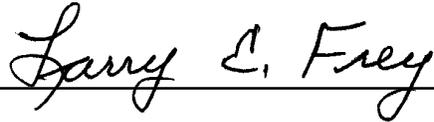


For: County Offices

Secretarial Natural Disaster Determination S1755

Approved By: State Executive Director

LEF:LEV:th



1 Overview

A Background

Effective March 12, 2003, Secretary Ann M. Veneman declared a major disaster in various Counties in the State of Washington, due to losses caused by the following disasters:

High Winds, excessive rainfall, and hailstorms that occurred on July 7 and July 8, 2002.

Drought, freezing temperatures and high winds that occurred from January 1 through May 31, 2002.

The disaster declaration number is S1755. As a result, the following Oregon Counties were named as contiguous Counties where eligible family farmers may qualify for FSA EM loan assistance:

MORROW

UMATILLA

B Purpose

The purpose of this Oregon Notice is to inform FSA employees of the counties eligible to receive and process emergency (EM) loan applications under this declaration.

C Contacts

Please inform the STO Farm Loan Staff of the commodities for which you will need yield and price information. Direct questions concerning the designation to Peter Halvorson at (503) 692-3688, ext. 255.

Continued on the next page

FILING: Preceding 3-FLP and FmHA Instruction 1945-A and Operational File 14-1

Disposal
December 31, 2003

Distribution
STO, DD, COR, COC, COF - Including Farm Loan Programs

Oregon Notice FLP-125

2 Action

A

Implementation Responsibilities

EM loan applications will be received through November 12, 2003 for production losses. EM loans will be made under Farm Service Agency Handbook 3-FLP. For the purpose of establishing security values as set forth in Paragraph 171C of FSA Handbook 3-FLP, the days before the beginning of the incidence periods of the disasters are December 31, 2002 and July 6, 2002.

Please take the notification and coordination actions as required by section 1945.21 of FmHA Instruction 1945-A. Among them is the requirement to ensure there is no duplication of FSA disaster benefits and actual loss Emergency loan benefits on the same losses. We therefore request that County Executive Directors and Farm Loan Managers or Farm Loan Officers serving the designated area personally meet to review the use of Form FmHA 1945-29, and to discuss the circumstances under which FSA disaster payments will be made payable jointly to the borrower and FSA.

We have a responsibility to ensure that there is no duplication of FCIC crop insurance or multi-peril crop insurance and FSA actual loss Emergency loan benefits for the same losses. Following the guidelines of Exhibit A of FmHA Instruction 2000-N, this will be accomplished by requiring Emergency loan applicants to sign an "Assignment of Indemnity" or Form FCI-20 or other acceptable form, authorizing the issuance of any loss claim settlement check on an insured crop to be made payable jointly to FSA and the policyholder. An exception would be when the amount of the loss claim or settlement on the insured crop is known and it is deducted from the amount of the FSA actual loss emergency loan.

B

Filing Instructions

Preceding 3-FLP and FmHA Instruction 1945-A and Operational File 14-1.
