



Billing Code 3410-05-P

DEPARTMENT OF AGRICULTURE

Farm Service Agency

Funding for the Guaranteed Loan Interest Assistance Program; Farm Loan Programs

AGENCY: Farm Service Agency.

ACTION: Notice.

SUMMARY: This notice announces that the Farm Service Agency (FSA) is no longer accepting applications for guaranteed loans with interest assistance because of a lack of program funding.

EFFECTIVE DATE: **[Insert date of publication in FEDERAL REGISTER]**.

FOR FURTHER INFORMATION CONTACT: Randi Sheffer, (202) 720-3889. Persons with disabilities who require alternative means for communication (Braille, large print, audio tape, etc.) should contact the USDA Target Center at (202) 720-2600 (voice and TDD).

SUPPLEMENTARY INFORMATION

The Consolidated Farm and Rural Development Act of 1972 (Pub. L. 92-419, CONACT), as amended, authorizes FSA's Guaranteed Loan Program. The program provides lenders with a guarantee of up to 95 percent of principal and interest on the loan. The FSA guarantee permits lenders to make agricultural credit available to farmers who would be unable to obtain sufficient credit to fund their farming operations without the guarantee. Pursuant to section 351 of the CONACT (7 U.S.C. 1999) FSA also subsidizes 4 percent of the interest rate on guaranteed loans to qualifying borrowers under its Interest Assistance Program. Interest assistance is subject to additional eligibility criteria

beyond that required for the initial guarantee. The regulations implementing FSA's Guaranteed Loan Program and IA can be found in 7 CFR part 762.

This notice announces that FSA is no longer accepting applications under the Interest Assistance Program due to a lack of funding. However, guaranteed loans will still be available without interest assistance.

This notice does not invalidate existing interest assistance agreements. Existing agreements will be honored, claims will be paid as agreed, and all eligible servicing options can be pursued. For further information on specific applications and loans, current guaranteed loan borrowers should contact their FSA State or county office; potential guaranteed loan applicants should contact their lender. FSA office locations can be found at www.fsa.usda.gov. A notice will be published in the Federal Register announcing the date FSA will resume accepting applications for the Interest Assistance Program if funding becomes available.

Signed on November 17, 2011.

Bruce Nelson,
Administrator,
Farm Service Agency.

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