

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

Animal and Plant Health Inspection Service

7 CFR Part 319

[Docket No. 97-060-1]

RIN 0579-AA88

Karnal Bunt Status of the Mexicali Valley of Mexico

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Proposed rule.

SUMMARY: We are proposing to amend the wheat diseases regulations by recognizing a wheat-growing area within the Mexicali Valley of Mexico as being free from the wheat disease Karnal bunt. Surveys conducted by Mexican plant health authorities in that area of the Mexicali Valley since 1990 have shown the area to be free from Karnal bunt, and Mexican authorities are enforcing restrictions designed to protect the area from the introduction of Karnal bunt. This proposed change would have the effect of removing certain restrictions on the importation into the United States of wheat seed, straw, and other wheat products from the Karnal bunt free area of the Mexicali Valley.

DATES: Consideration will be given only to comments received on or before March 30, 1998.

ADDRESSES: Please send an original and three copies of your comments to Docket No. 97-060-1, Regulatory Analysis and Development, PPD, APHIS, Suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737-1238. Please state that your comments refer to Docket No. 97-060-1. Comments received may be inspected at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call

ahead on (202) 690-2817 to facilitate entry into the comment reading room.

FOR FURTHER INFORMATION CONTACT: Mr. James A. Petit de Mange, Import Specialist, Phytosanitary Issues Management Team, PPQ, APHIS, USDA, 4700 River Road Unit 140, Riverdale, MD 20737-1236; (301) 734-6799; fax (301) 734-5786; e-mail: jpdmanage@aphis.usda.gov.

SUPPLEMENTARY INFORMATION:

Background

The regulations in "Subpart—Wheat Diseases" (7 CFR 319.59 through 319.59-2, referred to below as the regulations), restrict the importation into the United States of certain seeds, plants, and plant products from certain countries or localities in order to prevent the introduction of foreign strains of flag smut and Karnal bunt, two fungal diseases of wheat (*Triticum* spp.). Specific provisions relating to foreign strains of flag smut are located in paragraph (a) of § 319.59-2 of the regulations, and specific provisions concerning Karnal bunt are found in paragraph (b) of that section.

Under § 319.59-2(b) of the regulations, wheat seeds, plants, straw (except straw without heads that has been processed or manufactured into articles such as decorative wall hangings, clothing, or toys), chaff, and products of the milling process other than flour (i.e., bran, thistle sharps, and pollards) are designated as prohibited articles if they are from Afghanistan, India, Iraq, Mexico, or Pakistan, which are countries in which Karnal bunt is considered to exist. Prohibited articles may be imported into the United States only by the U.S. Department of Agriculture for experimental or scientific purposes in accordance with § 319.59-2(c).

The Government of Mexico has requested that the Animal and Plant Health Inspection Service (APHIS) recognize the Mexicali Valley area of Mexico as free from Karnal bunt. In support of its request, the Mexican Government submitted the results of annual surveys conducted in the wheat-producing areas of the Mexicali Valley since 1990 by Mexico's national plant protection organization, Sanidad Vegetal.

APHIS has reviewed the documentation submitted by the Government of Mexico in support of its

request and conducted an on-site evaluation of Mexico's plant health programs in the Mexicali Valley with regard to Karnal bunt. The evaluation consisted of a review of Mexico's Karnal bunt survey activities, laboratory and testing procedures for the examination of samples collected during the surveys, and the administration of laws and regulations intended to prevent the introduction of Karnal bunt into the Mexicali Valley's wheat-growing areas from the rest of Mexico and from outside the country. After reviewing the documentation provided by Mexico and the data gathered during the on-site visit, we believe that Mexico has demonstrated, in accordance with the standards established by the North American Plant Protection Organization for pest-free areas, that the wheat-growing areas of the Mexicali Valley are free from Karnal bunt. We believe, therefore, that there is no longer any biological justification for that area of Mexico to be listed with the countries and localities considered to be affected with Karnal bunt.

Therefore, we are proposing to amend § 319.59-2(b) of the regulations by adding an exception for the Karnal bunt free area of the Mexicali Valley to the entry for Mexico on the list of countries and localities affected with Karnal bunt. This proposed action would mean that wheat seed, straw, and the other wheat products described in § 319.59-2(b)(1) of the regulations from the Karnal bunt free area of the Mexicali Valley would no longer be considered prohibited articles under the wheat diseases regulations. However, the importation of wheat plants into the United States from the Karnal bunt free area of the Mexicali Valley would continue to be prohibited under the regulations in "Subpart—Nursery Stock, Plants, Roots, Bulbs, Seeds, and Other Plant Products" (7 CFR 319.37 through 319.37-14). Specifically, § 319.37-2(a) lists Poaceae (vegetative parts of all grains and grasses) from all foreign places except Canada as prohibited articles due to a wide diversity of plant diseases.

For the purposes of the regulations, we would define the Karnal bunt free area of the Mexicali Valley as those portions of the municipality of Mexicali, in the State of Baja California, and the municipality of San Luis Rio Colorado, in the State of Sonora, that constitute the Distrito de Desarrollo Rural 002, Rio

Colorado (Rural Development District 002, Colorado River). The area described in that definition encompasses the wheat-growing area of the Mexicali Valley that has been the subject of the ongoing Karnal bunt surveys described above and falls completely within the area into which the movement of potential Karnal bunt host material is prohibited by Mexican plant health regulations to prevent the introduction of Karnal bunt.

Because the remainder of Mexico has not been recognized as being free from Karnal bunt, we would include two additional conditions on the importation into the United States of wheat seed, straw, and other wheat products from the Mexicali Valley.

First, we would require that the articles be offered for entry at the port of Calexico, CA, which is staffed by APHIS inspectors and lies across the border from the northern boundary of the Karnal bunt free area of the Mexicali Valley. That port of entry is served by both a main road and a rail line that pass through the Karnal bunt free area, so any wheat or other articles from the Karnal bunt free area would remain within that area during their movement to the United States for entry. Once the articles arrive at the port of Calexico, CA, the shipment would have to be made available to an APHIS inspector for examination and would remain at the port of entry until an inspector released the shipment or authorized its further movement pending release.

Second, we would require that wheat or other articles offered for entry be accompanied by a phytosanitary certificate issued by Mexico's national plant protection organization. That certificate would have to include a statement confirming that the wheat or other articles were grown in the designated Karnal bunt free area of the Mexicali Valley and remained in that area prior to and during their movement to the United States. The phytosanitary certificate would be reviewed by an APHIS inspector at the port of entry to ensure that the wheat or other articles offered for entry into the United States were indeed grown and harvested in the area of Mexico that has been shown to be free of Karnal bunt and did not leave that area while in transit to the port of entry.

Other Changes

As part of this proposed rule, we would make several other changes to update the regulations. First, we would remove the authority citation that appears at the beginning of "Subpart—Wheat Diseases." The authority that applies to all of part 319, including the

subpart, is cited at the beginning of the part.

We are proposing to amend § 319.59(a) to correct three erroneous references within that paragraph to other paragraphs in the subpart. Specifically, there are two references to provisions in § 319.59–2(b) that provide for the importation of otherwise prohibited articles; those provisions are actually located in paragraph § 319.59–2(c). The third erroneous reference is to articles designated in § 319.59–2(a) as prohibited articles. Although that paragraph does contain a list of prohibited articles, there is also a list of prohibited articles in § 319.59–2(b). We would, therefore, change that reference so that it refers to prohibited articles designated in § 319.59–2 (a) and (b).

We are also proposing to amend paragraph (b) of § 319.59, which provides for the disposition of articles that have been refused importation in accordance with the requirements of the regulations. That paragraph currently states that such articles shall be promptly removed from the United States or abandoned by the importer for destruction. Although the phrase "abandoned by the importer for destruction" could be construed as indicating that the importer would be relieved of any further responsibility for the articles after abandoning them, the importer is actually responsible for the costs of destruction. We are, therefore, proposing to amend the paragraph to make it clear that when an article is to be destroyed rather than reexported, the costs of destroying the article are the responsibility of the importer.

We are proposing to update the list of countries in § 319.59–2(a)(2) by removing a reference to the "Union of Soviet Socialist Republics" and adding the 15 successor States to the former Soviet Union in its place. We would also update several country names that are currently included on the list of countries.

Finally, we are proposing to make minor changes for the sake of consistency in two other subparts in part 319, namely "Subpart—Foreign Cotton and Covers" (§§ 319.8 through 319.8–27) and "Subpart—Packing Materials" (§§ 319.69 through 319.69–5). Each of those subparts contains a list of countries that is intended to agree with the list of countries found in § 319.59–2 of the regulations. However, after the lists in those two subparts were established, they were not updated to reflect subsequent amendments to "Subpart—Wheat Diseases." Therefore, we would amend § 319.8–10(d) and § 319.69(b)(1) to remove the inaccurate lists of countries and replace them with

a reference to § 319.59–2 of the regulations, where the updated lists of countries and localities considered affected with foreign strains of flag smut and Karnal bunt are located.

Executive Order 12866 and Regulatory Flexibility Act

This proposed rule has been reviewed under Executive Order 12866. The rule has been determined to be significant for the purposes of Executive Order 12866 and, therefore, has been reviewed by the Office of Management and Budget.

This proposed rule would amend the wheat diseases regulations by recognizing a wheat-growing area within the Mexicali Valley of Mexico as being free from the wheat disease Karnal bunt. This proposed change is based on surveys conducted by Mexican plant health authorities in that area of the Mexicali Valley since 1990 that have shown the area to be free from Karnal bunt, and on the enforcement by Mexican authorities of restrictions designed to protect the area from the introduction of Karnal bunt. This proposed change would have the effect of removing certain restrictions on the importation into the United States of wheat seed, straw, and other wheat products from the Karnal bunt free area of the Mexicali Valley.

This proposed rule would primarily affect wheat growers in the United States. There were 292,464 farms growing wheat in the United States in 1992, and 96 percent of those farms would be considered small entities. (According to the standard set by the Small Business Administration for agricultural producers, a producer with less than \$0.5 million annually in sales qualifies as a small entity.) We have, therefore, examined the potential economic impact of the proposed action on small entities, as required by the Regulatory Flexibility Act, and in doing so, have assessed the anticipated costs and benefits of the proposed action, as required by Executive Order 12866.

The United States produced an average of 2,330 million bushels of wheat per year between 1992 and 1996. Of this amount, hard red winter wheat (grown primarily in Kansas, Oklahoma, and Texas) accounted for about 39 percent of production; hard red spring wheat (grown primarily in North Dakota, Minnesota, and Montana) accounted for about 24 percent of production; soft red winter wheat (grown primarily in Missouri, Illinois, and Ohio) accounted for about 19 percent of production; white wheat (grown primarily in Washington and Oregon) accounted for about 14 percent

of production; and durum wheat (grown primarily in North Dakota, Arizona, California, and Montana) accounted for about 4 percent of production.

The United States is a net exporter of wheat, accounting for about 11.4 percent of world wheat production and approximately 32 percent of world wheat exports. Of the average 2,330 million bushels of wheat produced per year between 1992 and 1996, an average of 51 percent of that wheat was exported from the United States, while wheat imports have accounted for less than 1 percent of the total U.S. wheat supply in recent years.

Mexico produced an average of about 137 million bushels of wheat per year between 1994 and 1996, most of which was grown in the States of Baja California, Guanajuato, Sinaloa, and Sonora. Mexico is a net importer of wheat, having imported in 1996 an amount of wheat equal to about 53 percent of production while exporting less than 4 percent of production; imports made up about 35 percent of Mexico's total wheat supply in 1996.

The Mexicali Valley, from which wheat could be exported to the United States under this proposed rule, is located in two of Mexico's leading

wheat-producing States, Baja California and Sonora. The Mexicali Valley produced 445,967 metric tons of wheat in 1995; about 53 percent (236,171 metric tons) of that wheat was shipped to markets elsewhere in Mexico. Nearly all of the Mexicali Valley's wheat is sown in October and November and harvested from late May to early July. Table 1 below shows the classes of wheat grown in the Mexicali Valley between 1994 and 1996 and the average production share and use distribution of each class.

TABLE 1.—WHEAT CLASS, PRODUCTION SHARE, AND USE DISTRIBUTION OF MEXICALI VALLEY WHEAT; 1994–1996 AVERAGES

Wheat class	Production share (percent)	Use distribution (percent)			
		Food	Feed	Seed	Other
Hard Red Winter	61.3	65.0	25.0	3.2	6.8
White	36.2	61.5	24.6	2.6	11.3
Durum	2.2	38.5	2.1	58.8	0.6
Soft Red Winter	0.3	33.2	13.9	36.0	16.9

Between 1994 and 1997, producers in the Mexicali Valley shipped an average of 9 million bushels each year to other markets in Mexico; we have used that amount in Table 2, below, as an estimate of the total amount of wheat potentially available for export to U.S. markets. Table 2 summarizes the estimated economic impacts in the United States, based on a price elasticity of -0.63, of different levels of wheat exports from the Mexicali Valley and from the estimated producer losses and consumer gains that would result. For

example, a 20 percent diversion of Mexicali Valley wheat production from markets in other countries or the domestic Mexican market to the United States would be expected to result in a price decrease of 0.09 percent in the United States. U.S. producers would lose about \$5.92 million (which, when distributed among the 292,464 wheat farms noted above, amounts to about \$20.25 per farm), while consumers would gain about the same amount, for a net benefit in this scenario of about \$3,000. At the other end of the

spectrum, a 100 percent diversion of Mexicali Valley wheat production from other markets to the United States would be expected to result in a price decrease of 0.45 percent in the United States. U.S. wheat producers would lose about \$29.56 million (or about \$101.00 per farm), while consumers would gain about \$29.64 million, for a net benefit in this scenario of about \$74,500. In all cases, consumer gains slightly outweigh producer losses.

TABLE 2.—POTENTIAL IMPACT IN THE UNITED STATES OF THE REDIRECTION OF MEXICALI VALLEY WHEAT TO U.S. MARKETS (PRICE ELASTICITY IS -0.63)

	Percentage of Mexicali Valley-origin wheat shipments diverted from other (domestic or export) markets to the U.S. market:				
	20	40	60	80	100
Imports (millions of bushels)	1.8	3.6	5.4	7.2	9.0
Percent change in price	(0.09)	(0.17)	(0.27)	(0.36)	(0.45)
Percent change in quantity	(0.04)	(0.08)	(0.13)	(0.17)	(0.22)
Decrease in producer surplus (millions of dollars)	(5.92)	(11.83)	(17.75)	(23.66)	(29.56)
Increase in consumer surplus (millions of dollars)	5.92	11.84	17.77	23.70	29.64
Total surplus (millions of dollars)	0.003	0.0119	0.0268	0.0477	0.0745

How likely even a 20 percent diversion of Mexicali Valley wheat to the U.S. market would be, however, is unclear. The production area of the Mexicali Valley is closer to markets in the United States than it is to markets in central Mexico, which means that lower transportation costs may encourage Mexicali Valley producers to

ship their wheat to the United States. However, the Mexican government is considering a transportation subsidy for growers in northwestern Mexico to offset the transportation advantage that growers in central Mexico have in marketing their crops in Mexico City. Such a subsidy may encourage Mexicali

Valley producers to sell their wheat in Mexico.

Prices for Mexicali Valley wheat may well prove to be a determining factor with regard to the level of potential exports, as the costs of production in the Mexicali Valley are much higher than U.S. production costs. The cost of Mexicali Valley wheat averaged

between \$2.47 and \$3.54 per bushel, with total economic costs (which include fertilizers, irrigation, harvest costs, interest on credit, etc.) ranging between \$227.60 to \$247.50 per acre. The cost of wheat grown in the United States, on the other hand, averaged \$2.47 per bushel, with total economic costs averaging \$155 per acre. With its higher production costs and the added cost of transportation across the border into the United States, it may prove difficult for Mexicali Valley wheat to compete in the U.S. market.

The actual extent of any decrease in wheat prices in the United States resulting from action proposed in this document would depend to a great degree upon the size of the price elasticity of demand, the magnitude of the change in supply, and the size of the baseline price. For lower price elasticities, both losses and gains would be higher. We expect that the amount of wheat exported from the Mexicali Valley would not be large and would not, therefore, change wheat production and consumption patterns in the United States. Further, the increase in wheat supplies in the United States from an increase in imports from Mexico would likely be offset to some extent by an increase in exports of wheat from the United States to Mexico. Nevertheless, allowing the importation of wheat from the Mexicali Valley would likely have a net positive impact on the overall economy, since consumer benefits at any level of imports would be slightly higher than producer losses.

The only significant alternative to this proposed rule would be to make no changes in the wheat diseases regulations, i.e., to continue to prohibit the importation of wheat and wheat products from Mexico. We have rejected that alternative because we believe that Mexico has demonstrated that the wheat-growing areas of the Mexicali Valley are free from Karnal bunt, which means that there is no longer any biological justification for that area of Mexico to be listed with the countries and localities considered to be affected with Karnal bunt. Maintaining a prohibition on the importation of wheat and wheat products from the Mexicali Valley in light of that area's demonstrated freedom from Karnal bunt would run counter to the United States' obligations under international trade agreements and would likely be challenged through the World Trade Organization. Conversely, our proposal to declare the wheat-growing areas of the Mexicali Valley free from Karnal bunt would likely have a beneficial effect on international trade in general, and trade between the United States and

Mexico in particular, by reaffirming the United States' continuing commitment to using scientifically valid principles as the basis for regulation.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action would not have a significant economic impact on a substantial number of small entities.

Executive Order 12988

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. If this proposed rule is adopted: (1) All State and local laws and regulations that are inconsistent with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings will not be required before parties may file suit in court challenging this rule.

Paperwork Reduction Act

In accordance with section 3507(d) of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the information collection or recordkeeping requirements included in this proposed rule have been submitted for approval to the Office of Management and Budget (OMB). Please send written comments to the Office of Information and Regulatory Affairs, OMB, Attention: Desk Officer for APHIS, Washington, DC 20503. Please state that your comments refer to Docket No. 97-060-1. Please send a copy of your comments to: (1) Docket No. 97-060-1, Regulatory Analysis and Development, PPD, APHIS, suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737-1238, and (2) Clearance Officer, OIRM, USDA, room 404-W, 14th Street and Independence Avenue SW., Washington, DC 20250. A comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication of this proposed rule.

This proposed rule would amend the wheat diseases regulations by recognizing a wheat-growing area within the Mexicali Valley of Mexico as being free from the wheat disease Karnal bunt. This proposed change would have the effect of removing certain restrictions on the importation into the United States of wheat seed, straw, and other wheat products from the Karnal bunt free area of the Mexicali Valley.

Because the remainder of Mexico is still considered to be affected with Karnal bunt, we would require that a phytosanitary certificate accompany wheat and other wheat-related articles offered for entry from the Karnal bunt free area of the Mexicali Valley. That certificate would have to be issued by Mexican plant health authorities, and

would have to state that the wheat or other articles had been grown in the designated Karnal bunt free area of the Mexicali Valley.

We are soliciting comments from the public (as well as affected agencies) concerning our proposed information collection and recordkeeping requirements. We need this outside input to help us:

(1) Evaluate whether the proposed information collection is necessary for the proper performance of our agency's functions, including whether the information will have practical utility;

(2) Evaluate the accuracy of our estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the information collection on those who are to respond, (such as through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.)

Estimate of burden: Public reporting burden for this collection of information is estimated to average 1.2 hours per response.

Respondents: Mexican plant health authorities, growers/exporters of wheat products in the Mexicali Valley.

Estimated number of respondents: 20.

Estimated number of responses per respondent: 5.

Estimated annual number of responses: 100.

Estimated total annual burden on respondents: 120 hours.

Copies of this information collection can be obtained from Clearance Officer, OIRM, USDA, room 404-W, 14th Street and Independence Avenue SW., Washington, DC 20250.

List of Subjects in 7 CFR Part 319

Bees, Coffee, Cotton, Fruits, Honey, Imports, Incorporation by reference, Nursery Stock, Plant diseases and pests, Quarantine, Reporting and recordkeeping requirements, Rice, Vegetables.

Accordingly, 7 CFR part 319 is proposed to be amended as follows:

PART 319—FOREIGN QUARANTINE NOTICES

1. The authority citation for part 319 would continue to read as follows:

Authority: 7 U.S.C. 150dd, 150ee, 150ff, 151-167, 450, 2803, and 2809; 21 U.S.C. 136 and 136a; 7 CFR 2.22, 2.80, and 371.2(c).

§ 319.8-10 [Amended]

2. In Subpart—Foreign Cotton and Covers, § 319.8-10(d) would be amended by removing the words “§ 319.59 (notice of quarantine No. 59 relating to the flag smut disease)” and adding the words “§ 319.59-2(a)(2)” in their place, and footnote 5 and its reference in the text would be removed.

§ 319.8-11 [Amended]

3. In Subpart—Foreign Cotton and Covers, § 319.8-11(a) introductory text, footnote 6 and its reference in the text would be redesignated as footnote 5.

§ 319.8-17 [Amended]

4. In Subpart—Foreign Cotton and Covers, § 319.8-17(d), footnote 7 and its reference in the text would be redesignated as footnote 6.

5. The authority citation for “Subpart—Wheat Diseases” would be removed.

§ 319.59 [Amended]

6. In Subpart—Wheat Diseases, § 319.59 would be amended as follows:

a. In paragraph (a), in the first sentence, the reference “§ 319.59-2(b)” would be removed and the reference “§ 319.59-2(c)” would be added in its place.

b. In paragraph (a), in the last sentence, the reference “§ 319.59-2(a)” would be removed and the reference “§ 319.59-2(a) and (b)” added in its place, and the reference “§ 319.59-2(b)” would be removed and the reference “§ 319.59-2(c)” added in its place.

c. In paragraph (b), in the first sentence, the words “abandoned by the importer for destruction” would be removed and the words “destroyed as deemed necessary by an inspector at the expense of the importer” would be added in their place.

d. In paragraph (b), in the last sentence, the words “abandoned for destruction by” would be removed and the words “destroyed as deemed necessary by an inspector at the expense of” would be added in their place.

7. In Subpart—Wheat Diseases, § 319.59-2 would be amended as follows:

a. In the introductory text of paragraph (a), the words “in paragraph (b)” would be removed and the words “in paragraph (c)” added in their place.

b. In paragraph (a)(1)(i), the word “*Triticums*” would be removed and the word “*Triticum*” added in its place.

c. Paragraph (a)(2) would be revised to read as set forth below.

d. In paragraph (b)(2), the words “(except for that portion of the Mexicali Valley described in paragraph (b)(3) of this section),” would be added after the word “Mexico”.

e. A new paragraph (b)(3) would be added to read as set forth below.

f. In paragraph (c)(2), the reference “7 CFR 319.37-14(b)” would be removed and the reference “§ 319.37-14(b)” added in its place.

§ 319.59-2 Prohibited articles.

(a) * * *

(2) Afghanistan, Algeria, Armenia, Australia, Azerbaijan, Bangladesh, Belarus, Bulgaria, Chile, China, Cyprus, Egypt, Estonia, Falkland Islands, Georgia, Greece, Guatemala, Hungary, India, Iran, Iraq, Israel, Italy, Japan, Kazakhstan, Kyrgyzstan, Latvia, Libya, Lithuania, Moldova, Morocco, Nepal, North Korea, Oman, Pakistan, Portugal, Romania, Russia, Spain, Tajikistan, Tanzania, Tunisia, Turkey, Turkmenistan, South Africa, South Korea, Ukraine, Uzbekistan, and Venezuela.

(b) * * *

(3) The following area of the Mexicali Valley in Mexico has been determined to be free from Karnal Bunt: Those portions of the municipality of Mexicali, in the State of Baja California, and the municipality of San Luis Rio Colorado, in the State of Sonora, that are included in the Distrito de Desarrollo Rural (Rural Development District) 002 Rio Colorado. Except for wheat (*Triticum* spp.) plants, which are prohibited importation under § 319.37-2(a), any articles described in paragraph (b)(1) of this section that are from that designated area may be imported into the United States subject to the following conditions:

(i) The articles are offered for entry at the port of Calexico, CA; and

(ii) The articles offered for entry are made available for examination by an inspector and remain at the port until released, or authorized further movement pending release, by an inspector; and

(iii) The articles are accompanied by a phytosanitary certificate issued by the Mexican national plant protection organization that certifies that the articles are from the area of the Mexicali Valley described in this paragraph and remained within that area prior to and during their movement to the United States.

* * * * *

8. In Subpart—Packing Materials, § 319.69(b)(1) would be revised to read as follows:

§ 319.69 Notice of quarantine.

* * * * *

(b) * * *

(1) Cereal straw, hulls, and chaff (such as oats, barley, and rye) from all countries, except rice straw, hulls, and chaff, which are prohibited importation

from all countries by paragraph (a)(1) of this section, and except wheat straw, hulls, and chaff, which are restricted importation by § 319.59 from any country or locality listed in § 319.59-2.

* * * * *

Done in Washington, DC, this 21st day of January 1998.

Terry L. Medley,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 98-1808 Filed 1-26-98; 8:45 am]

BILLING CODE 3410-34-P

DEPARTMENT OF AGRICULTURE**Agricultural Marketing Service****7 CFR Part 1209**

[FV-97-705RO]

Mushroom Promotion, Research, and Consumer Information Order; Referendum Order

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Referendum order.

SUMMARY: This action gives notice that a referendum will be conducted to determine whether mushroom producers and importers favor continuance of the Mushroom Promotion, Research, and Consumer Information Order (Order). In order to continue, the Order must be approved by a majority of producers and importers voting in the referendum and that majority must represent more than 50 percent of the mushrooms produced and imported by those voting in the referendum. This action announces the voting period, representative period, and agents.

DATES: The referendum will be conducted by mail ballot from February 24 through March 13, 1998. Faxed ballots will be accepted. The representative period for establishing voter eligibility shall be the period from July 1, 1996, through June 30, 1997.

ADDRESSES: Copies of the Mushroom Promotion, Research, and Consumer Information Order may be obtained from: Referendum Agent, Research and Promotion Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue, Room 2535-S, Stop Code 0244, Washington, DC 20090-6456, telephone number (888) 720-9917, fax (202) 205-2800.

FOR FURTHER INFORMATION CONTACT:

Stacey L. Bryson, Research and Promotion Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue, Room 2535-S,