insurance is a separate issue from establishing the amount of loss that must be sustained before an indemnity is due.

Comment: One comment received from an insurance company suggested that the Act specifically addresses CAT coverage for production based programs but leaves discretion as to how to apply CAT to dollar amount of insurance crops.

Response: The Act stipulates that CAT coverage shall offer a producer coverage for a 50 percent loss in yield on an individual basis, indemnified at 60 percent of the expected market price, or comparable coverage (as determined by the Corporation). For dollar amount of insurance crops like Florida Citrus, the CAT dollar amount of insurance is stated in the actuarial table. The 50% loss threshold for CAT is not discretionary and applies to dollar amount of insurance crops.

Comment: One comment received from an insurance company suggested that changing the loss calculation for CAT represents a material change in the program and essentially creates a second Florida Citrus program.

Response: Changing the Florida Citrus CAT loss calculation did not create another program. CAT coverage was a new insurance coverage level that was required to be implemented by the Act. The change explains how CAT losses will be calculated.

Comment: One comment received from an insurance company stated their belief that CAT payment values are far short of 60% of the market value called for in the Act. Consequently, loss guidelines which result in a CAT producer being indemnified once they have sustained a loss greater than 10% helped to compensate for the insufficient CAT dollar amount of coverage.

Response: FCIC believes that it would be inappropriate to compensate for a perceived insufficient dollar amount of coverage by manipulating loss calculations, since it would violate crop loss guidelines established in the Act.

Comment: One comment received from an insurance company suggested that the rule change would not reduce paperwork nor simplify the program and could cost more money to administer since agents would have two quoting systems.

Response: FCIC disagrees with this comment. The rule change is not expected to either increase or decrease paperwork. The change does not create two quoting systems, it only informs the CAT policyholder how a claim for indemnity is calculated for this new coverage level.

Comment: One comment received from an insurance company suggested that the rule will spread confusion and bad will among their growers and creates additional work for companies and agents who are already "undercompensated" for CAT.

Response: The Act mandates guidelines for implementing CAT coverage and FCIC does not have the liberty to deviate from the guidelines. Therefore, Florida citrus producers with CAT policies will be treated the same as CAT policyholders of other crops.

Comment: One comment received from an insurance company stated that while they believed the rule change was required to bring the program in compliance with legislation, the change was made well after the April 15, 1995 contract change date, and thus it was inappropriate to implement it for the 1996 crop year.

Response: FCIC's position is that CAT was implemented when the interim rules, Catastrophic Risk Protection Endorsement and Subpart T-Regulations for Implementation, were published in the Federal Register on January 6, 1995. The Florida Citrus interim rule was a continuation of implementing CAT. Implementing legislation (the Act) takes precedence over a crop policy's contract change date.

Comment: One comment received from an insurance company stated that the only changes allowable after the April 15, 1995 contract change date would be a liberalization which would benefit the policyholders, as described in section 11 of the General Provisions of the MPCI Policy. Furthermore a 500% increase in the CAT policy deductible does not qualify as a liberalization.

Response: Implementing legislation takes precedence over a crop policy's contract change date. CAT insureds who sustain a complete loss of their Florida citrus can realize 100% of their CAT coverage, while under the previous loss calculation, based on 10% deductible, they would have received only 90% of their CAT coverage.

List of Subjects in 7 CFR Part 401

Crop insurance, Florida citrus.

Final Rule

Accordingly, pursuant to the authority contained in the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 *et seq.*) the Federal Crop Insurance Corporation hereby adopts as a final rule, the interim rule as published at 60 FR 29749 on June 6, 1995. Done in Washington, DC, on November 29, 1995. Kenneth D. Ackerman, *Manager, Federal Crop Insurance Corporation.* [FR Doc. 95–29570 Filed 12–4–95; 8:45 am] BILLING CODE 3410–FA–P

SMALL BUSINESS ADMINISTRATION

13 CFR Part 140

Debt Collection Through Offset

AGENCY: Small Business Administration. **ACTION:** Final rule.

SUMMARY: In response to President Clinton's regulatory review directive, the Small Business Administration has completed a page-by-page and line-byline review of its regulations. As a result, SBA is proposing to clarify and streamline its regulations, revising or eliminating any duplicative, outdated, inconsistent, or confusing provisions. This rule reorganizes all of Part 140 covering agency debt collection, clarifying it and making it easier to use through the use of "plain language." It also amends the Part by removing redundant provisions and applying, where permitted by applicable statute, uniform procedural rights to all debt collection procedures. The name of the regulation has been changed from simply Debt Collection to Debt Collection Through Offset. There are no substantive changes.

EFFECTIVE DATE: This rule is effective January 4, 1996.

FOR FURTHER INFORMATION CONTACT: Cheri Wolff, Chief Counsel for General Litigation, Office of General Counsel, at (202) 205–6643.

SUPPLEMENTARY INFORMATION: 13 CFR Part 140 establishes procedures for the collection of debts owed to SBA. This rule reorganizes the entire Part, clarifying it and making it easier to use. Where permitted by relevant statute, it also amends Part 140 to give all debtors similar procedural rights.

Currently, Part 140 does not give all debtors the same procedural rights. Where a salary deduction or administrative offset procedure is used, debtors have thirty days to present evidence in response to SBA's notice of intent to collect a debt. On the other hand, where the deduction from income tax refund procedure is used, debtors are given sixty days to present evidence in response to SBA's notice. The rule eliminates this distinction and provides all debtors with the same procedural rights. All debtors will be given sixty days to present their relevant evidence.