

Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

NORTHEAST DAIRY COMPACT COMMISSION

7 CFR Chapter XIII

Over-Order Price Regulation

AGENCY: Northeast Dairy Compact Commission.

ACTION: Notice of Proposed Rulemaking Proceedings.

SUMMARY: The Northeast Dairy Compact Commission is seeking testimony and comments on specific subjects and issues related to: Whether to amend the formula for distribution of monies from the producer-settlement fund, including whether to adopt a cap on the amount of milk, per producer, eligible for the Compact Over-order producer price; whether additional supply management policies and provisions should be incorporated into the Over-order Price Regulation; whether organic milk should be exempted from the Compact Over-order Price Regulation; and whether the amount of, or method for determining, the administrative assessment should be amended.

DATES: See **SUPPLEMENTARY INFORMATION** section for public hearing dates and filing dates for pre-filed testimony and written comments and exhibits.

ADDRESSES: Mail, or deliver, pre-filed testimony, comments and exhibits to: Northeast Dairy Compact Commission, 43 State Street, P.O. Box 1058, Montpelier, Vermont 05601. See **SUPPLEMENTARY INFORMATION** section for public hearing locations.

FOR FURTHER INFORMATION CONTACT: Kenneth M. Becker, Executive Director, Northeast Dairy Compact Commission at the above address or by telephone at (802) 229-1941, or by facsimile at (802) 229-2028.

SUPPLEMENTARY INFORMATION:

I. Public Hearing Dates, Times and Locations; Filing Dates for Written Comments

The public hearing dates and locations are:

1. December 11, 1998, 9:00 a.m. to 12:00 p.m., at the Holiday Inn at Boxborough Woods, Parade Room, 242 Adams Place, Boxborough, MA, public hearing on administrative assessment.

2. December 11, 1998, 1:00 p.m. to 4:00 p.m., at the Holiday Inn at Boxborough Woods, Parade Room, 242 Adams Place, Boxborough, MA public hearing on income distribution and supply management.

3. December 16, 1998, 9:00 to 12:00 p.m., at the Tuck Library Building, Chubb Auditorium, 30 Park Street, Concord, NH public hearing on organic milk.

4. Pre-filed testimony is encouraged and may be submitted to the Northeast Dairy Compact Commission at the address in the **ADDRESSES** section by 12:00 p.m. December 7, 1998.

5. Written comments and exhibits may be submitted until 5:00 p.m. December 31, 1998.

II. Background

The Northeast Dairy Compact Commission initially promulgated an Over-order Price Regulation on May 30, 1997.¹ The regulation was subsequently amended generally and extended on November 25, 1997.² Over the past year, the Commission also has amended specific provisions of the Over-order Price Regulation.³ The Commission is now seeking testimony and comment on specific subjects and issues related to (1) whether to amend the formula for distribution of monies from the producer-settlement fund, including whether to adopt a cap on the amount of milk, per producer, eligible for the Compact Over-order producer price; (2) whether additional supply management policies and provisions should be incorporated into the Over-order Price Regulation; (3) whether organic milk should be exempted from the Compact Over-order Price Regulation; and (4) whether the amount of, or method for determining, the administrative assessment should be amended.

¹ 62 FR 29626 (May 30, 1997).

² 62 FR 62810 (November 25, 1997).

³ 63 FR 10104 (Feb. 27, 1998); 63 FR 46385 (Sept. 1, 1998); and the most recent amendment is published elsewhere in this issue of the **Federal Register**.

III. Statement of Subjects and Issues

(1) Income Distribution From the Producer-Settlement Fund

The Massachusetts delegation to the Compact Commission petitioned the Commission to consider a policy change that would alter the income distribution provisions of the current Over-order Price Regulation by placing a cap on the amount of milk, per producer, that would be eligible to receive the Compact Over-order producer price.

(2) Supply Management Policies

Article IV, Section 9(f) of the Compact requires the Commission to "take such action as necessary and feasible to ensure that the over-order price does not create an incentive for producers to generate additional supplies of milk." The Commission's Committee on Regulations and Rulemaking previously held five public meetings to receive informal public comment on various supply management proposals that are consistent with the Commission's Section 9(f) responsibilities. The Commission also recently promulgated a regulation, effective January 1, 1999, that will limit the payment of the Compact Over-order producer price to milk disposed of within the Compact regulated area, with a seasonally adjusted allowance for diverted and transferred milk.⁴ The Commission now seeks formal public comment on whether any additional supply management policies and provisions should be incorporated into the Over-order Price Regulation.

(3) Organic Milk

Organic milk handlers have petitioned the Commission to consider exempting organic milk from the Compact Over-order Price Regulation.

(4) Administrative Assessment

The Commission determined that it would benefit from comments and testimony regarding whether the amount of, or method for determining, the administrative assessment should be amended. The current administrative assessment regulation was promulgated with the initial price regulation on May 30, 1997.⁵ The November 25, 1997 extension of the price regulation

⁴ As published elsewhere in this issue of the **Federal Register**.

⁵ 62 FR 29626, codified at (7 CFR 1308.1).

maintained the administrative assessment.⁶ In addition to comments on the specific proposals, discussed below, to address the identified subjects and issues, the Commission also would welcome comments, suggestions, and recommendations for other policies or methods for addressing the issues of income distribution, supply management, organic milk and the administrative assessment.

IV. Specific Proposals

The Commission seeks comment and analysis of the following proposals. (A comparison chart of the producer payments under the current price regulation and the impact of the main income distribution proposals, discussed at sections 1 and 2 below, is provided at Table 1 to facilitate

comment and analysis of the various proposals.) The Commission specifically requests comments regarding the effectiveness of each of these proposals in light of the Commission's mission to assure the continued viability of dairy farming in the northeast, and to assure consumers of an adequate, local supply of pure and wholesome milk.

1. The Massachusetts Cap Proposal

This proposal would limit the milk eligible for the Compact Over-order producer price to up to 95,000 pounds of a producer's monthly milk production, or 1.14 million pounds per year. This proposal would not provide any Compact Over-order producer price for milk produced in excess of the cap.

2. Split Pool Proposal

A split pool also would address the income distribution aspects of the Over-order Price Regulation. Under this proposal, a certain percentage of the total value of the monthly producer pool would be divided equally among all qualified farms supplying the New England market, regardless of farm size. The balance of the pool would be paid out on a per hundredweight basis, as it is under the current regulation. For example, the pool could be divided to distribute the first 55% of the pool on a per farm basis and distribute the remaining 45% of the pool on a per hundredweight basis. An alternate proposal would be to distribute the first 25% of the pool on a per farm basis and distribute the remaining 75% on a per hundredweight basis.

TABLE 1.—COMPARISON OF VARIOUS PROPOSALS
[July 1998]

No. of cows	Lbs.	Actual compact	95,000 CAP	55%/45% split (dollars)	25%/75% split (dollars)
12	20,000	238	422	986	577
18	30,000	357	633	1,037	665
29	50,000	595	1,055	1,139	841
41	70,000	833	1,477	1,241	1,017
56	95,000	1,131	2,005	1,369	1,237
58	100,000	1,190	2,005	1,394	1,281
64	110,000	1,309	2,005	1,445	1,369
70	120,000	1,428	2,005	1,496	1,457
76	130,000	1,547	2,005	1,547	1,539
82	140,000	1,666	2,005	1,598	1,633
88	150,000	1,785	2,005	1,649	1,721
94	160,000	1,904	2,005	1,700	1,809
99	170,000	2,023	2,005	1,751	1,897
105	180,000	2,142	2,005	1,802	1,985
111	190,000	2,261	2,005	1,853	2,073
117	200,000	2,380	2,005	1,904	2,161
123	210,000	2,499	2,005	1,955	2,249
129	220,000	2,618	2,005	2,006	2,337
135	230,000	2,737	2,005	2,057	2,425
146	250,000	2,975	2,005	2,159	2,601
175	300,000	3,570	2,005	2,414	3,041
205	350,000	4,165	2,005	2,669	3,481
234	400,000	4,760	2,005	2,924	3,921
264	450,000	5,355	2,005	3,179	4,361
292	500,000	5,950	2,005	3,434	4,801
351	600,000	7,140	2,005	3,944	5,681
400	700,000	8,330	2,005	4,454	6,561

3. Proposal To Cap the Largest Producers

This proposal would set a cap on the amount of milk, per producer, eligible for the Over-order producer price, but at a level much higher than under the Massachusetts proposal discussed in section 1 above. Under this proposal, the cap for all farms producing more than 600,000 pounds per month would be set at the 1998 production level.

4. Refund/Assessment Option

This proposal would establish an assessment on all milk during the year at some percentage of each month's producer pool. The assessment would be held in escrow and returned to eligible producers at some frequency, e.g. annually, semi-annually or quarterly. Producers would be eligible for a refund from the assessment only if they document that they did not increase production during the relevant time period. The Commission would

welcome comments regarding the level to set the assessment percentage to ensure an effective supply management result.

5. Exemption of Organic Milk From the Compact Over-Order Price Regulation

This proposal would exempt organic milk handlers from the Compact Over-order Obligation and exclude organic milk producers from the producer pool.

⁶ 62 FR 62810 (Nov. 25, 1997).

6. Amendment of the Administrative Assessment Regulation

The current administrative assessment regulation, 7 CFR 1308.1, establishes a set rate of 3.2 cents per hundredweight of fluid milk as determined under 7 CFR 1306. This assessment is due monthly from all handlers regulated under the Over-order price regulation. The Commission seeks testimony and comments on whether the amount of the administrative assessment, or the method for determining the administrative assessment, should be amended.

Official Notice of Technical, Scientific or Other Matters

Pursuant to the Commission regulations, 7 CFR 1361.5(g)(5), the Commission hereby gives public notice that it may take official notice, at the public hearings on December 11 and December 16, 1998, or afterward, of relevant facts, statistics, data, conclusions, and other information provided by or through the United States Department of Agriculture, including, but not limited to, matters reported by the National Agricultural Statistics Service, the Market Administrators, the Economic Research Service, the Agricultural Marketing Service and information, data and statistics developed and maintained by the Departments of Agriculture of the States or Commonwealth within the Compact regulated area.

Request for Pre-filed Testimony and Written Comments

Pursuant to the Commission rules, 7 CFR 1361.4, any person may participate in the rulemaking proceeding independent of the hearing process by submitting written comments or exhibits to the Commission. Comments and exhibits may be submitted at any time before 5:00 p.m. on December 31, 1998. Comments and exhibits will be made part of the record of the rulemaking proceeding only if they identify the author's name, address and occupation, and if they include a sworn notarized statement indicating that the comment and/or exhibit is presented based upon the author's personal knowledge and belief. Facsimile copies will be accepted up until the 5:00 p.m. deadline, but the original must then be sent by ordinary mail.

The Commission is requesting pre-filed testimony from any interested person. Pre-filed testimony must include the name, address and occupation of the witness and a sworn notarized statement indicating that the testimony is presented based upon the

author's personal knowledge and belief. Pre-filed testimony must be received in the Commission office no later than 12:00 p.m. December 7, 1998 to ensure distribution to Commission members prior to the public hearings.

Pre-filed testimony, comments and exhibits should be sent to: Northeast Dairy Compact Commission, 43 State Street, P.O. Box 1058, Montpelier, Vermont 05601 or by facsimile to (802) 229-2028.

Dated: November 19, 1998.

Dixie L. Henry,
General Counsel.

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 98-ASO-18]

Proposed Amendment of Class E Airspace; Carrollton, GA

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to amend Class E airspace at Carrollton, GA. The Non-Directional Beacon (NDB) or Global Positioning System (GPS) Runway (RWY) 34 and the Localizer (LOC) RWY 34 Standard Instrument Approach Procedures (SIAP's) have been amended to the West Georgia Regional Airport. The outbound course from the Carrollton NDB for the NDB or GPS RWY 34 SIAP will change from the 168 degree bearing to the 167 degree bearing and the inbound course will change from the 348 degree bearing to the 347 degree bearing. The outbound course from the Carrollton NDB for the LOC RWY 34 SIAP will change from the 165 degree bearing to the 166 degree bearing and the inbound course will change from the 345 degree bearing to the 346 degree bearing. As a result, the length of the Class E airspace extension south of the NDB would be reduced from 9 to 7 miles and the width of the airspace extension would be increased from 6 to 7 miles.

DATES: Comments must be received on or before December 28, 1998.

ADDRESSES: Send comments on the proposal in triplicate to: Federal Aviation Administration, Docket No. 98-ASO-18, Manager, Airspace Branch, ASO-520, P.O. Box 20636, Atlanta, Georgia 30320.

The official docket may be examined in the Office of Regional Counsel for Southern Region, Room 550, 1701 Columbia Avenue, College Park, Georgia 30337, telephone (404) 305-5627.

FOR FURTHER INFORMATION CONTACT:

Nancy B. Shelton, Manager, Airspace Branch, Air Traffic Division, Federal Aviation Administration, P.O. Box 20636, Atlanta, Georgia 30320; telephone (404) 305-5627.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal. Communications should identify the airspace docket number and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 98-ASO-18." The postcard will be date/time stamped and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in light of the comments received. All comments submitted will be available for examination in the Office of Regional Counsel for Southern Region, Room 550, 1701 Columbia Avenue, College Park, Georgia 30337, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRMs

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Manager, Airspace Branch, ASO-520, Air Traffic Division, P.O. Box 20636, Atlanta, Georgia 30320. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future