

(f) *Check register.* The serial number of the tobacco sale bill(s) shall be recorded by the warehouse operator or receiving station official on the check register or check stub for the check written covering the sale of tobacco by a producer.

* * * * *

8. In § 723.401 revise the section title, re-designate paragraphs (b) through (e) as paragraphs (c) through (f), and add a new paragraph (b) to read as follows:

§ 723.401 Registration of burley and flue-cured tobacco warehouse operators, receiving station officials and dealers.

* * * * *

(b) *Receiving station registration.* For burley and flue-cured tobacco, any receiving station official purchasing either flue-cured or burley tobacco shall be registered with the U.S. Department of Agriculture, and such registration shall be filed with the Director, Tobacco and Peanuts Division.

* * * * *

9. Revise § 723.402 to read as follows:

§ 723.402 Warehouse or receiving station authorized to retain producer marketing cards between sales.

(a) *General.* Notwithstanding any other provisions of this part, to facilitate the scheduling of a farmer's tobacco to the warehouse or receiving station, the marketing card, with the permission of the producer, may be retained at an eligible warehouse or receiving station between sales even though no producer on the farm for which the card is issued has tobacco on the floor for sale or to be settled for, as provided in this section.

(b) *Warehouse or receiving station eligible to retain producer marketing cards between sales.* A warehouse or receiving station shall be eligible to retain producer marketing cards between sales if the operator or official thereof shall:

(1) Execute and file on a form approved by FSA a written request with the State FSA committee (or county FSA committee if designated by the State FSA committee);

(2) Agree to be responsible to FSA for an amount of money equal to the amount that may be assessed against any producer as marketing quota penalties, if the marketing that is the basis of assessment of penalty occurred while the warehouse or receiving station was authorized to have custody of the marketing card, for:

(i) Burley or flue-cured tobacco, for any over marketing resulting from errors made at the warehouse or receiving station in entering "balance after sale" pounds on the producer's marketing

card or failure to deduct pounds sold on producer's marketing card;

(ii) Tobacco falsely identified for marketing by use of the producer's marketing card;

(iii) Producer's failure to account for any tobacco marketed by use of the producer's marketing card; or

(iv) Any burley or flue-cured tobacco marketed at the warehouse or receiving station in excess of 103 percent of quota as shown on the producer's marketing card;

(3) Agree to maintain an accurate and up-to-date journal containing a listing of all producer marketing cards retained by the warehouse or receiving station to facilitate the scheduling of farmers' tobacco. Such journals shall be maintained for the length of time and under the conditions required for other warehouse or receiving station records. The journal shall show for each card retained the:

(i) Name of the operator;

(ii) Serial number of farm (including state and county codes and farm number);

(iii) Marketing card number, if applicable;

(iv) Date marketing card was obtained from producer; and

(v) Date marketing card was returned to producer;

(4) Agree to return producer marketing card to the producer at any time the producer may so request, or in the absence of a request, return it to the producer within 7 days after the close of the warehouse or receiving station for the season; and

(5) Agree that this authorization may be terminated by FSA for failure to comply with provisions of this agreement.

(c) *Penalties are considered to be the responsibility of warehouse operators and receiving station officials.*

Notwithstanding any other provision of this part, a warehouse operator or receiving station official who executes and files a written request with the Director, Tobacco and Peanuts Division for authorization to retain producers' marketing cards at the warehouse or receiving station, with producer's permission, shall be responsible to FSA for an amount of money equal to the amount that may be assessed against the producer as marketing quota penalties if the marketing that is the basis of such assessment occurred while the warehouse or receiving station was authorized to have custody of the marketing card, for:

(1) Any burley or flue-cured tobacco, for any over marketing resulting from errors made at the warehouse or receiving station in entering "balance

after sale" pounds on the producer's marketing card or failure to deduct pounds sold on the producer's marketing card. However, the warehouse operator or receiving station official shall not be responsible for any penalty under this subparagraph, if such penalty would not have been assessed against the producer in accordance with § 723.409(e) of this part;

(2) Tobacco falsely identified for marketing by use of the producer's marketing card;

(3) Producer's failure to account for any tobacco marketed by use of such producer's marketing card; or

(4) With respect to burley or flue-cured producers, tobacco marketed at the warehouse or receiving station in excess of 103 percent of quota as shown on the producer's marketing card.

10. In § 723.403 revise the section title, remove paragraph (h), re-designate paragraphs (i) through (v) as paragraphs (h) through (u), and revise paragraphs (d)(1)(ii), (d)(1)(iv), (e)(2), (e)(10)(iii), and newly redesignated (l) to read as follows:

§ 723.403 Auction warehouse operators and receiving station officials; records and reports.

* * * * *

(d)(1) * * *

(ii) For flue-cured and burley tobacco, registration number assigned the warehouse by the Department;

(iii) * * *

(iv) For flue-cured and burley tobacco, the identification of other producers having an interest in the tobacco;

* * * * *

(e) * * *

(2) *Recording farm identification.* For burley and flue-cured tobacco, at the time the tobacco is weighed in, the warehouse operator or receiving station official shall record on the tobacco sale bill, the State and county codes and the farm serial number from the marketing card (MQ-76 or MQ-76-C) issued for the farm from which the tobacco is to be marketed.

* * * * *

(10) * * *

(iii) *Non-auction purchase by a warehouse operator.* The warehouse operator shall deduct, from the balance of the "103 percent of quota" entry on the marketing card (MQ-76-C), the pounds of tobacco purchased as a non-auction purchase. In addition, each warehouse operator shall record on Form MQ-79 and on Form MQ-72-2, Report of Tobacco Non-auction Purchase, each non-auction purchase of tobacco made by such warehouse operator. The data to be reported on