

covering olives from the appropriate crop year. This is \$1.78 less than last year's assessment rate of \$30.04. The assessment rate, when applied to actual handler receipts of 62,182 tons from the 1995 olive crop year, would yield \$1,757,726 in assessment income. This along with approximately \$829,000 from the Committee's authorized reserves will be adequate to cover estimated expenses. Reserve funds for the 1996 fiscal year are estimated at \$210,000 which is within the maximum permitted by the order of one fiscal year's expenses.

While this action will impose some additional costs on handlers, the costs are in the form of uniform assessments on all handlers. Some of the additional costs may be passed on to producers. However, these costs will be offset by the benefits derived from the operation of the marketing order. 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 material presented, including the Committee's recommendation, and other available information, it is found that this interim final 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 rule 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 1996 fiscal year began on January 1, 1996, and the marketing order requires that the rate of assessment for the fiscal year apply to all assessable olives handled during the fiscal year; (3) handlers are aware of this rule which was recommended by the Committee at a public meeting; 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 rule.

List of Subjects in 7 CFR Part 932

Marketing agreements, Olives, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 932 is amended as follows:

PART 932—OLIVES GROWN IN CALIFORNIA

1. The authority citation for 7 CFR part 932 continues to read as follows:

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

NOTE: This section will not appear in the Code of Federal Regulations.

2. A new §932.229 is added to read as follows:

§932.229 Expenses and assessment rate.

Expenses of \$2,600,785 for the California Olive Committee are authorized, and an assessment rate of \$28.26 per ton of assessable olives is established for the 1996 fiscal year ending on December 31, 1996. Unexpended funds may be carried over as a reserve.

Dated: February 12, 1996.

Sharon Bomer Lauritsen,
Deputy Director, Fruit and Vegetable Division.
[FR Doc. 96-3608 Filed 2-16-96; 8:45 am]

BILLING CODE 3410-02-P

7 CFR Part 989

[FV95-989-5FIR]

Raisins Produced From Grapes Grown In California; Reduction in the Production Cap for the 1996 Raisin Diversion Program for Natural (sun-dried) Seedless Raisins

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: The Department of Agriculture (Department) is adopting as a final rule, without change, the provisions of an interim final rule which reduced the production cap for the 1996 Raisin Diversion Program (RDP) for Natural (sun-dried) Seedless raisins. The production cap, which limits the amount of raisin tonnage per acre for which an RDP participant can receive credit, was reduced from 2.75 tons per acre to 2.2 tons per acre for this program. This reduction is intended to bring the production cap for 1996 in line with 1995 production per acre, which was approximately 20 percent smaller than the 1994 crop yield per acre.

EFFECTIVE DATE: March 21, 1996.

FOR FURTHER INFORMATION CONTACT:

Richard P. Van Diest, Marketing Specialist, California Marketing Field Office, Fruit and Vegetable Division, AMS, USDA, 2202 Monterey Street, suite 102B, Fresno, California 93721; telephone: 209-487-5901 or Mark A. Slupek, Marketing Specialist, Marketing Order Administration Branch, Fruit and

Vegetable Division, AMS, USDA, room 2523-S, P.O. Box 96456, Washington, DC 20090-6456; telephone: 202-205-2830.

SUPPLEMENTARY INFORMATION: This final rule is issued under Marketing Agreement and Order No. 989 (7 CFR part 989), both as amended, regulating the handling of raisins produced from grapes grown in California, hereinafter referred to as the "order." The order 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 Department of Agriculture (Department) is issuing this rule in conformance with Executive Order 12866.

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

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an 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 law and requesting a modification of the order or to be exempt therefrom. Such handler is afforded the opportunity for a hearing on the petition. After the hearing, the Secretary would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his/her principal place of business, has jurisdiction in equity to review the Secretary's ruling on the petition, provided a bill in equity is filed not later than 20 days after the date of the entry of the ruling.

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 action 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. Marketing orders issued pursuant to the Act, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 20 handlers of California raisins who are subject to regulation under the raisin marketing order, and approximately 4,500 producers in the production area. Small agricultural service firms have been defined by the Small Business Administration (13 CFR 121.601) as those whose annual receipts (from all sources) are less than \$5,000,000, and small agricultural producers are defined as those having annual receipts of less than \$500,000. No more than eight handlers, and a majority of producers, of California raisins may be classified as small entities. Twelve of the 20 handlers subject to regulation have annual sales estimated to be at least \$5,000,000, and the remaining eight handlers have sales less than \$5,000,000, excluding receipts from any other sources.

This rule finalizes the establishment of a production cap of 2.2 tons per acre for the 1996 RDP. This action was unanimously recommended by the Raisin Administrative Committee (Committee), the body which locally administers the order.

The interim final rule being finalized was issued on December 26, 1995, and published in the Federal Register (61 FR 100, January 3, 1996), with an effective date of January 3, 1996. That rule added a new paragraph (t) to § 989.156 of the rules and regulations in effect under the order. That rule provided a 15-day comment period which ended January 18, 1996. No comments were received.

The authority for the RDP and implementing rules and regulations are specified in § 989.56 and 989.156, respectively. The purpose of the RDP is to give producers the means to voluntarily reduce their raisin production. Each approved producer who has removed grapes in accordance with rules and regulations receives a diversion certificate from the Committee. Such certificates represent reserve tonnage raisins equal to the amount of raisins diverted. That is, the certificates represent the amount of grape acreage removed from production (for RDP purposes) multiplied by the producer's previous crop year yield in tons per acre, or multiplied by the production cap if the previous year's actual yield exceeds the cap.

These certificates may be submitted by producers only to handlers. The handler pays the producer for the free tonnage applicable to the diversion certificate minus the established harvest cost for the entire tonnage shown on the certificate. Factors reviewed by the Committee in determining allowable harvest costs are specified in § 989.156(a)(1).

Any handler holding diversion certificates may redeem such certificates with the Committee for reserve pool raisins. To redeem a certificate, the handler must present the certificate to the Committee and pay the Committee an amount equal to the established harvest costs plus an amount equal to the payment for receiving, storing, fumigating, handling, and inspecting reserve tonnage raisins specified in § 989.401 for the entire tonnage represented on the certificate.

The marketing order requires the Committee to meet on or before November 30 of each crop year to review production data, supply data, demand data, inventory, and other matters relating to the quantity of raisins available to or needed by the market. If the Committee decides that the current crop year's reserve pool has more than enough raisins to meet projected market needs, it can announce the amount of such excess eligible for diversion during the subsequent crop year. The administrative rules and regulations established under the order require that such announcement be made on or before November 30 of each year.

A production cap of 2.75 tons of raisins per acre is established under the order for any production unit of a producer approved for participation in an RDP. When the diversion tonnage is announced, the Committee may recommend, subject to the approval of the Secretary, that the production cap for that RDP be less than 2.75 tons per acre. The production cap limits the yield that a producer can claim and is designed to allow most high yield producers to participate in an RDP. When the cap was added to the marketing order in 1989, only 8 percent of raisin producers exceeded the 2.75 tons per acre yield. Producers who historically produce yields above the production cap can choose to produce a crop rather than participate in a diversion program. No producer is required to participate in an RDP.

A producer who wants to participate in an RDP must apply to the Committee. The producer must specify, among other things, the raisin production and the acreage covered by the application. The Committee verifies producers' production claims using handler acquisition reports and other available information. However, a producer could misrepresent production by claiming that some raisins produced on one ranch were produced on another, and use an inflated yield on the RDP application. Thus, the production cap limits the amount of raisins for which a producer participating in an RDP may

be credited, and protects the program from overstated production yields.

For example, a producer whose actual yield was 2.5 tons per acre might claim that the yield was 3.5 tons per acre on the RDP application. The current production cap would allow that producer to receive a diversion certificate for 2.75 tons per acre, which is 0.25 tons above the actual yield but far less than the 1.0 ton which would have been improperly credited if the diversion certificate had been based on a yield of 3.5 tons per acre. The production cap reduces the amount of inflated tonnage which could be improperly credited and allows more producers to participate. When the production cap is more in line with the actual yield per acre, the total quantity of raisins available under the RDP can be allocated to more applicants. A producer who actually produced 3.5 tons per acre might decide to produce a raisin crop rather than apply for the RDP and be subject to the production cap.

The Committee met on November 27, 1995, and reviewed data relating to the quantity of reserve pool raisins and anticipated market needs. The Committee decided that the 1995-96 reserve pool had more raisins than necessary to meet projected market needs and announced that 20,000 tons of Natural (sun-dried) Seedless raisins would be eligible for diversion under the 1996 RDP.

The 20,000 ton maximum eligible level was determined to be inappropriate since later information indicated that the excess tonnage in the 1995-96 reserve pool was not as large as had been earlier expected. The Committee met again on December 18, 1995, and announced, therefore, that applications from producers who intended to remove their grape vines would be accepted, but that other applications would be rejected. After reviewing the applications, the Committee determined that approximately 2,221 tons of Natural (sun-dried) Seedless raisins will be eligible for diversion under the 1996 RDP.

The Committee members also believed that the former production cap was too high because 1995 crop year yields per acre were down 20 percent compared to 1994. The Committee, therefore, unanimously recommended a reduction in the production cap of 20 percent, from 2.75 tons per acre to 2.2 tons per acre for the 1996 RDP, based on 1995 production. Reducing the production cap proportionately to the decrease in yield per acre more

accurately reflected actual production yields during the 1995 crop year.

The information collection requirement (i.e., the RDP application) referred to in this rule has been previously approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C. Chapter 35 and has been assigned OMB number 0581-0083.

Based on these considerations, 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 information presented, including the Committee's recommendations and other information, it is found that finalizing the interim final rule, without change, as published in the Federal Register (61 FR 100, January 3, 1996) will tend to effectuate the declared policy of the Act.

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 to read as follows:

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Accordingly, the interim final rule amending 7 CFR part 989, which was published at 61 FR 100 on January 3, 1996, is adopted as a final rule without change.

Dated: February 12, 1996.
Sharon Bomer Lauritsen,
Deputy Director, Fruit and Vegetable Division.
[FR Doc. 96-3609 Filed 2-16-96; 8:45 am]
BILLING CODE 3410-02-P

Rural Housing Service

Rural Business-Cooperative Service

Rural Utilities Service

Farm Service Agency

7 CFR Parts 1901 and 1942

A-95 Review, Evaluation, and Coordination of Projects

AGENCIES: Rural Housing Service, Rural Business-Cooperative Service, Rural Utilities Service, and Farm Service Agency, USDA.

ACTION: Final rule.

SUMMARY: This rule deletes the Agencies' regulation that implemented OMB Circular A-95 concerning review,

evaluation, and coordination of projects. OMB Circular A-95 was revoked in compliance with Executive Order 12372.

EFFECTIVE DATE: February 20, 1996.

FOR FURTHER INFORMATION CONTACT: Susan G. Wieferich, Senior Environmental Protection Specialist, Environmental Support Branch, Program Support Staff, Rural Housing Service, U.S. Department of Agriculture, Room 6309, South Agriculture Building, 14th Street and Independence Avenue SW., Washington, DC 20250-0700; telephone (202) 720-9619.

SUPPLEMENTARY INFORMATION:

Classification

This action is not subject to the provisions of Executive Order 12866 since it only involves internal Agency management. This action is not published for proposed rulemaking because it involves only internal Agency management and publication for notice and comment is unnecessary.

Discussion

Executive Order 12372 terminated the Memorandum of November 8, 1968, (56 FR 16467, November 10, 1968) and required the Director of the Office of Management and Budget to revoke OMB Circular A-95, which was issued pursuant to that Memorandum. The Farmers Home Administration (predecessor to the Agencies issuing the rule) did not delete FmHA Instruction 1901-H when FmHA Instruction 1940-J, was issued December 23, 1983, in accord with the Executive Order due to a requirement in section 306(a)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(3)) that projects be reviewed under OMB Circular A-95. Section 2316(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (P.L. 101-624, November 28, 1990) amended Section 306(a)(3) to remove the requirement.

Programs Affected

These programs or activities are listed in the Catalog of Federal Domestic Assistance under the following numbers:

- 10.760—Water and Waste Disposal Systems for Rural Communities
- 10.766—Community Facilities Loans
- 10.770—Water and Waste Disposal Loans and Grants (Section 306C)

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 0575-0094 in accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. 3507). This final rule does not revise or impose any new information collection requirement from those previously approved by OMB.

Unfunded Mandate Reform Act

This regulatory action is being taken as part of the National Performance Review program to eliminate unnecessary regulations and improve those that remain in force.

List of Subjects

7 CFR Part 1901

Intergovernmental relations.

7 CFR Part 1942

Community development, Community facilities, Loan programs—Housing and community development, Loan security, Rural areas, Waste treatment and disposal—Domestic, Water supply—Domestic.

Accordingly, under the Authority 5 U.S.C. 301, Chapter XVIII, title 7, Code of Federal Regulations is amended as follows:

PART 1901—PROGRAM RELATED INSTRUCTIONS

Subpart H—[Removed and Reserved]

1. Subpart H, consisting of §§ 1901.351–1901.360 and Exhibit A, is removed and reserved.

PART 1942—ASSOCIATIONS

2. The authority citation for the part 1942 is revised to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989; 16 U.S.C. 1005.

Subpart A—Community Facility Loans

3. In § 1942.2, the introductory text of paragraph (a)(1) is amended in the first sentence by revising the word “inquires” to “inquiries” and by revision of the third sentence to read as follows:

§ 1942.2 Processing applications.

- (a) * * *
- (1) * * * The District Director will assist applicants as needed in completing SF 424.2, and in filing written notice of intent and priority recommendation with the appropriate clearinghouse. * * *

* * * * *

Subpart C—Fire and Rescue Loans

4. Section 1942.106 is amended in paragraph (a) by removing the words “subpart H of part 1901 and” and in