

**DEPARTMENT OF AGRICULTURE****Commodity Credit Corporation****2005 Louisiana Sugarcane Hurricane Disaster Assistance Program**

**AGENCY:** Commodity Credit Corporation, USDA.

**ACTION:** Notice.

**SUMMARY:** This notice implements section 3011 of the Emergency Agricultural Disaster Assistance Act of 2006 (2006 Act) which authorizes the 2005 Louisiana Sugarcane Hurricane Disaster Assistance Program (2005 Program). The 2005 Program requires the Commodity Credit Corporation (CCC) to provide compensation totaling \$40 million to Louisiana sugarcane producers and processors who suffered economic losses from the cumulative effects of Hurricanes Katrina and Rita in August and September of 2005. CCC will make \$29 million in payments for 2005-crop (Fiscal Year 2006) losses to affected sugarcane processors, who shall share these payments with affected producers in a manner reflecting current contracts between the two parties. In addition, CCC will make payments of \$10 million to compensate affected sugarcane producers for losses that are suffered only by producers, including losses due to saltwater flooding, wind damage, or increased planting, replanting, or harvesting costs. The funds for "producer-only losses" will be paid to processors, who will then disburse payments to affected producers without regard to contractual arrangements for dividing sugar revenue. CCC is reserving \$1 million in the event of appeals and will disburse the residual, if any, to processors, who will then disburse payments to producers in a manner reflecting current contracts between the two parties. This notice provides eligibility criteria and application procedures that will be used to conduct this program.

**DATES:** The dates applicable to the 2005 Sugarcane Hurricane Disaster Assistance Program are as follows:

(1) Eligible producers who did not select a base year under the 2003 Hurricane Assistance Program (2003 Program) have until December 21, 2006 to select a base year (1999, 2000 or 2001) to calculate their 2005-crop sugar loss.

(2) Farm operators have until January 22, 2007, to certify ownership tract sugar losses and producer-only losses on their farms.

(3) Sugarcane processor applications for loss compensation must be

submitted no later than February 5, 2007.

(4) Payments will be issued to applicants meeting all eligibility requirements beginning February 20, 2007 or as the Louisiana Farm Service Agency (FSA) State Executive Director determines.

(5) Producers must be paid by their processors within 15 days of the date the initial payments were made to the applicants.

**FOR FURTHER INFORMATION CONTACT:** Barbara Fecso, Dairy and Sweeteners Group, USDA/FSA/EPAS, 1400 Independence Ave., SW., STOP 0516, Washington, DC 20250-0516; telephone (202) 720-4146; facsimile (202) 690-1480; electronic mail: [barbara.fecso@usda.gov](mailto:barbara.fecso@usda.gov).

**SUPPLEMENTARY INFORMATION:****Environmental Compliance**

The potential impacts of this notice on the human environment have been considered in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 *et seq.*, regulations of the Council on Environmental Quality (40 CFR parts 1500-1508), and FSA's regulations for NEPA compliance, 7 CFR part 799. This notice does not constitute a major Federal action significantly affecting the quality of the human environment because the actions involved solely provide financial assistance with no site-specific or ground disturbing actions occurring as an immediate result of implementing this program.

Section 217(b) of Title II of Division N of the Consolidated Appropriations Resolution, 2003 (Public Law 108-7) (2003 Act) requires that this notice be promulgated and the programs administered without regard to 44 U.S.C. 35, the Paperwork Reduction Act. Thus, information to be collected from the public to implement this program and the associated burden, in time and money, the information collection will have on the public do not need Office of Management and Budget approval and are not subject to the 60-day public comment period 5 CFR 1320.8(d)(1) requires.

**Background**

This notice implements the 2005 Louisiana Sugarcane Hurricane Disaster Assistance Program which is intended to partially compensate Louisiana sugarcane producers and processors for losses related to the natural disaster declaration resulting from Hurricanes Katrina and Rita in August and September, 2005. Section 3011(b) of the

2006 Act requires CCC to assist Louisiana sugarcane producers and processors by providing payments totaling \$40 million from CCC funds.

The portion of the 2005 Program for distributing \$29 million of the \$40 million is similar to the 2003 Program for Louisiana, which compensated Louisiana sugarcane growers and processors for the sugar lost from the crop due to tropical storm and hurricane events in 2002. The producer's base sugar yield per acre for measuring sugar loss is required to be the base yield used in the 2003 program. CCC is required to make the payments for estimated sugar loss to sugarcane processors, who will then share the payment with producers that deliver sugarcane to their mills according to the producer/processor contract, as in the 2003 Program. Louisiana processors normally share the revenue from the sale of sugar and molasses, after deducting marketing costs, with their producers, with about 60 percent of the net revenue distributed to producers. Thus, processors are expected to retain about 40 percent of CCC's payments for sugar loss.

However, unlike the 2003 Program, the 2005 Program also compensates for damages strictly borne by producers. The payments for these producer-only losses will not be split with the processor. CCC has determined that it will measure the producer-only losses as (1) lost plant or stubble cane acreage, requiring replanting, due to saltwater flooding, (2) damaged cane acreage due to flooding saltwater intrusion, and (3) additional harvest costs due to wind damaged fields. When hurricane flood waters surged over the Louisiana sugarcane region, approximately 3,500 acres of freshly planted cane and stubble cane were destroyed because they either did not germinate or were uprooted. In addition, saltwater severely damaged the soil on roughly 35,000 acres of the sugarcane cropland, which is expected to result in reduced production on these acres for the 2006 crop. Further, hurricane winds lodged sugarcane on all approximate 422,000 harvested acres, which dramatically slowed harvesting speed and increased fuel costs. Losses for the destruction of plant and stubble sugarcane, saltwater flood-damaged sugarcane, and increased harvesting costs are not compensated under existing programs such as the Emergency Conservation Program, federal crop insurance, or the Hurricane Indemnity Program.

CCC has determined that it will allocate the \$40 million among the different damage types with a higher proportion of reimbursement for the

damages that are deemed to have the greatest impact on operation viability. Because the \$10 million in producer-only losses were deemed to have a greater impact on sugarcane operation viability, these will be reimbursed at a higher rate.

The total destruction of plant or stubble cane by the saltwater flooding is strictly borne by the producer and will have a reimbursement rate of 65 percent, the general agriculture disaster maximum, or \$366 per acre. The per-acre compensation for destroyed sugarcane acres (lost plant and stubble cane) within the storm surge flooded region is derived from the simple average of prorated billet planting costs of \$835 per acre for plant cane, \$598 per acre for first year stubble and \$260 per year for second year stubble.

The next most damaging impacts of the storms, also borne only by the producer, were determined to be the damage to standing cane by saltwater flooding and increased harvest expenditures due to wind damage. CCC will reimburse 34 percent of flooded cane damages, or \$100 per acre, as estimated by Louisiana State University (LSU). The payment will partially compensate for increased insecticide application (estimated at \$100 per acre) and the producer's share of the 2006-crop yield loss due to elevated soil salt content on an estimated 35,000 acres (estimated by LSU at \$194.04 per acre). CCC will reimburse harvest costs at \$12 per acre, or 47 percent of the estimated average increase in harvesting costs, \$25.44 per acre.

CCC will only reimburse sugar yield loss for the 2005-crop at 19 percent of estimated total losses, using 1999 sugar yield as the base to calculate this loss percentage. This damage, while significant, was determined less likely to affect the operational viability of Louisiana sugarcane producers. To further target the \$29 million in assistance to producers and processors with significant losses, only ownership tracts with losses greater than 20 percent will be eligible. This will result in an expected payment per eligible pound of sugar loss of 21 cents per pound.

These reimbursement rates result in a split of \$29 million between producers (for the sugar yield losses) and processors (for lost throughput), and \$10 million for producer-only losses. \$1 million will be held in reserve in the event of program appeals. This is the maximum limit for appeals. Any reserve funds remaining after the appeal process has been satisfied will be paid to processors, who will then share these payments with producers according to

their contractual arrangements. Based on the experience with the 2003 Program, CCC expects less than 2 percent of the \$29 million, or \$580,000, to be spent on sugar-loss appeals, leaving an estimated \$420,000 of the reserve for producer-only loss appeals.

As in the 2003 Program, this notice requires evidence of an ownership tract 2005-crop sugar percentage loss equal to or greater than 20 percent relative to the chosen base year (1999, 2000, 2001). Compensation will only be paid on the portion of losses exceeding this threshold. Acres of sugarcane and plant cane lost or destroyed, including cane abandoned, prior to August 29, 2005 are not covered. This percent loss, coupled with estimated economic losses from increased billet planting costs, increased hauling costs, mill cane used for seedcane and increased milling costs results in an implicit required loss of 35 percent, the traditional agricultural loss required for Federal assistance.

#### **2005 Louisiana Sugarcane Hurricane Disaster Assistance Program (2005 Program)**

##### **I. Applicability**

This notice sets forth terms and conditions under which CCC will make payments to eligible Louisiana sugarcane processors and producers for 2005-crop (Fiscal Year 2006) hurricane-related sugarcane losses.

##### **II. Definitions**

*Commercially Recoverable Sugar (CRS) Final Settlement Payment Pounds.* Equals the product of the actual weight and actual polarity of sugar made divided by 96.

*Farm.* The acreage identified under one FSA Farm Serial Number.

*Farm Operator.* An individual, entity or joint operation which is determined by the FSA County Committee to be in general control of the farming operation on all ownership tracts of a farm during the program year.

*FSA.* The Farm Service Agency.

*Ownership Tract.* A subset of the acreage of a farm associated with a separate ownership interest.

*Producer.* An owner, operator, landlord, or tenant who receives a payment or shares in the payment a sugarcane processor makes for delivery of sugarcane.

*Split Shippers.* Farm operators who deliver their harvested cane to more than one sugarcane processor during a given crop year.

*Sugarcane Processor.* A person or entity that produces raw cane sugar by commercially processing sugarcane and has an allocation under the sugar

marketing allotment program. The sugarcane processor is the 2005 Program applicant.

##### **III. Applicant Eligibility Requirements**

Applicants must meet all the following requirements to be eligible for payments under the 2005 Program:

(1) Be a sugarcane processor located in Louisiana.

(2) Be eligible to obtain a loan under section 156(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(a)).

(3) Submit the application according to the requirements and deadlines of this notice.

##### **IV. Aggregate Amount of Assistance**

Total compensation shall equal \$40 million.

##### **V. 2005-Crop Sugar Loss**

(1) Loss will be measured for each ownership tract by the following formula: Loss = [(sugar per acre (base year); not to exceed 12,000 lbs.) minus sugar per acre (2005 crop)] × ownership tract acres in 2005.

(2) The base year for figuring losses will be the year elected by the farm operator under the 2003 Hurricane Assistance Program (2003 Program).

(A) Exceptions:

(i) If the farm operator did not select a base year for the 2003 Program, he must select either 1999, 2000 or 2001.

(ii) If a new entity was formed and 50 percent or more of the members were individuals or members of the previous operation, the new farm operator will use the previously selected base year. If more than 1 member of the new entity had a base year yield, these yields will be weighted for computation of the new base year yield.

(iii) If a person assumes the operation of an ownership tract from a family member, the new farm operator will use the base year previously selected by his family member. A family member is defined as "an individual to whom another member in the farming operation is related as lineal ancestor, lineal descendant, or sibling, including spouses of those family members who do not make a significant contribution to the farming operation themselves. The term 'family member' shall include: Great grandparent; grandparent; parent; child, including legally adopted children; grandchild; great grandchild; sibling of the family members in the farming operation; spouse of family members, if the family member does not make a significant contribution of active personal labor or active personal management to the farming operation as an individual".

(B) Producers have until December 21, 2006 to select a base year.

(C) Ownership tract acreage must have been FSA-certified for the production of sugar or seed in 2005 to be eligible for disaster reimbursement.

(D) The same base year will be used for all ownership tracts with the same farm operator. If some ownership tracts (cannot be ALL ownership tracts) had no production in the base year, the State yield will be used.

(E) Ownership tracts with production in the base year and no FSA-certified acres will require the farm operator to:

(i) Pick a different base year; or

(ii) Make this ownership tract ineligible for disaster benefits.

(F) Ownership tracts with FSA-certified acreage and no production in the base year will require the farm operator to:

(i) Pick a different base year; or

(ii) Make this ownership tract ineligible for disaster benefits.

(3) Sugar per acre for each ownership tract is calculated as:

(A) The CRS Final Settlement Payment Pounds from sugarcane processor records for the applicable year divided by

(B) The ownership tract's total cane acres identified in the FSA Certified Acreage Report for the same year.

(4) The 1999 average state yield will be applied to any eligible ownership tract that produced sugarcane in the 2005 crop year but did not have production history in 1999, 2000 or 2001, other than the exceptions in paragraphs V(A)(2)(ii) and (iii) above.

(5) In the case of split-shippers, total FSA-certified acres will be prorated to each mill based on pounds of sugar each mill produced. For mills that did not identify sugar produced by ownership tract at time of delivery, the total production will be prorated to each ownership tract based on total FSA-certified acres.

(6) Farm operators have until January 22, 2007 to certify ownership tract sugar losses on their farms.

(7) Applicants must submit a CCC-prescribed form certifying the sugarcane processor's crop loss and producer-only loss calculations to CCC, no later than February 5, 2007.

(A) No late-filed applications will be accepted.

(B) All eligible farm operators must certify the loss calculations included in the application.

#### VI. Eligible 2005-Crop Ownership Tract Sugar Losses

(1) Ownership tract sugar losses are eligible if the ownership tract's 2005-crop sugar percentage loss is equal to or greater than 20 percent.

(2) The 2005-crop sugar percentage loss for an ownership tract is defined as:  $[1 - (\text{sugar per acre (2005-crop)} / \text{sugar per acre (base year)})] \times 100$ .

The eligible ownership tract sugar losses are defined as losses equal to 20 percent or greater.

#### VII. Producer Only Loss eligibility

(1) *Plant or stubble loss acreage:* Eligible acres will be those acres suffering complete destruction of 2006-crop stubble or 2006-crop plant cane caused by the result of saltwater flooding due to tidal surge included in the acreage delineated on maps provided by LSU. Acres of sugarcane and plant cane lost or destroyed, including cane abandoned, prior to August 29, 2005 are not eligible for payment under this portion of the program. Acreage destroyed and/or reported as failed (planted but not harvested) to FSA after July 15, 2006, (FSA's final acreage reporting date) will not be eligible for payment under this portion of the program.

(2) *Saltwater intrusion acreage:* Eligible acres will be those acres damaged as a result of saltwater intrusion due to tidal surge as included in the acreage delineated on maps provided by LSU, excluding any acreage qualifying for payment under VII(1).

(3) *Wind damage and additional harvest cost acreage:* Eligible 2005-crop acres will be those acres harvested for sugarcane as reported to FSA in 2005.

#### VIII. Payment Calculations

(1) 2005-crop sugar loss: An applicant's payment will equal the total eligible ownership tract sugar losses for its producers divided by the sum of the total eligible tract sugar losses for all sugarcane processors in Louisiana multiplied by the \$29 million allocated for crop losses. If the computed total of all 2005-crop eligible ownership tract sugar losses across all eligible sugarcane processors is less than \$29 million, a factor will be applied to make this total exactly \$29 million.

(2) Producer-only losses.

(a) Plant or stubble loss acreage: \$366 per acre.

(b) Saltwater intrusion acreage: \$100 per acre.

(c) Wind damage and additional harvest cost: \$12 per acre, except

(i) If payments (a) plus (b) plus (c) above exceed \$10 million in aggregate, the harvest cost payment will be reduced by the overage, and

(ii) If payments under (a) and (b) plus (c) are less than \$10 million in aggregate, the harvest cost payment will be increased by the underage.

#### IX. Reserve

A reserve of \$1 million will be held pending the resolution of appeals provided in section XV, below. The residual, if any, after appeal payments will be distributed to sugarcane processors, to be shared with producers as in X(1) below.

#### X. Payments to Affected Producers

(1) *Crop loss:* Applicants must share their sugar loss payments with affected producers according to the percentage shares for dividing net revenue as stated in their 2005 farm processor/producer contracts that govern the delivery of sugarcane.

(2) Payments must be made to producers within 15 days of the date initial payments were made to applicants.

(3) Producers receiving mill payments are responsible for sharing payments with landowners according to their lease arrangements.

#### XI. Contract Liability

All sugarcane processors and associated farm operators receiving a share of the total hurricane assistance payment are jointly and severally liable for program violations and resulting repayments, if applicable.

#### XII. Misrepresentation, Scheme, or Device

A person shall be ineligible to receive assistance under this notice and be subject to such other remedies as law may allow if the FSA State or county committee, or any other FSA official with authority to do so, determines that such person has:

(1) Adopted a scheme or other device that tends to defeat the purpose of the program operated under this notice,

(2) Made any fraudulent representation regarding this program, or

(3) Misrepresented any fact affecting a program determination.

#### XIII. Creditor Liens and Claims; and CCC Offsets and Withholdings

(1) Any benefit or portion thereof due any person under this program shall be allowed without regard to questions of title under State law and without regard to any claim or lien in favor of any person, except agencies of the U.S. Government.

(2) CCC may offset or withhold any amount due CCC in accordance with the provisions of the regulations at 7 CFR part 1403 or successor regulations as designated by the Department.

#### XIV. Administration

When circumstances beyond the applicant's control preclude compliance, the county committee may request the Louisiana FSA State Executive Director to grant relief. In such cases, except for statutory requirements, the Louisiana FSA State Executive Director may, in order to more equitably accomplish this notice's goals, waive or modify deadlines if the failure to meet such deadlines does not adversely affect program operation. All program payments will be subject to review.

#### XV. Appeals

Regulations at 7 CFR part 11 apply to this notice. CCC is not involved in resolving disputes between processors and producers.

Signed at Washington, DC on October 31, 2006.

**Teresa C. Lasseter,**

*Executive Vice-President, Commodity Credit Corporation.*

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**BILLING CODE 3410-05-P**

### DEPARTMENT OF AGRICULTURE

#### Forest Service

#### Medicine Bow-Routt National Forests and Thunder Basin National Grassland; Hahns Peak/Bears Ears Ranger District; Recreation Fees

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of intent to implement recreation fees.

**SUMMARY:** In accordance with the Federal Lands Recreation Enhancement Act (FLREA), recreation fees may be charged for standard amenity sites, expanded amenity sites or special recreation permits. The Medicine Bow-Routt National Forest proposes to charge new fees at two sites: Summit Creek Guard Station and Buffalo Pass Winter Recreation Area.

**DATES:** Comments concerning the scope of the analysis must be received by May 31, 2007. Implementation is expected to begin in December of 2007.

**ADDRESSES:** You may submit comments by any of the following methods:

- Web Site: <http://www.fs.fed.us/r2/mbr/projects> under Recreation Management. Follow the instructions for submitting comments on the Web site.

- E-mail: [r2\\_mbr\\_vis@FSNOTES](mailto:r2_mbr_vis@FSNOTES). Include "Recreation Fees" in the subject line of the message.

- Fax: (970) 870-2284 or (303) 745-2398.

- Mail or Hand Delivery: Ray George, Recreation Staff, Medicine Bow-Routt National Forests, 2468 Jackson St., Laramie, WY 82070.

**FOR FURTHER INFORMATION CONTACT:** Ray George (307) 745-2300, Medicine Bow-Routt National Forests, 2468 Jackson St., Laramie, WY 82070.

#### SUPPLEMENTARY INFORMATION:

##### Proposed Recreation Fees

- Summit Creek Guard Station—The Summit Creek Guard Station was built in 1912 to house forest rangers and their families. It includes a house and garage with electricity, indoor plumbing and propane heat and sleeps up to eight people. The compound is listed on the National Register of Historic Places. The guard station would be available to rent from approximately mid-May to late October and a nightly rental fee of \$100 will be charged.

- Buffalo Pass Winter Recreation Area—In order to facilitate recreation management in an intensively used winter backcountry recreation area, all users would be required to purchase a backcountry permit to enter and recreate in the 4,980 acre Buffalo Pass Backcountry Recreation Area. The intensity and variety of uses has led to many user conflicts, safety issues, and avalanche danger. The backcountry permit will alleviate some of these conflicts by educating all users on backcountry etiquette, avalanche dangers, and sharing groomed trails. A fee is necessary to administer the permit system and provide backcountry patrols to ensure users are obtaining necessary permits. The fee will be \$5.

##### Lead and Cooperating Agencies

The Medicine Bow-Routt National Forests is the lead agency.

##### Responsible Official

The responsible official is Mary Peterson, Forest Supervisor, Medicine Bow-Routt National Forests, 2468 Jackson St., Laramie, WY 82070.

##### Electronic Access and Filing

All future documents and information on recreation fees will be posted at <http://www.fs.fed.us/r2/mbr/projects> under "Recreation Management." You may submit comments and data by sending electronic mail (E-mail) to [r2\\_mbr\\_vis@FSNOTES](mailto:r2_mbr_vis@FSNOTES) and including "Recreation Fees" in the subject line of the message.

Dated: November 20, 2006.

**Mary H. Peterson,**

*Forest Supervisor, Medicine Bow-Routt National Forests, USDA Forest Service.*

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**BILLING CODE 3410-11-M**

### DEPARTMENT OF AGRICULTURE

#### Rural Business-Cooperative Service

#### Notice of Request for Extension of a Currently Approved Information Collection

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Proposed collection, comments requested.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, this notice announces the Rural Business-Cooperative Service's (RBS) intention to request an extension for a currently approved information collection in support of the Rural Cooperative Development Grants program.

**DATES:** Comments on this notice must be received by February 5, 2007 to be assured of consideration.

**FOR FURTHER INFORMATION CONTACT:** Amy Cavanaugh, Loan Specialist, Cooperative Services, Rural Business-Cooperative Service, U.S. Department of Agriculture, Stop 3250, Room 4016, South Agriculture Building, 1400 Independence Avenue, SW., Washington, DC 20250-3250. Telephone (202) 260-1506.

#### SUPPLEMENTARY INFORMATION:

*Title:* Rural Cooperative Development Grants.

*OMB Number:* 0570-0006.

*Expiration Date of Approval:* May 31, 2007.

*Type of Request:* Intent to extend the clearance for collection of information under RD Instruction 4284-F, Rural Cooperative Development Grants.

*Abstract:* The primary purpose of the Rural Business-Cooperative Service (RBS) is to promote understanding, use, and development of the cooperative form of business as a viable option for enhancing the income of agricultural producers and other rural residents. The primary objective of the Rural Cooperative Development Grants program is to improve the economic condition of rural areas through cooperative development. Grants will be awarded on a competitive basis to nonprofit corporations and institutions of higher education based on specific selection criteria.

*Estimate of Burden:* Public reporting burden for this collection of information