

Rules and Regulations

Federal Register

Vol. 66, No. 179

Friday, September 14, 2001

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

Farm Service Agency

7 CFR Part 770

RIN 0560-AF43

Loans to Indian Tribes and Tribal Corporations; Correction

AGENCY: Farm Service Agency, USDA.

ACTION: Correction to final rule.

SUMMARY: This document contains corrections to the final rule which was published Tuesday, January 9, 2001 (66 FR 1563). The final rule revised and consolidated the Indian Tribal Land Acquisition Program (ITLAP) regulations.

DATE: Effective on September 14, 2001.

FOR FURTHER INFORMATION CONTACT:

Craig Nehls, Branch Chief, Farm Loan Programs, Loan Servicing and Property Management Division, Farm Service Agency, USDA, 1400 Independence Avenue, SW., STOP 0523, Washington, DC 20250-0523, telephone (202) 720-1984, facsimile (202) 690-1196, electronic mail: Craig_Nehls@wdc.usda.gov.

Correction

Accordingly, in the final rule published January 9, 2001, (66 FR1563) make the following corrections in § 770.10:

§ 770.10 [Corrected]

On page 1569, in the second column, in paragraph (e)(3)(iv), in the second line, "(d)(4)" should read "(e)(4);" and in the fourth line, "(d)(3)" should read "(e)(3)" and paragraph (e) should be redesignated as paragraph (f).

Signed at Washington, DC, on September 6, 2001.

James R. Little,

Administrator, Farm Service Agency.

[FR Doc. 01-23061 Filed 9-13-01; 8:45 am]

BILLING CODE 3410-05-P

SMALL BUSINESS ADMINISTRATION

13 CFR Part 120

RIN 3245-AE73

Microloan Program

AGENCY: Small Business Administration (SBA).

ACTION: Direct final rule.

SUMMARY: The Consolidated Appropriations Act, 2001 ("2000 legislation") was enacted on December 21, 2000. It made several changes to SBA's microloan program, increasing in several places the dollar amounts used to define aspects of the program. Because there is no need for SBA to interpret the statutory changes, SBA is implementing them with this direct final rule.

DATES: Unless adverse comment is received prior to October 15, 2001, the rule will become effective as a final rule on November 14, 2001. If adverse comment is received, SBA will publish a timely withdrawal of the rule in the *Federal Register*.

ADDRESSES: Send written comments to Jody Raskind, Chief, Office of Microenterprise Development, U.S. Small Business Administration, 409 3rd Street, SW., Washington, DC 20416.

FOR FURTHER INFORMATION CONTACT: Jody Raskind, (202) 205-6497.

SUPPLEMENTARY INFORMATION: Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) ("Act") sets forth the statutory rules with respect to SBA's microloan program which authorizes SBA to assist small businesses that need small amounts of financial assistance. Under the program, SBA makes direct and guaranteed loans available to intermediaries who use the proceeds to make microloans to eligible borrowers. SBA is also authorized to make grants to intermediaries and other qualified nonprofit entities to be used for marketing, management, and technical assistance.

Section 210 of Pub. L. 106-554 ("2000 legislation") amended section 7(m) of

the Act, and this direct final rule implements the statutory changes by conforming SBA's regulations to the statutory changes. Thus, SBA is amending § 120.701 of its regulations to define a Microloan as a loan of not more than \$35,000 (formerly \$25,000) by an intermediary to a small business. The definition of Specialized Intermediary is changed to mean an intermediary that maintains a portfolio of microloans averaging \$10,000 (up from \$7,500) or less. SBA is amending § 120.702 of its regulations to reflect that an organization, to become an intermediary, must have made and serviced short-term fixed rate loans of not more than \$35,000 (up from \$25,000) to newly established or growing small businesses for at least one year.

SBA is amending § 120.704 of its regulations so that in selecting intermediaries for the microloan program, SBA will give priority to applicants that maintain a portfolio of loans averaging \$10,000 (up from \$7,500) or less. SBA is amending § 120.705 so that a specialized intermediary would have to maintain a portfolio of microloans averaging \$10,000 (up from \$7,500).

SBA is amending § 120.707(b) of its regulations to reflect that an intermediary may not make a microloan of more than \$20,000 (up from \$15,000) unless the borrower demonstrates that it is unable to obtain credit elsewhere. In addition, § 120.707(b) is amended to show that an intermediary may not make a loan of more than \$35,000 (up from \$25,000), and no borrower may owe an intermediary more than \$35,000 (up from \$25,000) at any one time. SBA is amending § 120.707(c) to reflect the statutory change which increased the dollar amount to \$10,000 (up from \$7,500).

SBA is amending § 120.714(a) of its regulations so that any eligible nonprofit entity that is not an intermediary may apply to SBA for a grant for the purpose of assisting eligible businesses to obtain private sector financing in amounts of \$35,000 (up from \$25,000) or less. SBA is amending § 120.714(b) to reflect the statutory changes which increased the (1) number of grants it can make to non-Intermediaries each year to 55 (up from 25), and (2) amount of the grant to \$200,000 (up from \$125,000).

SBA is publishing this regulation as a direct final rule because SBA believes the rule is noncontroversial since it is merely implementing changes required by P.L. 106-554 without any need for interpretations by SBA. As such, SBA believes that this rule will not elicit any significant adverse comment.

Compliance With Executive Orders 13132, 12988, and 12866, the Regulatory Flexibility Act (5 U.S.C. 601-612), and the Paperwork Reduction Act (44 U.S.C., Ch. 35)

For the purposes of Executive Order 13132, SBA has determined that this direct final rule has no federalism implications warranting preparation of a federalism assessment.

This direct final rule does not constitute a "significant" regulatory action under Executive Order 12866 and therefore, was not reviewed by the Office of Management and Budget.

SBA certifies that this direct final rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601-612. This rule is merely implementing changes required by Pub. L. 106-554 without any need for interpretations by SBA. Any impact on small entities results from the 2000 legislation and not from this rulemaking.

SBA certifies that this final rule does not impose any additional reporting or recordkeeping requirements under the Paperwork Reduction Act, 44 U.S.C., chapter 35.

For purposes of Executive Order 12988, SBA certifies that this final rule is drafted, to the extent practicable, to accord with the standards set forth in paragraph 3 of that Order.

List of Subjects in 13 CFR Part 120

Loan programs-business, Small Businesses.

For the reasons set forth above, SBA amends 13 CFR part 120 as follows:

1. The authority citation for part 120 continues to read as follows:

Authority: 15 U.S.C. 634(b)(6), 636(a) and (h), 696(3), and 697(a)(2).

2. Amend § 120.701 by revising paragraphs (f) and (i) to read as follows:

§ 120.701 Definitions.

* * * * *

(f) *Microloan* is a short-term, fixed interest rate loan of not more than \$35,000 made by an Intermediary to an eligible small business.

* * *

(i) *Specialized Intermediary* is an Intermediary which maintains a portfolio of Microloans averaging \$10,000 or less.

3. Revise § 120.702(a)(1) to read as follows:

§ 120.702 Are there limitations on who can be an Intermediary or on where an Intermediary may operate?

(a) * * *

(1) Have made and serviced short-term fixed rate loans of not more than \$35,000 to newly established or growing small businesses for at least one year: and

* * * * *

4. Revise § 120.704(b) to read as follows:

§ 120.704 How are applications evaluated?

(a) * * *

(b) *Preference for organizations which make very small loans.* In selecting Intermediaries, SBA will give priority to applicants which maintain a portfolio of loans averaging \$10,000 or less.

* * * * *

5. Amend § 120.705 by revising the second sentence to read as follows:

§ 120.705 What is a Specialized Intermediary?

* * * An Intermediary qualifies as a Specialized Intermediary if it maintains a portfolio of Microloans averaging \$10,000 or less. * * *

6. Amend § 120.707 as follows:

- a. By revising the second and third sentences of paragraph (b); and
- b. Revising paragraphs (c)(1) and (c)(2).

§ 120.707 What conditions apply to loans by Intermediaries to Microloan borrowers?

* * * * *

(b) * * * An Intermediary may not make a Microloan of more than \$20,000 unless the borrower demonstrates that it is unable to obtain credit elsewhere at comparable interest rates and that it has good prospects for success. An Intermediary may not make a Microloan of more than \$35,000, and no borrower may owe an Intermediary more than \$35,000 at any one time. * * *

(c) * * *

(1) On loans of more than \$10,000, the interest rate charged on the SBA loan to the Intermediary, plus 7.75 percentage points; and

(2) On loans of \$10,000 or less, the interest rate charged on the SBA loan to the Intermediary, plus 8.5 percentage points.

7. Amend § 120.714 as follows:

- a. By revising the first sentence of paragraph (a); and
- b. By revising paragraph (b).

§ 120.714 How does a non-Intermediary get a grant?

(a) *Grant procedure for non-Intermediaries.* Any nonprofit entity

that is not an Intermediary may apply to SBA for a grant to provide marketing, management and technical assistance to low-income individuals for the purpose of assisting them in obtaining private sector financing in amounts of \$35,000 or less. * * *

(b) *Number and amount of grants.* In each year of the Microloan Program, SBA may make no more than 55 grants to non-Intermediaries for terms of up to five years. A grant may not exceed \$200,000.

* * * * *

Dated: June 26, 2001.

John Whitmore,

Acting Administrator.

[FR Doc. 01-22959 Filed 9-13-01; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2001-SW-19-AD; Amendment 39-12439; AD 2001-18-13]

RIN 2120-AA64

Airworthiness Directives; Eurocopter Deutschland GmbH Model EC135 P1 and EC135 T1 Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) for Eurocopter Deutschland GmbH (Eurocopter) Model EC135 P1 and EC135 T1 helicopters. This action requires, before further flight, adding a copy of this AD or a statement to the Emergency Procedures section of the Rotorcraft Flight Manual (RFM) to inform the pilot to reduce power and land as soon as practicable if a thump-like sound followed by unusual vibration occurs during flight. This action also requires visually inspecting for a crack or a break in certain main rotor drive torque strut (strut) assemblies at specified time intervals and recording details of the inspections in the historical or equivalent record. This AD also requires re-marking and relocating the strut as appropriate and replacing any unairworthy strut assembly with an airworthy strut assembly before further flight. Also, this AD establishes a life limit of 1000 hours time-in-service (TIS) for certain struts with an additional 1000 hours TIS for struts re-marked right-hand (RH) or left-