1404(1945)

United States Department of Agriculture

Farmers Home Administration

Washington D.C. 20250

August 27, 1986

SUBJECT: Calculating EM Loan Eligibility and Entitlement for Applicants Who Have Received or Will Receive Gratuitous Hay and/or Any Other Livestock Feed To Feed Livestock

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

Purpose/Intended Outcome: The purpose of this Administrative Notice (AN) is to provide guidance on how to determine production loss eligibility and the maximum emergency (EM) loan entitlement for EM applicants, who have suffered from a designated/named drought related disaster, and have received or will receive free hay and/or any other livestock feed to feed livestock.

Comparison with Previous AN: There has been no previous AN on this subject.

Implementation Responsibilities: It has been determined that the value of gratuitous hay and/or any other livestock feed received by victims of a drought related disaster is a spontaneous contribution and does not fit into the category of "other disaster program relief" per FmHA Instruction 1945-D, Section 1945.163 (c). Therefore, such value will not be used in determining EM loan eligibility or in calculating the maximum EM loan entitlement. The value for such feed will not be inserted on Form FmHA 1945-26, "Calculation of Actual Losses," in Section C, 3.

VANCE L. CLARK
Administrator

EXPIRATION DATE: July 31, 1987

FILING INSTRUCTIONS: Preceding FmHA Instruction 1945-D

Sent by electronic mail on 8/28/86 at 1:40 p.m. by DASD(IMPS). The State Director should reproduce this directive and send it to all District Directors and County Supervisors immediately.

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