

Administration, McLean, VA 22102–5090, (703) 883–4020, TTY (703) 883–4020.

SUPPLEMENTARY INFORMATION:

I. Introduction

We received two petitions under 5 U.S.C. 553(e) to repeal § 613.3005, which limits the amount of credit that FCS institutions that operate under titles I or II of the Act can extend to eligible farmers, ranchers, and aquatic producers or harvesters (collectively referred to as “farmers”). The petitioners state that the Act does not restrict the System’s authority to finance all the credit needs of any group of eligible farmers and, therefore, § 613.3005 should be eliminated as having no basis in law. The petitioners also state that § 613.3005 unnecessarily restricts the System’s ability to serve creditworthy and eligible farmers, particularly those who have significant off-farm income, and young, beginning, and small farmers.

One petitioner also asked us to change the definition of “moderately priced” rural housing in § 613.3030(a)(4). The petitioner stated that this definition has not kept pace with the evolving rural housing market and, therefore, is preventing FCS institutions that operate under titles I and II from fully serving the housing needs of eligible non-farm rural residents.

We have decided to start a rulemaking in response to these two petitions. We reserve judgment on the appropriate legal interpretation of the relevant provisions of the Act. Nevertheless, we believe it is appropriate to review our regulations governing eligibility and scope of financing for farmers and our definition of “moderately priced” rural housing. The goal of this rulemaking is to explore how our regulations can become more responsive to the needs of all eligible and creditworthy farmers and rural residents within the boundaries of the Act.

II. Background

A. Farmers

Section 1.9 of the Act authorizes FCS mortgage lenders to extend credit to “*bona fide* farmers, ranchers, or producers or harvesters of aquatic products.” Section 1.11(a)(1) of the Act states that “Loans made by a Farm Credit [mortgage lender] to farmers, ranchers, and producers or harvesters of aquatic products may be for any agricultural or aquatic purpose and other credit needs of the applicant * * *.” Similarly, section 2.4(a)(1) authorizes certain FCS associations to “make, guarantee, or participate with

other lenders in short- and intermediate-term loans and other similar financial assistance to * * * *bona fide* farmers and ranchers and the producers or harvesters of aquatic products, for agricultural or aquatic purposes and other requirements of such borrowers * * *.”

Under § 613.3000(a)(1), a “*bona fide* farmer or rancher” is “a person owning agricultural land or engaged in the production of agricultural products * * *.” The scope of financing regulation, § 613.3005, which the petitioners asked us to repeal, states:

It is the objective of each bank and association, except for banks for cooperatives, to provide full credit, to the extent of creditworthiness, to the full-time *bona fide* farmer (one whose primary business and vocation is farming, ranching, or producing or harvesting aquatic products); and conservative credit to less than full-time farmers for agricultural enterprises, and more restricted credit for other credit requirements as needed to ensure a sound credit package or to accommodate a borrower’s needs as long as the total credit results in being primarily an agricultural loan. However, the part-time farmer who needs to seek off-farm employment to supplement farm income or who desires to supplement off-farm income by living in a rural area and is carrying on a valid agricultural operation, shall have availability of credit for mortgages, other agricultural purposes, and family needs in the preferred position along with full-time farmers. Loans to farmers shall be on an increasingly conservative basis as the emphasis moves away from the full-time *bona fide* farmer to the point where agricultural needs only will be financed for the applicant whose business is essentially other than farming. Credit shall not be extended where investment in agricultural assets for speculative appreciation is a primary factor.

B. Non-Farm Rural Housing

Existing § 613.3030(a)(4) establishes two methods that FCS lenders may use to determine whether rural housing is “moderately priced.” The first method derives from section 8.0(1)(B) of the Act, which defines “moderate priced” for the purpose of secondary market financing as dwellings (excluding the land) that do not exceed \$100,000, as adjusted for inflation. The second method authorizes FCS banks and associations to determine whether housing in a particular rural area is “moderately priced” by documenting data from a credible, independent, and recognized national or regional source. Housing values at or below the 75th percentile are deemed to be moderately priced.

III. Questions

This rulemaking gives you the opportunity to tell us whether and how

we should change our eligibility and scope of financing regulations for eligible farmers. We want to know if you think we should change the eligibility criteria for farmers as defined in § 613.3000. In addition, we seek your input on whether we should repeal, retain, or amend the scope of financing requirements in § 613.3005. We are particularly interested in your views on how we should regulate FCS lending for farmers’ other credit needs. Please respond to the following questions.

1. Current § 613.3000(a)(1) defines a *bona fide* farmer, rancher, or aquatic producer as a person who either owns agricultural land or is engaging in the production of agricultural products. Do you think the FCA should retain or change this definition? If you favor changing this definition, please offer specific recommendations.

2. What limits, if any, should FCA regulations place on lending for farmers’ other credit needs?

3. How should we regulate access to the other credit needs of eligible farmers who derive most of their income from off-farm sources? Do you favor retaining the current regulatory distinction between full-time and part-time farmers? If not, what would be a better approach?

4. Should we change our definition of “moderately priced” rural housing in § 613.3030(a)(4)? If you favor changing the definition, please offer specific recommendations.

The FCA welcomes other ideas or suggestions you may have about our eligibility and scope of financing regulations for eligible farmers and our regulations defining “moderately priced” rural housing.

The FCA also plans to conduct a public meeting on eligibility and scope of financing for eligible farmers and our definition of “moderately priced” rural housing. We will publish a separate notice in the **Federal Register** that will provide interested parties more information about the public meeting.

Dated: April 29, 2003.

Jeanette C. Brinkley,

Secretary, Farm Credit Administration Board.

[FR Doc. 03–10898 Filed 5–1–03; 8:45 am]

BILLING CODE 6705–01–P

FARM CREDIT ADMINISTRATION

12 CFR Part 613

RIN 3052–AC20

Eligibility and Scope of Financing

AGENCY: Farm Credit Administration.

ACTION: Notice of public meeting.

SUMMARY: The Farm Credit Administration (FCA or agency) announces a public meeting to hear your views about whether and how we should revise our regulations governing eligibility and scope of financing for farmers, ranchers, and aquatic producers or harvesters who borrow from Farm Credit System institutions that operate under titles I or II of the Farm Credit Act of 1971, as amended (Act) and our definition of “moderately priced” rural housing.

DATES: The public meeting will be held on June 26, 2003, in McLean, Virginia, 22102–5090 (703) 883–4056.

ADDRESSES: The FCA will hold the public meeting at our headquarters location at 1501 Farm Credit Drive, McLean, Virginia at 9 a.m. eastern daylight savings time. You may submit requests to appear and present testimony for the public meeting by electronic mail to “reg-comm@fca.gov,” through the Pending Regulations section of FCA’s Web site, “www.fca.gov,” or through the government-wide “www.regulations.gov” portal. You may also submit requests to Robert E. Donnelly, Acting Director, Regulation and Policy Division, Office of Policy and Analysis, Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102–5090 or by facsimile to (703) 734–5784.

FOR FURTHER INFORMATION CONTACT:

Mark L. Johansen, Policy Analyst, Office of Policy and Analysis, Farm Credit Administration, McLean, VA 22102–5090, (703) 883–4498, TTY (703) 883–4434,

or

Richard Katz, Senior Attorney, Office of General Counsel, Farm Credit Administration, McLean, VA 22102–5090, (703) 883–4020, TTY (703) 883–4020.

SUPPLEMENTARY INFORMATION:

I. Background

We started this rulemaking in response to two petitions that asked us to repeal the scope of financing regulations in § 613.3005. One petitioner also asked us to modify our definition of “moderately priced” rural housing in § 613.3030(a)(4). The goal of this rulemaking is to explore how our regulations can become more responsive to the needs of all eligible ranchers, and aquatic producers or harvesters (collectively referred to as “farmers”) and non-farm rural residents within the boundaries of the Act. We are publishing an Advance Notice of Proposed Rulemaking (ANPRM) in this issue of the **Federal Register**. In this

document, we are announcing that we will hold a public meeting so you have another forum to present your views to us.

II. Topics

At the hearing, we will ask that you answer the same questions we asked in the ANPRM:

1. Current § 613.3000(a)(1) defines a *bona fide* farmer, rancher, or aquatic producer as a person who either owns agricultural land, or is engaging in the production of agricultural products. Do you think the FCA should retain or change this definition? If you favor changing this definition, please offer specific recommendations.
2. What limits, if any, should FCA regulations place on lending for farmers’ other credit needs?
3. How should we regulate access to the other credit needs of eligible farmers who derive most of their income from off-farm sources? Do you favor retaining the current regulatory distinction between full-time and part-time farmers? If not, what would be a better approach?
4. Should we change our definition of “moderately priced” rural housing in § 613.3030(a)(4)? If you favor changing the definition, please offer specific recommendations.

III. Request To Present Testimony

Anyone wishing to present testimony in person may notify us by June 21, 2003, or register to speak on the day of the meeting. A request to speak should provide the name, address, and telephone number of the person wishing to testify and the general nature of the testimony. Requests to provide testimony in person will be honored in order of receipt.

Parties who register to speak on the day of the meeting may be invited to provide their testimony if time permits. If more people wish to testify than time permits, we will accept written statements for the record for 30 calendar days following the date of the public meeting.

Please limit oral testimony at the meeting to 10 minutes per person and allow 5 minutes for follow-up questions. At the public meeting, we will also accept, for the record, written comments on questions and issues raised in the ANPRM or any other comments that attendees may have on the subject of eligibility and scope of financing for farmers, ranchers, and aquatic producers and harvesters and the definition of “moderately priced” rural housing.

You may also wish to submit written statements or detailed summaries of the

text of your testimony. Written comments that you wish to submit to supplement your testimony should be presented to us by the close of the public meeting.

Written copies of the testimony, along with a recorded transcript of the proceedings, will be included in our official public record. A transcript of the public meeting and any written statements submitted to the agency will be available for public inspection at our office in McLean, Virginia.

IV. Special Accommodations

The meeting is accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be received by FCA’s Office of Communications and Public Affairs at (703) 883–4056, (TTY (703) 883–4056) by June 21, 2003.

Dated: April 29, 2003.

Jeanette C. Brinkley,
Secretary, Farm Credit Administration Board.
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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2003–CE–14–AD]

RIN 2120–AA64

Airworthiness Directives; EXTRA Flugzeugbau GmbH Models EA–300/200, EA–300L, and EA–300S Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to adopt a new airworthiness directive (AD) that would apply to all EXTRA Flugzeugbau GmbH (EXTRA) Models EA–300/200, EA–300L, and EA–300S airplanes. This proposed AD would require you to inspect the fuel selector valve for leakage and the wing for structural damage and correct any damage or leakage. This proposed AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for Germany. The actions specified by this proposed AD are intended to detect and correct fuel leakage in the wings, which could lead to structural damage of the wings and possible reduced structural margins. Reduced structural margins could lead to eventual structural failure.

DATES: The Federal Aviation Administration (FAA) must receive any