Assigning FSA and CCC Payments

OVERVIEW
An “assignment of payment” is a service provided by the Farm Service Agency (FSA) for producers. Producers who are eligible to receive specified program payments from FSA or Commodity Credit Corporation (CCC) programs may arrange to have all or part of their payments assigned directly to another party either by electronic funds transfer (EFT) using the Automated Clearing House (ACH) method or by check. This allows a third party, such as a person or entity, to receive a selected program payment directly from FSA/CCC in lieu of receiving the payment from a producer.

HOW TO ASSIGN A PROGRAM PAYMENT
To assign eligible FSA or CCC program payments, producers must either use the web-based Assignment application or submit a completed form CCC-36, Assignment of Payment, and form CCC-252, Instrument of Assignment, to their local FSA service center.

Payments issued to assignees (third parties) can be processed through the EFT system. The assignee must complete and sign form SF-3881, ACH Vendor/Miscellaneous Payment Enrollment, to initiate EFT transactions.

ELIGIBLE PROGRAMS FOR ASSIGNED PAYMENTS
Many FSA and CCC programs are eligible for assignment of payments. Producers may assign program payments, as specified by program law or regulation, for FSA and CCC programs that have been publicly announced except for FSA or CCC loans or purchase agreement proceeds.

ASSIGNMENT CONDITIONS
An assignment of payment may be for any purpose and must be for a specific amount, but cannot be used:
• For a reassigned payment;
• When the assigned payment is the subject of an administrative appeal; or
• When the dollar amount being assigned is not stated.
Producers must inform the local FSA service center immediately of any changes affecting an assigned payment, such as when an assigned amount needs to be reduced or an assignment needs to be terminated. After the assignment is established, the assignee must concur before a change is applied or an assignment is terminated.

OVERPAYMENTS OF ASSIGNED PAYMENTS
The assignee agrees to repay promptly to the Federal government any amount by which the assigned payment exceeds the amount secured by the assignment. The assignor (producer) and assignee agree that they will promptly notify the FSA service center office of a change affecting an assignment. The assignment may be revoked at any time by written request signed by the assignee.

ASSIGNMENT PAYMENT PRIORITY
If there is any indebtedness owed by the producer to the Federal government on the day a payment is being made, the amount may be subtracted from the assigned payment before it is made to the assignee according to the special provision related to assignments as stated on the reverse side of form CCC-36, Assignment of Payment.
ASSIGNING FSA AND CCC PAYMENTS

REPRODUCING ELECTRONIC FORM CCC-36
Form CCC-36 is available at the local FSA service centers. Producers, financial institutions or third parties can also print the form by accessing the USDA eForms web site at http://forms.sc.egov.usda.gov/. A financial institution may create an electronic version of CCC-36. However, the created electronic version must:

• Be the mirror image of the most current version of the form;
• Contain all privacy act information;
• Include the following verbiage along the bottom margin of the form: “Electronic version reproduced by (insert name of company) using (insert name of software used);” and
• Be registered with the U.S. Department of Agriculture, Farm Production and Conservation Business Center, Directives, Forms and Records Management Branch.

GAINING ACCESS TO THE WEB-BASED ASSIGNMENT APPLICATION
In order to protect personal identity, an assignor or assignee must first register for a Level 2 account with USDA’s e-Authentication system to obtain a user ID and password. The process is easy and starts online by creating a user ID and password and confirming the user’s email address. Producers may sign up for an e-Authentication Level 2 account at www.eauth.egov.usda.gov. Producers are required to follow the steps below to obtain a Level 2 account:

• Complete the customer profile and submit it online;
• After submitting the customer profile, the customer will receive a confirmation email and must respond to it within 7 days to activate the account; and
• The producer must complete the “Identity Proofing” process by visiting a local FSA service center and presenting a government-issued photo ID, such as a driver’s license. Or by using the recommended self-service “Online Identity Verification Application” which requires entering your Social Security Number (SSN) and answering 5 quiz questions provided by a nationally known third-party identity proofing service.

Once an assignor or assignee has obtained a Level 2 e-Authentication ID, the secured FSA Financial Services web site becomes available to complete an assignment for the assignor or assignee registered to the user ID. Log on to the FSA web site at fsa.usda.gov, and select “Online Services” from the top banner. From the “Online Services” page, select “Financial Services” under the “Related Topics” banner.

For additional information to gain access to the web-based assignment application, and other FSA financial services, including “Financial Inquiries for FSA Producers,” contact your local FSA service center.

LIABILITY
If payment inadvertently is not made to an assignee in accordance to a submitted assignment request Neither the United States of America, the CCC, FSA the Secretary of Agriculture, any disbursing officer, nor any other Government employee or official shall be subject to any suit or liable for payment of any amount.

More Information
This fact sheet is for informational purposes only; other restrictions may apply. For more information about ELAP, visit fsa.usda.gov or contact your local FSA office. To find your local FSA office, visit farmers.gov.

FACT SHEET - MAY 2021
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