offices shall assist AMS in conducting the signup according to paragraph 2 and Exhibits 1 through 6.

**Note:** AMS provided signup instructions.

AMS will be paying for only the costs associated with this signup. State and County Offices shall list their expenses on the State and County Office FSA Transmittal of Results Sheet (Exhibit 6). County Offices shall maintain a register of associated costs and report their expenses on Exhibit 6, along with the signup results. State Offices will summarize these costs and report on Exhibit 6, along with State summary results.

**Important:** County Offices shall **not** incur separate advertising and mailing expenses when announcing this signup period. However, include excerpts from a future news release titled, "USDA Polls Cotton Industry On Cotton Program Referendum" in routine County Office newsletters and free press. FSA news releases are posted at <http://www.fsa.usda.gov>; CLICK "News & Events"; "New Releases".

#### D Contact

Direct questions about this notice to Rick Pinkston, DAFO, at 202-720-1857.

### 2 Software to Support the Signup

#### A Background

County Release No. 622 contains software for helping County Offices conduct the signup.

#### B Identifying Producers With Share of Cotton in 2006

The software will:

- identify producers who shared in an acreage of Upland cotton reported on FSA-578 during the 2006 crop year

**Note:** Owners of farms that had Upland cotton grown in 2006, but who did **not** share in the crop, will be included regardless of the current status of the farm or owner.

- eliminate producers flagged as deleted in the name and address file

## Notice AO-1395

### 2 Software to Support the Signup (Continued)

#### B Identifying Producers With Share of Cotton in 2006 (Continued)

- **not** include producers with the total acreage reported as failed and not marketed
- for producers who were partnerships or joint ventures, identify and include the first level members as constituted in 2006
- for producers who were entities other than partnerships or joint ventures, identify the entity.

**Note:** Follow instructions in Exhibit 1 on eligibility to determine whether to add or delete a producer from the list.

#### C Printing List of Producers

The software will print a list of producers, as described in subparagraph B. The list, sorted by last name, includes the following:

- name
- address
- entity type
- whether the producer is multi-county.

This list will serve as the basis for the list required by Exhibit 1, subparagraph 3 B.

**Note:** Write the county name on the top of the list. The list is **not** available to the public.

#### D Printing List of Multi-County Producers

For each multi-county producer on the list in subparagraph C, the software will also print the following:

- producer's name
- list of counties in which the producer is currently active
- State and county codes of the current control county.

**Note:** County Offices shall use this list to ensure that each producer signs up only once.

#### E Running the Software

To print the lists in subparagraphs C and D for a county file group:

- on Menu FAX07001, take option "9", "Common Provisions"
- ENTER "UPCNRF2,QRPRADJ1" on the command line.

## Notice AO-1395

### 3 Maintaining FSA's Impartiality

#### A State and County Office Action

FSA is assisting AMS by conducting this signup at their request. State and County Office employees and COC members shall use caution so that it does not appear that FSA is showing bias or partiality. State and County Offices shall **not** become involved in the following:

- issues relating to USDA regulations in 7 CFR Part 1205
- encouraging a producer to cast a signup or not
- determining eligibility other than in an official capacity
- prejudice for or against the Cotton Research and Promotion Program.

### 4 Downloading Signup Materials

#### A Downloading Exhibits 2 Through 6

Exhibits 2 through 6:

- are available for downloading at <http://intranet.fsa.usda.gov>
- do **not** have form numbers; search for them by entering the keyword "cotton signup" in the Form Title Keyword field, as follows:
  - under Directories, CLICK "Forms"
  - under Forms Directory, CLICK "FFAS-Employee Forms Site"
  - CLICK "Find Current Forms Using Our Form Number Search"
  - in the Form Title Keyword field, TYPE "cotton signup".

Download the file and format of Exhibits 4 and 5 on **FSA letterhead**. Do **not** alter or modify the language used in Exhibits 4 and 5.

**AMS Instructions for Conducting the Signup****Cotton Research and Promotion Program**

Signup Period to Request a Continuance Referendum for the 1991 Cotton Research and Promotion Order (Order) Amendments

**1 Overview****A Background**

In July 1991, a referendum was conducted that resulted in the adoption of amendments to the Order. This Order establishes the Cotton Research and Promotion Program, a self-help, cotton producer and cotton importer funded initiative, designed to strengthen cotton's competitive position, expand markets and uses, and increase demand for Upland cotton. The 2 most significant Order amendments are 1) the initiation of an assessment on imported cotton and the cotton-content of imported textiles; and 2) the termination of the right of cotton producers to request and receive refunds of assessments paid.

The Cotton Research and Promotion Act (the Act) requires that once every 5 years after the date of the most recent referendum (July 1991), the Department will review the Cotton Research and Promotion Program to determine whether a referendum is needed. Following this review, the Department is to either conduct a referendum or provide persons, subject to the Order, an opportunity to request a referendum.

On March 6, 2007, the Department endorsed the continuation of the 1991 Order amendments without a continuance referendum. As a result, the Agricultural Marketing Service (AMS) is taking steps to conduct a signup period as required by the Act.

**B Responsibilities**

The Administrator of AMS is responsible for conducting the signup period and announcing its results.

Farm Service Agency (FSA) will assist in conducting the signup period by:

- accepting requests of cotton producers for a signup
- determining eligibility of cotton producers to file a request
- determining and reporting signup results.

**Note:** Direct questions about this notice to Rick Pinkston, DAFO, 202-720-1857.

**AMS Instructions for Conducting the Signup (Continued)****C Purpose**

The purposes of these instructions are to:

- describe the significance of the signup
- establish procedures about:
  - County Office actions
  - State Office actions
  - counting requests
  - retention and disposition of signup records
- establish instructions for determining:
  - producer eligibility
  - reporting signup results.

**2 Signup Period****A Significance of the Signup Period**

Only eligible persons who favor the conduct of a referendum need to participate in the signup period by providing their signature to affirm that they want the Department to conduct a continuance referendum. If results of the signup period show that at least 10 percent (4,622) or more of the number of program participants voting in the most recent referendum request the conduct of a continuance referendum on the 1991 Order amendments, a referendum will be held within 12 months after the end of the signup period. Except that, in counting these requests, not more than 20 percent of these requests may be from program participants from any one State.

If the resulting signup period indicates that less than 10 percent (4,622) of program participants do not favor a continuance referendum, a referendum will not be held.

**B Time of Signup Period**

The signup period shall:

- be held from September 4, 2007, through November 30, 2007
- be held in County FSA Offices for producers
- allow producers to request to sign up by contacting the applicable County Office.

**AMS Instructions for Conducting the Signup (Continued)****3 Eligibility****A Eligibility Requirements**

Any **person** who is 18 years or older and who, during crop year 2006, was engaged in the production of Upland cotton in the United States shall be eligible to participate in the signup period.

**Note:** The Act defines “person” as any individual, partnership, corporation, association, or any other legal entity. Only persons who meet the following eligibility requirements may participate in the signup period.

- No person is entitled to sign up more than once, except that each individual partner of an eligible general partnership is entitled to request a continuance referendum, but the partnership itself is not.
- Where a group of individuals is engaged in the production of Upland cotton under the same lease or cropping agreement, only the individual or individuals who signed or entered into the lease or cropping agreement are eligible to participate in the signup period. Individuals who are engaged in the production of Upland cotton as joint tenants, tenants in common, or owners of community property, are each entitled to submit a request if they share in the proceeds of the required crop as owners, cash tenants, share tenants, sharecroppers, or landlords of a fixed rent, standing rent, or crop share.
- An officer or authorized representative of a qualified corporation, association, or limited partnership may submit a request for that corporation, association, or limited partnership.
- A guardian, administrator, executor, or trustee of any qualified estate or trust may submit a request for that estate or trust.
- An individual may not submit a request for another individual.
- Participation in the signup by proxy or Power of Attorney is not authorized.

## AMS Instructions for Conducting the Signup (Continued)

**B Determining Eligibility**

- County FSA Offices are instructed to prepare lists of all known, eligible Upland cotton producers in each county that it served during crop year 2006.
- Each person on the County FSA Office lists may participate in the signup.
  - Eligible producers must date and sign their name on the County FSA Office In-Office Signup Sheet (Exhibit 2).

**Note:** Exhibit 2 is not available to the public. Do not provide copies for any reason to anyone.

- Eligible producers requesting to sign up by mail must request and complete the signup ballot sheet, and send it back to their County Office.
- Under no circumstance should any person wishing to request a referendum be refused the opportunity to do so.
- A person whose name does not appear on the County FSA Office list may participate in the signup period. This person must provide documentation that demonstrates that the person was a cotton producer during the 2006 crop year.
- Producers may request to sign up by mail.
  - Requests for absentee signup packages may be made by mail, FAX, or telephone by the producer or on the producer's behalf. In this case, the absentee signup package shall be mailed directly to the producer at the address provided.
  - Requests must be for only 1 absentee package.

**Note:** A list of names is not an individual request.

**Note:** Cotton producers should make requests to the County FSA Office where the producer owns or rents land. If the producer owns or rents land in more than 1 county, the producer should make requests at the County Office where FSA maintains and processes the producer's administrative farm records.



## AMS Instructions for Conducting the Signup (Continued)

- When a request for an absentee signup package is received by mail, FAX, or telephone, the County Office shall:
  - enter the date the request is received on the Register of Absentee Signup Requests Sheet (Exhibit 3)
 

**Note:** Exhibit 3 is not available to the public. Do not provide copies for any reason to anyone.
  - list the producer's name and date received in Exhibit 3.
  - send the producer an absentee signup package containing a copy of the signup letter to request a continuance referendum (Exhibit 4) and a letter of explanation of the signup period (Exhibit 5), requiring the producer to return the following documents to be received by the County Office by COB November 30, 2007:
    - a copy of at least 1 sales document must accompany the returned signup sheet
 

**Note:** Sales documents are required even though the producer is shown on the county list.
    - completed and signed signup letter (Exhibit 4)
  - when a completed signup letter (Exhibit 4) is returned, enter the date received in the "Remarks" column of Exhibit 3
  - enter "Ineligible" in the "Remarks" column of Exhibit 3:
    - if the producer failed to submit sales evidence
    - if the signup letter was **not** received by the County Office by COB November 30, 2007
    - if the signup letter was not completed properly.

**Note:** It is the responsibility of the person to provide information needed by the County FSA Office to determine eligibility.

It is not the responsibility of the County FSA Office to obtain this information. Failure to provide sales receipts will require the County FSA Office to determine that the person is ineligible to participate in the signup period, and shall notate "ineligible" next to the person's name in the "Remarks" column on the County FSA Office Signup Sheets in Exhibits 2 and 3, as applicable.

**Note:** Where producers have been requested to submit sales receipts, the County Office shall keep the sales receipt on file. If producers want the sales receipt returned, make a copy for the file and return the sales receipt to the producer.

**AMS Instructions for Conducting the Signup (Continued)****4 Counting Requests**

The counting of requests and determination of results shall begin no later than **November 30, 2007**.

The County FSA Office shall determine the number of:

- ineligible producer in-office requests
- eligible producer in-office requests
- eligible mail, FAX, or telephone producer requests
- ineligible mail, FAX, or telephone producer requests.

**5 Reports and Records****A Results of the Signup**

The County Office shall transmit the results of the signup to the State FSA Office using the State and County Office FSA Transmittal of Results Sheet (Exhibit 6). Transmit signup results as soon as possible after counting is concluded, but no later than **December 7, 2007**.

County FSA Offices where no persons requested a referendum shall submit Exhibit 6 showing a negative report to the State Office no later than **December 7, 2007**.

**Caution:** County Offices shall maintain all documentation, including copies of any correspondence, copies of sales documentation, signup sheets, and other signup materials, for 5 years from the date of the end of the signup period. Place all materials in a box clearly marked “**Retain Until November 30, 2012**” and seal the box.

The results of the signup will probably be audited and then contested in court. AMS may also require County Offices to send all of the materials used in the signup to their National Office. It, therefore, becomes mandatory for all County Offices to be extremely meticulous in filing the voting materials.

**B State FSA Office Reporting**

State FSA Offices shall:

- review all County Office data for accuracy
- summarize the results of the signup received from all County FSA Offices within the State on Exhibit 6
- transmit the completed Exhibit 6 by e-mail to **Rick.Pinkston@wdc.usda.gov** by **December 7, 2007**.

**In-Office Signup Sheet**

State: _____ In-Office Signup Sheet _____ County FSA Office Signup Sheet      Page _____ of _____			
Date	Print Name	Signature	Remarks
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
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16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			

Register of Absentee Signup Requests Sheet

State: _____			
Register of Absentee Signup Requests			
_____ County FSA Office Signup Sheet		Page _____ of _____	
Date Received	Print Name	Date Returned	Remarks
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
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17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			

Example Signup Letter to Request a Continuance Referendum

To request a continuance referendum, please complete this form and include a copy of at least one sales receipt and return these documents to the County FSA Office listed above. For your signature to be counted during the signup period, your request must be received not later than **November 30, 2007**. No action is necessary if a continuance referendum is **not** desired.

I, \_\_\_\_\_, request that the U.S. Department of Agriculture  
**(PRINT FULL NAME)**

conduct a continuance referendum regarding the 1991 amendments to the Cotton Research and Promotion Order.

\_\_\_\_\_  
**Print Name**

\_\_\_\_\_  
**Company Representative (if applicable)**

\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**BURDEN AND NONDISCRIMINATION STATEMENTS**

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0581-0093. The time required to complete this information collection is estimated to average 0 minute per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.*

*The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6832 (TDD). USDA is an equal opportunity provider and employer.*

**Example Letter of Explanation of the Signup Period**

Dear Producer:

The United States Department of Agriculture (USDA) is providing eligible cotton producers an opportunity to request a referendum regarding continuation of the 1990 amendments to the Cotton Research and Promotion Act.

The Cotton Research and Promotion Program is a cotton producer and importer funded, self-help marketing program initiated by an Act of Congress in 1966. USDA oversees the administration of this program. The purpose of this program is to strengthen Upland cotton's competitive position and to maintain and expand domestic and foreign markets for Upland cotton.

The following changes to the program were approved in a July 1991 referendum, by a 60 percent majority of cotton producers and importers who voted. These changes included: (1) importer representation on the Cotton Board, the organization that assists the Department in administering the Cotton Research and Promotion Program; (2) assessments levied on imported cotton and cotton products; (3) increasing the amount the Department can be reimbursed for the conduct of a referendum from \$200,000 to \$300,000; (4) reimbursing government agencies that assist in administering the collection of assessments on imported cotton and cotton products; and (5) terminating the right of cotton producers to demand a refund of assessments.

To request a continuance referendum, please complete the attached form and return it to the County FSA Office listed above. For your signature to be counted during the signup period, your request must be received in the County Office not later than **November 30, 2007**.

A sales document for cotton you produced from crop year 2006 must accompany your completed signup form.

No action is necessary if a continuance referendum is not desired.

Sincerely,

---

County Executive Director

**State and County Office FSA Transmittal of Results Sheet**

State _____	County _____	
1. Eligible in-office producer requests.	_____	
2. Ineligible in-office producer requests.	_____	
3. Eligible mail, FAX, or telephone producer requests.	_____	
4. Ineligible mail, FAX, or telephone producer requests.	_____	
5. Total eligible in-office and mail Upland cotton producer requests. (Sum of 1 and 3)	_____	
 <b>List of State and County Expenses (For Use By State and County Offices)</b>		
	<b><u>Hours Worked</u></b>	<b><u>Costs</u></b>
1. List Grade and Title of personnel working on signup for referendum, including COC	_____	_____
2. Reproduction Costs		_____
3. Mailing Costs		_____
4. Envelope Costs		_____
5. Postage Costs		_____
	<b>Total</b>	_____