

the size distribution information available for the current season. Based on the size survey, 37.6 percent of the crop is size 48 or 56. This amount was somewhat larger than anticipated, indicating that there were more smaller sized red grapefruit than the committee had originally thought. Considering this, and the other information discussed, the committee agreed that establishing a weekly percentage of 35 percent for the remainder of the regulated period would address the goals of this regulation, while providing handlers with some additional flexibility.

This rule changes the requirements under the Florida citrus marketing order. Handlers utilizing the flexibility of the loan and transfer aspects of this action are required to submit a form to the committee. The rule increases the reporting burden on approximately 80 handlers of red seedless grapefruit who will be taking about 0.03 hour to complete each report regarding allotment loans or transfers. The information collection requirements contained in this section have been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) and assigned OMB number 0581-0094. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

The Department has not identified any relevant Federal rules that duplicate, overlap or conflict with this rule. However, red seedless grapefruit must meet the requirements as specified in the U.S. Standards for Grades of Florida Grapefruit (7 CFR 51.760 through 51.784) issued under the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 through 1627). Further, the public comments received concerning the proposed rule and previous interim final rule relative to this action did not address the initial regulatory flexibility analysis.

In addition, the committee meetings were widely publicized throughout the citrus industry and all interested persons were invited to attend the meeting and participate in committee deliberations on all issues. Like all committee meetings, the May 28, 1997, meeting, the August 26, 1997, meeting, and the October 14, 1997, meeting were public meetings and all entities, both large and small, were able to express views on this issue.

A proposed rule concerning this action was published in the **Federal Register** on Tuesday, July 29, 1997 (62 FR 40482). A 15-day comment period

was provided to allow interested persons to respond to the proposal. Thirty-five comments were received. An interim final rule concerning this action was published in the **Federal Register** on Friday, September 12, 1997 (62 FR 47913). Copies of both rules were mailed or sent via facsimile to all committee members and to grapefruit growers and handlers. The rules were also made available through the Internet by the Office of the Federal Register.

The 35 comments received in response to the proposed rule were addressed in the interim final rule published in the **Federal Register** on Friday, September 12, 1997 (62 FR 47913).

In the September 12, 1997, interim final rule, a 10-day comment period was provided to allow interested persons to respond to the rule. One comment was received, that comment was addressed in an amendment to the interim final rule published on October 30, 1997 (62 FR 58633). The amendment provided another 10-day comment period. No additional comments were received.

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.

#### List of Subjects in 7 CFR Part 905

Grapefruit, Marketing agreements, Oranges, Reporting and recordkeeping requirements, Tangelos, Tangerines.

For the reasons set forth in the preamble, 7 CFR part 905 is amended as follows:

#### PART 905—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Accordingly, the interim final rule amending 7 CFR Part 905 which was published at 62 FR 47913 (September 12, 1997) and amended at 62 FR 58633 (October 30, 1997), is adopted as a final rule without change.

Dated: December 24, 1997.

**Sharon Bomer Lauritsen,**

*Acting Deputy Administrator, Fruit and Vegetable Programs.*

[FR Doc. 97-34135 Filed 12-30-97; 8:45 am]

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## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 925

[Docket No. FV98-925-1 IFR]

#### Grapes Grown in a Designated Area of Southeastern California; Temporary Suspension of Continuing Assessment Rate

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

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

**SUMMARY:** This rule suspends the continuing assessment rate for the California Desert Grape Administrative Committee (Committee) under Marketing Order No. 925 for the 1998 fiscal period. The fiscal period begins January 1 and ends December 31. The Committee is responsible for local administration of the marketing order, and recommended that no handler assessments be collected in 1998. It made this recommendation because it has enough reserve funds to cover 1998 fiscal year expenses and expenses expected during the first several months of fiscal year 1999, and to keep its operating reserve within the maximum permitted under the marketing order. The assessment rate will apply again during fiscal year 1999 to cover expenses and to replenish the Committee's reserve funds. That rate will continue in effect indefinitely unless modified, suspended, or terminated.

**DATES:** Effective January 2, 1998. Comments received by March 2, 1998 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 Programs, AMS, USDA, Room 2525-S, P.O. Box 96456, Washington, DC 20090-6456; Fax: (202) 205-6632. 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:** Diane Purvis, Marketing Assistant, or Rose Aguayo, Marketing Specialist, California Marketing Field Office, Fruit and Vegetable Programs, AMS, USDA, 2202 Monterey Street, Suite 102B, Fresno, California 93721; telephone: (209) 487-5901, Fax: (209) 487-5906; or George Kelhart, Marketing Order

Administrative Branch, Fruit and Vegetable Programs, AMS, USDA, Room 2525-S, P.O. Box 96456, Washington, DC 20090-6456; telephone: (202) 720-2491, Fax: (202) 205-6632. Small businesses may request information on compliance with this regulation by contacting Jay Guerber, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, Room 2525-S, P.O. Box 96456, Washington, DC 20090-6456; telephone: (202) 720-2491, Fax: (202) 205-6632.

**SUPPLEMENTARY INFORMATION:** This rule is issued under Marketing Agreement and Order No. 925 (7 CFR part 925) regulating the handling of grapes grown in a designated area of southeastern California, hereinafter referred to as the "order." The marketing agreement and order are 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 12988, Civil Justice Reform. Under the marketing order now in effect, California grape handlers are subject to assessments. Funds to administer the order are derived from such assessments. In 1997, an assessment rate of \$.01 per lug of grapes was fixed by the Secretary to continue in effect indefinitely unless modified, suspended, or terminated. This action suspends that assessment rate for the 1998 fiscal year. The assessment rate again will apply in fiscal year 1999, and it will be applicable to all assessable grapes beginning January 1, 1999, and continue in effect until amended, suspended, or terminated. 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 request a modification of the order or to be exempted 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 or her principal

place of business, has jurisdiction to review the Secretary's ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

This rule temporarily suspends §925.215 of the order's rules and regulations. Section 925.215 established an assessment rate of \$0.01 per lug for fiscal period 1997 and subsequent fiscal periods. Continuous assessment rates remain in effect from fiscal period to fiscal period indefinitely unless modified, suspended, or terminated by the Secretary. This rule suspends the \$0.01 assessment rate for the 1998 fiscal period.

Section 925.41 of the grape marketing order provides authority for the Committee, with the approval of the Department, to formulate an annual budget of expenses and collect assessments from handlers to administer the program. In addition, §925.42 authorizes the use of reserve funds to cover program expenses. The members of the Committee are producers and handlers of California grapes. They are familiar with the Committee's needs and with the costs for goods and services in their local area and are thus in a position to formulate an appropriate budget and assessment rate. Recommendations concerning the assessment rate are formulated and discussed in a public meeting. Thus, all directly affected persons have an opportunity to participate and provide input.

The Committee met on November 12, 1997, and unanimously recommended to carry over the 1997 reserve fund of almost \$190,000, to adopt a budget of \$160,619, and to suspend the assessment rate of \$0.01 per lug of grapes for the 1998 fiscal period. The Committee determined that sufficient funds would be available to meet the expected 1998 fiscal period expenses, and to cover anticipated expenses during the first few months of fiscal year 1999, before handler assessments are collected. The Committee discussed alternatives to this rule, including not suspending the assessment rate, but concluded that an assessment rate will not be necessary as there will be sufficient reserve funds and interest income to meet the 1998 fiscal period expenses, and early season expenses in 1999. Also, the Committee recommended that the major expenditures for the 1998 fiscal period should include \$100,000 for research, \$25,000 for the sheriff's patrol, and \$9,109 for the manager's salary. Budgeted expenses for these items in 1997 were \$100,000 for research, \$25,000 for compliance purposes, and

\$8,675 for the manager's salary. Funds in the reserve will be kept within the maximum permitted by the order (approximately one fiscal period's expenses).

Although this assessment rate suspension only is effective for the 1998 fiscal period, the Committee will continue to meet prior to or during each fiscal period to recommend a budget of expenses and consider recommendations for modification of the continuing assessment rate. The dates and times of Committee meetings are available from the Committee or the Department. Committee meetings are open to the public and interested persons may express their views at these meetings. The Department will evaluate Committee recommendations and other available information to determine whether modification of the assessment rate is needed. Further rulemaking will be undertaken as necessary. The Committee's 1998 budget has been approved; and those for subsequent fiscal periods will be reviewed and, as appropriate, approved by the Department.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Agricultural Marketing Service (AMS) has considered the economic impact of this action on small entities. Accordingly, AMS has prepared this initial regulatory flexibility analysis.

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 the 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 27 handlers of California grapes subject to regulation under the marketing order and approximately 80 producers in the production area. Small agricultural producers are defined by the Small Business Administration (13 CFR 121.601) as those whose annual receipts are less than \$500,000, and small agricultural service firms are defined as those whose annual receipts are less than \$5,000,000. Ten of the 27 handlers subject to regulation have annual grape sales of at least \$5,000,000, excluding receipts from any other sources. The remaining 17 handlers have annual receipts less than \$5,000,000, excluding receipts from other sources. In addition, 70 of the 80 producers subject to regulation have annual sales of at least \$500,000. The remaining 10 producers

have annual sales less than \$500,000, excluding receipts from any other sources. Therefore, a majority of handlers and a minority of producers are classified as small entities.

This rule suspends § 925.215 of the order's rules and regulations, which established an assessment rate of \$0.01 per lug for fiscal period 1997 and subsequent fiscal periods. This suspension will be in effect for the 1998 fiscal period.

The Committee discussed alternatives to this rule, including not suspending the assessment rate, but concluded that no assessment rate will be necessary as there will be sufficient funds in the reserve and interest income to meet the 1998 fiscal period's expenses, and expenses for the first several months of fiscal year 1999. Also, the Committee recommended that the major expenditures for the 1998 fiscal period should include \$100,000 for research, \$25,000 for the sheriff's patrol, and \$9,109 for the manager's salary. Budgeted expenses for these items in 1997 were \$100,000 for research, \$25,000 for compliance purposes, and \$8,675 for the manager's salary. Funds in the reserve will be kept within the maximum permitted by the order (approximately one fiscal period's expenses).

Handler costs will be reduced during the 1998 fiscal year, as assessments will not be collected. The Committee's meeting was widely publicized throughout the grape industry and all interested persons were invited to attend the meeting and participate in Committee deliberations on all issues. Like all Committee meetings, the November 12, 1997, meeting was a public meeting and all entities, both large and small, were able to express views on this issue. Finally, interested persons are invited to submit information on the regulatory and informational impacts of this action on small businesses.

This action will not impose any additional reporting or recordkeeping requirements on either small or large grape handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

The Department has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

After consideration of all relevant matter presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found

that the continuing assessment rate on handlers during the 1998 fiscal period no longer tends to effectuate the declared policy of the Act. The suspension shall continue only through December 31, 1998, at which time it shall terminate and the suspended assessment rate specified in section 925.215 will apply again beginning January 1, 1999.

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) This action relieves restrictions on handlers by suspending the assessment rate on handlers during the 1998 fiscal period; (2) the 1998 fiscal period begins on January 1, 1998, and this action should be effective as soon as possible to inform handlers that the Secretary concurs with the Committee's recommendation; (3) handlers are aware of this action which was unanimously recommended by the Committee at a public meeting; and (4) this interim final rule provides a 60-day comment period, and all comments timely received will be considered prior to finalization of this rule.

#### List of Subjects in 7 CFR Part 925

Grapes, Marketing agreements, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 925 is amended as follows:

#### PART 925—GRAPES GROWN IN A DESIGNATED AREA OF SOUTHEASTERN CALIFORNIA

1. The authority citation for 7 CFR part 925 continues to read as follows:

**Authority:** 7 U.S.C. 601–674.

#### § 925.215 [Suspended]

2. In Part 925, § 925.215 is suspended in its entirety effective January 1, 1998, through December 31, 1998.

Dated: December 23, 1997.

**Sharon Bomer Lauritsen,**

*Acting Deputy Administrator, Fruit and Vegetable Programs.*

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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### Office of Federal Housing Enterprise Oversight

#### 12 CFR Part 1780

RIN 2550-AA06

#### Civil Money Penalties

**AGENCY:** Office of Federal Housing Enterprise Oversight, HUD.

**ACTION:** Final rule.

**SUMMARY:** OFHEO is issuing this final rule to adjust each civil money penalty within its jurisdiction to account for inflation. This action is necessary to implement the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996.

**DATES:** This final rule is effective December 31, 1997.

**FOR FURTHER INFORMATION CONTACT:** Danielle Arigoni, Research Assistant, Office of Policy Analysis, or Marvin L. Shaw, Senior Counsel, Office of General Counsel, 1700 G Street, NW, 4th Floor, Washington, DC 20552, telephone (202) 414-3800 (not a toll-free number). The telephone number for the Telecommunications Device for the Deaf is (800) 877-8339.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

The Office of Federal Housing Enterprise Oversight (OFHEO) was established by Title XIII of the Housing and Community Development Act of 1992, Pub. L. 102-550, known as the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (1992 Act). OFHEO is an independent office within the U.S. Department of Housing and Urban Development (HUD) with responsibility for ensuring that the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) (collectively, the Enterprises) are adequately capitalized and operating in a safe and sound manner. The 1992 Act authorizes OFHEO's Director (Director) to impose a civil money penalty for violations by an Enterprise or its executive officers or directors of any statute or regulation under OFHEO's jurisdiction.<sup>1</sup>

Fannie Mae and Freddie Mac are Government-sponsored enterprises that provide liquidity to and stability in the secondary market for residential

<sup>1</sup> See 1992 Act, section 1376 (12 U.S.C. 4636).