



United States
Department of
Agriculture

Fact Sheet

Montana State
Producer Handbook

July 2010

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 Payments.

Payments issued to assignees (third parties) can be processed through the Electronic Funds Transfer (EFT) system. The assignee must complete and sign SF-3881, ACH Vendor/Miscellaneous Payment Enrollment, to initiate EFT transactions. Multi-year assignments are acceptable for programs that are eligible: Direct and Counter-Cyclical Payment Program (DCP), Average Crop Revenue Election (ACRE) and Conservation Reserve Program (CRP).

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
- when the dollar amount being assigned is not stated.

Producers must inform the FSA county office 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 county FSA 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.

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 on-line by creating a user ID and password and confirming the user's e-mail address. On the USDA Web site at www.usda.gov, click on the link to "View USDA Customer Statement." From there, the user can request to get a log on ID.

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 www.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 county office.

For More Information

For additional information on assigning FSA and CCC program payments and other FSA programs and services, contact your FSA county office, or visit FSA's Web site at <http://www.fsa.usda.gov>.

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