

For: e-LDP Beta Test Site State and County Offices

**Electronic Loan Deficiency Payment (e-LDP) Program**

Approved by: Acting Deputy Administrator, Farm Programs



**1 Overview**

**A**

**Background**

With the era of internet-based USDA services just beginning, PSD has been leading the development of an e-LDP Program. The e-LDP Program is USDA's first internet-based payment process and will serve as an additional optional delivery system for processing LDP's.

The goals of the e-LDP Program are as follows:

- provide farmers an additional delivery system for receiving program benefits
- pro-actively lead FSA and farmers into an emerging age of e-business
- respond to congressional e-file and e-commerce mandates.

Eligible producers will have the capability to request and submit CCC-633 LDP requests online and receive payments by direct deposit. Participation in the e-LDP Program will initially be limited in scope. Twenty-one Beta test sites were selected to participate. The National e-LDP Beta Site Training was held in Kansas City, Missouri on January 15 through 17, 2002, and April 11, 2002.

**B**

**Purpose**

This notice informs affected State and County Offices of the policies and procedures necessary to implement the e-LDP Program.

<p><b>Disposal Date</b></p> <p>August 1, 2002</p>	<p><b>Distribution</b></p> <p>State Offices; State Offices relay to Beta Test Site County Offices</p>
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## 2 General e-LDP Program Information

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### A Program Availability

The e-LDP Program will be available to eligible producers who have farming interests in 1 or more of the 21 Beta test site County Offices listed in Exhibit 1. Eligible producers must request e-LDP Program services in the Administrative County Office. The Administrative County Office must be a Beta test site. Eligible producers must:

- complete AD-2016 according to future AO notice
- complete CCC-634-E, see Exhibit 2
- meet general loan and LDP Program eligibility requirements and any additional eligibility requirements, according to provisions in this notice.

Eligible producers will be approved to request and submit LDP requests for eligible 2001 crop commodities online. Eligible producers can submit certified farm-stored or warehouse-stored LDP requests through the e-LDP Program process.

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### B Producer Eligibility

The e-LDP Beta test site Program is limited to entity type “01”, “Individual Producers”.

All other entity types and formal joint ventures are ineligible for the Beta test. Future software enhancements are necessary to expand e-LDP Program services to include other entity types.

To be eligible to participate in the e-LDP Program, the producer must:

- have reported acreage on FSA-578
  - be actively engaged
  - have completed AD-1026
  - be compliant with conservation rules
  - agree to receive e-LDP Program benefits by electronic funds transfer
  - **not** have any delinquent FSA or CCC debts (receivables, claims, or other agency debts)
  - **not** have any assignments or joint payments on file
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## Notice LP-1840

### 2 General e-LDP Program Information (Continued)

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#### **B Producer Eligibility**

- **not** be in bankruptcy status
  - **not** be a nonresident alien
  - have a valid e-mail address in SCIMS, (e-mail address is obtained on AD-2016)
  - meet all other producer eligibility requirements for requesting marketing assistance loan and LDP's, according to 8-LP.
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#### **C Eligible Commodities**

Commodities eligible for e-LDP are the following:

- corn
- soybeans
- grain sorghum.

For crop year 2001, all eligible commodities, except soybeans, must be grown on a farm covered by a production flexibility contract (PFC). Only acreage from participating farms will be used to determine the maximum eligible quantity for e-LDP.

The requested e-LDP commodity must meet eligibility requirements found in 8-LP, paragraph 126.

**Note:** Eligible commodities with a final loan availability date of March 31, 2001, are not eligible for the e-LDP 2001-crop Beta test since the final loan availability date has passed.

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#### **D Ineligible Commodities**

Commodities harvested as other than grain are **ineligible** for the e-LDP Program.

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**Notice LP-1840**

**2 General e-LDP Program Information (Continued)**

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**E**

**e-LDP Payment  
Limitation**

Producers must have payment limitation available to participate in the e-LDP Program. An e-LDP payment limitation will be established for all eligible producers. The e-LDP payment limitation will be 50 percent of the existing price support payment limitation balance at the time CCC-634-E is approved. The producer can request an increase or decrease of the established e-LDP payment limitation.

County Offices must adjust the existing payment limitation file in APSS to reflect the e-LDP payment limitation, according to Notice PS-428.

**Note:** The e-LDP payment limitation combined with the price support payment limitation cannot exceed the \$150,000 payment limitation for crop year 2001.

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**F**

**Final Availability  
Date**

Producers must submit a 1 time CCC-634-E request to receive approval before submitting an e-CCC-633 LDP request online.

e-CCC-633 LDP must be submitted online on or before the final availability date for the applicable commodity and crop year according to paragraph 5.

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**3 Responsibilities**

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**A**

**FSA  
Responsibilities**

FSA has primary responsibility through STC's and COC's for administering the e-LDP Program and the enhanced program delivery system.

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**B**

**STC  
Responsibilities**

STC's shall supervise and monitor the Beta test site e-LDP activity to ensure that policies and procedures in this notice are being followed by selected Beta test sites.

State Offices shall report any problems or concerns about e-LDP:

- policies to Kimberly Graham, PSD, at 202-720-9154
  - automation activity to Asime Atuboyedia, PSD, Automation Branch at 202-720-8223.
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## Notice LP-1840

### 3 Responsibilities (Continued)

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#### C

##### **Beta Test Site County Office Responsibilities**

Beta test site County Offices shall:

- administer and promote the e-LDP Program
- verify producer and commodity eligibility according to this notice and 8-LP
- inform producers about the eligibility requirements for the e-LDP Program
- approve or disapprove CCC-634-E's according to program eligibility
- establish producer profiles in the FSA intranet, according to procedures in Notice PS-428
- date and file copies of CCC-634-E, MABDIG, and eligibility query in the applicable producer loan/LDP folder.

County Offices are encouraged to use the training materials that were provided at the National e-LDP Beta Test Training to educate and inform eligible producers of the e-LDP Program.

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#### D

##### **Kansas City Responsibilities**

Kansas City will be responsible for the following:

- issuing WebCAAF passwords and user ID's
- receiving electronically submitted certified LDP requests
- maintaining the Web servers
- making e-LDP requests accessible for certification by the Certifying Officer
- downloading or uploading e-LDP data to applicable Beta test site locations.

Specific policies and procedures for:

- payment certification of e-LDP's by the Certifying Officer will be included in a future FI notice
  - WebCAAF registration will be included in a future AO notice.
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#### 4 Completing Pre-Eligibility Determination

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##### **A** **Pre-Eligibility Determination**

County Offices will verify producer and commodity eligibility for every producer who is approved to participate in the e-LDP Program. Verifying producer and commodity eligibility for marketing assistance loans and LDP's is considered a "pre-eligibility" determination.

County Offices shall verify:

- producer eligibility according to 8-LP
- commodity eligibility according to 8-LP
- farm numbers
- that the producer does **not** have:
  - outstanding FSA or CCC debts
  - LDP assignments
- that the producer has direct deposit
- producer's available payment limitation.

County Offices must use the enhanced queries to determine the maximum eligible quantity for marketing assistance loans and LDP's. County Offices are encouraged to use MABDIG to assist in verifying eligibility.

If CCC-634-E is disapproved, County Offices must notify the producer in writing of the reason for disapproval.

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##### **B** **Producer Profile**

County Offices must complete CCC-634-E, Part D, before establishing a producer profile for eligible producers. The producer profile will be established according to procedures in Notice PS-428.

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## Notice LP-1840

### 5 e-CCC-633 LDP Requests

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#### A

#### **e-CCC-633 LDP Request Online Submissions**

Producers that are approved for e-LDP services on CCC-634-E will obtain access to the Kansas City-based FSA WebFarm internet site to request and submit e-CCC-633 LDP. e-CCC-633 LDP:

- is an internet accessible and fillable CCC-633 LDP
- must be completed and submitted for payment through the internet.

e-CCC-633 LDP must be completed by the applicable producer online. Help screens and e-CCC-633 LDP instructions will be provided online to assist the producer in completing the request. See Exhibit 3 for an example of e-CCC-633 LDP.

e-LDP requests:

- are for eligible certified quantities **only**
- cannot be canceled by the producer once the request is submitted
- cannot include quantities that exceed COC's maximum eligible quantity determinations
- must be requested after the specified commodity is harvested
- are subject to spot check.

Eligible producers must have beneficial interest in the requested commodity at the time of request.

e-LDP requests are subject to policies and procedures found in 8-LP and 7 CFR, Part 1421.

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**Notice LP-1840**

**5 e-CCC-633 LDP Requests (Continued)**

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**B**

**e-LDP Effective  
LDP Rate**

The LDP rate for e-LDP requests is the rate in effect:

- for the county where the commodity is stored
  - on the date and time of the online submission.
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**C**

**Accessibility**

Eligible producers can access the FSA Web Farm at  
**<http://www.sc.egov.usda.gov/>** 24 hours a day to request and submit  
e-CCC-633 LDP requests.

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**Participating Beta Test Site County Offices**

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The 21 selected e-LDP Beta test site County Offices are as follows:

- Cross County, Arkansas
  - Cass County, Illinois
  - Adams County, Indiana
  - Jasper County, Iowa
  - Marshall County, Kansas
  - Christian County, Kentucky
  - East Carroll County, Louisiana
  - Jackson County, Michigan
  - Lyon County, Minnesota
  - Nodaway County, Missouri
  - Chouteau County, Montana
  - York County, Nebraska
  - Sampson County, North Carolina
  - Cass County, North Dakota
  - Sandusky County, Ohio
  - Texas County, Oklahoma
  - Northumberland County, Pennsylvania
  - Spink County, South Dakota
  - Obion County, Tennessee
  - Collin County, Texas
  - Jefferson County, Wisconsin.
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Example of CCC-634-E

This form is available electronically

Form Approved - OMB No. 0560-0220

**CCC-634-E**  
(04-26-02)

U.S. DEPARTMENT OF AGRICULTURE  
Commodity Credit Corporation

**REQUEST FOR ELECTRONIC LOAN DEFICIENCY PAYMENT (e-LDP) SERVICES**

**PART A - GENERAL INFORMATION**

1A. PRODUCER'S NAME AND ADDRESS (Including ZIP Code)		2A. COUNTY OFFICE NAME AND ADDRESS (Including ZIP Code)	
1B. TELEPHONE NUMBER (Including Area Code):		2B. TELEPHONE NUMBER (Including Area Code):	
3. PRODUCER TAX ID NUMBER		4. CROP YEAR	
5A. FARM NUMBER(s)	5B. REQUESTED e-LDP ALLOCATED QUANTITY	6. COMMODITY (ies)	
		<input type="checkbox"/> WHEAT	<input type="checkbox"/> OATS <input type="checkbox"/> GRAIN SORGHUM
		<input type="checkbox"/> BARLEY	<input type="checkbox"/> CORN <input type="checkbox"/> SOYBEANS

**PART B - PRODUCER CERTIFICATION TERMS AND CONDITIONS**

I certify that all information entered on this form is true and correct. I understand to obtain approval for participating in the e-LDP program that:

- (1) the County Committee, or designee, must determine that I meet the producer eligibility requirements according to the marketing assistance loan and LDP program policy provisions, according to 7 CFR, Part 1421, and conservation compliance rules
- (2) the requested commodity(ies) in item 6 must meet the commodity eligibility requirements for marketing assistance loans and LDP's
- (3) each farm listed in Part A, item 5 meet all applicable eligibility requirements for participation
- (4) I must have completed Direct Deposit Sign-Up form, SF-1199A
- (5) I cannot have any outstanding or delinquent FSA or CCC debt.

I understand that the County Committee will approve or disapprove access to e-LDP Services based on the information provided in Part A and any additional information currently on file with the Farm Service Agency. I further understand that this is NOT a Loan Deficiency Payment Certification and Application, CCC-633 LDP request. If at any time my eligibility or the commodity(ies) requested in item 6 changes or any adverse determination by CCC affects my eligibility for participating in the e-LDP program, then access to e-LDP services may be suspended and or revoked. I also understand that providing a false certification to the government may be punishable by imprisonment, fines, and other penalties. All information provided herein is subject to verification by the Commodity Credit Corporation. The provision of criminal and civil fraud statutes that apply to this certification, includes 18 USC 286, 297, 371, 641, 651, 1001 and 1014; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.

7A. PRODUCER'S SIGNATURE	7B. DATE (MM-DD-YYYY)
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**PART C - COC DETERMINATION (For County Office Use Only)**

8A. SIGNATURE OF APPROVING OFFICIAL	8B. TITLE OF APPROVING OFFICIAL	8C. DATE (MM-DD-YYYY)
9. APPLICATION STATUS		10. REASON FOR DISAPPROVAL
<input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED		

**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 USC § 7231 et seq and 7 CFR Parts 1421 and 1427. The information will be used to determine eligibility and the amount of program benefits. Furnishing the requested information is voluntary; however, failure to furnish the correct complete information will result in a 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, 297, 371, 641, 651, 1001, 15 USC 714m, and 31 USC 3729, may be applicable to the information provided.

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 0560-0220. The time required to complete this information collection is estimated to average 5 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.**

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Example of e-CCC-633 LDP Internet Screen

U.S. Department of Agriculture  
Emergency Debt Collection

**Loan Deficiency Payment Application**

Producer Name: <producer's full name>  
 Address: <producer's address>  
 City: <producer's city>  
 State: <producer's state>  
 Zip: <producer's zip code>  
 Email Address: <producer's primary email address>

County FSA Office: <name of county FSA office> State/County Code: <office> Telephone: <xxx-xxx-xxxx>

**Part A - Producer Terms and Conditions (Please check applicable "Yes" or "No".)**

Is the quantity of this request eligible to be pledged as collateral for a CCC loan?	Yes <input type="checkbox"/> No <input type="checkbox"/> Cancel <input type="checkbox"/>	Has the producer requesting the LDP entered into a contract or option to purchase (either verbally or in writing)?	Yes <input type="checkbox"/> No <input type="checkbox"/> Cancel <input type="checkbox"/>
Does more than one producer have an interest in the quantity for this request? If "YES", then a normal LDP must be completed at the local Service Center.	Yes <input type="checkbox"/> No <input type="checkbox"/> Cancel <input type="checkbox"/>	Was the quantity of this request produced by the producer requesting the LDP and has not been purchased or acquired directly or indirectly from another source?	Yes <input type="checkbox"/> No <input type="checkbox"/> Cancel <input type="checkbox"/>
Does the producer requesting the LDP have title, control and risk of loss (beneficial interest) in accordance with 7 CFR Part 1421 at the time of this LDP request?	Yes <input type="checkbox"/> No <input type="checkbox"/> Cancel <input type="checkbox"/>	For contract commodities, was the production covered by the request produced on a farm or farms enrolled in AMTA?	Yes <input type="checkbox"/> No <input type="checkbox"/> Cancel <input type="checkbox"/>
		Is this the only LDP requested for this quantity?	Yes <input type="checkbox"/> No <input type="checkbox"/> Cancel <input type="checkbox"/>

**Note:** The internet address displayed is for testing purposes only. The direct URL for e-LDP producer access is <https://atlantic.sc.gov.usda.gov/E-LDP/main3.jsp>.

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Example of e-CCC-633 LDP Internet Screen (Continued)

U.S. Department of Agriculture  
Commodity Credit Corporation

### Loan Deficiency Payment Application

Producer Name: <producer's full name>  
 Address: <producer's address>  
 City: <producer's city>  
 State: <producer's state>  
 Zip: <producer's zip code>  
 Email Address: <producer's primary email address>

County FSA Office: <name of county FSA office> State/County Code: <office> Telephone: <xxx-xxx-xxxx>

**Part B - Producer Payment Information**

Crop Year: [dropdown] Commodity: [dropdown] Class/Variety/Type: [dropdown] State/County Where Stored: [dropdown]  
 LDP Rate: <commodity LDP rate> Total Quantity: <total quantity> Cropland Factor: <cropland factor> Total Amount: <total amount>

Farm Number: [dropdown]  
 Quantity: [input]   
 Stored Location: [input]

Sel	Farm Number	Quantity	Stored Location
<input type="checkbox"/>	<farm number 1>	<quantity requested amount 1>	<quantity requested storage location 1>
<input type="checkbox"/>	<farm number 2>	<quantity requested amount 2>	<quantity requested storage location 2>

**Part C - Producer Certification**

I certify that all information entered on this request is true and correct. By completing and reviewing Part A and by submitting this request the producer ("Producer"), hereby makes a claim for payment from the Commodity Credit Corporation (CCC) with respect to the commodity described in Part B and agrees to accept the loan deficiency payment (LDP) rate in effect for the applicable commodity for the county where the commodity is stored and the rate in effect as of the date of this LDP request. The producer further understands that with respect to the commodity described in Part B (1) to receive payment for the commodity, a request for payment must be made at the County FSA Office where the farm records are kept; (2) any false claim or false statement made may lead to civil liability or criminal prosecution; (3) that LDP may be selected for spot check and the producer will be required to provide supplemental documents to determine program eligibility; (4) that the producer agrees to forego a commodity loan on the quantity requested for LDP and that the producer may not repay or refund any LDP amount in order to obtain a commodity loan; (5) CCC may require copies of sales contracts for the production represented by this application; (6) this application is subject to determination by CCC of the Producer's eligibility to receive LDP, and that this application and CCC's determination are subject to 7 CFR Part 1421, as applicable; (7) CCC shall request the refund of the LDP amount, plus interest from the date of payment if the producer is later determined by CCC to be ineligible for the LDP; and (8) CCC shall assess liquidated damages in accordance with 7 CFR Part 1421, as applicable, if the producer agreed to store the eligible commodity indicated above, and (9) that maximum