



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

December 9, 1983

SUBJECT: Interpretation of the Phrase
"loans are made" as it Pertains
to Section 1945.166 (b)(2) of
FmHA Instruction 1945-D

TO: All State Directors, District Directors,
County Supervisors, and Director, Finance Office

This will serve to clarify the interpretation of the language contained
in the subject regulation cited.

You had earlier been advised that the interpretation of the word "made"
meant that a loan had to be closed within the specified period in order
to comply with the subject regulation.

After review by the Office of the General Counsel, it has been
determined that subsequent emergency (EM) annual production loans to
grandfathered borrowers, who are in their last year of entitlement,
must be approved rather than closed not later than the close of
business of the last working day of the calendar year, i.e., for 1983,
December 30.

Every effort must be made to assure that no grandfathered EM borrower,
who still needs FmHA financing, is deprived of his/her last year of EM
annual production loan entitlement.

CHARLES W. SHUMAN
Administrator

Sent via electronic mail on December 9, 1983 at 4:55 p.m. by DASD(IMPS).

This message should be promptly distributed to all County Supervisors
and District Directors.

EXPIRATION DATE: December 31, 1984

FILING INSTRUCTIONS: Preceding
FmHA Instruction 1945-D

