

Farm Credit Administration

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INFORMATIONAL MEMORANDUM



January 29, 1999

To: Board Chairmen
Chief Executive Officers
All Farm Credit Institutions

From: Marsha Pyle Martin
Chairman and Chief Executive Officer

Subject: Timeline for Regulation Projects

Many of you have inquired recently about the FCA's regulation development process and the time required for a rule, such as the proposed amendment to Section 614.4070, to become final. A brief review of our regulation process might help answer some of your questions.

The time required to develop a proposed regulation varies with the subject matter and complexity of the issues, as you know. It can range from several days to months or even years in some cases. Once the FCA Board has approved a proposed regulation, the Farm Credit Act requires that any proposed regulation be provided to the Congress for a 30-day period before the regulation can be published in the Federal Register.

The regulation is then published for public comment. The length of the comment period also varies, but is usually not less than 30 days and often is much longer. For example, for Section 614.4070, the FCA Board members first gave the public a 90-day comment period and then extended it for 90 more days, for a total of 180 days. After the comment period has closed, the FCA Board members are briefed by staff on the public's comments. Guidance is then provided by the Board and a draft of the final regulation is prepared. The number and nature of the comments and the complexity of the issues determine the time required for a final rule.

After the FCA Board approves the final regulation, it is published in the Federal Register once again. However, it cannot become effective unless either the House of Representatives or the Senate is in session for 30 days. The days do not have to be consecutive.

We try to complete regulation projects in the minimum amount of time necessary to properly address the issues and comply with all statutory requirements. But as you can see, these requirements add up to several months, even when the regulation itself is quite simple.

Please feel free to call me with any comments or questions. You may also contact Patsy DiMuzio, Director of the Regulation and Policy Division at (703) 883-4463, or by e-mail at reg-comm@fca.gov.