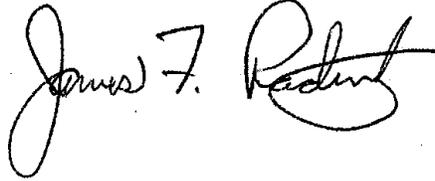


UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

General Program Administration 1-FLP (Revision 1)	Amendment 81
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Approved by: Acting Deputy Administrator, Farm Loan Programs



Amendment Transmittal

A Reasons for Amendment

Exhibit 16 has been amended to:

- add ML type of assistance codes
- correct ITLAP type of assistance codes.

Exhibit 17 has been amended to provide interest rates for FLP's.

Page Control Chart		
TC	Text	Exhibit
	8-43, 8-44	16, pages 1, 2 pages 5-8 17, pages 1, 2

222 Elements of an Initial Assessment (Continued)

A Type of Farming Operation (Continued)

Reporting of yields may not be practical or applicable for some operations. For example, an operation producing * * * vegetables on a plot of land, whose production is measured in rows, partial rows, or raised beds in greenhouses, would be better measured by the income for that production space. Also, a producer of eggplants and tomatoes who switches to bell peppers and salad greens for the current production cycle will not have available yields for *--this cycle and the yields for eggplant and tomato production will not be applicable to the--* projections for the current cycle. Additional guidance on developing projections for these types of operations is provided in subparagraph 242 A where the use of historical information is discussed.

Applicability and Appropriateness of Practices. The initial assessment must:

- evaluate existing farm practices, such as herd health and cropping practices, breeding and milking programs, and soil and feed testing
- determine applicability and appropriateness of practices based on what is typical for the area, cost effectiveness of the practice, type of operation, and demonstrated effectiveness.

If the authorized agency official does not know enough about a particular enterprise to make this evaluation, the authorized agency official must consult other resources, such as the Extension Service.

Timeliness of Operations. The initial assessment must evaluate the timeliness of the farm's operations. For example, the authorized agency official shall determine if each of the following operations, as applicable, is conducted in a timely manner and how this affects the performance of the operation:

- planting
- fertilizer and herbicide application
- harvesting
- calving
- marketing (weight and/or condition)
- breeding
- vaccination.

Appropriateness of Marketing Plan. The authorized agency official must assist the borrower in developing and evaluating a marketing plan. This plan must describe marketing practices and strategies, especially for any unique commodities the operation produces. The plan shall address whether marketing is accomplished so as to lock in a profit when possible or whether it is done speculatively as the accruing interest on operating loans may surpass a price increase obtained by holding back on the sale of commodities.

222 Elements of an Initial Assessment (Continued)

B Goals for the Farming Operation

***--[7 CFR 761.103(b)] Except for ML, the initial assessment must evaluate, at a minimum, the:**

(3) Goals for the farming operation.

[7 CFR 761.103(c)] For ML, the Agency will complete a narrative that will evaluate, at a minimum, the:

(3) The goals of the operation;--*

Setting goals is essential for the success of any farming operation. The applicant's goals provide the direction for the applicant's business. FSA uses the applicant's goals to help identify the need for financial and supervisory assistance. The authorized agency official must learn the personal and business aspirations of the farm family and work with the applicant to prioritize goals from most to least important. In many situations, the authorized agency official must have in-depth discussions with the applicant to identify these business aspirations.

The authorized agency official shall work with the applicant to incorporate short-, intermediate-, and long-term goals into the comprehensive farm business planning process. For example, the farm operating plan, supervisory plan, and training plan must facilitate achieving these goals. A farm operation might set goals for reducing expenses or for increasing yields and production level. Corrective measures and goals should be divided into stages for implementation over several years, when appropriate.

If the farm operation is an entity, the authorized agency official must meet with all the principals to ensure that the organization's goals are compatible with those of each principal.

The authorized agency official must also:

- identify and evaluate any changes the applicant intends to make, such as expansion of farmland, new buildings, and new management techniques
- identify increased credit needs, increased management skills, growth opportunities, and operating efficiency required to accomplish the planned changes
- determine how planned changes relate to the applicant's business goals.

***--Type of Assistance, Fund, and Kind Codes**

These tables list all types of assistance, fund, and kind codes used in DLS, GLS and ADPS.

A Direct Farm OL's

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
050	OL - Limited Resource - 7 year	44	03
051	OL - Regular (Except Youth) - 7 year	44	01
052	OL - Youth - 7 year	44	02
104	OL - Regular (Except Youth) - 1 year - SDA	44	05
105	OL - Limited Resource - 7 year - SDA	44	15
106	OL - Regular (Except Youth) - 7 year - SDA	44	05
107	OL- Youth - 7 year - SDA	44	55
112	OL - Regular (Except Youth) - 1 year	44	01
117	OL - Limited Resource - 1 year	44	03
119	OL - Limited Resource - 1 year - SDA	44	15
151	OL - Youth - 1 year	44	02
152	OL - Youth - 1 year - SDA	44	55
209	OL - Beginning Farmer - Regular - 1 year	44	01
210	OL - Beginning Farmer - SDA - Regular - 1 year	44	05
211	OL - Beginning Farmer - Regular - 7 year	44	01
212	OL - Beginning Farmer - SDA - Regular - 7 year	44	05
217	OL - Beginning Farmer - Limited Resource - 1 year	44	03
218	OL - Beginning Farmer - SDA - Limited Resource - 1 year	44	15
219	OL - Beginning Farmer - Limited Resource - 7 year	44	03
220	OL - Beginning Farmer - SDA - Limited Resource - 7 year	44	15

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Type of Assistance, Fund, and Kind Codes (Continued)

*--B Direct Farm OL - ML's

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
657	OL - Limited Resource - 7 year - Micro	44	03
658	OL - Regular (Except Youth) - 7 year - Micro	44	01
659	OL - Regular (Except Youth) - 1 year - Micro	44	01
660	OL - Limited Resource - 1 year - Micro	44	03
661	OL - Regular (Except Youth) - 1 year - SDA Micro	44	05
662	OL - Limited Resource - 7 year - SDA Micro	44	15
663	OL - Regular (Except Youth) - 7 year - SDA Micro	44	05
664	OL - Limited Resource - 1 year - SDA Micro	44	15
665	OL - Beginning Farmer - Regular - 1 year - Micro	44	01
666	OL - Beginning Farmer - Regular - 7 year - Micro	44	01
667	OL - Beginning Farmer - Limited Resource - 1 year - Micro	44	03
668	OL - Beginning Farmer - Limited Resource - 7 year - Micro	44	03
669	OL - Beginning Farmer - SDA - Regular - 1 year - Micro	44	05
670	OL - Beginning Farmer - SDA - Regular - 7 year - Micro	44	05
671	OL - Beginning Farmer - SDA - Limited Resource - 1 year - Micro	44	15
672	OL - Beginning Farmer - SDA - Limited Resource - 7 year - Micro	44	15

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***--Type of Assistance, Fund, and Kind Codes (Continued)**

E Direct FO CL's

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
590	FO - CL - Regular	30	00
591	FO - CL - Non-Beginning Farmer - SDA - Gender	30	05
592	FO - CL - Non-Beginning Farmer - SDA - Ethnic	30	05
593	FO - CL - Priority - Beginning Farmer	30	01
631	FO - CL - Priority - Beginning Farmer - SDA	30	01
632	FO - CL - Priority - Convert to Organic and Sustainable Operation	30	01
633	FO - CL - Priority - Highly Erodible Land Protection	30	01

F Guaranteed FO's (G-FO)

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
031	FO - Farm Enterprise - Regular - SDA - Ethnic	41	05
036	FO - Farm Enterprise - Regular	41	00
124	FO - Farm Enterprise - Regular - SDA - Gender	41	05
203	FO - Farm Enterprise - Beginning Farmer - Regular	41	00
205	FO - Farm Enterprise - Beginning Farmer - Regular - SDA - Ethnic	41	05
206	FO - Farm Enterprise - Beginning Farmer - Regular - SDA - Gender	41	05

G Guaranteed FO CL's (G-CL)

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
596	FO - CL - Regular	30	00
597	FO - CL - Non-Beginning Farmer - SDA - Gender	30	05
598	FO - CL - Non-Beginning Farmer - SDA - Ethnic	30	05
599	FO - CL - Priority - Beginning Farmer	30	01
634	FO - CL - Priority - SDA	30	01
635	FO - CL - Priority - Convert to Organic and Sustainable Operation	30	01
636	FO - CL - Priority - Highly Erodible Land Protection	30	01

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Type of Assistance, Fund, and Kind Codes (Continued)

H Land Contract Guarantee Program

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
Contract Land Sales - Prompt Pay			
601	Guar - NBF - SDA- Gender	41	05
595	Guar - NBF - SDA- Ethnic	41	05
397	Guar - Begin Farmer	41	00
604	Guar - Beg Farmer - SDA - Gender	41	05
603	Guar - Beg Farmer - SDA - Ethnic	41	05
Contract Land Sales - Standard			
602	Guar - NBF - SDA- Gender	41	05
600	Guar - NBF - SDA- Ethnic	41	05
608	Guar - Begin Farmer	41	00
607	Guar - Beg Farmer - SDA - Gender	41	05
606	Guar - Beg Farmer - SDA - Ethnic	41	05

I EM's

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
056	EM - Actual Loss - Real Estate Purpose	43	61
060	EM - Citrus Grove Rehabilitation/Re-Establishment	43	21
092	EM - Actual Loss - Operating Purposes	43	62

J ITLAP's

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Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
042	Indian Land Acquisition	98	
043	Indian Land Acquisition - Limited Resource	98	

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K Boll Weevil Eradication Loan

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
198	Boll Weevil Eradication	44	22

Type of Assistance, Fund, and Kind Codes (Continued)

L Inactive or Expired Loan Programs

The types of assistance codes in the following table reflect inactive (currently not funded) loan programs. New loan obligations may not occur using these fund codes; however, they may be applicable for a loan servicing activity, such as an assumption.

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
033	FO - Farm Enterprise - Debt Adjusted	41	07
038	Soil and Water - Direct Conservation	35 & 45	00
109	Soil and Water - Limited Resource	45	03
130	Soil and Water - Dire Emergency - Secured with Real Estate	45	00
039	Recreation Land	48	00
040	Grazing Loan - Association	74 & 94	00
046	OL - Disaster Assistance	44	01
047	OL - Limited Resource - Delinquent Borrower	44	04
049	OL - Debt Adjusted	44	07
102	OL - Limited Resource - Delinquent Borrower - SDA	44	45
053	Economic Emergency - Operating	29	11
054	Emergency Livestock	15	00
055	Economic Emergency - Real Estate	29	21
110	Homestead Protection - Credit Sales	41, 43, 44, and 45	All
118	Homestead Protection - Credit Sales- Limited Resource	41, 43, 44 and 45	All
180	Emergency - Natural Disaster	43	61
213	OL - Beginning Farmer - Regular - Special Assistance - 1 year	44	33
214	OL - Beginning Farmer - Regular - Special Assistance - SDA - 1 year	44	34
215	OL - Beginning Farmer - Regular - Special Assistance - 7 year	44	33
216	OL - Beginning Farmer - Regular - Special Assistance - SDA - 7 year	44	34
221	OL - Beginning Farmer - Limited Resource - Special Assistance - 1 year	44	43

Type of Assistance, Fund, and Kind Codes (Continued)

L Inactive or Expired Loan Programs (Continued)

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
222	OL - Beginning Farmer - Limited Resource - Special Assistance - SDA - 1 year	44	44
223	OL - Beginning Farmer - Limited Resource - Special Assistance - 7 year	44	43
224	OL - Beginning Farmer - Limited Resource - Special Assistance - SDA - 7 year	44	44
298	Emergency Loan for Seed Producers Program	44	23
299	Special Apple Loan Program	39	01
327	Horse Breeder Loan Program	43	71

*--M Direct Farm OL's - ARRA ("Stimulus")

Note: All loans with types of assistance codes shown in this table were obligated with appropriated funding received under ARRA ("Stimulus"). These types of assistance codes are not available for new loan applications; however, they are applicable for loan servicing activity.

Type of Assistance	Description	Fund Code (2-Digit)	Kind Code
564	OL - Regular (Except Youth) - 1 year	44	01
565	OL - Youth - 1 year	44	02
566	OL - Regular (Except Youth) - SDA - 1 year	44	05
567	OL - Youth - 1 year - SDA	44	55
568	OL - Beginning Farmer - Regular - 1 year	44	01
569	OL - Beginning Farmer - Regular - 1 year - SDA	44	05
570	OL - Regular (Except Youth) - 7 year	44	01
571	OL - Youth - 7 year	44	02
572	OL - Regular (Except Youth) - 7 year - SDA	44	05
573	OL - Youth - 7 year - SDA	44	55
574	OL - Beginning Farmer - Regular - 7 year	44	01
575	OL - Beginning Farmer - Regular - 7 year - SDA	44	05
576	OL - Limited Resource - 1 year	44	03
577	OL - Limited Resource - 1 year - SDA	44	15
578	OL - Beginning Farmer - Limited Resource - 1 year	44	03
579	OL - Beginning Farmer - Limited Resource - 1 year - SDA	44	15
580	OL - Limited Resource - 7 year	44	03
581	OL - Limited Resource - 7 year - SDA	44	15
582	OL - Beginning Farmer - Limited Resource - 7 year	44	03
583	OL - Beginning Farmer - Limited Resource - 7 year - SDA	44	15

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FLP Rates

A Interest Rates for FLP's

--The following provides interest rates for FLP's as of March 1, 2013.--

Loan Type	Current Rate (%)	Date Set
Rural Housing - Farm Loan Purposes		
Note: For the current interest rate, contact the National Office.		
Operating	*--1.250	3/1/13--*
Operating - Limited Resource	5.000	12/1/90
Farm Ownership and Conservation Loans	*--3.250	3/1/13--*
Farm Ownership - Limited Resource	5.000	4/1/86
Farm Ownership - Down Payment	1.500	5/22/08
Farm Ownership - Joint Financing	5.000	3/24/97
Soil and Water	*--3.250	3/1/13
Soil and Water - Limited Resource	5.000	7/1/92
Recreation - Individual	3.250	3/1/13
Farmer Program - Homestead Protection	3.250	3/1/13
Shared Appreciation Amortization	2.250	3/1/13
Softwood Timber Loans	3.250	3/1/13
Economic Emergency - Operating	1.250	3/1/13
Economic Emergency - Real Estate	3.250	3/1/13
Emergency - Amount of Actual Loss	2.250	3/1/13
Emergency - Major Adjustment: Subtitle A Purpose (Excess of Loss)	5.625	3/1/13--*
Emergency - Major Adjustment: Subtitle B Purpose (Excess of Loss)	4.625	1/1/13
Emergency - Annual Production	4.625	1/1/13
Nonprogram - Chattel Property	4.625	1/1/13
Nonprogram - Real Property	*--5.625	3/1/13
Apple Loans	0.375	7/1/12
Association - Grazing	3.250	3/1/13
Association - Irrigation and Drainage	3.250	3/1/13--*
Indian Land Acquisition	5.000	2/1/91

Publication 622, which provides amortization tables and financial basic payment tables, is available from MSD Warehouse. To request Publication 622, complete FSA-159, available at <http://intranet.fsa.usda.gov/dam/ffasforms/forms.html>, and submit it by 1 of the following methods:

- FAX to 816-823-4740 or 816-823-4741
- e-mail to ra.mokansasc2.kcasbwhse
- mail to:

USDA/FSA/Kansas City Warehouse
9240 Troost Ave
Kansas City MO 64131.

FLP Rates (Continued)

B Treasury Rates

The following table provides the applicable Treasury rates.

Treasury Rates	Current Rate (%)	Date Set
90-Day Treasury Bill	0.125	10/1/09
Treasury Judgment Rate (see Note)	0.150	2/1/13

Notes: The 90-Day Treasury Bill rate is entered in eDALR\$ as the “Discount Rate” and is used to calculate present value and net recovery value.

The treasury judgment rate is the interest rate applicable to deficiency judgments for all loan types (pursuant to 28 U.S.C. Section 1961). The rate is based on the weekly average 1-year CMT yield published by the Federal Reserve System, Board of Governors. The rate shown is the most current rate posted to the Federal Reserve web site and is dated the *--week ending February 1, 2013. The actual judgment rate is the rate for the calendar--* week preceding the date the defendant becomes liable for interest. Access the Federal Reserve web site www.federalreserve.gov/releases/H15/current for the weekly average 1-year CMT yield.

C Historical 90-Day Treasury Bill Rates

The following table provides the historical 90-day Treasury bill rates.

Effective Date	Rate (%)	Effective Date	Rate (%)
December 1, 1988	7.500	December 1, 1990	7.500
January 1, 1989	7.875	January 1, 1991	7.375
February 1, 1989	8.250	February 1, 1991	7.125
March 1, 1989	8.500	March 1, 1991	6.500
April 1, 1989	8.750	April 1, 1991	6.250
May 1, 1989	9.000	May 1, 1991	6.125
June 1, 1989	9.150	June 1, 1991	5.875
July 1, 1989	8.750	July 1, 1991	5.750
August 1, 1989	8.625	October 1, 1991	5.625
September 1, 1989	8.250	November 1, 1991	5.375
October 1, 1989	8.125	December 1, 1991	5.250
December 1, 1989	8.000	January 1, 1992	4.875
February 1, 1990	7.875	February 1, 1992	4.375
April 1, 1990	8.000	March 1, 1992	3.875
May 1, 1990	8.125	May 1, 1992	4.125
July 1, 1990	8.000	June 1, 1992	4.000
October 1, 1990	7.750	July 1, 1992	3.750
November 1, 1990	7.625	September 1, 1992	3.500