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

Agricultural Marketing Service

7 CFR Part 981

[Docket No. FV98–981–4]

Almonds Grown in California; Continuance Referendum

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Referendum order.

SUMMARY: This document directs that a referendum be conducted among eligible growers of California almonds to determine whether they favor continuance of the marketing order regulating the handling of almonds grown in the production area.

DATES: The referendum will be conducted from February 1 through February 19, 1999. To vote in this referendum, growers must have been producing California almonds during the period August 1, 1997, through July 31, 1998.

ADDRESSES: Copies of the marketing order may be obtained from the office of the referendum agent at 2202 Monterey Street, suite 102B, Fresno, California 93721, or the Office of the Docket Clerk, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, PO Box 96456, room 2525–S, Washington, DC 20090–6456.

FOR FURTHER INFORMATION CONTACT: Martin Engeler, Assistant Regional Manager, California Marketing Field Office, Marketing Order Administration Branch, Fruit and Vegetable Programs, Agricultural Marketing Service, Department of Agriculture, 2202 Monterey Street, suite 102B, Fresno, California 93721; telephone (209)487–5901; fax (209)487-5906; or Anne Dec, Rulemaking Team Leader, Marketing Order Administration Branch, Fruit & Vegetable Programs, Agricultural Marketing Service, Department of Agriculture, room 2525–S, PO Box 96456, Washington, DC 20090–6456; telephone (202) 720–2491; fax (202)205–6632.

SUPPLEMENTARY INFORMATION: Pursuant to Marketing Order No. 981 (7 CFR part 981), hereinafter referred to as the ''order'' and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), hereinafter referred to as the ''Act,'' it is hereby directed that a referendum be conducted to ascertain whether continuance of the order is favored by the growers. The referendum shall be conducted during the period February 1, through February 19, 1999, among California almond growers in the production area. Only growers that were engaged in the production of California almonds during the period of August 1, 1997, through July 31, 1998, may participate in the continuance referendum.

The Secretary of Agriculture has determined that continuance referenda are an effective means for determining whether growers favor continuation of marketing order programs. The Secretary would consider termination of the order if less than two-thirds of the growers voting in the referendum and growers of less than two-thirds of the volume of California almonds represented in the referendum favor continuance. In evaluating the merits of continuance versus termination, the Secretary will not only consider the results of the continuance referendum. The Secretary will also consider all other relevant information concerning the operation of the order and the relative benefits and disadvantages to growers, handlers, and consumers in order to determine whether continued operation of the order would tend to effectuate the declared policy of the Act.

In any event, section 8c(16)(B) of the Act requires the Secretary to terminate an order whenever the Secretary finds that a majority of all growers affected by the order favor termination, and such majority produced for market more than 50 percent of the commodity covered under such order.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the ballot materials to be used in the referendum herein ordered have been submitted to and approved by the Office of Management and Budget (OMB) and have been assigned OMB No. 0581–0071 for California almonds. It has been estimated that it will take an average of 10 minutes for each of the approximately 7,000 growers of California almonds to cast a ballot. Participation is voluntary. Ballots postmarked after February 19, 1999, will not be included in the vote tabulation.

Martin Engeler of the California Marketing Field Office, Fruit and Vegetable Programs, Agricultural Marketing Service, USDA, is hereby designated as the referendum agent of the Secretary of Agriculture to conduct such referendum. The procedure applicable to the referendum shall be the ''Procedure for the Conduct of Referenda in Connection With Marketing Orders for Fruits, Vegetables, and Nuts Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended'' (7 CFR 900.400 *et. seq*).

Ballots will be mailed to all growers of record and may also be obtained from the referendum agent and from his appointees.

List of Subjects in 7 CFR Part 981

Almonds, Marketing agreements, Nuts, Reporting and recordkeeping requirements.

Authority: 7 U.S.C. 601–674.

Dated: November 20, 1998.

Enrique E. Figueroa,

Administrator, Agricultural Marketing Service.

[FR Doc. 98–31787 Filed 11–27–98; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 93

[Docket No. 98–069–1]

Horses from Australia and New Zealand; Quarantine Requirements

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Proposed rule.

SUMMARY: We are proposing to amend the regulations regarding the importation of horses to exempt horses imported from Australia and New Zealand from testing for dourine and glanders during the quarantine period. We believe this action is warranted because neither country has ever had a reported case of dourine, New Zealand has never had a reported case of

glanders, and Australia has not had a reported case of glanders since 1891. It appears that horses imported from Australia and New Zealand would pose a negligible risk of introducing dourine and glanders into the United States.

DATES: Consideration will be given only to comments received on or before January 29, 1999.

ADDRESSES: Please send an original and three copies of your comments to Docket No. 98–069–1, Regulatory Analysis and Development, PPD, APHIS, suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737–1238. Please state that your comments refer to Docket No. 98–069–1. Comments received may be inspected at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call ahead on (202) 690–2817 to facilitate entry into the comment reading room.

FOR FURTHER INFORMATION CONTACT: Dr. Glen I. Garris, Supervisory Staff Officer, Regionalization Evaluation Staff, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 39, Riverdale, MD 20737–1231, (301) 734–8364.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR part 93 (referred to below as the regulations) govern the importation into the United States of specified animals and animal products to prevent the introduction into the United States of various animal diseases, including dourine and glanders. Dourine and glanders are potentially fatal equine diseases that are not known to exist in the United States.

Under § 93.308(a)(3) of the regulations, horses imported from any part of the world must, in order to qualify for release from quarantine, test negative to official tests for dourine, glanders, equine piroplasmosis, equine infectious anemia, and any other tests and procedures that may be required by the Administrator of the Animal and Plant Health Inspection Service (APHIS) to determine their freedom from communicable diseases.

The Governments of Australia and New Zealand have requested that the U.S. Department of Agriculture exempt horses imported from Australia and New Zealand from testing for dourine and glanders during the quarantine period. Australia has never had a reported case of dourine, and the last case of glanders in that country was reported in 1891. New Zealand has never had a reported case of dourine or glanders.

The Governments of Australia and New Zealand also provided APHIS with documentation about their veterinary infrastructure, animal health monitoring system, trading practices with other regions, and other pertinent information to support their requests. Copies of this documentation may be obtained from the person listed under **FOR FURTHER INFORMATION CONTACT.**

APHIS has reviewed the documentation, and based on that documentation, we believe that horses imported from Australia and New Zealand would pose a negligible risk of introducing dourine and glanders into the United States. Therefore, we are proposing to amend 93.308(a)(3) of the regulations to exempt horses imported from Australia and New Zealand from testing for dourine and glanders during the quarantine period. However, horses imported from Australia and New Zealand would still have to be quarantined and tested for equine piroplasmosis, equine infectious anemia, and undergo any other tests and procedures that may be required by the Administrator to determine their freedom from communicable diseases.

Miscellaneous

In § 93.308(a)(3), footnote 14 states that official tests for dourine and glanders are performed at the Veterinary Services Laboratory in Beltsville, MD; however, those tests are currently performed at the National Veterinary Services Laboratories in Ames, IA. We are proposing to amend the footnote to reflect the current location. We are also proposing to make several nonsubstantive editorial changes to § 93.308(a)(3).

Executive Order 12866 and Regulatory Flexibility Act

This proposed rule has been reviewed under Executive Order 12866. The rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget.

This proposed rule would exempt horses imported into the United States from Australia and New Zealand from the requirement for testing for dourine and glanders during the quarantine period. As explained previously in this document, we believe that there is a negligible risk of horses imported from Australia and New Zealand introducing dourine and glanders into the United States.

U.S. importers of horses from Australia and New Zealand would be affected by this rule if it is adopted. These importers would no longer be required to have horses that are imported from Australia and New Zealand tested for dourine and glanders during the quarantine period. As a consequence, U.S. importers would save $18.00 for the cost of both tests. However, horses imported from Australia and New Zealand would still have to be tested for equine piroplasmosis, equine infections anemia, and undergo any other tests and procedures that may be required by APHIS to determine their freedom from communicable diseases.

According to the 1992 Census of Agriculture, the United States had a total population of at least 2,049,522 horses. The United States is a net exporter of horses. In 1997, the United States exported 56,953 horses valued at $271 million, and imported 23,794 horses valued at $134 million. However, only 45 of the horses were imported from Australia, and 130 of the horses were imported from New Zealand. The total number of horses imported into the United States from Australia and New Zealand is small due to the distances the horses must travel and the high transportation costs, which are reflected in the prices of the horses. For example, horses imported from Canada have an average price of $1,490, while horses imported from Australia and New Zealand have an average price of $20,682, and $13,781, respectively. Given these relatively high prices and the rather small expected savings of $18 per horse imported, we do not expect this proposed action would result in an increase in the number of horses imported into the United States from Australia and New Zealand, nor do we expect this proposed action would have a significant economic impact on U.S. importers of horses from Australia and New Zealand, regardless of their size.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action would not have a significant economic impact on a substantial number of small entities.

Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. If this proposed rule is adopted: (1) All State and local laws and regulations that are inconsistent with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings will not be required before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This proposed rule contains no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Part 93

Animal diseases, Imports, Livestock, Poultry and poultry products, Quarantine, Reporting and recordkeeping requirements.

Accordingly, we propose to amend 9 CFR part 93 as follows:

PART 93—IMPORTATION OF CERTAIN ANIMALS, BIRDS, AND POULTRY, AND CERTAIN ANIMAL, BIRD, AND POULTRY PRODUCTS; REQUIREMENTS FOR MEANS OF CONVEYANCE AND SHIPPING CONTAINERS

1. The authority citation for part 93 would continue to read as follows:

Authority: 7 U.S.C. 1622; 19 U.S.C. 1306; 21 U.S.C. 102–105, 111, 114a, 134a, 134b, 134c, 134d, 134f, 135, 136, and 136a; 31 U.S.C. 9701; 7 CFR 2.22, 2.80, and 371.2(d).

2. In § 93.308, paragraph (a)(3) would be revised to read as follows:

§ 93.308 Quarantine requirements.

(a) * * *

(3) To qualify for release from quarantine, all horses must test negative to official tests for dourine, glanders, equine piroplasmosis, and equine infectious anemia.[14] However, horses imported from Australia and New Zealand are exempt from testing for dourine and glanders. In addition, all horses must undergo any other tests, inspections, disinfections, and precautionary treatments that may be required by the Administrator to determine their freedom from communicable diseases.

* * * * *

Done in Washington, DC, this 20th day of November 1998.

Craig A. Reed,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 98–31711 Filed 11–27–98; 8:45 am]

BILLING CODE 3410–34–P

[14] Because the official tests for dourine and glanders are performed only at the National Veterinary Services Laboratories in Ames, IA, the protocols for those tests have not been published and are, therefore, not available; however, copies of ''Protocol for the Complement-Fixation Test for Equine Piroplasmosis'' and ''Protocol for the Immuno-Diffusion (Coggins) Test for Equine Infectious Anemia'' may be obtained from the Animal and Plant Health Inspection Service, Veterinary Services, National Center for Import-Export, 4700 River Road Unit 38, Riverdale, MD 20737–1231.

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 712

Credit Union Service Organizations

AGENCY: National Credit Union Administration

ACTION: Proposed rule.

SUMMARY: NCUA proposes several changes to its recently revised rule concerning federal credit unions' (FCUs') investments in and loans to credit union service organizations (CUSOs). The proposed changes: delete a provision preventing FCUs from investing in or lending to CUSOs in which non-credit union depository institutions are co-investors or lenders; revise a provision limiting CUSO investments in non-CUSO service providers; delete a provision preventing FCUs from investing in the debentures of a CUSO; and clarify how the NCUA measures the limit on an FCU's investment in or loans to CUSOs. The proposed changes decrease the regulatory burden for FCUs investing in or lending to CUSOs.

DATES: Comments must be received by March 1, 1999.

ADDRESSES: Comments should be directed to Becky Baker, Secretary of the Board. Mail or hand-deliver comments to: National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428. Fax comments to (703) 518–6319. E-mail comments to boardmail@ncua.gov. Please send comments by one method only.

FOR FURTHER INFORMATION CONTACT: Mary Rupp, Staff Attorney, Office of General Counsel, at the above address or telephone (703) 518–6540; or Linda Groth, Program Officer, Office of Examination and Insurance, at the above address or telephone (703) 518–6360.

SUPPLEMENTARY INFORMATION:

Background

Section 107 of the Federal Credit Union Act (the Act) authorizes FCUs to make loans to and invest in CUSOs subject to certain funding limits and other restrictions. 12 U.S.C 1757. As to funding, § 107(5)(D) authorizes an FCU to lend, in the aggregate, up to 1% of its shares and undivided earnings to CUSOs, and § 107(7)(I) authorizes an FCU to invest up to an additional 1% in the shares, stocks, or obligations of a CUSO. 12 U.S.C. 1757(5)(D), (7)(I). Other restrictions include § 107(5)(D)'s requirement that a service organization ''primarily serve the needs of its member credit unions'' and § 107(7)(I)'s prohibition against using the CUSO authority to acquire control of other specified organizations such as trade associations and other financial institutions.

NCUA's implementing regulations have, since their inception, combined these lending and investment provisions in a single ''CUSO rule.'' Now codified at 12 CFR part 712, the CUSO rule was most recently revised in March 1998. 63 FR 10743 (March 5, 1998). That revision reflected a comprehensive updating and streamlining of the rule. Among other changes, the revised rule clarifies NCUA's authority to examine CUSO books and records, adds to the list of permissible CUSO services, and simplifies the legal opinion requirements. Upon reconsideration of the revised rule, NCUA now believes that three provisions of the rule are unnecessarily restrictive and should be changed and that one provision needs further clarification.

Proposed Changes

The first proposed change concerns the question of what other organizations may participate with FCUs in the formation and operation of a CUSO. In this connection, § 712.2(c) of the current rule states that ''[a]n FCU may invest in, or loan to, a CUSO by itself or with other credit unions, or with non-depository institution parties not otherwise prohibited by § 712.6 or this part.'' This language prohibits an FCU from investing in or lending to a CUSO in which one or more banks or thrift institutions are also participating lenders or investors.

Explaining this prohibition, the preamble to the current rule cited concern about non-credit union depository institutions participating in credit union service centers, such as shared branches. NCUA was concerned that credit union members would be confused if both NCUSIF and FDIC signs were posted together at shared service centers. 63 FR at 10746. On further consideration, however, NCUA believes any possible confusion can be properly addressed through appropriate disclosures to service center customers. The prohibition on bank and thrift participants is unnecessary and NCUA proposes to revise § 712.2(c) to read: ''A federal credit union may invest in or loan to a CUSO by itself, with other credit unions, or with non-credit union parties.'' This language is substantially the same as the rule prior to the March 1998 revision. In addition the proposed rule removes a cross-reference in the current version of § 712.2(c) to § 712.6. Section 712.6 stands on its own to implement the statutory prohibition