

Rules and Regulations

Federal Register

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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF AGRICULTURE

Farm Service Agency

7 CFR Parts 762, 764, and 774

Rural Housing Service

Rural Business-Cooperative Service

Rural Utilities Service

Farm Service Agency

7 CFR Parts 1910, 1924, 1941, 1943, 1951, 1955, 1956, 1962, and 1965

RIN 0560-AG78

2002 Farm Bill Regulations—General Credit Provisions

AGENCY: Farm Service Agency and Rural Housing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule amends the Farm Service Agency's (FSA) regulations to comply with provisions of the Farm Security and Rural Investment Act of 2002 (2002 Act). In addition, this rule clarifies direct loan eligibility criteria in accordance with the Department of Agriculture Reorganization Act of 1994. This rule amends the regulations that govern the direct and guaranteed farm loan programs of FSA by revising eligible loan purposes, percentage of loan guarantees, terms for downpayment loans, the direct loan "term limit" and numerous other provisions affecting loan making, servicing and collections. The rule is intended to focus more FSA resources on beginning farmers and ranchers and make more borrowers eligible for FSA farm credit assistance.

DATES: Effective February 18, 2003.

FOR FURTHER INFORMATION CONTACT: Kathy Zeidler, Senior Loan Officer, USDA, FSA, Farm Loan Programs Loan Making Division, STOP 0522, 1400

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SUPPLEMENTARY INFORMATION:

Notice and Comment

This rule is not being published for public notice or to solicit comment from interested parties as a proposed rule because it implements precise requirements of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171)(the 2002 Act) where the Agency has little or no leeway in terms of policy interpretation. Thus, this rule is published as final and is effective immediately. Other provisions of the 2002 Act that involve agency policy considerations in which public participation is required will be published separately according to 5 U.S.C. 553.

Executive Order 12866

This final rule has been determined to be not significant under Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget (OMB).

Regulatory Flexibility Act

In compliance with the Regulatory Flexibility Act, Public Law 96-534, (5 U.S.C. 601), FSA has determined that this rule will not have a significant economic impact on a substantial number of small entities. FSA program participants are predominantly family-size farmers and ranchers and, as defined by the U.S. Small Business Administration, approximately 98 percent of all farmers are classified as small businesses. The provisions in this rule will not impact a substantial number of small entities to a greater extent than large entities. The intent of this rule is to implement legislation. Program participation is voluntary and requires no direct action on the part of small entities. Thus, large entities are subject to these rules to the same extent as small entities. Therefore, a regulatory flexibility analysis was not performed.

Environmental Evaluation

The environmental impacts of this final 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 the rule requires no further environmental review. No extraordinary circumstances or other unforeseeable factors exist which would require preparation of an environmental assessment or environmental impact statement. A copy of the environmental evaluation is available for inspection and review upon request.

Executive Order 12988

This final rule has been reviewed in accordance with Executive Order 12988. This rule preempts State laws to the extent any laws are inconsistent with it, and its provisions are not retroactive. Before legal action may be brought concerning this rule, administrative remedies must be exhausted.

Executive Order 12372

The programs within this rule are not subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. See the notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115 (June 24, 1983).

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 substantial direct compliance costs on State and local governments. Therefore, consultation with the States is not required.

Unfunded Mandates

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