rules and regulations

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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Title 7—Agriculture

CHAPTER I—AGRICULTURAL MARKETING SERVICE (STANDARDS, INSPECTION, MARKETING PRACTICES), DEPARTMENT OF AGRICULTURE

SUBCHAPTER A—COMMODITY STANDARDS AND STANDARD CONTAINER REGULATIONS

PART 35—EXPORT GRAPES AND PLUMS

Minimum Grade and Other Requirements

This amendment would (1) apply regulations under the Export Grape and Plum Act, as amended (74 Stat. 734; 75 Stat. 220; 88 Stat. 1966; 7 U.S.C. 591-599), to all varieties of vinifera species (European-type) table grapes, and (2) prescribe separate minimum grade and other requirements to such grapes exported to different destinations consistent with the demand in each market.

Notice was published in the FEDERAL REGISTER on June 18, 1976 (41 FR 24715), regarding a proposed amendment to the regulations (7 CFR Part 35) issued pursuant to the provisions of the Export Grape and Plum Act, as amended (74 Stat. 734, 75 Stat. 220; 88 Stat. 1966; 7 U.S.C. 591-599), and to the authority set forth in Section 7, 74 Stat. 734; 7 U.S.C. 597, for carrying out the provisions of said act.

The notice provided a period of 38 days after publication thereof in the FEDERAL REGISTER during which interested persons could file written data, views, or arguments pertaining thereto.

A total of fifteen letters were submitted. These were from growers, shippers, exporters, and industry organizations handling a majority of the shipments of table grapes from California and Arizona. All except two were favorable and suggested no change in the amendment as set forth in the notice. On the negative side, one grower-shipper opposed the changes expressing the view that the amendment would reduce the quantity of better quality table grapes available for domestic use, and effecting compliance with requirements that differ by destinations would be difficult. Indications are that ample supplies of quality table grapes normally are and would continue to be available to serve export demands and domestic consumers' needs. No compliance problems are expected which cannot be overcome.

One letter was submitted by an exporter who requested that the quantity that may be exported exempt from the regulation be increased to 100 packages. The amendment as published in the notice would permit shipment in export of 25 packages or less, either of a single variety or a combination of two or more varieties, not exceeding 1,250 pounds gross weight exempt from regulation requirements. In view of the fact that the exemption of 25 packages or less of grapes has proven to be satisfactory and consistent with purposes of the act to expand export markets, and it is favored by the majority of those who submitted views, it is concluded that no increase in the quantity exempted should be made at this time.

Average annual exports of fresh U.S. grapes during the five-year period 1970-71 through 1974-75 were 107,096 metric tons. Exports of fresh grapes to Japan during 1974-75 were 767 metric tons compared to 729 metric tons in 1973-74 and 213 metric tons in 1972-73. Exports of fresh grapes to Sweden, the leading European export destination, were 1,419 metric tons in 1974-75, down from exports of 2,016 metric tons in 1973-74.

The amendment requires exports of U.S. fresh European-type grapes in packages to Europe, Greenland, and Japan to meet the minimum requirements of the U.S. Fancy Table Grade with the additional requirement that the minimum bunch size for all varieties shall be one-half pound. Exports of such grapes to any other destination, excluding Canada and Mexico, are required to meet the minimum requirements of the U.S. No. 1 Table Grade except that an additional tolerance of 2 percent is permitted for sealed berry cracks in Ribier and Exotic varieties. The amendment recognizes that differences exist in quality preferences in different export markets and prescribes grade requirements for grapes appropriate to the demand in each such market. Under the amendment, shipments of fresh grapes to Canada and Mexico are exempt from the regulations. Demand in these contiguous countries is similar in character to that in domestic markets and this tends to minimize the need for export regulations to destinations in such countries. Additionally, in the case of Canada, that country applies quality and inspection requirements to imports of grapes which are similar to those prescribed by the amendment.

The amendment requires packages to be marked with the inspection lot stamp number and, as currently required, the name and address of the grower or packer and the name of the variety. Mandatory grade marking of packages would not be required. Inspection certificates certifying compliance with the requirements of the act are designated as an "Export Form Certificate" and bear one of the following statements as applicable: (1) For any variety meeting specifications of paragraph (a) of § 35.11, "Meets requirements of Export Grape and Plum Act" or (2) For any variety meeting specifications of paragraph (b) of § 35.11, "Meets requirements of Export Grape and Plum Act except for export to destinations in Europe, Greenland, or Japan."

After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice, and the views and comments submitted during the notice period, it is hereby found that the amendment of the said regulations as hereinafter set forth is in accordance with the provisions of the act.

1. Sections 35.5 and 35.6 are revised by deleting from each the words "Emperor variety" and substituting therefor the words "any variety of vinifera species table." As revised §§ 35.5 and 35.6 read as follows:

§ 35.5 Package.

"Package" means any container of any variety of vinifera species table grapes.

§ 35.6 Shipment.

"Shipment" means one or more lots of any variety of vinifera species table grapes shipped or offered for shipment by any one person in a single conveyance to a foreign country regardless of the number of consignees, receivers, or ports of destination in that country.

2. Section 35.11 is amended by revising the introductory language and paragraphs (a), (b), and (c) to read as follows:

§ 35.11 Minimum requirements.

No person shall ship, or offer for shipment, and no carrier shall transport, or receive for transportation, any shipment of any variety of vinifera species table grapes unless such grapes meet the following quality and container marking requirements applicable to the variety and destination specified:

(a) Any such variety for export to destinations in Japan, Europe (defined to mean the following countries: Albania, Austria, Belgium, Bulgaria, Czechoslovakia, Denmark, East Germany, England, Finland, France, Greece, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Northern Ireland, Norway, Poland, Portugal, Rumania, Scotland, Spain, Sweden, Switzerland, Wales, West Germany, Yugoslavia), or Greenland shall meet each applicable minimum requirement of the U.S. Fancy Table grape grade as specified in the U.S. Standards for Grades of Table Grapes (European or Vinifera Type) (§§ 51.880-51.912 of this title) except that the minimum bunch size for all varieties shall be one-half pound.

(b) Any such variety for export to any foreign destination, other than destinations in Japan, Europe, Greenland, Canada, or Mexico, shall meet each applicable minimum requirement of the U.S. No. 1 Table grape grade as specified in the U.S. Standards for Grades of Table Grapes (European or Vinifera Type) (§§ 51.880-51.912 of this title) except that an additional 2 percent tolerance for sealed berry cracks on Ribier and Exotic varieties is allowed.

(c) Each package of any such variety, other than those in packages of 5 pounds or less in master containers, to any destination other than in Canada or Mexico shall be plainly and conspicuously marked with the name and address of the grower or packer, the variety, and the applicable inspection lot stamp number, except that when the packages are unitized, the requirement as to inspection lot stamp marking shall be deemed as met if the exposed box ends on one end of the unit are so marked.

3. Paragraphs (a), (b), and (e) of § 35.12 are revised to read as follows:

§ 35.12 Inspection and certification.

(a) Each person shipping or offering for shipment any variety of vinifera species table grapes, to any foreign destination other than destinations in Canada or Mexico, shall cause them to be inspected within 14 days prior to date of export by the Federal or Federal-State Inspection Service in accordance with regulations governing the inspection and certification of fresh fruits, vegetables, and other products (Part 51 of this chapter) and certified as meeting the requirements of the act and this part.

(b) The Federal or Federal-State certificate shall be designated as an "Export Form Certificate" and shall include one of the following statements as applicable: (1) For any variety meeting specifications of paragraph (a) of § 35.11 "Meets requirements of Export Grape and Plum Act" or (2) For any variety meeting specifications of paragraph (b) of § 35.11 "Meets requirements of Export Grape and Plum Act except for export to destinations in Europe, Greenland, or Japan." No carrier shall transport or receive for transportation any such variety to any foreign destination other than Canada or Mexico unless a copy of the certificate of inspection issued thereon showing that the grapes meet requirements for the applicable export destination is surrendered to such carrier when such variety is so received. The shipper shall deliver a copy of such certificate covering the shipment to the export carrier. Such grapes may be inspected at points other than port of exportation. Whenever such grapes are inspected and certified at any point other than port of exportation, the shipper shall deliver a copy of such certificate to the agent of the first carrier that thereafter transports such grapes and such agent shall deliver such copy to the proper official of the carrier on which the grapes are to be exported.

* * * * *

(e) If the inspector has reason to believe that samples of a lot of any variety of vinifera species table grapes have been obtained for a determination as to compliance with tolerance for spray residue, established under the Federal Food, Drug and Cosmetic Act, as amended (52 Stat. 1040; 21 U.S.C. 301 et seq.), he shall not issue a certificate on the lot unless it complies with such tolerances.

4. Section 35.13 is revised to read as follows:

§ 35.13 Minimum quantity.

Any person may, without regard to the provisions of this part, ship or offer for shipment, and any carrier may, without regard to the provisions of this part, transport or receive for transportation to any foreign destination, a shipment of 25 packages or less of vinifera species table grapes, either a single variety or a combination of two or more varieties, not exceeding 1,250 pounds gross weight.

5. Section 35.14 is revised by deleting the words "Emporer variety" and substituting therefor the words "any variety of vinifera species table." As revised, § 35.14 reads as follows:

§ 35.14 Notice.

If the Secretary is considering withholding the issuance of certificates under the act for a period of not exceeding 90 days to any person who ships, or offers for shipment, any variety of vinifera species table grapes to any foreign destination in violation of any provisions of the act or this part, he shall cause notice to be given to the person accused of the nature of the charges against him and of the specific instances in which violation of the act or the regulations in this part is charged.

Dated, August 2, 1976, to become effective September 15, 1976.

DONALD E. WILKINSON,
Administrator.

[FR Doc.76 22956 Filed 8-5-76;8:45 am]

CHAPTER VII—AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE (AGRICULTURAL ADJUSTMENT), DEPARTMENT OF AGRICULTURE

SUBCHAPTER B—FARM MARKETING QUOTAS AND ACREAGE ALLOTMENTS

[Amdt. 4]

PART 722—COTTON

Subpart—Marketing Quota Regulations for the 1972 and Succeeding Crops of Extra-Long Staple Cotton and Recordkeeping Requirements for Extra-Long Staple and Upland Cotton

1976 CROP MARKETING QUOTA PENALTY RATE

This amendment is issued pursuant to the Agricultural Adjustment Act of 1938, as amended (52 Stat. 31), as amended (7 U.S.C. 1281 et seq.). The purpose of this amendment is to incorporate the rate of penalty applicable to excess extra-long staple cotton produced in the 1976 crop year.

Under the Agricultural Adjustment Act of 1938, the extra-long staple cotton penalty rate per pound on the farm marketing excess is equal to the higher of 50 percent of the parity price as of June 15 of the calendar year in which the crop is produced or 50 percent of the 1976 support price of extra-long staple cotton.

Since the rate of penalty is simply a methematical determination, it is hereby determined and found that compliance with the notice, public procedure, and effective date requirements of 5 U.S.C. 553 is unnecessary and contrary to the public interest, and this document shall become effective August 6, 1976.

The regulations for Marketing Quotas for the 1972 and Succeeding Crops of Extra-Long Staple Cotton and Recordkeeping Requirements for Extra-long Staple and Upland Cotton (37 FR 25029, 38 FR 20840, 39 FR 30340, 40 FR 52715), are amended as follows:

1. Section 722.73 is amended by adding a new subparagraph (c)(5) to read as follows:

§ 722.73 Rate of penalty.

* * * * *

(c) * * *

(5) 1976 ELS cotton penalty rate is 58.5 cents per pound.

(Secs. 346, 347, 373, 375, 63 Stat. 674, as amended, 63 Stat. 675, as amended, 52 Stat. 65, 66, as amended (7 U.S.C. 1346, 1347, 1373, 1375).)

Effective date: This amendment becomes effective on August 6, 1976.

Signed at Washington, D.C., on July 30, 1976.

SEELEY G. LODWICK,
Acting Administrator, Agricultural Stabilization and Conservation Service.

[FR Doc. 76-22883 Filed 8-5-76;8:45 am]

CHAPTER IX—AGRICULTURAL MARKETING SERVICE (MARKETING AGREEMENTS AND ORDERS; FRUITS, VEGETABLES, NUTS), DEPARTMENT OF AGRICULTURE

[Lemon Reg. 51]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

This regulation fixes the quantity of California-Arizona lemons that may be shipped to fresh market during the weekly regulation period August 8-14, 1976. It is issued pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and Marketing Order No. 910. The quantity of lemons so fixed was arrived at after consideration of the total available supply of lemons, the quantity of lemons currently available for market, the fresh market demand for lemons, lemon prices, and the relationship of season average returns to the parity price for lemons.

§ 910.351 Lemon Regulation 51.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) The need for this regulation to limit the quantity of lemons that may be marketed during the ensuing week stems from the production and marketing situation confronting the lemon industry.

(i) The committee has submitted its recommendation with respect to the quantity of lemons it deems advisable to be handled during the ensuing week. Such recommendation resulted from consideration of the factors enumerated in the order. The committee further reports the demand for lemons is good on first grade fruit and easier on all other grades. Average f.o.b. price was $6.49 per carton the week ended July 31, 1976, compared to $6.51 per carton the previous week. Track and rolling supplies at 175 cars were down 5 cars from last week.

(ii) Having considered the recommendation and information submitted by the committee, and other available information, the Secretary finds that the quantity of lemons which may be handled should be fixed as hereinafter set forth.

(3) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this regulation until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this regulation is based became available and the time when this regulation must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this regulation, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this regulation effective during the period herein specified; and compliance with this regulation will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on August 3, 1976.

(b) *Order*. (1) The quantity of lemons grown in California and Arizona which may be handled during the period August 8, 1976, through August 14, 1976, is hereby fixed at 270,000 cartons.

(2) As used in this section, "handled", and "carton(s)" have the same meaning as when used in the said amended marketing agreement and order.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: August 4, 1976.

CHARLES R. BRADER,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.76-23174 Filed 8-5-76;11:46 am]

CHAPTER XIV—COMMODITY CREDIT CORPORATION, DEPARTMENT OF AGRICULTURE

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[CCC Grain Price Support Regulations, 1976 and Subsequent Crops Rice Supplement]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1976 and Subsequent Crops Rice Loan and Purchase Program

REVISION OF REGULATIONS

On March 2, 1976, a notice of proposed rulemaking was issued relative to the operating provisions of the loan and purchase program for 1976-crop rice. No comments were received regarding the 1976 program.

In order to incorporate amendments and certain changes in operating provisions determined desirable for more efficient operation of the program and to include necessary provisions as required by the Rice Production Act of 1975 (Pub. L. 94-214, 90 Stat. 181, approved February 16, 1976), the regulations issued by Commodity Credit Corporation published as the 1970 and Subsequent Crops Rice Loan and Purchase Program (35 FR 8443, as amended; 7 CFR § 1421.300-312) are hereby revised effective as to the 1976 and subsequent crops of rice. The material previously appearing in these regulations remains in full force and effect as to the crop years to which it was applicable. The revised regulations delete the cross compliance provisions, define eligible producer, specify the quantity of rice eligible for loans and purchases, and provide for refunds of prepaid handling charges. Accordingly, §§ 1421.300 through 1421.313 of Title 7 are revised to read as follows:

AUTHORITY: Secs. 4, 5, 62 Stat. 1070, 1072, as amended (15 U.S.C. 714 b and c); secs. 101, 401, 63 Stat. 1051, as amended (7 U.S.C. 1441, 1421); sec. 102, 90 Stat. 183 (7 U.S.C. 1441).

§ 1421.300 Purpose.

This supplement contains program provisions which together with (a) the annual crop year supplement, (b) the General Regulations Governing Price Support for the 1976 and Subsequent Crops, (c) the Cooperative Marketing Association Eligibility Requirements for Price Support regulations in Part 1425 of this chapter, and (d) any amendments or revisions of such regulations, set forth the requirements with respect to price support for the 1976 and subsequent crops of rice.

§ 1421.301 Definitions.

(a) *Farm Operator*. A farm operator is a producer in a farm allotment area who has general control of the farming operations on the farm.

(b) *Rice Operator*. A rice operator is a producer in a producer allotment area who carries out or arranges for the actual planting, cultivation, harvesting, and marketing of a specific acreage of rice on a farm and to whom zero allotment or a specific allotment acreage is attributed.

§ 1421.302 Availability.

A producer desiring price support must request a loan on or notify the ASCS county office of his intention to sell his eligible rice no later than the date(s) set forth in the applicable annual crop supplement to the regulations in this part.

§ 1421.303 Eligible rice.

(a) *General*. To be eligible for loans and purchases, rice must meet the requirements of this section in addition to the other eligibility requirements of the program.

(1) *Eligible producer*. The rice must have been produced by an eligible producer.

(2) *Classes*. The rice must be one of the classes specified in: (i) The applicable annual crop year supplement or (ii) The Official Standards of the United States for Rough Rice other than "Mixed Rough Rice".

(3) *Contamination and poisonous substances*. Rice must not be contaminated by rodents, birds, insects, or other vermin or contain mercurial compounds, toxin producing molds, or other substances poisonous to man or animals.

(b) *Grade requirements for loans*. In addition to the requirements of paragraph (a) of this section, rice at the time it is placed under loan must:

(1) Grade U.S. No. 5 or better (rice of special grades, shall not be eligible), and

(2) Contain not more than 14 percent moisture.

(c) *Quantity Eligible for Loan and Purchase*. (1) *Loans and Purchases*. Loans and purchases shall be available to eligible producers on a farm with respect to a quantity of rice produced on the farm determined by multiplying the farm allotment by the established yield for the farm or, in the producer allotment areas, by multiplying the allotment allocated to the farm by each rice operator by the yield established for the rice operator.

(2) *Farm Allotment Areas.* In a farm allotment area, if there is more than one eligible producer on a farm on which there is an acreage allotment, each producer's share of the eligible rice produced on the farm shall be the quantity furnished to the county ASCS office by the farm operator. If any farm operator fails to give such information by August 1 of the crop year or such later date as may be approved by the county office, the county office will determine each producer's share, based on leasing arrangements and other available information. Each producer will be notified of his share of eligibility. The farm operator may, with the concurrence of the county office, reallocate shares on the farm anytime after the original allocation is made: *Provided,* That such reallocation shall not affect the eligibility of rice previously tendered for loan or purchase hereunder.

(3) *Producer Allotment Areas.* In a producer allotment area, if there is more than one eligible producer on a farm to which one or more rice operators have allocated allotments, each producer's share of the eligible rice produced on each such allotment shall be the quantity furnished to the county office by the rice operator who allocated such allotment to the farm. If any rice operator fails to give such information by August 1 of the crop year or such later date as may be approved by the county office, the county office will determine each producer's share, based on leasing arrangements and other available information. Each producer will be notified of his share of eligibility. The rice operator may, with the concurrence of the county office, reallocate shares within an individual allotment on a farm after the original allocation is made: *Provided,* That such reallocation shall not affect the eligibility of rice previously tendered for loan or purchase hereunder.

(4) *Designation of Eligibility.* If an eligible producer is a member of an approved cooperative and delivers a quantity of rice produced on a farm to the cooperative for marketing, such rice shall not be deemed to be eligible rice unless the producer has filed with the cooperative a designation of such quantity of rice as eligible rice to be delivered to the cooperative, the cooperative has notified the county office, and the county office has returned to the cooperative a verification that the producer has eligible rice in this quantity produced on the farm which has not been tendered to the county office for loan or purchase. The producer may cancel such designation in whole or in part at any time prior to delivery of the rice to the cooperative.

§ 1421.304 Eligible producer.

An eligible producer is a rice producer who is a cooperator, who shares in the production of rice on a farm on which there is an acreage allotment or to which a producer allotment has been allocated, whose production of rice is attributable to the acreage allotment, and if a set aside is in effect, who has set aside the required acreage. A producer, for loan and purchase eligibility purposes, shall be considered as a rice producer when he actively participates in the farming operations necessary to produce and harvest a crop of rice on the farm and shares in the rice crop by virtue of furnishing all or part of the land on which the rice is being produced or the labor, water, or equipment necessary to produce and harvest the crop.

§ 1421.305 Determination of quality.

(a) *Quality.* The class, grade, grading factors, milling yield, and all other quality factors shall be determined in accordance with the Official Standards of the United States for Rough Rice, whether or not such determinations are made on the basis of an official inspection.

(b) *Loans and Purchases.* In the case of rice stored commingled in an approved warehouse, loans and purchases will be made on the quality shown on the warehouse receipts or supplemental certificate, if applicable. In the case of rice stored modified commingled or identity preserved, loans and purchases will be made on the basis of the quality shown on the Federal or Federal-State Sample Inspection Certificate, based on a representative sample of each lot of rice taken as authorized by the county office. Loans and purchases on farm stored rice will be based on the rate specified in the annual crop year supplement.

§ 1421.306 Determination of quantity.

(a) *In warehouse*—(1) *Commingled.* The amount of a loan on the quantity of eligible rice stored commingled in an approved warehouse shall be based on the weight specified on the warehouse receipt representing such rice which is pledged as security for the loan, or on the supplemental certificate, if applicable.

(2) *Identity preserved or modified commingled.* The amount of a loan on the quantity of eligible rice stored identity preserved or modified commingled in an approved warehouse shall be based on a percentage, as determined by State committee, of the weight specified on the warehouse receipt representing such rice which is pledged as security for the loan, or on the supplemental certificate, if applicable. Such percentage shall not exceed 95 percent of the weight so specified. The State committee's determination shall be made on a statewide basis or for specified areas within the State. The county committee may lower such percentage on an individual basis when determined to be in the best interest of CCC. Weights determined on the basis of such percentages shall be expressed in terms of whole units of 100 pounds (round 49 pounds or less to the next lowest hundredweight and round 50 pounds or more to the next highest hundredweight).

(b) *On farm.* The quantity of rice placed under a farm storage loan shall be determined in accordance with § 1421.17 and shall be expressed in whole units of 100 pounds.

(c) *Bagged or bulk.* In determining the quantity of bagged rice by weight, the gross weight, including bags, shall be used. When necessary to convert bagged rice to a bulk basis or bulk rice to a bagged basis, an adjustment of 0.6 pounds for each 100 pounds of gross weight shall be made as allowance for the weight of the bag.

§ 1421.307 Warehouse receipts.

(a) *General.* A warehouse receipt representing rice to be placed under a warehouse storage loan, delivered in satisfaction of a farm storage loan, or delivered for purchase must meet the requirements of this section and the General Regulations Governing Price Support for 1976 and Subsequent Crops, as amended or revised. A separate warehouse receipt must be submitted for each class by variety, grade, and milling yield of rice. Each warehouse receipt must carry an endorsement by the warehouseman in substantially the following form:

Warehouse charges through (applicable maturity date) including, but not limited to, receiving and loading out charges accrued or to accrue and all other charges incident to the acquisition of the rice by CCC on the rice represented by this warehouse receipt have been paid or otherwise provided for and a lien for such charges will not be claimed by the warehouseman from CCC or any subsequent holder of the warehouse receipt. If the rice represented by this warehouse receipt is to be loaded out in bags, the warehouseman agrees that any and all right, title, and interest which he has in such bags shall pass with the rice when such rice is acquired under the price support program or shall pass at the time the rice is loaded out if the rice is not in bags at the time of acquisition by CCC.

(b) *Entries.* Each warehouse receipt or warehousemen's supplemental certificate properly identified with the warehouse receipt must be issued in accordance with the Uniform Rice Storage Agreement.

The following items must be shown on the warehouse receipt and/or supplemental certificate in the case of rice stored commingled or on the warehouse receipt, supplemental certificate, or Federal or Federal-State inspection certificate in the case of rice stored identity preserved or modified commingled:

(1) Whether the rice is stored in bulk or in bags;

(2) Whether the rice is to be delivered in bulk or in bags;

(3) Gross weight for bagged rice and net weight for bulk rice;

(4) Class and variety;

(5) Grade;

(6) Grading factors;

(7) Milling yield;

(8) Moisture;

(9) Method of storage (modified commingled or identity preserved) ; and

(10) Manner by which rice was received (truck or rail).

(c) *Supplemental certificate.* When required, the supplemental certificate shall be executed by the warehouseman for commingled rice, by the warehouseman and producer for modified-commingled rice, and by the producer for identity-preserved rice.

§ 1421.308 Warehouse charges.

(a) *Farm-stored loans and purchases.* CCC will assume receiving and warehouse storage charges on rice delivered to an approved warehouse after loan maturity date and acquired by CCC (1) in satisfaction of a farm storage loan or (2) through purchase, except that warehouse storage charges will be assumed by CCC only from and after the date of completion of deposit of such rice in the warehouse.

(b) *Warehouse-stored loans and purchases.* CCC will assume warehouse storage charges accruing on and after the day following the loan maturity date on rice which is in approved warehouse storage under loan and is acquired by CCC and on rice which is in approved warehouse storage on the loan maturity date and is purchased by CCC.

(c) *Refund of prepaid handling charges.* The receiving or the receiving and loading out charges to be refunded on the rice referred to in paragraph (a) of this section and § 1421.22(i) shall be at the rate charged the producer by the storing warehouse.

§ 1421.309 Fees and charges.

The producer shall pay a loan service fee and delivery charge as specified in § 1421.11. In addition, a charge of $13.45 for each lot sampled will be made in connection with each warehouse receipt serving as security for either a modified-commingled or identity-preserved warehouse-stored loan.

§ 1421.310 Inspection certificates.

Except in the case of a loan on rice stored commingled in an approved warehouse, settlement with the producer on rice acquired by CCC will be based on the quality shown on the Federal or Federal-State sample inspection certificates. Such inspection certificates shall be dated not earlier than 30 days prior to the maturity date. The cost of Federal or Federal-State inspections as required by this section and § 1421.310 shall be for the account of CCC.

§ 1421.311 Settlement.

Settlement for eligible rice acquired by CCC under loan or by purchase will be made with the producer as provided in § 1421.22, the annual crop year supplement and this section. Where rice is placed under a farm storage loan in an area where a location differential is in effect and is delivered to CCC in satisfaction of the loan in an area where no differential is applicable, settlement for rice acquired by CCC will be made on the basis of the support rate for the area where the rice is delivered. Deliveries of rice shall be in accordance with instructions issued by the county office.

(a) *Commingled warehouse storage.* Settlement for eligible rice stored commingled in an approved warehouse and acquired by CCC under a loan or by purchase shall be made on the basis of the class and the grade, quality, and quantity as shown on the warehouse receipt or supplemental certificate if applicable. Settlement shall also be made on such a basis: (1) Where an approved warehouse issues a commingled warehouse receipt for loan rice delivered into the warehouse from farm storage pursuant to instructions of the county, (2) Where an approved warehouse issues commingled warehouse receipts in exchange for warehouse receipts representing rice under identity preserved or modified commingled warehouse storage loan and (3) Where CCC determines that a warehouseman failed to maintain the identity of rice covered by an identity preserved warehouse storage loan or modified commingled warehouse storage loan. In such case, the warehouseman shall issue a commingled warehouse receipt covering such rice. In the case of purchases, the producer shall, not later than the day following the maturity date specified in the annual crop year supplement, deliver to the county office warehouse receipts under which an approved warehouse guarantees the class and the grade, quality, and quantity of rice sold to CCC.

(b) *Modified commingled—(1) Loans.* Settlement for eligible rice stored modified commingled in an approved warehouse and acquired by CCC under a loan shall be made on the basis of the class, grade, and quality shown on Federal or Federal-State sample inspection certificates and on the basis of the quantity shown on the warehouse receipt or supplemental certificate, if applicable. The county office shall sample the rice for settlement purposes within 10 days after the maturity date.

(2) *Purchases.* Settlement for eligible rice stored modified commingled in an approved warehouse and acquired by CCC under a purchase shall be made on the basis of the class, grade, and quality shown on Federal or Federal-State sample inspection certificates and on the basis of the quantity shown on the warehouse receipt or supplemental certificate, if applicable. The producer shall, within 5 days following the maturity date, deliver to the county office warehouse receipts representing rice stored modified commingled in an approved warehouse. The county office shall sample the rice for settlement purposes within 5 days of the time the producer delivers the warehouse receipt or 10 days after the maturity date, whichever is later.

(c) *Other storage.* Settlement for eligible rice acquired under loan or purchase not covered by paragraph (a) or (b) of this section shall be made on the basis of the class and of the grade and quality shown on Federal or Federal-State sample inspection certificate and on the basis of the quantity shown on official weight certificates. Certificates required by this paragraph (c) shall be dated not earlier than 30 days before the maturity date.

(1) *Loans.* In the case of rice stored identity preserved in approved warehouse storage and acquired by CCC under a loan, the county office shall obtain official weight certificates and sample the rice for quality determination within 10 days following the maturity date.

(2) *Purchases.* In the case of rice stored identity preserved in approved warehouse storage and acquired by CCC under purchase, the producer shall, within 5 days following the maturity date deliver to the county office warehouse receipts representing rice stored identity preserved in an approved warehouse. The county office shall obtain official weight certificates and sample the rice for settlement purposes within 5 days of the time the producer delivers the warehouse receipt or 10 days after the maturity date, whichever is later.

(d) *Weight Determination—(1) Farm storage.* The weight of farm-stored bulk rice acquired by CCC on which settlement will be made shall be the net weight of the rice. The weight of farm-stored bagged rice acquired by CCC on which settlement will be made shall be the combined net weight of the rice and the bags, and title to the bags will pass to CCC with the rice. CCC shall not otherwise pay any amount representing the value of the bags.

(2) *Warehouse-stored.* Rice in approved warehouse storage shall be acquired by CCC on a bagged or bulk basis in accordance with the manner in which the rice is to be loaded out by the warehouseman as indicated on the warehouse receipt. The quantity for settlement purposes shall be the net weight of the rice when acquired in bulk and the combined net weight of the rice and the bags when acquired in bags. Where the warehouse receipt indicates that rice will be loaded out in bags, title to the bags shall pass to CCC at the time of acquisition of the rice. CCC shall not otherwise pay any amount representing the value of the bags. In the event any person should successfully dispute the passing of title to the bags, the producer shall indemnify CCC for any loss sustained by reason thereof.

§ 1421.312 Maturity of loans.

Loans will mature on demand but not later than the date specified in the annual crop year supplement to the regulations in this part.

§ 1421.313 Support rates.

The basic support rate, premium and discounts, and location differentials for use in making loans and purchases shall be set forth in the annual crop year supplement to the regulations in this part.

Effective date: These regulations shall be effective on August 6, 1976.

Signed at Washington, D.C., on August 2, 1976.

SEELEY G. LODWICK,
Acting Executive Vice President, Commodity Credit Corporation.

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[Amendment 1]

PART 1430—DAIRY PRODUCTS

Subpart—Price Support Program for Milk

PURCHASE OF FORTIFIED NONFAT DRY MILK

The United States Department of Agriculture has announced that effective