

and discussed this issue. That meeting was also a public meeting and both large and small entities were able to participate and express their views.

A proposed rule concerning this action was published in the **Federal Register** on June 17, 1998 (63 FR 33010). Copies of the rule were mailed to all Board members and almond handlers. Finally, the rule was made available through the Internet by the Office of the Federal Register. A 30-day comment period ending July 17, 1998, was provided to allow interested persons to respond to the proposal.

One comment was received in response to the proposed rule. The commenter, a marketing cooperative representing California almond growers, supported the proposal. The commenter believes that denying or revoking accepted user status is the principal method that the Board has to ensure that only users that dispose of inedible almonds in proper channels are approved by the Board.

After consideration of all relevant matter presented, including the information and recommendation submitted by the Board, the comment received, and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

It is further found that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register** (5 U.S.C. 553) because the beginning of the 1998-99 crop year is August 1, 1998, and the rule needs to be in effect as soon as possible so this action coincides with the approval cycle for accepted user applications. Further, handlers are aware of this rule, which was recommended at a public meeting. Also, a 30-day comment period was provided for in the proposed rule, and one comment was received which supported the change.

#### List of Subjects in 7 CFR Part 981

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

For the reasons set forth in the preamble, 7 CFR part 981 is amended as follows:

#### PART 981—ALMONDS GROWN IN CALIFORNIA

1. The authority citation for 7 CFR part 981 continues to read as follows:

**Authority:** 7 U.S.C. 601-674.

2. Section 981.442 is amended by adding a new paragraph (a)(7)(iv) to read as follows:

#### § 981.442 Quality Control.

(a) \* \* \*

(7) \* \* \*

(iv) The Board may deny or revoke accepted user status at any time if the applicant or accepted user fails to meet the terms and conditions of § 981.442, or if the applicant or accepted user fails to meet the terms and conditions set forth in the accepted user application (ABC Form 34).

\* \* \* \* \*

Dated: July 30, 1998.

**Robert C. Keeney,**

*Deputy Administrator, Fruit and Vegetable Programs.*

[FR Doc. 98-20913 Filed 8-4-98; 8:45 am]

BILLING CODE 3410-02-P

#### DEPARTMENT OF AGRICULTURE

#### Commodity Credit Corporation

#### 7 CFR Part 1446

RIN: 0560-AF56

#### Cleaning and Reinspection of Farmers Stock Peanuts

**AGENCY:** Commodity Credit Corporation, USDA.

**ACTION:** Interim rule with request for comments.

**SUMMARY:** This rule amends regulations for the peanut price support program to, pending comment, ease conditions for marketing Segregation 3 peanuts by allowing the peanuts to be reconditioned and regraded in certain limited instances. Peanuts are graded as "Segregation 3" peanuts when they are found by visual inspection to have *Aspergillus flavus* (A. flavus) mold. This rule would allow a farmer whose peanuts were found at a buying point inspection to have the mold to reclean those peanuts at the buying point and have them visually reinspected within 24 hours. The farmer could obtain such a re-inspection only once for any given lot. This rule follows litigation in which all segments of the industry were involved and buying point inspection procedures were at issue. This rule is issued as an interim rule to allow relief with respect to the upcoming crop (the 1998 crop) which should come to market shortly. However, comments on all inspection options related to the price support program for peanuts are solicited and should be offered by all interested parties.

**DATES:** Effective August 5, 1998. Comments must be received on or before September 4, 1998 to be assured consideration. Comments regarding information collection must be received

on or before October 5, 1998 to be assured consideration.

**ADDRESSES:** Submit comments on the interim rule to: Director, Tobacco and Peanuts Division, Farm Service Agency, U.S. Department of Agriculture, STOP 0514, 1400 Independence Avenue, SW, Washington, D.C., 20250-0514. All written submissions made pursuant to this rule will be made available for public inspection in Room 5750 South Building, USDA, between the hours of 8:15 a.m. and 4:45 p.m., during regular Federal workdays.

**FOR FURTHER INFORMATION CONTACT:** David Kincannon, (202) 720-7914.

#### SUPPLEMENTARY INFORMATION:

#### Executive Order 12866

For purposes of Executive Order 12866, this rule has been determined to be not significant and has not been reviewed by the Office of Management and Budget (OMB).

#### Regulatory Flexibility Act

The Regulatory Flexibility Act is not applicable to this interim rule because the Commodity Credit Corporation 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 subject matter of this rule.

#### Environmental Evaluation

It has been determined by an environmental evaluation that this action will have no significant impact on the quality of the human environment. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

#### Unfunded Federal Mandates

This rule contains no Federal mandates (under the regulatory provisions of Title II of the Unfunded Mandate Reform Act of 1995 (UMRA), for State, local, and tribal governments or the private sector. Thus, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

#### Federal Assistance Program

The title and number of the Federal Assistance Program, as found in the Catalog of Federal Domestic Assistance, to which this interim rule applies are: Commodity Loans and Purchases—10.051.

#### 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).

#### Executive Order 12988

This interim rule has been reviewed in accordance with Executive Order 12988. The provisions of this rule do not preempt State laws to the extent that such laws are consistent with the provisions of this rule. Before any legal action is brought regarding determinations made under provisions of 7 CFR part 1446, the administrative appeal provisions set forth at 7 CFR parts 11 and 780 must be exhausted.

#### National Appeals Division Rules of Procedure

The procedures set out in 7 CFR parts 11 and 780 apply to appeals of adverse decisions made under the regulations adopted in this notice.

#### Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, CCC will forward a regular submission of this information collection request to OMB for the approval of increased reporting burden necessary for the administration of the peanut program.

*Title:* Peanut Program.

*OMB Control Number:* 0560-0006.

*Type of Request:* Reinstatement and Revision of a previously approved information collection.

*Abstract:* The peanut price support program is made available through the authority granted the Secretary of Agriculture under the Agricultural Adjustment Act of 1938, as amended, and the Agriculture Act of 1949, as amended. The Federal Agriculture Improvement and Reform Act of 1996 amended the peanut price support program effective for the 1996 through 2002 crop years.

Under the provisions of the peanut price support program FSA allocates peanut quota to States based on the peanut quota allocated to the State in 1995. Each farm eligible for peanut quota allocation receives a quota based on the increase or decrease in the States quota. Provisions of the peanut program requires FSA to administer the transfer of peanut quota between farm, the allocation of temporary seed quota, the marketing, inspection and grading peanuts of all peanuts, making warehouse-and farm-stored loans, and the contracting and disposition of additional peanuts (peanuts grown in excess of a farms quota allocation).

The public reporting burden imposed by the peanut price support program requires peanut producers to document the acreage planted to peanuts, peanut quota transferred to another farm and to

an out-of-county farm, production and disposition of peanuts. Peanut handlers are required to report the grade factors for peanuts inspected at time of delivery to buying points, purchase of non-inspected peanuts, peanuts used for breeder seed or foundation seed, and peanuts used for experimental purposes.

This information collected allows FSA, in accordance with statutory provisions, to account for peanut production for each farm, allocate temporary seed quota to eligible producers, and monitor the disposition of additional peanuts to assure only quota peanuts are used in the domestic market. In addition, this information collection allows the CCC to administer the warehouse-and farm-stored peanut loan program and to assure that quota peanuts are supported at the mandated price support rate.

*Estimate of Burden:* Public reporting burden for this information collection is estimated to average .68 hours per response .

*Respondents:* Peanut Producers.

*Estimated Number of Respondents:* 51,250.

*Estimated Number of Responses per Respondent:* 15.

*Estimated Total Annual Burden on Respondents:* 306,690 hours.

Proposed topics for comment include: (a) Whether the continued collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the CCC's estimate of burden including the validity of the methodology and assumptions used; (c) enhancing the quality, utility, and clarity of the information collected; or (d) minimizing the burden of the collection of the information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments should be sent to the Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20250-0517. All comments will become a matter of public record.

OMB is required to make a decision concerning the collection of information contained in these interim regulations between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, a comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication.

#### Background

This rule addresses an amendment to the peanut poundage quota regulations at 7 CFR Part 1446 with regard to determining Segregation 3 peanuts and addresses a matter which has been at issue in recent litigation under the name of *Ray T. Boyd et al. v. Glickman*, USDC M.D. Ala., Southern Div., Civil Action No. 98-A-83 S. In order to provide some relief with respect to the matter at issue in that proceeding, this rule modifies the definition of Segregation 3 peanuts found in § 1446.103 by providing that peanuts found to have visible *Aspergillus flavus* (A. flavus) mold upon a visual inspection at a buying point may be reconditioned and regraded in certain limited instances. For many years peanuts found to have visible A. flavus mold were required to be marketed as additional loan peanuts or as quota peanuts returned to the farm for seed. Although no recleaning was allowed, the impact of the inspection on farmers was mitigated by the availability of "disaster transfers" which allowed a transfer of additional loan peanuts to a quota loan pool. Those transfers did not change the ultimate use of the peanuts but did allow the farmer to receive a return close to that for quota peanuts if the farmer otherwise would have unused quota.

The Federal Agriculture Improvement and Reform Act of 1996 (1996 Act) substantially limited the quantity and price on such transfers but did not mandate the particular procedures by which peanuts would be classified as Segregation 3 peanuts. In order to mitigate possible harm to individual farmers with Segregation 3 peanuts, farmers whose peanuts are found to contain visible A. flavus mold would be allowed by this interim rule, pending comment, to have the peanuts reconditioned by removing foreign material and loose shelled kernels (LSK's) at the buying point and regraded one time only in accordance with directions to be issued by the Director of the Tobacco and Peanuts Division of the Farm Service Agency.

As defined by 7 CFR part 1446, farmers stock peanuts are picked or threshed peanuts produced in the United States which have not been changed (except for removal of foreign material, loose shelled kernels (LSK's), and excess moisture) from the condition in which picked or threshed peanuts are customarily marketed by producers, plus any LSK's that are removed from farmers stock peanuts before such farmers stock peanuts are marketed. Accordingly, the only permissible reconditioning of farmers stock peanuts

is cleaning to remove foreign material and LSK's. Any LSK's removed by cleaning must be accounted for as will be specified by the Director.

Comments on this interim rule are requested and will be considered including comments directed at the impact of this rule on other farmers because of possible losses that could occur on peanuts that are regraded but after being pledged as collateral for a price support loan at the higher quota level are not found attractive to buyers of peanuts for quota peanut uses. It has been determined for the present that the retesting will not be made using chemical testing because of the cost involved, and the lack of standards for chemical testing at that stage of the marketing process. Insofar as questions of wholesomeness are concerned chemical testing is conducted at a later stage of the marketing process for the purposes of insuring such wholesomeness. The inspection addressed in this rule is for purposes of making certain price support value determinations in the context of operating a program that supports peanuts throughout the country.

However, comments concerning chemical testing during the inspection for incoming producer peanuts at buying points will be carefully considered in determining whether to amend the interim rule prior to making that rule final. Such comments should address the efficacy of such testing, standards for such testing and the assignment of costs for such testing. That is, all interested parties should provide comments expressing their view on whether the option contained in the interim rule, or some other option, should be selected. All options will be considered.

#### List of Subjects in 7 CFR part 1446

Loan programs—agriculture, Reporting and recordkeeping requirements

For the reasons set out in the preamble, 7 CFR part 1446 is amended as follows:

#### PART 1446—PEANUTS

1. The authority citation is amended to read as follows:

**Authority:** 7 U.S.C. 7271; 15 U.S.C. 714b and 714c

2. In § 1446.103 a new definition of "Director" is added in its proper alphabetical sequence and in the definition of Segregations, paragraph (3) is revised to read as follows:

#### § 1446.103 Definitions

\* \* \* \* \*

*Director.* The Director, or Acting Director, Tobacco and Peanuts Division, Farm Service Agency, U.S. Department of Agriculture.

\* \* \* \* \*

*Segregations.* \* \* \*

(3) *Segregation 3.* Segregation 3 peanuts are farmers stock peanuts which, upon visible inspection, are found to contain *Aspergillus flavus* mold: *Provided, further,* however, that, in accordance with such written instructions as the Director may issue, the Director shall permit producers at approved buying points as specified by the Director to have a Segregation 3 lot reconditioned, one time only, so long as the reconditioning is performed at the buying point where the peanuts were initially delivered, and then reinspected visually. Such reinspection may not occur more than 24 hours from the initial inspection except as permitted by the Director and the second grade shall be considered the final grade for the farmers stock peanuts.

\* \* \* \* \*

Signed at Washington, D.C., on July 30, 1998.

**Keith Kelly,**

*Executive Vice President, Commodity Credit Corporation.*

[FR Doc. 98-20896 Filed 7-31-98; 2:59pm]

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## DEPARTMENT OF AGRICULTURE

### Rural Housing Service

### Rural Business-Cooperative Service

### Rural Utilities Service

### Farm Service Agency

#### 7 CFR Part 1951

RIN 0572-AB23

### Servicing of Community and Insured Business Programs Loans and Grants

**AGENCIES:** Rural Housing Service; Rural-Business Cooperative Service; Rural Utilities Service; and Farm Service Agency, USDA.

**ACTION:** Final rule.

**SUMMARY:** The Rural Utilities Service (RUS) hereby amends the regulations utilized to service loans and grants. The final rule will permit loan reamortization with interest rate adjustment for eligible delinquent borrowers. The final rule will provide debt relief to troubled borrowers and encourage these organizations to remain in operation and resume scheduled loan payments. The final rule will also provide RUS greater flexibility to

service problem loans and permit a viable, cost effective alternative to debt write-offs.

**EFFECTIVE DATE:** August 5, 1998.

**FOR FURTHER INFORMATION CONTACT:** John Purcell, Rural Utilities Service, Stop 1570, 1400 Independence Ave. SW, Washington, DC 20250, telephone (202) 720-9634.

#### SUPPLEMENTARY INFORMATION:

##### Classification

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.

##### Regulatory Flexibility Act

Pursuant to § 605(b) of the Regulatory Flexibility Act, 5 U.S.C. 605(b), the head of the Agencies certify that this rule will not have a significant economic impact on a substantial number of small entities.

##### Intergovernmental Review

This program is listed in the Catalog of Federal Domestic Assistance under number 10.760, Water and Waste Disposal Systems for Rural Communities, subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials.

##### Environmental Impact Statement

This action has been reviewed in accordance with 7 CFR part 1940, subpart G, "Environmental Program." It has been determined that the action does not constitute a major Federal action significantly affecting the quality of the human environment and in accordance with the National Environmental Policy Act of 1969, Pub. L. 91-190, an Environmental Impact Statement is not required.

##### Civil Justice Reform

This regulation has been reviewed under Executive Order 12988, Civil Justice Reform. When this regulation is adopted: (1) unless otherwise specifically provided all State and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule except as specifically prescribed in the rule; and (3) administrative proceedings of the National Appeals Division (7 CFR part 11) must be exhausted before bringing suit.

##### Paperwork Reduction Act

In accordance with the Paperwork Reduction Act (44 U.S.C. 3507), the information collection requirements included in this rule have been