

**List of Subjects in 7 CFR Part 947**

Marketing agreements, Potatoes, Reporting and recordkeeping requirements.

Accordingly, the interim final rule amending 7 CFR part 947 which was published at 61 FR 27247 on May 31, 1996, is adopted as a final rule with the following change:

**PART 947—IRISH POTATOES GROWN IN MODOC AND SISKIYOU COUNTIES, CALIFORNIA, AND IN ALL COUNTIES IN OREGON EXCEPT MALHEUR COUNTY**

1. The authority citation for 7 CFR part 947 continues to read as follows:

Authority: 7 U.S.C. 601–674.

**PART 947—[AMENDED]**

2. Part 947 is amended by adding a new subpart heading immediately preceding § 947.340 to read as follows:

Note: This subpart heading will appear in the Code of Federal Regulations.

**Subpart—Handling Regulations**

Dated: August 8, 1996.

Robert C. Keeney,

*Director, Fruit and Vegetable Division.*

[FR Doc. 96–20662 Filed 8–20–96; 8:45 am]

BILLING CODE 3410–02–M

**7 CFR Part 953**

[Docket No. FV96–953–1 FIR]

**Southeastern Potatoes; Assessment Rate**

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Final rule.

**SUMMARY:** The Department of Agriculture (Department) is adopting as a final rule, with an addition, the provisions of an interim final rule that established an assessment rate for the Southeastern Potato Committee (Committee) under Marketing Order No. 953 for the 1996–97 and subsequent fiscal periods. The Committee is responsible for local administration of the marketing order which regulates the handling of Irish potatoes grown in two southeastern States (Virginia and North Carolina). Authorization to assess potato handlers enables the Committee to incur expenses that are reasonable and necessary to administer the program.

**DATES:** Effective on June 1, 1996.

**FOR FURTHER INFORMATION CONTACT:** Martha Sue Clark, Program Assistant, Marketing Order Administration Branch, Fruit and Vegetable Division,

AMS, USDA, P.O. Box 96456, room 2523–S, Washington, DC 20090–6456, telephone 202–720–9918, FAX 202–720–5698. Small businesses may request information on compliance with this regulation by contacting: Jay Guerber, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, P.O. Box 96456, room 2523–S, Washington, DC 20090–6456, telephone 202–720–2491, FAX 202–720–5698.

**SUPPLEMENTARY INFORMATION:** This rule is issued under Marketing Agreement No. 104 and Order No. 953, both as amended (7 CFR part 953, regulating the handling of Irish potatoes grown in two southeastern States (Virginia and North Carolina), hereinafter referred to as the “order.” The order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), hereinafter referred to as the “Act.”

The Department is issuing this rule in conformance with Executive Order 12866.

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. Under the marketing order now in effect, Virginia–North Carolina potato handlers are subject to assessments. Funds to administer the order are derived from such assessments. It is intended that the assessment rate as issued herein will be applicable to all assessable potatoes beginning June 1, 1996, and continuing until amended, suspended, or terminated. This rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with the Secretary a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and request of modification of the order or to be exempted therefrom. Such handler is afforded the opportunity for a hearing on the petition. After the hearing the Secretary would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction to review the Secretary’s ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Agricultural Marketing Service (AMS)

has considered the economic impact of this rule on small entities.

The purpose of the RFA is to fit regulatory actions to the scale of business subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 150 producers of Southeastern potatoes in the production area and approximately 60 handlers subject to regulation under the marketing order. Small agricultural producers have been defined by the Small Business Administration (13 CFR 121.601) as those having annual receipts of less than \$500,000, and small agricultural service firms are defined as those whose annual receipts are less than \$5,000,000. The majority of Southeastern potato producers and handlers may be classified as small entities.

The Southeastern potato marketing order provides authority for the Committee, with the approval of the Department, to formulate an annual budget of expenses and collect assessments from handlers to administer the program. The members of the Committee are producers and handlers of Southeastern potatoes. They are familiar with the Committee’s needs and with the costs for goods and services in their local area and are thus in a position to formulate an appropriate budget and assessment rate. The assessment rate is formulated and discussed in a public meeting. Thus, all directly affected persons have an opportunity to participate and provide input.

The Committee met on April 18, 1996, and unanimously recommended 1996–97 expenditures of \$12,000, the same as last year, and an assessment rate of \$0.0075 per hundredweight. The assessment rate of \$0.0075 is \$0.0025 higher than last year’s established rate. The major expenditures include \$7,800 for the manager’s and secretarial salaries and \$900 for travel expenses.

The assessment rate recommended by the Committee was based on last year’s shipments of 1,549,268 hundredweight of Southeastern potatoes, which should provide \$11,619,51 in assessment income. Income derived from handler assessments, along with funds from the Committee’s authorized reserve, will be adequate to cover budgeted expenses. Funds in the reserve will be kept within the maximum permitted by the order.

An interim final rule regarding this action was published in the May 31, 1996, issue of the Federal Register (61 FR 27248). That interim final rule added a new subpart heading—Assessment Rates and § 953.253 to establish an assessment rate for the Committee. That rule provided that interested persons could file comments through July 1, 1996. No comments were received.

While this rule will impose some additional costs on handlers, the costs are in the form of uniform assessments on all handlers. Some of the additional costs may be passed on to producers. However, these costs will be offset by the benefits derived by the operation of the marketing order. Therefore, the AMS has determined that this rule will not have a significant economic impact on a substantial number of small entities.

The assessment rate established in this rule will continue in effect indefinitely unless modified, suspended, or terminated by the Secretary upon recommendation and information submitted by the Committee or other available information.

Although this assessment rate is effective for an indefinite period, the Committee will continue to meet prior to or during each fiscal period to recommend a budget of expenses and consider recommendations for modification of the assessment rate. The dates and times of Committee meetings are available from the Committee or the Department. Committee meetings are open to the public and interested persons may express their views at these meetings. The Department will evaluate Committee recommendations and other available information to determine whether modification of the assessment rate is needed. Further rulemaking will be undertaken as necessary. The Committee's 1996–97 budget and those for subsequent fiscal periods will be reviewed and, as appropriate, approved by the Department.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

This final rule also adds a new subpart heading—Handling Regulations to the Code of Federal Regulations immediately preceding § 953.322 Handling regulation.

Pursuant to 5 U.S.C. 553, it is also found and determined that good cause exists for not postponing the effective date of this rule until 30 days after publication in the Federal Register

because: (1) The Committee needs to have sufficient funds to pay its expenses which are incurred on a continuous basis; (2) the 1996–97 fiscal period began on June 1, 1996, and the marketing order requires that the rate of assessment for each fiscal period apply to all assessable potatoes handled during such fiscal period; (3) handlers are aware of this action which was unanimously recommended by the Committee at a public meeting and is similar to other assessment rate actions issued in past years; and (4) an interim final rule was published on this action and provided for a 30-day comment period, and no comments were received.

#### List of Subjects in 7 CFR Part 953

Marketing agreements, Potatoes, Reporting and recordkeeping requirements.

Accordingly, the interim final rule amending 7 CFR part 953 which was published at 61 FR 27248 on May 31, 1996, is adopted as a final rule with the following change:

#### **PART 953—IRISH POTATOES GROWN IN SOUTHEASTERN STATES**

1. The authority citation for 7 CFR part 953 continues to read as follows:

Authority: 7 U.S.C. 601–674.

#### **PART 953—[ADDED]**

2. Part 953 is amended by adding a new subpart heading immediately preceding § 953.322 to read as follows:

Note: This subpart heading will appear in the Code of Federal Regulations.

#### **Subpart—Handling Regulations**

Dated: August 8, 1996.

Robert C. Keeney,

*Director, Fruit and Vegetable Division.*

[FR Doc. 96–20661 Filed 8–20–96; 8:45 am]

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#### **Rural Housing Service**

#### **Rural Business-Cooperative Service**

#### **Rural Utilities Service**

#### **Farm Service Agency**

#### **7 CFR Part 1980**

RIN 0575–AB29

#### **Future Recovery of Losses Paid on Liquidated Guaranteed Loans**

AGENCY: Farm Service Agency, USDA.

ACTION: Final rule.

**SUMMARY:** The Agency is amending its guaranteed farm credit program

regulations to establish new policies and procedures on the release of guaranteed loan borrowers and cosigners from liability. This action will define guaranteed lenders' release authorities and standardize procedures for reporting post loss claim collection results to the Agency. The intended effect is to maximize collections from unsatisfied guaranteed accounts and to minimize the financial loss to the Government.

**EFFECTIVE DATE:** September 20, 1996.

**FOR FURTHER INFORMATION CONTACT:** Phillip Elder, Senior Loan Officer, Farm Service Agency (FSA), Farm Credit Programs Loan Servicing Division, U.S. Department of Agriculture, P.O. Box 2415, Ag Box Code 0523, Washington, D.C. 20013–2415, or at (202) 720–9053.

#### **SUPPLEMENTARY INFORMATION:**

Executive Order 12866

This rule has been reviewed under E.O. 12866 and has been determined to be a significant regulatory action.

Executive Order 12372

1. For the reasons set forth in the final rule related to Notice 7 CFR Part 3015, Subpart V (48 FR 29115, June 24, 1983) and FmHA Instruction 1940–J, Farm Ownership Loans, Farm Operating Loans, and Emergency Loans are excluded from the scope of E.O. 12372, which requires intergovernmental consultation with state and local officials.

2. The Soil and Water Loan Program is subject to and has met the provisions of E.O. 12372 and FmHA Instruction 1940–J.

#### **Federal Assistance Program**

These changes affect the following FSA programs as listed in the Catalog of Federal Domestic Assistance:

10.406—Farm Operating Loans  
10.407—Farm Ownership Loans  
10.416—Soil and Water Loans

#### **Environmental Impact Statement**

This document has been reviewed in accordance with 7 CFR Part 1940, Subpart G, "Environmental Program." It is the determination of the issuing agencies that this action does not constitute a major Federal action significantly affecting the quality of the human environment, and in accordance with the National Environmental Policy Act of 1969, Pub.L. 91–190, an Environmental Impact Statement is not required.

Executive Order 12778

This final rule has been reviewed in accordance with E.O. 12778, Civil