

**For:** State and County Offices

**Farm Loan Programs Funds**

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**Approved by:** Deputy Administrator, Farm Loan Programs

*Carolyn B. Cooksey*

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**1 Overview**

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**A**

**Background**

Unobligated FY 2001 allocations of guaranteed Farm Ownership (FO) funds that are not targeted for socially disadvantaged applicants (SDA) will be pooled from each State Office.

Portions of each State's FY 2001 allocation of direct operating loan (OL), unsubsidized guaranteed OL, and guaranteed FO funds were targeted for exclusive use by SDA. The SDA status of these funds is being lifted.

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**B**

**Purpose**

This notice provides:

- modified status of SDA loan funds
  - guidance in moving previously targeted SDA loan funds
  - date pooling action will be accomplished
  - information on disposition of pooled funds.
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**C**

**Contact**

Direct questions about this notice to Jerry Moseman, LMD, at 202-690-4006.

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<b>Disposal Date</b>  October 1, 2001	<b>Distribution</b>  State Offices; State Offices relay to County Offices
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## Notice FLP-218

### 2 Pooling FO Funds

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#### A

#### Unobligated Allocations

Effective COB August 15, 2001, unobligated allocations of guaranteed FO funds that are not targeted for SDA will be pooled.

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#### B

#### Reallocating Funds

Pooled FO funds will be reallocated to State Offices as non-SDA funds. Each State Office will receive the same percentage of the pooled funds as the State Office received of the initial FY 2001 allocation.

A limited amount of funds will be held in the National Reserve. Requests for reserve funds require:

- name of applicant
- amount of loan
- loan category (non-beginning or beginning farmer)
- date of completed application.

**Note:** Requests for reserve funds are to be made by FAX at 202-690-1117.

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### 3 Modified Status of Targeted Funds

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#### A

#### Lifting Target

Effective September 1, 2001, unobligated direct OL, unsubsidized guaranteed OL, and guaranteed FO funds targeted for SDA's may be used by any eligible applicant. However, prevailing Pigford claimants should still receive funding priority.

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#### B

#### Moving Funds

Moving funds between the SDA and non-SDA loan categories will be accomplished on a request basis. In the OL programs, funds previously targeted for SDA's may **not** be transferred between States.

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