



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FEB 20 1981

SUBJECT: Agreement Between the Agricultural Stabilization and Conservation Service (ASCS) and the Farmers Home Administration (FmHA)

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

It is recognized by the Agencies, party to this agreement, that there presently exists an unprecedented need for Federal Disaster Loan Assistance to be made available in a timely manner to farmers who have suffered severe economic reverses during 1980 and the past several years; due primarily to natural disaster losses, but also due to generally poor agricultural economic conditions.

In order to help expedite the processing of FmHA disaster emergency (EM) loan applications, ASCS agrees to further cooperate with FmHA by honoring requests from FmHA County Supervisors to ASCS County Executive Directors for professional and/or clerical assistance. FmHA has need for both professional and clerical ASCS county office employees, who would be detailed to FmHA County Supervisors and assigned EM loan processing activities.

The type of work to be assigned to detailed ASCS employees would depend on the qualifications of each individual employee and could include:

1. Discussing basic eligibility criteria with EM loan applicants/prospective applicants.
2. Assisting applicants in completing their application package.
3. Performing appraisals, chattel and real estate.
4. Calculating production losses and determining qualifying loss loan entitlement.
5. Developing projected Farm and Home Plans with applicants, establishing justification for and planned use of loan funds in amount(s) requested; and establishing the needed term of the loan(s).

EXPIRATION DATE:
February 28, 1982

FILING INSTRUCTIONS:
Preceding FmHA Instruction 1945-B



6. Preparing in draft FmHA forms required in the loan making process, including: promissory notes; financing statements and security agreements; supplementary payment agreements; crop, livestock or livestock product assignments; requests for lien searches; and requests for obligation of loan funds.

7. All essential typing and clerical work.

Final decisions and responsibilities for all work performed by ASCS employees are reserved for FmHA officials.

/S/ Edward D. Hews
EDWARD D. HEWS
Acting Administrator
Agricultural Stabilization and
Conservation Service

/S/ Walter Bunch
for DWIGHT O. CALHOON
Acting Administrator
Farmers Home Administration

Date: February 20, 1981

Date: February 20, 1981

Note To FmHA State Directors: Since this AN is being transmitted electronically and can only be received by State Offices, you are instructed to duplicate this AN immediately upon receipt and distribute to all FmHA County and District Offices.

Please acknowledge No. FP-2.

Sent via electronic mail to all State Directors on February 20, 1981.

Paragraph XVIII G 1 applies to EE loan funds and security in the same manner as it refers to those types of loans not specifically listed therein. Although EE loans fall into the category of "all other kinds of loans being transferred" in paragraph XVIII G 8 and so title clearance and loan closing services are not required when they are transferred. Please remember that paragraph XVIII G 8 DOES allow the approval official to require these services if he or she determines, with OGC's advice, that they are needed to maintain FmHA's security position or for other reasons.

The authority to approve all other servicing actions prescribed in FmHA Instruction 465.1 is delegated appropriately to County Supervisors, District Directors, and State Directors who are required to execute and/or carry out the prescribed servicing actions. Those transactions which must be submitted to the National Office should contain a cover letter which explains the situation and describes the servicing action being requested, including the State Director's recommendations along with completed FmHA Form 465-1 or other required forms. All case files should be sent to the Administrator, Attention: Director, Emergency Loan Division.

/s/
GORDON CAVANAUGH
Administrator