



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1914 (1962)

April 27, 1989

SUBJECT: Sale of Hay on FmHA Farm Inventory or
Custodial Property

TO: State Directors, District Directors and
County Supervisors

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to authorize the sale of hay on farm inventory and custodial property held by Farmers Home Administration (FmHA) in those counties that have received authorization for the emergency haying of Acreage Conservation Reserve (ACR) or Conservation Use (CU) for payment acreage. This AN will also clarify the procedure for the advertising and bidding of the hay. The intended outcome is to help assure adequate hay in those counties affected by the drought and to assure that there is a fair and equitable bidding process.

COMPARISON WITH PREVIOUS AN's:

No previous AN's has been written on this subject.

IMPLEMENTATION RESPONSIBILITIES:

State Directors must contact their counterparts at the Agricultural Stabilization and Conservation Service (ASCS) State Office to determine which counties have received authorization for the emergency haying of ACR or CU for payment acreage. If ASCS indicates in writing, that approval was received from their National Office allowing this, then FmHA can allow haying on inventory farm and custodial property.

County Supervisors will identify farm inventory or custodial properties which can be utilized for HAYING ONLY. Grazing and grain harvest will not be permitted. The sale of hay on farm custodial property will be guided by Section 1962.42 of FmHA Instruction 1962-A, unless the borrower has already been sent Attachments 1 and 2 of Exhibit A of FmHA Instruction 1951-S as required by Section 1955.55 of FmHA Instruction 1955-B. If these notices have been sent and any appeals concluded, hay on custodial property can be disposed of in the same manner as hay on inventory property. Sale of hay on farm inventory property

EXPIRATION DATE: April 30, 1990

FILING INSTRUCTIONS
Preceding FmHA
Instruction 1962-A



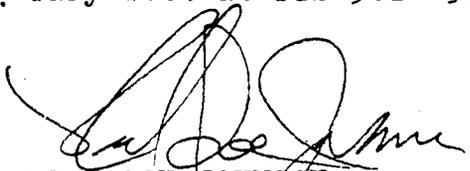
Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

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will be advertised for sale in accordance with Section 1962.42(c)(6) of FmHA Instruction 1962-A, and the methods of sale specified in Section 1955.122 of FmHA Instruction 1955-C. The advertisement should inform bidders that cash payment will be expected within five days after being notified by FmHA. This notification will be sent via certified mail, return receipt requested. The 5 day period will run from the date the notice is received by the successful bidder. A specific date must be listed in the advertisement, in which all bids are to be received by the County Office.

FmHA County Offices will inform all unsuccessful bidders of the high bid received. No appeal rights will be given since this deals with the sale of a commodity, rather than the lease or sale of real estate. The notification letter sent to the unsuccessful parties should state, that if the successful bidder does not respond or provide payment as specified in the advertisement, then a new bidder will be chosen.

If you should have question regarding the above, please contact Gary West at FTS 382-1976 or commercial (202) 382-1976.



NEAL SOX JOHNSON
Acting Administrator

Sent by ASD 8:30 Am to States: 10:30 Am to Districts: 12:30 Pm to Counties: 4/28/89 by time option telemail. State Directors will immediately distribute to Farm Programs Chiefs and other appropriate personnel.