

For: State and County Offices

**Continuing the State FSA Civil Rights Independent Review Groups  
for the Review of Pending Acceleration and Foreclosure Cases**

Approved by: Administrator



**Note: No accelerations or subsequent actions on foreclosures or forced liquidations are to proceed until compliance with this notice is achieved.** This notice does not apply to accounts previously reviewed by the State FSA Civil Rights Independent Review Group according to Notice FC-150.

**1 Overview**

**A**

**Background**

Expired Notice FC-114 was issued to establish a procedure for reviewing all pending foreclosure cases and those facing acceleration. Notice FC-150 was later issued to establish the State FSA Civil Rights Independent Review Group and provide updated checklists to be submitted to SED for review.

**B**

**Purpose**

This notice:

- replaces expired Notice FC-150

**Note:** FSA-580 and FSA-581 have not been changed and are available on FSA BBS in the National Forms library.

- streamlines and simplifies the review process by not requiring the State Food Agriculture Council (FAC) Chairperson or Vice Chairperson to be a member of the Review Group.

**Note:** This will alleviate logistical problems, such as any undue delay.

<p><b>Disposal Date</b></p> <p>September 1, 1999</p>	<p><b>Distribution</b></p> <p>State Offices; State Offices relay to County Offices</p>
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## Notice FLP-6

### 2 Action

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#### **A** **Continuing the State Review Group**

Each State Office shall reestablish the appointment of the Civil Rights Independent Review Group, which is representative of the State population, to determine whether discrimination or inequitable treatment contributed to the failure of the farming operation. Each member in the group must have an equal voice. The group shall consist of at least the following:

- FAC member or designee
- SED
- STC Minority Advisor or STC minority member
- Civil Rights Coordinator
- Farm Loan Chief.

Ideally, the FAC member or designee should be a non-FSA, USDA employee who is qualified to make the determination specified above. If SED contacts the other USDA FAC members and none wish to participate or designate a member of their staff to participate, SED shall document the contact and may choose a qualified FSA employee, who lends additional diversity, to be the fifth member of the Review Group.

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#### **B** **Review Procedure**

The State FSA Civil Rights Independent Review Group shall review the exhibits submitted to the State Office and complete FSA-581. FSA-581 must be signed by the FAC member or designee, SED, STC Minority Advisor or STC minority member, Farm Loan Chief, and Civil Rights Coordinator to show that no evidence of inconsistencies, inequitable treatment, or discrimination complaints, written or oral, exists and the borrower has received all applicable primary loan servicing options before proceeding with acceleration or foreclosure.

After all members of the State FSA Civil Rights Independent Review Group sign FSA-581, FAX it to LSPMD at 202-720-7686. LSPMD shall provide copies to the Director, CR&SBUS. If inequitable treatment exists and it cannot be determined whether it may be discriminatory, contact Acting Staff Director David Winningham, CR&SBUS, at any of the following:

- 202-418-9074 (telephone)
- 202-418-9068 (voice mail)
- 202-418-9124 (FAX).

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**Notice FLP-6**

**2 Action (Continued)**

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**C**

**Using FSA-580**

Local farm loan officials shall complete FSA-580 on all cases, unless a checklist was previously completed under Notice FC-94, FC-114, or FC-150. FSA-580 should become a part of the borrower's running case file record. Local farm loan officials shall use FSA-580 when processing all requests for primary loan servicing according to FmHA Instruction 1951-S.

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**D**

**Completing  
FSA-580**

Complete FSA-580 according to this table.

<b>Part</b>	<b>Instructions</b>
A and B	Complete if applications for servicing have been filed.
C and D	Complete if writedown or buyback was considered.
E	Complete on all cases.

**Note:** If an application was not received, make a note of this and any other appropriate comments in FSA-580, Parts A and E.

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**E**

**Review**

All pending accelerations, forced liquidations, and foreclosures shall be reviewed on all real estate and chattel loans. If a borrower was reviewed in the acceleration phase, it is not necessary to complete another review in the foreclosure or liquidation phase.

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**F**

**Contact**

If there are any questions, State Offices shall contact Bruce Mair or Michael Cumpton, LSPMD.

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