

An interim final rule regarding this action was published in the May 31, 1996, issue of the Federal Register (61 FR 27248). That interim final rule added a new subpart heading—Assessment Rates and § 953.253 to establish an assessment rate for the Committee. That rule provided that interested persons could file comments through July 1, 1996. No comments were received.

While this rule will impose some additional costs on handlers, the costs are in the form of uniform assessments on all handlers. Some of the additional costs may be passed on to producers. However, these costs will be offset by the benefits derived by the operation of the marketing order. Therefore, the AMS has determined that this rule will not have a significant economic impact on a substantial number of small entities.

The assessment rate established in this rule will continue in effect indefinitely unless modified, suspended, or terminated by the Secretary upon recommendation and information submitted by the Committee or other available information.

Although this assessment rate is effective for an indefinite period, the Committee will continue to meet prior to or during each fiscal period to recommend a budget of expenses and consider recommendations for modification of the assessment rate. The dates and times of Committee meetings are available from the Committee or the Department. Committee meetings are open to the public and interested persons may express their views at these meetings. The Department will evaluate Committee recommendations and other available information to determine whether modification of the assessment rate is needed. Further rulemaking will be undertaken as necessary. The Committee's 1996–97 budget and those for subsequent fiscal periods will be reviewed and, as appropriate, approved by the Department.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

This final rule also adds a new subpart heading—Handling Regulations to the Code of Federal Regulations immediately preceding § 953.322 Handling regulation.

Pursuant to 5 U.S.C. 553, it is also found and determined that good cause exists for not postponing the effective date of this rule until 30 days after publication in the Federal Register

because: (1) The Committee needs to have sufficient funds to pay its expenses which are incurred on a continuous basis; (2) the 1996–97 fiscal period began on June 1, 1996, and the marketing order requires that the rate of assessment for each fiscal period apply to all assessable potatoes handled during such fiscal period; (3) handlers are aware of this action which was unanimously recommended by the Committee at a public meeting and is similar to other assessment rate actions issued in past years; and (4) an interim final rule was published on this action and provided for a 30-day comment period, and no comments were received.

List of Subjects in 7 CFR Part 953

Marketing agreements, Potatoes, Reporting and recordkeeping requirements.

Accordingly, the interim final rule amending 7 CFR part 953 which was published at 61 FR 27248 on May 31, 1996, is adopted as a final rule with the following change:

PART 953—IRISH POTATOES GROWN IN SOUTHEASTERN STATES

1. The authority citation for 7 CFR part 953 continues to read as follows:

Authority: 7 U.S.C. 601–674.

PART 953—[ADDED]

2. Part 953 is amended by adding a new subpart heading immediately preceding § 953.322 to read as follows:

Note: This subpart heading will appear in the Code of Federal Regulations.

Subpart—Handling Regulations

Dated: August 8, 1996.

Robert C. Keeney,

Director, Fruit and Vegetable Division.

[FR Doc. 96–20661 Filed 8–20–96; 8:45 am]

BILLING CODE 3410–02–P–M

Rural Housing Service

Rural Business-Cooperative Service

Rural Utilities Service

Farm Service Agency

7 CFR Part 1980

RIN 0575–AB29

Future Recovery of Losses Paid on Liquidated Guaranteed Loans

AGENCY: Farm Service Agency, USDA.

ACTION: Final rule.

SUMMARY: The Agency is amending its guaranteed farm credit program

regulations to establish new policies and procedures on the release of guaranteed loan borrowers and cosigners from liability. This action will define guaranteed lenders' release authorities and standardize procedures for reporting post loss claim collection results to the Agency. The intended effect is to maximize collections from unsatisfied guaranteed accounts and to minimize the financial loss to the Government.

EFFECTIVE DATE: September 20, 1996.

FOR FURTHER INFORMATION CONTACT: Phillip Elder, Senior Loan Officer, Farm Service Agency (FSA), Farm Credit Programs Loan Servicing Division, U.S. Department of Agriculture, P.O. Box 2415, Ag Box Code 0523, Washington, D.C. 20013–2415, or at (202) 720–9053.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This rule has been reviewed under E.O. 12866 and has been determined to be a significant regulatory action.

Executive Order 12372

1. For the reasons set forth in the final rule related to Notice 7 CFR Part 3015, Subpart V (48 FR 29115, June 24, 1983) and FmHA Instruction 1940–J, Farm Ownership Loans, Farm Operating Loans, and Emergency Loans are excluded from the scope of E.O. 12372, which requires intergovernmental consultation with state and local officials.

2. The Soil and Water Loan Program is subject to and has met the provisions of E.O. 12372 and FmHA Instruction 1940–J.

Federal Assistance Program

These changes affect the following FSA programs as listed in the Catalog of Federal Domestic Assistance:

10.406—Farm Operating Loans
10.407—Farm Ownership Loans
10.416—Soil and Water Loans

Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR Part 1940, Subpart G, "Environmental Program." It is the determination of the issuing agencies that this action does not constitute a major Federal action significantly affecting the quality of the human environment, and in accordance with the National Environmental Policy Act of 1969, Pub.L. 91–190, an Environmental Impact Statement is not required.

Executive Order 12778

This final rule has been reviewed in accordance with E.O. 12778, Civil

Justice Reform. In accordance with this rule: (1) All State and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings in accordance with 7 CFR parts 11 and 780 must be exhausted before bringing suit in court challenging action taken under this rule unless those regulations specifically allow bringing suit at an earlier time.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13), a notice and request for comments (61 FR 11183, March 19, 1996) was published announcing the Agency's request for an addendum to an approved information collection for the farm credit programs guaranteed loan regulations required by the amendments to 7 CFR part 1980 set forth in this rule. No comments were received. The existing information collection requirements were previously approved by OMB under the provisions of 44 U.S.C. 35 and assigned OMB control number 0575-0079, which was later renumbered 0560-0155. A revised information collection submission will be submitted to OMB for their approval.

Unfunded Mandates

This rule contains no Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local, and tribal governments or the private sector. Thus today's rule is not subject to the requirements of sections 202 and 205 of the UMRA.

Discussion of Final Rule

This final rule establishes standardized procedures for following up with lenders for future collections on loans that resulted in a loss to the Government. These policy changes will strengthen Agency regulations on monitoring loan accounts and will maximize recoveries on liquidated accounts. The proposed rule was published on May 5, 1994, (59 FR 23173-74) with a comment period ending July 5, 1994.

This change is being made in response to recommendations from the USDA, Office of Inspector General (OIG). OIG found that the Farmers Home Administration (FmHA) had no procedures to monitor subsequent recoveries by lenders from defaulted guaranteed loan borrowers (OIG Audit Number 04099-118-Te, June 11, 1987). The audit recommendations involved guaranteed farmer programs loans of FmHA. The FmHA Farmer Programs loans are now administered as Farm

Credit Programs by FSA. The other guaranteed loan programs of FmHA are now administered by various agencies. Water and Waste disposal facility loans are administered by the Rural Utilities Service (RUS), Housing and Community Programs loans are administered by the Rural Housing Service (RHS) and Business and Industrial loans and Nonprofit National Corporations loans are administered by the Rural Business-Cooperative Service (RBS). This reorganization was authorized by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (Pub. L. 103-354). The proposed rule contained changes to 7 CFR part 1980 subpart A, in addition to subpart B. Since USDA has been reorganized, the rule has been revised to delete the proposed changes to subpart A. FSA, RUS, RHS, and RBS are jointly issuing this rule due to joint ownership of chapter XVIII, title 7, Code of Federal Regulations, although FSA will be affected only. RUS, RHS, and RBS are in the process of revising the regulations for their respective agencies.

Five comment letters were received by the close of business on July 5, 1994. Comments were received from several groups representing the farming and lending community, including a State Commissioner of Agriculture, FSA employees, the American Bankers Association and the Farm Credit Council.

One commenter suggested that the reporting requirements would place additional burdens upon the County Office and that the FSA St. Louis KCMO Finance Office (formerly FmHA National Finance Office) has the capability to generate these reports. However, the County Office is currently required to follow up with lenders for a 5-year period. This regulation simply provides a specific method of reporting. Requiring the County Supervisor to perform the follow-up contact assures that a response will be provided and direct contact is assured. This commenter also stated that the regulation should address what happens after the 3-year period of follow-up with the lender is completed. Consequently, the Agency has clarified the rule. Also, the Agency plans to use internal Administrative directives and instructions to address additional issues concerning actions after the 3-year follow-up is complete.

One commenter was concerned about the additional reporting burden that this rule will place on lenders. However, the regulation simply provides for a standardized method of reporting; information lenders are already responsible for gathering. Lenders are

currently required to monitor liquidated guaranteed loan accounts for a 5-year period. This regulation simply provides a format for reporting their findings, where none existed previously. The internal use forms are not published, but are available for public viewing by contacting the FSA Management Services Division, Information Management Branch, PO Box 2415, Washington, D.C. 20013-2415.

A commenter suggested that "Adequate Compensation/Consideration" in the proposed rule be removed and replaced with a reference to FmHA Instruction 1956-B, "Debt Settlement—Farmer Programs and Housing." This same commenter stated that the Agency would save a considerable amount of cost and time if the borrower was encouraged to apply for debt settlement at the time the loss claim is submitted. FmHA Instruction 1956-B applies to debts owed the Federal Government for certain USDA loan programs. However, under a Loan Note Guarantee or Contract of Guarantee, the debt is owed to the lender and guaranteed debts are settled by the lender. FSA as guarantor only reviews information provided by the lender to determine whether or not a release request will be concurred with. FSA, in its role as loan guarantor, does not work directly with the borrower. After a loss claim is paid, the Government does not become a creditor of the farmer or rancher. If the debt is not released, the lender has the responsibility to follow up with the borrower after a loss claim is paid and remit the correct percentage back to the Government in accordance with their guarantee. Success with recoveries after liquidation and findings of OIG audits discourage a simultaneous loss claim payment, settlement and release. Therefore, this suggestion was not adopted.

Another commenter noted that the proposed rule stated in part "A lender may, with FmHA's concurrence, release a borrower and/or cosigner from liability only when adequate compensation/consideration is received." This commenter recommended that this statement be changed to the following: "A lender may, with FSA's concurrence, release a borrower or cosigner from liability only when adequate compensation is received or it is mutually agreed that there is very little probability of recovery from the borrower or cosigner." We have adopted this comment in the final rule. This same commenter stated that the intended effect of the proposed rule is a positive move to minimize losses incurred by

FSA and ensure lenders continue collection efforts on those loans in which the borrower has not been released from liability.

Another interested party commented that the annual audit rules are an expense and a burden to them. This respondent indicated a desire for removal of all loss claim follow-up requirements from guaranteed loan regulations. The Agency has determined that current requirements will be reduced by this rule and the requirements of this rule are justified by the benefits of program participation.

As discussed above, administrative procedures in the proposed rule will be included in internal Agency instructions. Also, as part of this final rule, the agencies are removing some administrative provisions from the Federal Register and are changing references from "FmHA or its successor agency under Public Law 103-354" to "the Agency." Other minor wording changes are also being made.

List of Subjects in 7 CFR Part 1980

Administrative practice and procedures, Agriculture, Business and Industry, Community Facilities, credit, Loan programs—Agriculture, Loan Programs—Business and industry, Loan programs—Housing and community development, low and moderate income housing, reporting and recordkeeping requirements, rural areas.

Therefore, chapter XVIII, title 7, Code of Federal Regulations is amended as follows:

PART 1980—GENERAL

1. The authority citation for part 1980 is revised to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989; 42 U.S.C. 1480; 7 CFR 2.23 and 2.70.

Subpart B—Farmer Programs Loans

2. Section 1980.146 is amended by:

a. removing the words "FmHA or its successor agency under Public Law 103-354" wherever it appears in paragraphs (e)(2)(iv)(B) and (e)(4) and adding the words "the Agency" in its place;

b. removing the words "FmHA or its successor agency under Public Law 103-354" in the title, second sentence, and the last place it appears in the last sentence of paragraph (e)(5) and adding the words "the Agency" in its place;

c. removing the words "Form FmHA or its successor agency under Public Law 103-354" in the first place it appears in the last sentence of paragraph (e)(5) and adding the words "Form FmHA" in its place;

d. removing the words "FmHA or its successor agency under Public Law 103-354" wherever it appears in paragraphs (e)(7) and (e)(8) and adding the words "the Agency" in its place; and

e. revising paragraphs (e)(2)(iv)(A) and (e)(3) to read as follows:

§ 1980.146 Liquidation.

* * * * *

(e) * * *

(2) * * *

(iv) * * *

(A) If the loss is greater than the estimated loss, the Agency will pay the additional amount owed to the lender.

(B) * * *

(3) *Future Recovery.* The lender will remit any future recoveries to the Agency in proportion to the percentage of guarantee in accordance with the Lender's Agreement until the account is paid in full or otherwise satisfied. A lender may, with Agency concurrence, release a borrower or cosigner from liability when adequate compensation is received or it is mutually agreed that there is very little probability of future recovery from the borrower or cosigner.

* * * * *

§ 1980.174 [Removed and Reserved.]

3. In part 1980 § 1980.147 is removed and reserved.

Signed in Washington, DC, on August 12, 1996.

Eugene Moos,

Under Secretary for Farm and Foreign Agricultural Services.

[FR Doc. 96-21236 Filed 8-20-96; 8:45 am]

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Food Safety and Inspection Service

9 CFR Parts 304, 308, 310, 320, 327, 381, 416, and 417

[Docket No. 93-016-3N]

Pathogen Reduction/HACCP National Implementation Conference

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Notice of meeting.

SUMMARY: The Food Safety and Inspection Service (FSIS) is holding a conference, "Pathogen Reduction/HACCP National Implementation Conference," from September 30 through October 3, 1996. The purpose of the conference is to brief the public on the content of the final rule, "Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems," published on July 25, 1996, and discuss implementation.

DATES: The conference will be held from 1:00 p.m. until 5:00 p.m. on September 30, 1996; 8:30 a.m. until 5:00 p.m., on October 1-2, 1996; and 8:30 a.m. until Noon on October 3, 1996.

ADDRESSES: The conference will be held at the U.S. Department of Agriculture, 1400 Independence Avenue, SW., Back of the South Building Cafeteria (between the 2nd and 3rd Wings). Send suggestions for additional topics related to implementation to: FSIS Docket Clerk, DOCKET #93-016-3N, U.S. Department of Agriculture, Food Safety and Inspection Service, Room 4352, 1400 Independence Avenue, S.W., Washington, DC 20250-3700.

FOR FURTHER INFORMATION CONTACT: To register for the conference, call (800) 485-4429, FAX (202) 501-7642, or E-mail usdafs/s=confer@mhs.attmail.com.

SUPPLEMENTARY INFORMATION: On July 25, 1996, FSIS published a final rule, "Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems" (61 FR 38805). This rule introduced sweeping changes to the meat and poultry inspection system. In the preamble to the final rule, FSIS announced that an implementation conference would be held in Washington, DC, about 60 days after publication of this final rule (61 FR 38813). That meeting, "Pathogen Reduction/HACCP National Implementation Conference," will be held from September 30 through October 3, 1996.

At the implementation conference the following topics will be discussed: (1) Status of FSIS efforts to develop generic model HACCP plans and conduct small establishment HACCP demonstration projects; (2) the draft guidance materials published as Appendices; (3) the HACCP implementation schedule and certain technical aspects of the regulations promulgated in the final rule; (4) other implementation issues identified by the public; (5) methods to achieve the goal of consistent training for FSIS and industry employees; and (6) due process and enforcement issues.

FSIS welcomes suggestions of additional implementation topics. Send suggestions to the FSIS Docket Clerk (See **ADDRESSES**). Also, transcripts of the conference will be available in the FSIS Docket Room.

Done at Washington, DC, on: August 16, 1996.

Michael R. Taylor,

Acting Under Secretary for Food Safety.

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