Warehouse Act (USWA). Through this notice, FSA is providing an opportunity for anyone to provide comments on this proposal to offer a license for EFAC. EFAC might include corn soy blend, vegetable oil, or pulses such as peas, beans and lentils. Current USWA licenses for agricultural products include grain, cotton, nuts, cottonseed, and dry beans. Warehouse operators that apply voluntarily agree to be licensed, observe the rules for licensing, and pay associated user fees.

DATES: We will consider comments that we receive by April 14, 2011.

ADDRESSES: We invite you to submit comments on this notice. In your comment, include volume, date, and page number of this issue of the Federal Register. You may submit comments by any of the following methods:

E-mail address: Send comments to: FSA-USWA@wdc.usda.gov.

Mail: Patricia Barrett, Warehouse Operations Program Manager, FSA, United States Department of Agriculture, STOP 0553, 1400 Independence Avenue, SW., Washington, DC 20250–0553.

Fax: (202) 690–3123.

Persons with disabilities who require alternative means for communication of information for this notice (Braille, large print, audiotape, etc.) should contact USDA’s TARGET Center at (202) 720–2600 (voice and TDD).

FOR FURTHER INFORMATION CONTACT: Patricia Barrett, (202) 720–3877.

SUPPLEMENTARY INFORMATION:
USWA (7 U.S.C. 241–256) authorizes the Secretary of Agriculture to license warehouse operators who store agricultural products; FSA administers this authority.

USWA provides for licensing and inspection of warehouses used to store agricultural products, issuance of warehouse receipts, including electronic warehouse receipts for all agricultural products, and for other purposes.

USWA licensing program is a voluntary program that is intended to protect depositors of agricultural products in licensed warehouses (7 CFR part 735). The licensing program is based on a written agreement outlining terms and conditions for a warehouse operator to qualify for licensing and requirements to operate the warehouse in compliance with USWA and the regulations.

USWA requires FSA to notify the public and provide the opportunity to comment on agricultural products that are under consideration for a warehouse license. FSA is proposing to create a USWA licensing program for port and transload facility operators storing EFAC. This proposal is in response to the concerns of export food aid providers regarding the sanitation and security of agricultural commodities temporarily stored and handled in preparation for export and under various federal and charitable organization export food aid programs. In many USWA warehouses, commodities are stored in bulk form and commingled. EFAC are typically packaged and “identity preserved,” which means that the commodity is stored and handled separate from all other commodities. In other words, the actual commodity deposited in the warehouse is what will be delivered.

The warehouse examination program is designed to ensure the warehouse operator’s initial qualification for licensing and continuing compliance with the standards of approval and operation. FSA will conduct examinations of licensed facilities to determine their suitability for proper storage and handling of commodities. The examination will include review of warehouse records, pest management and control, housekeeping, safety, and security of goods in the care and custody of the licensee. The personnel conducting the examinations will verify that all commodities are properly marked and recorded in the warehouse records, and that commodities are stored in licensed space. Facilities must be kept and maintained in sound physical condition. In addition, 7 CFR 735.6 provides regulations for suspension and revocation of a license for those warehouse operators who do not comply with USWA, the regulations, or any licensing or provider agreement.

FSA will review and report on the comments received on this notice. The notice and summary of the comments received will be posted to the USWA Web site at http://www.fsa.usda.gov/FSA/webapp?area=home&subject=coop&topic=was-ua.

FSA is inviting you to provide comments to FSA on adding EFAC to the list of products for which FSA issues USWA licenses. In particular, FSA requests comments on EFAC in response to the following questions:

• Should FSA offer a license under the authority of the USWA, for export food aid commodity facility storage and handling?

• What general warehousing and transload facility specifications should be used in the approval and continued licensing of such storage facilities?

• What operational procedures (i.e., records, sanitation, security, insurance, and examinations) should be addressed in a written agreement with the warehouse operator?

• What level and type of financial assurance (bond, letter of credit) should be required to provide security and protection to depositors?

• What fee structure (annual flat rate, hourly, graduated rates based on the size of the facility) should be adopted to fund the administration of this program?

• Should the scope of the license cover all commodities stored in licensed space?

In addition to this notice, general information about FSA’s administration of its responsibilities from USWA is available on the FSA Web site. Among other things, the information includes a list of licensed warehouses.

Signed at Washington, DC, on March 9, 2011.

Val Dolcini, Acting Administrator, Farm Service Agency.

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BILLING CODE 3410–05–P

DEPARTMENT OF AGRICULTURE
Farm Service Agency

United States Warehouse Act; Processed Agricultural Products Licensing Agreement

AGENCY: Farm Service Agency, USDA.

ACTION: Notice and request for comments.

SUMMARY: The Farm Service Agency (FSA) proposes adding processed agricultural products to the agricultural products for which warehouse licenses may be issued under the United States Warehouse Act (USWA). Through this notice, FSA is providing an opportunity for anyone to provide comments on this proposal to offer a license for the processed agricultural products that are stored in climate controlled, cooler, and freezer warehouses. An example of a processed agricultural product is apple juice concentrate. In the past, USDA has issued USWA licenses for syrup or sirup, dried fruit, canned foods, cold-pack fruit, seeds, cherries-in-brine. Current USWA licenses for agricultural products include grain, cotton, nuts, cottonseed, and dry beans. Warehouse operators voluntarily agree to be licensed, observe the rules for licensing, and pay associated user fees.

DATES: We will consider comments that we receive by April 14, 2011.

ADDRESSES: We invite you to submit comments on this notice. In your comment, include volume, date, and page number of this issue of the Federal Register.
Supplementary Information: USWA (7 U.S.C. 241–256) authorizes the Secretary of Agriculture to license warehouse operators who store agricultural products; FSA administers this authority. USWA provides for licensing and inspection of warehouses used to store agricultural products, issuance of warehouse receipts, including electronic warehouse receipts for all agricultural products, and for other purposes. The USWA licensing program is a voluntary program that is intended to protect depositories of agricultural products in licensed warehouses (7 CFR part 735). The licensing program is based on a written agreement outlining the terms and conditions for a warehouse operator to qualify for licensing, and requirements to operate the warehouse in compliance with USWA and the regulations. USWA requires FSA to notify the public and provide the opportunity to comment on agricultural products that are under consideration for a warehouse license. FSA is proposing to create a voluntary USWA licensing program for processed agricultural products that are stored in climate controlled, cooler, and freezer warehouses. This proposal covers specific processed agricultural products such as apple juice concentrate and other similar products. This proposal is in response to an industry request, which is based on their need for the use of negotiable warehouse receipts in their business processes. The warehouse examination program is designed to ensure the warehouse operator’s initial qualification for licensing and continuing compliance with the standards of approval and operation. FSA will conduct examinations of licensed facilities to determine their suitability for proper storage and handling of commodities. The examination will include review of warehouse records, pest management and control, housekeeping, safety, and security of goods in the care and custody of the licensee. The personnel conducting the examinations will verify that all commodities are properly marked and recorded in the warehouse records, and that commodities are stored in licensed space. Facilities must be kept and maintained in sound physical condition. In addition, 7 CFR 735.6 provides regulations for suspension and revocation of a license for those warehouse operators who do not comply with USWA, the regulations, or any licensing or provider agreement. FSA will review and report on the comments received on this notice. The notice and summary of the comments received will be posted to the USWA Web site at http://www.fsa.usda.gov/USWA/webapp?area=home&subject=wosb&topic=was-ua. FSA is inviting you to submit comments to FSA on adding processed agricultural products to the list of products for which FSA issues USWA licenses. In particular, FSA requests comments on processed agricultural products in response to the following questions:

- Should FSA offer a license for processed agricultural products such as apple juice concentrate?
- What types of storage facilities should such a license include: climate controlled warehouses, refrigerated warehouses, and freezer warehouses?
- What operational procedures (for examples, sanitation, security, records, insurance, examinations) should be addressed in a written agreement with the warehouse operator?
- What level and type of financial assurance (bond, letter of credit) should be required to provide security and protection to depositors?
- USWA specifies that user fees are to cover the costs to administer this program. Therefore, what fee structure (annual flat rate, hourly, graduated rates based on the size of the facility) should be applied to fund the administration of this program?
- Should the scope of the license cover all or only certain agricultural processed products stored in licensed space?

In addition to this notice, general information about FSA’s administration of its responsibilities from USWA is available on the FSA Web site. Among other things, the information includes a list of licensed warehouses.

For further information contact: Patricia Barrett, (202) 720-3877.

Comments also may be submitted via facsimile to 202–205–1045 or by e-mail to: wosbprocess@fs.fed.us. In addition, comments may be submitted via the World Wide Web/Internet at: http://www.regulations.gov.

The public may inspect comments received at the Forest Service, USDA, Forest Management Staff Office, Third Floor SW, 201 14th Street, SW., Washington, DC, during normal business hours. Visitors are encouraged to call ahead to 202–205–1766 to facilitate entrance into the building. Additionally, comments may be viewed on the World Wide Web/Internet at https://fsplaces.fs.fed.us/fsfiles/unit/wo/wosbprocess.nsf.

For further information contact: Sharon Nygaard Scott, Forest Management Staff, at 202–205–1766. Individuals who use telecommunication devices for the deaf (TDD) may call the Federal Relay Service (FRS) at 1–800–877–8339, twenty-four hours a day, every day of the year, including holidays.

Supplementary Information: