

U.S. DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
Washington, D.C 20250

MANUAL ISSUE No.
WSAL PN 533
DATE
January 15, 2020

PROCEDURE NOTICE

RD MANUAL CHANGES

INSERT RD INS 440.1
(WSAL)

**INTEREST RATES, AMORTIZATION,
GUARANTEE FEE, ANNUAL CHARGE, AND
FIXED PERIOD.** This Instruction is
partially revised as follows:

Exhibit B, to update various program rates and the Treasury Judgement Rate,
effective January 1, 2020.

REMOVE

Exhibit B: Pages 1 & 2 (Rev 2).

INSERT

Exhibit B: Pages 1 & 2 (Rev 3).

INSERT RD INS 1951-0
(WSAL)

**SERVICING CASES WHERE UNAUTHORIZED LOAN(S)
OR OTHER FINANCIAL ASSISTANCE WAS RECEIVED-**

COMMUNITY AND INSURED BUSINESS PROGRAMS. Exhibit B is partially revised to
update program interest rates for January 1, 2020.

REMOVE

Exhibit B: Pages 3 & 4 (Rev 9).

INSERT

Exhibit B: Pages 3 & 4 (Rev 10).

INSERT RD INS 4288-B
(WSAL)

ADVANCED BIOFUEL PAYMENT PROGRAM. This
Instructions is completely revised due
to the publication of the Final Rule
entitled "Advance Biofuel Payment Program" dated/effective on December 27, 2019.

REMOVE

Table of Contents;
All Pages; and
Appendix A.

INSERT

Table of Contents;
Pages 1 through 29; and
Appendix A through D revised 01-15-20.

(CON.)

RD HANDBOOK CHANGES

**INSERT RD HB-1-3550
(WSAL)**

This Handbook is partially revised.
The specific revisions are outlined below:

In the following Handbooks, Appendix 6 is partially revised to include the January 1, 2020, interest rate for the Above-Moderate Single Family Housing non-program loans.

<u>* Number</u>	<u>Title</u>
HB-1-3550	DIRECT SINGLE FAMILY HOUSING LOANS AND GRANTS FIELD OFFICE HANDBOOK.
HB-2-3550	DIRECT SINGLE FAMILY HOUSING LOANS AND GRANTS CENTRALIZED SERVICING CENTER HANDBOOK.

REMOVE
Appendix 4 dated 01-23-03:
Pages 7 & 8.

INSERT
Appendix 4 dated 01-23-03:
Pages 7 & 8 revised 01-15-20.

RD HANDBOOK CHANGES

**INSERT RD HB-1-3555
(WSAL)**

SFH GUARANTEED LOAN PROGRAM TECHNICAL HANDBOOK. This Handbook is partially revised as follows:

Chapter 2:

The following updates were made to HB-1-3555 Chapter 2 to replace field office and State Director references with the appropriate division as a result of the SFHGLP reorganization and add training requirements for new SFHGLP specialists.

Paragraph 2.3 B:

- Removed second paragraph due to outdated documentation scanning requirements;
- State was replaced by the Agency throughout the section;
- Replaced ``Form RD 1940-22`` with ``RD Instruction 1970-B, Exhibit D;``
- Replaced HUD 1 ``Settlement Statement`` with Closing Disclosure;``
- Replaced ``State Director`` with ``Director of Origination and Processing Division.``

Attachment 2-A:

- Replaced reference to the State with the Agency throughout the attachment;
- Replaced Form 1940-22, with Instruction 1970-B, Exhibit D; and
- Replaced HUD 1 ``Settlement Statement`` with ``Closing Disclosure;``

RD HANDBOOK CHANGES
INSERT RD HB-1-3555
(WSAL)

Chapter 6:

Paragraph 6.2D: Refer to Attachment A instead of Attachment B;

Paragraph 6.2D(b), edited for clarity under loan application documentation;

Attachment 6-A, clarify the net tangible benefit applies to the principal and interest payment plus the annual fee;

Attachment 6-A, remove outdated maximum interest rate language.

Chapter 16:

Paragraph 16.2:

Clarification for lender requirements on closing timeframes.

Removed redundant language regarding Lender Certification which is already stated on form RD 3555-18, Conditional Commitment.

Paragraph 16.3:

Added language for submission of the technology fee when requesting the loan note guarantee in both electronic or manual submissions.

Added statement for use of the Lender Loan Closing (LLC) automated system for loan closing submissions.

Paragraph 16.4:

Removed references to specific paragraphs in the handbook.

Added hyperlink to the regulations/handbook website stated in this paragraph.

Paragraph 16.5 J:

Added hyperlink to USDA Linc & Training Resource Library website.

Paragraph 16.6:

Added paragraph introducing the requirement of the Technology Fee and guidance on how it will be collected and submitted to the Agency.

RD HANDBOOK CHANGES
INSERT RD HB-1-3555
(WSAL)

Paragraph 16.6 A:

Added statement regarding the current amount of the technology fee and future notifications to lenders if there are changes to the fee amounts.

Paragraph 16.6 B:

Added statement on how the technology fee will be disclosed on Loan Estimates and Closing Disclosures in compliance with the CFPB.

Paragraph 16.7:

Paragraph 16.6 is renumbered to 16.7.

Paragraph 16.7 B:

Provided a list of documents the lender must submit when using electronic method of loan closing to obtain the loan note guarantee.

Provided a list of agency staff responsibilities prior to the issuance of the loan note guarantee.

Paragraph 16.7 C:

Clarification that cash back at closing in excess of the allowed out of pocket costs will result in non-issuance of the loan note guarantee.

Replaced the previous table with new table that refers lenders to the new Attachment 16-C, Loan Closing Reference Guide.

Paragraph 16.8:

Paragraph 16.7 is renumbered to 16.8.

Edited the example with recent dates.

Paragraph 16.9:

Paragraph 16.8 is renumbered to 16.9.

Revised "electronic loan closing" to "Lender Loan Closing system."

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Paragraph 16.10:

Paragraph 16.9 is renumbered to 16.10.

Revised "Selling Loans" to "Transferring Loans and/or Servicing Rights."

Paragraph 16.11:

Paragraph 16.10 is renumbered to 16.11.

Paragraph 16.12:

Paragraph 16.11 is renumbered to 16.12.

Paragraph 16.12 B 2:

Removed the requirement for states to issue a supplement for loans in tribal land and provided additional guidance on processing these loans.

Paragraph 16.12 C 1:

Clarified that the 1 percent maximum deductible for hazard insurance is a recommended amount.

Paragraph 16.12 C 2:

Clarified that the 1 percent maximum deductible for flood insurance is a recommended amount.

Attachment 16-A:

Removed "Stacking Order" from the document name and references indicating a specific order of the documents submitted.

Added statement that the attachment is only required for manual loan closing submissions.

Added the USDA Technology Fee to the checklist.

Attachment 16-C:

Added this attachment with frequently asked questions and solutions that provides guidance to lenders on how corrections should be made after loan closing, for pre- and post- LNG issuance.

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(WSAL)

Appendix 3:

Clarified language on mediation and adverse decisions.

Added guidance to Inform Program Participants of Their Rights.

Clarified language pertaining to the Informal Administrative Review process and added bullet regarding retention of the documentation in each case.

Changed all language from State Director to Director Origination and Processing Branch (OPB).

Updated web links to current, active links.

Added bullets to outline the rights the participants have in the Appeals process.

REMOVE

Table of Contents:

- Pages 11 & 12;
- Chapter 2 dated 03-09-16:
Pages 2-1 thru 2-4, and
Attachment 2-A;
- Chapter 6 dated 03-09-16:
Pages 6-3 & 6-4 and 6-9 & 6-10,
Attachment 6-A:
Pages 1 & 2, 3 & 4;
- Chapter 16 dated 03-09-16:
Pages 16-1 thru 16-18,
Attachment 16-A: All Pages;
- Appendix 3 dated 03-09-16:
Pages 1 thru 43.

INSERT

Table of Contents:

- Pages 11 & 12 revised;
- Chapter 2 dated 03-09-16:
Pages 2-1 thru 2-4, and
Attachment 2-A revised;
- Chapter 6 dated 03-09-16:
Pages 6-3 & 6-4 and 6-9 & 6-10,
Attachment 6-A:
Pages 1 & 2, 3 & 4 revised;
- Chapter 16 dated 03-09-16:
Pages 16-1 thru 16-18,
Attachment 16-A revised,
Attachment 16-C added;
- Appendix 3 dated 03-09-16:
Pages 1 thru 42 revised 01-15-19.

INSERT RD HB-1-3565
(WSAL)

GUARANTEED RURAL RENTAL HOUSING PROGRAM
ORIGINATION AND SERVICING HANDBOOK.

Appendix 1 is partially revised due

to the publication of the Final Rule entitled "Section 538 Guaranteed Rural Rental Housing Program Notice of Funding Availability Elimination" dated October 15, 2019 which was effective on November 14, 2019.

REMOVE

- Appendix 1 dated 07-16-99:
Pages 7 & 8, 9 & 10,
15 & 16, 17 & 18, 23 & 24 and
25 & 26.

INSERT

- Appendix 1 07-16-99:
Pages 7 & 8, 9 & 10,
15 & 16, 17 & 18, 23 & 24 and
25 & 26 revised 01-15-20.

FORM

REPLACEMENT

**RD 1924-1
(WSAL)**

DEVELOPMENT PLAN revised 01-20.
Prescribed in RD Instruction 1924-A and FSA
Transferred Instruction 1965-A. The Form

and FMI are revised to provide a second page for a written narrative. This Form and FMI are available on the Rural Development Instructions home page (<https://www.rd.usda.gov/publications/regulations-guidelines>.) No paper copy distribution of this form will be made, and it will not be stocked in the warehouse.

REMOVE
FMI dated 02-23-00.

INSERT
FMI revised 01-15-20.

**RD 1944-61
(WSAL)**

CREDIT HISTORY WORKSHEET revised 01-20.
The Form and FMI are revised to conform with Handbook HB-1-3550, Chapter 4 by removing references to open and active trade lines as well as to "Reliable" and "Unreliable" credit scores. This Form and FMI are available on the Rural Development Instructions home page

(<https://www.rd.usda.gov/publications/regulations-guidelines>.) No paper copy distribution of this form will be made, and it will not be stocked in the warehouse.

REMOVE
FMI dated 01-29-18.

INSERT
FMI revised 01-15-20.

**RD 3555-18
(WSAL)**

CONDITIONAL COMMITMENT FOR SINGLE FAMILY HOUSING LOAN GUARANTEE revised 01-20
Prescribed in RD Handbook HB-1-3555. The

Form and FMI are revised to update Footnote 3 and to indicate the technology fee amount required from the lender to receive the guarantee. This Form and FMI are available on the Rural Development Instructions home page (<https://www.rd.usda.gov/publications/regulations-guidelines>.) No paper copy distribution of this form will be made, and it will not be stocked in the warehouse.

REMOVE
FMI dated 06-21-98.

INSERT
FMI revised 01-15-20.

FORM

REPLACEMENT

RD *

(WSAL)

The following Forms and FMIs are revised due to the publication of the Final Rule entitled ``Advance Biofuel Payment

Program'' dated/effective on December 27, 2019.

<u>FORM No.</u>	<u>TITLE</u>	<u>REMOVE</u>	<u>INSERT</u>
4288-01	ADVANCED BIOFUEL PAYMENT PROGRAM ANNUAL ENROLLMENT APPLICATION	FMI dated 03-24-11.	FMI revised 01-15-20.
4288-2	ADVANCED BIOFUEL PAYMENT PROGRAM CONTRACT	FMI dated 12-07-15.	FMI revised 01-15-20.
4288-3	ADVANCED BIOFUEL PAYMENT PROGRAM PAYMENT REQUEST	FMI dated 03-24-11.	FMI revised 01-15-20.

NO SPECIAL PROCEDURE NOTICE RELEASED.

ADMINISTRATIVE NOTICES RELEASED:

(See AN Checklist)

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