

(iv) Enter into cost-reimbursable agreements relating to agricultural research (7 U.S.C. 3319a).

(v) Provide Department leadership in:

(A) Analyzing and evaluating existing and proposed energy policies and strategies, including those regarding the allocation of scarce resources;

(B) Developing energy policies and strategies, including those regarding the allocation of scarce resources;

(C) Reviewing and evaluating Departmental energy and energy-related programs and programs progress;

(D) Developing agricultural and rural components of national energy policy plans; and

(E) Preparing reports on energy and energy-related policies and programs required under Acts of Congress and Executive orders, including those involving testimony and reports on legislative proposals.

(vi) Provide Departmental oversight and coordination with respect to resources available for energy and energy-related activities, including funds transferred to USDA from other departments or agencies of the Federal Government pursuant to interagency agreements.

* * * * *

Subpart L—Delegations of Authority by the Chief Economist

4. Section 2.73 is added to read as follows:

§ 2.73 Director, Office of Energy Policy and New Uses.

(a) Delegations. Pursuant to § 2.29(a)(11), the following delegations of authority are made by the Chief Economist to the Director, Office of Energy Policy and New Uses:

(1) Providing Department leadership in:

(i) Analyzing and evaluating existing and proposed energy policies and strategies, including those regarding the allocation of scarce resources;

(ii) Developing energy policies and strategies, including those regarding the allocation of scarce resources;

(iii) Reviewing and evaluating Departmental energy and energy-related programs and program progress;

(iv) Developing agricultural and rural components of national energy policy plans;

(v) Preparing reports on energy and energy-related policies and programs required under Act of Congress and Executive Orders, including those involving testimony and reports on legislative proposals.

(2) Providing Departmental oversight and coordination with respect to

resources available for energy and energy-related activities, including funds transferred to USDA from departments and agencies of the Federal Government pursuant to interagency agreements.

(3) Representing the Chief Economist at conferences, meetings, and other contacts where energy matters are discussed, including liaison with the Department of Energy, the Environmental Protection Agency, and other governmental departments and agencies.

(4) Providing the Chief Economist with such assistance as requested to perform the duties delegated to the Director concerning energy and new uses.

(5) Working with the Office of the Assistant Secretary for Congressional Relations to maintain Congressional and public contacts in energy matters, including development of legislative proposals, preparation of reports on legislation pending in congress, appearances before Congressional committees, and related activities.

(6) These delegations exclude the energy management actions related to the internal operations of the Department as delegated to the Assistant Secretary for Administration.

(7) Conduct a program on the economic feasibility of new uses of agricultural products. Assist agricultural researchers by evaluating the economic and market potential of new agricultural products in the initial phase of development and contributing to prioritization of the Departmental research agenda.

(b) [Reserved]

Subpart K—Delegations of Authority by the Under Secretary for Research, Education, and Economics

5. In § 2.67, paragraphs (a)(11), (a)(12) and (a)(13) are removed. Paragraph (a)(14) is redesignated as paragraph (a)(11).

CHAPTER XXXVII—ECONOMIC RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE

PART 3700—ORGANIZATION AND FUNCTIONS

1. The authority citation continues to read as follows:

Authority: 5 U.S.C. 301 and 552, and 7 CFR 2.67.

§ 3700.3 [Amended]

2. Section 3700.3 paragraph (g) is removed.

Dated: July 19, 1999.

Dan Glickman,
Secretary of Agriculture.

Dated: June 21, 1999.

Keith Collins,
Chief Economist.

Dated: June 14, 1999.

I.M. Gonzalez,
Under Secretary for Research, Education, and Economics.

[FR Doc. 99-19015 Filed 7-27-99; 8:45 am]

BILLING CODE 3410-01-M

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 57

[Docket No. PY-99-003]

Rules of Practice Governing Proceedings Under the Egg Products Inspection Act

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: The Agricultural Marketing Service (AMS) is revising its regulations governing the mandatory shell egg surveillance program to add that the Administrator may enter into a stipulation, prior to the issuance of a complaint, with any person to resolve violation cases arising under the Egg Products Inspection Act (EPIA) or the regulations, without resort to formal disciplinary proceedings. In December 1998, regulations in 7 CFR part 59 administered by AMS were redesignated as a new part 57. AMS is amending 7 CFR part 57 to add regulations previously proposed to expedite the resolution of violations under the shell egg surveillance program.

EFFECTIVE DATE: August 27, 1999.

FOR FURTHER INFORMATION CONTACT: Douglas C. Bailey, Chief, Standardization Branch, 202/720-3506.

SUPPLEMENTARY INFORMATION: This rule has been determined to be not significant for purposes of Executive Order 12866, and therefore, has not been reviewed by the Office of Management and Budget (OMB). In addition, pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*), the AMS has considered the economic impact of this rule on small entities and has determined that its provisions would not have a significant economic impact on a substantial number of small entities.

The purpose of the RFA is to fit regulatory actions to the scale of

businesses subject to such actions in order that small businesses will not be unduly or disproportionately burdened. The Small Business Administration (SBA) (13 CFR 121.601) defines small entities that produce and process chicken eggs as those whose annual receipts are less than \$9,000,000. Approximately 550,000 egg laying hens are needed to produce enough eggs to gross \$9,000,000.

The Egg Products Inspection Act (EPIA) (21 U.S.C. 1031 *et seq.*), enacted in 1970, authorizes the mandatory inspection of egg products operations and the mandatory surveillance of the disposition of shell eggs that are undesirable for human consumption. The EPIA regulations require that shell egg handlers and hatcheries register with the United States Department of Agriculture. The EPIA further authorizes inspections at least once each calendar quarter of egg packers that have 3,000 or more laying hens and pack eggs for the ultimate consumer. There are about 700 shell egg processors registered with the Department that have 3,000 or more laying hens. Of these 700 registered shell egg processors, we believe approximately 500 meet the definition of a small business.

The implementing regulations for the EPIA were originally contained in 7 CFR part 59. Congress added provisions for imposing civil penalties for certain EPIA violations as part of the Food, Agriculture, Conservation and Trade Act Amendments of 1991. To implement these 1991 EPIA amendments, the AMS proposed changes to 7 CFR part 59. Before AMS published a final rule, however, the Department consolidated food safety issues into FSIS. Egg products inspection functions in the EPIA were delegated to FSIS, while shell egg surveillance functions continued to be administered by AMS. In August 1998, FSIS promulgated a final rule to revise the regulations in 7 CFR part 59. In December 1998, those portions of part 59 pertinent to shell egg surveillance were redesignated as a new part 57. AMS is now revising the regulations in 7 CFR part 57 to set forth procedures for resolving compliance cases with civil penalties as provided in the 1991 EPIA amendments.

These regulations provide that USDA's uniform rules of practice will be applicable to formal administrative proceeding for civil penalties. These regulations also set forth procedures for expediting the resolution of violations before institution of formal administrative proceeding under the shell egg surveillance program through the use of stipulation agreements. Use of

these procedures by alleged violators is optional. These regulations impose no new requirements on businesses.

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. It 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. There are no administrative procedures that must be exhausted prior to any judicial challenge to the provisions of this rule.

Background

The Egg Products Inspection Act (EPIA) authorizes the mandatory inspection of egg products operations and the mandatory surveillance of the disposition of shell eggs that are undesirable for human consumption. From its enactment in 1970, AMS administered the EPIA and its regulations in 7 CFR part 59.

Congress amended the EPIA as part of the Food, Agriculture, Conservation and Trade Act Amendments of 1991 (Pub. L. 102-237) (hereafter referred to as "the 1991 EPIA amendments"). The 1991 EPIA amendments provided that civil penalties may be imposed for certain violations of the mandatory inspection regulations. These amendments become effective 12 months after promulgation of final regulations (21 U.S.C. 1034 note).

To implement the 1991 EPIA amendments, the AMS proposed changes to 7 CFR parts 56 and 59 (57 FR 48569, October 27, 1992). One proposed change added that the Administrator may enter into a stipulation, prior to the issuance of an administrative complaint, with any person to resolve violation cases arising under the EPIA or the regulations, without resorting to formal disciplinary proceedings. Before AMS published a final rule, however, the Department consolidated food safety issues into FSIS following enactment of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (Pub. L. 103-354; 7 U.S.C. 2204e). This included delegating responsibility for the EPIA egg products inspection functions to FSIS, while the shell egg surveillance functions remained with AMS. FSIS promulgated a final rule that implemented the 1991 EPIA amendments by revising 7 CFR part 59 (63 FR 45663, August 27, 1998; effective August 27, 1999).

To complete the Department reorganization, other regulatory changes have occurred to ensure that AMS and FSIS have the appropriate regulations they need to carry out their

responsibilities. The AMS promulgated a final rule to duplicate and redesignate those portions of 7 CFR part 59 pertinent to shell egg inspection as a new 7 CFR part 57 (63 FR 69968, December 17, 1998; effective December 18, 1998). FSIS promulgated a final rule to redesignate the remaining portions of 7 CFR part 59 and transfer them to 9 CFR part 590 (63 FR 72351, December 31, 1998; effective December 31, 1998). AMS is now revising the regulations in 7 CFR part 57 to provide for the settlement of cases where civil penalties apply through a stipulation procedure, before instituting a formal disciplinary proceeding.

Stipulation Procedure for Assessing Penalties

The amended EPIA includes provisions for imposing civil penalties for certain violations of the mandatory inspection regulations. These penalty provisions are applicable to the egg and egg products inspection programs, with the exception of violations occurring in official egg products plants and violations for which criminal penalties have already been imposed. The Secretary of Agriculture has the authority under the Act to impose civil penalties through formal administrative proceedings. However, these regulations permit the AMS Administrator, prior to initiating a formal administrative proceeding, to enter into a written agreement or stipulation with a violator who agrees to waive a hearing and pay a civil penalty.

Under these stipulation procedures, the AMS Administrator would give the violator notice of the alleged violation and an opportunity for a hearing. The violator would have the option to waive the hearing and agree to pay a specified civil penalty within a prescribed period of time. In turn, the Administrator would agree to accept the civil penalty in settlement of the particular matter involved if the penalty is paid within the specified time. If, however, the violator does not pay the civil penalty within that period of time, the Department would institute a formal administrative proceeding. A civil penalty offered in a stipulation would have no bearing on the civil penalty that the Department might seek in a formal administrative proceeding.

A formal disciplinary proceeding can take a relatively long period of time to resolve, and can be costly for both the Department and the violator. The Department is implementing the use of stipulation agreements, where appropriate, to improve compliance with the EPIA. Accordingly, AMS is amending the regulations by adding a

subpart on stipulation procedures. This procedure would enable AMS to better enforce the Act and regulations by expediting the resolution of compliance cases.

List of Subjects in 7 CFR Part 57

Eggs and egg products, Exports, Food grades and standards, Food labeling, Reporting and recordkeeping requirements.

For reasons set forth in the preamble, 7 CFR part 57 is amended as follows:

PART 57—INSPECTION OF EGGS (EGG PRODUCTS INSPECTION ACT)

1. The authority citation for part 57 continues to read as follows:

Authority: 21 U.S.C. 1031–1056.

2. Sections 57.1 through 57.970 are designated as subpart A and the heading of subpart A is added to read as follows:

Subpart A—Regulations Governing the Inspection of Eggs

* * * * *

3. A new subpart B is added to read as follows:

Subpart B—Rules of Practice Governing Proceedings Under the Egg Products Inspection Act

Scope and Applicability of Rules of Practice

§ 57.1000 Administrative proceedings.

(a) The Uniform Rules of Practice for the Department of Agriculture promulgated in subpart H of part 1, subtitle A, title 7, Code of Federal Regulations, are the Rules of Practice applicable to adjudicating administrative proceedings under section 12(c) of the Egg Products Inspection Act (21 U.S.C. 1041).

(b) In addition to the proceedings set forth in paragraph (a) of this section, the Administrator, in his discretion, at any time prior to the issuance of a complaint seeking a civil penalty under the Act may enter into a stipulation with any person, in accordance with the following prescribed conditions:

(1) The Administrator gives notice of an apparent violation of the Act or the regulations issued thereunder by such person and affords such person an opportunity for a hearing regarding the matter as provided by the Act;

(2) Such person expressly waives hearing and agrees to a specified order including an agreement to pay a specified civil penalty within a designated time; and

(3) The Administrator agrees to accept the specified civil penalty in settlement

of the particular matter involved if it is paid within the designated time.

(4) If the specified penalty is not paid within the time designated in such stipulation, the amount of the stipulated penalty shall not be relevant in any respect to the penalty that may be assessed after the institution of a formal administrative proceeding pursuant to the Uniform Rules of Practice, Subpart H, Part 1, Title 7, Code of Federal Regulations.

Dated: July 22, 1999.

Kenneth C. Clayton,

Acting Administrator, Agricultural Marketing Service.

[FR Doc. 99–19290 Filed 7–27–99; 8:45 am]

BILLING CODE 3410–02–U

DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Parts 400 and 402

RIN 0563–AB68

General Administrative Regulations, Subpart U; and Catastrophic Risk Protection Endorsement; Regulations for the 1999 and Subsequent Reinsurance Years

AGENCY: Federal Crop Insurance Corporation, USDA.

ACTION: Final rule.

SUMMARY: The Federal Crop Insurance Corporation (FCIC) finalizes the General Administrative Regulations, subpart U—Ineligibility for Programs Under the Federal Crop Insurance Act (7 CFR part 400, subpart U) and the Catastrophic Risk Protection Endorsement (7 CFR part 402) to implement the statutory mandates of the Agricultural Research, Extension, and Education Reform Act of 1998 (1998 Research Act) and the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, 1999 (1999 Appropriations Act) enacted on October 19, 1998.

EFFECTIVE DATE: This rule is effective September 27, 1999.

FOR FURTHER INFORMATION CONTACT:

Louise Narber, Insurance Management Specialist, Research and Development, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131, telephone (816) 926–7730.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This rule has been determined to be significant for the purposes of Executive

Order 12866 and, therefore, has been reviewed by the Office of Management and Budget (OMB).

Paperwork Reduction Act of 1995

Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the collections of information for this rule have been previously approved by OMB under control number 0563–0053 through April 30, 2001. This rule was amended to implement the statutory mandates of the 1998 Research Act which changed the administrative fee for CAT coverage from \$50 per crop per county, not to exceed \$200 per county, or \$600 for all counties in which the producer elected to obtain limited coverage, to \$60 per crop per county. The amendments set forth in this rule do not revise the content or alter the frequency of reporting for any of the forms or information collections cleared under the above-referenced docket.

Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104–4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. This rule contains no Federal mandates (under the regulatory provisions of title II of UMRA) for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of UMRA.

Executive Order 12612

It has been determined under section 6(a) of Executive Order 12612, Federalism, that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment. The provisions contained in this rule will not have a substantial direct effect on States or their political subdivisions or on the distribution of power and responsibilities among the various levels of government.

Regulatory Flexibility Act

This regulation will not have a significant economic impact on a substantial number of small entities. The regulation does not require any more action on the part of the small entities than is required on the part of large entities. Therefore, this action is determined to be exempt from the provisions of the Regulatory Flexibility Act (5 U.S.C. 605) and no Regulatory Flexibility Analysis was prepared.