Federal Register
Vol. 65, No. 93
Friday, May 12, 2000

Rules and Regulations

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 989

[Docket No. FV00–989–2 FR]

Raisins Produced From Grapes Grown in California; Increase in Compensation Rate for Handlers' Services Performed Regarding Reserve Raisins

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule increases, by approximately 15 percent, the compensation rate for handlers' services performed in connection with reserve raisins covered under the Federal marketing order for California raisins (order). The order regulates the handling of raisins produced from grapes grown in California and is administered locally by the Raisin Administrative Committee (Committee). These changes are necessary to reflect current industry costs.

EFFECTIVE DATE: August 1, 2000.

FOR FURTHER INFORMATION CONTACT: Maureen T. Pello, Marketing Specialist, California Marketing Field Office, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 2202 Monterey Street, suite 102B, Fresno, California 93721; telephone: (559) 487–5901, Fax: (559) 487–5906; or George Kelhart, Technical Advisor, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, room 2525–S, P.O. Box 96456, Washington, DC 20090–6456; telephone: (202) 720–2491, or Fax: (202) 720–5698.

Small businesses may request information on complying with this regulation by contacting Jay Guerber, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, P.O. Box 96456, room 2525–S, Washington, DC 20090–6456; telephone (202) 720–2491, Fax: (202) 720–5698; or E-mail: Jay.Guerber@usda.gov.

SUPPLEMENTARY INFORMATION: This final rule is issued under Marketing Agreement and Order No. 989 (7 CFR part 989), both as amended, regulating the handling of raisins produced from grapes grown in California, hereinafter referred to as the ''order.'' 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 Department of Agriculture (Department) is issuing this rule in conformance with Executive Order 12866.

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule is not intended to have retroactive effect. This rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

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 the Secretary 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, the Secretary 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 in equity to review the Secretary's ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

This final rule increases the compensation rate for handlers' services performed in connection with reserve raisins covered under the order. Under the order, handlers are compensated for receiving, storing, fumigating, and handling reserve tonnage raisins acquired during a crop year. This rule increases this rate from $40 to $46 per ton to reflect current industry costs. This action was unanimously recommended by the Committee on November 10, 1999. Additional payment for reserve raisins held beyond the crop year of acquisition will be increased from $2.00 to $2.30 per ton for the first 3 months, and from $1.03 to $1.18 per ton per month for the remaining 9 months. This action was unanimously recommended by the Committee on January 13, 2000.

The order provides authority for volume regulation designed to promote orderly marketing conditions, stabilize prices and supplies, and improve producer returns. When volume regulation is in effect, a certain percentage of the California raisin crop may be sold by handlers to any market (free tonnage) while the remaining percentage must be held by handlers in a reserve pool (or reserve) for the account of the Committee. Reserve raisins are disposed of through certain programs authorized under the order. For instance, reserve raisins may be sold by the Committee to handlers for free use; used in diversion programs; carried over as a hedge against a short crop the following year; or disposed of in other outlets not competitive with those for free tonnage raisins, such as government purchase, distilleries, or animal feed. Proceeds generated from sales of reserve raisins are also used to support handler sales to export markets, which are generally lower-priced than the domestic market. Net proceeds from sales of reserve raisins are distributed to the reserve pool's equity holders, primarily producers.

Section 989.66(f) of the order specifies that handlers be compensated for receiving, storing, fumigating, and handling that tonnage of reserve raisins determined by the reserve percentage of a crop year and held by them for the account of the Committee, in accordance with a schedule of payments established by the Committee and approved by the Secretary. Such compensation is paid by the Committee to handlers as soon as practicable after the end of the second quarter of the crop year (January) and quarterly thereafter. The crop year runs from August 1 through July 31. The order also requires that the Committee review this rate annually.

Section 989.401(a) of the order's rules and regulations specifies that handlers be compensated at a rate of $40 per ton (natural condition weight at the time of acquisition) for receiving, storing, fumigating, and handling reserve raisins acquired during a particular crop year. The Committee conducted a survey among handlers to obtain data on the current costs of receiving, storing, fumigating, and handling raisins. The survey showed that such costs ranged from about $40 to $71.50 per ton. After analyzing the survey, the Committee recommended that the compensation rate provided for such services performed in connection with reserve raisins be increased from $40 to $46 per ton to reflect current industry costs. Paragraph (a)(1) of § 989.401 is modified accordingly.

In addition, the Committee recommended that payment to handlers for reserve raisins held beyond the end of a crop year be increased by the same percentage (15 percent). Additional payment for reserve raisins held beyond the crop year of acquisition is thus increased from $2.00 to $2.30 per ton for the first 3 months (August through October), and from $1.03 to $1.18 per ton per month for the remaining 9 months (November through July). Paragraph (b) of § 989.401 is modified accordingly.

This final rule also makes a minor correction to paragraph (b) of § 989.401. That paragraph, which, as indicated above, specifies the additional payment for reserve raisins held beyond the crop year of acquisition, states such additional payment for months reflecting a crop year from September 1 through August 31. However, the order was amended in 1976 to change the crop year from August 1 through July 31. Thus, the first 3 months of the crop year are August through October, rather than September through November, and the remaining 9 months of the crop year are the period November through July. Paragraph (b) of § 989.401 is modified accordingly.

Finally, this final rule makes a conforming change to paragraph (c) of § 989.401 regarding rental payment on boxes and bins containing raisins held beyond the crop year of acquisition. Persons who furnish boxes or bins used for storing reserve raisins are compensated for the use of such containers. Section 989.401(c) currently reflects a crop year from September 1 through August 31 and is modified to reflect the current August 1 through July 31 crop year.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Agricultural Marketing Service (AMS) has considered the economic impact of this action on small entities. Accordingly, AMS has prepared this final 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, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 20 handlers of California raisins who are subject to regulation under the order and approximately 4,500 raisin producers in the regulated area. Small agricultural service firms have been defined by the Small Business Administration (13 CFR 121.201) as those having annual receipts of less than $5,000,000, and small agricultural producers are defined as those having annual receipts of less than $500,000. Thirteen of the 20 handlers have annual sales estimated to be at least $5,000,000, and the remaining 7 handlers have sales less than $5,000,000, excluding receipts from any other sources. No more than 7 handlers and a majority of producers of California raisins may be classified as small entities.

Pursuant to § 989.66(f) of the order, this rule increases the compensation rate for handlers' services performed in connection with reserve raisins covered under the order. This rule revises paragraphs (a)(1) and (b) of § 989.401, respectively, to increase the handlers' compensation for receiving, storing, fumigating, and handling reserve raisins acquired during a particular crop year from $40 to $46 per ton, and increases such additional payment for reserve raisins held beyond the crop year of acquisition from $2.00 to $2.30 per ton for the first 3 months (August through October), and from $1.03 to $1.18 per ton per month for the remaining 9 months (November through July). These changes are necessary to reflect current industry costs. Conforming changes are also made to paragraphs (b) and (c) of § 989.401 to reflect the current August 1 through July 31 crop year.

Regarding the impact of this rule on affected entities, handlers and producers, the order provides that handlers store reserve raisins for the account of the Committee. Net proceeds from sales of such reserve raisins are distributed back to the reserve pool's equity holders, primarily producers. Handlers are compensated from reserve pool funds for their costs in receiving, storing, fumigating, and handling reserve raisins. Currently, handlers are compensated at a rate of $40 per ton for reserve raisins acquired during a particular crop year. For example, for the 1997–98 crop year, about 130,000 tons of raisins were held in reserve, and handlers were compensated a total of about $5.7 million from the 1997–98 reserve pool. A Committee survey showed that handler costs regarding reserve raisins has increased in recent years and that handlers have been absorbing these costs. Increasing the $40 per ton fee to $46 per ton for reserve raisins acquired during a particular crop year more appropriately reflects the costs incurred by handlers and thereby reduces net proceeds to equity holders. There should be no disproportionate impact of this action on small entities. Costs are allocated to equity holders based on their proportionate share of raisins in the reserve pool. In addition, this cost is incorporated into the price of reserve raisins that are sold to handlers for free use. Thus, the reserve pool is ultimately reimbursed for some of this cost.

Other alternatives to the rates adopted herein were considered by the raisin industry prior to the Committee's recommendations. The Committee's Administrative Issues Subcommittee met on November 9, 1999, and considered rates of $44 and $50 per ton for services performed in connection with reserve raisins acquired during a crop year. Ultimately, the Committee concluded that the $46 per ton rate for services performed during the year of acquisition, and comparable rates for the succeeding crop year, were appropriate.

This final rule increases the compensation rate for handlers' services regarding reserve tonnage raisins. Accordingly, this action imposes no additional reporting or recordkeeping requirements on either small or large raisin 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. Finally, the Department has not identified any relevant Federal rules that duplicate, overlap or conflict with this rule.

In addition, the Committee's Administrative Issues Subcommittee meeting on November 9, 1999, and the Committee meetings on November 10, 1999, and on January 13, 2000, where this action was deliberated were all public meetings widely publicized throughout the raisin industry. All interested persons were invited to attend the meetings and participate in the industry's deliberations.

A proposed rule concerning this action was published in the **Federal Register** on February 9, 2000 (65 FR 6341). Copies of the rule were mailed by the Committee staff to all Committee members and alternates, the Raisin Bargaining Association, handlers, and dehydrators. In addition, the rule was made available through the Internet by the Office of the Federal Register. That rule provided for a 60-day comment period which ended April 10, 2000. No comments were received.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at the following web site: http://www.ams.usda.gov/fv/moab/html. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the FOR FURTHER INFORMATION CONTACT section.

After consideration of all relevant matter presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

List of Subjects in 7 CFR Part 989

Grapes, Marketing agreements, Raisins, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 989 is amended as follows:

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

1. The authority citation for 7 CFR part 989 continues to read as follows:

Authority: 7 U.S.C. 601–674.

2. In § 989.401, paragraphs (a)(1), (b), and (c) are revised to read as follows:

§ 989.401 Payments for services performed with respect to reserve tonnage raisins.

(a) *Payment for crop year of acquisition.* (1) *Receiving, storing, fumigating, and handling.* Each handler shall be compensated at a rate of $46 per ton (natural condition weight at the time of acquisition) for receiving, storing, fumigating, and handling the reserve tonnage raisins, as determined by the final reserve tonnage percentage, acquired during a particular crop year and held by the handler for the account of the Committee during all or any part of the same crop year.

* * * * *

(b) *Additional payment for reserve tonnage raisins held beyond the crop year of acquisition.* Additional payment for reserve tonnage raisins held beyond the crop year of acquisition shall be made in accordance with this paragraph. Each handler holding such raisins for the account of the Committee on August 1 shall be compensated for storing, handling, and fumigating such raisins at the rate of $2.30 per ton per month, or any part thereof, between August 1 and October 31, and at the rate of $1.18 per ton per month, or any part thereof, between November 1 and July 31. Such services shall be completed so that the Committee is assured that the raisins are maintained in good condition.

(c) *Payment of rental on boxes and bins containing raisins held beyond the crop year of acquisition.* Payment of rental on boxes and bins containing reserve tonnage raisins held beyond the crop year of acquisition shall be made in accordance with this paragraph. Each handler, producer, dehydrator, and other person who furnishes boxes or bins in which such raisins are held for the account of the Committee on August 1 shall be compensated for the use of such boxes and bins. The rate of compensation shall be: For boxes, two and one-half cents per day, not to exceed a total payment of $1 per box per year, per average net weight of raisins in a sweatbox, with equivalent rates for raisins in boxes other than sweatboxes; and for bins 20 cents per day per bin, not to exceed a total of $10 per bin per year. For purposes of this paragraph, *box* means any container with a capacity of less than 1,000 pounds, and *bin* means any container with a capacity of 1,000 pounds or more. The average net weight of raisins in each type of box shall be the industry average as computed by the Committee for the box in which the raisins are so held. No further compensation shall be paid unless the raisins are so held in the boxes on the succeeding August 1.

Dated: May 8, 2000.

Robert C. Keeney,

Deputy Administrator, Fruit and Vegetable Programs.

[FR Doc. 00–11922 Filed 5–11–00; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF THE TREASURY

Office of Thrift Supervision

12 CFR Parts 563, 563c, and 563g

[No. 2000–43]

RIN 1550–AB38

Transfer and Repurchase of Government Securities

AGENCY: Office of Thrift Supervision, Treasury.

ACTION: Direct Final Rule: confirmation of effective date.

SUMMARY: This document confirms the effective date of the direct final rule removing the Office of Thrift Supervision's regulation on the transfer and repurchase of government securities. We did not receive any written adverse comments in response to the direct final rule.

EFFECTIVE DATE: The direct final rule, published on March 28, 2000 (65 FR 16302–305), is effective May 30, 2000.

FOR FURTHER INFORMATION CONTACT: Ed O'Connell, (202) 906–5694, Project Manager, Supervision Policy: or Teresa Scott (202) 906–6478, Counsel (Banking and Finance), Regulations and Legislation Division, Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington DC 20552.

Authority: 12 U.S.C. 375b, 1462, 1462a, 1463, 1464, 1467a, 1468, 1817, 1820, 1828, 1831i, 3806; 15 U.S.C. 78c(b), 78l, 78m, 78n, 78p, 78w; 42 U.S.C. 4106.

Dated: May 8, 2000.≤

By the Office of Thrift Supervision.

Ellen Seidman,

Director.

[FR Doc. 00–11910 Filed 5–11–00; 8:45 am]

BILLING CODE 6720–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000–NE–04–AD; Amendment 39–11723; AD 2000–09–14]

RIN 2120–AA64

Airworthiness Directives; Rolls-Royce plc RB211–535 Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is