

For: County Offices

**Credit Quality Initiatives and Policy on
Guaranteed Farm Loan Program (FLP) Requests**

Approved by: State Executive Director

1 Overview

A Purpose

This notice:

- Provides information and direction for all FSA Staff in implementing policies for maintaining high credit quality and compliance with Agency regulations on all guaranteed FLP loans in Nebraska.
- Obsoletes Nebraska Notice FLP08-22

2 Action

A General Information

The following items are changed.

1. 15-Year OL Time Limit Suspension

Effective immediately, the guaranteed OL term limit waiver is extended through December 31, 2010. Enforcements of 2-FLP, subparagraphs 108 L and M will be suspended until that date.

2. Implementing Measures for Protected Personally Identifiable Information (PII)

In an effort to ensure the protection of PII, FSA, NRCS, and Rural Development have developed a Master Reference Table (MRT) that establishes a unique identification number that is linked to each possible SSN/TIN. This unique identification number, rather than SSN/TIN, can then be used by the agencies to identify customers within their respective systems. GLS was the first system modified to incorporate using the unique identification number established by MRT.

GLS was automatically populated with the unique identification number from MRT for all Existing applicants and borrowers, who were entered in GLS.

Disposal Date

10/1/09

Distribution

County FSA Offices

A. General Information, *continued*

Users will be prompted to enter SSN/TIN in a pop-up box when adding a new individual or organization on the GLS Borrower List Screen. GLS will automatically access MRT to obtain the unique identification number that is assigned to that particular SSN/TIN. The unique identification number will be displayed as a hyperlink for the user to complete any further transactions.

3. Updated Statutory Loan Limits for Guaranteed Loans

Statutory loan limits for Guaranteed Loans will be increased to \$1,094,000.00 effective 10/1/2008. The maximum Guaranteed FO and OL Loan levels are outlined in 2-FLP, Paragraph 244 A.

4. Exception to Percentage of Guarantee

2-FLP, Paragraph 196 A, indicates that applicants meeting only the definition of a beginning or socially disadvantaged farmer will not qualify for a 95% guarantee. To qualify for a 95% guarantee the applicant must be proposing to participate in the down payment FO loan program or be an existing borrower that is currently participating in the FSA down payment loan program.

5. Documentation to State Office

County Offices are **no longer** required to provide the Comprehensive Analysis documentation to the State Office when submitting Form FSA-2231 "Request for Obligation of Funds Guaranteed Loans".

B County Office Action

The Exhibit A and Attachments 1,2,3,4,5,6,7,10,(8 and 9 are optional) of this Notice must be followed before any FLP guaranteed loan applications are approved. The county offices should complete Attachments 1,2,3,4,5,6,7,8,9 and 10 as needed.