MILK PRODUCERS TRANSPORTATION COST ASSISTANCE LOAN FUND GUIDELINES
~REVISED: September 4, 2009~

The "Milk Producers Transportation Cost Assistance Loan Fund," to be administered by the Mississippi Development Authority (MDA) and the Mississippi State University Extension Service (MSU-ES), is a loan program designed to provide no interest loans to residents of this state, to defray transportation costs incurred by such milk producers. The MDA will provide interest free loans to qualified borrowers engaged in the production and selling of milk. The following guidelines establish the requirements under this program and the MDA reserves the right to make changes to these guidelines and to waive any restriction not set by statute.

Eligibility

Milk producers must provide a copy of the Mississippi Department of Health Permit which clearly indicates her/his dairy farm(s) Facility ID number(s). Also, Milk Producers must submit copies of their monthly "mid-month/settlement" milk checks or their annual summary(s) of their milk sales/shipments. Copies of these checks or summaries must indicate two (2) pieces of information stated in the following paragraph.

Milk producers must also provide verifiable evidence of the pounds of milk produced and sold/shipped since January 1, 2006, together with associated shipping/hauling costs incurred and deducted from settlement checks for such milk sales.

In order to be eligible, a milk producer must sell 300,000 lbs of milk during a calendar year. In addition, milk producers must provide evidence of hauling/shipping charges paid for transporting their milk from their farms.

All such documents shall be reviewed by the MSU-ES for certification of eligibility under the program. Applications should be mailed directly to the MSU-ES for certification. Completed applications must contain/include the following:

1) Completed and notarized Loan Application form(s).
2) Copy(s) of Mississippi Department of Health Permit clearly indicating the farm(s) Facility ID number.
3) Copies of monthly milk checks or annual summaries clearly indicating the: (a) pounds of milk sold/shipped; and, (b) hauling/shipping charges.

House Bill No. 5 (2009 MS Legislature Regular Session) extended the repealer date through December 31, 2012.

Participation Requirements

The MDA shall provide applications to "Milk Producers" through various means and accept completed applications starting on July 1, 2007 and ending on **December 31, 2012.**

Upon certification by the MSU-ES, the MDA will produce a loan document or loan documents for execution by the milk producer.

Milk Producers are eligible for a maximum loan of $20,000.00.

Funds will be advanced to milk producers in increments of not less than $5,000.00 until such that the $20,000.00 limit is attained or eligibility ceases, whichever occurs first. The loan amount provided will be the total of accumulated hauling/shipping charges accessed on their monthly (or annual summary) settlement milk checks.

Loans will bear no interest and the loan balance will be amortized over a period of 96 months with the first payments being payable on July 1, 2009.

No payments will be accepted until all eligible loan proceeds have been advanced to borrower.

Money repaid on loans that are derived from this program will be returned to the State Treasury for assistance in paying the debt service on the bonds issued to fund the Milk Producers Transportation Cost Loan program.

For additional information, contact:
Lamar Adams ● Extension Dairy Specialist ● MSU Department of Animal and Dairy Sciences
Telephone: 662-325-2852 ● e-mail: lamara@ext.msstate.edu