

Notices

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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Office of the Secretary

South Dakota Petroleum Release Compensation Fund Program; Determination of Primary Purpose of Program Payments for Consideration as Excludable From Income Under Section 126 of the Internal Revenue Code of 1954

AGENCY: Office of the Secretary, USDA.

ACTION: Notice of Determination.

SUMMARY: The Secretary of Agriculture has determined that all grant payments made under the South Dakota Petroleum Release Compensation Fund program are made primarily for the purpose of conserving soil and water resources and protecting or restoring the environment. This determination is made in accordance with Section 126 of the Internal Revenue Code of 1954, as amended. The determination permits recipients of these payments to exclude them from gross income to the extent allowed by the Internal Revenue Service.

FOR FURTHER INFORMATION CONTACT:

Dennis D. Rounds, Executive Director, South Dakota Petroleum Release Compensation Fund, 124 E. Dakota, Pierre, South Dakota 57501; or Director, Conservation Operations Division, Natural Resources Conservation Service, USDA, P.O. Box 2890, Washington, D.C. 20013, (202) 720-1845.

SUPPLEMENTARY INFORMATION: Section 126 of the Internal Revenue Code of 1954, as amended, 26 U.S.C. 126, provides that certain payments made to persons under state conservation programs may be excluded from the recipient's gross income for federal income tax purposes if the Secretary of Agriculture determines that the payments are made "primarily for the purpose of conserving soil and water resources, protecting or restoring the environment, improving forests, or

providing a habitat for wildlife." The Secretary of Agriculture evaluates these conservation programs on the basis of criteria set forth in 7 CFR part 14, and makes a "primary purpose" determination for payments made under each program. Before there may be an exclusion, the Secretary of the Treasury must determine that payments made under these conservation programs do not substantially increase the annual income derived from the property benefited by the payments.

The South Dakota petroleum Release Compensation Fund (PRCF) was enacted through HB 1253 in the 1988 South Dakota state legislature. From 1988 to 1995, the PRCF was attached to the Department of Commerce and Regulation and was administered by a five-member citizen's board appointed by the Governor. In 1995, through executive reorganization (Executive Order 95-5), the PRCF was attached to the Department of Transportation and the board's role was changed to advisory. Although attached to the Department of Transportation, the PRCF is temporarily administered by the Department of Commerce and Regulation through a joint-powers agreement. The program is funded by a petroleum release compensation and tank inspection fee of \$20.00/1,000 gallons on products introduced and sold within the state. The fee is imposed on the first state licensed distributor who transfers title of a petroleum product to another within the state. The PRCF receives 58% of the revenues generated by the fee.

The purpose of the program is to prevent and clean up petroleum spills through the establishment of a fund which financially assists owners or operators of storage tanks with necessary and reasonable expenses incurred in order to clean up pollution caused by the release of petroleum into the environment. The objectives of this program are achieved by reimbursing owners or operators of storage tanks for expenses incurred for the cleanup of petroleum released into the environment, thereby protecting the public from contamination of drinking water.

Only expenses directly related to the cleanup are eligible for reimbursement under the PRCF. The following expenses are reimbursable if the director

determines them to qualify under the criteria established in statute:

- (1) labor;
 - (2) testing;
 - (3) use of machinery;
 - (4) materials and supplies;
 - (5) professional services authorized by the director;
 - (6) costs incurred by order of federal, state or local government; and
 - (7) any other expenses that the board finds to be reasonable and necessary to remediate a petroleum spill or release
- Costs are eligible for reimbursement only if they are for activities that have been described in a site assessment plan or a corrective action plan and have received prior approval from the director.

Procedural Matters

The authorizing legislation, regulations, and operating procedures for the South Dakota PETROLEUM RELEASE COMPENSATION FUND have been examined using criteria set forth in 7 CFR part 14. The U.S. Department of Agriculture has concluded that the grant payments made under this program are made to provide financial assistance to eligible persons primarily for the purpose of conserving soil and water resources and protecting or restoring the environment.

A "Record of Decision, South Dakota PETROLEUM RELEASE COMPENSATION FUND: Primary Purpose Determination for Federal Tax Purposes" has been prepared and is available upon request from the Director, Conservation Operations Division, Natural Resources Conservation Service, P.O. Box 2890, Washington, D.C. 20013, or Director, South Dakota Petroleum Release Compensation Fund, 124 E. Dakota, Pierre, S.D. 57501.

Determination

As required by Section 126(b) of the Internal Revenue Code of 1954, as amended, I have examined the authorizing legislation, regulations, and operating procedures regarding the South Dakota PETROLEUM RELEASE COMPENSATION FUND. In accordance with the criteria set out in 7 CFR Part 14, I have determined that all grant payments for cleanup of petroleum releases associated with petroleum storage tanks made under this program are primarily for the purpose of conserving soil and water resources and

protecting or restoring the environment. Subject to further determination by the Secretary of the Treasury, this determination permits grant payment recipients to exclude from gross income, for Federal income tax purposes, all or part of such payments made under the South Dakota Petroleum Release Compensation Fund.

Signed at Washington, DC, on April 2, 1998.

Dan Glickman,

Secretary of Agriculture.

[FR Doc. 99-23063 Filed 9-2-99; 8:45 am]

BILLING CODE 3410-16-P

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[Docket Number FV-98-305]

United States Standards for Grades of Oranges (California and Arizona), United States Standards for Grades of Grapefruit (California and Arizona), United States Standards for Grades of Tangerines and the United States Standards for Grades of Lemons

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Reopening and extension of the comment period.

SUMMARY: Notice is hereby given that the comment period on proposed changes to the United States Standards for Grades of Oranges (California and Arizona), United States Standards for Grades of Grapefruit (California and Arizona), United States Standards for Grades of Tangerines and the United States Standards for Grades of Lemons is reopened and extended.

DATES: Comments must be received by September 20, 1999.

ADDRESSES: Written comments may be submitted to Kenneth R. Mizelle, Fresh Products Branch, Fruit and Vegetable Programs, Agricultural Marketing Service, U.S. Department of Agriculture, Room 2065, South Building, STOP 0240, P.O. Box 96456, Washington, D.C. 20090-6456; faxed to (202) 720-8871; or e-mailed to fpb.docketclerk@usda.gov.

Comments should reference the date and page number of this issue of the **Federal Register**. All comments received will be made available for public inspection at the above address during regular business hours.

The current grade standards for these citrus crops, along with proposed changes, are available either through the above addresses or by accessing AMS' Home Page on the Internet at

www.ams.usda.gov/standards/frutmrkt.htm.

FOR FURTHER INFORMATION CONTACT: Kenneth R. Mizelle at (202) 720-2185.

SUPPLEMENTARY INFORMATION: A notice was published in the **Federal Register** (64 FR 32666; June 17, 1999) requesting comments on changes to the United States Standards for Grades of Oranges (California and Arizona), United States Standards for Grades of Grapefruit (California and Arizona), United States Standards for Grades of Tangerines and the United States Standards for Grades of Lemons. The notice would change the standards to provide a minimum 25-count sample to be applied to tolerances for defects. Additionally, to promote greater uniformity and consistency in the standards, AMS proposed further revisions which will bring the standards into conformity with current cultural and marketing practices. The comment period ended August 16, 1999.

A request from an industry association representing wholesale receivers requested that additional time be provided for interested persons to comment on the proposed changes. The association intended to comment but did not do so prior to the close of the comment period. The association believes that its response, on behalf of wholesale agricultural receivers, is critical to the evaluation of any proposed standards changes.

After reviewing the request, the Department is reopening and extending the comment period in order to allow sufficient time for all interested persons, including the association, to file comments.

Authority: 7 U.S.C. 1621-1627.

Dated: August 30, 1999.

Robert C. Keeney,

Deputy Administrator, Fruit and Vegetable Programs.

[FR Doc. 99-23013 Filed 9-2-99; 8:45 am]

BILLING CODE 3410-02-P

DEPARTMENT OF AGRICULTURE

Forest Service

Spar and Lake Forest Health Project Kootenai National Forest, Lincoln County, MT

AGENCY: Forest Service, USDA.

ACTION: Notice of intent to prepare an environmental impact statement.

SUMMARY: The USDA-Forest Service will prepare an Environmental Impact Statement (EIS) for the Spar and Lake Forest Health Project to disclose the effects of timber management, prescribed fire, and road management

including reconstruction, Best Management Practices (BMP) compliance, and decommissioning. The Spar and Lake project area encompasses the Lake Creek drainage immediately south of Troy, Montana, including Iron, Keeler, Twilight, Stanley, Ross, Camp, Madge, Spring and Noggle drainages as well as several small tributaries to Lake Creek. The purpose and need for action is to: (1) Improve overall forest health by stimulating natural processes that encourage more stable and resilient conditions. This includes salvaging trees with high levels of mortality from insect and disease as well as addressing stand density and species competition concerns; (2) Improve winter range conditions; (3) Improve growing conditions and long term management options for overstocked sapling/pole stands; (4) Improve water quality; and (5) Provide a sustained yield of timber.

The DEIS is expected to be filed with the EPA and available for public review by February, 2000.

DATES: Written comments and suggestions should be received on or before October 4, 1999.

ADDRESSES: Written comments and suggestions concerning the scope of the analysis should be sent to Michael L. Balboni, District Ranger, Three Rivers Ranger District, 1437 Hwy 2, Troy, MT 59935.

FOR FURTHER INFORMATION CONTACT: Contact Michael Donald, Interdisciplinary Team Leader, Three Rivers Ranger District, Phone: (406) 295-4693.

SUPPLEMENTARY INFORMATION: The project area is approximately 135,000 acres and has a favorable climate and good site conditions for forest vegetation. Proposed activities within the decision area include portions of the following areas: T28N, R33W, sec 2, 4-8; T28N, R34W, sec 1-4, 11, 12; T29N, R33W, sec 3, 4, 6, 9, 18, 19; T29N, R34W, sec 1-3, 8, 11, 13, 15-17, 23-25, 27, 34, 35; T30N, R33W, sec 19, 27, 30, 31, 33; T30N, R34W, sec 1, 3, 10-17, 20-28, 30, 32-35; T31N, R33W, sec 20; and T31N, R34W, sec 34. Activities would take place in Management Areas (MA) 2, 8, 10, 10og, 11, 12, 13, 18, 18og, 19, 24 as defined by the Kootenai National Forest Plan. Average annual precipitation ranges from 29 to 100 inches. At the higher elevations, most precipitation falls as snow. The Lake creek valley is a unique combination of open-growth ponderosa pine and Douglas-fir, multistoried western larch/Douglas-fir, and dense stands of western red cedar and western hemlock with pockets of lodgepole pine. The upland areas vary from even-aged Douglas-fir/