

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Natural Resources Conservation Service

Mill and Deer Creeks Water Exchange Projects; Determination of Primary Purpose of Program Payments for Consideration as Excludable From Income Under Section 126 of the Internal Revenue Code of 1954, as Amended

AGENCY: Office of the Secretary, USDA.

ACTION: Notice of determination.

SUMMARY: The Secretary of Agriculture has determined that all program payments made to individuals by the State of California under the Mill and Deer Creeks Water Exchange Projects are made primarily for the purposes of protecting or restoring the environment and providing a habitat for wildlife. This determination is made in accordance with Section 126 of the Internal Revenue Code of 1954, as amended (26 U.S.C. 126). The determination permits recipients of these cost-share payments to exclude them from gross income to the extent allowed by the Internal Revenue Service.

FOR FURTHER INFORMATION CONTACT:

David N. Kennedy, Director, Department of Water Resources, 1416 Ninth Street, Room 1115-1, Sacramento, California 95814 (916) 653-7007, or Conservation Operations Division, Natural Resources Conservation Service, USDA, Post Office Box 2890, Washington, DC 20013 (202) 720-1845.

SUPPLEMENTARY INFORMATION: Section 126 of the Internal Revenue Code of 1954, as amended (26 U.S.C. 126), provides that certain payments made to individuals under State conservation programs may be excluded from the recipient's gross income for Federal income tax purposes if the Secretary of Agriculture determines that payments are made "primarily for the purpose of

conserving soil and water resources, protecting or restoring the environment, improving forests, or providing a habitat for wildlife." The Secretary of Agriculture evaluates these conservation programs on the basis of criteria set forth in 7 CFR part 14, and makes a "primary purpose" determination for the payments made under each program. Before there may be an exclusion, the Secretary of Treasury must determine that payments made under these conservation programs do not substantially increase the annual income derived from the property benefited by the payments.

Under an agreement between the Department of Water Resources and the Department of Fish and Game, the State Water Project, in 1986, set aside \$15 million to begin a program to restore the fish populations of the Sacramento-San Joaquin Delta. Additional funds are also provided each year to compensate for continuing losses of striped bass, chinook salmon, and steelhead at the Harvey O. Banks Delta Pumping Plant. The Mill and Deer Creeks Water Exchange Projects are fishery restoration and enhancement projects eligible for funding under this agreement.

Mill and Deer Creeks, tributaries of the Upper Sacramento River, are two of only a few waterways in the Central Valley that continue to support native populations of wild spring-run salmon and steelhead trout. These species are candidates for either State or Federal listing for endangered species status. In recent years the spring-run population has dwindled to a few hundred adults. A key factor that limits the population in some years is the lack of sufficient water to provide passage to upstream habitat.

In dry years, water right holders may divert nearly the entire flow of Mill and Deer Creeks during the critical migration period of May through June. As a result, upstream migration of adult spring-run chinook and downstream migration of juvenile salmon and steelhead can be impeded. Supplemental flows will help restore the population of wild spring-run chinook and steelhead trout by allowing migrating adults to reach their spawning habitat and by providing transportation flows for juveniles en route to the Sacramento River.

The program is funded by the State Water Contractors through the

Department of Water Resources, upon the recommendation of the Delta Pumps Fish Protection Agreement Committee.

Agreements have been completed between the Los Molinos Mutual Water Company, private parties, and the State of California to address fish passage issues on Mill Creek. Agreements are being completed between the Deer Creek Irrigation District, Stanford Vina Ranch Irrigation Company, and the State of California to address similar problems on Deer Creek. Under the agreements, natural flow that would otherwise be diverted for irrigation will be left in the creek to aid fish passage during critical migration periods. The instream flow will be repaid by a combination of ground water pumping and renovation of canals.

In all cases, the agreements guarantee the State certain creek flows and, upon request, provide flows far in excess of the State's ability to instantaneously replace supplemental instream flow. The agreements, however, do not modify the water rights of individuals or agencies. The water exchanges are based upon a one-to-one repayment or credit. The agreements also provide a minimum term of 15 years and are open to renegotiation at completion of the term, which could, in effect, extend the agreements indefinitely.

Procedural Matters

Authorizing legislation, regulations and operating procedures regarding the Water Exchange Projects have been examined using the criteria set forth in 7 CFR part 14. The U.S. Department of Agriculture has concluded that the program payments made for implementation of the project under the Delta Pumps Fish Protection Agreement program are made to eligible persons primarily for the purpose of protecting or restoring the environment and providing a habitat for wildlife.

A "Record of Decision, Mill and Deer Creeks Water Exchange Projects, Primary Purpose Determination for Federal Tax Purpose" has been prepared and is available upon request from the Director, Conservation Operations Division, Natural Resources Conservation Service, Post Office Box 2890, Washington, DC 20013, or Director Department of Water Resources, 1416 Ninth Street, Sacramento, CA 95814.

Determination

As required by section 126(b) of the Internal Revenue Code of 1954, as amended, I have examined the authorizing legislation, regulations, and operating procedures regarding the Mill and Deer Creeks Water Exchange Projects. In accordance with the criteria set out in 7 CFR Part 14, I have determined that all program payments for implementation of these projects made under the Delta Pumps Fish Protection Agreement are primarily for the purposes of protecting or restoring the environment and providing a habitat for wildlife. Subject to further determination by the Secretary of the Treasury, this determination permits program payment recipients to exclude from gross income, for Federal income tax purposes, all part of such program payments made under said project.

Signed at Washington, D.C. on February 5, 1999.

Dan Glickman,

Secretary, United States Department of Agriculture.

[FR Doc. 99-4725 Filed 2-23-99; 11:08 am]

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DEPARTMENT OF AGRICULTURE**Agricultural Marketing Service**

[Docket #AMS-OA-99-1]

Notice of a Public Meeting of the USDA Research and Promotion (R&P) Task Force

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Notice.

SUMMARY: Pursuant to the Secretary of Agriculture's formation of an interagency R&P Task Force in December 1998, the task force announces a forthcoming meeting with all R&P Boards, their staffs, primary contractors, and other interested parties. **DATES:** March 8, 1999 at 8:15 a.m. to 4:15 p.m.; and March 9, 1999 at 8:30 a.m. to 4:00 p.m., Eastern Standard Time (EST), in Room 107A Whitten Bldg, USDA Headquarters, 14th and Independence Ave, Washington, D.C. 20250.

FOR FURTHER INFORMATION CONTACT: Barbara Robinson, Staff Director, Room 3069 South Bldg, U.S. Department of Agriculture, AMS, OA, Washington, D.C. 20250; telephone (202) 720-4276; fax (202) 690-3967; email: Barbara_C_Robinson@usda.gov.

SUPPLEMENTARY INFORMATION: The agenda of the meeting will follow a structure that includes 45 minutes of

discussion with each board; a list of topics that the R&P task force would like to discuss with boards is included below. Boards are requested to call and schedule specific time on the agenda for discussion with the task force. Slotted times are available by contacting Dr. Barbara Robinson at the telephone listed above. Other interested parties are welcome to address these same topics in their oral statements, or in written statements sent to the above address. Media may attend, but may not request time for oral statements. Interested parties must call Dr. Robinson, in order to schedule oral statements not to exceed five (5) minutes before the task force on the afternoon of March 9, commencing at approximately 1 p.m. Oral statements will be accommodated on a "first come-first serve basis," and will not extend beyond the scheduled adjournment time of 4:00 p.m. on March 9, 1999. Any party may submit written statements within 30 days of publication of this notice in the **Federal Register**, to: Dr. Barbara Robinson/ AMS/ Room 3069 South Bldg/Washington, D.C. 20250 or, via electronic mail to: Barbara_C_Robinson@usda.gov.

Selected Topics To Discuss at March 8-9 Meeting

1. Nominations Procedures—methods to ensure that nominations are solicited from the broadest groups for board representation; reaching out to a diverse group of members, such as limited resource/small/minority producers, handlers, importers, public consumer representatives, minorities, etc.

2. Continuance Referendum Procedures—most programs require that calls for referenda must occur with some specified percentage of signatures. In some cases volume thresholds are also used. Are the procedures/thresholds adequate to ensure that programs have majority support? Some programs call for automatic referenda on a periodic basis (e.g., every two years)—should there be consistent procedures across all programs? What is the best way to ensure that there is continued support for programs?

3. Financial Management Issues: two areas of discussion here might be in: 1) the areas of financial controls, reviews, and audit procedures by Boards—are there consistent procedures used across the boards; relatedly, are there sufficient enforcement authorities to boards to ensure proper financial controls, or to ensure prompt payment of assessments; 2) the role of USDA in overseeing financial management by boards, and audits by USDA—can USDA be of better, more effective assistance in this

area, to minimize problems with boards' financial management? How?

4. Other Items * * * e.g., evaluation of effectiveness—how do boards ensure that their paying members (as well as the public, in some cases) are knowledgeable about the use of funds, and the effectiveness of promotion and research activities carried out by boards? Can USDA be of more assistance here? E.g., do boards engage in publishing their accomplishments, plans, or use such means as focus groups to solicit input and demonstrate planned activities and intended accomplishments?

Dated: February 19, 1999.

Kenneth C. Clayton,

Acting Administrator, Agricultural Marketing Service.

[FR Doc. 99-4726 Filed 2-23-99; 11:08 am]

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DEPARTMENT OF AGRICULTURE**Forest Service****Middle Fork John Day Range Planning on the Long Creek/Bear Valley and Prairie City Ranger Districts, Malheur National Forest, Grant County, Oregon**

AGENCY: Forest Service, USDA.

ACTION: Notice of intent to prepare an environmental impact statement.

SUMMARY: The USDA, Forest Service, will prepare an environmental impact statement (EIS) to update range management planning on 8 livestock (cattle and horse) grazing allotments and three (3) administrative use pastures which will result in the development of new Allotment Management Plans (AMPs). The allotments are called Austin, Bear Creek, Camp Creek, Lower Middle Fork, Elk, Blue Mountain, Upper Middle Fork on the Long Creek/Bear Valley Ranger District, and Sullens on the Prairie City Ranger District of the Malheur National Forest. The administrative use pastures are called Sunshine, Bear Creek and Blue Mountain. The range planning area is located approximately 20 to 25 air miles north and east of John Day, Oregon. The allotments, combined, are called the Middle Fork John Day Range Planning Area. Small portions of the Umatilla and Wallowa-Whitman National Forest System lands that are within the allotments, will also be considered in the proposal. Management actions are planned to be implemented beginning in the year 2000. The agency gives notice of the full environmental analysis and decision-making process that will occur on the proposal so that interested