



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 2860 (1945-D)
September 10, 1993

SUBJECT: Administrative Changes Made to Expedite the
Emergency (EM) Loan Making Process

TO: All State Directors, District Directors and
County Supervisors

ATTN: Farmer Programs Chiefs, District Directors,
County Supervisors and Program Review Assistants

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to implement temporary administrative changes to FmHA Instruction 1945-D. The intent of these changes is to expedite EM loan processing. These temporary changes are necessary due to the anticipated high volume of EM loan applications in areas affected by flooding, drought and other disasters in 1993.

COMPARISON TO OTHER ADMINISTRATIVE NOTICES:

There are no other ANs which address this subject.

As a result of the recent flooding in the Midwest, drought in the Southeast and other disasters throughout the Country, we have recognized an urgent need for processing EM applications in a expeditious manner. The following administrative changes will be put into effect immediately to assure that all EM applications are processed as quickly as possible:

1. The County Office will not be required to complete the automated Farm and Home Plan at the time the loan is processed. The County Office will, however, be required to complete a written plan at this time and input the plan in the automated system within 60 days after loan closing.
2. The requirement for completing the Credit and Financial Analysis Worksheets has been waived for all EM loan applications.

EXPIRATION DATE: September 10, 1994

FILING INSTRUCTIONS:
Preceding 1945-D



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

2860(1945)

3. In States where the underwriting review process requires all loans to be reviewed prior to loan approval, the review process will be amended. The pre-approval review requirement will be eliminated and only post-approval reviews will be completed.
4. If subsequent loan requests are received for the same disaster, the County Office is authorized to accept an abbreviated Form FmHA 410-1, with only the following items completed:
 - 1a. Name
 14. Total cash income last year.
 15. Total cash expenses last year.
 16. Source and use of funds.
 19. Date and signature.
5. Currently there is no restriction in FmHA regulations which would limit the use of FmHA "in house" real property appraisers to make EM related real estate appraisals. State, District and County Offices should make every effort to maximize the use of qualified FmHA appraisers for EM loan processing purposes. Contract appraisals are not required in all cases.

If you have any questions regarding these administrative changes, please call the Farmer Programs Loan Making Division at (202) 720-1632.


SHARRON S. LONGINO
Acting Administrator

Sent by Electronic Mail on 9/15 at 3:30pm by GSS. The State Directors should advise other personnel as appropriate.