UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

Notice FLP-71

1940-L

For: State and County Offices

Additional Emergency Loan Funds in FY 1999

Approved by: Acting Deputy Administrator, Farm Loan Programs

1 Overview

A Background

The Secretary is using authority in Pub. L. 106-31 and 7 U.S.C. to transfer unused farm loan funds into the emergency loan program. To facilitate this transfer, unused loan funds in the direct operating and direct farm ownership programs will be pooled.

B Purpose

This notice provides:

- clarification on loan programs affected
- date pooling actions will be accomplished
- information on disposing pooled loan funds.

Disposal Date	Distribution
October 1, 2000	State Offices; State Offices relay to County Offices

2 Farm Loan Program Funds

A
Programs Impacted

An additional $50 million of loan funds will be made available in the emergency loan program. To accommodate the increased funding authority in the emergency loan program, allocations of direct operating and direct farm ownership loan funds will be reduced. The allocation of:

- direct operating loan funds will be decreased by $100 million
- direct farm ownership loan funds will be reduced by $33 million.

At this time, it appears the remaining funds will be adequate to fund all loans approved through FY end. Offices shall continue to process and approve these loans, and obligate funds as they are made available from the National Reserve.

B
Pooling of Direct Operating and Direct Farm Ownership Loan Funds

On August 16, 1999, unobligated allocations of:

- direct operating loan funds that are not targeted for SDA will be pooled
- all direct farm ownership loan funds will be pooled.

C
Allocation of Funds

All pooled funds will be held in the National Reserve. Requests for reserve funds require the following:

- name of applicant
- amount of loan
- date of initial application.

Emergency loans may be obligated as loans are approved in designated areas.

D
Contact

Direct questions about this notice to LMD.