

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 5,000 producers of walnuts in the production area and approximately 55 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 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 California walnut producers and handlers may be classified as small entities.

The California walnut marketing order provides authority for the Board, 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 Board are producers and handlers of California walnuts. They are familiar with the Board'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 Board met on September 6, 1996, and unanimously recommended 1996–97 expenditures of \$2,301,869 and an assessment rate of \$0.0117 per kernelweight pound of merchantable walnuts certified. In comparison, last year's budgeted expenditures were \$2,280,175. The assessment rate of \$0.0117 is \$0.0001 higher than last year's established rate. Major expenditures recommended by the Board for the 1996–97 year include \$232,684 for general expenses, \$150,508 for office expenses, \$1,840,677 for research expenses, \$48,000 for a production research director, and \$30,000 for the reserve. Budgeted expenses for these items in 1995–96 were \$246,847, \$140,908, \$1,828,420, \$34,000, and \$30,000, respectively.

The assessment rate recommended by the Board was derived by dividing anticipated expenses by expected merchantable certifications of California walnuts. Walnut shipments for the year are estimated at 198,000,000 kernelweight pounds which will yield

\$2,316,600 in assessment income, which will be adequate to cover budgeted expenses. Unexpended funds may be used temporarily to defray expenses of the subsequent marketing year, but must be made available to the handlers from whom collected within five months after the end of the year.

An interim final rule regarding this action was published in the November 29, 1996, issue of the Federal Register (61 FR 60512). That rule provided for a 30-day comment period. 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 Board or other available information.

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

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 Board needs to have sufficient funds to pay its expenses

which are incurred on a continuous basis; (2) the 1996–97 marketing year began on August 1, 1996, and the marketing order requires that the rate of assessment for each marketing year apply to all assessable walnuts handled during such marketing year; (3) handlers are aware of this action which was unanimously recommended by the Board 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; no comments were received.

List of Subjects in 7 CFR Part 984

Marketing agreements, Nuts, Reporting and recordkeeping requirements, Walnuts.

For the reasons set forth in the preamble, 7 CFR part 984 is amended as follows:

PART 984—WALNUTS GROWN IN CALIFORNIA

Accordingly, the interim final rule amending 7 CFR part 984 which was published at 61 FR 60512 on November 29, 1996, is adopted as a final rule without change.

Dated: February 5, 1997.

Robert C. Keeney

Director, Fruit and Vegetable Division.

[FR Doc. 97–3284 Filed 2–10–97; 8:45 am]

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Food Safety and Inspection Service

9 CFR Part 391

[Docket No. 96–013C]

RIN 0583–AC13

Fee Changes for Inspection Services

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Correcting amendments.

SUMMARY: This document contains corrections to the final regulation, “Fee Increase for Inspection Services,” which was published on December 13, 1996 (61 FR 65459). The final rule changed the fees charged to meat and poultry establishments, importers, and exporters for providing voluntary inspection, identification, and certification services; overtime and holiday services; and laboratory services.

EFFECTIVE DATE: February 11, 1997.

FOR FURTHER INFORMATION CONTACT: William L. West, Director, Budget and Finance Division, Administrative Management, (202) 720–3367.

SUPPLEMENTARY INFORMATION: On December 13, 1996, FSIS published "Fee Increase for Inspection Services" (61 FR 65459). Although the preamble discussion of the fee changes was correct, the regulatory amendments were incorrect. The regulation continues to list the old fees. This notice corrects this oversight.

List of Subjects in 9 CFR Part 391

Fees and charges, Meat inspection, Poultry products inspection.

PART 391—FEES AND CHARGES FOR INSPECTION SERVICES

Accordingly, 9 CFR 391 is corrected by making the following correcting amendments:

1. The authority citation for part 391 continues to read as follows:

Authority: 7 U.S.C. 138f; 7 U.S.C. 394, 1622, and 1624; 21 U.S.C. 451 *et seq.*; 21 U.S.C. 601–695; 7 CFR 2.18 and 2.53.

2. Sections 391.2, 391.3, and 391.4 are revised to read as follows:

§ 391.2 Base time rate.

The base time rate for inspection services provided pursuant to §§ 350.7, 351.8, 351.9, 352.5, 354.101, 355.12, and 362.5 shall be \$32.88 per hour, per program employee.

§ 391.3 Overtime and holiday rate.

The overtime and holiday rate for inspection services provided pursuant to §§ 307.5, 350.7, 351.8, 351.9, 352.5, 354.101, 355.12, 362.5, and 381.38 shall be \$33.76 per hour, per program employee.

§ 391.4 Laboratory services rate.

The rate for laboratory services provided pursuant to §§ 350.7, 351.9, 352.5, 354.101, 355.12, and 362.5 shall be \$48.56 per hour, per program employee.

Done at Washington, DC, on February 5, 1997.

Thomas J. Billy,
Administrator.

[FR Doc. 97–3371 Filed 2–10–97; 8:45 am]

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COMMODITY FUTURES TRADING COMMISSION

17 CFR Parts 15, 18 and 19

Reports by Large Traders; Cash Position Reports in Grains (including Soybeans) and Cotton

AGENCY: Commodity Futures Trading Commission.

ACTION: Final rulemaking.

SUMMARY: The Commodity Futures Trading Commission (Commission) is amending Parts 15, 18 and 19 of the regulations under the Commodity Exchange Act ("Act"), 17 CFR Parts 15, 18 and 19 (1996). The amendments to Part 18 require that traders who hold reportable futures or option positions file the CFTC Form 40, "Statement of Reporting Trader," only upon request by the Commission or its designee. The amendments to Parts 15 and 19 provide that monthly cash position reports are required only if a trader's net long or net short combined futures and futures equivalent options position exceeds the levels specified in rule 150.2. The proposal to amend Parts 15, 18 and 19 was included with a number of other proposed amendments that primarily concerned option large trader reports. The Commission has determined to proceed with the changes to Parts 15, 18 and 19 immediately and will consider the remaining changes separately at a later time. Consideration of final rules on those changes relating to options reporting are dependent, in part, on the completion of upgrades to the Commission's computer system.

EFFECTIVE DATE: April 14, 1997.

FOR FURTHER INFORMATION CONTACT: Lamont Reese, Commodity Futures Trading Commission, Division of Economic Analysis, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581.

SUPPLEMENTARY INFORMATION:

I. Background

On July 18, 1996, the Commission published a notice of proposed rulemaking in the Federal Register that affects reports from large traders filed pursuant to rules 18.04 and 19.01(a)(1). See 61 FR 37409 (July 18, 1996). The amendments to Parts 18 and 19 were included with a number of other proposed amendments to the Commission's reporting rules that primarily concerned options large trader reports. Consideration of final rules with respect to option reporting is dependent, in part, on implementation of certain upgrades to the Commission's computer system.

Under Commission rule 18.04, traders who become reportable in futures must file a CFTC Form 40, "Statement of Reporting Trader," within ten business days following the day that the trader's position equals or exceeds specified levels.¹ Additional filings are required

to be made annually as specified in rule 18.04(d). 17 CFR 18.04 (1996). Traders who become reportable in options are required to file the Form 40 only in response to a special call by the Commission. The Form 40 requires the disclosure of information about ownership and control of futures and option positions held by the reporting trader as well as the trader's use of the markets for hedging.

As explained in the Notice of Proposed Rulemaking, when an account first becomes reportable in futures, the futures commission merchant, clearing member or foreign broker reporting the account files a CFTC Form 102 that identifies all persons having a ten percent or more financial interest in the account and those persons who control the trading of the account. Although all persons named on the Form 102 may be considered a "trader" according to the Commission's definition, as a matter of administrative practice Commission staff has not initiated requests for initial and updated Form 40s from all such traders. Generally staff has taken action against traders only if the traders had failed to respond to the staff's written request. 61 FR 37414 (July 18, 1996). In view of this, the Commission proposed to amend rule 18.04 to codify this practice by requiring that traders file Form 40s only in response to a special call and to delegate the authority to make these calls to the Director of the Division of Economic Analysis.

With regard to Part 19, the Commission requires that persons owning or controlling futures positions in commodities for which the Commission has established speculative limits file reports concerning their long and short cash positions, *i.e.*, stocks of the commodities owned and the quantity of their fixed-price purchase and sale commitments. See 17 CFR Part 19 (1996). These commodities include the grains, the soybean complex and cotton. See 17 CFR Part 150 (1996). The primary purpose for these reports is to determine if the futures and option positions of traders that exceed the Commission's speculative limits qualify as hedging as defined in section 1.3(z) of the Commission's regulations. Although the speculative limits set forth in rule 150.2 apply to the net long or net short combined futures and futures equivalent option position of a trader, the Commission's definition of a reportable position contained in rule 15.00 considers only the futures position to determine if a trader is reportable for purposes of reports filed

¹ A reportable position is any open position held or controlled by a trader at the close of business in any one futures contract of a commodity traded on any one contract market that is equal to or in excess

of the quantities fixed by the Commission in § 15.03 of the regulations, 17 CFR § 15.03 (1996).