

from the United States to an individual or entity indebted to FSA may be offset for the collection of a debt owed to FSA. In addition, money may be collected from the debtor's retirement payments for delinquent amounts owed to the Agency if the debtor is an employee or retiree of a Federal agency, the U.S. Postal Service, the Postal Rate Commission, or a member of the U.S. Armed Forces or the Reserve. Current regulations published in 7 CFR part 762, do not discuss whether amounts paid by the Agency on guaranteed final loss claims are considered Federal debts.

This rule is consistent with the Act and clarifies that a Federal debt is established when a guaranteed final loss claim is paid. The Agency will offset all payments available in accordance with 31 U.S.C. 3716 and 7 CFR part 1951, subpart C. Federal Crop Insurance indemnity payments are prohibited from offset under section 509 of the Federal Crop Insurance Act (7 U.S.C. 1509). FSA also will not offset environmental cost-share assistance payments for establishment costs that are made for newly enrolled FSA Conservation Reserve Program acres or in other situations not in the best interests of the Government. FSA's current policy for direct loan debt collections will be used for collection of Federal debt arising from guaranteed loans.

Some borrowers have established corporations, partnerships and other entities to avoid offsets and to circumvent other Agency regulations. Offset will be taken against the borrower's pro rata share of entity payments pursuant to 7 CFR 792.7(l), 1403.7(q), and 1951.106. A Federal debt cannot be established on debts discharged in bankruptcy. In a reorganization bankruptcy, a borrower will not be offset even when a final loss claim is paid provided the borrower successfully completes the confirmed plan. If a borrower's debt is discharged in a Chapter 7 bankruptcy, offset will not be pursued when the final loss claim is paid.

The Agency has revised its guaranteed loan application forms to include the applicant's certification and acknowledgment that any amounts paid by FSA on account of liabilities of the guaranteed loan borrower will constitute a Federal debt to FSA. The forms provide direct notice to interested applicants of FSA's debt collection policy and memorialize their understanding and acknowledgment of FSA's collection policy.

The guaranteed farm loan program has been in existence since 1973. Currently, there are 40,559 guaranteed

farm loan borrowers with 67,540 loans. Approximately 1,200 loss claims are paid on guaranteed loans per year. Approximately 100 of the 1,200 loans are discharged in bankruptcy, leaving about 1,100 loans that could be considered for offset and other collection methods. Sixty days after a final loss claim is paid, Agency loan officials will notify the guaranteed borrowers with a Notice of Intent to Collect by Administrative Offset that any FSA payment that they may be scheduled to receive will be offset. The notice will advise such borrowers of their options to either pay the claim off, relinquish some or all of the payment to FSA, or seek administrative review or appeal.

This rule is not published for notice and comment because it implements statutory and regulatory provisions which are binding on the Agency. Since the Agency does not have discretion in this matter, public comment would not be able to affect the provisions of the rule. Therefore the rule is published as final and effective upon publication.

List of Subjects in 7 CFR Part 762

Agriculture, Loan programs—
Agriculture.

Accordingly, 7 CFR chapter VII is amended as follows:

PART 762—GUARANTEED FARM LOANS

1. The authority citation for part 762 continues to read as follows:

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

2. Amend § 762.149 by adding paragraph (m), to read as follows:

§ 762.149 Liquidation.

* * * * *

(m) *Establishment of Federal debt.* Any amounts paid by the Agency on account of liabilities of the guaranteed loan borrower will constitute a Federal debt owing to the Agency by the guaranteed loan borrower. In such case, the Agency may use all remedies available to it, including offset under the Debt Collection Improvement Act of 1996, to collect the debt from the borrower. Interest charges will be established at the note rate of the guaranteed loan on the date the final loss claim is paid.

Signed in Washington, DC, on June 25, 2002.

James R. Little,

Administrator, Farm Service Agency.

[FR Doc. 02-16474 Filed 6-28-02; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 94

[Docket No. 02-068-1]

Change in Disease Status of Poland Because of BSE

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Interim rule and request for comments.

SUMMARY: We are amending the regulations by adding Poland to the list of regions where bovine spongiform encephalopathy exists because the disease has been detected in a native-born animal in that region. Poland has been listed among the regions that present an undue risk of introducing bovine spongiform encephalopathy into the United States. Therefore, the effect of this action is a continued restriction on the importation of ruminants, meat, meat products, and certain other products of ruminants that have been in Poland. This action is necessary in order to update the disease status of Poland regarding bovine spongiform encephalopathy.

DATES: This interim rule was effective May 5, 2002. We will consider all comments that we receive on or before August 30, 2002.

ADDRESSES: You may submit comments by postal mail/commercial delivery or by e-mail. If you use postal mail/commercial delivery, please send four copies of your comment (an original and three copies) to: Docket No.02-068-1, 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. 02-068-1. If you use e-mail, address your comment to regulations@aphis.usda.gov. Your comment must be contained in the body of your message; do not send attached files. Please include your name and address in your message and "Docket No. 02-068-1" on the subject line.

You may read any comments that we receive on this docket in our reading room. 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: Dr. Gary Colgrove, Chief Staff Veterinarian, Sanitary Issues Management Staff, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 38, Riverdale, MD 20737-1231; (301) 734-4356.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR parts 93, 94, 95, and 96 (referred to below as the regulations) govern the importation of certain animals, birds, poultry, meat, other animal products and byproducts, hay, and straw into the United States in order to prevent the introduction of various animal diseases, including bovine spongiform encephalopathy (BSE).

BSE is a neurological disease of cattle and is not known to exist in the United States. It appears that BSE is primarily spread through the use of ruminant feed containing protein and other products from ruminants infected with BSE. Therefore, BSE could become established in the United States if materials carrying the BSE agent, such as certain meat, animal products, and animal byproducts from ruminants, were to be imported into the United States and fed to ruminants in the United States. BSE could also become established in the United States if ruminants with BSE were imported into the United States.

Sections 94.18, 95.4, and 96.2 of the regulations prohibit or restrict the importation of certain meat and other animal products and byproducts from ruminants that have been in regions in which BSE exists or in which there is an undue risk of introducing BSE into the United States.

Paragraph (a)(1) of § 94.18 lists the regions in which BSE exists. Paragraph (a)(2) lists the regions that present an undue risk of introducing BSE into the United States because their import requirements are less restrictive than those that would be acceptable for import into the United States and/or because the regions have inadequate surveillance. Paragraph (b) of § 94.18 prohibits the importation of fresh, frozen, and chilled meat, meat products, and most other edible products of ruminants that have been in any region listed in paragraph (a)(1) or (a)(2). Paragraph (c) of § 94.18 restricts the importation of gelatin derived from

ruminants that have been in any of these regions. Section 95.4 prohibits or restricts the importation of certain byproducts from ruminants that have been in any of those regions, and § 96.2 prohibits the importation of casings, except stomach casings, from ruminants that have been in any of these regions. Additionally, the regulations in 9 CFR part 93 pertaining to the importation of live animals provide that the Animal and Plant Health Inspection Service may deny the importation of ruminants from regions where a communicable disease such as BSE exists and from regions that present risks of introducing communicable diseases into the United States (*see* § 93.404(a)(3)).

Poland has been among the regions listed in § 94.18(a)(2), which are regions that present an undue risk of introducing BSE into the United States. However, on May 5, 2002, a case of BSE was confirmed in a native-born animal in Poland. Therefore, in order to update the disease status of Poland regarding BSE, we are amending the regulations by removing Poland from the list in § 94.18(a)(2) of regions that present an undue risk of introducing BSE into the United States and adding Poland to the list in § 94.18(a)(1) of regions where BSE is known to exist. The effect of this action is a continued restriction on the importation of ruminants, meat, meat products, and certain other products and byproducts of ruminants that have been in Poland. We are making these amendments effective retroactively to May 5, 2002, which is the date that BSE was confirmed in a native-born animal in Poland.

Emergency Action

This rulemaking is necessary on an emergency basis to update the disease status of Poland regarding BSE. Under these circumstances, the Administrator has determined that prior notice and opportunity for public comment are contrary to the public interest and that there is good cause under 5 U.S.C. 553 for making this rule effective less than 30 days after publication in the **Federal Register**.

We will consider comments we receive during the comment period for this interim rule (*see* **DATES** above). After the comment period closes, we will publish another document in the **Federal Register**. The document will include a discussion of any comments we receive and any amendments we are making to the rule as a result of the comments.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. For this action, the Office of Management and Budget has waived its review process required by Executive Order 12866.

We are amending the regulations by adding Poland to the list of regions where BSE exists because the disease has been detected in a native-born animal in that region. Poland has been listed among the regions that present an undue risk of introducing BSE into the United States.

Regardless of which of the two lists a region is on, the same restrictions apply to the importation of ruminants and meat, meat products, and most other products and byproducts of ruminants that have been in the region. Therefore, this action, which is necessary in order to update the disease status of Poland regarding BSE, will not result in any change in the restrictions that apply to the importation of ruminants and meat, meat products, and certain other products and byproducts of ruminants that have been in Poland.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule: (1) Preempts all State and local laws and regulations that are inconsistent with this rule; (2) has retroactive effect to May 5, 2002; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This interim rule contains no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Part 94

Animal diseases, Imports, Livestock, Meat and meat products, Milk, Poultry and poultry products, Reporting and recordkeeping requirements.

Accordingly, we are amending 9 CFR part 94 as follows:

PART 94—RINDERPEST, FOOT-AND-MOUTH DISEASE, FOWL PEST (FOWL PLAGUE), EXOTIC NEWCASTLE DISEASE, AFRICAN SWINE FEVER, HOG CHOLERA, AND BOVINE SPONGIFORM ENCEPHALOPATHY: PROHIBITED AND RESTRICTED IMPORTATIONS

1. The authority citation for part 94 continues to read as follows:

Authority: 7 U.S.C. 450, 7711, 7712, 7713, 7714, 7751, and 7754; 19 U.S.C. 1306; 21 U.S.C. 111, 114a, 134a, 134b, 134c, 134f, 136, and 136a; 31 U.S.C. 9701; 42 U.S.C. 4331 and 4332; 7 CFR 2.22, 2.80, and 371.4.

§ 94.18 [Amended]

2. Section 94.18 is amended as follows:

a. In paragraph (a)(1), by adding, in alphabetical order, the word "Poland,".

b. In paragraph (a)(2), by removing the word "Poland,".

Done in Washington, DC, this 26th day of June, 2002.

Bobby R. Acord,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 02-16422 Filed 6-28-02; 8:45 am]

BILLING CODE 3410-34-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 25

[Docket No. NM213; Special Conditions No. 25-201-SC]

Special Conditions: Airbus, Model A340-500 and -600 Series Airplanes; Interaction of Systems and Structure; Electronic Flight Control System, Longitudinal Stability and Low Energy Awareness; and Use of High Incidence Protection and Alpha-Floor Systems

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final special conditions.

SUMMARY: These special conditions are issued for the Airbus Model A340-500 and -600 series airplanes. These airplanes will have novel or unusual design features when compared to the state of technology envisioned in the airworthiness standards for transport category airplanes associated with the systems that affect the structural performance of the airplane; the electronic flight control system (EFCS); and the use of high incidence protection and alpha-floor systems. The applicable airworthiness regulations do not contain adequate or appropriate safety standards

for these design features. These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards. **EFFECTIVE DATE:** July 31, 2002.

FOR FURTHER INFORMATION CONTACT: Tim Backman, FAA, ANM-116, Transport Airplane Directorate, Aircraft Certification Service, 1601 Lind Avenue SW., Renton, Washington, 98055-4056; telephone (425) 227-2797; facsimile (425) 227-1149.

SUPPLEMENTARY INFORMATION:

Background

On November 14, 1996, Airbus Industrie applied for an amendment to U.S. type certificate (TC) A43NM to include the new Models A340-500 and -600. These models are derivatives of the A340-300 airplane that is approved under the same TC.

The Model A340-500 fuselage is a 6-frame stretch of the Model A340-300 and is powered by 4 Rolls Royce Trent 553 engines; each rated at 53,000 pounds of thrust. The airplane has interior seating arrangements for up to 375 passengers, with a maximum takeoff weight (MTOW) of 820,000 pounds. The Model A340-500 is intended for long-range operations and has additional fuel capacity over that of the Model A340-600.

The Model A340-600 fuselage is a 20-frame stretch of the Model A340-300 and is powered by 4 Rolls Royce Trent 556 engines; each rated at 56,000 pounds of thrust. The airplane has interior seating arrangements for up to 440 passengers, with a MTOW of 804,500 pounds.

Type Certification Basis

Under the provisions of 14 CFR 21.101, Airbus must show that the Model A340-500 and -600 airplanes meet the applicable provisions of the regulations incorporated by reference in TC A43NM or the applicable regulations in effect on the date of application for the change to the type certificate. The regulations incorporated by reference in the type certificate are commonly referred to as the "original type certification basis." The regulations incorporated by reference in TC A43NM are 14 CFR part 25, effective February 1, 1965, including Amendments 25-1 through 25-63, and Amendments 25-64, 25-65, 25-66, and 25-77, with certain exceptions that are not relevant to these special conditions.

In addition, if the regulations incorporated by reference do not provide adequate standards with respect

to the change, the applicant must comply with certain regulations in effect on the date of application for the change. The FAA has determined that the Model A340-500 and -600 airplanes must be shown to comply with Amendments 25-1 through 25-91, and with certain FAA-allowed reversions for specific part 25 regulations to the part 25 amendment levels of the original type certification basis.

Airbus has also chosen to comply with part 25 as amended by Amendments 25-92, -93, -94, -95, -97, -98, and -104. In addition, Airbus has elected to redefine the reference stall speed as the 1-g stall speed as proposed in Notice No. 95-17 (61 FR 1260, January 18, 1996).

If the Administrator finds that the applicable airworthiness regulations (*i.e.*, part 25 as amended) do not contain adequate or appropriate safety standards for the Airbus Model A340-500 and -600 because of a novel or unusual design feature, special conditions are prescribed under the provisions of § 21.16.

In addition to the applicable airworthiness regulations and special conditions, the Airbus Model A340-500 and -600 must comply with the fuel vent and exhaust emission requirements of 14 CFR part 34 and the noise certification requirements of 14 CFR part 36, as amended on the date of type certification.

Special conditions, as defined in 14 CFR 11.19, are issued in accordance with § 11.38 and become part of the type certification basis in accordance with § 21.101(b)(2).

Special conditions are initially applicable to the model for which they are issued. Should the type certificate for that model be amended later to include any other model that incorporates the same novel or unusual design feature, or should any other model already included on the same type certificate be modified to incorporate the same novel or unusual design feature, the special conditions would also apply to the other model under the provisions of § 21.101(a)(1).

Novel or Unusual Design Features

The Airbus Model A340-500 and -600 airplanes will incorporate the following novel or unusual design features.

1. Interaction of Systems and Structure

The Model A340-500 and -600 airplanes will have systems that affect the structural performance of the airplane, either directly or as a result of a failure or malfunction. These novel or unusual design features are systems that