

producer demonstrates to the Board by appropriate documentation that an assessment was previously paid on that animal in the same category. Section 1230.71(b)(1) provides that purchasers of feeder pigs and market hogs collect assessments on these animals from the producer. Under § 1230.71 producers selling their own breeding stock must remit assessments to the Board. The Order further provides that for the purpose of collecting and remitting assessments on feeder pigs and market hogs, persons engaged as a commission merchant, auction market, or livestock market in the business of receiving such porcine animals for sale on commission for or on behalf of a producer are deemed to be the purchaser. Commission merchants, auction markets, or livestock markets who sell breeding stock on behalf of producers are required to collect and remit assessments.

Collection and remittance of assessments from sales transactions involving market hogs and breeding stock have been highly successful since the assessment collections became effective in 1986. For example, according to the Board's records, assessments are being collected and remitted on 99 percent of all market hogs slaughtered commercially in the United States each year.

Assessment collection and remittance on market hogs has been efficient and successful primarily because of the limited number of purchasers, i.e. meat packers, who purchase hogs from all sizes of production units. This centralization of collection points and their limited number facilitates remittance of assessments to the Board and reduces or eliminates compliance problems. However, in the marketing of feeder pigs, there are significantly greater numbers of purchasers which tend to complicate the collection and remittance process and increase the potential for compliance problems.

The Order contemplates that the producer (seller) will pay the assessment on feeder pigs and the purchaser, who also may be a producer, will collect the assessment due and remit it to the Board. For market hogs, the Order contemplates that the producer (seller) will pay the assessment and the purchaser will collect the assessment due and remit it to the Board.

Due to production and marketing changes within the feeder pig industry, an increasing number of high volume feeder pig production units (producers) are selling feeder pigs to large numbers of producers. Pursuant to § 1230.71(b)(1) each of these producers must collect

assessments from the seller and remit them to the Board. According to the Board, many feeder pig producers, regardless of the size of their operation, simplify payment by remitting the assessment on all feeder pigs they sell to facilitate the collection and remittance of assessments. However, the large number of purchasers involved in feeder pig sales complicates the collection and remittance process and makes compliance difficult.

The primary focus concerning collection and remittance problems on feeder pigs are transactions commonly referred to as farm-to-farm sales of feeder pigs. These sales transactions typically involve two producers. Frequently, producers who purchase feeder pigs may not consider themselves to be purchasers under the Act and Order and consequently neither the seller nor the purchaser collects and/or remits assessments due. This is particularly the case in farm-to-farm feeder pig sales where producer purchasers may not consider themselves as purchasers in such transactions and therefore do not believe they are required to collect and remit assessments to the Board.

To clarify the meaning of a purchaser for the purpose of collection and remittance of assessments for the sale of feeder pigs and also for market hogs and to specify that each producer who sells an animal for the first time as a feeder pig or market hog is obligated to pay the required assessment, this proposed rule would add a new section § 1230.113 to the rules and regulations titled "Collection and Remittance of Assessments for the Sale of Feeder Pigs and Market Hogs." That section would provide that purchasers of feeder pigs or market hogs shall collect assessments from producers if an assessment is due and shall remit those assessments to the Board pursuant to the provisions of § 1230.71. Failure of the purchaser to collect such assessment from a producer shall not relieve the producer of the obligation to pay the assessment. If the purchaser fails to collect the assessment when an assessment is due pursuant to § 1230.71, the producer (seller) shall remit the total amount of assessments due to the Board as set forth in § 1230.111. This proposed change would facilitate enforcement of assessment collection in the Pork Promotion, Research, and Consumer Information Program.

List of Subjects in 7 CFR Part 1230

Administrative practice and procedure, Advertising, Agricultural research, Marketing agreement, Meat

and meat products, Pork and pork products.

For the reasons set forth in the preamble, it is proposed that 7 CFR Part 1230 be amended as follows:

PART 1230—PORK PROMOTION, RESEARCH, AND CONSUMER INFORMATION

1. The authority citation for 7 CFR Part 1230 continues to read as follows:

Authority: 7 U.S.C. 4801–4819.

2. Paragraph § 1230.113 would be added to read as follows:

§ 1230.113 Collection and Remittance of Assessments for the Sale of Feeder Pigs and Market Hogs.

Pursuant to the provisions of § 1230.71, purchasers of feeder pigs or market hogs shall collect assessments from producers if an assessment is due and shall remit those assessments to the Board. Failure of the purchaser to collect such assessment from a producer shall not relieve the producer of the obligation to pay the assessment. If the purchaser fails to collect the assessment when an assessment is due pursuant to § 1230.71, the producer (seller) shall remit the total amount of assessments due to the Board as set forth in § 1230.111.

Dated: July 20, 1999.

Barry L. Carpenter,
Deputy Administrator, Livestock and Seed Program.
[FR Doc. 99–19291 Filed 7–27–99; 8:45 am]
BILLING CODE 3410–02–P

NUCLEAR REGULATORY COMMISSION

10 CFR Part 40

[Docket No. PRM–40–26]

Chromalloy Tallahassee, a Division of Chromalloy Gas Turbine Corporation; Denial of Petition for Rulemaking

AGENCY: Nuclear Regulatory Commission.

ACTION: Denial of petition for rulemaking.

SUMMARY: The Nuclear Regulatory Commission (NRC) is denying a petition for rulemaking (PRM–40–26) submitted by Chromalloy Tallahassee, a division of Chromalloy Gas Turbine Corporation. The petitioner requested that the NRC amend its regulations regarding the exemption from licensing of source material found in 10 CFR 40.13(c)(8), so that the exemption would include finished parts containing nickel-thoria

alloy from both aircraft engines and battle tank engines. However, after performing a regulatory analysis, no benefits of granting this petition could be identified. Also, it has not been persuasively shown that denying the petition would have a negative impact on Chromalloy since, as a Florida general licensee, Chromalloy currently could repair battle tank engines containing nickel-thoria alloy parts provided two possession limits are observed. Further, Chromalloy now indicates it has no definite plans to begin such repairs in the foreseeable future. But, to grant this petition the NRC would incur the cost of conducting a rulemaking. Moreover, before this action could have an effect on Chromalloy, the cost of an additional rulemaking to change the Florida Administrative Code would need to be incurred by the State of Florida. Thus, when viewed in terms of regulatory effectiveness and efficiency, the NRC can not justify the expenditure of resources to grant this petition.

ADDRESSES: Copies of the petition for rulemaking and the NRC's letter to the petitioner are available for public inspection or copying in the Nuclear Regulatory Commission's Public Document Room, 2120 L Street NW. (Lower Level), Washington DC. No public comments on this petition for rulemaking were received.

FOR FURTHER INFORMATION CONTACT: Mr. John L. Telford, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, telephone (301) 415-6229, e-mail JLT@nrc.gov.

SUPPLEMENTARY INFORMATION:

The Petition

The petition was submitted by Chromalloy Tallahassee (Chromalloy), a Federal Aviation Administration approved Overhaul and Repair facility located in Florida, a NRC Agreement State.¹ Chromalloy overhauls and repairs jet aircraft engine combustors (e.g., for the JT9D jet engine). These combustors are made of nickel-thoria. This use of thorium source material falls under the exemption from licensing found in 10 CFR 40.13(c)(8), and in the Florida Administrative Code in Paragraph 64E-5.202(3)(i).

Chromalloy stated that it was interested in overhauling and repairing the engine of the M1A1 ABRAMS Main Battle Tank. This tank's engine is the AGT 1500 gas turbine engine. The

combustor of the AGT 1500 contains 15 splash rings and 15 fuel nozzles made of nickel-thoria alloy. The thorium content of this nickel-thoria alloy is less than 2% by weight. Moreover, the thorium is dispersed in the nickel-thoria alloy in the form of finely divided thorium (i.e., thorium dioxide). Chromalloy stated that these splash rings and fuel nozzles meet all the technical requirements of the current licensing exemption, except that the exemption is limited to finished aircraft engine parts. Chromalloy requested that the NRC establish an exemption from licensing to include the AGT 1500 tank gas turbine engine.

In support of its petition, Chromalloy referenced a petition for rulemaking submitted to the Commission by E. I. du Pont de Nemours & Company (PRM-40-6) dated February 13, 1963. That petition requested that the Commission amend its regulations to establish an exemption from licensing for persons receiving, possessing, using, transferring, or importing any finished products containing nickel-thorium alloys with up to 4 percent thorium by weight. Chromalloy pointed out that the Commission's response had been:

the Commission has found that the possession and use in the United States of thorium contained in thorium metal alloys in which the thorium does not exceed 4 percent by weight is not of significance to the common defense and security, and that such activities can be conducted without unreasonable hazard to life or property.

The proposed exemption was for "any finished product or part;" nowhere in PRM-40-6 do the words "aircraft engine parts" appear.

Chromalloy stated that the final exemption was not published until November 18, 1967 (32 FR 15872) and that the expression "jet aircraft engines" is mentioned for the first time in that notice.

After consulting with the NRC staff, Chromalloy believes that the material used for the experimental tests for the final exemption must have been from jet aircraft engines. At that time, the only use of nickel-thoria components was in aircraft engines. Chromalloy stated that this is possibly the reason the exemption specifies only finished aircraft engine parts. The production of the M1A1 Abrams Main Battle Tank was begun in 1985. This tank's engine, the AGT 1500, contains the same nickel-thoria alloy as is used in the JT9D jet aircraft engine. Therefore, Chromalloy stated that the alloy material in the AGT 1500 gas turbine engine would produce the same results, if put to the same experimental tests the Commission conducted in 1963-1967.

Chromalloy observed that in a **Federal Register** notice published by the Atomic Energy Commission on November 18, 1967 (32 FR 15872), the Commission considered that jet aircraft engine parts are not intended for public use.

The Commission considers that finished aircraft engine parts containing nickel-thoria alloy are not products intended for use by the general public within the purview of § 150.15(a)(6) of 10 CFR Part 150, * * *

Finally, Chromalloy asserted that if the Commission does not view the presence of nickel-thoria in aircraft engine parts to be unsafe to the public, then the presence of nickel-thoria in tank engine parts should be viewed in the same light. Moreover, the public's exposure to tank engine parts is far less than the public's exposure to jet aircraft engine parts. Therefore, Chromalloy stated that the exemption in § 40.13(c)(8) should be applicable to both the JT9D aircraft gas turbine engine and the AGT 1500 tank gas turbine engine.

Public Comments on the Petition

The Notice of Receipt of the Petition was published in the **Federal Register** on December 10, 1997 (62 FR 65039). The comment period closed on February 23, 1998. No comments were received.

Reasons for Denial

In order to determine whether this petition should be granted or denied, the NRC performed a regulatory analysis. The details of the analysis are provided below.

Benefit

The NRC was unable to identify any benefits of granting this petition. Granting the petition would not improve the level of protection of public health and safety. If the petition were granted, radiation exposure of workers would be expected to either remain the same or increase modestly. Moreover, granting the petition would neither address a generic issue nor improve regulatory effectiveness and efficiency for either the NRC or the State of Florida. The NRC has a mechanism in § 40.14 to address a non-generic issue by providing a specific exemption, upon review of a request to possess additional source material. If Chromalloy desired to make such a request, the same mechanism exists in the Florida Administrative Code in Subsection 64E-5.102(1). In addition, granting the petition would not provide any practical benefits to Chromalloy since, it currently may overhaul and repair the AGT 1500 tank gas turbine engine as a general licensee under the Florida Administrative Code Subsection 64E-

¹ An Agreement State is one which has entered into an Agreement with NRC to assume regulatory authority over byproduct, source, and small quantities of special nuclear material.

5.205(1), provided two possession limits are observed. Chromalloy may use and transfer up to 15 pounds of source material at any given time, and may receive up to 150 pounds of source material in any one calendar year. Since the 15 splash rings and 15 fuel nozzles in the AGT 1500 tank engine are 2 percent thorium by weight, Chromalloy could possess up to 750 pounds of such nickel-thoria alloy parts at any given time, and up to 7,500 pounds of such parts in any calendar year.

Impact

Denying the petition would have no negative impact on Chromalloy. As a Florida general licensee, Chromalloy could repair AGT 1500 tank gas turbine engines. However, contrary to its stated desires in the petition, Chromalloy now indicates it has no definite plans to begin such repairs in the foreseeable future. But, to grant this petition the NRC would incur the cost of conducting a rulemaking. Moreover, before this action could have an effect on Chromalloy, the cost of an additional rulemaking to change the Florida Administrative Code would need to be incurred by the State of Florida. Whether Florida would decide to change its Administrative Code is uncertain.

In summary, this petition is being denied because no benefits of granting the petition could be identified and the cost of granting the petition would include two rulemakings. Thus, when viewed in terms of regulatory effectiveness and efficiency, the NRC can not justify the expenditure of resources to grant this petition. For the reasons cited in this document, the NRC denies the petition.

Dated at Rockville, Maryland, this 16th day of July, 1999.

For the Nuclear Regulatory Commission.

Frank J. Miraglia, Jr.,

Acting Executive Director for Operations.

[FR Doc. 99-19258 Filed 7-27-99; 8:45 am]

BILLING CODE 7590-01-P

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 701

Organization and Operations of Federal Credit Unions

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice of proposed rulemaking and request for comments.

SUMMARY: The NCUA is proposing to amend its regulation regarding

secondary capital accounts in low-income designated credit unions to specify that interest on these accounts may be accrued in the account, paid directly to the investor, or paid into a separate account from which an investor may make withdrawals. The NCUA believes that the proposed changes will clarify the permissible alternatives and provide additional flexibility for low-income designated credit unions.

DATES: Comments must be received on or before September 27, 1999.

ADDRESSES: Direct comments to Becky Baker, Secretary of the Board. Mail or hand-deliver comments to: National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428. You may also fax comments to (703) 518-6319. *Please send comments by one method only.*

FOR FURTHER INFORMATION CONTACT: Frank S. Kressman, Staff Attorney, Division of Operations, Office of General Counsel, at the above address or telephone: (703) 518-6540.

SUPPLEMENTARY INFORMATION: Federal credit unions that serve predominantly low-income members may be designated by NCUA as low-income credit unions (LICUs). LICUs play an important role in providing financial services to low-income individuals and communities for whom these services are often unavailable. LICUs often find it difficult, however, to accumulate capital due to the limited resources of their members. In response to this, NCUA promulgated rules in 1996 to enhance LICUs' ability to build capital. 61 FR 3788 (February 2, 1996); 61 FR 50696 (September 27, 1996). Specifically, § 701.34 of NCUA's regulations permits LICUs to offer secondary capital accounts to nonnatural person members and nonnatural person nonmembers.

Section 701.34 provides that funds in the secondary capital account must be available to cover operating losses realized by the credit union that exceed its net available reserves and undivided earnings. This includes accrued interest that has been paid into the account. NCUA wishes to clarify, however, that although interest paid into the secondary capital account must remain there until account maturity, there are other permissible alternatives for disposing of accrued interest. Specifically, in addition to depositing accrued interest into the secondary capital account, a credit union may pay the interest directly to the investor or deposit it into a separate account from which the investor could make withdrawals.

Section 701.34 specifies that net available reserves and undivided

earnings, as described above, are reserves and undivided earnings exclusive of allowance accounts for loan and investment losses. Allowance accounts for investment losses are no longer recognized by generally accepted accounting principles or NCUA's regulatory accounting practices. Accordingly, the proposed rule makes no reference to these accounts. Language in the rule pertaining to allowance accounts for loan losses remains unchanged.

Regulatory Procedures

Regulatory Flexibility Act

The Regulatory Flexibility Act requires NCUA to prepare an analysis to describe any significant economic impact any proposed regulation may have on a substantial number of small entities (primarily those under \$1 million in assets). The NCUA has determined and certifies that the proposed amendments, if adopted, will not have a significant economic impact on a substantial number of small credit unions. Accordingly, the NCUA has determined that a Regulatory Flexibility Analysis is not required.

Paperwork Reduction Act

NCUA has determined that the proposed amendments do not increase paperwork requirements under the Paperwork Reduction Act of 1995 and regulations of the Office of Management and Budget.

Executive Order 12612

Executive Order 12612 requires NCUA to consider the effect of its actions on state interests. It states that: "Federal action limiting the policy-making discretion of the states should be taken only where constitutional authority for the action is clear and certain, and the national activity is necessitated by the presence of a problem of national scope." This rule will not have a direct effect on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. NCUA has determined that this rule does not constitute a significant regulatory action for purposes of the executive order.

Agency Regulatory Goal

NCUA's goal is to promulgate clear and understandable regulations that impose minimal regulatory burden. We request your comments on whether the proposed amendment is understandable and minimally intrusive if implemented as proposed.