

For: State and County Offices

**April 2002 Interest Rate Changes for
 Agricultural Credit Insurance Fund (ACIF) Program**

Approved by: Administrator

James R. Little

1 Announcing Interest Rate Changes

**A
 Interest Rates
 Reviewed
 Monthly**

Interest rate changes in the following table are effective April 1, 2002. The "N/C" under the April Rate column indicates no change.

Loan Type	March Rate	April Rate
ACIF Program Loans		
90-Day Treasury Bill	1.625 %	1.750 %
Farm Operating - Direct	4.75 %	N/C
Farm Ownership - Direct	6.00 %	N/C
Credit Sales: Farm Ownership - Direct	6.00 %	N/C
Soil and Water - Direct	6.00 %	N/C
Recreation - Individual - Direct	6.00 %	N/C
Association Loans - Regular:		
• Grazing	6.00 %	N/C
• Irrigation and Drainage	6.00 %	N/C
Farmer Program - Homestead Protection	6.00 %	N/C
Shared Appreciation (SA) Amortization		5.00%
Softwood Timber Loans	6.00 %	N/C

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Disposal Date	Distribution
May 1, 2002	State Offices; State Offices relay to County Offices

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1 Announcing Interest Rate Changes (Continued)

**A
Interest Rates
Reviewed
Monthly
(Continued)**

Loan Type	March Rate	April Rate
ACIF Program Loans (Continued)		
Economic Emergency - Operating	4.75 %	N/C
Economic Emergency - Real Estate	6.00 %	N/C
Emergency - Major Adjustment:		
• Subtitle A Purpose (Excess of Loss)	9.50 %	N/C
• Subtitle B Purpose (Excess of Loss)	6.25 %	N/C
Emergency - Annual Production	6.25 %	N/C
ACIF Nonprogram Loans - Credit Sales		
Farm Program - Chattel Property	6.25 %	N/C
Farm Program - Real Property	9.50 %	N/C
CCC Funded Loans		
Apple Loans	3.500 %	N/C
RHIF (Funded Direct Farm Ownership) Loans		
Housing Program 502 for low or moderate income	6.125 %	N/C
All Loan Types		
Treasury Judgement Rate (See note below)	2.18 %	2.24 %

Note: Treasury Judgement Rate is the interest rate applicable to deficiency judgements for all loan types (pursuant to 28 U.S.C. Section 1961). The rate is based on the weekly average 1-year Constant Maturity Treasury (CMT) yield published by the Federal Reserve System, Board of Governors. The rate shown in this notice (for April) is the most current rate posted to the Federal Reserve web site and is dated week ending February 22, 2002. The actual judgement rate is the rate for the calendar week preceding the date the defendant becomes liable for interest. The Federal Reserve web site for the weekly average 1-year CMT yield is www.federalreserve.gov/releases/H15/current.

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1 Announcing Interest Rate Changes (Continued)

**B
Other Interest
Rates**

These interest rates seldom change, but for convenience are published monthly.

Loan Type	Current Rate	Date Set
ACIF Program Loans		
Farm Operating - Direct, Limited Resource	5.00 %	12/01/90
Farm Ownership - Direct, Limited Resource	5.00 %	04/01/86
Farm Ownership - Direct, Joint Financing	5.00 %	03/24/97
Credit Sales: Farm Ownership - Direct, Limited Resource	5.00 %	04/01/86
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.00 %	04/01/86
Soil and Water - Direct, Limited Resource	5.00 %	07/01/92
Indian Land Acquisition	5.00 %	02/01/91
Emergency - Amount of Actual Loss	3.75 %	01/25/94

**C
Notifying
Personnel**

SED's, Farm Loan Managers, and Farm Loan Chiefs shall notify all personnel of these rates upon receipt.

**D
Interest Rates
Available on the
FFAS Intranet**

As of April 1, 2002, these interest rates will be available on the FFAS Intranet at <http://intra4.fsa.usda.gov/edso/flpwdc/default.asp>. See Notice FLP-224.

**E
New Rate for SA
Loans**

Effective March 25, 2002, FSA will amend its regulations to reduce the amortization rate on Shared Appreciation Agreement recapture and clarify the references made to SA loans. The rate will be referred to as the SA amortization rate. The amortization rate on all future SA payments agreements will be the current Homestead Protection Program interest rate less 100 basis points (1 percent).

For further information, see 67 Federal Register 7942-7943, February 21, 2002, or visit www.access.gpo.gov/, and click on Federal Register.
