

## Commodity Credit Corporation, USDA

## § 1436.17

recover the debt from other Federal payments or loans.

(e) CCC may declare the entire indebtedness immediately due and payable if the borrower violates any of the terms and conditions of this part, fails to pay any installment on time, or breaches any of the terms and conditions of any of the instruments executed in connection with the loan, or if the collateral is used in connection with any unauthorized commercial operation including, but not limited to, elevators, warehouses, dryers or processing plants, during the life of the loan.

(f) The loan may be paid in full or in part at any time before maturity.

(g) Upon payment of a loan, CCC shall release CCC's security interest in the collateral.

### § 1436.14 Taxes.

The borrower must pay all real and personal property taxes that may affect CCC's security interest in all collateral securing the note evidencing the loan. To protect its interests, CCC may pay any unpaid taxes with respect to the collateral securing a loan made in accordance with this part, and if CCC does so, the borrower shall reimburse CCC for such payment, and if unpaid by the borrower, such debt shall become part of the current installment due.

### § 1436.15 Maintenance.

(a) The borrower must maintain the loan collateral in a condition suitable for the storage of one or more of the facility loan commodities.

(b) Until the loan has been repaid, the borrower shall be liable for all damages to or destruction of the collateral. CCC shall not assume any loss of the loan collateral.

(c) CCC shall conduct annual collateral checks to insure compliance with this section.

(d) Structures must be insured against all perils in all cases and must also be insured against flooding if the structure is located in a flood plain, as determined by CCC. Proof of flood insurance, if required, and proof of all peril structural insurance, must be provided to CCC annually. CCC must be

listed as a loss payee on all peril and flood insurance policies.

(e) CCC shall have rights in ingress and egress where the facility is located. Failure of the borrower to secure such access will render a borrower ineligible for the loan and, if a loan has already been made shall constitute a loan violation for which the remaining balance of the loan shall become due immediately.

### § 1436.16 Sale or conveyance.

(a) The collateral or land securing a loan may be sold by CCC whenever CCC has declared the entire indebtedness immediately due and owing under this part or when the borrower voluntarily conveys the collateral to CCC before repaying the loan. Before a borrower sells or conveys the facilities or other property securing a loan without repaying the loan in full, the borrower shall obtain approval for the sale or conveyance from the county FSA committee.

(b) Assumption of a farm storage facility loan is permitted.

### § 1436.17 Environmental compliance.

(a) Except as otherwise specified in this section, prior to approval of any farm storage facility loan, an environmental evaluation will be completed to determine if the proposed action will have any adverse impacts on the environmental and cultural resources.

(b) If it is determined that a proposed action or group of proposed actions will not result in any adverse impact, the action will be considered as being categorically excluded for the purpose of compliance with the National Environmental Policy Act (NEPA), 40 CFR parts 1500 through 1508.

(c)(1) If adverse environmental impacts, either direct or indirect, are identified, an environmental assessment will be completed in accordance with the Council on Environmental Quality's Regulations for Implementing the Procedural Provisions of NEPA to the extent required by law.

(2) The environmental assessment will be used to develop an action that results in no significant environmental impact on the human environment or cultural resources.