

For: State and County Offices

Suspension of MAL's and LDP's for Mohair

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Section 1291 of the Department of Defense and Full-Year Continuing Appropriations Act of 2011 does not authorize funding to provide nonrecourse MAL's for mohair for the remainder of FY 2011. Since MAL's are no longer available for mohair, the option to forgo the loan for LDP for mohair is also not available. Therefore, effective April 14, 2011, County Offices are no longer authorized to accept requests for the following:

- mohair MAL
- mohair LDP.

B Purpose

This notice instructs State and County Offices of the following:

- to no longer accept MAL or LDP requests for mohair as of the effective date
- how to proceed with loanmaking and LDP-making activity before the effective date.

C Effective Date

As of April 14, 2011, County Offices must not accept any new requests for mohair MAL's or LDP's.

D Contact

If there are questions about this notice, State Offices shall contact Dani Cooke, PSD, by either of the following:

- e-mail at danielle.cooke@wdc.usda.gov
- telephone at 202-720-1919.

Disposal Date	Distribution
October 1, 2011	State Offices; State Offices relay to County Offices

Notice LP-2157

2 Proceeding With MAL and LDP Activity

A Outstanding Mohair Loans

County Offices shall continue to service outstanding mohair loans issued before the effective date provided in subparagraph 1 C, according to:

- terms and conditions of the note and security agreement, CCC-601
- loan servicing provisions provided in 8-LP.

B Repayment Rates

Loan repayment rates will continue to be announced and posted weekly according to 8-LP, subparagraph 1515 C. Repayment rates will continue to be posted through the remainder of FY 2011 or until such time as all outstanding mohair loans are resolved.

C Mohair MAL and LDP Requests

MAL and LDP requests for mohair received:

- **before** the effective date may be processed in the normal manner
- **after** the effective date provided in subparagraph 1 C, **must** be disapproved.

D Updates to Policy and Procedure

The following will be revised, as appropriate, to reflect the change in policy:

- 8-LP
- regulations at 7 CFR Part 1421
- MAL and eLDP software
- FSA fact sheet
- PSD web site.

Notice LP-2157

3 Action

A State Office Action

State Offices must:

- immediately instruct County Offices not to approve or disburse any MAL or LDP request for mohair as of April 14, 2011
- refer any questions to the National Office according to subparagraph 1 C.

B County Office Action

County Offices shall:

- immediately notify affected producers of the contents of this notice
- refer questions to the State Office price support specialist.