

For: State and County Offices, CMA's, DMA's, and LSA's

**Alternative Delivery Partners (ADP) Processing
CCC Loan and LDP Payments to Deceased Producers**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

When an FSA County Office learns that a producer is deceased, the producer's death is recorded in the agency automation systems. Currently, the ADP process does not return notification of deceased producers as eligibility criteria. CCC loan and LDP payments cannot be made to deceased producers. An eligible producer may be an heir of a deceased producer, whether succession of interest occurs before or after harvest.

B Purpose

This notice informs CMA's, DMA's, and LSA's about the procedures and requirements for processing MAL and LDP payments for heirs of deceased producers.

2 Eligibility of an Heir of a Deceased Producer

A Heirs of a Deceased Producer

An heir can be considered an eligible producer when the heir:

- succeeds to the beneficial interest of the deceased producer, if applicable, in the commodity, including purchase from other heirs.
- assumes the deceased producer's obligation under a loan if a loan has already been obtained
- wants to obtain or assume a loan and either of the following applies:
 - there will be no administration or probate of the estate
 - administration or probate of the estate is closed.

Disposal Date	Distribution
June 1, 2017	State Offices; State Offices relay to County Offices and DMA's

Notice CMA-144

2 Eligibility of an Heir of a Deceased Producer (Continued)

B Notification of Death

Although the ADP process does not return eligibility determinations for deceased producers, the County Office automation software flags all deceased producers in a manner to ensure that the proper actions are taken to protect the interest of the agency in processing any future payments or claims for the deceased producer. This action will result in an ineligible determination for the deceased producer which will require the CMA's, DMA's and LSA's to confirm eligibility through the FSA County Office.

C Confirmation of Eligibility

The manner in which the deceased producer is recorded in the County Office software creates an ineligible determination to be returned to the CMA, DMA, or LSA through the ADP process as an offset flag. The CMA, DMA, or LSA is not aware that this flag indicates that the producer is deceased. The CMA, DMA, or LSA must submit a CCC-746, Request for Manual Eligibility Determination, to the County Office for all eligibility determinations that fit this criteria.

CMA's, DMA's and LSA's shall not disburse any MAL or LDP using the deceased individual's TIN.

3 CCC-686-A, Application for Loan or Loan Deficiency Payment for Heirs (CMA, DMA, LSA)

A Obtaining a CCC-686-A

CMA, DMA, or LSA shall:

- have the heir complete CCC-686-A (subparagraph C) for the deceased producer once they have confirmation of his or her death
- notify the applicable County Office if they learn of a producer's death before receiving notification from FSA
- file a copy of CCC-686-A in the producer's folder.

Notice CMA-144

3 CCC-686-A, Application for Loan or Loan Deficiency Payment for Heirs (CMA, DMA, LSA) (Continued)

B Completing CCC-686-A

Complete an original and 1 copy for each person signing CCC-686-A according to the following table.

Note: Items not listed on this table are self-explanatory.

Item	Instructions
7 and 8	Enter name, address, and relationship of all persons inheriting the commodity, even if the person is not related to the deceased producer.
9 and 10	Enter name and relationship of all persons assuming farm unit, even if the person is not related to the deceased producer.
11 through 14	Enter the name of any heir who is a minor or an incompetent. Enter name and address and capacity of the representative of this person.
15F	Heirs must answer.
16 A-C	Heirs, or representative of heirs, who have inherited the commodity and who are requesting a loan or LDP, must sign CCC-686-A and indicate title and date.

**3 CCC-686-A, Application for Loan or Loan Deficiency Payment for Heirs (CMA, DMA, LSA)
(Continued)**

C Example of CCC-686-A

The following is an example of CCC-686-A.

<p>CCC-686-A U.S. DEPARTMENT OF AGRICULTURE (11-08-16) Commodity Credit Corporation</p> <p align="center">APPLICATION FOR LOAN OR LOAN DEFICIENCY PAYMENT BY HEIRS (CMA, DMA, LSA) <i>(On a commodity produced by a person who has died)</i></p> <p><i>See Page 2 for Privacy Act Statement.</i></p>		<p>1. NAME AND ADDRESS OF CMA, DMA, LSA</p> <p>TELEPHONE NO. (Include Area code):</p>	
		2. CROP YEAR	3. COMMODITY
4. NAME OF DECEASED PERSON	5. DATE OF DEATH (MM-DD-YYYY)	6. DEATH OCCURRED BEFORE HARVEST <input type="checkbox"/> AFTER HARVEST <input type="checkbox"/>	
7. PERSONS INHERITING COMMODITY (Name and Address)		8. RELATIONSHIP TO DECEASED	
9. NAMES OF PERSONS ASSUMING FARMING UNIT (Include heirs in Item 7) (Address if not already listed in Item 7)		10. RELATIONSHIP TO DECEASED OR CAPACITY	
If any person shown in Item 7 or 9 above is a minor or incompetent, furnish the following:			
11. NAME OF MINOR OR INCOMPETENT	12. NATURE OF DISABILITY (if any)	REPRESENTATIVE OF PERSON SHOWN IN ITEM 11	
		13. NAME AND ADDRESS	14. CAPACITY (Guardian, Custodian, Conservator, Liquidator, etc.)
15. CERTIFICATONS (To be certified to and by each person shown in Items 7 and 9 or his or her representative shown in Item 13 who is requesting a loan or LDP.)			
<p>The undersigned hereby certifies that 1/</p> <p>A. The person shown in Item 4 died on the date shown and he or she produced the commodity identified above in the crop year shown.</p> <p>B. The decedent and the commodity produced were eligible for loan or LDP and that the persons shown in Item 7 have inherited the decedent's interest in the commodity shown above.</p> <p>C. (1) There has not been nor is it contemplated that there will be administration or probate of the estate or (2) administration or probate of the estate is closed.</p> <p>D. The persons listed in Items 7, 9, and, if applicable 11, are the only persons who have inherited or otherwise acquired an interest in the commodity and farming unit of the decedent described in this form.</p> <p>E. Each of such persons requests (1) a loan be continued or disbursed, or (2) an LDP be made.</p> <p>F. Are you or any co-applicant delinquent on any federal non-tax debt? YES <input type="checkbox"/> NO <input type="checkbox"/> (If "YES", provide details):</p>			
16A. Signature (By)	16B. Title/Relationship of the Individual Signing in the Representative Capacity		16C. Date (MM-DD-YYYY)
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17A. CERTIFICATION OF CMA, DMA, LSA The undersigned certifies that each applicant whose signature appears above has the authority to act in the capacity indicated; that the right of the applicant(s) to file this application was determined in accordance with the regulations of the Department of Agriculture; and that the statements contained herein have been examined and are true and correct to the best of my knowledge and belief.			
17B. SIGNATURE (BY)	17C. Title/Relationship of the Individual Signing in the Representative Capacity	17D. Date (MM-DD-YYYY)	
1/ Section 15 (a) of the Commodity Credit Corporation Charter Act (62 Stat. 1070) provides a fine of not more than \$10,000 or not more than five years imprisonment for making any statements knowing it to be false for the purpose of influencing the action of the Corporation or of obtaining money under any act applicable to the Corporation.			

Notice CMA-144

3 CCC-686-A, Application for Loan or Loan Deficiency Payment for Heirs (CMA, DMA, LSA) (Continued)

C Example of CCC-686-A (Continued)

CCC-686-A (11-08-16)

Page 2

NOTE: *The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 718, 7 CFR Part 1421, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine the ability of an heir that has inherited the decedent's interest in the commodity to participate in and receive benefits under a CCC loan program through application for a loan or loan deficiency payment. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that the heir is unable to participate in and receive benefits under a CCC loan program.*

This information collection is exempted from the Paperwork Reduction Act, as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration).

The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.