

List of Subjects in 7 CFR Part 989

Grapes, Marketing agreements, Raisins, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 989 is amended as follows:

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

1. The authority citation for 7 CFR part 989 continues to read as follows:

Authority: 7 U.S.C. 601-674.

2. Accordingly, the interim final rule adding § 989.247, which was published at 60 FR 12403 on March 7, 1995, is adopted as a final rule without change.

Dated: May 11, 1995.

Terry C. Long,

Acting Deputy Director, Fruit and Vegetable Division.

[FR Doc. 95-12147 Filed 5-16-95; 8:45 am]

BILLING CODE 3410-02-P

7 CFR Part 998

[Docket No. FV95-998-11FR]

Expenses, Assessment Rate, and Indemnification Reserve for Marketing Agreement No. 146 Regulating the Quality of Domestically Produced Peanuts

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Interim final rule with request for comments.

SUMMARY: This interim final rule authorizes expenditures for administration and indemnification, establishes an assessment rate, and authorizes continuation of an indemnification reserve under Marketing Agreement 146 (agreement) for the 1995-96 crop year. This rule also increases the administrative assessment rate for the 1994-95 crop year. Authorization of this budget enables the Peanut Administrative Committee (Committee) to incur operating expenses, collect funds to pay those expenses, and settle indemnification claims during the 1995-96 crop year. Authorization of the increase in the administrative assessment rate for the 1994-95 crop year enables the Committee to collect sufficient funds to pay expenses projected for the remainder of that year. Funds to administer this program are derived from assessments on handlers who have signed the agreement.

DATES: Effective July 1, 1995, through June 30, 1996 (§ 998.408) and July 1,

1994, through June 30, 1995 (§ 998.407). Comments received by June 16, 1995, will be considered prior to issuance of a final rule.

ADDRESSES: Interested persons are invited to submit written comments concerning this rule. Comments must be sent in triplicate to the Docket Clerk, Fruit and Vegetable Division, AMS, USDA, P.O. Box 96456, room 2523-S, Washington, DC 20090-6456, FAX 202-720-5698. Comments should reference the docket number and the date and page number of this issue of the **Federal Register** and will be available for public inspection in the Office of the Docket Clerk during regular business hours.

FOR FURTHER INFORMATION CONTACT: Martha Sue Clark, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, P.O. Box 96456, room 2523-S, Washington, DC 20090-6456, telephone 202-720-9918, or William G. Pimental, Southeast Marketing Field Office, Fruit and Vegetable Division, AMS, USDA, P.O. Box 2276, Winter Haven, FL 33883-2276, telephone 813-299-4770.

SUPPLEMENTARY INFORMATION: This rule is issued under Marketing Agreement 146 (7 CFR part 998) regulating the quality of domestically produced peanuts. This agreement is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), hereinafter referred to as the Act.

The U.S. Department of Agriculture (Department) is issuing this rule in conformance with Executive Order 12866.

This interim final rule has been reviewed under Executive Order 12887, Civil Justice Reform. Under the agreement now in effect, peanut handlers signatory to the agreement are subject to assessments. Funds to administer the peanut agreement program are derived from such assessments. This rule authorizes expenditures and establishes an assessment rate for the Committee for the crop year beginning July 1, 1995, and increases the administrative assessment rate for the crop year which began July 1, 1994. This rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule. There are no administrative procedures which must be exhausted prior to any judicial challenge to the provisions of this rule.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Administrator of the Agricultural Marketing Service (AMS) has

considered the economic impact of this rule on small entities.

The purpose of the RFA is to fit regulatory actions to the scale of business subject to such actions in order that small businesses will not be unduly or disproportionately burdened.

There are approximately 47,000 producers of peanuts in the 16 States covered under the agreement, and approximately 76 handlers regulated under the agreement. Small agricultural producers have been defined by the Small Business Administration (13 CFR 121.601) as those having annual receipts of less than \$500,000, and small agricultural service firms are defined as those whose annual receipts are less than \$5,000,000. A majority of the producers may be classified as small entities, and some of the handlers covered under the agreement are small entities.

Under the agreement, the assessment rate for a particular crop year applies to all assessable tonnage handled from the beginning of such year (i.e., July 1). An annual budget of expenses is prepared by the Committee and submitted to the Department for approval. The members of the Committee are handlers and producers of peanuts. They are familiar with the Committee's needs and with the costs for goods, services, and personnel for program operations and, thus, are in a position to formulate appropriate budgets. The budgets are formulated and discussed at industry-wide meetings. Thus, all directly affected persons have an opportunity to provide input in recommending the budget, assessment rate, and indemnification reserve. The handlers of peanuts who are directly affected have signed the marketing agreement authorizing the expenses that may be incurred and the imposition of assessments.

The assessment rate recommended by the Committee for the 1995-96 crop year was derived by dividing anticipated expenses by expected receipts and acquisitions of farmers' stock peanuts. It applies to all assessable peanuts received or acquired by handlers from July 1, 1995. Because that rate is applied to actual receipts and acquisitions, it must be established at a rate which will produce sufficient income to pay the Committee's expenses.

The Committee met on March 23, 1995, and unanimously recommended 1995-96 crop year administrative expenses of \$1,067,500 and an administrative assessment rate of \$0.70 per net ton of assessable farmers' stock peanuts received or acquired by handlers. In comparison, 1994-95 crop

year budgeted administrative expenditures were \$1,056,000, and the administrative assessment rate was initially recommended and fixed at \$0.60 per ton.

Administrative budget items for 1995-96 which have increased compared to those budgeted for 1994-95 (in parentheses) are: Executive salaries, \$145,051 (\$140,146), clerical salaries, \$138,856 (\$132,500), field representatives salaries, \$304,344 (\$290,420), payroll taxes, \$44,000 (\$43,000), employee benefits, \$148,000 (\$145,000), insurance and bonds, \$9,500 (\$8,500), postage and mailing, \$13,200 (\$12,000), and audit fees, \$10,400 (\$9,200). Items which have decreased compared to those budgeted for 1994-95 (in parentheses) are: Office rent and parking, \$44,360 (\$50,000), furniture and equipment, \$4,000 (\$9,500), and lab data processing, \$1,000 (\$1,500). All other items are budgeted at last year's amounts. The administrative budget includes \$4,789 for contingencies (\$14,234 last year).

The Committee also unanimously recommended 1995 crop indemnification claims payments of up to \$7,000,000 and an indemnification assessment of \$1.00 per net ton of farmers' stock peanuts received or acquired by handlers to continue its indemnification program. For the 1994 crop, indemnification claim payments of up to \$9,000,000 and an assessment rate of \$2.00 per net ton were established. The decreases for 1995 reflect the Committee's desire to lower indemnification costs.

The costs to carry out indemnification procedures (sampling and testing of 2-AB and 3-AB Subsamples, and crushing supervision, of indemnified peanuts, pursuant to § 998.200(c)), are paid from available indemnification funds. Such costs are not expected to exceed \$500,000.

The total assessment rate is \$1.70 per ton of assessable peanuts (\$0.70 for administrative and \$1.00 for indemnification). Assessments are due on the 15th of the month following the month in which the farmers' stock peanuts are received or acquired. Application of the recommended rates to the estimated assessable tonnage of 1,525,000 will yield \$1,067,500 for program administration and \$1,525,000 for indemnification. The indemnification amount, when added to expected cash carryover from 1994-95 indemnification operations of \$8,700,000, will provide \$10,225,000, which should be adequate for the 1995 fund, and to maintain an adequate reserve.

The 1994-95 budget was published in the **Federal Register** as an interim final rule on May 12, 1994 (59 FR 24633), and finalized on August 3, 1994 (59 FR 39421). The administrative expenses and assessment rate for the 1994-95 crop year were based on an estimated assessable tonnage of 1,760,000. Due to handlers purchasing fewer peanuts than originally projected, the assessable tonnage is expected to be only 1,676,000. In order to have sufficient revenue to cover budgeted expenses of \$1,056,000, the Committee unanimously recommended that the 1994-95 crop year administrative assessment be increased from \$0.60 to \$0.63 per net ton of assessable farmers' stock peanuts.

While this action will impose some additional costs on handlers, the costs are in the form of uniform assessments on all handlers signatory to the agreement. Some of the additional costs may be passed on to producers. However, these costs will be significantly offset by the benefits derived from the operation of the marketing agreement. Therefore, the Administrator of the AMS has determined that this action will not have a significant economic impact on a substantial number of small entities.

After consideration of all relevant matter presented, including the information and recommendations submitted by the Committee 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 upon good cause that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice prior to putting this rule into effect and that good cause exists for not postponing the effective date of this action until 30 days after publication in the **Federal Register** because: (1) The Committee needs to have sufficient funds to pay its expenses which are incurred on a continuous basis; (2) the 1994-95 crop year began on July 1, 1994, and the 1995-96 crop year begins on July 1, 1995, and the marketing agreement requires that the rate of assessment for the fiscal period apply to all assessable peanuts handled during the fiscal period; (3) handlers are aware of these actions which were unanimously recommended by the Committee at a public meeting and are similar to other budget actions issued in past years; and (4) this interim final rule provides a 30-day comment period, and all comments timely received will be considered prior to finalization of this action.

List of Subjects in 7 CFR Part 998

Marketing agreements, Peanuts, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 998 is amended as follows:

PART 998—MARKETING AGREEMENT REGULATING THE QUALITY OF DOMESTICALLY PRODUCED PEANUTS

1. The authority citation for 7 CFR part 998 continues to read as follows:

Authority: 7 U.S.C. 601-674.

Note: These sections will not appear in the Code of Federal Regulations.

2. New § 998.408 is added to read as follows:

§ 998.408 Expenses, assessment rate, and indemnification reserve.

(a) *Administrative expenses.* The budget of expenses for the Peanut Administrative Committee for the crop year beginning July 1, 1995, shall be in the amount of \$1,067,500, such amount being reasonable and likely to be incurred for the maintenance and functioning of the Committee and for such purposes as the Secretary may, pursuant to the provisions of the marketing agreement, determine to be appropriate.

(b) *Indemnification expenses.* Expenses of the Committee not to exceed \$7,000,000 for indemnification claims payments and claims expenses, pursuant to the terms and conditions of indemnification applicable to the 1995 crop effective July 1, 1995, are authorized. In addition, indemnification expenses, in an undetermined amount estimated not to exceed \$500,000, which are incurred by the Committee for sampling and testing fees for 2-AB and 3-AB Subsamples, and fees for the supervision of the crushing of indemnified peanuts are also authorized.

(c) *Rate of assessment.* Each handler shall pay to the Committee, in accordance with § 998.48 of the marketing agreement, an assessment at the rate of \$1.70 per net ton of farmers' stock peanuts received or acquired other than from those described in §§ 998.31(c) and (d). A total of \$0.70 shall be for administrative expenses and a total of \$1.00 shall be for indemnification. Assessments are due on the 15th of the month following the month in which the farmers' stock peanuts are received or acquired.

(d) *Indemnification reserve.* Monetary additions to the indemnification reserve, established in the 1965 crop

year pursuant to § 998.48 of the agreement, shall continue. That portion of the total assessment funds accrued from the \$1.00 rate not expended on indemnification claims payments on 1995 crop peanuts and related expenses shall be kept in such reserve and shall be available to pay indemnification expenses on subsequent crops.

§ 998.407 [Amended]

3. On § 998.407, paragraph (c) is amended by removing "\$2.60" and adding in its place "\$2.63" and by removing "\$0.60" and adding in its place "\$0.63."

Dated: May 11, 1995.

Terry C. Long,

Acting Deputy Director, Fruit and Vegetable Division.

[FR Doc. 95-12146 Filed 5-16-95; 8:45 am]

BILLING CODE 3410-02-P

Rural Housing and Community Development Service; Rural Business and Cooperative Development Service; Rural Utilities Service; Consolidated Farm Service Agency

7 CFR Part 1980

RIN 0575-AB84

Business and Industrial Loan Program

AGENCIES: Rural Housing and Community Development Service, Rural Business and Cooperative Development Service, Rural Utilities Service, and Consolidated Farm Service Agency, USDA.

ACTION: Final rule.

SUMMARY: The Rural Business and Cooperative Development Service (RBCDS), (pursuant to section 234 of the Department of Agriculture Reorganization Act of 1994 (Pub. L. 103-354, October 13, 1994) and the Secretary's decision to implement such Authority) is the successor to the Rural Development Administration (RDA), which is the successor to the Farmers Home Administration (FmHA). RBCDS amends the Business and Industry Loan Servicing regulations to clarify the procedure for categorizing and classifying loans according to payment frequency criteria. The intended effect is to clarify procedures for classifying and categorizing loan payment history.

EFFECTIVE DATE: May 17, 1995.

FOR FURTHER INFORMATION CONTACT: Kenneth E. Hennings, Senior Loan Specialist, Business and Industry Division, RBCDS (formerly RDA), U.S. Department of Agriculture, Room 6337, South Agriculture Building, 14th Street

and Independence Avenue, SW., Washington, DC, 20250-0700, Telephone: (202) 690-3809.

SUPPLEMENTARY INFORMATION:

Classification

This rule has been determined to be not-significant for purposes of Executive Order 12866 and therefore has not been reviewed by the Office of Management and Budget (OMB).

Programs Affected

The Catalog of Federal Domestic Assistance program impacted by this action is: 10.768, Business and Industrial Loans.

Intergovernmental Review

The Business and Industrial Loan programs are subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials. RBCDS has conducted intergovernmental consultation in the manner delineated in FmHA Instruction 1940-J, "Intergovernmental Review of Farmers Home Administration Programs and Activities."

Civil Justice Reform

This final rule has been reviewed under Executive Order 12778, Civil Justice Reform. (In accordance with this rule:) (1) All state and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings in accordance with the regulations of the agency at 7 C.F.R. 1900-B or those regulations published by the Department of Agriculture to implement the provisions of the National Appeals Division as mandated by the Department of Agriculture Reorganization Act of 1994 must be exhausted before bringing suit in court challenging action taken under this rule unless those regulations specifically allow bringing suit at an earlier time.

Paperwork Reduction Act

The information collection requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C. Chapter 35 and have been assigned OMB control number 0575-0029 in accordance with the Paperwork Reduction Act of 1980. This rule does not revise or impose any new information collection or recordkeeping requirement from those approved by OMB.

Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR Part 1940, subpart G, "Environmental Program." RBCDS has determined that this action does not constitute a major Federal action significantly affecting the quality of the human environment, and in accordance with the National Environmental Policy Act of 1969, Public Law 91-190, an Environmental Impact Statement is not required.

Background

The regulations for Business and Industrial guaranteed loans require the lender to classify each loan in accordance with specific criteria set out in the regulations. It has been discovered that loans that are in compliance with requirements and have been current for more than 23 months but still have an outstanding balance of more than two-thirds of the original loan amount do not fit the criteria provided for in any classification. This action is to revise the criteria so that those loans will be included in the current non-problem classification.

Comments

On June 24, 1994, FmHA published a proposed rule with a comment period ending on August 23, 1994 in the **Federal Register** (59 FR 32660) to revise the loan classification criteria so that those loans that have been current for more than 23 months but still have an outstanding balance of more than two-thirds of the original loan amount will be included in the current non-problem classification. There were no comments on the proposed rule.

List of Subjects in 7 CFR Part 1980

Loan programs—Business and industry, Rural development assistance, Rural areas.

Accordingly, part 1980 of chapter XVIII, title 7 of the Code of Federal Regulations is amended as follows:

PART 1980—GENERAL

1. The authority citation for part 1980 continues to read as follows:

Authority: 7 U.S.C. 1989; 42 U.S.C. 1480; 7 U.S.C. 301; 7 CFR 2.23; 7 CFR 2.70.

Subpart E—Business and Industrial Loan Program

2. Section 1980.469 is amended by revising paragraph (c)(3) to read as follows:

§ 1980.469 Loan servicing.

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(c) * * *