Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

7 CFR Part 51

[Docket Number FV–99–302]

RIN 0581–AB63

Withdrawal of Proposed Rule for Fee Increase for Destination Market Inspections of Fresh Fruits, Vegetables and Other Products

AGENCY: Agricultural Marketing Service (AMS), USDA.

ACTION: Proposed rule: withdrawal.

SUMMARY: AMS is withdrawing a proposed rule published in the **Federal Register** on September 20, 1999 (64 FR 50774). The proposed rule would have revised the regulations governing the inspection and certification for fresh fruits, vegetables and other products by increasing by approximately 14 percent most of the fees charged for the inspection of these products at destination markets. The fees for inspecting multiple lots of the same product during inspections would have increased more significantly and the per package fees for dock-side inspections would have increased and changed from a three interval schedule, based on weight, to a two interval schedule based on different weight thresholds. These revisions were necessary in order to recover, as nearly as practicable, the costs of performing inspection services at destination markets under the Agricultural Marketing Act of 1946 (AMA of 1946). The fees charged to persons required to have inspections on imported commodities in accordance with the Agricultural Marketing Agreement Act of 1937 and for imported peanuts under the Agricultural Act of 1949 also would have been affected.

DATES: The proposed rule is withdrawn as of July 28, 2000.

ADDRESSES: Supporting information used in developing the proposed rule, including comments received during the period for public comment on the proposed rule, are available for public inspection and copy at the Fresh Products Branch Docket File at USDA, AMS, FVP, Fresh Products Branch, Room 2049 South, USDA Stop 0240, 1400 Independence Ave., SW, Washington, DC 20250–0240. For access to the Docket materials, call (202) 720–5870 between 9 a.m. and 3:30 p.m. for an appointment. A reasonable fee may be charged for copying.

FOR FURTHER INFORMATION CONTACT: Rob Huttenlocker, USDA Stop 0240, 1400 Independence Ave., SW, Washington, DC 20250–0240, or by calling (202) 720–5870.

SUPPLEMENTARY INFORMATION: The AMA of 1946 authorizes official inspection, grading and certification, on a user-fee basis, of fresh fruits, vegetables and other products such as raw nuts, Christmas trees and flowers. The AMA of 1946 provides that reasonable fees be collected from the users of the services to cover, as nearly as practicable, the costs of the services rendered. The proposed rule would have amended the schedule for fees and charges for inspection services rendered to the fresh fruit and vegetable industry to reflect the costs necessary to operate the program.

The Agricultural Marketing Service (AMS) regularly reviews its user-fee programs to determine if the fees are adequate. While the Fresh Products Branch (FPB) of the Fruit and Vegetable Programs, AMS, continues to search for opportunities to reduce its costs, the existing fee schedule would not have generated sufficient revenues to cover program costs while maintaining an adequate reserve balance. Current revenue projections for destination market inspection work during FY 99 are $13.7 million with costs projected at $13.9 million and an end-of-year reserve of $2.2 million. However, FPB's trust fund balance for this program will be approximately $2.4 million under the approximate $4.6 million deemed necessary to provide an adequate reserve balance in light of increasing program costs. Further, FPB's costs of operating the destination market program are expected to increase to approximately $14.5 million during FY 00 and to approximately $15.0 million during FY 01. These cost increases will result from inflationary increases with regard to current FPB operations and services (primarily salaries and benefits), the training and equipment required to promote improved workplace safety, and the acquisition of additional computer and related technology.

Employee salaries and benefits are major program costs that account for approximately 80 percent of FPB's total operating budget. A general and locality salary increase for Federal employees, ranging from 3.54 to 4.02 percent depending on locality, effective January 1999, significantly increased program costs. In addition, inflation also impacts FPB's non-salary costs. These factors have increased FPB's costs of operating this program by approximately $500,000 per year. In addition, a general and locality salary increase of 4.8 percent was effective in January 2000. This salary adjustment will increase FPB's costs by over $600,000 per year.

Additional revenues also were necessary in order for FPB to cover the costs of the additional staff, office space, and equipment needed in two federal market offices that were established during FY 99 (*e.g.,* Brooklyn, New York, and Oklahoma City, Oklahoma). Additional revenues also were needed to cover the costs of providing safety orientation training to FPB's personnel and purchasing safety shoes for FPB's inspection personnel. Finally, FPB needed additional funds to cover the costs of securing the equipment (*e.g.,* digital imaging cameras and computers and information systems upgrades) needed to expand FPB's services and to make existing services more efficient in the future.

Congress recently passed and, on June 20, 2000, the President signed legislation (H.R. 2559) (Public Law 106–224), authorizing appropriated funds that will make it possible for FPB to build the Terminal Market Inspection Program's reserve fund by $29 million. Congress and the President also approved an additional $11.55 million in appropriated funds that will make it possible for FPB to implement infrastructure and system improvements. These funds are appropriated for fiscal year 2001. Since Public Law 106–224 addresses the funds needed by AMS, FPB program, it is unnecessary to continue this rulemaking. Therefore, AMS withdraws the proposed rule.

Authority: 7 U.S.C. 1621–1627.

Dated: July 21, 2000.

Robert C. Keeney,

Deputy Administrator, Fruit and Vegetable Programs.

[FR Doc. 00–18964 Filed 7–26–00; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

7 CFR Part 1424

RIN 0560–AG16

Bioenergy Program

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Proposed rule with request for comments.

SUMMARY: The Commodity Credit Corporation (CCC) is considering a new initiative to accelerate the development and use of bio-based technologies which would stimulate the industrial use of agricultural commodities into bio-based fuels and products. Accordingly, CCC seeks comments concerning the establishment of a bioenergy program to expand agricultural markets by promoting increased production of bioenergy through ethanol and biodiesel. Using the authority of the CCC Charter Act, which states in part, that CCC is authorized to use its general powers to ''increase domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets for agricultural commodities * * *'', CCC proposes to make incentive cash payments to bioenergy producers who increase their purchases of eligible agricultural commodities, as compared to the corresponding period in the prior fiscal year (FY) and convert that commodity into increased bioenergy production.

DATES: Comments on this rule must be received on or before August 28, 2000 to be assured of consideration. Comments regarding the information collection requirements of the Paperwork Reduction Act must be received on or before September 25, 2000 to be assured of consideration.

ADDRESSES: Comments should be sent to Alex King, Acting Deputy Administrator, Commodity Operations, FSA, United States Department of Agriculture (USDA), STOP 0550, 1400 Independence Avenue, SW., Washington, DC 20250–0550, telephone (202) 720–3217 or e-mail address, Alex_King@wdc.fsa.usda.gov. Persons with disabilities who require alternative means for communication for regulatory information (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720–2600 (voice and TDD).

FOR FURTHER INFORMATION CONTACT: Jim Goff, (202) 720–5396.

SUPPLEMENTARY INFORMATION:

Comments Requested

Public comments (submitted to the address above) are requested generally and specifically on the following topics in this proposed rule:

1. Producers of what forms of bioenergy should be eligible for program payments? Ethanol and biodiesel are proposed in this rule.

2. What agricultural commodities used in bioenergy production should be included in the program? This rule proposes potentially making payments on barley, corn, grain sorghum, oats, rice, wheat, soybeans, sunflower seed, canola, crambe, rapeseed, safflower, flaxseed, and mustard seed used in either ethanol or biodiesel production.

3. At what facility capacity should program payment rates change to account for plant efficiency variances by eligible program commodity? This rule proposes making larger payments to plants with under 30 million gallon per year capacity than to plants with 30 million gallon or more capacity.

4. How should payment rates be established, especially for commodities without CCC announced terminal market prices? This rule only proposes making payments to commodities with established CCC announced terminal prices.

5. When payments are limited by the budget, how should payments be distributed?

(a) Capped at a certain dollar amount or percentage of total payments. For example, no more than $X or X percent of total funds available to any one firm;

(b) Prorate payments to eligible producers over the quarter or FY; or

(c) First come, first paid basis.

This proposed rule uses a combination of all of the above by having a sign-up period before the fiscal year begins to determine a payment factor as defined in § 1424.3 and then using the payment factor on a first come, first paid basis. A payment restriction is proposed in § 1424.10.

6. Should the payment factor be capped as proposed in this rule at 100 percent ? And, if so, should the cap be 100 percent?

7. How should increases in bioenergy production be established for the various commodities receiving program payments?

8. What are the expected impacts of this program on agricultural commodity prices, fossil fuel energy prices, farm income, bioenergy production and prices, and international trade in agricultural and energy products?

Executive Order 12866

This proposed 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).

Regulatory Flexibility Act

It has been determined that the Regulatory Flexibility Act is not applicable to this proposed rule because CCC is not required by 5 U.S.C. 553 or any other provision of law to publish a notice of proposed rulemaking with respect to the matter of this rule.

Executive Order 12372

This program is not subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. See the notice related to 7 CFR part 3015 subpart V published at 48 FR 29115 (June 24, 1983).

Environmental Evaluation

An environmental evaluation for this action will be completed before publication of the final rule.

Executive Order 12988

This proposed rule has been reviewed in accordance with Executive Order 12988, Civil Justice Reform. The provisions of this proposed rule do not preempt State laws, are not retroactive, and do not involve administrative appeals.

Executive Order 12612

It has been determined that this proposed rule does not have sufficient Federalism implications to warrant the preparation of a Federalism Assessment. The provisions contained in this proposed 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.

Unfunded Mandates Reform Act of 1995

This proposed rule contains no Federal mandates under the regulatory provisions of Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of