

For: FSA Offices

Assisting Borrowers and Applicants Affected by Hurricanes Harvey and Irma

Approved by: Deputy Administrator for Farm Loan Programs



1 Overview

A Background

FSA is committed to providing service above and beyond the normal scope of operations to assist FLP borrowers who were impacted by Hurricanes Harvey and Irma. Because of the severe and widespread damage caused by the hurricanes, FSA will provide flexibility in assisting borrowers in coping with and recovering from the impacts of these devastating storms, while keeping within the intent of regulatory requirements.

B Purpose

This notice:

- announces authorization of the use of these emergency procedures to apply to all counties impacted by a National Oceanic and Atmospheric Administration-determined tropical storm, typhoon, or hurricane (all conditions hereafter referred to as “named storm”) as specified in paragraph 2
- defines applicable counties
- describes the additional flexibility in servicing options
- establishes dates covered by these actions
- describes the additional loan making actions prior to withdrawing an application.

C Contact

If there are questions about this notice:

- County Offices shall contact the State Office
- State Offices shall contact LSPMD at 202-720-4572 or LMD at 202-690-0651.

Disposal Date	Distribution
March 1, 2018	All FSA Offices; State Offices relay to County Offices

Notice FLP-769

2 County Designations

A Affected Counties

The provisions of this notice apply only to counties impacted by a named storm in paragraph 1 that have received a Primary Presidential Disaster Declaration and those counties contiguous to declared counties.

B Counties Not Designated

State Offices shall contact the National Office for guidance if an applicant or borrower whose operation is not in a designated or contiguous county advises a loan or servicing request was impacted by Hurricanes Harvey or Irma.

3 Additional Servicing Flexibilities

A Response Timeframes for Primary Loan Servicing (PLS) applications

A borrower who has received a PLS application, but has not returned it, or has submitted a partial but incomplete application, and was within the 60 day response timeframe as of **August 23, 2017**, in the case of Hurricane Harvey, or as of **September 4, 2017**, for Hurricane Irma, will receive an additional 60 days from the otherwise applicable due date to submit or complete the borrower's PLS application. All borrowers in affected counties who are notified of PLS availability after these dates, through **December 31, 2017**, will receive 120 days, rather than 60 days to respond to the notice.

B Response Timeframes for PLS Outcomes

A borrower who was sent a response to a PLS request (offer of restructuring, market value buy-out, etc.) and whose response timeframe was still open as of **August 23, 2017**, for Hurricane Harvey, or **September 4, 2017**, for Hurricane Irma will be provided an additional 60 days from the otherwise applicable due date to respond to the PLS offer.

C PLS outcomes

A borrower with an open PLS offer will be contacted before closing to determine whether the hurricane affected the offer. For example, in the case of a restructuring offer, the disaster may have impacted the borrower's ability to follow the farm business plan supporting restructuring. If a borrower's PLS application is denied and is in an affected county, the borrower will be given an additional 60 days from the otherwise applicable due date to request reconsideration, mediation or appeal.

All outstanding PLS applications that are contingent on security value (such as current market value buyout or debt writedown) will require FSA to reevaluate the security. If the security value has changed, FSA will make a new PLS determination based upon the updated security value.

Notice FLP-769

3 Additional Servicing Authorizations (Continued)

D Disaster Set Aside (DSA)

DSA response deadlines that were open on **August 23, 2017**, for Hurricane Harvey, and **September 4, 2017**, for Hurricane Irma will be extended 60 calendar days from the otherwise applicable due date.

E Notification

All borrowers who qualify for extensions of timeframes under this notice will be given written notification with return receipt.

F Payments

Payments received by FSA that were delayed by Hurricane Harvey or Hurricane Irma will be credited the date of the postmark or earlier if the borrower contacts FSA and advises the payment was sent timely but delayed because of the Hurricane. If the borrower says the payment was lost in the mail, the borrower's new payment will be credited the date the borrower says the original payment was sent. In either case, payments will **not** receive a date of credit earlier than **August 23, 2017**, for Hurricane Harvey, and **September 4, 2017**, for Hurricane Irma.

G Waiver of SED Approval Requirements

5-FLP, subparagraph 226 A requires SED approval of PLS servicing actions for borrowers who have received PLS 2 or more times in the previous 5 years. This requirement has been waived.

4 Additional Loan Making Actions

A Action Prior to Withdrawing Incomplete Applications

If an applicant with an incomplete application in an affected county was sent an FSA-2304 or FSA-2305, County Offices will contact the applicant, by telephone or in person, to determine if they still want to pursue the loan in question or if they would be better assisted by an Emergency Loan, prior to sending the next required notification. In no case will an application be withdrawn before contacting the applicant.