



FmHA AN No. 2593 (1951)
July 27, 1992

SUBJECT: Salary Offset Computer Match

TO: State Directors

PURPOSE/INTENDED OUTCOME: The purpose of this AN is to provide instructions for reviewing Federal salary offset computer match information and initiating salary offset.

COMPARISON WITH PREVIOUS AN: FmHA AN No. 2278 (1951) was issued April 26, 1991, but has expired.

IMPLEMENTATION RESPONSIBILITIES: Attached are lists of borrowers potentially eligible for salary offset. These lists include delinquent Farmers Home Administration (FmHA) borrowers who were identified by computer matching as Federal employees. Also included is a list of salary offset codes.

Farmer Program borrowers, both active and collection only, can be recommended for offset after they have been considered for all primary servicing options available under FmHA Instruction 1951-S and have completed the appeal process including any reviews. Rural Housing borrowers can also be considered for salary offset after all available servicing options have been completed, and they have completed all of the appeal process including any reviews.

State Offices shall:

1. Send a copy of this AN including the list of salary offset codes, and the appropriate list of borrowers potentially eligible for salary offset to each servicing County Office.
2. Maintain a master list and require each County Supervisor to report the proper code for each borrower.
3. FAX or send a copy of the coded master list no later than August 21, 1992, to:

FmHA
FMAD, Room 6446-S
14th and Independence Avenue, S.W.
Washington, DC 20250
ATTN: Beth Lambert
FAX (202) 720-7034 (FTS and commercial)

EXPIRATION DATE: July 31, 1993

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1951-C



4. Follow FmHA Instruction 1951-C, §1951.111, for initiating salary offset.
 - If a borrower is eligible for salary offset, send FmHA Guide Letter 1951-C-4 within 15 days of determining eligibility.
 - If a borrower requests a salary offset hearing within the 30-day notice period granted per FmHA Guide Letter 1951-C-4, contact Beth Lambert at (202) 690-0502 (FTS and commercial) for instructions.
 - If no hearing is requested and the 30-day notice period expires, complete FmHA Form Letter 1951-6 within 7 days and send the original letter to the above address at the National Office. Include the borrower's social security number on this letter.
5. Retain the original master list for your records.

County Offices shall:

1. Review the list of delinquent borrowers to determine if salary offset is feasible for any borrower. Use the codes attached for ineligibility categories.
2. Mark the appropriate code beside the borrower's name stating that he/she is eligible for offset or the reason for ineligibility.
3. Send a copy of the coded list to the State Office no later than August 14, 1992.
4. If any borrower is a Federal employee, is eligible for salary offset, and is not listed on this computer match, notify the State Office that salary offset should be initiated for this borrower.
5. Retain the original list for your records.

If you have any questions, please call Beth Lambert at (202) 690-0502 (FTS and commercial).


LA VERNE AUSMAN
Administrator

Attachment

SALARY OFFSET CODES

1. Recommended for salary offset.
2. Not a Federal employee.
3. Bankruptcy - The account has been discharged in bankruptcy or is under the jurisdiction of a bankruptcy court and the debt has not been reaffirmed.
4. Foreclosure - The account has been referred to OGC for foreclosure and, based on the legal opinion required by §1951.103(c), a collection by offset would jeopardize the litigation under State law.
5. Account has a delinquency workout agreement in effect and payments under the agreement are current.
6. Not liable for debt.
7. Account is current.
8. Rescheduling in process.
9. County Committee member (ASCS or FmHA).
10. Compromise offer pending.
13. 1951-S servicing or appeal still in process.
14. Moratorium.
15. Deceased.
16. Paid in full.
17. Paid in full-net recovery buyout.
18. Other (Please specify).
19. Active duty member of the armed forces and is covered by the Soldiers' and Sailors' Civil Relief Act.
20. Account is past due by less than \$100.
21. Account has a suspended code.
22. Account is current under an SAA.
23. Account has been referred to the Department of Justice for litigation.