

all entities. FSA stated its finding in the proposed rule at 68 FR 17320, April 9, 2003, that the rule will not have a significant economic impact on a substantial number of small entities, and received no comments on this finding.

There are currently 346 Minor Loan Program borrowers including 61 Grazing Associations, 39 Irrigation and Drainage Associations, 218 Non-Farm Enterprise loans, and 28 Recreations loans to individuals which total less than \$22,000,000 in outstanding indebtedness. This rule consolidates the regulations governing these programs, but it contains no new requirements nor does it eliminate any provision in previous regulations. This rule does not limit options available to program participants, or change any aspect of the program that would have a significant effect on the business of these associations. Therefore, the costs of compliance resulting from this rule are deemed not significant. Accordingly, pursuant to section 605(b) of the Regulatory Flexibility Act, 5 U.S.C. 605(b), the Agency certifies that this rule will not have a significant economic impact on a substantial number of small entities.

Environmental Evaluation

The environmental impacts of this rule have been considered in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 *et seq.*, the regulations of the Council on Environmental Quality (40 CFR parts 1500–1508), and the FSA regulations for compliance with NEPA, 7 CFR parts 799 and 1940, subpart G. FSA completed an environmental evaluation and concluded that the rule requires no further environmental review because no new loans are authorized. Servicing existing loans in accordance with previously published rules containing environmental requirements is not a major Federal action significantly affecting the quality of the human environment. No extraordinary circumstances or other unforeseeable factors exist which required preparation of an environmental assessment or environmental impact statement.

Executive Order 12988

This rule has been reviewed in accordance with E.O. 12988, Civil Justice Reform. In accordance with that Executive Order: (1) All State and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings in accordance with 7 CFR part 11 must

be exhausted before requesting judicial review.

Executive Order 12372

As stated in the Notice related to 7 CFR part 3015, subpart V (48 FR 29115, June 24, 1983) the programs and activities within this rule do not require consultation with state and local officials under the scope of Executive Order 12372.

Unfunded Mandates

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104–4, requires Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments or the private sector. This rule contains no Federal mandates, as defined by title II of the UMRA; therefore, this rule is not subject to sections 202 and 205 of the UMRA.

Executive Order 13132

The policies contained in this rule do not have any substantial direct effect on states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. Nor does this rule impose any new significant loan servicing criteria on state and local governments. The rule revises the citation references and consolidates the servicing regulations to streamline loan servicing criteria applicable to Minor Programs. Therefore, consultation with the states is not required.

Paperwork Reduction Act

The amendments to 7 CFR parts 772, 1901, subpart E, and 1951, subparts E and F, contained in this rule only delete requirements and propose no new collections nor do they significantly affect the aggregate information collection burden of the Agencies. Still, this rule transfers some of the information collections that were approved under OMB control numbers 0575–0118, 0575–0093, and 0575–0066, to part 772, which has been approved by OMB and assigned control number 0560–0230.

Federal Assistance Program

These changes affect no programs listed in the Catalog of Federal Domestic Assistance.

List of Subjects in 7 CFR

Part 772

Agriculture, Credit, Rural areas.

Part 1901

Civil rights, Compliance reviews, Minority groups.

Part 1951

Account servicing, Grant programs—housing and community development, Reporting requirements, Rural areas.

■ Accordingly, for the reasons stated in the preamble, 7 CFR part 772 is added and parts 1901 and 1951 are revised as follows:

■ 1. Add part 772 to read as follows:

PART 772—SERVICING MINOR PROGRAM LOANS

Sec.

- 772.1 Policy.
- 772.2 Abbreviations and definitions.
- 772.3 Compliance.
- 772.4 Environmental requirements.
- 772.5 Security maintenance.
- 772.6 Subordination of security.
- 772.7 Leasing minor program loan security.
- 772.8 Sale or exchange of security property.
- 772.9 Releases.
- 772.10 Transfer and assumption—AMP loans.
- 772.11 Transfer and assumption—IMP loans.
- 772.12 Graduation.
- 772.13 Delinquent account servicing.
- 772.14 Reamortization of AMP loans.
- 772.15 Protective advances.
- 772.16 Liquidation.
- 772.17 Equal Opportunity and non-discrimination requirements.
- 772.18 Exception authority.

Authority: 5 U.S.C. 301, 7 U.S.C. 1989, 25 U.S.C. 490.

§ 772.1 Policy.

(a) *Purpose.* This part contains the Agency's policies and procedures for servicing Minor Program loans which include: Grazing Association loans, Irrigation and Drainage Association loans, and Non-Farm Enterprise and Recreation loans to individuals.

(b) *Appeals.* The regulations at 7 CFR parts 11 and 780 apply to decisions made under this part.

§ 772.2 Abbreviations and Definitions.

(a) *Abbreviations.*

AMP Association-Type Minor Program loan;

CFR Code of Federal Regulations;

FO Farm Ownership Loan;

FSA Farm Service Agency;

IMP Individual-Type Minor Program loan;

OL Operating Loan;

USDA United States Department of Agriculture.

(b) *Definitions.*

Association-Type Minor Program loans (AMP): Loans to Grazing Associations and Irrigation and Drainage Associations.

Entity: Cooperative, corporation, partnership, joint operation, trust, or limited liability company.