



United States  
Department of  
Agriculture

Farmers  
Home  
Administration

Washington  
D.C.  
20250

FmHA AN No. 1800 (1956)

September 19, 1988

SUBJECT: Appeals of Farmer Programs Debt Settlements.

TO: State Directors, District Directors,  
and County Supervisors

PURPOSE/INTENDED OUTCOME:

The purpose of this AN is to define the decision maker when an FP borrower's debt settlement offer has been rejected and to outline procedures to be taken during such situations.

COMPARISON WITH PREVIOUS AN:

There is no previous AN on this subject.

IMPLEMENTATION RESPONSIBILITIES:

The entity or person who makes the adverse decision is the decision maker.

When a borrower has submitted a debt settlement offer and the County Committee does not recommend it for approval, the County Committee is the decision maker. The County Supervisor will notify the borrower that his/her offer has been rejected by the County Committee and will give appeal rights in accordance with FmHA instruction 1900-B. The borrower is entitled to an informal meeting with the County Committee as outlined in 1900-B.

When the County Committee is the decision maker, the Committee or its designee must attend the hearing. A designee may be a Committee member or the County Supervisor, who served as the Executive Secretary for the County Committee meeting at which the adverse decision was made.

In the event of an appeal, and the hearing officer reverses or modifies the County Committee decision, the borrower will be notified and the application for debt settlement will be forwarded to the State office for the State Director's further consideration.

In considering approval, the State Director may find evidence that determines the debt settlement offer does not meet regulation requirements that were not addressed by the County Committee and may reject the borrower's offer for these reasons. In such cases, the State Director becomes the adverse decision maker and appeal rights would be given per FmHA Instruction 1900-B. Again, the borrower is entitled to an informal meeting as outlined in 1900-B.

EXPIRATION DATE: July 31, 1989

FILING INSTRUCTIONS:  
Preceding FmHA  
Instruction 1956-B



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Secretary of Agriculture, Washington, D.C. 20250

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In those cases where a County Committee has favorably recommended a borrower's debt settlement offer, but in considering approval, the State Director rejects the County Committee's recommendation, the State Director becomes the adverse decision maker and appeal rights would be given per FmHA Instruction 1900-B.

When the State Director is the adverse decision maker, and the borrower appeals the decision, the borrower loses the optional State Director review as outlined in FmHA Instruction 1900-B appeals process.



VANCE L. CLARK  
Administrator

Sent by Electronic Mail on September 20 at 2:03 by ASD.  
The State Director should advise other personnel as appropriate.