change would be that any USAID recipient—whether non-profit or for-profit—would be able to use the addition method for program income, subject to all the same regulations. Section 2 CFR 700.13 would continue to state that for-profit entities cannot use the addition method for using program income as profit.

USAID is seeking public comments on the proposed change to 2 CFR 700.13. This proposed change will allow program income earned by a for-profit entity to be added to Federal awards as an option under 2 CFR 200.307(e), when such program income is used for the purposes and under the conditions of the Federal award.

D. Regulatory Considerations

1. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 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). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This proposed rule is not a major rule under 5 U.S.C. 804.

2. Regulatory Flexibility Act

The proposed rule will not have an impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.* Therefore, an Initial Regulatory Flexibility Analysis has not been performed.

3. Paperwork Reduction Act

The proposed rule does not establish a new collection of information that requires the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. chapter 35).

List of Subjects in 2 CFR Part 700

Grant programs, Grants administration.

For the reasons discussed in the preamble, USAID proposes to amend 2 CFR part 700 as set forth below:

PART 700—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

■ 1. The authority citation for 2 CFR part 700 continues to read as follows:

Authority: Sec. 621, Pub. L. 87–195, 75 Stat. 445, (22 U.S.C. 2381) as amended; E.O. 12163, Sept. 29, 1979, 44 FR 56673; 3 CFR 1979 Comp., p. 435.

§ 700.13 [Amended]

■ 2. Amend § 700.13 by removing and reserving paragraph (a)(2).

Mark Anthony Walther,

Chief Acquisition Officer.

[FR Doc. 2022–12736 Filed 6–16–22; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Parts 920 and 944

[Doc. No. AMS–SC–21–0098; SC21–920–1 PR]

California and Imported Kiwifruit; Handling Regulations

AGENCY: Agricultural Marketing Service, Department of Agriculture (USDA).

ACTION: Proposed rule.

SUMMARY: This proposed rule would implement a recommendation from the Kiwifruit Administrative Committee (Committee) to modify the handling regulations prescribed under the Federal marketing order for kiwifruit grown in California. This action would revise the size and uniformity requirements for all varieties of *Actinidia chinensis* species kiwifruit, which is commonly known as golden kiwifruit, regulated under the marketing order. A corresponding change would be made to the kiwifruit import regulation as required under section 8e of the Agricultural Marketing Agreement Act of 1937.

DATES: Comments must be received by August 16, 2022.

ADDRESSES: Interested persons are invited to submit written comments concerning this proposed rule. Comments must be sent to the Docket Clerk, Market Development Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250–0237; Fax: (202) 720–8938; or internet: *https://www.regulations.gov.* 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 in the Office of the Docket Clerk during regular business hours, or can be viewed at: *https://www.regulations.gov.* All comments submitted in response to this proposed rule will be included in the record and will be made available to the public. Please be advised that the identity of the individuals or entities submitting the comments will be made public on the internet at the address provided above.

FOR FURTHER INFORMATION CONTACT: Barry Broadbent, Senior Marketing Specialist, or Gary Olson, Regional Director, Western Region Field Office, Market Development Division, Specialty Crops Program, AMS, USDA; Telephone: (503) 326–2724, or Email: *Barry.Broadbent@usda.gov* or *GaryD.Olson@usda.gov.*

Small businesses may request information on complying with this regulation by contacting Richard Lower, Market Development Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250–0237; Telephone: (202) 720–2491, or Email: *Richard.Lower@usda.gov.*

SUPPLEMENTARY INFORMATION: This action, pursuant to 5 U.S.C. 553, proposes to amend regulations issued to carry out a marketing order as defined in 7 CFR 900.2(j). This proposed rule is issued under Marketing Order No. 920, as amended (7 CFR part 920), regulating the handling of kiwifruit grown in California. Part 920, (referred to as the ''Order'') is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), hereinafter referred to as the ''Act.'' The Committee locally administers the Order and comprises kiwifruit growers operating within the production area, and a public member.

This proposed rule is also issued under section 8e of the Act (7 U.S.C. 608e–1), which provides that whenever certain specified commodities, including kiwifruit, are regulated under a Federal marketing order, imports of these commodities into the United States are prohibited unless they meet the same or comparable grade, size, quality, or maturity requirements as those in effect for domestically produced commodities.

The Agricultural Marketing Service (AMS) is issuing this proposed rule in conformance with 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 action falls within a category of regulatory actions that the Office of Management and Budget (OMB) exempted from Executive Order 12866 review.

This proposed rule has been reviewed under Executive Order 13175—Consultation and Coordination with Indian Tribal Governments, which requires agencies to consider whether their rulemaking actions would have tribal implications. AMS has determined this proposed rule is unlikely to have substantial direct effects on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. This proposed rule is not intended to have retroactive effect.

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 USDA 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. A handler is afforded the opportunity for a hearing on the petition. After the hearing, USDA 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 USDA's ruling on the petition, provided an action is filed no later than 20 days after the date of the entry of the ruling.

There are no administrative procedures that must be exhausted prior to any judicial challenge to the provisions of import regulations issued under section 8e of the Act.

Under the provisions of the Order, fresh market shipments of kiwifruit produced in California are required to be inspected and are subject to grade, size, quality, maturity, pack, and container requirements. This proposed rule would revise the minimum size and uniformity requirements for certain varieties of kiwifruit handled under the Order. As required by section 8e of the Act, the proposed revision to the minimum size requirement would also be applied to the import regulations for kiwifruit.

Section 920.51 of the Order provides authority for the Committee to recommend regulations to the Secretary. Section 920.52 of the Order provides authority for the establishment of handling regulations. Further, § 920.53 provides the authority to recommend the modification, suspension, or termination of such regulations when the Committee finds that industry conditions so dictate. Section 920.302 establishes the minimum grade, size, quality, maturity, pack, and container requirements for kiwifruit handled subject to the Order. Under the authority of § 920.53, the Committee has determined that the production and marketing conditions for some varieties of kiwifruit have changed and that the handling requirements should be modified accordingly.

Currently, the handling regulations require that all varieties of kiwifruit be a minimum Size 45, defined as a maximum of 55 pieces of fruit in an 8-pound sample. In addition, kiwifruit packed in containers are required to be fairly uniform in size.

At its meeting on September 29, 2021, the Committee unanimously recommended modifying the regulations to accommodate varieties of *Actinidia chinensis* species kiwifruit that are characteristically smaller in size and less uniform than the more common varieties grown in California that are *Actinidia deliciosa* species. No other species of kiwifruit are known to be grown in California.

This proposed rule would relax the minimum size requirement for all varieties of *Actinidia chinensis* species kiwifruit to Size 49, defined in the requirements as a maximum of 64 pieces of fruit in an 8-pound sample. In addition, the proposed rule would exempt all varieties of *Actinidia chinensis* species kiwifruit from the current requirement that fruit packed in a container be fairly uniform in size.

At the time that the Order's handling regulations were established in 1985, practically all the kiwifruit grown in California were varieties of the *Actinidia deliciosa* species. As such, the requirements were implemented to accommodate the characteristics of those varieties. Recently, production of varieties of *Actinidia chinensis* species kiwifruit has been increasing in California. This sector of the industry now accounts for approximately eight percent of the acreage and five percent of the production in the state. Given the natural characteristics of *Actinidia chinensis* species kiwifruit, the current minimum size and uniformity requirements preclude some high-quality kiwifruit from entering the fresh market. Relaxing the minimum requirements for those varieties would allow growers to market more of their fruit in the fresh market, increasing their total revenue. The proposed change is expected to benefit domestic kiwifruit growers, handlers, and consumers.

Section 8e of the Act provides that when certain domestically produced commodities, including kiwifruit, are regulated under a Federal marketing order, imports of that commodity must meet the same or comparable grade, size, quality, and maturity requirements. Since this proposed action would modify the minimum size requirement for varieties of *Actinidia chinensis* species kiwifruit under the domestic handling regulations, a corresponding change would need to be made to the import regulations.

Minimum grade, size, quality, and maturity requirements for kiwifruit imported into the United States are currently in effect under § 944.550 (7 CFR 944.550). Paragraph (a) of that section specifies the minimum size requirement. This proposed rule would lower the minimum size requirement for varieties of *Actinidia chinensis* species kiwifruit to Size 49, defined as a maximum of 64 pieces of kiwifruit in an 8-pound sample. In accordance with the Act, under the kiwifruit import regulations, imported kiwifruit are not subject to container and pack requirements. Accordingly, the proposed change in the Order's uniformity requirement would not affect the kiwifruit import requirements.

The relaxation in the size requirements for imports of *Actinidia chinensis* varieties would allow a greater quantity of kiwifruit to be imported. The proposed change is expected to benefit kiwifruit importers and consumers of imported kiwifruit.

Initial Regulatory Flexibility Analysis

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601–612), AMS has considered the economic impact of this action on small entities. Accordingly, 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 are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Import regulations issued

under the Act are based on those established under Federal marketing orders.

There are approximately 133 kiwifruit growers in the production area and 20 handlers subject to regulation under the Order. In addition, there are approximately 80 importers of kiwifruit. Small agricultural producers are defined by the Small Business Administration (SBA) as those having annual receipts less than $1,000,000. Small agricultural service firms, which include kiwifruit handlers and importers, are defined by the SBA as those having annual receipts of less than $30,000,000.

The USDA National Agricultural Statistics Service (NASS) reported that total production of California kiwifruit for the 2020–2021 season was 39,760 tons. NASS further reported that the average producer price was $1,920 per ton over that period. Multiplying $1,920 per ton by the production quantity of 39,760 tons yields an annual crop revenue estimate of $76,339,200. The average annual fresh kiwifruit revenue for each of the 133 growers for the 2020–2021 season is therefore calculated to be $573,979 ($76,339,200 divided by 133), which is less than the SBA threshold of $1,000,000 for small producers. Therefore, on average and given a normal distribution, the majority of growers may be classified as small businesses.

In addition, based on information reported by USDA's Market News Service (Market News), the average Free On Board (F.O.B.) shipping point price for California kiwifruit over the 2020–2021 season was $23.28 per 9 kilogram container (19.8 pounds equivalent). Multiplying $23.28 by the shipment quantity of 4,016,162 containers (39,760 tons times 2,000 pounds per ton divided by 19.8 pounds) yields an annual crop revenue estimate of $93,496,251. The average annual fresh kiwifruit revenue for each of the 20 handlers is therefore calculated to be $4,674,813 ($93,496,251 divided by 20), which is below the SBA threshold of $30,000,000 for agricultural service firms. Therefore, on average and assuming a normal distribution, the majority of the handlers may be classified as small businesses.

Further, USDA's Foreign Agricultural Service reported 80,279 metric tons of kiwifruit were imported during the 2020–2021 season with a reported value of $184,488,000. Using that data, the average revenue for each of the approximately 80 kiwifruit importers would have been $2,306,100 ($184,488,000 divided by 80), which is below the $30,000,000 SBA threshold for small agricultural service firms. As such, the majority of kiwifruit importers may be classified as small businesses.

This proposed rule would relax the minimum size and uniformity requirements currently prescribed in the Order's handling regulations. The proposed rule would lower the minimum size requirement for all varieties of *Actinidia chinensis* species kiwifruit from Size 45 to 49, defined in the requirements as a maximum of 64 pieces of fruit in an 8-pound sample. In addition, the proposed rule would exempt all varieties of *Actinidia chinensis* species kiwifruit from the current container requirement that fruit be fairly uniform in size.

This proposed action would not impose any additional costs to the industry. It is expected to increase revenue to handlers and growers of *Actinidia chinensis* species varieties of kiwifruit, as smaller size fruit, and fruit that lacks uniformity, would be allowed to enter the market. The quality of fruit to consumers is not expected to be significantly affected, as relaxing the size and uniformity requirements would not impact the Order's minimum quality requirements. All kiwifruit marketed under the Order would continue to be packed to the minimum grade of KAC No.1.

The Committee considered alternatives to the recommended changes, including taking no action and continuing to regulate according to the requirements as currently established. In addition, the Committee considered lowering the size requirements for all varieties of kiwifruit. However, the Committee determined that the current minimum size requirement is effective for *Actinidia deliciosa* varieties and that it should not be changed. The Committee also considered establishing other minimum sizes for *Actinidia chinensis* varieties higher and lower than the minimum size recommended, but believed that Size 49 would allow more fruit to be marketed and still maintain the high standards of California kiwifruit. Ultimately, the Committee determined that relaxation of the handling regulation, as recommended, was in the best interests of the growers, handlers, and consumers of California kiwifruit and rejected all other alternatives.

Committee meetings were widely publicized throughout the California kiwifruit industry. All interested persons were invited to attend meetings and participate in Committee deliberations. Like all Committee meetings, the September 27, 2021, meeting was a public meeting, and all entities, both large and small, were able to express their views on this issue. Also, the embassies of countries that export kiwifruit to the United States, and known kiwifruit importers, will be notified of this proposed rule upon its publication. Finally, interested persons are invited to submit comments on this proposed rule, including the regulatory and informational impacts of this action on small businesses.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Order's information collection requirements have been previously approved by the Office of Management and Budget (OMB) and assigned OMB No. 0581–0189, Fruit Crops. No changes in those requirements are necessary as a result of this action. Should any changes become necessary, they would be submitted to OMB for approval.

This proposed rule would not impose any additional reporting or recordkeeping requirements on either small or large kiwifruit 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. 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.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: *https://www.ams.usda.gov/rules-regulations/moa/small-businesses.* Any questions about the compliance guide should be sent to Richard Lower at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

After consideration of all relevant material presented, including the information and recommendations submitted by the Committee and other available information, USDA has determined that this proposed rule is consistent with and will effectuate the purposes of the Act.

In accordance with section 8e of the Act, the United States Trade Representative has concurred with the issuance of this proposed rule.

A 60-day comment period is provided to allow interested persons to respond to this proposal. All written comments timely received will be considered before a final determination is made on this matter.

List of Subjects

7 CFR Part 920

Kiwifruit, Marketing agreements, Reporting and recordkeeping requirements.

7 CFR Part 944

Avocados, Food grades and standards, Grapefruit, Grapes, Imports, Kiwifruit, Limes, Olives, Oranges, Plums, Prunes.

For the reasons set forth in the preamble, the Agricultural Marketing Service proposes to amend 7 CFR parts 920 and 944 as follows:

PART 920—KIWIFRUIT GROWN IN CALIFORNIA

■ 1. The authority citation for 7 CFR part 920 continues to read as follows:

Authority: 7 U.S.C. 601–674.

■ 2. Amend § 920.302 by:
■ a. Revising paragraphs (a)(2), (a)(4) heading, and (a)(4)(i); and
■ b. In paragraph (a)(4)(ii)(A):
■ i. Designating the table as table 1 to paragraph (a)(4)(ii)(A);
■ ii. Revising the three column headings;
■ iii. Removing the entry for ''45 or smaller'' and adding an entry for ''45'' in its place; and
■ iv. Adding an entry for ''49'' in numerical order and footnotes 1 and 2 at the end of the table.

The revisions and additions read as follows:

§ 920.302 Grade, size, pack, and container regulations.

(a) * * *

(2) *Size requirements.* Such kiwifruit, except for varieties of the *Actinidia chinensis* species, shall be at least a minimum Size 45, defined as a maximum of 55 pieces of fruit in an 8-pound sample. Varieties of the *Actinidia chinensis* species shall be at least a minimum Size 49, defined as a maximum of 64 pieces of fruit in an 8-pound sample.

* * * * *

(4) *Pack requirements.* (i) Kiwifruit packed in containers with cell compartments, cardboard fillers, or molded trays shall be of proper size for the cells, fillers, or molds in which they are packed. Such fruit, except for varieties of the *Actinidia chinensis* species, shall be fairly uniform in size.

(ii)(A) * * *

TABLE 1 TO PARAGRAPH (a)(4)(ii)(A)—SIZE DESIGNATION AND SIZE VARIATION CHART

Size designation	Maximum number of fruit per 8-pound sample	Size variation tolerance (diameter) [1]
* * * * * * *		
45	55	¼-inch (6.4 mm).
49 [2]	64	Not applicable.

[1] Not applicable to *Actinidia chinensis* species varieties.
[2] Applicable only to *Actinidia chinensis* species varieties.

* * * * *

PART 944—FRUITS; IMPORT REGULATIONS

■ 3. The authority citation for 7 CFR part 944 continues to read as follows:

Authority: 7 U.S.C. 601–674.

■ 4. Amend § 944.550 by revising paragraph (a) to read as follows:

§ 944.550 Kiwifruit import regulation.

(a) Pursuant to section 8e of the Agricultural Marketing Agreement Act of 1937, as amended, the importation into the United States of any kiwifruit is prohibited unless such kiwifruit meets all the requirements of a U.S. No. 1 grade as defined in the United States Standards for Grades of Kiwifruit (7 CFR 51.2335 through 51.2340), except that the kiwifruit shall be ''not badly misshapen,'' and an additional tolerance of 16 percent is provided for kiwifruit that is ''badly misshapen,'' and except that such kiwifruit shall have a minimum of 6.2 percent soluble solids. Such fruit, except for varieties of the *Actinidia chinensis* species, shall be at least Size 45, which means there shall be a maximum of 55 pieces of fruit in an 8-pound sample. Varieties of the *Actinidia chinensis* species shall be at least Size 49, which means there shall be a maximum of 64 pieces of fruit in an 8-pound sample. The average weight of all samples in a specific lot must weigh at least 8 pounds (3.632 kilograms), provided that no individual sample may be less than 7 pounds 12 ounces (3.472 kilograms).

* * * * *

Erin Morris,

Associate Administrator, Agricultural Marketing Service.

[FR Doc. 2022–13004 Filed 6–16–22; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2022–0599; Project Identifier MCAI–2021–00456–A]

RIN 2120–AA64

Airworthiness Directives; Piaggio Aero Industries S.p.A. Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for certain Piaggio Aero Industries S.p.A. (Piaggio) Model P–180 airplanes. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI identifies the unsafe condition as corrosion in the bottom fuselage area of the cabin compartment due to inner and outer sides of fuselage skin panels of certain airplanes treated with the less effective primer. This proposed AD would require repetitively inspecting the fuselage skin panels, visually inspecting the entire fuselage inner side skin if necessary, and taking any necessary corrective actions. The FAA is proposing this AD to address the unsafe condition on these products.

DATES: The FAA must receive comments on this proposed AD by August 1, 2022.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to *https://www.regulations.gov.* Follow the instructions for submitting comments.
- *Fax:* (202) 493–2251.