

For: State and County Offices and CMA's

**Marketing Authorizations for Farm-Stored MAL's in
Commodity Loan Processing System (CLPS)**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

A producer with an outstanding farm-stored MAL may request release of the loan collateral for sale to a buyer before repayment on CCC-681-1, if the sales proceeds are needed to repay the loan.

CCC-681-1 notifies the buyer that CCC:

- has a perfected security interest in the specified quantity
- will **not** release CCC's security interest in the collateral sold until repayment is received.

CCC-681-1's are only applicable to farm-stored loans and shall **not** be used for warehouse-stored loans.

An automated process for issuing CCC-681-1's will not be available in the initial CLPS releases, but will be available as an enhancement in a future release. An interim process has been developed for County Offices to issue CCC-681-1's for loans in CLPS.

Note: APSS will continue to be used to issue CCC-681-1's for crop year 2014 loans **processed** on that system.

B Purpose

This notice informs State and County Offices about:

- the interim process available for issuing CCC-681-1's for loans issued through CLPS
- the availability of a fillable CCC-681-1 on the FSA Intranet
- issuing CCC-681-1 refund checks.

Disposal Date	Distribution
June 1, 2016	State Offices; State Offices relay to County Offices and CMA's

1 Overview (Continued)

C Contact

If there are policy questions about this notice, State Offices shall contact DeAnn Allen, PSD, by either of the following:

- e-mail to **deann.allen@wdc.usda.gov**
- telephone at 202-720-9889.

2 CCC-681-1's and Loans in CLPS

A Issuing CCC-681-1's for MAL's in CLPS

Until CLPS is enhanced to include the functionality to complete CCC-681-1 for a producer requesting to move loan collateral to a buyer for sale, County Offices shall:

- issue the marketing authorization by accessing the CCC-681-1 document available on the FFAS Employee Forms/Publications Online Website at **<http://fsaintranet.sc.egov.usda.gov/dam/ffasforms/forms.html>**
- enable the form for editing and complete with the applicable information for the loan on which the marketing authorization is being requested, according to the instructions in 8-LP, subparagraph 743 A
- print CCC-681-1 and obtain the required signatures
- approve and distribute according to 8-LP, paragraph 743.

3 Refunding Excess Money Received From Buyer

A Determining Who Shall Receive Excess Money Received From Buyer

If the repayment amount received from the buyer exceeds the amount needed to repay the quantity delivered, the excess amount received from the buyer may be subject to additional liens. Thus, it is the buyer's responsibility to ensure that all lienholders are protected.

County Offices shall follow the table in 8-LP, subparagraph 745 F to determine who receives the excess amount when CCC-681-1 has been issued.

Notice LP-2212

3 Refunding Excess Money Received From Buyer (Continued)

B Issuing the Refund

After it has been determined who is to receive the refund, County Offices shall follow 64-FI, subparagraphs 43 B, C, and D for issuing the check.

Note: Additional guidance is available on the “NRRS Repayment” presentation for CLPS, which is available on the DAFP Intranet Training Website at <http://fsaintranet.sc.egov.usda.gov/fsa/dafp/training/>. See slides 11 and 12 including the speaker notes.

4 Action

A State Office Action

State Offices shall ensure that County Offices are aware of the contents of this notice.

B County Office Action

County Offices shall follow the contents of this notice.