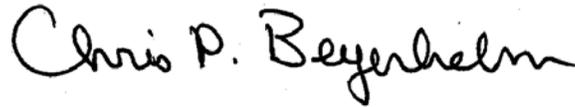


For: State and County Offices

Projecting USDA Payments in Cash Flow Projections

Approved by: Deputy Administrator, Farm Loan Programs



1 Overview

A Background

Many USDA programs authorized by the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) expired on September 30, 2012. Some programs were subsequently extended to September 30, 2013, by the passage of the American Taxpayer Relief Act of 2012. In addition, some programs may require additional appropriations. Future legislation or lack of funding, may affect some of these USDA programs in the future.

B Purpose

This notice:

- clarifies that many USDA payments have been reauthorized and funded
- provides guidance on projecting USDA payments for direct and guaranteed applicants and borrowers
- obsoletes Notice FLP-627.

C Contacts

If there are questions about this notice:

- County Offices shall contact their State Office
- State Offices shall telephone:
 - 202-720-3889 for direct and guaranteed loan making inquiries
 - 202-720-1984 for direct and guaranteed loan servicing inquiries.

Disposal Date	Distribution
October 1, 2013	State Offices; State Offices relay to County Offices

Notice FLP-635

2 USDA Payments

A Authorization and Funding of USDA Payments

The American Taxpayer Relief Act of 2012 extended all USDA program authorities in the 2008 Farm Bill until September 30, 2013, with some exceptions. Some USDA programs may be authorized, but lack funding.

Note: Any questions about the authorization or funding of USDA program payments shall be directed to the appropriate farm program (FP) or other USDA Agency official.

B Projecting USDA Payments for Direct and Guaranteed Loan Making and Servicing

USDA payments that are currently authorized, **and** funded, for 2013 will be considered a verifiable and reliable source of income. Authorized Agency officials and lenders may include these payments in current, typical, and long-range cash flow projections.

Note: Before FBP development or approval of any guaranteed loan request, authorized Agency officials will consult with FP or other applicable USDA Agency official to ensure that any projected USDA payments are authorized and funded.