

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Loans and Loan Deficiency Payments for Rice 2-LP Rice (Revision 9)	Amendment 13
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Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 2 A has been amended to add 8-LP general provision references.

Subparagraph 105 D has been amended to add that for 2007 and subsequent calendar years, market gain earned from commodity certificate exchanges will be reported to IRS on CCC-1099-G.

Subparagraphs 156 B and D have been amended to provide an example of the current version of CCC-633 EZ, Pages 1 and 2.

Page Control Chart		
TC	Text	Exhibits
	1-1, 1-2 3-21, 3-22 5-13, 5-14 5-17, 5-18	1, pages 1, 2

Part 1 Basic Program Provisions

1 Overview

A Handbook Purpose

This handbook provides instructions for administering marketing assistance loan and LDP programs for 2002 through 2007 crops of rice.

B Sources of Authority

Authority for the policies prescribed in this handbook is in the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-424) for 2002 through 2007 rice loan and LDP programs.

Section 1 General Provisions

2 Related Handbooks

A Handbooks

*--Use this handbook with 8-LP and 12-PS. This table provides specific 8-LP provisions.

8-LP	Provisions
Part 1, Section 2	<ul style="list-style-type: none"> • Actions for overdisbursements, overpayments, and receivables • appeals • bankruptcy cases • CCC-770 LDP/eLDP and CCC-770 MAL policy • finality rule and IRS reporting • lobbying activities • misaction/misinformation • prompt payment.
Part 4, Sections 1 and 2	Filing UCC-1's and CCC-10's.
Part 5, Section 3	Failure to provide production evidence.
Part 6	<ul style="list-style-type: none"> • Administrative actions • violations.
Part 9	<ul style="list-style-type: none"> • Administrative actions • CCC-681-1's • CCC-697's • commodity certificates • general repayments.

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Other related handbooks include the following.

Handbook	Purpose
2-CM	Common management provisions
1-CMA	CMA's
2-CP	Reporting acreage
1-FI	Preparing CCC-184's
3-FI	Depositing funds to CCC's account
50-FI	Interest rates
58-FI	Establishing claims
63-FI	Assignments and joint payment system
5-LP	Commodity inspection procedures
1-PL	Payment limitation

Section 2 Commodity Certificate for Commodity Exchanges

105 General Information

A Process

The following table describes the process to exchange commodity certificates for loan collateral.

Step	Function
1	Producer or producer’s agent requests to acquire loan collateral using commodity certificates.
2	County Office identifies loan and loan quantity, and determines exchange value using CCC-694-1 (Reverse).
3	Producer purchases commodity certificate for the exact dollar value needed to acquire the loan collateral from the County Office.
4	*--Producer signs CCC-694-2 to purchase the commodity certificate and uses it to acquire the outstanding loan collateral.--*
5	County Offices release the loan collateral.

B Eligible Producer

Eligible producers must:

- have an outstanding commodity loan, not past maturity, to purchase commodity certificates
- immediately exchange commodity certificates for loan collateral.

105 General Information (Continued)

C Exchange Rate

The commodity certificate exchange rate is the CCC-determined value calculated according to 8-LP, Part 9, Section 7.

If the CCC-determined value is equal to or greater than the applicable county loan rate, there will be no commodity certificate exchange available on that day.

D Not Applicable to Commodity Certificate Exchanges

The following table explains the specific topics that are not applicable to commodity certificate exchanges.

Topic	Explanation
Lock in repayment rates	A commodity certificate exchange must not be applied to any quantity for which an outstanding CCC-697 exists.
Payment limitation	Commodity certificate exchanges are not applicable to payment limitation.
IRS reporting	*--Market gain earned from commodity certificate exchanges for loan collateral will be reported by FSA to IRS on CCC-1099-G.--*
FAXed signatures	FAXed forms or signatures are not authorized for purchasing commodity certificates or exchanging the certificate for a commodity.
Repledged commodities	Loan collateral exchanged with a commodity certificate is not eligible to be repledged.
Purchasing CCC-owned inventories	Commodity certificates may not be exchanged for CCC-owned inventory. Commodity certificates may only be exchanged for outstanding loan collateral.

156 Completing CCC-633 EZ

B Example of CCC-633 EZ, Page 1

The following is an example of CCC-633 EZ, page 1.

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<p>This form is available electronically.</p> <p>CCC-633 EZ (09-05-07)</p> <p>U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation</p> <p>LOAN DEFICIENCY PAYMENT (LDP) AGREEMENT AND REQUEST</p> <p>All eligible producers entering into this agreement MUST meet marketing assistance loan eligibility and have beneficial interest in the quantities covered by this agreement for the applicable crop year when signing this form. A producer is considered to have beneficial interest in the specified quantities if the producer has ALL of the following:</p> <p>• title to the commodity _____</p> <p>• control of the commodity _____</p> <p>File this form BEFORE loss of beneficial interest (title and control) to indicate your intentions to receive Loan Deficiency Payment (LDP) benefits for this crop year for all counties and all eligible harvested, sheared, or slaughtered commodities for the individual, joint operation, or entity identified in Item 1. The CCC-633 EZ - LDP Request (Page 2), Cotton LDP Request (Page 3), or Request for Wool, Mohair, or Unshorn Pelt LDP (Page 4) must be completed BEFORE the final loan/LDP availability date to receive LDP benefits.</p>		<p>Form Approved - OMB No. 0560-0129</p> <p>1. Name and Address of Producer (Include ZIP Code) (Please Print)</p> <p>2. Telephone/Cell Number (Include Area Code):</p> <p>3. ID Number (Last 4 Digits):</p> <p>4. Crop Year:</p> <p>5. State(s) and County(s)</p>							
<p>PART A - TERMS AND CONDITIONS</p> <ul style="list-style-type: none"> The LDP rate will be based on the earlier of: a) the date beneficial interest is lost as applicable to specific commodity provisions; or b) the LDP request date as submitted on the CCC-633 EZ (Page 2) Part E, or CCC-633 EZ (Page 4) for wool, mohair, and unshorn pelts. For cotton LDP's requested on CCC-633 EZ Cotton (Page 3), the LDP rate will be based on the information provided on Page 3. Quantities covered by this agreement were produced by the producer and not purchased or acquired directly or indirectly from any other source or committed under a marketing agreement to a Cooperative Marketing Association (CMA). As a condition of receiving an LDP, a producer (or members of a CMA) must first resolve delinquent federal non-tax debt(s). The debt(s) must be resolved before the final loan/LDP availability date. CCC may request copies of contracts and supplemental documentation to determine eligible quantity and when beneficial interest was lost. If a Marketing Assistance Loan (MAL) is disbursed for a quantity covered by this agreement and the MAL is repaid at a price less than principal and interest, this agreement becomes null and void for that specific quantity. All producers with an interest in the quantity covered by this agreement must sign a CCC-633 EZ Part C, to obtain LDP benefits. 									
<p>PART B - METHODS OF PAYMENT REQUEST (Request must be submitted by final loan/LDP availability date.)</p> <ul style="list-style-type: none"> For quantities represented by verifiable production evidence under this agreement, submission of evidence in combination with Part E, Part N, or Part O of this form as applicable shall be considered a request for payment. Evidence must include sufficient data to determine producer and commodity eligibility and LDP rate. For quantities for which verifiable evidence is unavailable (i.e., certified quantities, fed quantities, quantities used for seed, silage, etc.), the request for payment shall be initiated by recording a certification of quantity on Part E, Part N, or Part O of this form as applicable. Additional information may be requested by CCC to determine producer and commodity eligibility and LDP rate. Submission of an eLDP shall be a request for payment. The CCC-633 EZ Part E is not required for that specific quantity. For Cotton Producers Only: Producer agrees: a) any request for a module lock-in or post-ginning LDP is irrevocable and cannot be cancelled or revised unless the LDP is denied due to payment limitation; b) any request for a gin-direct LDP is irrevocable on or after the date of ginning; c) entry of information on Page 3 of this application constitutes an irrevocable application for the Adjusted World Price (AWP) to be locked in on the date an accurately completed application is submitted for an LDP based on gin-provided documentation identifying the bales produced from the module/storage unit for which the AWP lock-in applies. 									
<p>PART C - PRODUCER SIGNATURE AND CERTIFICATION (For additional signatures, complete CCC-633 EZ Continuation, Part C)</p> <p>I/we certify all information entered on this form is true and correct. By certifying to the terms and conditions in Part A, the producer(s) hereby enters into this agreement with CCC for all eligible commodities. The producer(s) agrees: 1) any false claim or false statement may lead to civil liability or criminal prosecution; 2) LDP's may be selected for spot-check and the producer will be required to provide supplemental documents to determine program eligibility; 3) to forgo a commodity loan on the quantity requested for LDP unless a quantity is denied LDP due to payment limitation; 4) not to refund any LDP amount in order to obtain a commodity loan; 5) this agreement and subsequent payment request is subject to CCC determination of producer and commodity eligibility subject to 7 CFR Parts 1421, 1425, 1427 and 1434; 6) that CCC shall require refund of LDP, plus interest, from the date of payment if producer(s) and/or commodity is later determined ineligible by CCC; 7) CCC shall assess administrative penalties and/or liquidated damages in accordance with 7 CFR Parts 1421, 1425, 1427 or 1434, as applicable, if producer(s) misrepresented the eligible quantity and/or commodity covered by this agreement; 8) the maximum eligible quantity and yield determinations must equal the quantity and yield determinations for disaster or crop insurance indemnity payments, when and if applicable; and 9) to submit the applicable CCC-633 EZ, Page 2, Page 3, Page 4 or an eLDP online request before obtaining LDP amounts.</p>									
6. Signature of Producer		7. Date (MM-DD-YYYY)		6. Signature of Producer		7. Date (MM-DD-YYYY)			
<p>PART D - CCC AGREEMENT (FOR CCC USE ONLY)</p> <p>8. Signature of CCC Representative</p> <p>9. Title of CCC Representative</p>				10. Date (MM-DD-YYYY)		11. Additional Information		12. Name and Address of County FSA Office or LSA or DMA	
<p>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is 7 CFR Parts 1421 and 1427. The information will be used to determine eligibility and the amounts of program benefits. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in determination of ineligibility for program benefits. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.</p> <p>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0129. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p>									
<p><small>Page 1</small></p> <p>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</p>									

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***--156 Completing CCC-633 EZ**

C Completing CCC-633 EZ, Page 2

Complete CCC-633 EZ, page 2 according to the following.

Item	Instructions
Part E – Request for LDP	
13A and 13B	Enter the producer’s name, address, and telephone number, including area code. Note: This should be the same as in item 1.
14	Enter the last 4 digits of the applicant’s Social Security or tax ID number.
15	Enter the crop year for which LDP is requested.
16	Enter the State and county where the farm records are maintained
17	Check either “Yes” or “No” to the question, “Are you or any co-applicant delinquent on any Federal Non-tax debt?” If “Yes” is checked, explain in item 32.
18	For FSA use only. Enter the processing system assigned LDP number.
19	Enter the commodity for which LDP is requested along with the class, variety, or type, as applicable. For sunflowers, ENTER “oil” or “other”, as applicable. If the commodity requested is wheat and the class is mix, producers must indicate the predominate class of wheat.
20	Enter the net quantity and unit of measure requested for this payment. Note: User may ENTER “All” if the producer selects the “date of delivery” option or a measured LDP. For commodities harvested as other than grain, the quantity may be certified as tons, acres harvested, bushels, pounds or cwt. CCC is required to establish a whole grain yield according to 8-LP, paragraph 536.

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156 Completing CCC-633 EZ

D Example of CCC-633 EZ, Page 2

The following is an example of CCC-633 EZ, page 2.

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CCC-633 EZ (09-05-07)									
PART E - REQUEST FOR LDP									
13A. Contact Name and Address of Producer (Include Zip Code) (Please Print)				14. SSN (Last 4 Digits) or ID Number		15. Crop Year	17. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 32.		
13B. Telephone/Cell Number (Include Area Code) (Optional):				16. State and County where Farm Records are Maintained		<input type="checkbox"/> YES	<input type="checkbox"/> NO		
A completed CCC-633 EZ, Page 1 must be on file before beneficial interest (title and control) is lost in the requested quantity for this to be considered a valid request for payment. This request for payment, with acceptable production evidence (if applicable), must be submitted to the County FSA office that administers the farm records for the requested commodity and quantity.									
Complete Items 19 through 23 and sign/date below. Indicate in Item 21 if this is a certified LDP, request for measurement service, or indicate production evidence is attached, as applicable. When beneficial interest has been lost, indicate date of sale, fed, used for seed, etc, as applicable. If additional entries are needed, provide data on an additional CCC-633 EZ, Page 2.									
18. LDP No. (CCC Use Only)	19. Commodity Class, Variety, Type	20. Net Quantity Requested and Unit of Measure (bu., tons, cwt., lbs., etc.)	21. Source of Quantity (Check one of the following)			22. Stored or Delivery Location, if applicable (State, County, Warehouse, or Bin Site) Examples: Warehouse-Stored: Ohio, Athens Co., ABC Warehouse Farm-Stored: Texas, Webb Co., 30' Butler Bin, North of House	23. Effective Date of LDP Rate (MM-DD-YYYY)		24. LDP Rate (CCC Use Only)
			A. Certified	B. Measurement Service	C. Production Evidence		A. Date of LDP Request or Date Beneficial Interest Was Lost	B. Date of Delivery	
* If measurement service is requested, I agree to pay the required fee(s) and agree this request is irrevocable. The quantity determined by measurement service will be the maximum quantity eligible at the time of this request. Producer must enter in Item 20, a specific quantity or "ALL" for this LDP application to be valid.									
PART F - PRODUCER CERTIFICATION (For additional signatures, complete CCC-633 EZ Continuation, Part F)									
I certify all information entered on this form is true and correct. By completing Part E and signing and dating this form, I hereby make a request for payment from the Commodity Credit Corporation (CCC) for the commodity described above under the terms and conditions as provided on the CCC-633 EZ, Loan Deficiency Payment (LDP) Agreement and Request. I also understand that a CCC-633 EZ, Page 1 MUST be on file at the FSA County Office for this LDP request to be considered complete.									
25. Signature of Producer		26. % Share		27. Date (MM-DD-YYYY)	25. Signature of Producer		26. % Share	27. Date (MM-DD-YYYY)	
PART G - CCC APPROVAL (FOR CCC USE ONLY)									
28. Signature of CCC Representative		29. Title of CCC Representative		30. Date (MM-DD-YYYY)	31. Action:	32. Additional Information			
					<input type="checkbox"/> Approved <input type="checkbox"/> Disapproved				

E Completing CCC-633 EZ for Measured Rice LDP's

See 8-LP, paragraph 307.6 for completing measurement service LDP requests.--*

157, 158 (Withdrawn--Amend. 8)

159 CCC-700 and CCC-700A

A Purpose

CCC-700 and CCC-700A are APSS computer-generated forms used to illustrate LDP payment information and, if applicable, marketing certificate payment information.

Note: County Offices shall manually prepare these forms when the computer is inoperable according to 8-LP, Part 3 and manually issue payments on CCC-184 prepared according to 1-FI.

160-174 (Reserved)

Reports, Forms, Abbreviations, and Delegations of Authority

Reports

None

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents		2
CCC-184	CCC Check		2, 128, 159
CCC-500	Loan Repayment Receipt		106, 107
CCC-666	Farm Stored Loan Quantity Certification		46, 57
CCC-633 EZ	Loan Deficiency Payment (LDP) Agreement and Request	156	151-155
CCC-676	LDP and Loan Number Register		56, 106
CCC-677	Farm Storage Note and Security Agreement		4, 91, 107
CCC-677-1	Farm Storage Loan Worksheet		57, 154
CCC-678	Warehouse Storage Note and Security Agreement		4, 91, 107
CCC-681-1	Authorization for Delivery of Loan Collateral for Sale		2, 91, 92, 106, 108
CCC-681-1A	CCC-681-1 Continuation Sheet		107
CCC-685	Authorization to Release Warehouse Receipts		108

Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-691	Commodity Delivery Notice		131
CCC-692	Settlement Statement		128
CCC-694-1	CCC-Determined Value and Commodity Certificate Worksheet		105-107
CCC-694-2	Acknowledgment of Commodity Certificate Purchase		105, 107, 108
CCC-697	Request to Lock in a Market Loan Repayment Rate		2, 90, 91, 105
CCC-699	Reconcentration Agreement and Trust Receipt		183
CCC-700	Loan Deficiency Payment Statement		159
CCC-700A	Loan Deficiency Payment Statement Continuation (Continuation of CCC-700)		159
CCC-770 LDP/eLDP	Loan Deficiency Payment (LDP) and eLDP Program Review Checklist		2
CCC-770 MAL	Marketing Assistance Loan (MAL) Processing Checklist		2
CCC-1099-G	Report of Loan Forfeiture, Settlement, and Abandonment to Producer		105
FSA-211	Power of Attorney		107
FSA-409	Measurement Service Record		154
UCC-1	National Financing Statement		2, 56
UCC-1F	Effective Financing Statement		56