

the master shipping container, or in a document that accompanies the product through retail sale. In addition, the supplier of a covered commodity that is responsible for initiating a country(ies) of origin claim, which in the case of lamb, chicken, goat, and venison is the slaughter facility, must possess records that are necessary to substantiate that claim for a period of 1 year from the date of the transaction. For that purpose, packers that slaughter animals that are tagged with an 840 Animal Identification Number device without the presence of any additional accompanying marking (*i.e.*, “CAN” or “M”) may use that information as a basis for a U.S. origin claim. Packers that slaughter animals that are part of another country’s recognized official system (*e.g.* Canadian official system, Mexico official system) may also rely on the presence of an official ear tag or other approved device on which to base their origin claims. In the case of cervidae, producer affidavits shall also be considered acceptable records that suppliers may utilize to initiate origin claims, provided it is made by someone having first-hand knowledge of the origin of the covered commodity and identifies the covered commodity unique to the transaction.

\* \* \* \* \*

Dated: January 9, 2017.

**Bruce Summners,**

*Associate Administrator, Agricultural Marketing Service.*

[FR Doc. 2017–00588 Filed 1–12–17; 8:45 am]

BILLING CODE 3410–02–P

## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 1260

[No. AMS–LPS–16–0071]

#### Beef Promotion and Research; Reapportionment

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

**ACTION:** Proposed rule.

**SUMMARY:** This proposed rule would adjust representation on the Cattlemen’s Beef Promotion and Research Board (Board), established under the Beef Promotion and Research Act of 1985 (Act), to reflect changes in domestic cattle inventories since January 1, 2013, as well as changes in levels of imported cattle, beef, and beef products that have occurred since December 31, 2012, which were the cut-off dates for data used by the Agricultural Marketing

Service (AMS) when the Board was last reapportioned in July 2014. These adjustments are required by the Beef Promotion and Research Order (Order) and, if adopted, would result in a decrease in Board membership from 100 to 99, effective with the U.S.

Department of Agriculture’s (USDA) appointments for terms beginning early in the year 2018.

**DATES:** Submit comments on or before March 14, 2017.

**ADDRESSES:** Comments should be posted online at [www.regulations.gov](http://www.regulations.gov).

Comments received will be posted without change, including any personal information provided. All comments should reference the docket number AMS–LPS–16–0071, the date of submission, and the page number of this issue of the **Federal Register**. Comments may also be sent to Mike Dinkel, Agricultural Marketing Specialist; Research and Promotion Division; Livestock, Poultry, and Seed Program, AMS, USDA; Room 2610–S, STOP 0249, 1400 Independence Avenue SW., Washington, DC 20250–0249; or via fax to (202) 720–1125. Comments will be made available for public inspection at the above address during regular business hours or via the Internet at [www.regulations.gov](http://www.regulations.gov).

#### FOR FURTHER INFORMATION CONTACT:

Mike Dinkel, Research and Promotion Division, at (301) 352–7497; fax (202) 720–1125; or by email at [Michael.Dinkel@ams.usda.gov](mailto:Michael.Dinkel@ams.usda.gov).

#### SUPPLEMENTARY INFORMATION:

##### Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. This rule has been determined not to be significant for purposes of Executive Order 12866 or Executive Order 13563. Accordingly, the Office of Management and Budget (OMB) has waived the review process.

##### Executive Order 12988

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. It is not intended to have retroactive effect. The Act prohibits states or political subdivisions of a state to impose any requirement

that is in addition to, or inconsistent with, any requirement of the Act. There are no civil justice implications associated with this proposed rule.

#### Regulatory Flexibility Act and Paperwork Reduction Act

Pursuant to the requirements set forth in the Regulatory Flexibility Act (RFA) [5 U.S.C. 601–612], the Administrator of AMS has considered the economic effect of this action on small entities and has determined that this proposed rule would not have a significant economic impact on a substantial number of small entities. The purpose of RFA is to fit regulatory actions to the scale of businesses subject to such actions in order that small businesses will not be unduly burdened.

In the February 2013 publication of “Farms, Land in Farms, and Livestock Operations,” USDA’s National Agricultural Statistics Service (NASS) estimated that the number of operations in the United States with cattle in 2012 totaled approximately 915,000, down from 950,000 in 2009. There are approximately 270 importers who import beef or edible beef products into the United States and 198 importers who import live cattle into the United States. It is estimated that the majority of those operations subject to the Order are considered small businesses under the criteria established by the Small Business Administration (SBA) [13 CFR 121.201]. SBA generally defines small agricultural service firms as those having annual receipts of \$7.5 million or less, and small agricultural producers are generally defined as those having annual receipts of less than \$750,000.

The proposed rule imposes no new burden on the industry. It only adjusts representation on the Board to reflect changes in domestic cattle inventory, as well as in cattle and beef imports. The adjustments are required by the Order and would result in a decrease in Board membership from 100 to 99.

AMS is committed to complying with the E-Government Act of 2002 to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to government information and services, and for other purposes.

USDA has not identified any relevant federal rules that duplicate, overlap, or conflict with this rule.

#### Background and Proposed Action

The Board was initially appointed on August 4, 1986, pursuant to the provisions of the Act [7 U.S.C. 2901–2911] and the Order issued thereunder. Domestic representation on the Board is

based on cattle inventory numbers, while importer representation is based on the conversion of the volume of imported cattle, beef, and beef products into live animal equivalencies.

### Reapportionment

Section 1260.141(b) of the Order provides that the Board shall be composed of cattle producers and importers appointed by the Secretary of Agriculture from nominations submitted by certified producer and importer organizations. A producer may only be nominated to represent the State or unit in which that producer is a resident.

Section 1260.141(c) of the Order provides that at least every 3 years, but not more than every 2 years, the Board shall review the geographic distribution of cattle inventories throughout the United States and the volume of imported cattle, beef, and beef products and, if warranted, shall reapportion units and/or modify the number of Board members from units in order to reflect the geographic distribution of cattle production volume in the United States and the volume of cattle, beef, or beef products imported into the United States.

Section 1260.141(d) of the Order authorizes the Board to recommend to the Secretary modifications to the number of cattle per unit necessary for representation on the Board.

Section 1260.141(e)(1) provides that each geographic unit or State that includes a total cattle inventory equal to or greater than 500,000 head of cattle shall be entitled to one representative on the Board. Section 1260.141(e)(2) provides that States that do not have total cattle inventories equal to or greater than 500,000 head shall be grouped, to the extent practicable, into geographically-contiguous units, each of which have a combined total inventory of not less than 500,000 head. Such grouped units are entitled to at least one representative on the Board. Each unit is entitled to an additional Board member for each additional 1 million head of cattle within the unit, as provided in § 1260.141(e)(4). Further, as provided in § 1260.141(e)(3), importers are represented by a single unit, with their number of Board members based on a conversion of the total volume of imported cattle, beef, or beef products into live animal equivalencies.

The initial Board appointed in 1986 was composed of 113 members. Reapportionment, based on a 3-year average of cattle inventory numbers and import data, reduced the Board to 111

members in 1990 and to 107 members in 1993 before the Board was increased back to 111 members in 1996. The Board decreased to 110 members in 1999, 108 members in 2001, and 104 members in 2005; increased to 106 members in 2009; decreased to 103 members in 2011; and decreased to 100 members in 2013. This proposal would amend § 1260.141(a) by increasing the importers from 6 to 7 members, decreasing the State of Virginia from 2 members to 1 member and decreasing the State of Texas from 13 to 12 members. Overall, if adopted, it would decrease the number of Board members from 100 to 99, with appointments for terms effective early in 2018.

The currently proposed, updated Board representation by States or geographic units is based on an average of the January 1, 2011, 2012, and 2013 inventory of cattle in the various States as reported by NASS. The proposed importer representation would be based on a combined total average of the 2011, 2012, and 2013 live cattle imports as published by USDA's Foreign Agricultural Service and the average of the 2011, 2012, and 2013 live animal equivalents for imported beef and beef products.

In considering reapportionment, the Board reviewed cattle inventories on the date January 1 in 2014, 2015, and 2016, as well as cattle, beef, and beef product import data for the period of January 1, 2013, to December 31, 2015. The Board recommended that a 3-year average of cattle inventories and import numbers should be continued. The Board determined that an average of the January 1, 2014, 2015, and 2016 cattle inventory numbers would best reflect the number of cattle in each state or unit since publication of the last reapportionment rule published in 2014 [79 FR 46961]. The Board reviewed data published by the USDA's Economic Research Service to determine proper importer representation. The Board recommended the use of the average of a combined total of the 2013, 2014, and 2015 cattle import data and the average of the 2013, 2014, and 2015 live animal equivalents for imported beef products. The method used to calculate the total number of live animal equivalents was the same as that used in the previous reapportionment of the Board. The live animal equivalent weight was changed in 2006 from 509 pounds to 592 pounds [71 FR 47074].

The Board's recommended reapportionment plan, if adopted, would decrease the number of

representatives on the Board from 100 to 99. From the Board's analysis of USDA cattle inventories and import equivalencies, Virginia would lose one Board seat and Texas would lose one Board seat. The importers would gain one Board seat.

The States and units affected by the reapportionment plan and the current and proposed member representation per unit are as follows:

State/unit	Current representation	Revised representation
Virginia .....	2	1
Texas .....	13	12
Importers .....	6	7

The Board reapportionment as proposed by this rulemaking would take effect, if adopted, with appointments to fill positions early in the year 2018.

A 60-day comment period is provided to allow interested persons to respond to this proposal. Thirty days is deemed appropriate to facilitate the adjustment of the representation on the Board, which is required by the Order at least every 3 years but not more than every 2 years, and to allow for the annual nomination and appointment process for Board appointments that will be effective early in 2018.

### List of Subjects in 7 CFR Part 1260

Administrative practice and procedure, Advertising, Agricultural research, Imports, Meat and meat products, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, AMS proposes to amend 7 CFR part 1260 as follows:

### PART 1260—BEEF PROMOTION AND RESEARCH

■ 1. The authority citation for 7 CFR part 1260 continues to read as follows:

**Authority:** 7 U.S.C. 2901–2911 and 7 U.S.C. 7401.

■ 2. Revise § 1260.141 paragraph (a) and the table immediately following to read as follows:

#### § 1260.141 Membership of Board.

(a) Beginning with the 2017 Board nominations and the associated appointments effective early in the year 2018, the United States shall be divided into 37 geographical units and 1 unit representing importers, for a total of 38 units. The number of Board members from each unit shall be as follows:

CATTLE AND CALVES <sup>1</sup>

State/unit	(1,000 head)	Directors
1. Arizona .....	900	1
2. Arkansas .....	1,660	2
3. Colorado .....	2,600	3
4. Florida .....	1,680	2
5. Idaho .....	2,307	2
6. Illinois .....	1,143	1
7. Indiana .....	873	1
8. Iowa .....	3,867	4
9. Kansas .....	5,983	6
10. Kentucky .....	2,110	2
11. Louisiana .....	787	1
12. Michigan .....	1,133	1
13. Minnesota .....	2,347	2
14. Mississippi .....	923	1
15. Missouri .....	3,983	4
16. Montana .....	2,567	3
17. Nebraska .....	6,317	6
18. New Mexico .....	1,340	1
19. New York .....	1,450	1
20. North Carolina .....	803	1
21. North Dakota .....	1,697	2
22. Ohio .....	1,243	1
23. Oklahoma .....	4,567	5
24. Oregon .....	1,300	1
25. Pennsylvania .....	1,580	2
26. South Dakota .....	3,783	4
27. Tennessee .....	1,770	2
28. Texas .....	11,500	12
29. Utah .....	807	1
30. Virginia .....	1,487	1
31. Wisconsin .....	3,467	3
32. Wyoming .....	1,293	1
33. Northwest .....	.....	1
Alaska .....	10	.....
Hawaii .....	135	.....
Washington .....	1,137	.....
Total .....	1,282	.....
34. Northeast .....	.....	1
Connecticut .....	48	.....
Delaware .....	16	.....
Maine .....	84	.....
Massachusetts .....	38	.....
New Hampshire .....	32	.....
New Jersey .....	28	.....
Rhode Island .....	5	.....
Vermont .....	260	.....
Total .....	511	.....
35. Mid-Atlantic .....	.....	1
Maryland .....	186	.....
West Virginia .....	382	.....
Total .....	567	.....
36. Southeast .....	.....	3
Alabama .....	1,240	.....
Georgia .....	1,057	.....
South Carolina .....	337	.....
Total .....	2,633	.....
37. Southwest .....	.....	6
California .....	5,183	.....
Nevada .....	442	.....
Total .....	5,625	.....
38. Importers <sup>2</sup> .....	6,949	7

<sup>1</sup> 2014, 2015, and 2016 average of January 1 cattle inventory data.<sup>2</sup> 2013, 2014, and 2015 average of annual import data.

\* \* \* \* \*

Dated: January 9, 2017.

**Elanor Starmer,***Administrator, Agricultural Marketing Service.*

[FR Doc. 2017-00587 Filed 1-12-17; 8:45 am]

BILLING CODE 3410-02-P

**DEPARTMENT OF AGRICULTURE****Office of Procurement and Property Management****7 CFR Part 3201****RIN 0599-AA24****Designation of Product Categories for Federal Procurement****AGENCY:** Office of Procurement and Property Management, USDA.**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The U.S. Department of Agriculture (USDA) is proposing to amend the Guidelines for Designating Biobased Products for Federal Procurement (Guidelines) to add 12 sections that will designate 12 product categories composed of intermediate ingredient and feedstock materials within which biobased products would be afforded procurement preference by Federal agencies and their contractors. USDA is also proposing minimum biobased contents for each of these product categories.

**DATES:** USDA will accept public comments on this proposed rule until March 14, 2017.

**ADDRESSES:** You may submit comments by any of the following methods. All submissions received must include the agency name and Regulatory Information Number (RIN). The RIN for this rulemaking is 0599-AA24. Also, please identify submittals as pertaining to the “Proposed Designation of Product Categories.”

• *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

• *Email:* [biopreferred\\_support@amecfw.com](mailto:biopreferred_support@amecfw.com). Include RIN number 0599-AA24 and “Proposed Designation of Product Categories” on the subject line. Please include your name and address in your message.

• *Mail/commercial/hand delivery:* Mail or deliver your comments to: Marie Wheat, USDA, Office of Procurement and Property Management, Room 361, Reporters Building, 300 7th St. SW., Washington, DC 20024.

• Persons with disabilities who require alternative means for communication for regulatory

information (Braille, large print, audiotape, etc.) should contact the USDA TARGET Center at (202) 720-2600 (voice) and (202) 690-0942 (TTY).

**FOR FURTHER INFORMATION CONTACT:**

Marie Wheat, USDA, Office of Procurement and Property Management, Room 361, Reporters Building, 300 7th St. SW., Washington, DC 20024; email: [biopreferred\\_support@amecfw.com](mailto:biopreferred_support@amecfw.com); phone (202) 239-4502. Information regarding the Federal preferred procurement program (one initiative of the BioPreferred Program) is available on the Internet at <http://www.biopreferred.gov>.

**SUPPLEMENTARY INFORMATION:** The information presented in this preamble is organized as follows:

- I. Authority
- II. Background
- III. Summary of Today's Proposed Rule
- IV. Designation of Product Categories, Minimum Biobased Contents, and Time Frame
  - A. Background
  - B. Product Categories and Minimum Biobased Contents Proposed for Designation
  - C. Compliance Date for Procurement Preference and Incorporation Into Specifications
- V. Where can agencies get more information on these USDA-designated product categories?
- VI. Regulatory Information
  - A. Executive Order 12866: Regulatory Planning and Review and Executive Order 13563: Improving Regulation and Regulatory Review
  - B. Regulatory Flexibility Act (RFA)
  - C. Executive Order 12630: Governmental Actions and Interference With Constitutionally Protected Property Rights
  - D. Executive Order 12988: Civil Justice Reform
  - E. Executive Order 13132: Federalism
  - F. Unfunded Mandates Reform Act of 1995
  - G. Executive Order 12372: Intergovernmental Review of Federal Programs
  - H. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments
  - I. Paperwork Reduction Act
  - J. E-Government Act

**I. Authority**

The designation of these product categories is proposed under the authority of section 9002 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill), as amended by the Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill), and further amended by the Agricultural Act of 2014 (the 2014 Farm Bill), 7 U.S.C. 8102. (Section 9002 of the 2002 Farm Bill, as amended by the 2008 and the 2014 Farm Bills, is referred to in this document as “section 9002”.)

**II. Background**

Section 9002 provides for the preferred procurement of biobased products by Federal procuring agencies and is referred to hereafter in this **Federal Register** notice as the “Federal preferred procurement program.” Under the provisions specified in the “Guidelines for Designating Biobased Products for Federal Procurement” (7 CFR part 3201) (Guidelines), the USDA BioPreferred Program “designates” product categories to which the preferred procurement requirements apply by listing them in subpart B of 7 CFR part 3201.

The term “product category” is used as a generic term in the designation process to mean a grouping of specific products that perform a similar function. As originally finalized, the Guidelines included provisions for the designation of product categories that were composed of finished, consumer products such as mobile equipment hydraulic fluids, penetrating lubricants, or hand cleaners and sanitizers.

The 2008 and 2014 Farm Bills directed USDA to expand the scope of the Guidelines to include the designation of product categories composed of intermediate ingredients and feedstock materials. Specifically, the 2008 Farm Bill stated that USDA shall “designate those intermediate ingredients and feedstocks that are or can be used to produce items that will be subject” to the Federal preferred procurement program. The term “intermediate ingredient and feedstock” is defined in the Farm Bill as “a material or compound made in whole or in significant part from biological products, including renewable agricultural materials (including plant, animal, and marine materials) or forestry materials, that are subsequently used to make a more complex compound or product.” The term “intermediates” is used in the titles of the product categories being proposed for designation today to distinguish these proposed categories from the finished, consumer products previously designated by USDA. Additionally, in section 9001 of the 2014 Farm Bill, the term “renewable chemical” is defined as “a monomer, polymer, plastic, formulated product, or chemical substance produced from renewable biomass.” Thus, most products that are described as “renewable chemicals” will be eligible for the Federal preferred procurement program because they meet the definition of one or more of the intermediate product categories included in today's proposed rule.