

Proposed Rules

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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

Agricultural Marketing Service

7 CFR Part 1040

[Docket No. AO-225-A45-RO1; DA-92-10]

Milk in the Southern Michigan Marketing Area; Extension of Time for Filing Exceptions on Proposed Amendments to Tentative Marketing Agreement and to Order

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Extension of time for filing exceptions to proposed rules.

SUMMARY: This notice extends the time for filing exceptions to the December 2, 1994, revised recommended decision on multiple component pricing for the Southern Michigan Federal milk order. The time has been extended 14 days to January 27, 1995, at the request of an interested person.

DATES: Exceptions now are due on or before January 27, 1995.

ADDRESSES: Exceptions (four copies) should be filed with the Hearing Clerk, Room 1083, South Building, United States Department of Agriculture, Washington, DC 20250.

FOR FURTHER INFORMATION CONTACT: Constance M. Brenner, Marketing Specialist, Order Formulation Branch, USDA/AMS/Dairy Division, Room 2968, South Building, P.O. Box 96456, Washington, DC 20090-6456, (202) 720-2357.

SUPPLEMENTARY INFORMATION: Prior documents in this proceeding:

Notice of Hearing: Issued December 3, 1992; published December 10, 1992 (57 FR 58418).

Supplemental Notice of Hearing: Issued January 19, 1993; published January 29, 1993 (58 FR 6447).

Recommended Decision: Issued November 29, 1993; published December 6, 1993 (58 FR 64176).

Notice of Reopened Hearing: Issued February 18, 1994; published February 24, 1994 (59 FR 8874).

Extension of Time for Filing Briefs: Issued April 6, 1994; published April 13, 1994 (59 FR 17497).

Emergency Partial Final Decision: Issued May 12, 1994; published May 23, 1994 (59 FR 26603).

Final Rule: Issued June 22, 1994; published June 29, 1994 (59 FR 33418).

Revised Recommended Decision: Issued December 2, 1994; published December 14, 1994 (59 FR 64464).

Notice is hereby given that the time for filing exceptions to the December 2, 1994, recommended decision with respect to proposed amendments to the tentative marketing agreement and the order regulating the handling of milk in the Southern Michigan milk marketing area is hereby extended from January 13, 1995, to January 27, 1995.

This notice is issued pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900).

Dated: January 18, 1995.

Kenneth C. Clayton,

Acting Administrator.

[FR Doc. 95-1748 Filed 1-23-95; 8:45 am]

BILLING CODE 3410-02-P

Commodity Credit Corporation

7 CFR Parts 1405 and 1413

RIN 0560-AD86

Common Provisions for the 1995 Wheat, Feed Grains, Cotton, and Rice Programs, and Cost Reduction Options

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Proposed rule.

SUMMARY: The Agricultural Act of 1949, as amended (1949 Act), sets forth numerous discretionary provisions that may be implemented by the Commodity Credit Corporation (CCC) with respect to the 1995 crops of wheat, feed grains, upland and extra long staple (ELS) cotton, and rice. The Food Security Act of 1985, as amended (1985 Act), permits the Secretary of Agriculture to take certain actions related to nonrecourse loans and acreage reduction programs if it is determined that they will reduce

total direct and indirect commodity program costs without adversely affecting incomes of small- and medium-sized producers. CCC proposes to make the following program determinations with respect to the price support and production adjustment programs: (a) the percentage of the estimated deficiency payments that should be made available in advance to producers of the 1995 crop of wheat, feed grains, cotton, and rice; (b) the types of crops that may not be planted on "flexible acreage"; (c) whether to permit targeted option payments (TOP); (d) whether to allow the planting of designated crops on up to one-half of the reduced acreage; (e) whether to allow the planting of oats on wheat and feed grains acreage conservation reserve (ACR); (f) whether to allow planting of conserving crops on ACR; (g) whether to allow alternative crops on conserving use acreage for payment; and (h) whether to implement cost reduction options. This proposed rule sets forth CCC's proposed action regarding these determinations.

DATES: Comments must be received on or before January 27, 1995, in order to be assured of consideration.

ADDRESSES: Interested persons are invited to submit written comments to Acting Deputy Administrator, Policy Analysis, P.O. Box 2415, Washington, DC 20013-2415, telephone 202-720-7583.

FOR FURTHER INFORMATION CONTACT: James A. Langley, Consolidated Farm Service Agency, U.S. Department of Agriculture (USDA), Room 3090-S, P.O. Box 2415, Washington, DC 20013-2415 or call 202-690-0640.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This proposed rule has been determined to be significant and was reviewed by OMB under Executive Order 12866.

Preliminary Regulatory Impact Analysis

The Preliminary Regulatory Impact Analysis describing the options considered in developing this proposed rule and the impact of the implementation of each option is available on request from the above-named individual.

Executive Order 12778

This proposed rule has been reviewed in accordance with Executive Order 12778. The provisions of the proposed rule are not retroactive and preempt State laws only to the extent such provisions are inconsistent with State laws. Before any judicial action may be brought concerning these provisions, the administrative appeal remedies at 7 CFR part 780 must be exhausted.

Federal Assistance Programs

The titles and numbers of the Federal Assistance Programs, as found in the catalog of Federal Domestic Assistance, to which this rule applies are as follows:

Titles	Numbers
Commodity Loans and Purchases	10.051
Cotton Production Stabilization	10.052
Feed Grains Production Stabilization	10.055
Wheat Production Stabilization	10.058
Rice Production Stabilization	10.065

Regulatory Flexibility Act

It has been determined that the Regulatory Flexibility Act is not applicable to this proposed rule since CCC is not required by 5 U.S.C. 553 or any other provision of law to publish a notice of proposed rulemaking with respect to the subject matter of this rule.

Environmental Evaluation

It has been determined by an environmental evaluation that this action will have no significant impact on the quality of human environment. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

Executive Order 12372

This program/activity is 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).

Paperwork Reduction Act

This proposed rule does not change the information collection requirements that were previously approved by the Office of Management and Budget (OMB) under provisions of 44 USC 33.

Background

This proposed rule would amend 7 CFR part 1413 to set forth the determination of whether certain discretionary cost reduction options of the 1985 Act will be implemented. Accordingly, the Secretary may take the

following actions if it is determined that they will reduce total direct and indirect commodity program costs without adversely affecting incomes of small- and medium-sized producers: (a) enter into the commercial market to purchase commodities covered by nonrecourse loans if the cost would be less than later acquiring the commodity through loan defaults; (b) provide for settlement of nonrecourse loans (including nonrecourse loans made to producers under the Farmer-Owned Reserve Program) at less than full principal plus interest; or (c) reopen signup to allow producers to submit bids for the conversion of planted acreage to diverted acreage with payment in kind from CCC stocks.

If, after the comment period, no cost reduction options are implemented under the final rule, the Secretary still reserves the right to initiate at a later date any action authorized by section 1009 of the 1985 Act, including the right to reopen and change a contract entered into by a producer under the program if the producer voluntarily agrees to the change.

This proposed rule would also amend 7 CFR part 1413 to set forth the determination of whether certain discretionary provisions of the 1949 Act will be implemented and, if implemented, the manner in which implementation would be made. Accordingly, the following program determinations are proposed to be made with respect to the provisions that are applicable to the 1995 crops of wheat, feed grains, upland and ELS cotton, and rice:

A. The percentage of the estimated deficiency payments that should be made available in advance to producers of the 1995 crop of wheat, feed grains, cotton and rice.

Section 114 of the 1949 Act requires that advance deficiency payments be made available to producers of wheat, feed grains, upland cotton, and rice if an acreage limitation is in effect. Section 103 of the 1949 Act provides discretionary authority to provide such payments for ELS cotton. Producers who participate in farm programs have the option to request advance deficiency payments. Advance payments must be between 40 and 50 percent of the projected payments for wheat and feed grains and between 30 and 50 percent for upland cotton and rice. Advance payment for ELS cotton, if offered, cannot exceed 50 percent of the projected payment rate.

CCC intends to make available advance deficiency payments of 50 percent of the projected payments for the 1995 crop of wheat, feed grains, rice,

upland cotton and, if applicable, ELS cotton.

B. The types of crops that may not be planted on flexible acres.

Section 504 of the 1949 Act states that producers may plant on a farm crops other than the program crop on an acreage not to exceed 25 percent of any crop acreage base enrolled in the applicable CCC price support and production adjustment program. This acreage is known as "flexible" acreage.

Crops that may be planted on flexible acreage are: (a) any program crop; (b) any oilseed crop; (c) any other crop, except any fruit or vegetable crop (including dry edible beans, lentils, peas, and potatoes); and (d) mung beans. The planting of certain fruits or vegetables may be permitted if such crop is an industrial or experimental crop, or if no substantial domestic production or market exists for the crop. The planting of any crop on flexible acres may also be prohibited.

CCC intends to permit the same crops to be grown on flexible acreage in 1995 as were allowed in 1994. However, CCC will consider adding or removing crops to the list of prohibited crops that is set forth at 7 CFR part 1413.43(b)(6).

C. Whether to implement TOP.

Sections 107B(e)(3), 105B(e)(3), 103B(e)(3), and 101B(e)(3) of the 1949 Act, with respect to wheat, feed grains, upland cotton, or rice, provide that if an acreage limitation program is in effect, the Secretary may offer producers the option of increasing or decreasing the acreage reduction level, within certain restrictions, with a corresponding increase or decrease in the established (target) price of the commodity. The target price may be increased or decreased by not less than 0.5 percent nor more than 1 percent for each percentage point change in the acreage reduction level. The acreage limitation requirement cannot be increased by more than 15 percentage points or above 25 percent total for wheat; by more than 10 percentage points or above 20 percent of the total for feed grains; by more than 10 percentage points or above 25 percent of the total for cotton; nor by more than 5 percentage points or above 25 percent of the total for rice. The decrease in the acreage limitation requirement for all crops cannot be more than one-half of the announced acreage limitation percentage.

The Secretary shall, to the extent practicable, ensure that the TOP option does not have a significant effect on program participation or total production and will result in no additional budget outlays.

Comments on whether this provision should be implemented for the 1995 crops are requested.

D. Whether to permit the planting of designated crops on up to half of the announced acreage reduction.

Sections 107B(e)(2)(F)(i), 105B(e)(2)(F)(i), 103B(e)(2)(F)(i), and 101B(e)(2)(F)(i) of the 1949 Act, with respect to wheat, feed grains, upland cotton, and rice, provide that the Secretary may permit producers to plant a designated crop on not more than one-half of the reduced acreage on the farm.

The designated crops may be: (a) any oilseed crop; (b) any industrial or experimental crop designated by CCC; and (c) any other crop, except any fruit or vegetable (including dry edible beans, lentils, peas, and potatoes), not designated by the Secretary as (i) an industrial or experimental crop, or (ii) a crop for which no substantial domestic production or market exist. Program crops may not be planted on the reduced acreage on the farm.

If producers on a farm elect to plant a designated crop, the amount of deficiency payments that the producers are otherwise eligible to receive shall be reduced, for each acre that is planted to the designated crop, by an amount equal to the deficiency payment that would be made with respect to a number of acres of the crop that the Secretary considers appropriate. Such reductions in deficiency payments must be sufficient to ensure that this provision does not increase CCC outlays.

CCC intends to permit the harvesting of designated crops on up to one-half of ACR for the 1995 crops.

E. Whether to permit the planting of oats on wheat and feed grain ACR.

In any crop year that it is determined that projected domestic production of oats will not fulfill the projected domestic demand for oats, CCC: (a) may provide that acreage designated as ACR under the wheat and feed grains programs may be planted to oats for harvest under sections 107B(e)(8) and 105B(e)(8) of the 1949 Act; (b) may make program benefits (including loans, purchases, and payments) available under the annual program for oats under section 105B of the 1949 Act for oats planted on ACR; and (c) shall not make program benefits other than the benefits specified in (b) available to producers with respect to acreage planted to oats under this provision.

It is proposed that the planting of oats on wheat and feed grains ACR for harvest not be permitted for the 1995 crops.

F. Whether to permit conserving crops to be planted on ACR.

Under sections 107B(e)(4)(B)(iii), 105B(e)(4)(B)(iii), 103B(e)(4)(B)(iii), and 101B(e)(4)(B)(iii) of the 1949 Act, with respect to wheat, feed grains, upland cotton, and rice, producers may be authorized to plant all or any part of the ACR to castor beans, crambe, guar, milkweed, mung beans, plantago ovato, sesame, sweet sorghum, rye, triticale, or other commodity, if the Secretary determines that the production is needed to provide an adequate supply of the commodities, is not likely to increase the cost of the price support program, and will not adversely affect farm income.

CCC intends to permit the harvesting of the following conserving crops on ACR: castor beans, chia, crambe, crotalaria, cuphea, guar, guayule, hesperaloe, kenaf, lesquerella, meadowfoam, milkweed, plantago ovato, and sesame. However, CCC will consider adding to or removing crops from the list of eligible conserving crops that is set forth at 7 CFR part 1413.8.

G. Whether to permit alternative crops on conserving use acres.

Under sections 107B(c)(1)(F)(i), 105B(c)(1)(F)(i), 103B(c)(1)(E)(i), and 101B(c)(1)(E)(i) of the 1949 Act, with respect to wheat, feed grains, upland cotton, and rice, producers may be authorized to plant all or any part of acreage otherwise required to be devoted to conserving uses as a condition of qualifying for payment under the so-called "0/85/92" or "50/85/92" provisions of the price support and production adjustment programs to castor beans, guar, millet, mung beans, plantago ovato, sweet sorghum, rye, triticale, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, or commodities grown for experimental purposes (including kenaf and milkweed). The Secretary may permit these crops to be planted on conserving use acres only if the Secretary determines that the production is not likely to increase the cost of the price support program, is needed to provide an adequate supply of the commodities, or is needed to encourage domestic manufacture of industrial raw materials derived from these crops.

CCC intends to permit the harvesting of the following alternative crops on conserving use acres: castor beans, chia, crambe, crotalaria, cuphea, guar, guayule, hesperaloe, kenaf, lesquerella, meadowfoam, milkweed, plantago ovato, and sesame. However, CCC will consider adding to or removing crops from the list of eligible alternative crops that is set forth at 7 CFR part 1413.8.

Accordingly, comments are requested with respect to these foregoing issues.

List of Subjects

7 CFR Part 1405

Loan programs/agriculture, Price support programs.

7 CFR Part 1413

Cotton, Feed grains, Price support programs, Rice, Wheat.

Accordingly, it is proposed that 7 CFR parts 1405 and 1413 be amended as follows:

PART 1405—LOANS, PURCHASES AND OTHER OPERATIONS

1. The authority citation for 7 CFR part 1405 is amended to read as follows:

Authority: 15 U.S.C. 714b and 714c; 7 U.S.C. 1308a.

2. Part 1405 is amended by adding a new § 1405.6 to read as follows:

§ 1405.6 Cost reduction options.

With respect to the 1995 crop, no cost reduction options specified in section 1009(c), (d), or (e) of the Food Security Act of 1985, as amended (the 1985 Act), will be initially included in the program. However, the Secretary reserves the right to initiate at a later date any action not previously included but authorized by section 1009 of the 1985 Act, including the right to reopen and change a contract entered into by a producer under the program if the producer voluntarily agrees to the change.

PART 1413—FEED GRAIN, RICE, UPLAND AND EXTRA LONG STAPLE COTTON, WHEAT AND RELATED PROGRAMS

1. The authority citation for 7 CFR part 1413 continues to read as follows:

Authority: 7 U.S.C. 1308, 1308a, 1309, 1441-2, 1444-2, 1444f, 1445b-3a, 1461-1469; 15 U.S.C. 714b and 714c.

2. In section 1413.54, paragraph (f) is revised to read as follows:

§ 1413.54 Acreage reduction program provisions.

* * * * *

(f) Producers may plant designated minor oilseeds, soybeans and mung beans on up to 50 percent of the designated ACR acreage,

* * * * *

3. In § 1413.64, the introductory text of paragraph (c) and paragraph (d) are revised to read as follows:

§ 1413.64 Nationally approved cover crops and practices for ACR and CU for payment acreages.

* * * * *

(c) Producers may plant designated oilseeds, soybeans and mung beans on up to 50 percent of the designated ACR acreage;

* * * * *

(d) Acreage designated as ACR or CU for payment under the 1995 wheat, feed grain, upland cotton and rice programs may be planted to IOCs.

* * * * *

4. In § 1413.66, paragraph (c)(2) is revised to read as follows:

§ 1413.66 Use of ACR and CU for payment acreage.

* * * * *

(c) * * *

(2) IOCs or designated crops planted on ACR and IOCs planted on CU for payment acreage.

* * * * *

5. In § 1413.105 paragraph (d) is revised to read as follows:

§ 1413.105 Timing and calculation of deficiency payments.

* * * * *

(d)(1) For the 1994 and 1995 crops of wheat, feed grains, upland cotton, ELS cotton and rice, if an acreage limitation program is in effect, CCC shall make available 50 percent of the projected final deficiency payments, made in accordance with Sec. 1413.104, as an advance payment to producers in the manner determined and announced by CCC.

(2) For the 1996 and 1997 crops of wheat, feed grains, upland cotton, ELS cotton and rice, if an acreage limitation program is in effect, CCC shall make available 40 percent of the projected final deficiency payments made in accordance with § 1413.104, as an advance payment to producers in the manner determined and announced by CCC.

Signed January 19, 1995 at Washington, DC.

Bruce R. Weber,

Acting Executive Vice President Commodity Credit Corporation.

[FR Doc. 95-1778 Filed 1-19-95; 4:32 pm]

BILLING CODE 3410-05-P

SUMMARY: On October 22, 1994, the "Small Business Administration Reauthorization and Amendments Act of 1994" was enacted. It amends section 7(m) of the Small Business Act (Act) regarding the SBA microloan financing program. These proposed rules would implement that amendment. Included among the proposed changes are regulations implementing a pilot program which authorizes SBA to guarantee up to 100 percent of loans made to intermediary lenders, the inclusion of native American tribal governments as eligible to participate as intermediaries in the program, authorization for SBA to provide additional grant assistance to an intermediary which by its lending assists residents in economically distressed areas, and an extension of the sunset date of the microloan for an additional fiscal year.

DATES: Comments may be submitted on or before March 27, 1995.

ADDRESSES: Comments may be mailed to John R. Cox, Associate Administrator for Financial Assistance, Small Business Administration, 409 Third Street, S.W., Washington, D.C. 20416.

FOR FURTHER INFORMATION CONTACT: John R. Cox, 202/205-6490.

SUPPLEMENTARY INFORMATION: Pub. L. 103-403, enacted on October 22, 1994 (1994 legislation), amends various portions of subsection 7(m) of the Act (15 U.S.C. 636(m)), relating to the SBA microloan financing program. These proposed rules, if promulgated in final form, would implement the statutory amendments in the following ways.

Consistent with section 202 of the 1994 legislation, § 122.61-2 of SBA's regulations (13 CFR 122.61-2) would be amended by including in the definition of an intermediary eligible to participate in the program as a microloan lender an agency or a nonprofit entity established by a native American tribal government. This proposed change would expand the category of intermediary lenders beyond the present regulatory parameters which prescribe private, nonprofit entities or quasi-governmental entities as microlenders.

Consistent with section 203 of the 1994 legislation, § 122.61-1 of SBA's regulations would be amended to extend the sunset date for the entire microloan program an additional year, to October 1, 1997.

Consistent with section 206 of the 1994 legislation, § 122.61-6 of SBA's present regulations would be amended to increase the aggregate maximum amount of SBA lending available to an intermediary during the intermediary's participation in the microloan program.

The previous limitation was \$1,250,000 and the proposed new aggregate maximum would be \$2,500,000.

Consistent with section 207 of the 1994 legislation, § 122.61-9 of SBA's present regulations would be amended to authorize an intermediary to expend no more than fifteen percent of grant funds provided to it by the SBA for the provision of information and technical assistance to small business concerns which are prospective borrowers. An intermediary receiving a grant would not be required to provide such assistance to prospective microloan borrowers, but this proposed rule recognizes that intermediaries do hold outreach seminars, perform screening analysis, and provide other assistance for prospective borrowers, and it should encourage intermediaries to continue these programs and to use their technical assistance grants efficiently and cost effectively.

Under its present rules, SBA ensures that at least one half of the intermediaries provide microloans to small business concerns located in rural areas. Consistent with section 205 of the 1994 legislation, § 122.61-3 of SBA's regulations would be amended so that, in selecting intermediaries for the program, SBA must select entities that will ensure availability of loans for small business concerns in all industries located throughout the lender's jurisdiction in both rural and urban areas. Thus, the SBA would no longer be required to meet numerical requirements for its portfolio of lenders based on intended borrowers in selecting entities to participate as intermediaries in the microloan program. Under the proposed rule, SBA would consider, however, the additional criterion of whether a proposed intermediary would provide assistance to a variety of industries.

Under SBA's present rules, in order for an intermediary to qualify for an SBA grant, it must contribute or match an amount equal to twenty-five percent of the amount of such grant. Consistent with section 208(a)(1) of the 1994 legislation, § 122.61-9 SBA's regulations would be amended to provide that such twenty-five percent requirement would be inapplicable to an intermediary which provides not less than fifty percent of its loans to small business concerns located in or owned by one or more residents of an economically distressed area. As a result, if this rule is promulgated in final form, if an intermediary would make sixty percent of its loans in an economically distressed geographic area, it would not have to provide a twenty-five percent match to an SBA grant.

SMALL BUSINESS ADMINISTRATION

13 CFR Part 122

Business Loans—Microloans

AGENCY: Small Business Administration (SBA).

ACTION: Notice of Proposed Rulemaking.