$760.1307  Dairy operation payment quantity.

(a) A dairy operation’s payment quantity (the quantity of milk on which the “operation” can generate payments for “producers” involved in the operation) will be determined by FSA, based on the pounds of production of commercially marketed milk during the months of February 2009 through July 2009, multiplied by two.

(b) The maximum payment quantity for which a dairy operation can generate payments for its dairy producers under this subpart will be 6,000,000 pounds.

(c) The dairy operation’s payment quantity will be used to determine the amount of DELAP payments made to dairy producers.

$760.1308  Payment rate.

(a) A national per-hundredweight payment rate will be calculated by dividing the available funding, less a reserve established by FSA, by the total pounds of eligible production approved for payment.

(b) Each eligible dairy producer’s payment with respect to an operation will be calculated by multiplying the payment rate determined in paragraph (a) of this section by the dairy producer’s share in the dairy operation’s eligible production payment quantity as determined in accordance with section $760.1307.

(c) In the event that approval of all eligible requests for benefits would result in expenditures in excess of the amount available, FSA will reduce the payment rate in a manner that FSA determines to be fair and reasonable.