

5. In § 70.80, the chart is revised to read as follows:

§ 70.80 General.

* * * * *

Containers in lot	Containers in sample
1-4	All.
5-50	4.
51-100	5.
101-200	6.
201-400	7.
401-600	8.
For each additional 100 containers, or fraction thereof, in excess of 600 containers.	Include one additional container.

6. In § 70.110, paragraph (b) is revised to read as follows:

§ 70.110 Requirements for sanitation, facilities, and operating procedures in official plants.

* * * * *

(b) With respect to grading services, there shall be a minimum of 100-foot candles of light intensity at grading stations; and acceptable means, when necessary, of maintaining control and identity of products segregated for quality, class, condition, weight, lot, or any other factor which may be used to distinguish one type of product from another.

Dated: July 23, 1998.

Enrique E. Figueroa,
Administrator, Agricultural Marketing Service.

[FR Doc. 98-20321 Filed 7-29-98; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Parts 400 and 402

RIN 0563-AB68

General Administrative Regulations, Subpart U; and Catastrophic Risk Protection Endorsement; Regulations for the 1999 and Subsequent Reinsurance Years

AGENCY: Federal Crop Insurance Corporation, USDA.

ACTION: Interim rule.

SUMMARY: The Federal Crop Insurance Corporation (FCIC) amends the General Administrative Regulations, Subpart U—Ineligibility for Programs Under the Federal Crop Insurance Act and the Catastrophic Risk Protection Endorsement to conform with the statutory mandates of the Agricultural

Research, Extension, and Education Reform Act of 1998 (1998 Research Act).

EFFECTIVE DATE: This rule is effective July 1, 1998. Written comments and opinions on this rule will be accepted until the close of business September 28, 1998, and will be considered when the rule is to be made final.

ADDRESSES: Interested persons are invited to submit written comments to the Director, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131. A copy of each response will be available for public inspection and copying from 7:00 a.m. to 4:30 p.m., CDT, Monday through Friday, except holidays, at the above address.

FOR FURTHER INFORMATION CONTACT: Louise Narber, Insurance Management Specialist, Research and Development, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131, telephone (816) 926-7730.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This rule has been determined to be economically significant for the purposes of Executive Order 12866 and, therefore, has been reviewed by the Office of Management and Budget (OMB).

This action amends FCIC's regulations in accordance with the 1998 Research Act. This rule is being published on an emergency basis so that affected producers have the opportunity to make timely decisions regarding their insurance plans for the 1999 crop year for crops with sales closing dates subsequent to the enactment of the 1998 Research Act. The 1998 Research Act was signed by the President on June 23, 1998. The first sales closing date subsequent to the date of signing is July 31, 1998, for raisins in California. This emergency situation makes timely compliance with sections 6 (3)(B)(ii) and (3)(C) of Executive Order 12866 impractical due to the short time to make this rule effective prior to that sales closing date. FCIC will complete the required cost-benefit analysis within 90 days of the publication of this rule in the **Federal Register** and will make such analysis available to the public.

Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104-121, 5 U.S.C. Secs. 801-808)

This rule has been designated by the Office of Information and Regulatory Affairs, OMB, as a major rule under the

Small Business Regulatory Enforcement Fairness Act of 1996 (Small Business Act). However, section 808 of the Small Business Act exempts a rule from the 60 day delay in effectiveness of a rule where an agency for good cause finds that notice and public procedure are impracticable, unnecessary, or contrary to the public interest. The Administrator of the Risk Management Agency (RMA) has determined that there is good cause for making this rule effective less than 60 days after submission of the rule to each House of Congress and to the Comptroller General because a delay would be contrary to the public interest.

There are producers affected by this rule that must make critical risk management decisions and the deadline for the first 1999 crop year decisions is less than 60 days from the July 1, 1998, effective date of the 1998 Research Act. A delay in the effective date of this rule will create instability and inequity within the program as producers attempt to determine whether they are affected and it will create separate classes of producers who are subjected to the increased administrative fees and those who are not.

Further, RMA was required to revise the Standard Reinsurance Agreement before the July 1, 1998, start of the 1999 reinsurance year to implement the provisions of the 1998 Research Act. If this rule is delayed, it will create administrative problems for the 1999 reinsurance year because the reinsured companies will be subject to the provisions of the 1998 Research Act but some of their insureds will not.

Paperwork Reduction Act of 1995

Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the collections of information for this rule have been previously approved by the Office of Management and Budget (OMB) under control number 0563-0053 through October 31, 2000. The amendments set forth in this rule do not revise the content or alter the frequency of reporting for any of the forms or information collections cleared under the above-referenced docket.

Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. This rule contains no Federal mandates (under the regulatory provisions of title II of UMRA) for State, local, and tribal governments or the

private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of UMRA.

Executive Order 12612

It has been determined under section 6(a) of Executive Order 12612, Federalism, that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment. The provisions contained in this rule will not have a substantial direct effect on States or their political subdivisions or on the distribution of power and responsibilities among the various levels of government.

Regulatory Flexibility Act

This regulation will not have a significant economic impact on a substantial number of small entities. The regulation does not require any more action on the part of the small entities than is required on the part of large entities. Therefore, this action is determined to be exempt from the provisions of the Regulatory Flexibility Act (5 U.S.C. 605) and no Regulatory Flexibility Analysis was prepared.

Federal Assistance Program

This program is listed in the Catalog of Federal Domestic Assistance under No. 10.450.

Executive Order 12372

This program is not subject to the provisions of Executive Order 12372 which require intergovernmental consultation with State and local officials. See the Notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115, June 24, 1983.

Executive Order 12988

This rule has been reviewed in accordance with Executive Order 12988 on civil justice reform. The provisions of this rule will not have a retroactive effect. The provisions of this rule will preempt State and local laws to the extent such State and local laws are inconsistent herewith. The administrative appeal provisions published at 7 CFR part 11 must be exhausted before any action for judicial review of any determination made by FCIC may be brought.

Environmental Evaluation

This action is not expected to have a significant economic impact on the quality of the human environment, health, and safety. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

Background

This interim rule implements revisions to this part mandated by the Federal Crop Insurance Act, as amended by the 1998 Research Act, enacted June 23, 1998. The 1998 Research Act requires the provisions be implemented for the 1999 and subsequent reinsurance years. Crop insurance policies with a sales closing date prior to the effective date of this rule will not be affected by these provisions until the 2000 reinsurance year. Crop insurance policies with a sales closing date on or after the effective date of this rule will have revised administrative fees. Since the changes to the policy made by this rule are required by statute, it is impractical and contrary to the public interest to publish this rule for notice and comment prior to making the rule effective. However, comments are solicited for 60 days after the date of publication in the **Federal Register** and will be considered by FCIC before this rule is made final.

FCIC amends subpart U by revising the definition of "debt" to remove the provision that states that a debt does not include the nonpayment of catastrophic risk protection coverage administrative fees.

FCIC amends the Catastrophic Risk Protection Endorsement as follows:

1. Section 1—Revise the definition of "administrative fee" for clarity.

2. Section 2—Delete the provisions regarding the termination of the policy for failure to pay catastrophic risk protection (CAT) administrative fees since those provisions have now been incorporated into the Basic Provisions.

3. Section 6—Revise this section to specify that the administrative fee for CAT coverage for each crop in the county will be \$10 plus the greater of either \$50 or 10 percent of the premium under your CAT policy. Also revise the date CAT fees will be due to coincide with when the premium is due for additional coverage. This rule eliminates all references to refunding administrative fees in the event that the producer decided to change coverage levels prior to the sales closing date since fees would not have been paid. Also, this rule makes the provisions concerning the payment of administrative fees in the year of application consistent with the payment of administrative fees for limited coverage. This rule also eliminates the termination provisions since they have been incorporated into the Basic Provisions.

List of Subjects in 7 CFR Parts 400 and 402

Administrative practice and procedure, Claims, Crop insurance; Fraud, Reporting and record keeping requirements; Catastrophic risk protection endorsement, Insurance provisions.

Interim Rule

Accordingly, as set forth in the preamble, the Federal Crop Insurance Corporation amends 7 CFR parts 400 and 402 as follows:

PART 400—GENERAL ADMINISTRATIVE REGULATIONS—SUBPART U—INELIGIBILITY FOR PROGRAMS UNDER THE FEDERAL CROP INSURANCE ACT

1. The authority citation for 7 CFR part 400 continues to read as follows:

Authority: 7 U.S.C. 1506(l), 1506(p).

2. In § 400.677, revise the definition of "debt" to read as follows:

§ 400.677 Definitions.

* * * * *

Debt. An amount of money which has been determined by an appropriate agency official to be owed, by any person, to FCIC or an insurance provider under any program administered under the Act based on evidence submitted by the insurance provider. The debt may have arisen from an overpayment, premium or administrative fee nonpayment, interest, penalties, or other causes.

* * * * *

PART 402—CATASTROPHIC RISK PROTECTION ENDORSEMENT; REGULATIONS FOR THE 1999 AND SUBSEQUENT REINSURANCE YEARS

3. The authority citation for 7 CFR part 402 continues to read as follows:

Authority: 7 U.S.C. 1506(l), 1506(p).

4. The part heading is revised as set forth above.

5. Revise the introductory text of § 402.4 to read as follows:

§ 402.4 Catastrophic Risk Protection Endorsement Provisions

The Catastrophic Risk Protection Endorsement Provisions for the 1999 and succeeding reinsurance years are as follows:

* * * * *

6. In § 402.4, amend the endorsement provisions as follows:

A. In section 1, revise the definition of "administrative fee" to read as follows:

§ 402.4 Catastrophic Risk Protection Endorsement Provisions.

* * * * *

Catastrophic Risk Protection Endorsement

* * * * *

1. Definitions.

* * * * *

Administrative fee. An amount the producer must pay for catastrophic coverage each crop year on a per crop and county basis as specified in section 6.

B. Remove section 2(d).

C. Revise section 6(b) to read as follows:

* * * * *

6. Annual Premium and Administrative Fees

* * * * *

(b) In return for catastrophic risk protection coverage, you must pay an administrative fee to the insurance provider within 30 days after you have been billed (You will be billed by the billing date stated in the Special Provisions);

(1) The administrative fee owed for each crop in the county is equal to \$10 plus the greater of either \$50 or 10 percent of the premium subsidy provided for the catastrophic risk protection coverage.

(2) Payment of an administrative fee will not be required if you file a bona fide zero acreage report on or before the acreage reporting date for the crop (if you falsely file a zero acreage report you may be subject to criminal and administrative sanctions).

* * * * *

D. Remove section 6(e).

E. Redesignate section 6(f) as section 6(e) and revise to read as follows:

* * * * *

(e) If the administrative fee is not paid when due, you, and all persons with an insurable interest in the crop under the same contract, may be ineligible for certain other USDA program benefits as set out in section 12, and all such benefits already received for the crop year must be refunded.

* * * * *

Signed in Washington, D.C., on July 24, 1998.

Kenneth D. Ackerman,

Manager, Federal Crop Insurance Corporation.

[FR Doc. 98-20352 Filed 7-27-98; 5:10 pm]

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DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Parts 400 and 457

RIN 0563-AB67

General Administrative Regulations, Subpart T-Federal Crop Insurance Reform, Insurance Implementation; Regulations for the 1999 and Subsequent Reinsurance Years; and the Common Crop Insurance Regulations; Basic Provisions; and Various Crop Insurance Provisions

AGENCY: Federal Crop Insurance Corporation, USDA.

ACTION: Interim rule.

SUMMARY: The Federal Crop Insurance Corporation (FCIC) amends subpart T in the General Administrative Regulations and the Common Crop Insurance Regulations, Basic Provisions, to conform with the statutory mandates of the Agricultural Research, Extension, and Education Reform Act of 1998 (1998 Research Act) and to move those provisions that are terms of insurance from subpart T into the Basic Provisions. In this rule, FCIC will also remove those provisions of subpart T that have been moved to the Basic Provisions.

EFFECTIVE DATE: This rule is effective July 1, 1998. Written comments and opinions on this rule will be accepted until the close of business September 28, 1998, and will be considered when the rule is to be made final.

ADDRESSES: Interested persons are invited to submit written comments to the Director, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131. A copy of each response will be available for public inspection and copying from 7:00 a.m. to 4:30 p.m., CDT, Monday through Friday, except holidays, at the above address.

FOR FURTHER INFORMATION CONTACT: Louise Narber, Insurance Management Specialist, Research and Development, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131, telephone (816) 926-7730.

SUPPLEMENTARY INFORMATION:

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Office of Management and Budget (OMB).

This action amends FCIC's regulations in accordance with the 1998 Research Act. This rule is being published on an emergency basis so that affected producers have the opportunity to make timely decisions regarding their insurance plans for the 1999 crop year for crops with sales closing dates subsequent to the enactment of the 1998 Research Act. The 1998 Research Act was signed by the President on June 23, 1998. The first sales closing date subsequent to the date of signing is July 31, 1998, for raisins in California. This emergency situation makes timely compliance with sections 6 (3)(B)(ii) and (3)(C) of Executive Order 12866 impractical due to the short time to make this rule effective prior to that sales closing date. FCIC will complete the required cost-benefit analysis within 90 days of the publication of this rule in the **Federal Register** and will make such analysis available to the public.

Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104-121, 5 U.S.C. Secs. 801-808)

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There are producers affected by this rule that must make critical risk management decisions and the deadline for the first 1999 crop year decisions is less than 60 days from the July 1, 1998, effective date of the 1998 Research Act. A delay in the effective date of this rule will create instability and inequity within the program as producers attempt to determine whether they are affected and it will create separate classes of producers who are subjected to the increased administrative fees and those who are not.

Further, RMA was required to revise the Standard Reinsurance Agreement before the July 1, 1998, start of the 1999 reinsurance year to implement the provisions of the 1998 Research Act. If this rule is delayed, it will create