

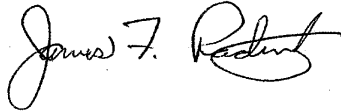
UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**General Program Administration
1-FLP (Revision 1)**

Amendment 118

Approved by: Acting Deputy Administrator, Farm Loan Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 2 A has been amended to update the list of related FSA handbooks.

Subparagraphs 5 B and C have been amended to update the contact lists for FaSB and FCSB.

Exhibit 2 has been amended to update the microloan definition.

Exhibit 17 has been amended to provide interest rates for FLP's.

Exhibit 18, subparagraph A 1 has been amended to update the "Date Last Modified" column for report Direct Applications on Hand.

Page Control Chart		
TC	Text	Exhibit
	1-1, 1-2	2, pages 3, 4
	1-11 through 1-14	17, pages 1, 2 18, pages 3, 4

Part 1 Introduction and Purpose

1 Purpose and Sources of Authority

A Handbook Purpose

[7 CFR 761.1(d)] This part describes the Agency's general and administrative policies for its guaranteed and direct Farm Loan Programs. In general, this part addresses issues that affect both guaranteed and direct loan programs.

This handbook is designed to assist FSA in understanding:

- general and administrative regulations governing FLP's
- roles and responsibilities in implementing those regulations and other general and administrative responsibilities.

B Sources of Authority

The sources of authority for this handbook include:

- 7 CFR Part 761 and other regulations that may be referenced throughout this handbook
- the various laws and statutes passed by Congress, including CONACT.

C Regulation References

Text in this handbook that is published in the CFR is printed in **bold** text. The CFR citation is printed in brackets in front of the text. The references and text:

- are intended to highlight the requirement spelled out in CFR
- may be used to support FSA adverse decisions.

*--D FLP Objectives

7 CFR Parts 761 through 767 set forth FSA's regulations for FLP's. **The objective of these programs is to provide supervised credit and management assistance to eligible farmers to become owners or operators, or both, of family farms, to continue such operations when credit is not available elsewhere, or to return to normal farming operations after sustaining substantial losses as a result of a designated or declared disaster. These regulations apply to loan applicants, borrowers, lenders, holders, Agency personnel, and other parties involved in making, guaranteeing, holding, servicing, or liquidating such loans. The programs are designed to allow those who participate to transition to private commercial credit or other sources of credit in the shortest period of time practicable through the use of supervised credit, including farm assessments, borrower training, market placement, and borrower graduation requirements.--***

2 Related References

A Related FSA Handbooks

The following FSA handbooks concern FLP.

IF the area of concern is about...	THEN see...
State and county organization and administration policies, procedures, principles, and standards, such as work organization	16-AO.
civil rights compliance and administration for FSA programs	18-AO.
appeals and mediation	1-APP.
State and county records management	25-AS.
policies and procedures for the acquisition of supplies, equipment, and services	42-AS.
common management and operating provisions for program management activities, functions, and automated applications, such as forms that cannot be accepted by FAX	1-CM.
environmental requirements	1-EQ.
processing collections and canceling loan checks and payments	3-FI.
guaranteed loan making and servicing	2-FLP.
direct loanmaking	3-FLP.
direct loan regular or routine servicing	4-FLP.
direct loan special servicing and inventory property management	5-FLP.
the Emergency Loan Seed Producers Program, Horse Breeder Loan Program, ITLAP, SALP, Land Contract Guarantee Program, and servicing of minor loan programs	6-FLP.
--debt collection and resolution	7-FLP.--
procedures for making records available to the public, other Federal agencies, and Congress	2-INFO.
procedures for collecting, maintaining, or disclosing data or information about an individual	3-INFO.
personnel management, such as employee conflict of interest	3-PM.
employee development and training	6-PM.

Note: RD Instruction 1940-G must be used along with 1-EQ.

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B Helpful Links

The Helpful Links web site at

<https://arcticocean.sc.egov.usda.gov/flp/InformationalLinks?Action=HelpfulLinks&caller=index> provides links to useful web sites.

For FLP-related historical directives, including notices and Administrative Notices, click

<http://www.fsa.usda.gov/FSA/flpNotices?area=newsroom&subject=landing&topic=foier-flp>.

4 FLP Organizational Structure (Continued)

E LSPMD Contacts (Continued)

Guaranteed Loan Servicing and Inventory Property Management Branch FAX Number 202-720-5804		
Name	Title	Phone Number
Jeff King	Branch Chief	202-720-1651
Polly Anderson	Senior Loan Officer	202-720-2558
Patricia Elzinga	Senior Loan Officer	202-690-1729
Sharon Harris	Senior Loan Officer	202-401-0191
Marilyn Meese	Senior Loan Officer	202-690-4002
Theresa Null	Senior Loan Officer	202-720-7862
Cynthia Van Nostrand	Senior Loan Officer	202-720-0900

5 NFAOC Contacts

A NFAOC Contact Information

The following provides name, address, telephone, and FAX numbers for the main points of contact in NFAOC.

Note: There are now different contacts for Direct Loan Servicing and Guaranteed Loan Servicing.

B Direct Loan Servicing

The following provides the Direct Loan Servicing address.

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For USPS Delivery	For FedEx or UPS Delivery
USDA, RURAL DEVELOPMENT, NFAOC, FaSB, FC-1311 BUILDING 104 4300 GOODFELLOW BLVD # 1321 SAINT LOUIS MO 63120-1703	USDA, RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , NFAOC, FaSB, FC-1311 BUILDING 105E - DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120

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5 NFAOC Contacts (Continued)

B Direct Loan Servicing (Continued)

The following provides contact information for the Direct Loan, FaSB.

Direct Loan, FaSB ECM FAX Number 314-457-4539			
Name	Title	Phone Number	State Assignment
Cynthia Haas	Branch Chief	314-457-4121	
Sharon Maull	Accountant	314-457-4146	
Betty Nunnery	Accountant	314-679-6850	
Kathryn White	Accountant	314-679-6837	
*--Tracy Bozzo	Accounting Technician	314-679-4193	GA, PR
Yvonne Collins-Myers	Accounting Technician	314-679-6824	FL, ID, IA, MS, TN, UT, VI
Kathleen Farid	Accounting Technician	314-679-6826	CO, IL, IN, ME, ND, OR, WY
Karen King	Financial Specialist	314-457-6830	KY, NY--*
Lawrence Mullen	Accounting Technician	314-679-6834	CT, KS, MA, MO, MT, PA, RI, SC, WV, WI
Barbara Lee	Accounting Technician	314-679-6846	AZ, LA, MI, NH, OK, * * * SD, VT, VA
Byron Luster	Accounting Technician	314-679-6848	AR, NE, NV, NJ, NC, OH, WA, WP
Susan Pennock	Accounting Technician	314-679-6835	AL, AK, CA, DE, HI, MD, MN, NM, TX

C Guaranteed Loan Servicing

The following provides the Guaranteed Loan Servicing address.

For USPS Delivery	For FedEx or UPS Delivery
USDA, RURAL DEVELOPMENT FARM AND COMMUNITY SERVICES BRANCH, FC-1321 NFAOC, BUILDING 104 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120	USDA, RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , NFAOC, FCSB, FC-1321 BUILDING 105E - DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120

5 NFAOC Contacts (Continued)

C Guaranteed Loan Servicing (Continued)

The following provides contact information for the Guaranteed Loan, FCSB.

Guaranteed Loan, FCSB Main Line 314-457-6402 ECM FAX Number 314-457-4539			
Name	Title	Phone Number	Assignments
Sharon Sachs	Branch Chief	314-679-6804	
Christine Knecht	Lead Accountant	314-457-4301	IA
Richard Lahr	Lead Accountant	314-457-4206	
Kim Dixon	Accountant	314-457-4325	RD programs only.
Paul Quante	Accountant	314-679-6836	Farm Loan Programs.
Jeanine Shoults	Accountant	314-457-4201	RD programs only.
Jeanette Broeckling	Accounting Technician	314-679-6823	AZ, AR, IN, MS, NE, NC, TX, VA, WV
Kyle Logan	Accounting Technician	314-679-6847	FL, ID, IL, MN, NY, OH, OR, PR, UT, WA
Mary Jordan	Accounting Technician	314-679-6831	AK, CO, CT, DE, GA, HI, KS, ME, MD, MA, MT, NV, ND, RI, SC, SD
Barbara Jungenberg	Accounting Technician	314-679-6805	AL, KY, LA, MI, MO, NJ, WY
Linda Willman	Accounting Technician	314-679-6853	CA, NH, NM, OK, PA, TN, VT, VI, WI, WP
* * *	* * *	* * *	

D Debt Collection

The following provides DCIB address.

For USPS Delivery	For FedEx or UPS Delivery
USDA, RURAL DEVELOPMENT, NFAOC, DCIB, FC-1331 BUILDING 104 4300 GOODFELLOW BLVD # 1331 SAINT LOUIS MO 63120-1703	USDA, RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , NFAOC, DCIB, FC-1331 BUILDING 105E - DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120

5 NFAOC Contacts (Continued)

D Debt Collection (Continued)

*--The following provides contact information for DCIB.

DCIB--*			
Telephone Number 314-679-6870			
ECM FAX Number 314-457-4478			
FAX Number 314-679-6871			
Name	Title	Phone Number	Assignments
Karen Campbell	Branch Chief	314-679-6861	
Mariella Harstick	Accountant	314-679-6863	Internal Administrative Offset
Wyvone Haymon	Accountant	314-679-6864	TOP Timeline Notifications and ADPS Screen Messages; Cross Servicing Referrals and Cash
Katina Mims	Accountant	314-679-6833	TOP Referrals, Weekly Updates and Cash; Credit Bureau Reporting
Charles Spencer	Accountant	314-679-6868	TOP Refunds
Karen Johnisee	Financial Specialist	314-679-6865	Federal Salary Offset; Cross Servicing Proof of Debt/Disputes; CAIVRS

E Program Reporting

*--The following provides PRB address.

For USPS Delivery	For FedEx or UPS Delivery
USDA, RURAL DEVELOPMENT, NFAOC, PRB, FC-1332 BUILDING 104 4300 GOODFELLOW BLVD # 1332 SAINT LOUIS MO 63120-1703	USDA, RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , NFAOC, PRB, FC-1332 BUILDING 105E - DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120

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Definitions of Terms Used in This Handbook (7 CFR 761.2 (b)) (Continued)

* * *

Conservation Loan (CL)

CL means a loan made to eligible applicants to cover the costs to the applicant of carrying out a qualified conservation project.

Conservation Plan

Conservation plan means an NRCS-approved written record of the land user's decisions and supporting information, for treatment of a land unit or water as a result of the planning process, that meets NRCS Field Office Technical Guide (FOTG) quality criteria for each natural resource (soil, water, air, plants, and animals) and takes into account economic and social considerations. The conservation plan describes the schedule of operations and activities needed to solve identified natural resource problems and takes advantage of opportunities at a conservation management system level. This definition only applies to the direct loans and guaranteed loans for the Conservation Loan Program.

Conservation Practice

Conservation practice means a specific treatment, such as a structural or vegetative measure, or management technique, commonly used to meet specific needs in planning and implementing conservation, for which standards and specifications have been developed. Conservation practices are contained in the appropriate NRCS Field Office Technical Guide (FOTG), which is based on the National Handbook of Conservation Practices (NHCP).

Conservation Project

Conservation project means conservation measures that address provisions of a conservation plan or Forest Stewardship Management Plan.

Forest Stewardship Management Plan

Forest Stewardship Management Plan means a property-specific, long-term, multi-resource plan that addresses private landowner objectives while recommending a set and schedule of management practices designed to achieve a desired future forest condition developed and approved through the USDA Forest Service or its agent.

Definitions of Terms Used in This Handbook (7 CFR 761.2 (b)) (Continued)**FSA**

FSA means **Farm Service Agency, an Agency of the USDA, including its personnel and any successor Agency.**

Graduation

Graduation means **the payment in full of all direct FLP loans, except for CLs, made for operating, real estate, or both purposes by refinancing with other credit sources either with or without an Agency guarantee.**

Loan Activity

Loan activity is any transactions processed in GLS, DLS or PLAS to a borrower's loan.

Microloan (ML)

--ML is a type of OL of \$50,000 or less made under reduced application, eligibility, and-- security requirements.

PLCE Expenses

PLCE expenses are defined as financial transactions and procurement items.

Program Loans

Program loans include **FO, CL, OL, and EM. In addition, for loan servicing purposes the term includes existing loans for the following programs no longer funded: SW, RL, EE, ST, and RHF.**

Streamlined Conservation Loan

Streamlined conservation loan means **a direct or guaranteed CL made to eligible applicants based on reduced documentation.**

Supervised Bank Account

Supervised bank account is **an account with a financial institution established through a deposit agreement entered into between the borrower, the Agency, and the financial institution.**

FLP Rates

A Interest Rates for FLP's

--The following provides interest rates for FLP's as of July 1, 2015.--

Loan Type	Current Rate (%)	Date Set
Rural Housing - Farm Loan Purposes		
Note: For the current interest rate, contact the National Office.		
Operating	*--2.500	7/1/15--*
Operating - Limited Resource	5.000	12/1/90
*--Operating - Microloan - "Special Interest Rate"	5.000	2/7/14
Farm Ownership and Conservation Loans	3.750	7/1/15--*
Farm Ownership - Limited Resource	5.000	4/1/86
Farm Ownership - Down Payment	1.500	5/22/08
Farm Ownership - Joint Financing	2.500	2/7/14
Soil and Water	*--3.750	7/1/15
Soil and Water - Limited Resource	5.000	7/1/92
Recreation - Individual	3.750	7/1/15
Farmer Program - Homestead Protection	3.750	7/1/15
Shared Appreciation Amortization	2.750	7/1/15
Softwood Timber Loans	3.750	7/1/15
Economic Emergency - Operating	2.500	7/1/15
Economic Emergency - Real Estate	3.750	7/1/15
Emergency - Amount of Actual Loss	3.500	7/1/15
Emergency - Major Adjustment: Subtitle A Purpose (Excess of Loss)	5.625	7/1/15--*
Emergency - Major Adjustment: Subtitle B Purpose (Excess of Loss)	4.875	6/1/15
Emergency - Annual Production	4.875	6/1/15
Nonprogram - Chattel Property	4.875	6/1/15
Nonprogram - Real Property	*--5.625	7/1/15
Apple Loans	1.000	7/1/15
Association - Grazing	3.750	7/1/15
Association - Irrigation and Drainage	3.750	7/1/15--*
Indian Land Acquisition	5.000	2/1/91

Publication 622, which provides amortization tables and financial basic payment tables, is available from MSD Warehouse. To request Publication 622, complete FSA-159, available at <http://intranet.fsa.usda.gov/dam/ffasforms/forms.html>, and submit it by 1 of the following methods:

- FAX to 816-823-4740 or 816-823-4741
- e-mail to ra.mokansasc2.kcasbwhse
- mail to:

USDA/FSA/Kansas City Warehouse
2312 East Bannister Road
Kansas City MO 64131-3011.

FLP Rates (Continued)

B Treasury Rates

The following table provides the applicable Treasury rates.

Treasury Rates	Current Rate (%)	Date Set
90-Day Treasury Bill	0.125	10/1/09
Treasury Judgment Rate (see Note)	*--0.270	7/1/15--*

Notes: The 90-Day Treasury Bill rate is entered in eDALR\$ as the “Discount Rate” and is used to calculate present value and net recovery value.

The treasury judgment rate is the interest rate applicable to deficiency judgments for all loan types (pursuant to 28 U.S.C. Section 1961). The rate is based on the weekly average 1-year CMT yield published by the Federal Reserve System, Board of Governors. The rate shown is the most current rate posted to the Federal Reserve web site and is dated the *--week ending June 19, 2015. The actual judgment rate is the rate for the calendar week--* preceding the date the defendant becomes liable for interest. Access the Federal Reserve web site www.federalreserve.gov/releases/H15/current for the weekly average 1-year CMT yield.

C Historical 90-Day Treasury Bill Rates

The following table provides the historical 90-day Treasury bill rates.

Effective Date	Rate (%)	Effective Date	Rate (%)
December 1, 1988	7.500	December 1, 1990	7.500
January 1, 1989	7.875	January 1, 1991	7.375
February 1, 1989	8.250	February 1, 1991	7.125
March 1, 1989	8.500	March 1, 1991	6.500
April 1, 1989	8.750	April 1, 1991	6.250
May 1, 1989	9.000	May 1, 1991	6.125
June 1, 1989	9.150	June 1, 1991	5.875
July 1, 1989	8.750	July 1, 1991	5.750
August 1, 1989	8.625	October 1, 1991	5.625
September 1, 1989	8.250	November 1, 1991	5.375
October 1, 1989	8.125	December 1, 1991	5.250
December 1, 1989	8.000	January 1, 1992	4.875
February 1, 1990	7.875	February 1, 1992	4.375
April 1, 1990	8.000	March 1, 1992	3.875
May 1, 1990	8.125	May 1, 1992	4.125
July 1, 1990	8.000	June 1, 1992	4.000
October 1, 1990	7.750	July 1, 1992	3.750
November 1, 1990	7.625	September 1, 1992	3.500

List of Available Reports (Continued)

A Farm Loan Programs Data Mart (Continued)

1 DLS OnDemand Reports, Loan Making Reports, Direct Applications (Continued)

Report Name	Report Description	User Selection Criteria	Date Last Modified
Direct Applications by Type	Provides number of applications by loan type. Results may be summarized by State, District, Office, County, Race, or Gender. Report initially defaults to applications received during current FY.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Application Received Date • Ethnicity • Race • Gender • Borrower 	5/2/2013
Direct Applications Disposition by Race and Gender	Provides number of applications Received, Completed, Approved, Rejected and Withdrawn. Results may be summarized by State, District, Office, County, Race, or Gender. Report initially defaults to applications received during current FY.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Application Received Date • Ethnicity • Race • Gender • Borrower 	5/2/2013
Direct Applications on Hand	Provides number of applications by loan type for the following statuses: Applications In Process; Applications Unprocessed; Approved Not Closed; Approved Not Obligated; Obligated Not Closed. Report initially defaults to applications received during current FY.	<ul style="list-style-type: none"> • State 	*--6/5/2015--*

List of Available Reports (Continued)

A Farm Loan Programs Data Mart (Continued)

1 DLS OnDemand Reports, Loan Making Reports, Direct Applications (Continued)

Report Name	Report Description	User Selection Criteria	Date Last Modified
Direct Applications Received by Race and Gender	<p>Provides information on applications received.</p> <p>National Report provides the average number of days from receipt to decision and the total loan amount requested.</p> <p>State, District, Office, and County reports list applications.</p> <p>Report initially defaults to applications received during current FY.</p>	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Application Received Date • Ethnicity • Race • Gender • Borrower 	5/2/2013
Loan Limitation Report	<p>Provides information on outstanding direct and guaranteed loan debt to assist in monitoring loan limits.</p> <p>User must enter a tax identification number.</p>	<ul style="list-style-type: none"> • Tax ID • Loan Type 	5/2/2013
No Decision Report	<p>Lists complete direct loan *--applications where no--* decision has been made.</p> <p>User may limit results to those complete applications where more than 45 days has passed.</p>	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Ethnicity • Race • Gender • Application Completion Date • Borrower 	3/2/2015