

Proposed Rules

Federal Register

Vol. 68, No. 85

Friday, May 2, 2003

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

7 CFR Part 360

[Docket No. 02-067-2]

Noxious Weeds; Cultivars of Kikuyu Grass

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Advance notice of proposed rulemaking; reopening of comment period.

SUMMARY: We are reopening the comment period for our advance notice of proposed rulemaking in which we solicited data regarding research or studies on cultivars of kikuyu grass, especially data concerning potential invasiveness in the United States of cultivars of kikuyu grass. This action will allow interested persons additional time to prepare and submit comments.

DATES: We will consider all comments that we receive regarding Docket No. 02-067-1 on or before May 16, 2003.

ADDRESSES: You may submit comments by postal mail/commercial delivery or electronically. If you use postal mail/commercial delivery, please send four copies of your comment (an original and three copies) to: Docket No. 02-067-1, Regulatory Analysis and Development, PPD, APHIS, Station 3C71, 4700 River Road Unit 118, Riverdale, MD 20737-1238. Please state that your comment refers to Docket No. 02-067-1. If you wish to submit electronic comments, please visit the Internet Web site <http://comments.aphis.usda.gov> and follow the instructions there.

You may read any comments that we receive on this docket in our reading room, or online at <http://comments.aphis.usda.gov>. Electronic comments will be posted to this Web site immediately after receipt, and postal mail/commercial delivery comments will be scanned and posted to the Web site within a few days after

receipt. The reading room is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 690-2817 before coming.

APHIS documents published in the **Federal Register**, and related information, including the names of organizations and individuals who have commented on APHIS dockets, are available on the Internet at <http://www.aphis.usda.gov/ppd/rad/webrepor.html>.

FOR FURTHER INFORMATION CONTACT: Mr. Michael A. Lidsky, Esq., Assistant Director, Regulatory Coordination, PPQ, APHIS, 4700 River Road Unit 141, Riverdale, MD 20737-1236; (301) 734-5762.

SUPPLEMENTARY INFORMATION:

Background

On February 10, 2003, we published in the **Federal Register** (68 FR 6653-6655, Docket No. 02-067-1) an advance notice of proposed rulemaking in which we announced that we are considering whether we should remove Whittet and AZ-1, two cultivars of kikuyu grass, from the list of noxious weeds. In that document, we solicited data regarding research or studies on cultivars of kikuyu grass, especially data concerning potential invasiveness in the United States of cultivars of kikuyu grass, in order to help us make a scientifically sound decision.

Comments on the advance notice of proposed rulemaking were required to be received on or before April 11, 2003. We are reopening the comment period for Docket No. 02-067-1 for an additional 14 days from the date of this notice. This action will allow interested persons additional time to prepare and submit comments. We will also consider all comments received between April 12, 2003 (the day after the close of the original comment period) and the date of this notice.

Authority: 7 U.S.C. 7711-7714, 7718, 7731, 7751, and 7754; 7 CFR 2.22, 2.80, and 371.3.

Done in Washington, DC, this 29th day of April 2003.

Peter Fernandez,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 03-10875 Filed 5-1-03; 8:45 am]

BILLING CODE 3410-34-P

FARM CREDIT ADMINISTRATION

12 CFR Part 613

RIN 3052-AC20

Eligibility and Scope of Financing

AGENCY: Farm Credit Administration.

ACTION: Advance notice of proposed rulemaking.

SUMMARY: The Farm Credit Administration (FCA) is considering whether to revise its regulations governing eligibility and scope of financing for farmers, ranchers, and aquatic producers or harvesters who borrow from Farm Credit System (FCS or System) institutions that operate under titles I or II of the Farm Credit Act of 1971, as amended (Act). We are also considering whether we should modify our regulatory definition of "moderately priced" rural housing. We invite your comments.

DATES: You may send us comments by July 31, 2003.

ADDRESSES: You may send comments by electronic mail to "reg-comm@fca.gov," through the Pending Regulations section of FCA's Web site, "www.fca.gov," or through the government-wide "www.regulations.gov" portal. You may also send comments to Robert E. Donnelly, Acting Director, Regulation and Policy Division, Office of Policy and Analysis, Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090 or by facsimile to (703) 734-5784. You may review copies of all comments we receive at our office in McLean, Virginia.

FOR FURTHER INFORMATION CONTACT:

Mark L. Johansen, Policy Analyst, Office of Policy and Analysis, Farm Credit Administration, McLean, VA 22102-5090, (703) 883-4498, TTY (703) 883-4434,

or

Richard Katz, Senior Attorney, Office of General Counsel, Farm Credit

Administration, McLean, VA 22102–5090, (703) 883–4020, TTY (703) 883–4020.

SUPPLEMENTARY INFORMATION:

I. Introduction

We received two petitions under 5 U.S.C. 553(e) to repeal § 613.3005, which limits the amount of credit that FCS institutions that operate under titles I or II of the Act can extend to eligible farmers, ranchers, and aquatic producers or harvesters (collectively referred to as “farmers”). The petitioners state that the Act does not restrict the System’s authority to finance all the credit needs of any group of eligible farmers and, therefore, § 613.3005 should be eliminated as having no basis in law. The petitioners also state that § 613.3005 unnecessarily restricts the System’s ability to serve creditworthy and eligible farmers, particularly those who have significant off-farm income, and young, beginning, and small farmers.

One petitioner also asked us to change the definition of “moderately priced” rural housing in § 613.3030(a)(4). The petitioner stated that this definition has not kept pace with the evolving rural housing market and, therefore, is preventing FCS institutions that operate under titles I and II from fully serving the housing needs of eligible non-farm rural residents.

We have decided to start a rulemaking in response to these two petitions. We reserve judgment on the appropriate legal interpretation of the relevant provisions of the Act. Nevertheless, we believe it is appropriate to review our regulations governing eligibility and scope of financing for farmers and our definition of “moderately priced” rural housing. The goal of this rulemaking is to explore how our regulations can become more responsive to the needs of all eligible and creditworthy farmers and rural residents within the boundaries of the Act.

II. Background

A. Farmers

Section 1.9 of the Act authorizes FCS mortgage lenders to extend credit to “*bona fide* farmers, ranchers, or producers or harvesters of aquatic products.” Section 1.11(a)(1) of the Act states that “Loans made by a Farm Credit [mortgage lender] to farmers, ranchers, and producers or harvesters of aquatic products may be for any agricultural or aquatic purpose and other credit needs of the applicant * * *.” Similarly, section 2.4(a)(1) authorizes certain FCS associations to “make, guarantee, or participate with

other lenders in short- and intermediate-term loans and other similar financial assistance to * * * *bona fide* farmers and ranchers and the producers or harvesters of aquatic products, for agricultural or aquatic purposes and other requirements of such borrowers * * *.”

Under § 613.3000(a)(1), a “*bona fide* farmer or rancher” is “a person owning agricultural land or engaged in the production of agricultural products * * *.” The scope of financing regulation, § 613.3005, which the petitioners asked us to repeal, states:

It is the objective of each bank and association, except for banks for cooperatives, to provide full credit, to the extent of creditworthiness, to the full-time *bona fide* farmer (one whose primary business and vocation is farming, ranching, or producing or harvesting aquatic products); and conservative credit to less than full-time farmers for agricultural enterprises, and more restricted credit for other credit requirements as needed to ensure a sound credit package or to accommodate a borrower’s needs as long as the total credit results in being primarily an agricultural loan. However, the part-time farmer who needs to seek off-farm employment to supplement farm income or who desires to supplement off-farm income by living in a rural area and is carrying on a valid agricultural operation, shall have availability of credit for mortgages, other agricultural purposes, and family needs in the preferred position along with full-time farmers. Loans to farmers shall be on an increasingly conservative basis as the emphasis moves away from the full-time *bona fide* farmer to the point where agricultural needs only will be financed for the applicant whose business is essentially other than farming. Credit shall not be extended where investment in agricultural assets for speculative appreciation is a primary factor.

B. Non-Farm Rural Housing

Existing § 613.3030(a)(4) establishes two methods that FCS lenders may use to determine whether rural housing is “moderately priced.” The first method derives from section 8.0(1)(B) of the Act, which defines “moderate priced” for the purpose of secondary market financing as dwellings (excluding the land) that do not exceed \$100,000, as adjusted for inflation. The second method authorizes FCS banks and associations to determine whether housing in a particular rural area is “moderately priced” by documenting data from a credible, independent, and recognized national or regional source. Housing values at or below the 75th percentile are deemed to be moderately priced.

III. Questions

This rulemaking gives you the opportunity to tell us whether and how

we should change our eligibility and scope of financing regulations for eligible farmers. We want to know if you think we should change the eligibility criteria for farmers as defined in § 613.3000. In addition, we seek your input on whether we should repeal, retain, or amend the scope of financing requirements in § 613.3005. We are particularly interested in your views on how we should regulate FCS lending for farmers’ other credit needs. Please respond to the following questions.

1. Current § 613.3000(a)(1) defines a *bona fide* farmer, rancher, or aquatic producer as a person who either owns agricultural land or is engaging in the production of agricultural products. Do you think the FCA should retain or change this definition? If you favor changing this definition, please offer specific recommendations.

2. What limits, if any, should FCA regulations place on lending for farmers’ other credit needs?

3. How should we regulate access to the other credit needs of eligible farmers who derive most of their income from off-farm sources? Do you favor retaining the current regulatory distinction between full-time and part-time farmers? If not, what would be a better approach?

4. Should we change our definition of “moderately priced” rural housing in § 613.3030(a)(4)? If you favor changing the definition, please offer specific recommendations.

The FCA welcomes other ideas or suggestions you may have about our eligibility and scope of financing regulations for eligible farmers and our regulations defining “moderately priced” rural housing.

The FCA also plans to conduct a public meeting on eligibility and scope of financing for eligible farmers and our definition of “moderately priced” rural housing. We will publish a separate notice in the **Federal Register** that will provide interested parties more information about the public meeting.

Dated: April 29, 2003.

Jeanette C. Brinkley,

Secretary, Farm Credit Administration Board.

[FR Doc. 03–10898 Filed 5–1–03; 8:45 am]

BILLING CODE 6705–01–P

FARM CREDIT ADMINISTRATION

12 CFR Part 613

RIN 3052–AC20

Eligibility and Scope of Financing

AGENCY: Farm Credit Administration.

ACTION: Notice of public meeting.