

Rules and Regulations

Federal Register

Vol. 77, No. 53

Monday, March 19, 2012

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

Animal and Plant Health Inspection Service

7 CFR Part 319

[Docket No. APHIS–2007–0117]

RIN 0579–AC90

Importation of Wooden Handicrafts From China

Correction

In rule document 2012–4962 beginning on page 12437 in the issue of Thursday, March 1, 2012 make the following correction:

On page 12439, in the third column, in footnote 2, in the third line “[”](https://www.ippc.int/index.php?id=13399&tx_publication_pi1*showUid]=133703&frompage=13399&type=publication&subtype=&L=0#item.” should read “<a href=)

[FR Doc. C1–2012–4962 Filed 3–16–12; 8:45 am]

BILLING CODE 1505–01–D

DEPARTMENT OF AGRICULTURE

Farm Service Agency

7 CFR Parts 761, 762, 764, 765, and 766

RIN 0560–AI04

Conservation Loan Program

AGENCY: Farm Service Agency, USDA.

ACTION: Final rule.

SUMMARY: In September 2010, the Farm Service Agency (FSA) implemented the new Conservation Loan (CL) Program authorized by the Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill). FSA added the CL Program provisions to the existing direct and

guaranteed loan regulations. The provisions provide CL program eligibility and servicing options for the direct and guaranteed loans made through the CL Program. FSA is amending the Farm Loan Programs (FLP) direct and guaranteed loan regulations for the CL Program based on public comments received on the interim rule.

DATES: *Effective Date:* This rule is effective May 18, 2012.

FOR FURTHER INFORMATION CONTACT: Connie Holman; telephone: (202) 690–0756. Persons with disabilities who require alternative means for communication (Braille, large print, audio tape, etc.) should contact the USDA Target Center at (202) 720–2600 (voice and TDD).

SUPPLEMENTARY INFORMATION:

Background

Section 5002 of the 2008 Farm Bill (Pub. L. 110–246) authorized the establishment of the CL Program by amending section 304 of the Consolidated Farm and Rural Development Act (CONACT, 7 U.S.C. 1924). CL loan funds may be used to finance the cost of carrying out a qualified conservation project. FSA published an interim rule (75 FR 54005–54016) on September 3, 2010, to add CL loan making and servicing provisions to the existing direct and guaranteed loan regulations. The regulations in 7 CFR parts 761, 762, 764, 765, and 766 were amended. Those changes to the regulation were effective on September 3, 2010.

Subsequently, on May 13, 2011, FSA published a notice in the **Federal Register** (76 FR 27986) announcing that FSA was no longer accepting direct or guaranteed applications for the CL Program because of a lack of funding. On March 7, 2012, FSA published another notice in the **Federal Register** (77 FR 13530–13531) announcing that we are now accepting guaranteed loan applications. However, due to a lack of program funding, direct CL applications are not being accepted at this time.

In this final rule, FSA addresses the comments received on the interim rule and the changes being made in response to those comments. The amended regulations will be used to service outstanding direct and guaranteed CLs and to process any new loan

applications, subject to the availability of funding.

Fifteen commenters submitted comments on the interim rule during the 60-day comment period. Comments were received from the Independent Community Bankers of America, National Sustainable Agriculture Coalition, Forestry Service Division of Oklahoma Department of Agriculture Food and Forestry, Natural Resources Conservation Service (NRCS), American Farmland Trust, the general public, and FSA employees. This rule was also included in the Joint Regional Tribal Consultation Strategy facilitated by USDA in seven regional consultation meetings from November 2010 through January 2011.

The comments addressed multiple provisions of the rule. Many of the comments received during the comment period were supportive. The commenters supported many of the CL provisions such as the eligible uses for CL loan funds, the requirement for applicants to obtain an approved NRCS conservation plan, the exemption of “test for credit” and “graduation” requirements from the program, loan limits, the streamlined CL application process, and the targeting of direct and guaranteed loan funds for certain producer types.

A number of issues raised in the comments resulted in changes to the regulations. The overall changes are summarized below followed by a discussion of the individual comment issues and the responses.

Summary of Amendments to the Regulations

Part 761 provides the general and administrative regulations for both direct and guaranteed loans. The regulation in 7 CFR part 762 specifies requirements and procedures that apply to making and servicing Guaranteed Loans. The regulation in 7 CFR part 763 specifies the requirements and procedures for direct loan making. FSA is making several amendments to these regulations based on the comments.

FSA is making a minor amendment to the definition of “Conservation Practice” to coincide with the definition in NRCS regulations. FSA will add a definition of “Forest Stewardship Management Plan,” make a minor amendment to the definition of “Conservation Project” to add a provision to allow conservation