

# 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.

## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 1280

[No. LS-95-010]

#### Sheep Promotion, Research, and Information Program: Rules and Regulations

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** This proposed rule would implement provisions of a proposed Sheep and Wool Promotion, Research, Education, and Information Order (Order), which would establish a national and industry-funded sheep and wool promotion, research, and information program if an Order is approved by producers, feeders, and importers voting in the initial referendum. A full proposal and four partial proposals were published previously in the Federal Register (60 FR 2874). This proposed rule establishes the collection and remittance process, puts into effect the reporting requirements, identifies and establishes the Harmonized Tariff Schedule (HTS) classification numbers, conversion factors, and assessment rates for imported sheep, sheep meat, wool, and wool products subject to assessment, establishes procedures for calculating, collecting, and remitting assessments on imported sheep, sheep meat, wool, and wool products and establishes the basis for exempting certain imported sheep and sheep products from assessment. Because the Sheep Promotion, Research, and Information Act of 1994 (Act) provides that raw wool will be exempted from the collecting provisions, raw wool is not subject to assessment.

**DATES:** Written comments must be received by November 2, 1995.

**ADDRESSES:** Send two copies of comments to Ralph L. Tapp, Chief; Marketing Programs Branch; Livestock

and Seed Division; Agricultural Marketing Service (AMS), USDA, Room 2606-S; PO Box 96456; Washington, DC 20090-6456. Comments will be available for public inspection during regular business hours in Room 2606, South Building, 14th and Independence Avenue, SW., Washington, DC 20250. All comments should reference the docket number and the date and page number of the issue of the Federal Register. Comments concerning the information collection requirements contained in this action should also be sent to the Office of Information and Regulatory Affairs; Office of Management and Budget (OMB); Washington, DC 20503. Attention: Desk Officer for Agricultural Marketing Service, USDA.

**FOR FURTHER INFORMATION CONTACT:** Ralph L. Tapp, Chief, Marketing Programs Branch, 202/720-1115.

**SUPPLEMENTARY INFORMATION:** Prior documents in this proceeding: Invitation to submit proposals—60 FR 381 (January 4, 1995); Sheep and Wool Promotion, Research, Education, and Information Order—60 FR 28747 (June 2, 1995); and Procedures for the Conduct of Referendum—60 FR 40313 (August 8, 1995).

#### Regulatory Impact Analysis

##### *Executive Orders 12866 and 12778 and the Regulatory Flexibility Act*

This proposed rule has been determined to be not significant for purposes of Executive Order 12866 and therefore has not been reviewed by OMB.

This proposed rule has been reviewed under Executive Order 12778, Civil Justice Reform. It is not intended to have a retroactive effect. This rule would not preempt any State or local laws, regulations, or policies unless they present an irreconcilable conflict with this rule.

The Act provides that any person subject to the Order may file with the Secretary a petition stating that the Order, any provision of the Order, or any obligation imposed in connection with the Order is not in accordance with the law, and requesting a modification of the Order or an exemption from certain provisions or obligations of the Order. The petitioner will have the opportunity for a hearing on the petition. Thereafter the Secretary will issue a decision on the petition. The Act

provides that the district court of the United States in any district in which the petitioner resides or carries on business has jurisdiction to review the Secretary's decision, if the petitioner files a complaint for that purpose not later than 20 days after the date of the entry of the Secretary's decision.

The petitioner must exhaust his or her administrative remedies before he or she can initiate any such proceeding in the district court.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 et seq.), the Administrator of AMS has considered the economic impact of this proposed action on small entities.

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

The Administrator of AMS has considered the economic impact of this action on small entities to RFA.

There are an estimated 87,350 domestic sheep producers and feeders and an estimated 700 remittance persons who would be subject to the rules and regulations issued pursuant to the Order. There are also an estimated 9,000 importers who would become subject to the rules and regulations. Nearly every sheep producer, feeder, and importer would be classified as a small business under the criteria established by the Small Business Administration (13 CFR 121.601).

The Act provides for the establishment of a coordinated program of promotion and research designed to strengthen the sheep industry's position in the marketplace and to maintain and expand foreign and domestic markets and uses for sheep and sheep products. This program would be financed by assessments on domestic and imported sheep and sheep products which includes wool and products containing wool fibers. Pursuant to the Act, a proposed rule was published on June 2, 1995 (60 FR 28747). That action proposed a full proposal and four partial proposals.

This proposed rule establishes the collection and remittance process, puts into effect the reporting requirements of an Order, identifies and establishes HTS classification numbers, conversion factors, and assessment rates for imported sheep and sheep products

(sheep meat, wool, and wool products) subject to the assessment and establishes procedures for calculating, collecting, and remitting assessments on imported sheep, sheep meat, wool, and wool products and establishes the basis for exempting certain imported sheep and sheep products from assessment. Because the Act exempts raw wool from the collecting provisions, raw wool is not subject to assessment.

This rule will implement applicable Order provisions in the manner provided therein, if an Order is passed in referendum. Accordingly, the Administrator of AMS has determined that this rule will not have a significant economic impact on a substantial number of small entities.

#### *Paperwork Reduction*

In accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), the information collection and recordkeeping requirements for domestic producers, feeders, handlers, and processors of sheep and wool contained in part 1280 have been approved by OMB and assigned control number 0581-0093.

Based on comparable research and promotion programs, it would require approximately 0.5 hours per response for producers, feeders, handlers, and any persons other than the person making payment to the producer, feeder, or handler, to complete a reporting form on a monthly basis and file a request for reimbursement if necessary.

For importers, the Department of Agriculture (Department) intends to rely to a great extent on records maintained by the U.S. Customs Service (Customs) and records maintained by importers under Custom's requirements for its administration and enforcement of the provision of the proposed regulations. The Department anticipates that importers only would be required to provide additional information if needed as evidence of reimbursement of assessments.

Any person subject to the assessment, collection, and remittance provisions of the Act and the Order would be expected to maintain and make available to the Secretary such books and records as necessary to carry out the provisions of the Order and these regulations. Such books and records should be maintained for at least 2 years beyond the fiscal period of their applicability. Reporting forms would be submitted monthly.

Comments concerning the information collection requirements contained in this action should also be sent to the Office of Information and Regulatory Affairs; Office of

Management and Budget; Washington, DC 20503. Attention: Desk Officer for the Agricultural Marketing Service, USDA.

#### *Background*

The Act (7 U.S.C. 7101-7111) approved October 22, 1994, authorizes the Secretary to establish a national sheep and wool promotion, research, education, and information program, designed to strengthen the sheep industry's position in the marketplace, to maintain and expand existing domestic and foreign markets and uses for sheep and sheep products and to develop new markets and uses for sheep and sheep products. This program would be funded by assessments on domestic sheep producers, sheep feeders, and exporters of live sheep and greasy wool of 1-cent-per-pound on live sheep sold and 2-cents-per-pound on greasy wool sold. Importers would be assessed 1-cent-per-pound on live sheep imported and the equivalent of 1-cent-per-pound of live sheep for sheep products imported as well as 2-cents-per-pound of degreased wool or the equivalent of degreased wool for wool and wool products imported. Imported raw wool would be exempt from assessments. Each person who processes or causes to be processed sheep or sheep products of that person's own production and markets the processed products would be assessed the equivalent of 1-cent-per-pound of live sheep sold or 2-cents-per-pound of greasy wool sold. All assessment rates may be adjusted in accordance with applicable provisions of the Act.

Pursuant to the Act, a proposed rule was published in the June 2, 1995, Federal Register (60 FR 28747). That action proposed a full proposal and four partial proposals. If approved in referendum, a final Order would require that each person who makes payment to a sheep producer, feeder, or handler of sheep or sheep products be a collecting person who collects the assessment from the producer, feeder, or handler of sheep or sheep products and pass the collected assessment on to the subsequent purchaser pursuant to the Act. Any person who buys domestic live sheep or greasy wool for processing must collect the assessment from the producer, feeder, or handler and remit the assessment to the proposed National Sheep Promotion, Research, and Information Board (Board). Any person who processes or causes to be processed sheep or sheep products of the person's own production and markets the processed products would be required to pay an assessment and remit the assessment to the Board. Any person

who exports live sheep or greasy wool would be required to pay an assessment and remit the assessment to the Board at the time of export. Finally, each person who imports sheep and sheep products—excluding raw wool—would be required to pay an assessment. Customs will collect the assessments on imported sheep and sheep products upon importation and will forward the assessments to AMS for disbursement to the Board.

The proposed Order further would define a collecting person as any person who is responsible for collecting an assessment pursuant to the Act, this subpart and these regulations, including processors and any other persons who are required to remit assessments to the Board, except that a collecting person who is a market agency; i.e., commission merchant, auction market, or livestock market in the business of receiving such sheep or sheep products for sale on commission for or on behalf of a producer or feeder, shall pass the collected assessment on to the subsequent purchaser pursuant to the Act, this subpart and the regulations prescribed by the Board and approved by the Secretary.

For the purposes of the collection of assessments on imported wool and wool products by Customs, the Department proposes that the Harmonized Tariff Schedule (HTS) classification numbers published by the International Trade Commission be used to identify imported sheep and sheep products that would be subject to the assessment if the proposed Order becomes effective. The HTS classification system identifies each category of imported sheep, sheep meat, wool, and products that contains wool fiber by a 10-digit classification number and provides a brief description of the imported product that corresponds to the various classification numbers. Additionally, the HTS classification number may be further divided into multiple fiber categories for products that contain a blend of fibers.

In determining which HTS classification numbers would be assessed under this proposal, the primary objectives were to meet the intent of the Act by maximizing participation of imported sheep, sheep meat, wool, and wool products in the assessment collection provisions of the Act and minimizing the burden of administering those provisions. To make certain these objectives would be met, the Department reviewed 5 years—1989-93—of historical import data of sheep, sheep meat, wool, and products containing wool fibers from the Bureau of Census of the U.S. Department of Commerce. These data are available on

CD-ROM, entitled International Harmonized System Commodity Classification by Country by Customs District. The Department analyzed the total volume of imported sheep, sheep meat, wool, and wool products subject to the assessment by identifying the HTS classification numbers and corresponding conversion factors.

The Department identified over 700 HTS classification numbers during a review of the import library published by the Department's Economic Research Service (ERS). The Department has determined that of the approximately 700 HTS classification numbers, slightly more than 600 are considered active or potentially subject to assessment. These numbers are continually updated, deleted, or expanded, thereby eliminating existing HTS categories or creating new ones. Based on the projected revenue for imported sheep and sheep products, of the nearly 600 active HTS classification numbers for sheep and sheep products, the Department has identified 340 HTS classification numbers that would account for over 99 percent of the total projected import revenues. Accordingly, the Department proposes to limit the collection of assessments to this lower number, thereby exempting a significant number of low volume HTS categories.

Limiting the number of imported sheep and sheep products that would be subject to assessments would reduce the administrative cost and burden on Customs and importers, and would reduce administrative costs to the Board, while allowing the Board to collect the vast majority of potential import assessments.

Some of the sheep and sheep products identified by the 340 HTS classification numbers may be permitted to enter into the United States duty-free pursuant to applicable rules and regulations issued by Customs and as a result, Customs would not collect an assessment on those products. However, if an otherwise duty-free imported sheep or sheep product were to be assessed, an importer would be entitled to reimbursement if the importer provides to the Board proper documentation that the product was exempt from import duties under Customs regulations and that an assessment had been paid.

Because import assessments are based on a live-weight equivalent for imported sheep meat and degreased wool, or its equivalent for wool and wool products, the Department proposes to use conversion factors developed and published by ERS to convert imported sheep products to the required live-weight equivalents, degreased wool, or degreased wool equivalents to

determine the amount of assessment due on each HTS category upon importation. These conversion factors are available for the 700 HTS classification numbers and are updated and maintained as an import library. For sheep meat, these conversion factors take into account removal of bone, weight lost in processing or cooking, and the nonsheep components of the sheep products. For wool and products containing wool fibers, these conversion factors take into account fiber loss during processing, fabric trim loss, and cutting loss for wool, and other nonsheep components of wool and wool products. The Department proposes to use these conversion factors for calculating the assessment because calculating carcass equivalents and wool content for each individual product before entry would be both costly and impractical.

The factors for calculating the assessment on imported sheep, sheep meat, wool, and products containing wool fiber include the (1) HTS classification number, (2) conversion factor, (3) assessment rate as established under the Act, and (4) dressing percentage. Based on a 9 year average—1980–89—the average dressing percentage for sheep in the United States is 50.2 percent as published by ERS in the 1992 edition of Conversion Factors, Weights and Measures of Agricultural Commodities and Their Products.

Imported live sheep require no conversion because each animal will be assessed based on its live weight.

Examples of calculating the assessment on sheep, sheep meat, wool, and products containing wool fibers are as follows:

*Example I*

To calculate the assessment for live sheep, an importer would multiply the total weight of imported live sheep by 1-cent-per-pound. The following example illustrates a typical calculation for imported live sheep:

HTS 0104100000, Live sheep:	
Live Weight .....	125 lbs.
Assessment rate .....	×\$0.01/lb.
Assessment .....	\$1.25

*Examples II and III*

To calculate the assessment for imported sheep meat, an importer would (1) Multiply the total weight of imported sheep meat by the conversion to determine the total carcass weight equivalent, then (2) divide the total carcass weight equivalent by 50.2 percent to calculate the live animal

equivalent, and (3) multiply the live animal equivalent by 1-cent-pound. The following examples illustrate two typical sheep meat calculations:

1. Sheep Meat (Bone-in):	
HTS 0204100000, Car-	
casses and half car-	
casses of lamb, fresh or	
chilled:	
Net Weight .....	1,000 lbs.
Conversion factor .....	×1.00
Carcass weight equivalent.	=1,000 lbs.
Average dressing percent.	+50.2%.
Live weight equivalent	=1992.03 lbs.
Assessment rate .....	×\$0.01/lb.
Assessment .....	\$19.92
2. Sheep Meat (Boneless):	
HTS 0204232000,	
Boneless lamb:	
Net Weight .....	1,000 lbs.
Conversion factor .....	×1.52
Carcass weight equivalent.	=1,520 lbs.
Average dressing percent.	+50.2%
Live weight equivalent	=3,027.89 lbs.
Assessment rate .....	×\$0.01/lb.
Assessment .....	\$30.28

*Example IV*

To calculate the assessment for imported wool and wool products, an importer would (1) Multiply the total weight of wool or wool products imported under each HTS number by the corresponding conversion factor, and (2) multiply the raw clean wool content by the assessment rate. The following example illustrates a typical calculation:

HTS 620110010, Mens or	
boys overcoats of wool	
or fine animal hair:	
Net Weight .....	2,000 lbs.
Conversion factor .....	×0.9774rn,s
Clean wool content .....	=1,954.8 lbs.
Assessment rate .....	×\$0.02/lb.
Assessment .....	\$39.10

A table in the regulation would list the applicable HTS classification numbers representing imported sheep, sheep meat, wool, and products containing wool fibers subject to assessment, the corresponding conversion factors and the assessment rate per pound and per kilogram for each product, except in the case of raw wool which is exempt from assessment.

List of Subjects in 7 CFR part 1280

Administrative practice and procedure, Advertising, Agricultural research, Marketing agreements, Sheep and sheep products, Reporting and recordkeeping requirements.

For the reason set forth in the preamble, it is proposed that Title 7 of the CFR, part 1280 be amended as follows:

**PART 1280—SHEEP PROMOTION, RESEARCH, AND INFORMATION**

1. The authority citation for 7 CFR Part 1280 continues to read as follows:

Authority: 7 U.S.C. 7101-7111.

2. In Part 1280, Subpart B is added to read as follows:

**Subpart B—Rules and Regulations**

*Definitions*

Sec.  
1280.301 Terms defined.

*Assessments*

- 1280.310 Assessments on domestic sheep and sheep products.
- 1280.311 Late payment charges.
- 1280.312 Assessments on imported sheep and sheep products.
- 1280.313 Collecting persons for purposes of collection of assessments.
- 1280.314 Remittance persons for purposes of remitting assessments.
- 1280.315 Remittance of assessments and submission of reports to the National Sheep Promotion, Research, and Information Board.
- 1280.316 Evidence of payment of assessments.
- 1280.317 Books and records.
- 1280.318 OMB control numbers.

**Subpart B—Rules and Regulations**

*Definitions*

**§ 1280.301 Terms defined.**

As used throughout this subpart, unless the context otherwise requires, terms shall have the same meaning as the definition of such terms in subpart A of this part.

*Assessments*

**§ 1280.310 Assessments on domestic sheep and sheep products.**

(a) Domestic sheep producers, sheep feeders, and exporters of live sheep and greasy wool will be assessed 1-cent-per-

pound on live sheep sold and 2-cents-per-pound on greasy wool sold.

(b) Each person who processes or causes to be processed sheep or sheep products of that person's own production and markets the processed products will be assessed the equivalent of 1-cent-per-pound of live sheep sold or 2-cents-per-pound of greasy wool sold.

(c) If more than one producer, feeder, handler, or exporter shares the proceeds received for the sheep or sheep products sold, each such producer, feeder, handler, or exporter is obligated to pay that portion of the assessments that is equivalent to that producer's, feeder's, handler's, or exporter's proportionate share of the proceeds.

(d) Failure of the purchaser or collecting person to collect the assessment and pass along the assessment to the next purchaser, if necessary, and finally to the processor, as required in § 1280.313, shall not relieve the producer, feeder, or the collecting person of their obligation to pay the assessment to the feeder, collecting person, or processor and to remit the assessment to Board.

**§ 1280.311 Late payment charges.**

(a) Assessments shall be remitted to the address designated by the Board by the 15th day of the month following the month in which domestic sheep or wool was purchased for processing.

(b) Any unpaid assessments due to the Board from any person responsible for remitting the assessment shall be increased 2 percent the day following the date such assessments were due. Any remaining amount due, which shall include any unpaid assessments and late payment charges previously owed pursuant to this paragraph, shall be increased at the same rate on the corresponding day of each month thereafter until paid. For the purposes of this paragraph, any assessment calculated after the date prescribed by this subpart because of a person's failure to submit a timely report to the Board shall be considered to have been payable by the date it would have been due if the report had been timely filed. The date of payment is determined by the postmark date on the envelope or the date of receipt by the Board,

whichever is earlier. If the 15th day falls on a Sunday or a holiday, then the assessment will be due the following day.

**§ 1280.312 Assessments on imported sheep and sheep products.**

(a) Importers will be assessed 1-cent-per-pound on live sheep imported, the equivalent of 1-cent-per-pound of live sheep for imported sheep products, and 2-cents-per-pound of imported degreased wool or the equivalent of imported degreased wool for wool and wool products. Imported raw wool will be exempt from assessments.

(b) Table I, Imported Sheep and Sheep Products Assessment Table, contains the applicable HTS classification numbers of sheep, sheep meat, wool, and wool products, conversion factors and assessment rates in dollars per pound and dollars per kilograms for imported sheep, sheep products, wool, and wool products subject to the assessment. Because raw wool is exempt from the assessment collection provisions, HTS classification numbers for imported raw wool are not included in the table.

(c) In the event that any HTS classification number is changed, replaced by another number and has no impact on the physical properties or description of sheep meat, or wool and wool products, assessments will continue to be collected based on the HTS classification number.

(d) All imported sheep and sheep products identified by the HTS classification numbers listed in Table I, are subject to assessment, except that assessments will not be collected on those sheep and sheep products on which an import duty is not due pursuant to regulations issued by Customs. Importers shall be entitled to reimbursement from the Board on all sheep and sheep products on which assessments were collected by Customs but on which import duties were not due. To obtain a reimbursement when such reimbursement is due, an importer must submit to the Board a written request together with copies of Custom documents that prove import duties were not due.

TABLE I.—IMPORTED SHEEP AND SHEEP PRODUCTS ASSESSMENT TABLE  
[Live Sheep]

HTS	Assessment	
	\$/lb	\$/kg
0104100000 .....	0.010000	0.022046

## [Sheep Meat]

HTS	CF	Assessment	
		\$/lb	\$/kg
0204100000 .....	1.00	0.019920	0.043916
0204210000 .....	1.00	0.019920	0.043916
0204222000 .....	1.00	0.019920	0.043916
0204224000 .....	1.00	0.019920	0.043916
0204232000 .....	1.52	0.030279	0.066753
0204234000 .....	1.52	0.030279	0.066753
0204300000 .....	1.00	0.019920	0.043916
0204410000 .....	1.00	0.019920	0.043916
0204422000 .....	1.00	0.019920	0.043916
0204424000 .....	1.00	0.019920	0.043916
0204432000 .....	1.52	0.030279	0.066753
0204434000 .....	1.52	30.030279	0.066753

## [Wool and Products Containing Wool Fiber]

HTS	CF	Assessment	
		\$/lb	\$/kg
5007106030 .....	0.5546	0.011092	0.024454
5007906030 .....	0.5546	0.011092	0.024454
5103100000 .....	1.0870	0.021740	0.047929
5103200000 .....	1.0870	0.021740	0.047929
5104000000 .....	1.0000	0.020000	0.044092
5105100000 .....	1.0309	0.020618	0.045454
5105210000 .....	1.1111	0.022220	0.048991
5105290000 .....	1.1111	0.022220	0.048991
5106100010 .....	1.0870	0.021740	0.047929
5106100090 .....	1.0870	0.021740	0.047929
5106200000 .....	0.5435	0.010869	0.023962
5107100000 .....	1.0870	0.021740	0.047929
5107200000 .....	0.5435	0.010869	0.023962
5109102000 .....	1.0870	0.021740	0.047929
5111113000 .....	1.1091	0.022183	0.048904
5111117030 .....	1.1091	0.022183	0.048904
5111117060 .....	1.1091	0.022183	0.048904
5111191000 .....	1.1091	0.022183	0.048904
5111192000 .....	1.1091	0.022183	0.048904
5111196020 .....	0.5546	0.011092	0.024454
5111196040 .....	0.5546	0.011092	0.024454
5111196060 .....	1.1091	0.022183	0.048904
5111196080 .....	1.1091	0.022183	0.048904
5111200500 .....	0.5546	0.011092	0.024454
5111209000 .....	0.5546	0.011092	0.024454
5111300500 .....	0.5546	0.011092	0.024454
5111309000 .....	0.5546	0.011092	0.024454
5111903000 .....	0.5546	0.011092	0.024454
5111909000 .....	0.8319	0.016638	0.036679
5112111000 .....	0.9982	0.019964	0.044013
5112112030 .....	1.1091	0.022183	0.048904
5112112060 .....	0.9982	0.019964	0.044013
5112192000 .....	1.1091	0.022183	0.048904
5112199010 .....	1.1091	0.022183	0.048904
5112199020 .....	1.1091	0.022183	0.048904
5112199030 .....	1.1091	0.022183	0.048904
5112199040 .....	1.1091	0.022183	0.048904
5112199050 .....	1.1091	0.022183	0.048904
5112199060 .....	1.1091	0.022183	0.048904
5112201000 .....	0.5546	0.011092	0.024454
5112203000 .....	0.5546	0.011092	0.024454
5112301000 .....	0.5546	0.011092	0.024454
5112303000 .....	0.5546	0.011092	0.024454
5112903000 .....	0.6655	0.013311	0.029345
5112904000 .....	0.8319	0.016638	0.036679
5112909010 .....	0.5546	0.011092	0.024454
5112909090 .....	0.5546	0.011092	0.024454
5212231020 .....	0.4991	0.009982	0.022007
5309292000 .....	0.5546	0.011092	0.024454
5407920520 .....	0.4991	0.009982	0.022007
5407921010 .....	0.2218	0.004437	0.009782
5407921020 .....	0.2218	0.004437	0.009782

## [Wool and Products Containing Wool Fiber]

HTS	CF	Assessment	
		\$/lb	\$/kg
5407931000	0.2218	0.004437	0.009782
5408310520	0.4991	0.009982	0.022007
5408321000	0.2218	0.004437	0.009782
5408341000	0.2218	0.004437	0.009782
5509520000	0.3804	0.007608	0.016773
5509610000	0.1630	0.003260	0.007187
5509910000	0.3804	0.007608	0.016773
5510200000	0.3804	0.007608	0.016773
5515130510	0.4991	0.009982	0.022007
5515130520	0.4991	0.009982	0.022007
5515131010	0.2218	0.004437	0.009782
5515131020	0.2218	0.004437	0.009782
5515220510	0.4991	0.009982	0.022007
5515221000	0.2218	0.004437	0.009782
5515920510	0.4991	0.009982	0.022007
5515920520	0.4991	0.009982	0.022007
5515921010	0.2218	0.004437	0.009782
5515921020	0.2218	0.004437	0.009782
5516311000	0.2218	0.004437	0.009782
5516320520	0.4991	0.009982	0.022007
5516321000	0.2218	0.004437	0.009782
5516330510	0.4991	0.009982	0.022007
5516330520	0.4991	0.009982	0.022007
5516331000	0.2218	0.004437	0.009782
5516341000	0.2218	0.004437	0.009782
5601290020	0.9428	0.018856	0.041570
5602109010	1.1091	0.022183	0.048904
5602109090	0.5546	0.011092	0.024454
5602210000	1.1091	0.022183	0.048904
5701101300	0.9783	0.019566	0.043135
5701101600	0.9783	0.019566	0.043135
5701104000	0.9783	0.019566	0.043135
5701109000	0.9783	0.019566	0.043135
5702101000	0.8315	0.016630	0.036662
5702109010	0.8315	0.016630	0.036662
5702311000	0.7853	0.015706	0.034625
5702312000	0.6467	0.012934	0.028514
5702411000	0.7853	0.015706	0.034625
5702412000	0.6929	0.013859	0.030551
5702512000	0.7853	0.015706	0.034625
5702514000	0.7853	0.015706	0.034625
5702913000	0.8315	0.016630	0.036662
5702914000	0.7853	0.015706	0.034625
5703100000	0.7993	0.015986	0.035243
5704100010	0.7466	0.014932	0.032919
5704900010	0.9332	0.018664	0.041147
5705002010	0.7466	0.014932	0.032919
5801100000	1.1091	0.022183	0.048904
5801902090	1.1091	0.022183	0.048904
5805002000	1.1091	0.022183	0.048904
5805002500	1.1091	0.022183	0.048904
5810991000	1.1091	0.022183	0.048904
5903903010	0.5546	0.011092	0.024454
6001290000	1.1322	0.022644	0.049921
6002410000	1.1322	0.022644	0.049921
6002490000	1.1322	0.022644	0.049921
6002910000	1.1322	0.022644	0.049921
6101100000	1.0533	0.021066	0.046442
6102100000	1.0533	0.021066	0.046442
6102301000	0.5266	0.010532	0.023219
6103110000	0.8806	0.017612	0.038828
6103122000	0.1887	0.003773	0.008319
6103310000	1.0293	0.020586	0.045384
6103411010	0.8615	0.017230	0.037986
6103412000	0.8615	0.017230	0.037986
6103431020	0.4923	0.009846	0.021708
6104110000	0.9007	0.018014	0.039714
6104310000	0.9007	0.018014	0.039714
6104331000	0.5147	0.010293	0.022692
6104332000	0.1287	0.002573	0.005673
6104391000	0.1287	0.002573	0.005673

## [Wool and Products Containing Wool Fiber]

HTS	CF	Assessment	
		\$/lb	\$/kg
6104410010	1.0064	0.020128	0.044374
6104431010	0.5032	0.010064	0.022187
6104432010	0.1258	0.002517	0.005549
6104432020	0.1258	0.002517	0.005549
6104441000	0.5032	0.010064	0.022187
6104442010	0.1258	0.002517	0.005549
6104442020	0.1258	0.002517	0.005549
6104510000	1.0411	0.020822	0.045904
6104531000	0.5206	0.010412	0.022954
6104532010	0.1301	0.002602	0.005737
6104532020	0.1301	0.002602	0.005737
6104591000	0.5206	0.010412	0.022954
6104591030	0.1301	0.002602	0.005737
6104610010	0.8256	0.016512	0.036402
6104631510	0.4718	0.009436	0.020803
6105201000	0.4617	0.009234	0.020357
6105901000	0.8080	0.016160	0.035626
6105908020	0.5420	0.010840	0.023898
6106201010	0.4818	0.009636	0.021243
6106201020	0.4818	0.009636	0.021243
6106901010	0.8432	0.016864	0.037178
6107992000	0.8256	0.016512	0.036402
6108992000	0.8167	0.016334	0.036010
6109901530	0.8432	0.016864	0.037178
6110101010	1.2866	0.025733	0.056730
6110101020	1.2866	0.025733	0.056730
6110101030	1.2866	0.025733	0.056730
6110101040	1.2866	0.025733	0.056730
6110101050	1.2866	0.025733	0.056730
6110101060	1.2866	0.025733	0.056730
6110102010	0.9007	0.018014	0.039714
6110102020	0.9007	0.018014	0.039714
6110102030	0.9007	0.018014	0.039714
6110102040	0.9007	0.018014	0.039714
6110102050	0.9007	0.018014	0.039714
6110102060	0.9007	0.018014	0.039714
6110102070	0.9007	0.018014	0.039714
6110102080	0.9007	0.018014	0.039714
6110301510	0.5147	0.010293	0.022692
6110301520	0.5147	0.010293	0.022692
6110301530	0.5147	0.010293	0.022692
6110301540	0.5147	0.010293	0.022692
6110301550	0.5147	0.010293	0.022692
6110301560	0.5147	0.010293	0.022692
6110303010	0.1930	0.003861	0.008512
6110303015	0.1930	0.003861	0.008512
6110303020	0.1930	0.003861	0.008512
6110303025	0.1930	0.003861	0.008512
6110303030	0.1930	0.003861	0.008512
6110303035	0.1930	0.003861	0.008512
6110303040	0.1930	0.003861	0.008512
6110303045	0.1930	0.003861	0.008512
6110303050	0.1930	0.003861	0.008512
6110303055	0.1930	0.003861	0.008512
6110909012	0.5790	0.011581	0.025531
6110909028	0.5790	0.011581	0.025531
6110909074	0.5790	0.011581	0.025531
6111100010	1.1076	0.022152	0.048836
6111100030	1.1076	0.022152	0.048836
6114100040	0.8806	0.017612	0.038828
6114100050	0.8806	0.017612	0.038828
6114100070	0.8806	0.017612	0.038828
6115199020	1.1322	0.022644	0.049921
6115910000	0.9058	0.018116	0.039939
6115932010	0.4529	0.009058	0.019968
6116109500	0.0834	0.001668	0.003677
6116910000	0.9535	0.019070	0.042042
6116936400	0.4767	0.009534	0.021019
6116937400	0.4767	0.009534	0.021019
6116938800	0.1788	0.003575	0.007882
6116939400	0.1788	0.003575	0.007882

## [Wool and Products Containing Wool Fiber]

HTS	CF	Assessment	
		\$/lb	\$/kg
6116999530	0.3576	0.007152	0.015768
6117101000	1.0727	0.021454	0.047298
6117102010	0.4767	0.009534	0.021019
6117809020	0.9635	0.019270	0.042483
6117809030	0.5959	0.011919	0.026276
6201110010	1.0199	0.020398	0.044970
6201110020	1.0199	0.020398	0.044970
6201122010	0.0637	0.001274	0.002809
6201133010	0.4590	0.009180	0.020238
6201134015	0.0510	0.001021	0.002250
6201134030	0.1020	0.002039	0.004495
6201134040	0.1020	0.002039	0.004495
6201199020	0.6374	0.012748	0.028104
6201911000	0.9970	0.019939	0.043958
6201912011	0.9970	0.019939	0.043958
6201912021	0.9970	0.019939	0.043958
6201932511	0.4985	0.009970	0.021980
6202110010	0.8823	0.017646	0.038901
6202110020	0.8823	0.017646	0.038901
6202122010	0.0630	0.001261	0.002779
6202133010	0.5804	0.011608	0.025591
6202134005	0.0645	0.001290	0.002843
6202134030	0.1290	0.002584	0.005697
6202911000	1.0083	0.020167	0.044459
6202912011	1.0083	0.020167	0.044459
6202912021	1.0083	0.020167	0.044459
6202934011	0.5672	0.011344	0.025009
6203111000	0.6302	0.012603	0.027785
6203112000	0.6302	0.012603	0.027785
6203121000	0.5672	0.011344	0.025009
6203310010	1.0713	0.021426	0.047236
6203310020	1.0713	0.021426	0.047236
6203331030	0.5672	0.011344	0.025009
6203331050	0.4767	0.009534	0.021019
6203399020	0.6302	0.012604	0.027787
6203410510	0.9859	0.019718	0.043470
6203410520	0.9859	0.019718	0.043470
6203433010	0.5425	0.010850	0.023921
6203433020	0.5425	0.010850	0.023921
6204110000	0.9453	0.018906	0.041680
6204131000	0.5672	0.011344	0.025009
6204132010	0.1891	0.003782	0.008337
6204191000	0.5672	0.011344	0.025009
6204192000	0.1891	0.003782	0.008337
6204210010	0.8823	0.017646	0.038901
6204210030	0.8823	0.017646	0.038901
6204312010	1.0713	0.021426	0.047236
6204312020	1.0713	0.021426	0.047236
6204334010	0.5042	0.010084	0.022231
6204335010	0.0630	0.001261	0.002779
6204335020	0.0630	0.001261	0.002779
6204392010	0.5042	0.010084	0.022231
6204393010	0.0630	0.001261	0.002779
6204398020	0.5672	0.011344	0.025009
6204412010	1.0475	0.020950	0.046186
6204412020	1.0475	0.020950	0.046186
6204433010	0.4930	0.009860	0.021737
6204434010	0.4930	0.009860	0.021737
6204434020	0.4930	0.009860	0.021737
6204434030	0.3081	0.006163	0.013587
6204434040	0.3081	0.006163	0.013587
6204443010	0.5042	0.010084	0.022231
6204444010	0.5042	0.010084	0.022231
6204444020	0.5042	0.010084	0.022231
6204510010	1.0318	0.020636	0.045495
6204510020	1.0318	0.020636	0.045495
6204532010	0.5159	0.010318	0.022747
6204592010	0.5159	0.010318	0.022747
6204593010	0.5159	0.010318	0.022747
6204593020	0.5159	0.010318	0.022747
6204594020	0.5804	0.011608	0.025591

## [Wool and Products Containing Wool Fiber]

HTS	CF	Assessment	
		\$/lb	\$/kg
6204611010	0.9645	0.019290	0.042527
6204611020	0.9645	0.019290	0.042527
6204619010	0.9645	0.019290	0.042527
6204619020	0.9645	0.019290	0.042527
6204619040	0.9645	0.019290	0.042527
6204632510	0.4822	0.009644	0.021261
6204692010	0.4822	0.009644	0.021261
6204692030	0.4822	0.009644	0.021261
6204693020	0.6028	0.012056	0.026579
6204699020	0.5425	0.010850	0.023921
6204699030	0.1808	0.003617	0.007974
6204699050	0.1808	0.003617	0.007974
6205102010	0.9645	0.019290	0.042527
6205102020	0.9645	0.019290	0.042527
6205301510	0.4822	0.009644	0.021261
6205903050	0.0603	0.001206	0.002659
6205904040	0.1206	0.002412	0.005317
6206203010	0.9645	0.019290	0.042527
6206203020	0.9645	0.019290	0.042527
6206402510	0.5425	0.010850	0.023921
6207992000	0.8627	0.017253	0.038036
6208920010	0.0616	0.001232	0.002716
6208920030	0.0616	0.001232	0.002716
6209100000	0.8260	0.016520	0.036420
6211310030	0.9453	0.018906	0.041680
6211310040	0.9453	0.018906	0.041680
6211310051	0.9453	0.018906	0.041680
6211330052	0.6302	0.012603	0.027785
6211410040	0.9453	0.018906	0.041680
6211410050	1.0083	0.020167	0.044459
6211410055	1.0083	0.020167	0.044459
6211410061	1.0083	0.020167	0.044459
6211430064	0.6302	0.012603	0.027785
6211430074	0.6302	0.012603	0.027785
6212900020	0.7472	0.014944	0.032946
6214102000	0.3503	0.007006	0.015446
6214200000	0.9340	0.018681	0.041184
6214300000	0.1168	0.002335	0.005149
6214400000	0.1168	0.002335	0.005149
6214900010	0.0584	0.001168	0.002575
6215900010	1.1675	0.023350	0.051478
6216008000	1.2056	0.024112	0.053157
6217109020	0.8627	0.017253	0.038036
6217109030	0.1232	0.002465	0.005434
6217909010	0.1232	0.002465	0.005434
6217909030	0.8627	0.017253	0.038036
6217909035	0.1232	0.002465	0.005434
6217909085	0.1232	0.002465	0.005434
6301200010	0.9620	0.019240	0.042417
6301200020	0.9620	0.019240	0.042417
6301900030	0.1132	0.002264	0.004992
6302390010	0.9620	0.019240	0.042417
6304193040	0.9054	0.018109	0.039923
6304910050	0.7922	0.015845	0.034931
6304991000	1.1318	0.022636	0.049902
6304991500	1.1318	0.022636	0.049902
6304996010	1.1318	0.022636	0.049902
6501009000	1.3864	0.027728	0.061129
6503009000	1.3864	0.027728	0.061129
6505903090	0.8838	0.017677	0.038970
6505904090	0.8658	0.017316	0.038174
6505906040	0.4621	0.009242	0.020375

**§ 1280.313 Collecting persons for purposes of collection of assessments.**

Collecting person for the purposes of collecting the assessment shall be:

(a) A collecting person shall be any person who is responsible for collecting an assessment pursuant to the Act and this subpart, including processors and any other persons that are required to

remit assessments to the Board pursuant to this part, except that a collecting person who is a market agency; i.e., commission merchant, auction market, or livestock market in the business of

receiving such sheep or sheep products for sale on commission for or on behalf of a producer or feeder, shall pass the collected assessments on to the subsequent purchaser pursuant to the Act and the Order.

(b) Customs will collect the assessment at the time of importation from the importer or from any person acting as the principal agent, broker, or consignee for sheep, sheep products, wool, and products containing wool fiber identified by the HTS classification numbers in § 1280.312, except as provided in § 1280.312(d).

(c) In a case where a producer or feeder sells sheep as part of a custom slaughter operation, the producer or feeder shall be the collecting person in the same manner as if the sheep were sold for slaughter.

(d) In the event of a producer's, feeder's, or importer's death, bankruptcy, receivership, or incapacity to act, the representative of such producer, feeder, or importer or the producer's, feeder's, or importer's estate, or the person acting on behalf of creditors, shall be considered the producer, feeder, or importer for the purposes of this section.

**§ 1280.314 Remittance persons for purposes of remitting assessments.**

Remittance persons for the purposes of remitting assessments shall be:

(a) Each processor who makes payment to a producer, feeder, handler, or collecting person for sheep or wool purchased from the producer, feeder, handler, or collecting person shall be a remitting person and shall collect an assessment from the producer, feeder, handler, or other collecting person on sheep or wool sold by the producer, feeder, handler, or collecting person, and each such producer, feeder, handler, or collecting person shall pay such assessment to the processor and that processor shall remit the assessment to the Board.

(b) Each person who processes or causes to be processed sheep or sheep products of that person's own production, and markets such sheep or sheep products, shall pay an assessment on such sheep or sheep products at the time of sale at a rate equivalent to the rate established pursuant to § 1280.224(d) under the Order for live sheep or § 1280.225(d) for greasy wool under the Order, and shall remit such assessment to the Board.

(c) Each person who exports live sheep or greasy wool shall remit the assessment to the Board on such sheep or greasy wool at the time of export, at the rate established pursuant

§ 1280.224(d) for live sheep of the Order or § 1280.225(d) for greasy wool.

**§ 1280.315 Remittance of assessments and submission of reports to the National Sheep Promotion, Research, and Information Board.**

Each person responsible for remitting the assessment as described in § 1280.314 shall remit the assessments and a report of assessments to the Board as follows:

(a) Reports. Each collecting person who is responsible for remitting the assessment shall make reports on forms made available or approved by the Board. Such collecting person shall prepare a separate report for each reporting period. Each report shall be mailed together with the applicable assessment amount and shall be mailed to the Board pursuant to § 1280.311(a). Each completed report shall contain the following information as applicable including but not limited to:

- (1) Live sheep sold.
- (i) The number of sheep purchased, initially transferred, or that is subject to the collection of assessment in any other manner, and the dates of such transactions;
- (ii) The number of sheep exported, or the equivalent thereof of sheep products imported;
- (iii) The amount of assessment remitted;
- (iv) An explanation for the remittance of any assessment that is less than the pounds of sheep multiplied by the assessment rate; and
- (v) The date an assessment was paid.

(2) Greasy wool sold.

- (i) The amount of wool purchased, initially transferred or which, in an other manner, is subject to the collection of assessment, and the dates of such transaction;

- (ii) The amount of wool exported or the equivalent thereof of wool products;
- (iii) The amount of assessment remitted;

- (iv) An explanation for the remittance of an assessment that is less than the pounds of wool multiplied by the assessment rate; and

- (v) The date an assessment was paid.

(b) Customs will transmit reports and assessments collected on imported sheep and sheep products to AMS according to an agreement between Customs and AMS.

(c) If the Board is not established by the date the first assessments are due, remitters shall remit assessments to the address specified by the Secretary pursuant to § 1280.230(d) of the Order. The Secretary shall have the authority to receive assessments and invest them on behalf of the Board, and shall transfer

such assessments and any interest earned to the Board when it is formed.

**§ 1280.316 Evidence of payment of assessments.**

Each collecting person responsible for remitting an assessment to the Board, except a producer or feeder processing sheep or sheep products of the producer's or feeder's own production for sale is required to give the producer, feeder, handler, or collecting person from whom the collecting person collected an assessment written evidence of payment of the assessments. Such written evidence serving as a receipt shall contain the following information:

(a) Name and address of the collecting person;

(b) Name of producer or feeder who paid the assessment;

(c) Number of head of sheep sold;

(d) Total pounds of sheep or greasy wool sold;

(e) Total assessments paid by the producer or feeder; and

(f) Date an assessment was paid.

**§ 1280.317 Books and records.**

Any person subject to the collection and remittance provisions of the Act and the Order shall maintain and make available to the Secretary for at least 2 years beyond the fiscal period of their applicability such books and records as necessary to carry out the provision of the Order and these regulations. Reporting forms shall be submitted monthly. Domestic producers and feeders as well as importers will be required to maintain and make available to the Secretary such books and records as necessary to carry out the provisions of the proposed Order and this proposed rule.

**§ 1280.318 OMB control numbers.**

The control number assigned to the information collection requirements by OMB pursuant to the Paperwork Reduction Act of 1980, Public Law 96-511 is OMB number 0581-0093.

Dated: September 28, 1995.

Lon Hatamiya,

Administrator.

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