



United States
Department of
Agriculture

Consolidated
Farm Service
Agency

P.O. Box 2415
Washington, D.C.
20013-2415

FmHA AN. No. 3168 (1900-A)
June 22, 1995

TO: Acting State Director
Rural Economic and Community Development
Farmer Program Chiefs and Loan Resolution Task Force Staffs

SUBJECT: Redlegation of State Directors' Debt Settlement
and Release of Liability Authority to Farmer
Programs Staff and Loan Resolution Task Force Members

PURPOSE/INTENDED OUTCOME:

The purpose of this Administration Notice (AN) is to clarify that Debt Settlement and Release of Liability approval authorities cannot be redelegated to the Farmer Programs Staff or Loan Resolution Task Force members under current regulations.

IMPLEMENTATION RESPONSIBILITIES:

State Directors cannot redelegate their authority to approve Release of Liability or Debt Settlement. Any outstanding redelegations of such authority must be rescinded immediately.

Sections 1900.2 and 1900.3 in FmHA Instruction 1900-A provide delegations of authority to various Agency officials. However, the first sentence in section 1900.3 exempts State, District, and County Office employees from approving compromises, adjustments, cancellations or charge offs (except that County Supervisors are delegated authority to approve all settlements of Sections 502 and 504 single family housing debt(s)). Section 1900.7 does not revoke or modify any other delegation or redelegation, instruction, procedure or regulation issued by or under the authority of the Administrator of the Agency. Therefore, this subpart does not revoke or modify authorities specifically authorized in other regulations (FmHA Instructions), as Agency regulations are issued or under the authority of the Administrator.

Approval of debt settlement applications is specifically delegated to the Administrator and State Directors in FmHA Instructions 1956-B, paragraph 1956.84. Approval of release of liability requests is specifically delegated to the Administrator and State Directors in FmHA Instructions 1955-A, 1962-A and

EXPIRATION DATE: June 30, 1996

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1900-A

1965-A in paragraphs 1955.10(f)(2)(ii), 1955.20(b)(2), 1962.34(h), 1965.26(4)(5)(ii) and 1965.27(f). There is no provision for re delegating this approval authority Therefore, this authority cannot be re delegated by State Directors to other members of their staff.

Lou Anne Kling

Lou Anne Kling
Acting Deputy Administrator for
Farm Credit Programs