

Rules and Regulations

Federal Register

Vol. 62, No. 124

Friday, June 27, 1997

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DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

7 CFR Part 1435

RIN 0560-AE94

Sugar Loan Program Crop Year Definition and Loan Availability Period

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Final rule.

SUMMARY: The proposed rule on the sugar loan program crop year and loan availability period, published in the **Federal Register** on April 2, 1997, at 62 FR 15622, is adopted with changes as a final rule. The final rule defines crop year for the sugar loan program as the Federal fiscal year and extends the loan availability period to the whole fiscal year. The final rule conforms to current statutory language by removing the restriction that supplemental loans, which permit sugar collateral to be repledged for a second loan in the following fiscal year, will be offered only on sugar from sugarcane or sugar beets normally harvested in July, August, or September.

EFFECTIVE DATE: June 27, 1997.

FOR FURTHER INFORMATION CONTACT:

Daniel Colacicco, Farm Service Agency, United States Department of Agriculture (USDA), STOP 0516, 1400 Independence Avenue, SW, Washington, DC 20250-0516, telephone 202-690-0734.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This rule has been determined to be not significant and therefore was not reviewed by OMB under Executive Order 12866.

Federal Assistance Program

The title and number of the Federal assistance program, as found in the

Catalogue of Federal Domestic Assistance, to which this final rule applies are Commodity Loans and Purchases—10.051.

Regulatory Flexibility Act

It has been determined that the Regulatory Flexibility Act is not applicable because CCC is not required by 5 U.S.C. 553 or any other provision of law to publish a notice of final rulemaking with respect to the subject matter of this rule.

Environmental Evaluation

An Environmental Evaluation with respect to the rule has been completed. It has been determined that this action will not have significant adverse effects on environmental factors such as wildlife habitat, water quality, air quality, land use, and appearance. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

Executive Order 12372

This program is not subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. See the Notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115 (June 24, 1983).

Paperwork Reduction Act

A request for comments to revise the previously approved information collection (OMB number 0560-0138) was published in the **Federal Register** with the publication of the proposed rule on April 2, 1997, at 62 FR 15622. No comments were received. The revised information collection package will be submitted for OMB approval.

Executive Order 12998

This final rule has been reviewed in accordance with Executive Order 12998. The provisions of this final rule preempt State laws to the extent such laws are inconsistent with the provisions of this final rule, are not retroactive, and are not subject to administrative appeal remedies.

Background

A proposed rule was published in the **Federal Register** on April 2, 1997, at 62 FR 15622 to simplify program administration and ensure conformity between the statutory language of section 156 of the Federal Agriculture

Improvement and Reform Act of 1996 (the 1996 Act), 7 U.S.C. 156, and the implementing regulations. The proposed rule redefined the 1996 crop year as the period from July 1, 1996 through September 30 1997; redefined the crop years for 1997 through 2001 from the current period, July 1 through June 30, to the Federal fiscal year, October 1 through September 30; and redefined the 2002 crop year as the period from October 1, 2002 through June 30, 2003. The proposed rule reaffirms that the loan program expires on June 30, 2003, so as not to extend the program authority through administrative action.

The proposed rule extended the loan availability period from October 1 through June 30, to the whole fiscal year, except for the 2002 crop year which ends on June 30, 2003, reflecting the statutory language of section 156(d)(2). This removed the restriction that the Commodity Credit Corporation (CCC) could only make loans during July through September on sugar from sugarcane or sugar beets normally harvested during that 3-month period as previous legislation had required. All sugar collateral pledged during July through September would be eligible for supplemental loans during October of the following fiscal year. The proposed rule also recommended elimination of an obsolete provision governing the 1995 crop year price support program.

Summary of Comments

Four sugar industry associations commented on the proposed rule. Three supported all proposed rule changes. One recommended that the restriction be retained that CCC can only make supplemental loans on sugar from sugarcane or sugar normally harvested in July, August, or September.

The commenter agreed that the language of the 1996 Act no longer explicitly limits supplemental loans to sugar from sugarcane or sugar beets normally harvested during the July–September period as did the language of the Food, Agriculture, Conservation, and Trade Act of 1990. However, the commenter contends that there is nothing in the legislative history of the 1996 Act to suggest Congress intended to expand the eligibility for supplemental loans. The commenter also contends that: (1) If such broad loan eligibility is authorized by the 1996 Act,

it is discretionary and the Secretary is not required to implement it; (2) broadening supplemental loan eligibility will complicate rather than simplify program administration; and (3) such action will increase uncertainty as to forfeitures and double the period that processors may forfeit their loan collateral.

CCC reaffirms its position that the statutory language clearly provides for any domestically grown sugar to be put under loan during July through September and that all sugar put under loan during that 3-month period is eligible for a supplemental loan. Both sections 156 (a) and (b) of the 1996 Act state: "The Secretary shall make loans available to processors of domestically grown* * *." Section 156(d)(2) states: "In the case of a loan made under this section in the last 3 months of a fiscal year, the processor may repledge* * *." The only discretion is on the part of the processor who may choose to, or not to, repledge collateral for a supplemental period.

Section 1435.105(g), which describes the conditions for the supplemental loan, is simplified by removing redundant language that states that loans made in July, August, or September must be settled by September 30. Section 1435.105(f) clearly states that all loans made during the fiscal year must be settled by September 30.

List of Subjects in 7 CFR Part 1435

Loan programs/agriculture, Price-support programs, Reporting and record keeping requirements, Sugar.

Accordingly, the proposed rule modifying 7 CFR part 1435, which was published in the **Federal Register** on April 2, 1997, at 62 FR 15622 is adopted with changes as a final rule to read as follows:

PART 1435—SUGAR

1. The authority citation for 7 CFR part 1435 continues to read as follows:

Authority: 7 U.S.C. 7272 and 15 U.S.C. 714b and 714c.

§ 1435.1 [Amended]

2. Section 1435.1 is amended by removing paragraph (a) and removing the designation "(b)" from paragraph (b).

3. In § 1435.2, the definition for "Crop year" is revised to read as follows:

§ 1435.2 Definitions.

* * * * *

Crop year for the 1996 crop means the period from July 1, 1996 through September 30, 1997. *Crop year* for the 1997–2001 crops means the period from

October 1 through September 30, inclusive, and is identified by the year in which the crop year begins. For example, the 1997 crop year begins on October 1, 1997. The 1997 crop of sugar beets, sugarcane, or sugar means domestically-produced sugar beets, domestically-produced sugarcane, or sugar processed from domestically-produced sugar beets or sugarcane during the 1997 crop year. *Crop year* for the 2002 crop means the period from October 1, 2002 through June 30, 2003. Sugar from desugaring molasses is considered to be from the crop year the desugaring took place.

* * * * *

4. Section 1435.105 is amended by revising paragraphs (a) and (g) and adding paragraph (h) to read as follows:

§ 1435.105 Availability, disbursement, and maturity of loans.

(a) To obtain a loan, a processor must:

(1) File a loan request, as CCC prescribes, no later than September 30, 1997, for the 1996 crop year, no earlier than October 1 and no later than September 30 of the applicable crop year for the 1997–2001 crop years, and no earlier than October 1, 2002 and no later than June 30, 2003, for the 2002 crop year, with the State committee of the State where such processor is headquartered, or with a county committee designated by the State committee;

* * * * *

(g) Processors receiving loans in July, August, or September may repledge the sugar as collateral for a supplemental loan. Such supplemental loan shall:

(1) Be requested by the processor during the following October;

(2) Be recourse or nonrecourse depending on which type of loan is in effect according to § 1435.102;

(3) Be made at the loan rate in effect at the time the supplemental loan is made; and

(4) Mature in 9 months minus the number of whole months that the initial loan was in effect.

(h) No loans will be made after June 30, 2003.

Signed in Washington, DC, on June 23, 1997.

Bruce R. Weber,

Acting Executive Vice President, Commodity Credit Corporation.

[FR Doc. 97–16847 Filed 6–26–97; 8:45 am]

BILLING CODE 3410–05–P

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 77

[Docket No. 97–041–1]

Tuberculosis in Cattle and Bison; State Designation

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Interim rule and request for comments.

SUMMARY: We are amending the tuberculosis regulations concerning the interstate movement of cattle and bison by raising the designation of Virginia from a modified accredited State to an accredited-free State. We have determined that Virginia meets the criteria for designation as an accredited-free State.

DATES: Interim rule effective June 27, 1997. Consideration will be given only to comments received on or before August 26, 1997.

ADDRESSES: Please send an original and three copies of your comments to Docket No. 97–041–1, Regulatory Analysis and Development, PPD, APHIS, suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737–1238. Please state that your comments refer to Docket No. 97–041–1. Comments received may be inspected at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call ahead on (202) 690–2817 to facilitate entry into the comment reading room.

FOR FURTHER INFORMATION CONTACT: Dr. Mitchell A. Essey, Senior Staff Veterinarian, National Animal Health Programs, VS, APHIS, 4700 River Road Unit 36, Riverdale, MD 20737–1231, (301) 734–7727; or e-mail: messey@aphis.usda.gov.

SUPPLEMENTARY INFORMATION:

Background

Bovine tuberculosis is the contagious, infectious, and communicable disease caused by *Mycobacterium bovis*. The regulations in 9 CFR part 77, "Tuberculosis" (referred to below as the regulations), regulate the interstate movement of cattle and bison because of tuberculosis. Cattle or bison not known to be affected with or exposed to tuberculosis are eligible for interstate movement without restriction if those cattle or bison are moved from a State