

**DEPARTMENT OF AGRICULTURE****Agricultural Marketing Service****7 CFR Part 1220**

[Doc. No. LS-02-14]

**Amendment to the Soybean Promotion and Research Rules and Regulations****AGENCY:** Agricultural Marketing Service, USDA.**ACTION:** Final rule.

**SUMMARY:** This final rule amends the Soybean Promotion and Research Rules and Regulations (Rules and Regulations) established under the Soybean Promotion, Research, and Consumer Information Act (Act) by requiring first purchasers of soybeans and producers marketing processed soybeans or soybean products of a producer's own production in the States or regions of Delaware, Louisiana, South Carolina, Texas, Eastern Region, and the Western Region, to remit and report assessments on a quarterly basis rather than a monthly basis. This change reduces the administrative costs of monthly reporting imposed on these smaller soybean producing States and regions.

**EFFECTIVE DATE:** April 1, 2004.

**FOR FURTHER INFORMATION CONTACT:** Kenneth R. Payne, Chief, Marketing Programs Branch; Livestock and Seed Program; Agricultural Marketing Service (AMS), USDA, Room 2638-S; STOP 0251; 1400 Independence Avenue, SW., Washington, DC 20250-0251; telephone 202/720-1115.

**SUPPLEMENTARY INFORMATION:****Executive Order 12866**

The Office of Management and Budget (OMB) has waived the review process required by Executive Order 12866 for this action.

**Executive Order 12988**

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

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under § 1971 of the Act, a person subject to the Soybean Promotion and Research Order (Order) may file a petition with the Department of Agriculture (Department) 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 requesting a modification of the Order or an exemption from the Order. The petitioner is afforded the opportunity

for a hearing on the petition. After a hearing, the Department would rule on the petition. The Act provides that the district courts of the United States in any district in which such person is an inhabitant, or has their principal place of business, has jurisdiction to review the Department's ruling on the petition, if a complaint for this purpose is filed within 20 days after the date of the entry of the ruling. Further, section 1974 of the Act provides, with certain exceptions, that nothing in the Act may be construed to preempt or supersede any other program relating to soybean promotion, research, consumer information, or industry information organized and operated under the laws of the United States or any State. One exception in the Act concerns assessments collected by Qualified State Soybean Boards (QSSBs). The exception provides that to ensure adequate funding of the operations of QSSBs under the Act, no State law or regulation may limit or have the effect of limiting the full amount of assessments that a QSSB in that State may collect, and which is authorized to be credited under the Act. Another exception concerns certain referenda conducted during specified periods by a State relating to the continuation or termination of a QSSB or State soybean assessment.

**Regulatory Flexibility Act**

AMS has determined that this final rule will not have a significant impact on a substantial number of small entities as defined by the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), because it only revises the remittance of assessments and reports from a monthly basis to a quarterly basis for certain States or regions. The States or regions of Delaware, Louisiana, South Carolina, Texas, Eastern Region, and the Western Region are being changed from monthly remitting States or regions to quarterly remitting States or regions to reduce administrative costs. Because of the minimal number of first purchasers, producers, and total remittances from these States and regions, allowing the States or regions to remit and report assessments on a quarterly basis will benefit QSSBs, the States and regions, and the United Soybean Board (Board) by reducing the administrative costs of remitting and reporting assessments on a monthly basis. This action will likely reduce administrative costs by approximately \$10,000. As such, these changes will not have a significant impact on a substantial number of small entities. There are an estimated 30,000 soybean producers who pay assessments and an estimated 150 first purchasers

who collect assessments in the four affected States and two regions. There are six QSSBs that will be affected under this rule. Most of these entities would be considered small entities under the criteria established by the Small Business Administration (13 CFR 121.201).

**Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act of 1990 (44 U.S.C. chapter 35), the reporting and recordkeeping requirements included in 7 CFR part 1220 were previously approved by OMB and were assigned OMB control number 0581-0093. The purpose of this rule is to change the remitting and reporting of assessments to a quarterly basis from a monthly basis in four soybean producing States and two regions. There are a minimal number of first purchasers and producers in these four States and two regions. This change will not substantially impact the overall total burden hours. As a result, no change to the previously submitted burden estimate is necessary.

**Background**

The Act (7 U.S.C. 6301-6311) provides for the establishment of a coordinated program of promotion and research designed to strengthen the soybean industry's position in the marketplace, and to maintain and expand domestic and foreign markets and uses for soybeans and soybean products. The program is financed by an assessment of 0.5 of 1 percent of the net market price of soybeans sold by producers. The final Order establishing a soybean promotion, research, and consumer information program was published in the July 9, 1991, issue of the **Federal Register** (56 FR 31043) and assessments began on September 1, 1991.

The Soybean Promotion and Research Rules and Regulations, 7 CFR part 1220, published in the **Federal Register** on July 2, 1992 (57 FR 29436), specify in § 1220.312(b) that first purchasers and producers responsible for remitting assessments shall remit assessments and reports on a monthly or quarterly basis depending upon the State or region in which they are located. This rule will change the States or regions of Delaware, Louisiana, South Carolina, Texas, Eastern Region, and the Western Region from remitting and reporting assessments on a monthly basis to a quarterly basis. Currently, 15 States and 2 regions report on a monthly basis and 14 States report on a quarterly basis.

The Board, in conjunction with the affected States and regions,

recommended to AMS to change the period for remitting and reporting assessments for the following States or regions from a monthly basis to quarterly basis: Delaware, Louisiana, South Carolina, Texas, Eastern Region, and the Western Region.

This rule will assist these smaller soybean producing States and regions (listed above) in reporting and remitting their assessments to the Board. The Board has decided that the current requirement to remit and report assessments on a monthly basis is no longer necessary given the minimal number of first purchasers and total remitters from these smaller soybean producing States and regions. Allowing these States and regions to become quarterly remitters would reduce their administrative costs. It is estimated that administrative costs will be reduced by approximately \$10,000 if first purchasers of soybeans and producers marketing processed soybeans and soybean products of a producer's own production in the States and regions of Delaware, Louisiana, South Carolina, Texas, the Eastern Region, and the Western Region remit and report assessments on a quarterly basis. Producers that market soybeans to first purchasers will continue to pay the assessment at the time of settlement. Due to the minimal number of first purchasers and total remittances in these States and regions, allowing the States or regions to remit quarterly will be beneficial to the States, regions, and the Board by reducing the administrative costs of collecting assessments.

#### Comments

On June 18, 2003, the Department published in the **Federal Register** (68 FR 36498) for comment a proposed rule to amend the Rules and Regulations established under the Act. The proposed rule provided first purchasers of soybeans and producers marketing processed soybeans or soybean products of a producer's own production in the States or regions of Delaware, Louisiana, South Carolina, Texas, Eastern Region, and the Western Region, to remit and report assessments on a quarterly basis rather than a monthly basis.

The proposed rule was published with a request for comments to be submitted by July 18, 2003. The Department received one comment, in a timely manner, from an individual who did not support the program in general. This commenter further questioned the impact of the proposal on assessments. In the proposal, we noted that the rule would assist smaller soybean producing States and regions in reporting and

remitting their assessments to the Board. We concluded that allowing the States or regions to remit quarterly would be beneficial to the States, regions, and the Board by reducing the administrative costs of collecting assessments. As such this action should impact assessments favorably.

Based on the Board's recommendation, in conjunction with the affected States and regions, and no substantive comments, AMS is changing the period for remitting and reporting assessments for the following States or regions from a monthly basis to a quarterly basis: Delaware, Louisiana, South Carolina, Texas, Eastern Region, and the Western Region.

This rule will become effective April 1, 2004.

#### List of Subjects in 7 CFR Part 1220

Administrative practice and procedure, Advertising, Agricultural research, Marketing agreements, Soybeans and soybean products, Reporting and recordkeeping requirements.

■ For the reasons set forth in the preamble, Title 7, part 1220 is amended as follows:

#### PART 1220—SOYBEAN PROMOTION, RESEARCH, AND CONSUMER INFORMATION

■ 1. The authority citation for 7 CFR part 1220 continues to read as follows:

**Authority:** 7 U.S.C. 6301–6311.

■ 2. In § 1220.312, the table in paragraph (b) is revised to read as follows:

#### § 1220.312 Remittance of assessments and submission of reports to United Soybean Board or Qualified State Soybean Board.

(b) \* \* \*

Monthly	Quarterly
Arkansas	Alabama
Iowa	Delaware
Kansas	Florida
Kentucky	Georgia
Michigan	Illinois
Minnesota	Indiana
Missouri	Louisiana
Mississippi	Maryland
North Carolina	North Dakota
Tennessee	Nebraska
Wisconsin	New Jersey
	Ohio
	Oklahoma
	Pennsylvania
	South Carolina
	South Dakota
	Texas
	Virginia
	Eastern Region
	Western Region

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Dated: December 9, 2003.

**A.J. Yates,**

*Administrator, Agricultural Marketing Service.*

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**BILLING CODE 3410–02–P**

#### DEPARTMENT OF AGRICULTURE

#### Rural Housing Service

#### Rural Business-Cooperative Service

#### Rural Utilities Service

#### Farm Service Agency

#### 7 CFR Part 1951

**RIN 0560–AG56**

#### Prompt Disaster Set-Aside Consideration and Primary Loan Servicing Facilitation

**AGENCY:** Farm Service Agency, USDA.

**ACTION:** Final rule; correction.

**SUMMARY:** This document corrects a final rule published September 25, 2003, which provided disaster set-aside more quickly to those who can most benefit from the program. This document is necessary to correct an editorial mistake relating to the amount which may be set aside.

**DATE:** This rule is effective on December 16, 2003.

#### FOR FURTHER INFORMATION CONTACT:

Michael Cumpston, Farm Loan Programs, Loan Servicing and Property Management Division, United States Department of Agriculture, Farm Service Agency, STOP 0523, 1400 Independence Avenue, SW., Washington, DC 20250–0523, telephone (202) 690–4014; electronic mail: [mike\\_cumpston@wdc.usda.gov](mailto:mike_cumpston@wdc.usda.gov).

**SUPPLEMENTARY INFORMATION:** This document corrects a final rule which amended 7 CFR part 1951 published in the **Federal Register** on September 25, 2003 (68 FR 55299–55304). Section 1951.954(b)(3), as promulgated incorrectly states, “The installment that may be set aside is limited to the first or second scheduled annual installment due after the disaster occurred and the amount may not exceed the installment set aside.” This document removes the words, “and the amount may not exceed the installment set aside” as extraneous. The maximum set-aside amount is covered by paragraph (b)(4). This correction will make the regulation more clear.