

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice LP-2184**

**For:** State and County Offices, CMA's, DMA's, and LSA's Including Cotton

**MAL, LDP, and Commodity Loan Sequestration**

**Approved by:** Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

The Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011, provided legislation to apply automatic spending reductions or sequestration to all Federal Agencies.

A sequester reduction of 5.1 percent will apply to FSA's 2013 crop commodity loan programs for disbursements on or after October 1, 2013 (FY 2014).

The affected programs and applications include the following:

- MAL's
- marketing loan gains
- LDP's
- sugar commodity loans.

Because this notice addresses all commodities, there will **not** be a separate CN, CMA, or SU notice issued. Follow this notice for all commodities.

**B Purpose**

This notice provides information to State and County Offices, CMA's, DMA's, and LSA's:

- of the sequestration for all commodity loans and LDP's after September 30, 2013
- that APSS will be suspended for all 2013 crop year loanmaking and disbursements beginning on October 1, 2013, with a target date to resume loanmaking and disbursements on or about October 15, 2013

<b>Disposal Date</b>	<b>Distribution</b>
April 1, 2014	State Offices; State Offices relay to County Offices, CMA's, DMA's, and LSA's

**1 Overview (Continued)**

**B Purpose (Continued)**

- that loan repayments and loan servicing for all disbursed commodity loans will continue
- that replighted 2012 crop sugar loans are not subject to sequester
- that 2013 crop loan rates are not affected.

**2 Action**

**A County Office Action**

On or before **September 30, 2013**, County Offices shall continue:

- accepting new commodity loan applications for harvested commodities
- entering loan applications into APSS loanmaking that will be disbursed by September 30, 2013
- disbursing commodity loans
- accepting repayments and servicing all disbursed commodity loans
- approving and disbursing all LDP applications, if applicable
- certifying and signing in NPS all commodity loan disbursements.

**Note:** Any commodity loan disbursement payments approved in APSS that are **not** certified and signed in NPS before October 1, 2013, are subject to sequestration.

On **October 1, 2013**, and until notified, County Offices shall:

- be shut out of 2013 loanmaking in APSS to allow time to put in place processes to implement the required sequestration
- accept commodity loan applications from producers for harvested commodities on the applicable application form

## Notice LP-2184

### 2 Action (Continued)

#### A County Office Action (Continued)

- **not** enter any 2013 crop year loan applications into APSS loanmaking until notified that the software revisions necessary for the sequestration are available

**Note:** FSA is anticipating this date will be on or about October 15, 2013, but an announcement will be made when County Offices can resume entering new 2013 loan applications in the loanmaking software and disbursing loans.

- continue accepting and processing repayments and servicing requests for all disbursed commodity loans in the normal manner
- notify producers of the contents of this notice by local media or any means possible.

**Important:** All actions listed in this subparagraph are also applicable to CMA's, DMA's, and LSA's. These actions will be clarified for these non-Government entities under the normal process. There will **not** be a separate notice issued.

#### B State Office Action

State Offices shall ensure that all County Offices in their State are notified of and comply with the actions in subparagraph A.

For policy questions, State Offices shall direct all questions as follows.

IF question is policy related and about...	THEN contact...
wool and mohair MAL's/LDP's	Danielle Cooke by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>danielle.cooke@wdc.usda.gov</b></li><li>• telephone at 202-720-1919.</li></ul>
cotton MAL's/LDP's	Kelly Hereth by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>kelly.hereth@wdc.usda.gov</b></li><li>• telephone at 202-720-0448.</li></ul>
all other MAL/LDP commodities except sugar	DeAnn Allen by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>deann.allen@wdc.usda.gov</b></li><li>• telephone at 202-720-9889.</li></ul>
sugar commodity loans	Toni Williams by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>toni.williams@wdc.usda.gov</b></li><li>• telephone at 202-720-2270.</li></ul>
CMA's, DMA's, and LSA's	Frankie Coln at either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>frankie.coln@wdc.usda.gov</b></li><li>• telephone at 202-720-9011.</li></ul>

## Notice LP-2184

### 2 Action (Continued)

#### B State Office Action (Continued)

For automation questions, State Offices shall direct all questions as follows.

<b>IF question is automation related and about...</b>	<b>THEN contact...</b>
<ul style="list-style-type: none"><li>• peanut MAL's/LDP's and DMA's</li><li>• rice MAL's/LDP's</li></ul>	Cecile Wynne by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>cecile.wynne@wdc.usda.gov</b></li><li>• telephone at 202-720-8413.</li></ul>
sugar commodity loans	Stacy Carroll by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>stacy.carroll@wdc.usda.gov</b></li><li>• telephone at 202-690-8037.</li></ul>
<ul style="list-style-type: none"><li>• MAL's/LDP's for all other commodities</li><li>• cotton CMA's and LSA's</li></ul>	Shayla Watson by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>shayla.watson@wdc.usda.gov</b></li><li>• telephone at 202-690-0013.</li></ul>