



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

March 25, 1981

SUBJECT: Reallocation of Fiscal Year 1981 Funds

TO: All State Directors, FmHA

The Administration has proposed a rescission on various FmHA ongoing programs. The allocations in this AN reflect the results of the proposed rescissions and will be followed until further notice. This AN supersedes FmHA AN No. 488 (1940) dated January 9, 1981.

The proposed rescission to the FY 1981 budget for the Section 525 technical and supervisory assistance grants would reduce appropriations to \$1 million. This reduction will not affect the program guidelines contained in Attachment D to FmHA AN No. 488 (1940) dated January 9, 1981. However, funding available for projects limited to preoccupancy and delinquency counseling would be reduced to \$800,000 and funding for combined outreach and counseling projects would be reduced to \$200,000. Previously, the deadline for submission of preapplications to the District Office was extended to March 13, 1981, and the preapplication nominated by the State Director for national competition must be forwarded to the National Office by April 13, 1981.

The obligational authority for soil and water loans in FY 1981 is proposed for reduction by \$5 million to \$48.1 million. Allocations will continue to be administered through the National Office. Obligating documents may continue to be submitted to the Finance Office as loans are approved.

The proposed rescission for resource, conservation and development loans will terminate the program. A small amount of \$150,000 is available to cover current obligations. No more loans should be approved and sent to the Finance Office for this program.

Revised funds are allocated to States in accordance with the following attachments:

Attachment A - Water and Waste Loans
Attachment B - Section 111 Grants
Attachment C - Section 502 Loans
Attachment D - Farm Ownership Loans

Dwight O. Calhoun

DWIGHT O. CALHOUN
Acting Administrator

Attachments

EXPIRATION DATE: September 30, 1981

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1941-A



Water and Waste Disposal Loan Funds

Attachment A shows a revised allocation of loan funds. The revised allocation was ascertained by following the allocation formula explained in FmHA AN No. 488 (1940) Attachment A-2. The States that had obligated an amount, as of February 19, 1981, equal to or exceeding this revised allocation have a revised allocation equal to their actual obligation as of February 19, 1981.

A National Office reserve account has been maintained and requests will be considered for additional allocations.

For States that were granted an increase in their original allocation for specific projects and those funds were not obligated as of February 19, 1981, it will be necessary to submit another Attachment A for each of those projects.

The Attachment A's previously submitted where an increase was not granted will be held active. If an Attachment A is to be withdrawn, a request should be submitted to the National Office.

If you find that additional loan funds are needed for emergency situations on other projects, requests should be fully justified and submitted to the National Office using Attachment A to FmHA AN No. 376 (1940).

FmHA AN 488 (1940), dated January 9, 1981, subject: Fiscal Year 1981 Allocation, stated that tentative plans were to pool all funds from the first half of your Fiscal Year 1981 allocation that are not obligated on March 31, 1981. It is still intended that Water and Waste Disposal loan funds will be pooled on March 31 based on the allocations shown in Attachment A to this AN. You should plan to have obligating documents in the Finance office for at least one-half (you may send more) of your Fiscal Year 1981 allocation by March 31, 1981. Other Community Program funds will be pooled in accordance with FmHA AN 488 (1940).

Revised Allocation of Fiscal Year 1981 Water and
Waste Disposal Development Loan Funds

<u>State</u>	<u>Revised Loan Allocation</u>	<u>State</u>	<u>Revised Loan Allocation</u>
Alabama	17,777,000	Utah	4,055,500*
Arizona	3,104,000	Nevada	704,000
Arkansas	16,667,200*	Vermont	2,496,000*
California	17,459,000	New Hampshire	2,580,900*
Colorado	4,487,000	Virginia	15,286,000
Delaware	1,323,300*	Washington	7,062,000
Maryland	6,140,000	West Virginia	13,858,500*
Florida	23,212,300*	Wisconsin	11,768,000
Georgia	19,441,000	Wyoming	2,563,980*
Idaho	2,940,000	Alaska	878,000
Illinois	16,680,000	Hawaii	740,000
Indiana	13,273,000	Puerto Rico	19,605,000
Iowa	11,275,000	Guam	645,000
Kansas	7,629,600*	Pacific Trust	
Kentucky	18,503,000	Territory	1,843,000
Louisiana	16,060,000	American Samoa	380,000
Maine	4,898,700*		
Massachusetts	5,319,000		
Connecticut	3,496,000		
Rhode Island	756,000		
Michigan	16,420,000	REVISED ALLOCATION	\$558,501,080
Minnesota	11,211,000	NATIONAL OFFICE	
Mississippi	16,892,000	RESERVE	<u>\$31,498,920</u>
Missouri	16,314,000	TOTAL ALLOCATION	<u>\$590,000,000</u>
Montana	2,881,000		
Nebraska	5,679,000		
New Jersey	6,277,500*		
New Mexico	3,395,000		
New York	18,275,000		
Virgin Islands	603,000		
North Carolina	30,225,000*		
North Dakota	2,791,000		
Ohio	22,011,600*		
Oklahoma	11,243,000		
Oregon	5,875,000		
Pennsylvania	25,413,000		
South Carolina	14,322,000		
South Dakota	4,488,000*		
Tennessee	18,577,000		
Texas	30,701,000		

* Revised allocation equals the amount obligated by the State as of February 19, 1981.

Section 111 Area Development Assistance Program

A reduction has been proposed by the Administration in the fiscal year 1981 budget for the Section 111 Program from \$5 million to \$3 million. This letter transmits our current plans for utilization of the \$3 million available, pending final action on the rescission.

Interim regional/state allocations have been made for \$2.5 million. The formula used is consistent with past allocations and is an average between need factors and the amount previously allocated to the state. Grants will be funded in each state up to the allocation limit based on your recommendations and priority ranking.

Section 502 Insured RH Loans

Paragraph I D of Attachment "C" of AN No. 488 (1940) is amended and each state may submit 502 loans to the Finance Office for payment from the "other" category up to the following cumulative amounts:

- 80% end of 2nd quarter of FY 1981
- 90% end of 3rd quarter of FY 1981
- 100% end of 4th quarter of FY 1981

SECTION 502 RH LOAN AUTHORIZATIONS
 (INSURED)
 For Fiscal Year 1981
 (in millions)

State	Delinq. % Adj.	Subsidized Low Income	Other	Total
Alabama	0.0	\$ 62.6	\$ 14.8	77.4
Alaska	-4.9	9.1	2.6	11.7
Arizona	-13.0	18.3	3.7	22.0
Arkansas	-2.7	55.9	11.6	67.5
California	+2.6	66.9	13.5	80.4
Colorado	+0.6	21.5	5.2	26.7
Connecticut	+1.9	14.2	3.0	17.2
Delaware	-26.3	6.0	1.9	7.9
Florida	+8.9	62.4	11.3	73.7
Georgia	+4.6	82.2	19.6	101.8
Hawaii & Am Samoa	+6.9	9.8	2.3	12.1
Idaho	+1.6	23.2	4.1	27.3
Illinois	-2.5	58.7	12.7	71.4
Indiana	-8.7	54.6	11.1	65.7
Iowa	+6.6	48.5	12.4	60.9
Kansas	+4.1	29.9	9.0	38.9
Kentucky	+4.5	78.5	17.2	95.7
Louisiana	+2.4	73.9	14.7	88.6
Maine	+2.8	33.3	4.9	38.2
Maryland	-5.2	24.6	5.6	30.2
Massachusetts	+3.0	23.7	3.8	27.5
Michigan	-5.5	61.6	15.2	76.8
Minnesota	+7.9	47.9	11.7	59.6
Mississippi	-0.4	74.3	15.3	89.6
Missouri	+4.4	63.7	13.5	77.2
Montana	+6.5	16.1	3.5	19.6
Nebraska	+0.9	23.5	4.9	28.4
Nevada	+2.9	6.0	1.9	7.9
New Hampshire	+8.0	14.1	4.0	18.1
New Jersey	-7.6	25.6	4.8	30.4
New Mexico	-5.2	18.2	4.1	22.3
New York	-6.7	67.9	14.3	82.2
North Carolina	+10.3	125.7	30.1	155.8
North Dakota	+10.5	17.9	3.5	21.4
Ohio	+1.4	63.1	14.2	77.3
Oklahoma	+1.7	47.7	10.0	57.7
Oregon	+1.0	36.5	6.4	42.9
Pennsylvania	-3.3	71.1	17.4	88.5
Rhode Island	+5.6	6.0	1.9	7.9

SECTION 502 RH LOAN AUTHORIZATIONS
(INSURED)
For Fiscal Year 1981
(in millions)

State	Delinq. % Adi.	Subsidized Low Income	Other	Total
South Carolina	+3.2	\$ 59.4	\$ 13.9	\$ 73.3
South Dakota	+0.4	19.9	3.8	23.7
Tennessee	-0.3	70.1	17.9	88.0
Texas	+1.6	94.4	21.6	116.0
Utah	-0.8	16.1	2.8	18.9
Vermont	+6.7	18.7	2.8	21.5
Virginia	-13.4	57.0	11.9	68.9
Washington	+2.6	25.6	5.8	31.4
West Virginia	+3.1	39.5	9.2	48.7
Wisconsin	-1.2	50.7	10.1	60.8
Wyoming	+6.7	7.4	2.0	9.4
Guan & Trust Terr.	+6.1	15.6	3.3	18.9
Puerto Rico	-20.0	94.1	13.9	108.0
Virgin Islands	-19.2	6.0	1.9	7.9
Subtotal		2,219.2	482.6	2701.8
HUD-USDA Demo		10.0	0	10.0
Reserve		70.8	26.4	97.2
Total		\$2,300.0	\$509.0	\$2809.0

FARM OWNERSHIP ADJUSTED ALLOCATION
 FY 1981 - INSURED (000)

	Total Revised Allocation	Revised 3rd Quar. Allocation	Revised 4th Quar. Allocation
Alabama	16,616	3,742	1,520
Arizona	5,993	1,349	549
Arkansas	22,246	5,010	2,035
California	11,350	2,555	1,039
Colorado	11,623	2,617	1,063
Delaware	2,724	613	250
Maryland	6,719	1,513	615
Florida	9,171	2,065	840
Georgia	17,434	3,926	1,595
Idaho	19,068	4,294	1,745
Illinois	30,418	6,850	2,783
Indiana	21,066	4,744	1,927
Iowa	35,866	8,078	3,281
Kansas	29,783	6,707	2,725
Kentucky	24,698	5,562	2,260
Louisiana	12,985	2,924	1,188
Maine	7,809	1,758	716
Massachusetts	4,450	1,002	407
Connecticut	2,089	470	193
Rhode Island	999	225	92
Michigan	17,071	3,844	1,562
Minnesota	30,872	6,953	2,824
Mississippi	21,429	4,826	1,960
Missouri	35,866	8,078	3,281
Montana	12,712	2,862	1,164
Nebraska	29,238	6,585	2,674
New Jersey	3,632	818	332
New Mexico	7,355	1,656	673
New York	14,619	3,292	1,338
Virgin Islands	364	81	34
North Carolina	23,608	5,317	2,159
North Dakota	26,786	6,032	2,450
Ohio	16,526	3,722	1,512
Oklahoma	30,872	6,953	2,824
Oregon	10,170	2,290	931
Pennsylvania	13,439	3,026	1,230
South Carolina	11,804	2,658	1,081
South Dakota	27,240	5,135	2,492
Tennessee	21,611	4,867	1,977
Texas	35,412	7,975	3,239
Utah	5,993	1,349	549
Nevada	1,998	449	184
Vermont	6,810	1,530	624
New Hampshire	1,635	368	150
Virginia	12,258	2,761	1,121
Washington	11,714	2,638	1,072
West Virginia	6,901	1,554	632
Wisconsin	29,510	6,646	2,699
Wyoming	6,356	1,431	583
Alaska	1,726	388	158
Hawaii-Am. Samoa	2,724	613	250
W. Pacific Terr.	273	64	18
Puerto Rico	9,262	2,086	847
Reserve	9,167	2,146	553
United States	790,000	178,000	72,000