



FmHA AN No. 3101 (1910-A)

December 22, 1994

SUBJECT: Handling Direct or Guaranteed Soil and Water (SW)
Loan Applications

TO: Acting State Directors
Rural Economic and Community Development

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to provide guidance on handling applications for direct or guaranteed SW loans and to suggest funding alternatives.

The intended outcome is a uniform handling of these applications and to meet, to the extent possible, the funding needs of our customers.

COMPARISON WITH PREVIOUS AN:

There is no previous AN on this subject.

IMPLEMENTATION RESPONSIBILITIES:

There are no funds in the Fiscal Year 1995 budget for direct/guaranteed SW loans. The following are guidelines for handling applications for these programs:

1. New applications for SW loan assistance will not be accepted.
2. Applications currently on hand, but not approved, will be withdrawn. Applicants will be notified that the programs are no longer available because of the lack of budgetary authority, and they will be provided with review rights.
3. Applications that have already been approved, subject to funding, will now be denied. The applicants will be notified of the change and provided with review rights.

For guaranteed SW loan applications, the lender will also be notified and provided with review rights.

EXPIRATION DATE: September 30, 1995

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1910-A



Because of the lack of budgetary authority to fund direct/guaranteed SW loans, we suggest the following alternatives for meeting the credit needs of our customers:

TO PROVIDE ASSISTANCE TO DIRECT/GUARANTEED SW APPLICANTS:

1. Pursue guaranteed farm ownership and operating credit.
2. Pursue direct operating credit.
3. Consider direct farm ownership credit last because of the limited amount of funds available.

If you have any questions concerning this AN, please contact Kathleen Miller, Farmer Programs Loan Making Division, at (202) 720-1643.


Grant Buntrock
Acting Administrator
Consolidated Farm Service Agency