



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 2191 (1951)

December 13, 1990

SUBJECT: Borrower Eligibility for Administrative Offset

TO: State Directors, District Directors, County Supervisors

PURPOSE/INTENDED OUTCOME: The purpose of the AN is to clarify the conditions for which a borrower is eligible for administrative offset. This applies to borrowers who were previously referred for administrative offset between November 26, 1986, and December 7, 1987, and new administrative offset candidates.

COMPARISON WITH PREVIOUS AN: No AN has been issued on this subject.

IMPLEMENTATION, RESPONSIBILITIES: FmHA Instruction 1951-C, §1951.103(b) states that "...the borrower's account must have been accelerated" before requesting an administrative offset from another Federal agency. In addition to the account being accelerated, the borrower must have been considered for all servicing actions available and completed the appeal process including any reviews. These actions include all FmHA Instruction 1951-S servicing options. All servicing must be completed before administrative offset can occur even if the account has been accelerated prior to being eligible for 1951-S servicing.

If a borrower has been referred erroneously for administrative offset, the County Supervisor must retract the administrative offset request. When the borrower has been considered for all servicing options, completed the appeal process and is still eligible for offset, the administrative offset process must be restarted by sending the borrower FmHA Form Letter 1951-C-1.

LA VERNE AUSMAN
Administrator

EXPIRATION DATE: December 31, 1991 FILING INSTRUCTIONS: Preceding FmHA
Instruction 1951-C

Sent by Time Delay Option to States at 1:00 on 12/17/90 ; to Districts at
3:00 on 12/17/90 ; to Counties at 9:00 on 12/18/90 by GSS.



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