

shall be based on the applicable rates specified in this section.

(b) Fees for grading services will be based on the time required to perform such services for class, quality, quantity (weight test), or condition, whether ready-to-cook poultry, ready-to-cook rabbits, or specified poultry food products are involved. The hourly charge shall be \$51.32 and shall include the time actually required to perform the work, waiting time, travel time, and any clerical costs involved in issuing a certificate.

(c) Grading services rendered on Saturdays, Sundays, or legal holidays shall be charged for at the rate of \$59.12 per hour. Information on legal holidays is available from the Supervisor.

Dated: June 8, 2000.

**Kathleen A. Merrigan,**

*Administrator, Agricultural Marketing Service.*

[FR Doc. 00-15013 Filed 6-13-00; 8:45 am]

BILLING CODE 3410-02-P

## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 982

[Docket No. FV00-982-2 PR]

#### Hazelnuts Grown in Oregon and Washington; Increased Assessment Rate

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

**ACTION:** Proposed rule.

**SUMMARY:** This rule would increase the assessment rate established for the Hazelnut Marketing Board (Board) for the 2000-2001 and subsequent marketing years from \$0.004 to \$0.005 per pound of hazelnuts handled. The Board locally administers the marketing order, which regulates the handling of hazelnuts grown in Oregon and Washington. Authorization to assess hazelnut handlers enables the Board to incur expenses that are reasonable and necessary to administer the program. The marketing year begins July 1 and ends June 30. The assessment rate would remain in effect indefinitely unless modified, suspended, or terminated.

**DATES:** Comments must be received by July 14, 2000.

**ADDRESSES:** Interested persons are invited to submit written comments concerning this rule. Comments must be sent to the Docket Clerk, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, room

2525-S, P.O. Box 96456, Washington, DC 20090-6456; Fax: (202) 720-5698, or E-mail: moab.docketclerk@usda.gov. 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, or can be viewed at: <http://www.ams.usda.gov/fv/moab.html>.

#### FOR FURTHER INFORMATION CONTACT:

Teresa L. Hutchinson, Northwest Marketing Field Office, Fruit and Vegetable Programs, AMS, USDA, 1220 SW Third Avenue, suite 385, Portland, Oregon 97204; telephone: (503) 326-2724, Fax: (503) 326-7440; or George Kelhart, Technical Advisor, 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) 720-5698.

Small businesses may request information on complying with this regulation by contacting Jay Guerber, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, P.O. Box 96456, room 2525-S, Washington, DC 20090-6456; telephone: (202) 720-2491, Fax: (202) 720-5698, or E-mail: Jay.Guerber@usda.gov.

**SUPPLEMENTARY INFORMATION:** This rule is issued under Marketing Agreement No. 115 and Order No. 982, both as amended (7 CFR part 982), regulating the handling of hazelnuts grown in Oregon and Washington, 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, hazelnut handlers are subject to assessments. Funds to administer the order are derived from such assessments. It is intended that the assessment rate as proposed herein would be applicable to all assessable hazelnuts beginning on July 1, 2000, and continue until amended, suspended, or terminated. This rule would 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 would increase the assessment rate established for the Board for the 2000-2001 and subsequent marketing years from \$0.004 to \$0.005 per pound of hazelnuts handled.

The order provides authority for the Board, with the approval of the Department, to formulate an annual budget of expenses and collect assessments from handlers to administer the program. The members of the Board are producers and handlers of hazelnuts. They are familiar with the Board'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. The assessment rate and budget were recommended by a mail vote. The recommendation will be discussed and reconfirmed at the Board's next scheduled public meeting. Thus, all directly affected persons will have an opportunity to participate and provide input.

For the 1997-98 and subsequent marketing years, the Board recommended, and the Department approved, an assessment rate that would continue in effect from marketing year to marketing year unless modified, suspended, or terminated by the Secretary upon recommendation and information submitted by the Board or other information available to the Secretary.

The Board, in a mail vote completed at the end of April 2000, unanimously recommended 2000-2001 expenditures of \$596,293 and an assessment rate of \$0.005 per pound of hazelnuts. In comparison, last year's budgeted expenditures were \$568,457. The assessment rate of \$0.005 is \$0.001 higher than the rate currently in effect. At the current rate of \$0.004 per pound and an estimated 2000-2001 hazelnut

production of 50,000,000 pounds, the Board believes that the projected reserve on June 30, 2001, would not be adequate to administer the program. The increased assessment rate is expected to result in an operating reserve of \$150,147 at the end of the 2000–2001 marketing year.

The major expenditures recommended by the Board for the 2000–2001 marketing year include \$39,613 for personal services (salaries and benefits), \$7,416 for rent, \$5,000 for compliance, \$23,000 for the crop estimate, \$275,000 for promotion, and \$182,364 for an emergency fund. Budgeted expenses for these items in 1999–2000 were \$51,385, \$7,308, \$5,000, \$21,000, \$275,000, and \$182,364, respectively. The Board would consider using emergency funds for authorized activities when it is reasonably certain that its estimate of assessable hazelnuts is reached. It would not be able to make this determination until December 2000, the month in which the hazelnut harvest and deliveries to handlers usually are completed.

The Board based its recommended assessment rate increase on the 2000–2001 crop estimate, the 2000–2001 marketing year expenditures estimate, as well as the current and projected balance of the operating reserve. Hazelnut shipments for the 2000–2001 marketing year are estimated at 50,000,000 pounds, which should provide \$250,000 in assessment income. Income derived from handler assessments, along with interest income (\$13,000) and funds from the Board's authorized reserve (\$333,293), would be adequate to cover budgeted expenses. Funds in the reserve (currently \$483,440) would be kept within the maximum permitted by the order (approximately one marketing year's operational expenses). Excess funds may be maintained and used by the Board until December 1 following the end of a marketing year (§ 982.62(b)). The Board shall refund to each handler upon request, or credit to the handler's account with the Board, the handler's share of such excess prior to January 1.

The proposed assessment rate would continue in effect indefinitely unless modified, suspended, or terminated by the Secretary upon recommendation and information submitted by the Board or other available information.

Although this assessment rate would be in effect for an indefinite period, the Board would continue to conduct a mail vote prior to or during each marketing year to recommend a budget of expenses and consider recommendations for modification of the assessment rate. Any

mail votes would be discussed and reconfirmed at a public meeting. The dates and times of Board meetings are available from the Board or the Department. Board meetings are open to the public and interested persons may express their views at these meetings. The Department would evaluate Board recommendations and other available information to determine whether modification of the assessment rate is needed. Further rulemaking would be undertaken as necessary. The Board's 2000–2001 budget and those for subsequent marketing years would 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 rule on small entities. Accordingly, the 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 800 producers of hazelnuts in the production area and approximately 22 handlers subject to regulation under the marketing order. Small agricultural producers are defined by the Small Business Administration (SBA) (13 CFR 121.201) as those having annual receipts less than \$500,000, and small agricultural service firms are defined as those whose annual receipts are less than \$5,000,000. Currently, about 86 percent of hazelnut handlers could be considered small businesses under SBA's definition, excluding receipts from other sources. It is estimated that virtually all hazelnut producers have annual receipts of less than \$500,000, excluding receipts from other sources. Thus, the majority of handlers and producers of hazelnuts may be classified as small entities.

This rule would increase the assessment rate established for the Board and collected from handlers for the 2000–2001 and subsequent marketing years from \$0.004 to \$0.005 per pound of hazelnuts. The Board, in a mail vote completed at the end of April 2000, unanimously recommended 2000–2001 expenditures of \$596,293 and an assessment rate of \$0.005 per pound. The proposed assessment rate of

\$0.005 per pound is \$0.001 higher than the \$0.004 per pound rate currently in effect. The quantity of assessable hazelnuts for the 2000–2001 marketing year is estimated at 50,000,000 pounds. Income derived from handler assessments, along with interest income and funds from the Board's authorized reserve, would be adequate to cover budgeted expenses.

The major expenditures recommended by the Board for the 2000–2001 marketing year include \$39,613 for personal services (salaries and benefits), \$7,416 for rent, \$5,000 for compliance, \$23,000 for the crop estimate, \$275,000 for promotion, and \$182,364 for an emergency fund. Budgeted expenses for these items in 1999–2000 were \$51,385, \$7,308, \$5,000, \$21,000, \$275,000, and \$182,364, respectively. As mentioned earlier, the Board would not make any decision on using emergency funds until December 2000, at the earliest.

The Board based its recommended assessment rate increase on the 2000–2001 crop estimate, the 2000–2001 marketing year expenditures estimate, as well as the current and projected balance of the operating reserve. Hazelnut shipments for the 2000–2001 marketing year are estimated at 50,000,000 pounds, which should provide \$250,000 in assessment income. Income derived from handler assessments, along with interest income (\$13,000) and funds from the Board's authorized reserve (\$333,293), would be adequate to cover budgeted expenses. Funds in the reserve (currently \$483,440) would be kept within the maximum permitted by the order (approximately one marketing year's operational expenses). Excess funds may be maintained and used by the Board until December 1 following the end of a marketing year (§ 982.62(b)). The Board is required to refund or credit, upon request, each handler's share of the excess prior to January 1.

The Board reviewed and unanimously recommended 2000–2001 expenditures of \$596,293. With the 2000–2001 marketing year assessable hazelnut crop estimated at 50,000,000 pounds, or 26,000,000 pounds less than for 1999–2000, the Board recommended the assessment rate increase to prevent its operating reserve from going lower than \$150,000. The Board believes that a reserve less than this is too low. Prior to arriving at this budget, the Board considered information from various sources, such as the Proration Committee, the Budget Committee, and the Marketing and Promotion Committee. Alternative expenditure levels were discussed by these groups,

based upon the relative value of various research, marketing, and promotion projects to the hazelnut industry.

A review of historical information and preliminary information pertaining to the upcoming marketing year indicates that the grower price for the 2000–2001 marketing year could range between \$0.32 and \$0.49 per pound of hazelnuts. Therefore, the estimated assessment revenue for the 2000–2001 marketing year as a percentage of total grower revenue could range between 1.02 and 1.56 percent.

This action would increase the assessment obligation imposed on handlers. While assessments impose some additional costs on handlers, the costs are minimal and uniform on all handlers. Some of the additional costs may be passed on to producers. However, these costs would be offset by the benefits derived by the operation of the marketing order. In addition, interested persons are invited to submit information on the regulatory and informational impacts of this action on small businesses.

This proposed rule would impose no additional reporting or recordkeeping requirements on either small or large hazelnut 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.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: <http://www.ams.usda.gov/fv/moab.html>. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

A 30-day comment period is provided to allow interested persons to respond to this proposed rule. Thirty days is deemed appropriate because: (1) The 2000–2001 marketing year begins on July 1, 2000, and the marketing order requires that the rate of assessment for each marketing year apply to all assessable hazelnuts handled during such marketing year; (2) the Board needs to have sufficient funds to pay its expenses which are incurred on a continuous basis; and (3) handlers are aware of this action which was unanimously recommended by the Board in a mail vote and is similar to other assessment rate actions issued in past years.

#### List of Subjects in 7 CFR Part 982

Filberts, Hazelnuts, Marketing agreements, Nuts, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 982 is proposed to be amended as follows:

#### PART 982—HAZELNUTS GROWN IN OREGON AND WASHINGTON

1. The authority citation for 7 CFR part 982 continues to read as follows:

**Authority:** 7 U.S.C. 601–674.

2. Section 982.340 is revised to read as follows:

##### § 982.340 Assessment rate.

On and after July 1, 2000, an assessment rate of \$0.005 per pound is established for Oregon and Washington hazelnuts.

Dated: June 8, 2000.

**James R. Frazier,**

*Acting Deputy Administrator, Fruit and Vegetable Programs.*

[FR Doc. 00–15014 Filed 6–13–00; 8:45 am]

**BILLING CODE 3410–02–P**

#### NATIONAL CREDIT UNION ADMINISTRATION

##### 12 CFR Part 748

#### Guidelines for Safeguarding Member Information

**AGENCY:** National Credit Union Administration (NCUA).

**ACTION:** Notice of proposed rulemaking and request for comment.

**SUMMARY:** The NCUA Board is proposing a modification to the security program requirements to include security of member information. Further, the NCUA Board is requesting comment on proposed Guidelines for safeguarding member information published to implement certain provisions of the Gramm-Leach-Bliley Act (the GLB Act or Act).

The GLB Act requires the NCUA Board to establish appropriate standards for federally-insured credit unions relating to administrative, technical, and physical safeguards for member records and information. These safeguards are intended to: insure the security and confidentiality of member records and information; protect against any anticipated threats or hazards to the security or integrity of such records; and protect against unauthorized access to or use of such records or information that could result in substantial harm or inconvenience to any member.

**DATES:** NCUA must receive comments not later than August 14, 2000.

**ADDRESSES:** Direct comments to: Becky Baker, Secretary of the Board. Mail or hand-deliver comments to: National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428. You may fax comments to (703) 518–6319, or e-mail comments to [boardmail@ncua.gov](mailto:boardmail@ncua.gov). *Please send comments by one method only.*

**FOR FURTHER INFORMATION CONTACT:** Matthew Biliouris, Information Systems Officer, or Jodee Jackson, Compliance Officer, Office of Examination and Insurance, at the above address or telephone (703) 518–6360.

**SUPPLEMENTARY INFORMATION:** The contents of this preamble are listed in the following outline:

- I. Background
- II. Section-by-Section Analysis
- III. Regulatory Procedures
  - A. Paperwork Reduction Act
  - B. Regulatory Flexibility Act
  - C. Executive Order 13132
  - D. Treasury and General Government Appropriations Act, 1999
- IV. Agency Regulatory Goal

#### I. Background

On November 12, 1999, President Clinton signed the GLB Act (Pub. L. 106–102) into law. Section 501, entitled Protection of Nonpublic Personal Information, requires the NCUA Board, the federal banking agencies, including the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision, the Securities and Exchange Commission, state insurance authorities, and the Federal Trade Commission (collectively, the “Agencies”) to establish appropriate standards for the financial institutions subject to their respective jurisdictions relating to the administrative, technical, and physical safeguards for customer records and information. These safeguards are intended to: (1) Insure the security and confidentiality of customer records and information; (2) protect against any anticipated threats or hazards to the security or integrity of such records; and (3) protect against unauthorized access to or use of such records or information that would result in substantial harm or inconvenience to any customer.

Section 505(b) of the GLB Act provides that these standards are to be implemented by the NCUA and the federal banking agencies in the same manner, to the extent practicable, as standards pursuant to section 39(a) of the Federal Deposit Insurance Act (FDIA). Section 39(a) of the FDIA