

The total of the three marketing quota components for the 1995-96 marketing year is 566.0 million pounds. In addition, USDA used the discretionary authority to reduce the three-component total by 3 percent because the Secretary determined that the 1995/96 supply would be more than ample. Accordingly, the national marketing quota for the marketing year beginning October 1, 1995, for burley tobacco is 549.0 million pounds.

In accordance with section 319(c) of the 1938 Act, the Secretary is authorized to establish a national reserve from the national quota in an amount equivalent to not more than 1 percent of the national quota for the purpose of making corrections in farm quotas adjusting for inequities, and for establishing quotas for new farms. The Secretary has determined that a national reserve for the 1995 crop of burley tobacco of 2,187,713 pounds is adequate for these purposes.

**Price Support**

Price support is required to be made available for each crop of a kind of tobacco for which quotas are in effect, or for which marketing quotas have not been disapproved by producers, at a level determined in accordance with a formula prescribed in section 106 of the 1949 Act.

With respect to the 1995 crop of burley tobacco, the level of support is determined in accordance with sections 106 (d) and (f) of the 1949 Act. Section 106(f)(7)(A) of the 1949 Act provides that the level of support for the 1995 crop of burley tobacco shall be:

(1) The level, in cents per pound, at which the 1994 crop of burley tobacco was supported, plus or minus, respectively,

(2) An adjustment of not less than 65 percent nor more than 100 percent of the total, as determined by the Secretary after taking into consideration the supply of the kind of tobacco involved in relation to demand, of:

(A) 66.7 percent of the amount by which:

(I) The average price received by producers for burley tobacco on the United States auction markets, as determined by the Secretary, during the 5 marketing years immediately preceding the marketing year for which the determination is being made, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period, is greater or less than:

(II) The average price received by producers for burley tobacco on the United States auction markets, as determined by the Secretary, during the

5 marketing years immediately preceding the marketing year prior to the marketing year for which the determination is being made, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period; and

(B) 33.3 percent of the change, expressed as a cost per pound of tobacco, in the index of prices paid by the tobacco producers from January 1 to December 31 of the calendar year immediately preceding the year in which the determination is made.

The difference between the two 5-year averages (i.e., the difference between (A) (I) and (II)) is 2.1 cents per pound. The difference in the cost index from January 1 to December 31, 1994, is 0.9 cents per pound. Applying these components to the price support formula (2.1 cents per pound, two-thirds weight; 0.9 cents per pound, one-third weight) results in a weighted total of 1.7 cents per pound. As indicated, section 106 provides that the Secretary may, on the basis of supply and demand conditions, limit the change in the price support level to no less than 65 percent of that amount. In order to remain competitive in foreign and domestic markets, the Secretary used his discretion to limit the increase to 65 percent of the maximum allowable increase. Accordingly, the 1995 crop of burley tobacco will be supported at 172.5 cents per pound, 1.1 cents higher than in 1994.

**List of Subjects**

7 CFR Part 723

Acreage allotments, Marketing quotas, Penalties, Reporting and recordkeeping requirements, Tobacco.

7 CFR Part 1464

Loan programs—agriculture, Price support programs, Tobacco, Reporting and recordkeeping requirements, Warehouses.

Accordingly, 7 CFR parts 723 and 1464 are amended as follows:

**PART 723—TOBACCO**

1. The authority citation for 7 CFR part 723 continues to read as follows:

**Authority:** 7 U.S.C. 1301, 1311-1314, 1314-1, 1314b, 1314b-1, 1314b-2, 1314c, 1314d, 1314e, 1314f, 1314i, 1315, 1316, 1362, 1363, 1372-75, 1421, 1445-1, and 1445-2.

2. Section 723.112 is amended by adding paragraph (c) to read as follows:

**§723.112 Burley (type 31) tobacco.**

\* \* \* \* \*

(c) The 1995-crop national marketing quota is 549.0 million pounds.

**PART 1464—TOBACCO**

3. The authority citation for 7 CFR part 1464 continues to read as follows:

**Authority:** 7 U.S.C. 1421, 1423, 1441, 1445, 1445-1 and 1445-2; 15 U.S.C. 714b and 714c.

4. Section 1464.19 is amended by adding paragraph (c) to read as follows:

**§ 1464.19 Burley (type 31) tobacco.**

\* \* \* \* \*

(c) The 1995-crop national price support level is 172.5 cents per pound.

Signed at Washington, DC, on May 21, 1995.

**Bruce R. Weber.**

*Acting Administrator, Consolidated Farm Service Agency and Acting Executive Vice President, Commodity Credit Corporation.*  
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**Commodity Credit Corporation**

**7 CFR Part 1421**

**RIN 0560-AD67**

**1995-Crop Peanuts; National Average Support Levels for Quota and Additional Peanuts; and Minimum Commodity Credit Corporation Export Edible Sale Price for Additional Peanuts**

**AGENCY:** Commodity Credit Corporation, USDA.

**ACTION:** Final rule.

**SUMMARY:** The purpose of this final rule is to codify determinations made by the Secretary of Agriculture (Secretary) with respect to the 1995 peanut crop: the national average support level for quota peanuts of \$678.36 per short ton (st); the national average support level for additional peanuts of \$132 per st; and the minimum Commodity Credit Corporation (CCC) export edible sale price for additional peanuts of \$400 per st. The determinations of the national average support levels for quota and additional peanuts were made pursuant to the statutory requirements of the Agricultural Act of 1949 (the 1949 Act), as amended. The determination and announcement of the minimum CCC export edible sale price for additional peanuts is a discretionary action made to facilitate the negotiation of private contracts for export edible peanuts.

**EFFECTIVE DATE:** February 15, 1995.

**FOR FURTHER INFORMATION CONTACT:** John A. Craven, Consolidated Farm Service Agency (CFSA), Room 3744, South Building, United States Department of Agriculture, PO. Box 2415, Washington, DC 20013-2415, Telephone 202-690-0446.

**SUPPLEMENTARY INFORMATION:**

**Executive Order 12866**

This final rule has been determined to be significant and was reviewed by OMB under Executive Order 12866.

**Federal Assistance Program**

The title and number of the Federal Assistance Program, as found in the catalogue of Federal Domestic Assistance, to which this rule applies, are Commodity Loans and Purchases—10.051.

**Executive Order 12778**

This rule has been reviewed in accordance with Executive Order 12778. The provisions of this rule do preempt State law, are not retroactive, and do not involve administrative appeals.

**Regulatory Flexibility Act**

It has been determined that the Regulatory Flexibility Act is not applicable because CCC 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 of these determinations.

**Paperwork Reduction Act**

The amendments to 7 CFR part 1421 set forth in this final rule do not contain information collections that require clearance by the Office of Management and Budget under the provisions of 44 U.S.C. 35.

**Determinations**

This rule is issued pursuant to the provisions of the 1949 Act.

On February 15, 1995, the Secretary announced the national average support levels for 1995-crop quota and additional peanuts and the minimum CCC export edible sales price for 1995-crop additional peanuts.

Section 1017 of the Food Security Act of 1985, as amended, provides that the Secretary shall determine the rate of loans, payments, and purchases for the 1991 through 1995 crops of commodities without regard to the requirements for notice and public participation in rulemaking as prescribed in 5 U.S.C. 553 or any directive of the Secretary.

**A. Quota Peanuts Support Level**

In accordance with section 108B(a)(2) of the 1949 Act, the national average price support level for 1995 crop quota peanuts must be the corresponding 1994-crop price support level adjusted to reflect any increases in the national average cost of peanut production (excluding any changes in the cost of land) during the calendar year

immediately preceding marketing year (MY) 1995, except that the MY 1995 price support level cannot exceed the MY 1994 support level by more than 5 percent. In the event of a reduction in these costs of production, the MY 1995 price support level for quota peanuts would be required, under the terms of Section 108B, to be unchanged from MY 1994. The MY 1994 quota peanut price support level is \$678.36 per short ton (st). The MY 1995 support level for quota peanuts was determined based on the following estimates:

**PEANUT PRODUCTION COST CALCULATIONS**

Variable/component	1993	1994
Production costs.	\$492.91/acre	\$489.07/acre.
Trend yields	2,500 lbs./acre.	2,500 lbs./acre.
Production costs.	\$394.33/st ....	\$391.26/st.

**1995 QUOTA CALCULATIONS**  
[Dollars per short ton]

Change during 1994 in the average cost of producing peanuts .....	-\$3.07
1995 Quota Support Level (1994 Support + any cost increase) .....	678.36

As indicated, relevant peanut production costs decreased from calendar year 1993 to 1994. The MY 1995 quota peanut price support level is accordingly established at \$678.36 per st, unchanged from MY 1994.

**B. Additional Peanut Support Level**

Section 108B(b)(1) of the 1949 Act provides that price support shall be made available for additional peanuts at such level as the Secretary determines will ensure no losses to CCC from the sale or disposal of such peanuts, taking into consideration the demand for peanut oil and peanut meal, expected prices of other vegetable oils and protein meals, and the demand for peanuts in foreign markets.

The MY 1995 price support level for additional peanuts is established at \$132 per st to ensure no losses to CCC from the sale or disposal of such peanuts, unchanged from MY 1994. Peanuts are pledged as collateral for price support loans. The peanuts are then sold out of inventory in order to recoup the loan principal, interest and related costs. The statutory factors have been analyzed as set out below. Based on those factors, it is anticipated that while the current oil market is unusually strong, there is enough

uncertainty in the market to suggest caution in setting the floor price for inventory peanuts sold for crushing. For that reason, it has been determined that the support rate should remain unchanged from the level for additional peanuts that was in place for the 1994 crop, that being \$132.00 per st.

In making this determination, the following information was considered:

1. The domestic use of peanut oil during MY 1995 is forecast to be 115,000 st, up 2 percent from MY 1994 projected domestic use. MY 1995 peanut oil beginning stocks are expected to be 19,000 st, up 50 percent from MY 1994. The MY 1995 average peanut oil price is expected to be \$0.40 per pound, down \$0.06 per pound from MY 1994.
2. The domestic use of peanut meal during MY 1995 is forecast to be 180,000 st, down 2,000 st from MY 1994 projected domestic use. MY 1995 peanut meal beginning stocks are expected to be 5,000 st, down 2,000 st from MY 1994. The MY 1995 average peanut meal price is expected to be \$155 per st, up \$20 per st from MY 1994.

3. The domestic disappearance of soybean oil during MY 1995 is forecast to be 6,650,000 st, up 2.3 percent from projected MY 1994 domestic disappearance. MY 1995 soybean oil beginning stocks are expected to be 640,000 st, up 16 percent from MY 1994. The MY 1995 average soybean oil price is expected to be \$0.27 per pound, unchanged from MY 1994.

4. The domestic disappearance of cottonseed oil during MY 1995 is forecast to be 510,000 st, up slightly from projected MY 1994 domestic disappearance. MY 1995 cottonseed oil beginning stocks are expected to be 40,000 st, down 25 percent from MY 1994. The MY 1995 average cottonseed oil price is expected to be \$0.27 per pound, up \$0.02 from MY 1994.

5. The domestic disappearance of soybean meal during MY 1995 is forecast to be 26,500,000 st, up 1.0 percent from projected MY 1994 domestic disappearance. MY 1995 soybean meal beginning stocks are expected to be 300,000 st, up 50 percent from MY 1994. The MY 1995 average soybean meal price is expected to be \$160 per st, up \$5 per st from MY 1994.

6. The domestic disappearance of cottonseed meal during MY 1995 is forecast to be 1,725,000 st, up 3 percent from projected MY 1994 domestic disappearance. MY 1995 cottonseed meal beginning stocks are expected to be 65,000 st, up 23 percent from MY 1994. The average cottonseed meal price for MY 1995 is expected to be \$125 per st, up \$5 per st from MY 1994.

7. The world use of peanuts for MY 1994 is expected to be 24.42 million metric tons, up 1.3 percent from MY 1993. World peanut production for MY 1994 is forecast to be 24.47 million metric tons, up 2 percent from MY 1993. Ending stocks for MY 1994 are forecast at 0.70 million metric tons, up 8 percent from MY 1993.

*C. Minimum CCC Export Edible Sales Price for Additional Peanuts*

The minimum price at which additional peanuts owned or controlled by CCC may be sold for use as edible peanuts in export markets is a discretionary action that, by practice, is announced at the same time as quota and additional peanut support levels to facilitate the negotiation of additional peanut contracts by producers and handlers.

A proposed rule setting forth the MY 1995 minimum CCC export edible sales price of \$400 per st was published on January 4, 1995 (60 FR 381). Six comments were received in response to the notice during the public comment period that ended on January 17, 1995. The six respondents addressing this issue were five shellers or sheller/processors and one peanut product manufacturer. Five comments supported a CCC export edible sales price of \$400 per st or above; most of these felt that the \$400 minimum had served the industry well since 1986. One sheller respondent felt that CCC should discontinue the policy of announcing a minimum export edible sales price and make all additional peanuts available to export markets at market determined prices. The \$400 price has been adopted in this final rule for the reasons set out in the January 4 notice.

**List of Subjects in 7 CFR Part 1421**

Grains, Loan programs-agriculture, Oilseeds, Peanuts, Price support programs, Reporting and recordkeeping requirements, Soybeans, Surety bonds, Warehouses.

Accordingly, 7 CFR part 1421 is amended as follows:

**PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES**

1. The authority citation for 7 CFR part 1421 continues to read as follows:

**Authority:** 7 U.S.C. 1421, 1423, 1425, 1441z, 1444f-1, 1445b-3a, 1445c-3, 1445e, and 1446f; 15 U.S.C. 714b and 714c.

2. Section 1421.7(b)(8)(iv) is revised and paragraph (b)(8)(v) is added to read as follows:

**§ 1421.7 Adjustment of basic support rates.**

\* \* \* \* \*

(b) \* \* \*

(8) \* \* \*

(iv) 1994 Peanuts, Quota—\$678.36 per short ton; Additional—\$132.00 per short ton;

(v) 1995 Peanuts, Quota—\$678.36 per short ton; Additional—\$132.00 per short ton;

\* \* \* \* \*

3. Sections 1421.27(a)(2)(iv) is revised and paragraph (a)(2)(v) is added to read as follows:

**§ 1421.27 Producer-handler purchases of additional peanuts pledged as collateral for a loan.**

(a) \* \* \*

(2) \* \* \*

(iv) The 1994 minimum CCC sales price for additional peanuts sold for export edible use is \$400 per short ton;

(v) The 1995 minimum CCC sales price for additional peanuts sold for export edible use is \$400 per short ton.

\* \* \* \* \*

Signed at Washington, DC, on May 21, 1995.

**Bruce R. Weber,**

*Acting Executive Vice President, Commodity Credit Corporation.*

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**SMALL BUSINESS ADMINISTRATION**

**13 CFR Part 116**

**Policies of General Application**

**AGENCY:** Small Business Administration (SBA).

**ACTION:** Interim final rule with request for comments.

**SUMMARY:** On October 22, 1994, the President signed Public Law 103-403, The Small Business Administration Reauthorization and Amendments Act of 1994. Section 612 of that Act requires SBA to promulgate regulations by April 22, 1995 which require certification by any recipient of financial assistance under the Small Business Act that such recipient is not delinquent on a court order or other formal agreement requiring payment of child support. This interim final rule, published in accordance with Public Law 103-403, implements this requirement.

**DATES:** This rule becomes effective May 26, 1995. Comments by June 26, 1995.

**ADDRESSES:** Comments should be sent to John R. Cox, Associate Administrator for Financial Assistance, Small Business Administration, 409 Third Street, SW., Washington, DC 20416.

**FOR FURTHER INFORMATION CONTACT:** John R. Cox, (202) 205-6490.

**SUPPLEMENTARY INFORMATION:** Public Law 103-403 required SBA, among other things, to promulgate regulations which require certification by any recipient of Agency financial assistance under the Small Business Act that the recipient is not delinquent on a court order or other formal agreement requiring payment of child support. In that regard, Section 612 of Pub. L. 103-403, October 22, 1994, states:

(f) Certification of Compliance with Child Support Obligations.—

(1) In General. For financial assistance approved after the promulgation of final regulations to implement this section, each recipient of financial assistance under this Act, including a recipient of a direct loan or a loan guarantee, shall certify that the recipient is not more than 60 days delinquent under the terms of any—

(A) administrative order;

(B) court order; or

(C) repayment agreement entered into between the recipient and the custodial parent or State agency providing child support enforcement services, that requires the recipient to pay child support, as such is defined in section 462(b) of the Social Security Act.

(2) Enforcement. Not later than 6 months after the date of enactment of this subsection, the Administration shall promulgate such regulations as may be necessary to enforce compliance with the requirements of this subsection.

[Emphasis added.]

The Conference Report language on this section is useful in providing guidance for implementing this requirement. (See Report 103-824 to accompany S. 2060.) It provides:

Sec. 612. Certification of compliance with child support obligations.

Both bills contained provisions requiring SBA borrowers to certify that they are not in violation of any court order or agreement requiring the payment of child support. The conference report contains the same provision with a clarification with court orders, administrative orders, or agreements, specifically 60 days or more in arrears.

While intending to strengthen federal policy in support of family support obligations, the conferees recognize that economic circumstances may from time to time cause a parent to be late in such payments. It is not the intent of the conferees to subject minor lapses to the criminal and civil penalties contained in both the Small Business Act and the False Statements Act for false representations made to the agency in the course of a loan application or other application for assistance. Hence, the conference agreement provides for a certification that the applicant is not more than 60 days late in making any child support payment required by court order or agreement. Loan applicants should be advised of this provision at the outset of the