

from milk tankers after being moved off-farm and classified as other use milk pursuant to 7 CFR 1000.40(e) as a result of Hurricane Irma;

(5) The value per hundredweight at the lowest classified price for the month of September 2017 for skim portion of milk dumped and classified as other use milk pursuant to 7 CFR 1000.40(e) as a result of Hurricane Irma; and

(6) The difference between the announced class price applicable to the milk as classified by the market administrator for the month of September 2017 and the actual price received for milk delivered to nonpool plants outside the state of Florida as a result of Hurricane Irma.

(h) The total amount of payment to all handlers under paragraph (g) of this section shall be limited for each month to an amount determined by multiplying the total Class I producer milk for all handlers pursuant to 7 CFR 1000.44(c) times \$0.09 per hundredweight.

(i) If the cost of payments computed pursuant to paragraphs (g)(1) through (6) of this section exceeds the amount computed pursuant to paragraph (h) of this section, the market administrator shall prorate such payments to each handler based on each handler's proportion of transportation and other use milk costs submitted pursuant to paragraphs (g)(1) through (6). Costs submitted pursuant to paragraphs (g)(1) through (6) which are not paid as a result of such a proration shall be paid in subsequent months until all costs incurred and documented through (g)(1) through (6) have been paid.

[This marketing agreement will not appear in the Code of Federal Regulations.]

Marketing Agreement Regulating the Handling of Milk in the Florida Marketing Area

The parties hereto, in order to effectuate the declared policy of the Act, and in accordance with the rules of practice and procedure effective thereunder (7 CFR part 900), desire to enter into this marketing agreement and do hereby agree that the provisions referred to in paragraph I hereof, as augmented by the provisions specified in paragraph II hereof, shall be and are the provisions of this marketing agreement as if set out in full herein.

I. The findings and determinations, order relative to handling, and the provisions of §§ 1006.1 to 1006.86, all inclusive, of the order regulating the handling of milk in the Florida marketing area (7 CFR part 1006), which is annexed hereto; and

II. The following provision:
§ 1006.87—Record of milk handled and

authorization to correct typographical errors.

(a) Record of milk handled. The undersigned certifies that he/she handled during the month of [insert representative period], _____ hundredweight of milk covered by this marketing agreement.

(b) Authorization to correct typographical errors. The undersigned hereby authorizes the Deputy Administrator, or Acting Deputy Administrator, Dairy Programs, Agricultural Marketing Service, to correct any typographical errors which may have been made in this marketing agreement.

§ 1006.87 Effective Date. This marketing agreement shall become effective upon the execution of a counterpart thereof by the Secretary in accordance with § 900.14(a) of the aforesaid rules of practice and procedure.

In Witness Whereof, The contracting handlers, acting under the provisions of the Act, for the purposes and subject to the limitations herein contained and not otherwise, have hereunto set their respective hands and seals.

Signature

By (Name) _____

(Title) _____

(Address) _____

(Seal)

Attest

[FR Doc. 2018-06286 Filed 3-29-18; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1216

[Document Number AMS-SC-16-0115]

Peanut Promotion, Research, and Information Order; Change in Assessment Rate Computation

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This proposal invites comments on changing the assessment rate computation under the Agricultural Marketing Service's (AMS) regulations regarding a national research and promotion program for U.S. peanuts. This proposal would change the basis for assessment under the regulations from value to volume (per ton). Two rates of assessment would be established instead of using a formula currently specified in the regulations. This proposal would also update the

definition for "fiscal year" specified in the regulations to reflect current practices.

DATES: Comments must be received by April 30, 2018.

ADDRESSES: Interested persons are invited to submit written comments concerning this proposal. Comments may be submitted on the internet at: <http://www.regulations.gov> or to the Promotion and Economics Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW., Room 1406-S, Stop 0244, Washington, DC 20250-0244; facsimile: (202) 205-2800. All comments should reference the document number and the date and page number of this issue of the **Federal Register** and will be made available for public inspection, including name and address, if provided, in the above office during regular business hours or it can be viewed at <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Jeanette Palmer, Marketing Specialist, Promotion and Economics Division, Specialty Crops Program, AMS, USDA, Stop 0244, 1400 Independence Avenue SW, Room 1406-S, Washington, DC 20250-0244; telephone: (202) 720-9915; facsimile: (202) 205-2800; or electronic mail: Jeanette.Palmer@ams.usda.gov.

SUPPLEMENTARY INFORMATION: This proposal affecting 7 CFR part 1216 is authorized under the Commodity Promotion, Research, and Information Act of 1996 (1996 Act)(7 U.S.C. 7411-7425).

Executive Orders 12866, 13563, and 13771

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 action falls within a category of regulatory actions that the Office of Management and Budget (OMB) exempted from Executive Order 12866 review. Additionally, because this proposed rule does not meet the definition of a significant regulatory action it does not trigger the requirements contained in Executive Order 13771. See OMB's Memorandum titled "Interim Guidance Implementing Section 2 of the Executive Order of January 30, 2017, titled 'Reducing

Regulation and Controlling Regulatory Costs” (February 2, 2017).

Executive Order 13175

This action has been reviewed in accordance with the requirements of Executive Order 13175, Consultation and Coordination with Indian Tribal Governments. The review reveals that this proposed regulation would not have substantial and direct effects on Tribal governments and would not have significant Tribal implications.

Executive Order 12988

This proposal has been reviewed under Executive Order 12988, Civil Justice Reform. It is not intended to have retroactive effect. Section 524 of the 1996 Act (7 U.S.C. 7423) provides that it shall not affect or preempt any other Federal or State law authorizing promotion or research relating to an agricultural commodity.

Under section 519 of the 1996 Act (7 U.S.C. 7418), a person subject to an order may file a written petition with USDA stating that an order, any provision of an order, or any obligation imposed in connection with an order, is not established in accordance with the law, and request a modification of an order or an exemption from an order. Any petition filed challenging an order, any provision of an order, or any obligation imposed in connection with an order, shall be filed within two years after the effective date of an order, provision, or obligation subject to challenge in the petition. The petitioner will have the opportunity for a hearing on the petition. Thereafter, USDA will issue a ruling on the petition. The 1996 Act provides that the district court of the United States for any district in which the petitioner resides or conducts business shall have the jurisdiction to review a final ruling on the petition, if the petitioner files a complaint for that purpose not later than 20 days after the date of the entry of USDA’s final ruling.

Background

This proposal invites comments on changing the assessment rate computation under the Peanut Promotion, Research, and Information Order. Part 1216 is administered by the Board with oversight by USDA. This proposal would change the basis for assessment under the program from value to volume (per ton). Two rates of assessment would be established instead of using a formula currently specified in the part. The assessment rates would be \$3.55 per ton for Segregation 1 peanuts and \$1.25 per ton for lower quality Segregation 2 and 3 peanuts. This action was unanimously

recommended by the National Peanut Board (Board) and would help facilitate program operations by providing a more predictable revenue stream for the Board. This proposal would also update the definition for fiscal year specified in the part to reflect current practices.

The peanut program took effect in 1999. Under the regulations, the Board administers a nationally-coordinated program of promotion, research, and information designed to strengthen the position of peanuts in the market place and to develop, maintain, and expand the demand for U.S. peanuts.

Section 1216.48(m) provides authority for the Board to recommend to the Secretary amendments to the regulations as the Board considers appropriate.

Section 1216.51 specifies that the funds necessary to pay for programs and other authorized costs shall be acquired by levying assessments upon producers in a manner prescribed by the Secretary. The assessments are collected by first handlers from producers and remitted to the Board no later than 60 days after the last day of the month in which the peanuts were marketed. Paragraph (c) of that section states that assessments shall be levied based on *value* at a rate of one percent of the price paid for all farmers stock peanuts sold. As defined in § 1216.9, “farmers stock peanuts” means picked or threshed peanuts produced in the United States which have not been changed (except for removal of foreign material, loose shelled kernels and excess moisture) from the condition in which picked or threshed peanuts are customarily marketed by producers, plus any loose shelled kernels that are removed before they are marketed.

For producers who place their peanuts in a USDA loan program,¹ assessments are levied at a rate of one percent of the loan value. The loan value is equivalent to the national loan rate for peanuts established by Congress and currently averages \$355 per ton.² (The rate will vary depending upon the quality of the peanuts.) For peanuts placed under loan, USDA deducts from the loan paid to the producer one percent of the loan value and remits this to the Board. This computes to an average assessment rate of \$3.55 per ton.

¹ USDA’s Farm Service Agency administers a marketing assistance program for peanuts on behalf of the Commodity Credit Corporation. Under this program, producers may apply for a loan which allows them to store their production and pledge the peanuts as collateral instead of selling them immediately after the fall harvest. <https://www.fsa.usda.gov/programs-and-services/price-support/commodity-loans/non-recourse-loans/peanut-program/index>.

² https://www.fsa.usda.gov/news-room/news-releases/2017/nr_20170707_rel_0074.

(This rate will also vary depending upon the quality of the peanuts).

Over the past three years (2014–2016), about \$8.6 million in assessments has been collected under the program annually. Assessments collections totaled \$7,284,050³ in 2014, \$8,811,444⁴ in 2015, and \$9,670,889⁵ in 2016.

In recent years, the Board has discussed the merits of modifying the formula for calculating assessments in order to receive a more predictable revenue stream for the program. A reduction in value (producer price or the loan rate) could reduce Board revenue to the point where the Board would have to drastically curtail its promotional and research activities. Producer prices declined 24 percent from 2013–2016 while production increased. According to USDA’s National Agricultural Statistics Service (NASS), the producer price was \$0.249 per pound (or \$498 per ton) in 2013⁶ and \$0.189 (or \$378 per ton) in 2016.⁷ Production in 2013 was 4.174 billion pounds⁸ and 5.685 billion pounds in 2016.⁹ For 2017, production is estimated at 7.429 billion pounds, up 31 percent from 2016.¹⁰

Board Recommendation

Thus, the Board met on April 4, 2017, and unanimously recommended changing the basis for assessment under the program from value to volume (per ton). Two rates of assessments would be established for farmers stock peanuts, depending upon their quality as defined in the Minimum Quality and Handling Standards for Domestic and Imported

³ National Peanut Board, Financial Statements with Independent Auditor’s Report and Supplementary Information, October 31, 2014, Brooks, McGinnis & Company, LLC, p. 14.

⁴ National Peanut Board, Financial Statements with Independent Auditor’s Report and Supplementary Information, October 31, 2015, Brooks, McGinnis & Company, LLC, p. 12.

⁵ National Peanut Board, Financial Statements with Independent Auditor’s Report and Supplementary Information, October 31, 2016, Brooks, McGinnis & Company, LLC, p. 14.

⁶ USDA Crop Values Summary 2014, February 2015, p. 8; http://usda.mannlib.cornell.edu/usda/nass/CropValuSu//2010s/2015/CropValuSu-02-24-2015_correction.pdf.

⁷ USDA, Crop Values Summary 2016, February 2017, p. 7; http://usda.mannlib.cornell.edu/usda/nass/CropValuSu//2010s/2017/CropValuSu-02-24-2017_revision.pdf.

⁸ USDA, Crop Production Summary 2013, January 2014, p. 79; <http://usda.mannlib.cornell.edu/usda/nass/CropProdSu//2010s/2014/CropProdSu-01-10-2014.pdf>.

⁹ USDA, Crop Production Summary 2016, February 2017, p. 101; <http://usda.mannlib.cornell.edu/usda/current/CropProdSu/CropProdSu-01-12-2017.pdf>.

¹⁰ USDA Crop Production, August 10, 2017, p. 31; <https://www.usda.gov/nass/PUBS/TODAYRPT/crop0817.pdf>.

Peanuts Marketed in the United States (Standards) codified in 7 CFR part 996.¹¹ The assessment rates would be \$3.55 per ton for Segregation 1 peanuts and \$1.25 per ton for lower quality Segregation 2 and 3 peanuts. (Section 517(d) of the 1996 Act provides authority for a board to recommend to the Secretary one or more rates of assessment under a program (7 U.S.C. 7416)).

Pursuant to § 996.13(b) of the Standards, “Segregation 1 peanuts” means farmers stock peanuts with not more than 3.49 percent damaged kernels nor more than 1.00 percent concealed damage caused by rancidity, mold, or decay and which are free from visible *Aspergillus flavus*. Pursuant to § 996.13(c), “Segregation 2 peanuts” means farmers stock peanuts with more than 3.49 percent damaged kernels or more than 1.00 percent concealed damage caused by rancidity, mold, or decay and which are free from visible *Aspergillus flavus*. Pursuant to § 996.13(d), “Segregation 3 peanuts” means farmers stock peanuts with visible *Aspergillus flavus*.

This action would help facilitate program operations by providing a more predictable revenue stream for the Board to carry out its mission. Section 1216.51 is proposed to be revised accordingly.

This proposal would reference § 996.13(b), (c) and (d) of the Standards which define the terms Segregation 1 peanuts, Segregation 2 peanuts, and Segregation 3 peanuts, respectively.

Further, this proposal would revise § 1216.11 regarding the term ‘fiscal year’ from the 12-month period beginning August 1 of any year and ending July 31 of the following year to the 12-month period beginning November 1 of any year and ending October 31 of the following year to reflect current industry practices. That section also defines the term crop year to mean the same as fiscal year. The term crop year is not referenced elsewhere in part 1216 and is thus not necessary. This proposal would remove that term from § 1216.11. Section 1216.11 is proposed to be revised accordingly.

Initial Regulatory Flexibility Act Analysis

In accordance with the Regulatory Flexibility Act (RFA) (5 U.S.C. 601–612), AMS is required to examine the impact of the proposed rule on small entities. Accordingly, AMS has

considered the economic impact of this action on such entities.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions so that small businesses will not be disproportionately burdened. The Small Business Administration (SBA) defines, in 13 CFR part 121, small agricultural producers as those having annual receipts of no more than \$750,000 and small agricultural service firms (handlers) as those having annual receipts of no more than \$7.5 million.

According to the Board, there are approximately 7,600 producers and 33 handlers of peanuts covered under the program.

Most producers would be classified as small businesses under the criteria established by the SBA. USDA’s NASS reports that the farm value of the peanuts produced in the top 11 States in 2016 was \$1.077 billion.¹² Dividing the 2016 crop value by 7,600 producers yields an average peanut sales per producer estimate of approximately \$142,000. This is well below the threshold level of \$750,000 in annual sales, indicating that most peanut producers would be classified by the SBA as small businesses.

Dividing the 2016 crop value by 33 handlers yields an average peanut crop value per handler of about \$33 million. This is many times larger than the \$7.5 million SBA threshold and is thus an indication that most of the handlers would not be classified as small businesses.

U.S. peanut production from the 11 major peanut-producing States in 2016 was 5.685 billion pounds.¹³ Georgia was the largest producer (49 percent of U.S. production), followed by Alabama (11 percent), Texas (10 percent), Florida (10 percent), South Carolina (6 percent), North Carolina (6 percent), Mississippi (3 percent), Arkansas (2 percent), Virginia (1 percent), Oklahoma (1 percent) and New Mexico (less than 1 percent). According to the 2012 Census of Agriculture,¹⁴ small amounts of peanuts were also grown in seven other States.

If the number of peanut producers (7,600) is divided into total 2016 U.S. production (5.685 billion pounds), the resulting average peanut production per

producer is approximately 748,000 pounds.

This proposal would revise § 1216.51 to change the basis for assessment from value to volume (per ton). The program is administered by the Board with oversight by USDA. Two rates of assessment would be established instead of using a formula currently specified in the regulations. The assessment rates would be \$3.55 per ton for Segregation 1 peanuts and \$1.25 per ton for lower quality Segregation 2 and 3 peanuts. This action was unanimously recommended by the Board and would help facilitate program operations by providing a more predictable revenue stream for the Board. Authority for this action is provided in § 1216.48(m) and section 517 of the 1996 Act. This proposal would also update the definition for fiscal year specified in § 1216.11 to reflect current practices. That section provides authority for the Board, with approval of the Secretary, to change the fiscal year.

Regarding the economic impact of this proposed rule on affected entities, this action would change the basis of assessment from value to volume (per ton). The rates of assessment recommended by the Board are comparable to the rates that have been in effect since the inception of the program.¹⁵ While assessments impose additional costs on producers, the costs are minimal and uniform on all. The costs would also be offset by the benefits derived from the operation of the program. (The update to § 1216.11 regarding the fiscal year is administrative in nature.)

Regarding the impact of the peanut program on the industry as a whole, the program has been successful in helping to build demand and improve producer returns. A 2014 economic study shows that the program helped to increase demand by 15 percent from 2007–2013, and that each dollar invested in Board activities over the period returned \$8.87 to the producer.¹⁶

With regard to alternatives, the Board has been considering revising the assessment rate computation for a number of years. The Board considered revising the assessment rate to equal a weighted average of the value of Segregation 1, 2, and 3 peanuts as reported by the NASS for the prior year. However, this would still link the assessment rate to value. Another option would be to maintain the status quo.

¹⁵ This action would not increase the assessment rate. Therefore, a referendum is not required (see § 1216.51(j)).

¹⁶ Kaiser, Harry, An Economic Analysis of the National Peanut Board, August 11, 2014, p. 1. The analysis is available from USDA or the Board.

¹¹ 7 CFR part 996 took effect in 2002 and requires U.S. and imported peanuts to meet certain quality standards (67 FR 57129; September 9, 2002).

¹² USDA, Crop Values Summary 2016, February 2017, p. 9; http://usda.mannlib.cornell.edu/usda/nass/CropValuSu//2010s/2017/CropValuSu-02-24-2017_revision.pdf.

¹³ USDA Crop Production, August 10, 2017, p. 16; <https://www.usda.gov/nass/PUBS/TODAYRPT/crop0817.pdf>.

¹⁴ USDA 2012 Census of Agriculture; p. 444; https://www.agcensus.usda.gov/Publications/2012/Full_Report/Volume_1_Chapter_1_US/usv1.pdf.

After review and deliberation, the Board unanimously recommended revising the basis for assessment under the program from value to volume as described herein.

To calculate the percentage of producer revenue represented by the assessment rate, the proposed assessment rates are divided by the average producer price. The proposed assessment rates are \$3.55 per ton (\$0.001775 per pound) for Segregation 1 peanuts and \$1.25 per ton (\$0.000625 per pound) for Segregation 2 and 3 peanuts. According to NASS, the average producer price ranged from \$0.193 per pound in 2015 to \$0.189 per pound in 2016.¹⁷ Thus, the proposed assessment rates as a percentage of producer price could range from 0.92 to 0.94 percent for Segregation 1 peanuts and from 0.32 to 0.33 percent for Segregation 2 and 3 peanuts.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the information collection and recordkeeping requirements that are imposed by the program have been approved previously under OMB control number 0581-0093. This proposed rule would not result in a change to the information collection and recordkeeping requirements previously approved and would impose no additional reporting and recordkeeping burden on peanut producers or first handlers.

As with all Federal promotion programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies. Finally, USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this proposed rule.

AMS is committed to complying with the E-Government Act, 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.

In regard to outreach efforts, Board members have been conducting outreach to educate industry members about the need for changing the basis of assessment since January 2016. The issue has been discussed at Board meetings over the past few years. The Board has also conducted outreach to the major peanut associations and has received positive feedback. All of the Board's meetings are open to the public

and interested persons are invited to participate and express their views.

AMS has performed this initial RFA regarding the impact of this proposed action on small entities and invites comments concerning potential effects of this action.

USDA has determined that this proposed rule is consistent with and would effectuate the purposes of the 1996 Act.

A 30-day comment period is provided to allow interested persons to respond to this proposal. Thirty days is deemed appropriate because this action would need to be completed by the spring of 2018 so that USDA would have sufficient time to code the assessment rates into its computer system to administer its loan program. (USDA collects the assessments for peanuts placed under loan by producers and remits the assessments to the Board.) All written comments received in response to this proposed rule will be considered prior to finalizing this action.

List of Subjects in 7 CFR Part 1216

Administrative practice and procedure, Advertising, Consumer information, Marketing agreements, Peanut promotion, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 1216 is proposed to be amended as follows:

PART 1216—PEANUT PROMOTION, RESEARCH, AND INFORMATION ORDER

■ 1. The authority citation for 7 CFR part 1216 continues to read as follows:

Authority: 7 U.S.C. 7411-7425; 7 U.S.C. 7401.

■ 2. Revise § 1216.11 to read as follows:

§ 1216.11 Fiscal year.

Fiscal year means the 12-month period beginning with November 1 of any year and ending with October 31 of the following year, or such other period as determined by the Board and approved by the Secretary.

■ 3. In § 1261.51, revise paragraphs (c) and (d), remove paragraph (e), and redesignate paragraphs (f) through (j) as paragraphs (e) through (i) to read as follows:

§ 1216.51 Assessments.

* * * * *

(c) Such assessments shall be levied on all farmers stock peanuts sold at a rate of \$3.55 per ton for Segregation 1 peanuts and \$1.25 per ton for Segregation 2 peanuts and 3 peanuts, as those terms are defined in § 996.13(b)-(d) of this title.

(d) For peanuts placed under a marketing assistance loan with the Department's Commodity Credit Corporation, the Commodity Credit Corporation, or any entity determined by the Commodity Credit Corporation shall deduct and remit to the Board, from the proceeds of the loan paid to the producer, the assessment per ton as specified in paragraph (c) of this section, no more than 60 days after the last day of the month in which the peanuts were placed under a marketing assistance loan.

* * * * *

Dated: March 23, 2018.

Bruce Summers,
Acting Administrator.

[FR Doc. 2018-06283 Filed 3-29-18; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2017-0792; Product Identifier 2017-NE-28-AD]

RIN 2120-AA64

Airworthiness Directives; General Electric Company Turbofan Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Supplemental notice of proposed rulemaking (SNPRM); reopening of comment period.

SUMMARY: We are revising an earlier proposal for certain General Electric Company (GE) CF6-80A, CF6-80A1, CF6-80A2, CF6-80A3, CF6-80C2A1, CF6-80C2A2, CF6-80C2A3, CF6-80C2A5, CF6-80C2A5F, CF6-80C2A8, CF6-80C2B1, CF6-80C2B1F, CF6-80C2B2, CF6-80C2B2F, CF6-80C2B4, CF6-80C2B4F, CF6-80C2B5F, CF6-80C2B6, CF6-80C2B6F, CF6-80C2B6FA, CF6-80C2B7F, CF6-80C2D1F, CF6-80C2L1F, and CF6-80C2K1F turbofan engines. This action revises the notice of proposed rulemaking (NPRM) by removing certain engine models and adding a new part number (P/N) to the applicability and by revising the references to the service information. We are proposing this airworthiness directive (AD) to address the unsafe condition on these products. Since these actions would impose an additional burden over those in the NPRM, we are reopening the comment period to allow the public the chance to comment on these changes.

DATES: The comment period for the NPRM published in the **Federal**

¹⁷ USDA, Crop Values Summary 2016, February 2017, p. 27; http://usda.mannlib.cornell.edu/usda/nass/CropValuSu//2010s/2017/CropValuSu-02-24-2017_revision.pdf.