

access to Government information and services, and for other purposes.

As noted in the initial regulatory flexibility analysis, USDA has not identified any relevant Federal rules that duplicate, overlap or conflict with this final rule.

In addition, the Committee's meeting was widely publicized throughout the Washington potato industry and all interested persons were invited to attend and participate in Committee deliberations on all issues. Like all Committee meetings, the February 9, 2006, meeting was a public meeting and all entities, both large and small, were able to express views on this issue.

A proposed rule concerning this action was published in the **Federal Register** on January 16, 2007 (72 FR 1685). Copies of the rule were sent to all Committee members and were made available for all attendees at the February 7, 2007, Committee meeting. Finally, the rule was made available through the Internet by USDA and the Office of the Federal Register. A 60-day comment period ending March 19, 2007, was provided to allow interested persons to respond to the proposal. No comments were received.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: <http://www.ams.usda.gov/fv/moab.html>. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

After consideration of all relevant matter 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.

It is further found that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register** (5 U.S.C. 553) because the Committee needs adequate time to conduct nominations and a mail vote to elect new Committee members and alternates prior to the fiscal period beginning on July 1, 2007. Further, Committee members and alternates are aware of this rule, which was recommended at a public meeting. Also, a 60-day comment period was provided for in the proposed rule.

#### List of Subjects in 7 CFR Part 946

Marketing agreements, Potatoes, Reporting and recordkeeping requirements.

■ For the reasons set forth in the preamble, 7 CFR part 946 is amended as follows:

#### PART 946—IRISH POTATOES GROWN IN WASHINGTON

■ 1. The authority citation for 7 CFR part 946 continues to read as follows:

Authority: 7 U.S.C. 601–674.

■ 2. Section 946.103 is revised to read as follows:

##### § 946.103 Reestablishment of districts.

Pursuant to § 946.22, on and after July 1, 2007, the following districts are reestablished:

(a) District No. 1—the counties of Douglas, Chelan, Okanogan, Grant, Adams, Ferry, Stevens, Pend Oreille, Spokane, Whitman, and Lincoln.

(b) District No. 2—the counties of Kittitas, Yakima, Klickitat, Benton, Franklin, Walla Walla, Columbia, Garfield, and Asotin.

(c) District No. 3—all of the remaining counties in the State of Washington, not included in Districts No. 1 and No. 2 of this paragraph.

■ 3. Section 946.104 is revised to read as follows:

##### § 946.104 Reestablishment and reapportionment of committee.

(a) Pursuant to § 946.22, on and after July 1, 2007, the State of Washington Potato Committee consisting of nine members, of whom six shall be producers and three shall be handlers, is hereby reestablished. For each member of the committee there shall be an alternate who shall have the same qualifications as the member.

(b) Pursuant to § 946.22, on and after July 1, 2007, membership representation of the State of Washington Potato Committee shall be reapportioned among the districts of the production area so as to provide that each of the three districts as defined in § 946.103 are represented by two producer members and one handler member and their respective alternates.

Dated: April 5, 2007.

Lloyd C. Day,

Administrator, Agricultural Marketing Service.

[FR Doc. 07–1794 Filed 4–6–07; 12:20 pm]

BILLING CODE 3410–02–P

#### DEPARTMENT OF AGRICULTURE

#### Animal and Plant Health Inspection Service

#### 9 CFR Parts 105 and 115

[Docket No. 02–107–2]

RIN 0579–AC29

#### Viruses, Serums, Toxins, and Analogous Products; Suspension, Revocation, or Termination of Biological Licenses or Permits; Inspections

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Final rule.

**SUMMARY:** We are amending the Virus-Serum-Toxin Act regulations to specify the actions to be taken by veterinary biologics licensees and permittees upon receipt of notice from the Animal and Plant Health Inspection Service (APHIS) to stop the preparation, distribution, sale, barter, exchange, shipment, or importation of any worthless, contaminated, dangerous, harmful, or unsatisfactory veterinary biological product. After receiving notice from APHIS, licensees and permittees must notify each wholesaler, dealer, jobber, consignee, or other recipient known to have any such product in their possession to stop the preparation, distribution, sale, barter, exchange, shipment, or importation of such product. In addition, licensees and permittees must provide a complete accounting of the remaining inventory of affected serials or subserials of such product in the current possession of known wholesalers, dealers, jobbers, consignees, or other known recipients and provide written documentation concerning the required notification(s) as directed by the Administrator of APHIS. These changes are necessary in order to clarify the regulations, provide for the most expeditious means of disseminating stop distribution and sale notices, and to mitigate the risk that any worthless, contaminated, dangerous, harmful, or unsatisfactory veterinary biological product may cause harm to animals, the public health, or to the environment.

**DATES:** *Effective Date:* May 10, 2007.

**FOR FURTHER INFORMATION CONTACT:** Dr. Albert P. Morgan, Chief of Operational Support, Center for Veterinary Biologics, Licensing and Policy Development, VS, APHIS, 4700 River Road Unit 148, Riverdale, MD 20737–1231, (301) 734–8245.

**SUPPLEMENTARY INFORMATION:**

## Background

Parts 105 and 115 of the Virus-Serum-Toxin Act regulations (9 CFR parts 105 and 115, referred to below as the regulations) provide, respectively, for the suspension, revocation, or termination of biological licenses or permits and for the inspection of veterinary biologics establishments and veterinary biological products. These regulations also contain provisions that address the actions to be taken by the manufacturer or importer, and any jobbers, wholesalers, dealers, or other persons known to have veterinary biologics in their possession, upon their receipt of notice from the Animal and Plant Health Inspection Service (APHIS) to stop the preparation, distribution, sale, barter, exchange, shipment, or importation of worthless, contaminated, dangerous, harmful, or unsatisfactory veterinary biological product.

Section 105.3 of the regulations provides, in relevant part, that APHIS may notify a licensee or permittee to stop the preparation, sale, barter, exchange, shipment, or importation of any veterinary biological product if at any time it appears that such product may be dangerous in the treatment of domestic animals or unsatisfactory according to applicable Standard Requirements.

Similarly, § 115.2 provides, in relevant part, that if as a result of any inspection it appears that any veterinary biological product is worthless, contaminated, dangerous, or harmful, the Secretary will give notice of that finding to the manufacturer or importer and to any jobbers, wholesalers, dealers, or other persons known to have any of such product in their possession. After receiving such notice, no person may sell, barter, or exchange any such product in any place under the jurisdiction of the United States or ship or deliver for shipment any such product in or from any State, Territory, or the District of Columbia.

Typically, before stop distribution and sale notifications provided for by §§ 105.3 and 115.2 can be given, APHIS must obtain from the licensees and permittees (manufacturers or importers) the names and addresses of the wholesalers, dealers, jobbers, consignees, or other persons known to have any of such unsatisfactory product in their possession. Any delay in obtaining the names and addresses of persons in possession of biological products subject to a stop distribution and sale notification increases the risk that such product may cause harm to animals, the public health, or to the environment. We believe that it is

prudent to use the most expeditious means available to notify wholesalers, dealers, jobbers, foreign consignees, or other persons concerning the stop distribution and sale action.

On April 9, 2003, we published in the **Federal Register** (68 FR 17327–17330, Docket No. 02–107–1) a proposal to amend the regulations to require veterinary biologics licensees and permittees (instead of APHIS) to: (1) Notify wholesalers, dealers, jobbers, or other persons concerning APHIS-directed stop distribution and sale notifications pertaining to worthless, contaminated, dangerous, harmful, or unsatisfactory veterinary biological product; (2) account for any remaining quantity of such product in the current possession of persons involved in the distribution or sale of said product; and (3) to provide written documentation concerning the required notifications as directed by the Administrator of APHIS.

We solicited comments concerning our proposal for 60 days ending June 9, 2003. We received one comment by that date, from a trade association representing veterinary biologics manufacturers. We carefully considered this comment before we reached a decision concerning our proposal. The comment is discussed below.

The commenter stated that the proposed rule could be subject to multiple interpretations and would require licensees and permittees to be accountable for activities beyond their ability to control, and requested clarification regarding the proposed provisions that would require licensees and permittees to account for the quantity for each serial or subserial of unsatisfactory product at each location in the distribution channel (i.e., the provisions of proposed §§ 105.3(c)(3) and 115.2(b)(3)). The commenter inquired as to whether this meant accounting only for the quantity of product shipped from the manufacturer directly to primary (presumably, known) distributors (wholesalers, etc.) or, in addition, accounting for product shipped from primary distributors to secondary and/or tertiary recipients who may not be known to the manufacturer or importer.

In proposed §§ 105.3(c)(2) and 115.2(b)(2), we specified that stop sale notifications should be issued to all wholesalers, jobbers, dealers, foreign consignees, or other persons known to have the product in their possession. However, we agree that the wording of proposed §§ 105.3(c)(3) and 115.2(b)(3) could be interpreted as requiring licensees and permittees to account for product in the possession of persons that are not known to the manufacturer

or importer. To clarify those provisions, we have amended §§ 105.3(c)(3) and 115.2(b)(3) in this final rule to refer to accounting for the quantity of product at each location known to the manufacturer or importer. As amended, §§ 105.3(c)(3) and 115.2(b)(3) now read: “Account for the remaining quantity of each serial(s) or subserial(s) of any such veterinary biological product at each location in the distribution channel known to the manufacturer or importer.”

The commenter also inquired as to the meaning of “immediately” as used in §§ 105.3(c)(2) and 115.2(b)(2) of the proposed rule, and identified several situations where “rapid notification” may not be in the best interest of the consumer or manufacturer.

The purpose of the typical stop distribution and sale action is to mitigate the possibility that any worthless, dangerous, harmful, or unsatisfactory veterinary biological product may cause harm to animals, the public health, or to the environment. We realize that a hasty decision may not be in the best interest of the health of animals or the manufacturer, and would exercise great caution before issuing a stop distribution and sale notification. However, we believe that stop distribution and sale notifications should be carried out as expeditiously as possible once the determination has been made that suspension of distribution and sale of the product is the best means to limit harm to animals, the public health, or the environment. To clarify the meaning of “immediately,” we have amended §§ 105.3(c)(2) and 115.2(b)(2) in this final rule to read as follows: “Immediately, but no later than 2 days, send stop distribution and sale notifications to any wholesalers, jobbers, dealers, foreign consignees, or other persons known to have any such veterinary biological product in their possession, which instruct them to stop preparation, distribution, sale, barter, exchange, shipment, or importation of any such veterinary biological product. All such notifications shall be documented in writing by the licensee or permittee.”

The commenter agreed with the estimate of burden in the proposed rule’s Paperwork Reduction Act section of 1.7666 hours per response for respondents affected by stop distribution and sale notifications, provided that such notifications are only applicable to “parties that are a single business transaction away from the licensee or permittee” (i.e., known to the manufacturer or importer). However, the commenter opined that

1.7666 hours per response may be an underestimate for firms that market directly to veterinarians, or if such notifications must "include all participants in each distribution chain," (i.e., known and unknown participants).

Regarding the commenter's concern that notification must include all participants in each distribution chain, APHIS has amended §§ 105.3(c)(3) and 115.2(b)(3) in this final rule to specify that licensees and permittees are only required to notify wholesalers, jobbers, dealers, foreign consignees, or other persons known to be in possession of product subject to the stop distribution and sale action. In addition, APHIS believes that available technological tools such as electronic mail, facsimile, and the telephone help lower the burden of notification in all cases, including for those who market directly to veterinarians. Given these facts, APHIS believes that the estimated burden of 1.7666 hours per response stated in the proposed rule is not unreasonable.

Therefore, for the reasons given in the proposed rule and in this document, we are adopting the proposed rule as a final rule, with the changes discussed in this document.

#### **Executive Order 12866 and Regulatory Flexibility Act**

This rule has been determined to be not significant for purposes of Executive Order 12866, and, therefore, has not been reviewed by the Office of Management and Budget.

We are amending §§ 105.3 and 115.2 of our regulations under the Virus-Serum-Toxin Act concerning actions that veterinary biologics licensees and permittees must take after receiving notice from APHIS to stop distribution and sale of a serial(s) or subserial(s) of veterinary biological product that is found to be unsatisfactory according to applicable standard requirements, or if it appears that such product is worthless, contaminated, dangerous, or harmful. Licensees and permittees are required to notify wholesalers, jobbers, dealers, foreign consignees, or other persons known to be in possession of such product immediately, but no later than 2 days after being contacted by APHIS, to stop further distribution and sale of such serial(s) or subserial(s) pending further instructions. This final rule also requires veterinary biologics licensees and permittees to document, in writing, their communications with wholesalers, jobbers, dealers, foreign consignees, or other persons concerning such stop distribution and sale notifications; determine the remaining inventory of such product in the current

possession of such wholesalers, jobbers, dealers, consignees, or other persons; and, as directed by the Administrator, submit reports of all such notifications to APHIS.

The primary effect of this rule will be to provide for the most expeditious means of disseminating information concerning stop distribution and sale notices pertaining to veterinary biological product found unsatisfactory according to applicable standard requirements, and to mitigate the risk that such unsatisfactory veterinary biological product may cause harm to animals, the public health, or the environment. The rule also clarifies the regulations with regard to whom licensees and permittees should contact concerning stop distribution and sale notification, and what information APHIS may require to be reported concerning such notification.

There are approximately 125 veterinary biologics establishments, including permittees, that may be affected by this rule. According to the standards of the Small Business Administration, most veterinary biologics establishments would be classified as small entities.

It is anticipated that no undue recordkeeping burden will be added to licensees and permittees since §§ 116.2 and 116.5 of the regulations currently require the maintenance of detailed disposition records and the submission of reports concerning each biological product that is prepared and/or shipped. We further anticipate that the only economic effects that may result from this amendment to the regulations would be related to the costs incurred by licensees and permittees in connection with the notification process itself. This final rule does not specify the means by which licensees and permittees are required to give notification, only that notification be given immediately, but no later than 2 days of receipt of the stop distribution and sale notification from APHIS. We expect that licensees and permittees would use electronic mail, telephone, and facsimile to notify wholesalers, jobbers, dealers, consignees, or other persons known to be in possession of the product. These methods are inexpensive, so the actual costs of transmitting notifications required by this amendment would be minimal. The amendment will benefit manufacturers of veterinary biologics by clarifying the actions they must take should they receive notification from APHIS concerning a serial(s) or subserial(s) of biological product found to be unsatisfactory according to applicable standard requirements.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

#### **Executive Order 12372**

This program/activity is listed in the Catalog of Federal Domestic Assistance under No. 10.025 and is subject to Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V.)

#### **Executive Order 12988**

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. It is not intended to have retroactive effect. This rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule. The Virus-Serum-Toxin Act does not provide administrative procedures which must be exhausted prior to a judicial challenge to the provisions of this rule.

#### **Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the information collection or recordkeeping requirements included in this rule have been approved by the Office of Management and Budget (OMB) under OMB control number 0579-0318.

#### **E-Government Act Compliance**

The Animal and Plant Health Inspection Service is committed to compliance with the E-Government Act to promote the use of the Internet and other information technologies, to provide increased opportunities for citizen access to Government information and services, and for other purposes. For information pertinent to E-Government Act compliance related to this rule, please contact Mrs. Celeste Sickles, APHIS' Information Collection Coordinator, at (301) 734-7477.

#### **List of Subjects**

##### **9 CFR Part 105**

Animal biologics, Exports, Imports, Labeling, Packaging and containers, Reporting and recordkeeping requirements.

##### **9 CFR Part 115**

Animal biologics, Exports, Imports, Reporting and recordkeeping requirements.

■ Accordingly, we are amending 9 CFR parts 105 and 115 as follows:

## **PART 105—SUSPENSION, REVOCATION, OR TERMINATION OF BIOLOGICAL LICENSES OR PERMITS**

- 1. The authority citation for part 105 continues to read as follows:

**Authority:** 21 U.S.C. 151–159; 7 CFR 2.22, 2.80, and 371.4.

- 2. Section 105.3 is amended by adding a new paragraph (c) and an OMB control number citation to read as follows:

### **§ 105.3 Notices re: worthless, contaminated, dangerous, or harmful biological products.**

\* \* \* \* \*

(c) When notified to stop distribution and sale of a serial or subserial of a veterinary biological product under the provisions of paragraph (a) or (b) of this section, veterinary biologics licensees or permittees shall:

(1) Stop the preparation, distribution, sale, barter, exchange, shipment, or importation of the affected serial(s) or subserial(s) of any veterinary biological product pending further instructions from APHIS.

(2) Immediately, but no later than 2 days, send stop distribution and sale notifications to any wholesalers, jobbers, dealers, foreign consignees, or other persons known to have any such veterinary biological product in their possession, which instruct them to stop the preparation, distribution, sale, barter, exchange, shipment, or importation of any such veterinary biological product. All notifications shall be documented in writing by the licensee or permittee.

(3) Account for the remaining quantity of each serial(s) or subserial(s) of any such veterinary biological product at each location in the distribution channel known to the manufacturer (licensee) or importer (permittee).

(4) When required by the Administrator, submit complete and accurate reports of all notifications concerning stop distribution and sale actions to the Animal and Plant Health Inspection Service pursuant to § 116.5 of this subchapter.

(Approved by the Office of Management and Budget under control number 0579–0318.)

## **PART 115—INSPECTIONS**

- 3. The authority citation for part 115 continues to read as follows:

**Authority:** 21 U.S.C. 151–159; 7 CFR 2.22, 2.80, and 371.4.

- 4. Section 115.2 is revised to read as follows:

### **§ 115.2 Inspections of biological products.**

(a) Any biological product, the container of which bears a United States veterinary license number or a United States veterinary permit number or other mark required by these regulations, may be inspected at any time or place. If, as a result of such inspection, it appears that any such product is worthless, contaminated, dangerous, or harmful, the Secretary shall give notice to stop distribution and sale to the manufacturer (licensee) or importer (permittee) and may proceed against such product pursuant to the provisions of part 118 of this subchapter.

(b) When notified to stop distribution and sale of a serial or subserial of a veterinary biological product by the Secretary, veterinary biologics licensees or permittees shall:

(1) Stop the preparation, distribution, sale, barter, exchange, shipment, or importation of the affected serial(s) or subserial(s) of any such veterinary biological product pending further instructions from APHIS.

(2) Immediately, but no later than 2 days, send stop distribution and sale notifications to any jobbers, wholesalers, dealers, foreign consignees, or other persons known to have any such veterinary biological product in their possession, which instruct them to stop the preparation, distribution, sale, barter, exchange, shipment, or importation of any such veterinary biological product. All notifications shall be documented in writing by the licensee or permittee.

(3) Account for the remaining quantity of each serial(s) or subserial(s) of any such veterinary biological product at each location in the distribution channel known to the manufacturer (licensee) or importer (permittee).

(4) When required by the Administrator, submit complete and accurate reports of all notifications concerning stop distribution and sale actions to the Animal and Plant Health Inspection Service pursuant to § 116.5 of this subchapter.

(c) Unless and until the Secretary shall otherwise direct, no persons so notified shall thereafter sell, barter, or exchange any such product in any place under the jurisdiction of the United States or ship or deliver for shipment any such product in or from any State, Territory, or the District of Columbia. However, failure to receive such notice shall not excuse any person from compliance with the Virus-Serum-Toxin Act. (Approved by the Office of Management and Budget under control number 0579–0318).

Done in Washington, DC, this 4th day of April 2007.

**Kevin Shea,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. E7–6700 Filed 4–9–07; 8:45 am]

**BILLING CODE 3410–34–P**

## **DEPARTMENT OF THE TREASURY**

### **Office of the Comptroller of the Currency**

#### **12 CFR Part 4**

[Docket ID OCC–2007–0007]

### **FEDERAL RESERVE SYSTEM**

#### **12 CFR Parts 208 and 211**

[Docket No. R–1279]

### **FEDERAL DEPOSIT INSURANCE CORPORATION**

#### **12 CFR Parts 337 and 347**

**RIN 3064–AD17**

## **DEPARTMENT OF THE TREASURY**

### **Office of Thrift Supervision**

#### **12 CFR Part 563**

[Docket ID OTS–2007–0006]

### **Expanded Examination Cycle for Certain Small Insured Depository Institutions and U.S. Branches and Agencies of Foreign Banks**

**AGENCIES:** Office of the Comptroller of the Currency (OCC); Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); and Office of Thrift Supervision (OTS), Treasury.

**ACTION:** Interim rules with request for comment.

**SUMMARY:** The OCC, Board, FDIC, and OTS (collectively, the Agencies) are jointly issuing and requesting public comment on these interim rules to implement the Financial Services Regulatory Relief Act of 2006 (FSRRA) and related legislation (collectively the Examination Amendments). The Examination Amendments permit insured depository institutions (institutions) that have up to \$500 million in total assets, and that meet certain other criteria, to qualify for an 18-month (rather than 12-month) on-site examination cycle. Prior to enactment of FSRRA, only institutions with less than \$250 million in total assets were eligible for an 18-month on-site examination