

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]

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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

designated as an accredited-free, accredited-free (suspended), or modified accredited State. The regulations restrict the interstate movement of cattle or bison not known to be affected with or exposed to tuberculosis if those cattle or bison are moved from a nonmodified accredited State.

The status of a State is based on its freedom from evidence of tuberculosis, the effectiveness of the State's tuberculosis eradication program, and the degree of the State's compliance with the standards contained in a document titled "Uniform Methods and Rules—Bovine Tuberculosis Eradication," which has been made part of the regulations via incorporation by reference. A State must have no findings of tuberculosis in any cattle or bison in the State for at least 5 years to be designated as an accredited-free State. A State that reverts to modified accredited status from accredited free status due to the detection of tuberculosis in two or more herds in the State within a 48-month period is eligible to apply for the reinstatement of its accredited-free status following 2 years of freedom from evidence of tuberculosis and full compliance with the standards contained in the "Uniform Methods and Rules—Bovine Tuberculosis Eradication."

Before publication of this interim rule, Virginia was designated in § 77.1 of the regulations as a modified accredited State. Virginia, which had held accredited-free status, was designated as a modified accredited State in an interim rule published and effective on November 29, 1994 (59 FR 60885–60886, Docket No. 94–053–2) after the detection of tuberculosis in two herds in the State within 48 months. However, Virginia now meets the requirements for designation as an accredited-free State. Therefore, we are amending the regulations by removing Virginia from the list of modified accredited States in § 77.1 and adding it to the list of accredited-free States in that section.

Immediate Action

The Administrator of the Animal and Plant Health Inspection Service has determined that there is good cause for publishing this interim rule without prior opportunity for public comment. Immediate action is warranted to change the regulations so that they accurately reflect the current tuberculosis status of Virginia as an accredited-free State. This will provide prospective cattle and bison buyers with accurate and up-to-date information, which may affect the marketability of cattle and bison since some prospective buyers prefer to buy

cattle and bison from accredited-free States.

Because prior notice and other public procedures with respect to this action are impracticable and contrary to the public interest under these conditions, we find good cause under 5 U.S.C. 553 to make it effective upon publication in the **Federal Register**. We will consider comments that are received within 60 days of publication of this rule in the **Federal Register**. After the comment period closes, we will publish another document in the **Federal Register**. It will include a discussion of any comments we receive and any amendments we are making to the rule as a result of the comments.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. For this action, the Office of Management and Budget has waived its review process required by Executive Order 12866.

Cattle and bison are moved interstate for slaughter, for use as breeding stock, or for feeding. Virginia has approximately 2,200 dairy herds and 28,800 beef herds with a combined total of approximately 1,212,100 cattle. Approximately 95 percent of herd owners would be considered small businesses. Changing the status of Virginia may enhance the marketability of cattle and bison from the State, since some prospective cattle and bison buyers prefer to buy cattle and bison from accredited-free States. This may result in some beneficial economic impact on some small entities. However, based on our experience in similar designations of other States, the impact should not be significant.

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 rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule: (1) Preempts all State and local laws and regulations that are in conflict with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings

before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This rule contains no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Part 77

Animal diseases, Bison, Cattle, Reporting and recordkeeping requirements, Transportation, Tuberculosis.

Accordingly, 9 CFR part 77 is amended as follows:

PART 77—TUBERCULOSIS

1. The authority citation for part 77 continues to read as follows:

Authority: 21 U.S.C. 111, 114, 114a, 115–117, 120, 121, 134b, and 134f; 7 CFR 2.22, 2.80, and 371.2(d).

§ 77.1 [Amended]

2. In § 77.1, in the definition of *Accredited-free state*, paragraph (2) is amended by adding "Virginia," immediately after "Vermont,".

3. In § 77.1, in the definition of *Modified accredited state*, paragraph (2) is amended by removing the words "Texas, and Virginia" and adding the words "and Texas" in their place.

Done in Washington, DC, this 23rd day of June 1997.

Terry L. Medley,

Administrator, Animal and Plant Health Inspection Service.

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FEDERAL RESERVE SYSTEM

12 CFR Parts 204 and 209

[Regulations D and I; Docket No. R–0963]

Reserve Requirements of Depository Institutions and Issue and Cancellation of Capital Stock of Federal Reserve Banks

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule.

SUMMARY: The Board is amending Regulations D and I, Reserve Requirements of Depository Institutions and Issue and Cancellation of Capital Stock of Federal Reserve Banks, respectively, to define the location of a depository institution for purposes of Federal Reserve membership and reserve account maintenance. These amendments will facilitate interstate banking.