



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1565 (1940)

March 19, 1987

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SUBJECT: Release of Program Amounts Withheld Pending Rescission Proposals.

TO: Associate Administrator, Deputy Administrators,
Assistant Administrators, All State Directors,
and State Directors-at-Large, FmHA

Purpose/Intended Outcome: This AN provides notification regarding the FY 1987 FmHA rural housing and community development grant funds which had been proposed for rescission. The period of reservation of funds pending Congressional approval of the rescission proposals has expired; therefore, the purpose of this notification is to establish the amounts available in these programs for the remainder of the fiscal year. Effective immediately, the adjusted annual amounts available for grants and the amounts distributed to the individual States will revert to amounts shown on Special PN dated November 21, 1986, (1940-L).

Comparison with Previous AN: This AN removes the restrictions imposed on the rural housing and community programs by FmHA AN No. 1522 (1940) dated January 5, 1987, and FmHA AN No. 1537 (1940) dated February 2, 1987.

Implementation Responsibilities: Revised national funding levels for the affected FY 1987, programs are:

RURAL HOUSING PROGRAMS:

Section 504 Grants	\$12,500,000
Section 516 Grants	9,817,000
Mutual and SHH Grants	13,404,000
Section 533 HP Grants	19,140,000
Construction Defects	713,000

The Section 504 Grant, Section 533 Grant, Section 516 Grant, Mutual and Self-Help Housing, and the Construction Defects programs may be continued as set forth in the November PN.

The Section 504 grant balance available to each State prior to the April 15, 1987, pooling and redistribution will be its original first, second and third quarter allocation, less funds obligated (including funds authorized by the National Office for use during the rescission period). Hardship requests submitted to the National Office, but not authorized for funding during the rescission period, should be obligated from available funds.

EXPIRATION DATE: September 30, 1987

FILING INSTRUCTIONS: Preceding
FmHA Instruction 1940-L



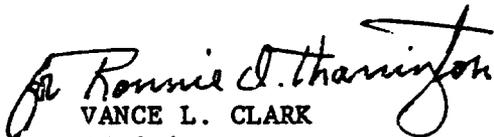
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COMMUNITY PROGRAMS

Water and Waste Disposal Grants \$109,395,000

The distribution of Water and Waste Disposal grant funds will be restored to the January 5, 1987, level. Grant funds received from the National Office reserve during the rescission period will not be added to the distribution.

To provide a reasonable amount of time to obligate funds, the pooling date of unused Water and Waste Disposal loan and grant funds has been extended from April 10 to June 1, 1987. All other requirements remain as originally stated in the November 21, 1986, PN release. Requests for reserve funds on Guide 26, submitted to the National Office after January 5, 1987, which did not receive funding, will not be given further consideration. If loan or grant funds are needed from the reserve, you should submit Guide 26.


VANCE L. CLARK
Administrator

Sent by Electronic Mail on March 19, 1987 @ 2:56 pm. by ASD/IMPS.
The State Director should advise other personnel as appropriate.