Notices

Federal Register

Vol. 65, No. 164

Wednesday, August 23, 2000

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Malaria Vaccine Development Program; Federal Advisory Committee; Notice of Meeting

Pursuant to the Federal Advisory Committee Act, notice is hereby given of a meeting of the USAID Malaria Vaccine Development Program (MVDP) Federal Advisory Committee. The meeting will be held from 9 am to 5 pm on 12 September and from 9 am to 3 pm on 13 September, 2000.

The agenda will concentrate on the activities of the MVDP over the past six months and on future plans. Since proprietary information will be discussed throughout the meeting it will be closed to the public.

Those wishing to obtain additional information about the USAID MVDP should contact Carter Diggs, the designated Federal Officer for the USAID MVDP Federal Advisory Committee at the Office of Health and Nutrition, USAID/G/PHN/HN/EH, Room 3.07–013, 3rd floor, RRB, Washington, DC 20523–3700, telephone (202) 712–5728m Fax (202) 216–3702, cdiggs@usaid.gov.

Carter Diggs,

USAID Designated Federal Officer, Senior Technical Advisor, Malaria Vaccine Development Program.

[FR Doc. 00–21536 Filed 8–22–00; 8:45 am]

BILLING CODE 6116–01–M

AGENCY FOR INTERNATIONAL DEVELOPMENT

Advisory Committee on Voluntary Foreign Aid (ACVFA); Notice of Meeting

Pursuant to the Federal Advisory Committee Act, notice is hereby given of a meeting of the newly appointed Advisory Committee on Voluntary Foreign Aid (ACVFA).

Date: September 14, 2000 (9:00 a.m. to 5:00 p.m.).

Location: Washington Plaza Hotel, Federal Hall, 10 Thomas Circle, NW., Washington, DC 20005.

This meeting, entitled ''Combating the HIV/AIDS pandemic in sub-Saharan Africa'' will focus attention on the next steps to be taken by the U.S. government, private voluntary organizations (PVOs), non-governmental organizations (NGOs), and the private sector, following the recent International AIDS Conference in Durban, South Africa.

The meeting is free and open to the public. However, notification by September 12, 1200 through the Advisory Committee Headquarters is required. Persons wishing to attend the meeting must fax their name, organization and phone number to Lisa J. Harrison (703) 741–0567.

Dated: August 15, 2000.

Noreen O'Meara,

Executive Director, Advisory Committee on Voluntary Foreign Aid (ACVFA).

[FR Doc. 00–21534 Filed 8–22–00; 8:45 am]

BILLING CODE 6116–01–M

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

RIN 0560–AG27

Sugar Payment-In-Kind (PIK) Diversion Program

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Notice of program implementation.

SUMMARY: This notice implements section 1009(e) of the Food Security Act of 1985 with respect to existing Commodity Credit Corporation (CCC) inventories of sugar. Based on the combination of market prices below forfeiture levels, forfeitures expected this year, a greater excess supply outlook for the next crop, CCC holding sugar inventory with no other specific disposal plan, and U.S. sugar producers' growing realization of the major market problems facing the sugar sector, CCC is implementing a Sugar Payment-In-Kind (PIK) Diversion Program to help reduce the amount of forfeitures otherwise expected, and eliminate CCC's sugar inventory, thereby also eliminating storage costs.

EFFECTIVE DATE: This notice becomes effective on August 18, 2000.

FOR FURTHER INFORMATION CONTACT: Daniel Colacicco, Group Leader, Dairy and Sweetener Analysis, Farm Service Agency, USDA, STOP 516, 1400 Independence Avenue, SW, Washington, DC 20250–0516.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This program has been determined to be significant under Executive Order 12866 and has been reviewed by the Office of Management and Budget (OMB). A cost-benefit assessment was completed and is summarized in this notice.

Federal Assistance Programs

The titles and numbers of the Federal assistance programs, as found in the Catalog of Federal Domestic Assistance, to which this notice applies are: Commodity Loan and Loan Deficiency Payments—10.051.

Regulatory Flexibility Act

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

Environmental Evaluation

It has been determined by an environmental evaluation that this action will have no significant impact on the quality of the human environment. Therefore, neither an environmental assessment nor an Environmental Impact Statement is needed.

Executive Order 12372

The program set forth in this notice is not subject to the provisions of Executive Order 12372, which require 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).

Unfunded Mandates

The provisions of Title II of the Unfunded Mandates Reform Act of 1995 are not applicable to this notice because the USDA is not required by 5 U.S.C. 553 or any other provision of law to publish a notice of proposed rulemaking with respect to the subject matter of this notice and because this notice does not impose any unfunded mandates.

Small Business Regulatory Enforcement Act of 1996

Provisions of 5 U.S.C. 808 (the Small Business Regulatory Enforcement Act (SBREFA)) provide that a rule may take effect at such time as the agency may determine if the agency finds for good cause that public notice is impracticable, unnecessary, or contrary to the public purpose. Upon such a finding, the statute provides the agency action does not have to meet the requirements of section 801 of SBREFA, which requires a 60-day delay for Congressional review of a major regulation before the regulation can go into effect. This notice is considered to involve an action which would be considered major for the purposes of SBREFA. However, because this notice involves a cost-savings measure which would be lost with the passage of time, delay would be contrary to the public interest. Hence, this notice is made effective immediately on August 18, 2000.

Authority for a Sugar PIK Diversion Program

Authority for CCC to conduct a Sugar PIK Diversion Program is based on section 1009(e) of the Food Security Act of 1985 (''1985 Act''), which provides that when a loan program is in effect, the Secretary may, at any time before harvest, accept bids from producers to convert planted acreage to diverted acreage in return for payment in kind from CCC surplus stocks of the commodity to which the acreage was planted, i.e., offer a paid land diversion program. Subsection (e) also states that no producer may receive over $20,000 worth of in-kind payments. Such action can be taken only if there has been: (1) Changes in domestic or world supply for demand conditions have occurred after the announcement of the loan program for the crop and (2) without further action, the Government and producers will be faced with a burdensome and costly surplus. Overall, the measures addressed in section 1009(e) and other subsections can be taken under the terms of the statute only if they would reduce direct and indirect costs to the Government without adversely affecting the income of participating small and medium-size producers.

Supply-Demand Situation

The 1999-crop stocks-to-use ratio is projected to reach 18.4 percent—up 2.4 percentage points from the 1998-crop level. Refined beet sugar prices (Midwest) are in the 19 to 20-cent-per-pound range—4 cents below forfeiture levels. For raw cane sugar, the September contract has recently been trading between 17 and 18 cents per pound. The 2000-crop production forecast is 8.973 million tons—slightly below the previous production record of 9.035 million tons that was set last year.

CCC Sugar Purchase and Inventory

In response to the current depressed domestic sugar market on May 11, 2000, it was announced that CCC would buy U.S. sugar to reduce the cost of expected loan forfeitures, support sugar growers, and boost market prices. The purchase authority is based on section 1009(c) of the 1985 Act. On May 26, 2000, CCC issued a purchase invitation to buy approximately 150,000 tons of sugar. On June 6, 2000, CCC announced that it had purchased 132,000 tons of refined sugar at an average price of 20.5 cents per pound. Beginning with September 2000, CCC will begin incurring storage charges of $0.10 per hundredweight per month on this purchased sugar, i.e., $264,000 per month. On August 1, 2000, 42,000 additional tons of refined beet sugar loan collateral were forfeited to CCC, with an associated storage cost of $84,000 per month.

Basis for Implementing a Sugar PIK Diversion Program

Based on the combination of: (1) Market prices well below forfeiture levels, (2) forfeitures expected this year, (3) a greater excess supply outlook for the next crop, and (4) CCC holding sugar inventory with no other specific disposal plan, CCC is implementing a Sugar PIK Diversion Program to reduce Government costs by helping to reduce the amount of forfeitures otherwise expected, and eliminate much of CCC's sugar inventory, thereby also eliminating Government storage costs.

Outline of How the Sugar PIK Diversion Program Will Work

Under the Sugar PIK Diversion Program, producers must agree not to harvest sugar beets for commercial use in return for sugar from CCC's existing inventory. Producers submit bids indicating the dollar value of CCC sugar that they are willing to accept to divert acres, in an amount specified by the producers, from production. The Program will be limited to sugar beet producers because of the marketing complexities that would arise with such a program for the cane sector.

Sugar beet producers wanting to participate will be required to provide data on (1) the number of acres that the producer will divert, (2) the dollar equivalent of the number of pounds of sugar wanted as payment, and (3) the producer's previous 3-year simple average per acre production of sugar, which will require data from the grower's beet processor. Some of this information will be used to determine the value to CCC of the diversion.

Selection of participants will be based on the objective of getting the most sugar production diverted in return for the least amount of CCC inventory. To do this, CCC will rank the bids and not accept any bids that, in effect, request more sugar in payment for diverting acreage than would be expected to be produced from the diverted acreage. To facilitate the effort to obtain attractive bids, a bid cap will be established, in advance, based upon the submitted data and the production expectations. The bid cap will equal the dollar value of refined beet sugar historically produced by that acreage. To assure that a real reduction is obtained, the sugar removed from production must be under contract to a processor. Returns under the program will likely have to be enough to allow the producer to obtain a contract waiver from the processor who could then take an assignment of the sugar to be obtained from CCC.

Impact on Production

As of August 1, 2000, CCC owns 174,000 tons of refined sugar in inventory (186,180 tons, raw value). This amount is equivalent to 3.94 percent of the 2000-crop refined beet sugar production forecast, 4.28 percent of the raw cane sugar production forecast, and 2.05 percent of the total sugar production forecast. Removing 186,180 tons, raw value, from next year's supply would have only a slight effect on the expected excess supply situation. The stocks-to-use ratio may still be around 18.6 percent—near the current 1999-crop level of 18.4 percent.

Using the 186,180 tons, raw value, as a basis for analysis, the actual impact of a Sugar PIK Diversion Program for this amount of CCC inventory may be slightly higher than this quantity. For example, using the 2000-crop national average yield forecast, 2.9 tons of refined sugar are produced from 1 acre of sugar beets. The beets on diverted acreage will simply be left unharvested, disked under, or, in any case, may not be harvested for commercial use. Thus, a participating producer will forgo all, or most, of the harvest costs on each of these acres—around $100 per acre. Bidders will likely concentrate on these forgone harvest costs in determining their competitive bid strategy. Using the current 19-cent estimate of Midwest refined sugar prices as a proxy value of the sugar, the $100 per acre forgone harvest cost would be the equivalent of around 526 pounds of refined sugar. If producers would try to retain only half that amount in their bids in order to gain acceptance into the program, they would give up around 260 pounds worth of normal production per acre, i.e., the equivalent of reducing their per acre yield from 2.9 tons per acre to about 2.8 tons per acre. Thus, the 174,000 tons of CCC refined sugar inventory could result in the equivalent of a 180,215-ton decrease in refined beet sugar production (192,030 tons, raw value). This is equivalent to a 62,143-acre decrease in production—4 percent of 1999-crop sugar beet plantings.

Factory throughput will be affected. Also, diverting acres from production will result in forgone revenue that would have been generated from the production of such by-products as molasses and beet pulp.

Effect of $20,000 Payment Limit

Based on the 2000-crop national average yield forecast of 2.9 tons of refined beet sugar per acre and valuing CCC's sugar inventory at the current estimate of Midwest refined sugar prices of 19 cents per pound, an individual beet producer could receive up to 52.6 tons as a payment—the equivalent of only 18.1 acres of production because of the $20,000 payment limit. The 1999-crop average acreage per farm was 129 acres. At that rate, at least 3,308 beet producers would have to participate in the program in order to utilize CCC's current sugar inventory. The Farm Service Agency's (FSA) 1999 farm acreage report indicates that there were 12,474 sugar beet farms. Even after accounting for possible decreases in sugar beet farm numbers in the Oregon and Washington areas, at least 12,000 farms likely planted sugar beets this year. Based on the apparent sugar sector interest in a Sugar PIK Program, CCC's 174,000-ton refined sugar inventory should easily be utilized in a Sugar PIK Diversion Program.

Potential Cost Savings

CCC savings will result from the elimination of monthly storage payments and the potential for reduced 2000-crop forfeitures of loan collateral. On August 1, 2000, 42,000 tons of refined beet sugar loan collateral were forfeited to CCC. Adding this amount to the 132,000 tons purchased on June 6, 2000, CCC's total inventory now stands at 174,000 tons of refined sugar. Total 1999-crop forfeitures are expected to reach 500,000 to 550,000 tons, in addition to the 42,000 tons already forfeited.

From 300,000 to 400,000 tons of refined sugar are expected to be paid out to participants under the Sugar PIK Program. Assuming 350,000 tons of refined sugar are paid out under the Sugar PIK Program, this would be equivalent to 7.8 percent of the current 2000-crop refined beet sugar production forecast and a 120,437-acre decrease in production—7.7 percent of plantings. At least 6,654 producers would have to participate in the program to utilize this amount of refined sugar.

This will impact CCC's monthly storage outlays and expected forfeitures. Monthly storage savings will total $700,000, and CCC could potentially avoid around $160 million worth of 2000-crop forfeitures.

Program Design

Administration

This program will be administered by the Executive Vice President, CCC.

1. Bid Submission Procedures

(a) Producers wishing to participate in the program must submit a bid, on a form prescribed by CCC, to CCC for a contract with CCC that provides for the conversion of acreage planted to sugar beets, under contract for delivery to a processor, to diverted acreage that will not be harvested for sugar or used for any other commercial purposes in return for payments in sugar from CCC's inventory of refined sugar or raw cane sugar.

(b) The bid must provide information that CCC deems necessary for conducting the program, including but not limited to, the number of acres that the producer will divert; the producer's previous consecutive 3-year simple average sugar beet yield (years with no production will not be considered; for first time producers, however, the previous consecutive 3-year simple average sugar beet yield for all the producers who delivered to the applicable factory will be used), the previous 3-year simple average sugar content of the producer's beets (for first time producers, the previous 3-year simple average sugar content for all beets delivered to that factory will be used), the processor's previous 3-year simple average recovery rate (for processors that have not been fully operational during the last 3 years, the simple average for those years that they were fully operational), the value of CCC sugar to be received as payment, and other information CCC deems necessary for administering the program.

(c) The following acreage is ineligible for the Sugar PIK Program:

(1) Acreage not currently under contract for delivery of sugar beets to a sugar beet processor for the production of sugar,

(2) Acreage on which a crop insurance indemnity or replant payment was received for the 2000-crop year or for which a claim has been, or will be, filed to receive a crop insurance indemnity or replant payment for the 2000-crop year,

(3) Acreage which is not harvestable, or

(4) Acreage devoted to roads or other non-producing areas.

(d) The diverted acres cannot be grazed, until after the sugar beets are destroyed by disking, plowing, or other means of mechanical destruction. In addition, the sugar beets on the diverted acres may not be used for any commercial purpose.

(e) If the total number of acres a producer bids is:

(1) Less than or equal to 15 acres, then the acreage bid must consist of one of the following:

(i) One area of contiguous land,

(ii) One or more entire permanent fields, or

(iii) One or more entire permanent fields and one area of contiguous land to complete the balance;

(2) More than 15 acres, then the acreage bid must consist of one of the following:

(i) One or more areas of land of at least 15 contiguous acres each with one remaining area of land of less than 15 contiguous acres to complete the balance,

(ii) One or more entire permanent fields, or

(iii) One or more entire permanent fields and one area of contiguous land to complete the balance.

2. Bid Selection Procedures

(a) CCC will rank the bids on the basis of the bid amount as a percentage of the bid cap, as determined by CCC. Those bids with the lowest of such percentages are expected to be selected first. In the case of identical bids, selection may be based on random selection or pro rata shares, as CCC deems appropriate.

(b) CCC will reject bids for which the bid amount exceeds the bid cap.

3. In-Kind Payments

(a) CCC will, through such methods as CCC deems appropriate, make payments in the form of refined sugar or raw cane sugar held in CCC inventory.

(b) To the maximum extent practicable, CCC will use its inventory in making an in-kind payment in the follow priority:

(1) CCC-owned refined sugar held in storage by the processor with whom the producer has a 2000-crop sugar contract which is stored in a region used by CCC in administering the CCC sugar loan program (region) in which the producer and processor are located;

(2) CCC-owned refined sugar held in storage by the processor with whom the producer has a 2000-crop contract which is stored in a region in which the producer is not located;

(3) CCC-owned refined sugar held in storage by any other processor which is in the same region as the producer;

(4) CCC-owned refined sugar held in storage by any other processor which is not in the same region as the producer; and

(5) CCC-owned raw cane sugar held in storage anywhere in the United States.

(c) The value of CCC-owned inventory is dependent upon the storage location of the sugar and the type of sugar (raw or refined). CCC will value its inventory by using the values set forth in the following tables. Accordingly, the quantity of sugar to be paid by CCC as an in-kind payment to a producer will be determined by dividing: (1) The total of the bid amount submitted by the producer and accepted by CCC, by (2) the value of CCC's inventory at the storage location where title will transfer from CCC to the producer, or the producer's assignee.

VALUATION OF REFINED SUGAR BY REGION

Region CCC		Inventory value ($/hundredweight)
Region 1	[MI IN OH KY TN WV]	$19.99
Region 2	[IA IL MN SD WI Eastern ½ ND]	19.00
Region 3	[AR CO KS MO NE UT Southeast ¼ WY]	19.67
Region 4	[NM OK TX LA MS]	19.90
Region 5	[MT Western ½ ND Northwest ¼ WY]	18.53
Region 6/7	[ID OR WA]	18.42
Region 8	[AK AZ CA HI NV AL & All Eastern Locations*]	20.07

*Eastern locations include: AL DE FL GA MD NJ NY SC NC PA VA & New England.

VALUATION OF RAW CANE SUGAR BY REGION

Region	CCC Inventory value* ($/hundredweight)
Florida	$15.57
Hawaii	14.27
Louisiana	15.91
Texas	16.25
Puerto Rico	17.00

*96 pol, adjusted by #14 contract.

(d) Producers may assign their in-kind payments to the processor with whom the producer has a 2000-crop sugar contract.

4. Payment Limitation

(a) The value of in-kind payments shall be limited to $20,000 per year per producer. For these purposes, a ‘‘producer’’ shall be determined by using the definition of a ‘‘person’’ set forth in 7 CFR part 1400.

(b) This payment limitation is separate and distinct from all other CCC program payment limitations.

5. Current Limit to the 2000 Crop

(a) Unless CCC announces otherwise, this Sugar PIK Program is limited to the 2000 crop.

(b) If the program is expanded to other crop years, participation will, unless CCC determined otherwise, be limited to those producers who have not increased their contract acreage from the previous crop year, or, more generally, have not increased their sugar beet plantings from the previous crop year.

6. Miscellaneous Provisions

(a) The contract shall provide for the payment of liquidated damages in the event that a producer fails to comply with the obligations specified in the CCC acreage diversion contract.

(b) In those instances in which, prior to the issuance of this notice, a producer has signed a power of attorney on an approved FSA–211 for a person or entity indicating that such power shall extend to all programs listed on the form, without limitation, such power will be considered to extend to this program unless by September 6, 2000 the person granting the power notifies the local FSA office for the control county that the grantee of the power is not authorized to handle transactions for this program for the grantor.

(c) CCC will transfer title of the sugar to the producer, or the producer's assignee, no earlier than October 1, 2000, and no later than December 31, 2000, as determined by CCC, by notifying the producer or assignee that the sugar is available to them. CCC will stop storage payments on this sugar on the date of transfer.

(d) The following provisions of Chapter 7 of the Code of Federal Regulations concerning general program administration will be applied in the administration of the Sugar PIK Program:

(1) Part 707—Payments due persons who have died, disappeared, or have been declared incompetent.

(2) Part 718—Provisions applicable to multiple programs.

(3) Part 780—Appeal regulations.

(4) Part 1403—Debt settlement policies and procedures.

Signed in Washington, D.C., on August 18, 2000.

Parks Shackelford,

Acting Executive Vice President, Commodity Credit Corporation.

[FR Doc. 00–21490 Filed 8–18–00; 3:05 pm]

BILLING CODE 3410–05–P

DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

[Docket No. 00–037N]

Codex Alimentarius Commission: Meeting of the Codex Ad Hoc Intergovernmental Task Force on Fruit and Vegetable Juices

AGENCY: Office of the Under Secretary for Food Safety, USDA.

ACTION: Notice of public meeting and request for comments.

SUMMARY: The Office of the Under Secretary for Food Safety, U.S. Department of Agriculture and the Food and Drug Administration's (FDA) Center for Food Safety and Applied Nutrition (CFSAN) are sponsoring a public meeting on Thursday, September 7, 2000, to provide information and receive public comments on agenda items that will be discussed at the First Session of the Codex ad hoc Intergovernmental Task Force on Fruit and Vegetable Juices, which will be held in Brasilia, Brazil, on September 18–22, 2000. The Under Secretary and CFSAN