



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1631 (1945)

July 17, 1987

SUBJECT: Establishing Commodity Prices Used for
Calculating Values of Production Losses
for EM Loan Applicants

TO: All State Directors, State Directors-at-Large,
and Chiefs, Farmer Programs, FmHA

PURPOSE/INTENDED OUTCOME

The purpose of this Administrative Notice (AN) is to further instruct FmHA personnel on how agricultural commodity prices are to be established for use in calculating values of production losses for emergency (EM) loan applicants as prescribed in FmHA Instruction 1945-D, Section 1945.163(a)(2)(iii).

COMPARISON WITH PREVIOUS AN

This AN replaces FmHA AN No. 1432 (1945), which expired June 30, 1987. There are no changes from the previous AN.

IMPLEMENTATION RESPONSIBILITIES

The USDA National Agricultural Statistics Service (NASS), formerly the Statistical Reporting Service (SRS), does not collect and is therefore unable to provide us with average monthly market prices for all agricultural commodities for all States. For those States where this situation exists, it is still incumbent upon State Directors to establish prices for all commodities produced commercially in their respective State(s) and issue an annual State Supplement listing those commodities and prices by February 15 of each year. The NASS monthly report, "Agricultural Prices," lists by State monthly average prices for only major commodities produced in each State. That report is available within 3 working days after the end of the month being reported, i.e., the December average prices are available the first week in January and January average prices would be available in the first week in February.

In addition to the sources of information described in paragraph (iii), Section 1945.163(a)(2) of FmHA Instruction 1945-D, suggested to be consulted before establishing monthly average commodity prices for those commodities not reported monthly by NASS, we refer you to NASS publication "Crop Values Summary," issued annually by February 1 of the year following the year being reported. That publication lists, by individual States and the United States, season (weighted) average commodity prices for all crops of significance produced in the previous 3 years. Those season average prices should be used as a guide only when establishing prices for those commodities not reported monthly for any particular State by the NASS in its monthly average price report, "Agricultural Prices." Each State Office and the Emergency Division in the National Office will receive copies of those two NASS reports from the National Office.

EXPIRATION DATE: July 31, 1988

FILING INSTRUCTIONS: Preceding
FmHA Instruction 1945-D



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FmHA Instruction 1945-D, Section 1945.163 (a)(2) (iii), is being revised to incorporate these clarifications and directions. Those revisions will be implemented in package No. 4 of the Farmer Programs regulations when they are published as a final rule in the Federal Register. You will continue to receive copies of the two NASS reports from the National Office which are to be retained and used for reference each year when you establish your annual commodity price lists.

A handwritten signature in cursive script, appearing to read "Vance L. Clark", with a long, sweeping horizontal flourish extending to the right.

VANCE L. CLARK
Administrator