



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

March 22, 1991

FmHA AN No. 2254 (1962)

SUBJECT: Contamination of Inventory Grain

TO: State Directors, District Directors,
and County Supervisors

ATTN: State Environmental Coordinators
and Farmer Programs Chiefs

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to provide guidance in handling inventory grain that may be contaminated by aflatoxin or other contaminants. The intent of this AN is to conduct the sale or disposal of contaminated grain in accordance with proper environmental standards.

COMPARISON WITH PREVIOUS AN:

There has been no previous AN issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

Section 1955.20 of FmHA Instruction 1955-A states, "Every effort will be made to avoid acquiring chattel property by having the borrower or FmHA liquidate the property according to Subpart A of Part 1962 of this chapter and apply the proceeds to the borrower's account(s)." However, if a situation arises where the County Supervisor believes that it may be in the best interest of the Government to take feed grain into Government inventory, the County Supervisor will immediately notify the State Environmental Coordinator (SEC) who will provide guidance on the proper sampling and testing procedures, in accordance with Federal Grain Inspection Service recommendations, to determine if the grain is contaminated. The results of this test will be considered before a final decision is made to take the grain into Government inventory.

If FmHA becomes the owner of feed grain contaminated with aflatoxin or any other contaminant, the SEC will provide guidance and technical assistance to the loan servicing official for the sale or disposal of the grain, after consultation with the Food and Drug Administration and/or the Environmental Protection Agency.

EXPIRATION DATE: February 29, 1992

FILING INSTRUCTIONS
Preceding FmHA
Instruction 1962-A



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Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

If you have any questions, please contact David R. Spillman of
Farmer Programs Loan Servicing and Property Management Division
at 475-4012.



LA VERNE AUSMAN
Administrator

Sent Time Delay Option to States at 10:00 on 3/29 ;
to Districts at 12:00 on 3/29 ; and Counties at 2:00 on
3/29 by ASD.