

For: State and County Offices

**Barring Delinquent Federal Debtors From Obtaining
Marketing Assistance Loans (MAL's) and Loan Deficiency Payments (LDP's)**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Debt Collection Improvement Act of 1996 (DCIA) provides that a person owing a delinquent non-tax debt to the Federal Government is **ineligible** for Federal financial assistance including direct loans (other than disaster loans) or loan insurance or guarantee.

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 amended DCIA to exclude 2001 crop year MAL's and LDP's from the DCIA requirement.

The 2002 Act does not exempt MAL and LDP's from the DCIA requirement and the DCIA requirement shall apply to 2003 and subsequent crop year MAL and LDP's.

B Purpose

This notice informs State and County Offices that producers with any delinquent Federal non-tax debt are **ineligible** for MAL's and LDP's.

C Obsolete Notice LP-1856

Because County Offices were following procedure according to Notice LP-1856, no **further** action is necessary for any 2002 MAL or LDP's disbursed before receipt of this notice.

Disposal Date	Distribution
January 1, 2004	State Offices; State Offices relay to County Offices

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2 Action

A County Office Action

County Offices:

- **shall:**
 - notify all producers immediately of the contents of this notice
 - have producers self-certify on applicable MAL and LDP forms that they are not delinquent on any federal non-tax debt
 - ensure that all delinquent producers are flagged in the name and address file.
- **shall not** approve MAL and LDP requests, if it is known that the producer has a delinquent federal non-tax debt.

B Disbursed 2003 Crop Year MAL and LDP's

For MAL's and LDP's that have been disbursed before the date of this notice, County Offices shall request that the producer complete the DCIA question, sign and date the applicable revised form, and file in the producer's applicable MAL or LDP folder.

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2 Action (Continued)

C Certification Statement

Access the FSA Intranet at <http://intranet.fsa.usda.gov> for revised forms. The DCIA certification statement has been added to the following MAL and LDP forms:

- CCC-666
- CCC-677
- CCC-678
- CCC-686
- CCC-Cotton A
- CCC-Cotton AA
- CCC-Cotton A-5
- CCC-633 LDP
- CCC-633 WM
- CCC-633 PELT
- CCC-709 LDP
- CCC-709 WM
- CCC-709 PELT.

Notes: CCC-677, CCC-678, and CCC-Cotton A are computer-generated forms and are not accessible at the FSA Intranet.

Producers that are members of an approved Cooperative Marketing Association (CMA) must certify that they are not delinquent on any federal non-tax debt. The DCIA self-certification statement will be added to the CMA's marketing agreement or an addendum.

LSA's shall modify MAL and LDP forms, as applicable, according to this notice.