

formation became available upon which this regulation and amendment are based and the effective date necessary to effectuate the declared policy of the act. Interested persons were given an opportunity to submit information and views on the regulation at an open meeting, and the amendment relieves restrictions on the handling of lemons. It is necessary to effectuate the declared purposes of the act to make these regulatory provisions effective as specified, and handlers have been apprised of such provisions and the effective time.

§ 910.452 Lemon Regulation 152.

Order. (a) The quantity of lemons grown in California and Arizona which may be handled during the period July 2, 1978, through July 8, 1978, is established at 285,000 cartons.

(b) As used in this section, "handled" and "carton(s)" mean the same as defined in the marketing order.

2. Paragraph (a) of § 910.451 Lemon Regulation 151 (43 FR 27158) is amended to read as follows: "The quantity of lemons grown in California and Arizona which may be handled during the period June 25, 1978, through July 1, 1978, is established at 305,000 cartons."

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

Dated: June 28, 1978.

CHARLES R. BRADER,

Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc. 78-18454 Filed 6-29-78; 1:37 pm]

[3410-02]

PART 911—LIMES GROWN IN FLORIDA

PART 915—AVOCADOS GROWN IN SOUTH FLORIDA

Expenses and Rates of Assessment

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: These regulations authorize expenses and rates of assessment for the 1978-79 fiscal period, to be collected from handlers to support activities of the committees which locally administer the Federal marketing orders covering Florida limes and avocados.

DATES: Effective April 1, 1978, through March 31, 1979.

FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, 202-447-6393.

SUPPLEMENTARY INFORMATION: Findings. Pursuant to Marketing

Order Nos. 911 and 915, both as amended (7 CFR Parts 911 and 915), respectively, regulating the handling of limes grown in Florida and avocados grown in south Florida, effective under 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 committees, established under these marketing orders, and upon other information, it is found that the expenses and rates of assessments, as hereafter provided, will tend to effectuate the declared policy of the act.

MARKETING ORDER 911

§ 911.217 Expenses and rate of assessment.

(a) Expenses that are reasonable and likely to be incurred by the Florida Lime Administrative Committee during fiscal year April 1, 1978, through March 31, 1979, will amount to \$227,045.

(b) The rate of assessment for said year payable by each handler in accordance with § 911.41 is fixed at 20 cents per bushel of limes.

MARKETING ORDER 915

§ 915.217 Expenses and rate of assessment.

(a) Expenses that are reasonable and likely to be incurred by the Avocado Administrative Committee during fiscal year April 1, 1978, through March 31, 1979, will amount to \$194,045.

(b) The rate of assessment for said year payable by each handler in accordance with § 915.41 is fixed at 20 cents per bushel of avocados.

It is further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rulemaking and postpone the effective date until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 533), as the orders require that the rates of assessment for a particular fiscal year shall apply to all assessable limes and avocados handled from the beginning of such year which began April 1, 1978. To enable the committees to meet fiscal obligations which are now accruing, approval of the expenses and assessment rate are necessary without delay. Handlers and other interested persons were given an opportunity to submit information and views on the expenses and assessment rate at an open meeting of each committee. It is necessary to effectuate the declared purposes of the act to make these provisions effective as specified.

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

Dated: June 27, 1978.

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

[FR Doc. 78-18319 Filed 6-29-78; 8:45 am]

[3410-02]

[Apricot Reg. 18]

PART 922—APRICOTS GROWN IN DESIGNATED COUNTIES IN WASHINGTON

Limitation of Shipments

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This regulation specifies minimum grade, maturity, and size requirements for the handling of fresh Washington apricots during July 1, 1978, through July 31, 1979. Shipments of these apricots are to grade at least Washington No. 1, be reasonably uniform in color and measure at least 1½ inches in diameter, except Blenheim, Blenril, and Tilton varieties, in unlidded containers, may have minimum diameter of 1¼ inches. The Moorpark variety in open containers is required to be generally well matured. A minimum quantity exemption is provided for apricots sold for home use. These requirements are designed to provide consumers with an ample supply of acceptable quality apricots and to provide orderly marketing in the interest of producers.

EFFECTIVE DATE: July 1, 1978.

FOR FURTHER INFORMATION CONTACT: Charles R. Brader, 202-447-6393.

SUPPLEMENTARY INFORMATION: On May 31, 1978, notice of proposed rulemaking was published in the FEDERAL REGISTER (43 FR 23583), regarding a proposed regulation to be made effective on July 1, 1978, pursuant to the marketing agreement and Order No. 922, both as amended (7 CFR Part 922) regulating the handling of apricots grown in Washington. The proposed regulation was recommended by the Washington Apricot Marketing Committee, established pursuant to the marketing agreement and order. This program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). The notice allowed interested persons until June 19, 1978, to submit written comments in connection with the proposed regulation. None were received.

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice, the recommendation and information

submitted by the Washington Apricot Marketing Committee, and other available information, it is hereby found and determined that the regulation as hereinafter set forth, is in accordance with the provisions of the amended marketing agreement and order and will tend to effectuate the declared policy of the act.

The regulation is based upon an appraisal of current and prospective crop and market conditions. Total 1978 season production of Washington apricots is estimated at 2,600 tons. The regulation is designed to assure shipment of fruit of acceptable quality and maturity in the interest of consumers and producers consistent with the objectives of the act.

It is hereby further found that it is impracticable and contrary to the public interest to give further notice and postpone the effective date of this regulation until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553), and good cause exists for making the provisions hereof effective as hereinafter set forth in that (1) shipments of the current crop of apricots are expected to begin on or about the effective date hereof, and this regulation should be applicable, insofar as practicable, to all such shipments in order to effectuate the declared policy of the act; (2) the recommendations upon which this regulation is based were developed by the committee at an open meeting on May 11, 1978, after due notice thereof, and all interested persons present were given an opportunity to express their views; (3) a notice of proposed regulation for Washington apricots was published in the FEDERAL REGISTER (43 FR 23583) and no objections thereto were received; and (4) the regulation herein specified is the same as the proposed regulation.

§ 922.318 Apricot Regulation 18.

(a) During the period July 1, 1978, through July 31, 1979, no handler shall handle any container of apricots unless such apricots meet the following applicable requirements, or are handled in accordance with subparagraph (3) of this paragraph:

(1) *Minimum grade and maturity requirements.* Such apricots grade not less than Washington No. 1 and are at least reasonably uniform in color: *Provided*, That such apricots of the Moorpark variety in open containers shall be generally well matured; and

(2) *Minimum size requirements.* Such apricots measure not less than 1½ inches in diameter except that apricots of the Blenheim, Blenril, and Tilton varieties when packed in unlidded containers may measure not less than 1¼ inches: *Provided*, That not more than 10 percent, by count, of such apricots may fail to meet the applicable minimum diameter requirement.

(3) Notwithstanding any other provision of this section, any individual shipment of apricots which meets each of the following requirements may be handled without regard to the provisions of this paragraph, of § 922.41 (Assessments), and of § 922.55 (Inspection and Certification):

(i) The shipment consists of apricots sold for home use and not for resale;

(ii) The shipment does not, in the aggregate, exceed 500 pounds, net weight, of apricots; and

(iii) Each container is stamped or marked with the words "not for resale" in letters at least one-half inch in height.

(b) Terms used in the amended marketing agreement and order shall when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; "diameter" and "Washington No. 1" shall have the same meaning as when used in the State of Washington Department of Agriculture Standards for Apricots, effective May 31, 1966; "reasonably uniform in color" means that the apricots in the individual container do not show sufficient variation in color to materially affect the general appearance of the apricots; and "generally well matured" means that with respect to not less than 90 percent, by count, of the apricots in any lot of containers, and not less than 85 percent, by count, of such apricots in any container in such lot, at least 40 percent of the surface area of the fruit is at least as yellow as shade 3 on the U.S. Department of Agriculture Standard Ground Color Chart of Apples and Pears in the Western States.

(c) Apricot Regulation 17 (42 FR 30492; 41268) is hereby terminated July 1, 1978.

Dated: June 26, 1978.

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

[FR Doc. 78-18318 Filed 6-29-78; 8:45 am]

[3410-02]

PART 987—DOMESTIC DATES PRODUCED OR PACKED IN RIVERSIDE COUNTY, CALIF.

Amendment of Various Subparts—Administrative Procedures

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule makes changes in administrative procedures of the marketing order for California dates. The changes involve marketing order standards of quality, volume, contain-

er and marking requirements, nomination procedures, and reporting requirements. Some of the changes consolidate and simplify the wording of existing provisions to facilitate reference and make them clearer, while others reflect conforming changes required by an amendment of the marketing order in March 1978.

EFFECTIVE DATE: August 1, 1978.

FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250, 202-447-6393.

SUPPLEMENTARY INFORMATION:

On April 28, 1978, there was published in the FEDERAL REGISTER (43 FR 18188) a proposal to revise Subpart—Administrative Rules (7 CFR 987.101–987.168), and delete the following subparts: Subpart—Grade and Size Regulations (7 CFR 987.202–987.204); Subpart—Market Determinations (7 CFR 987.401–987.403); and Subpart—Container Regulation (7 CFR 987.501). These subparts are pursuant to the marketing agreement and order, as amended (7 CFR Part 987; 43 FR 4249), regulating the handling of domestic dates produced or packed in Riverside County, Calif. (hereinafter referred to collectively as the "order"). The order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). The proposal was based on a recommendation of the California Date Administrative Committee.

The notice afforded interested persons an opportunity to submit written data, views or arguments with respect to the proposal; the California Date Administrative Committee submitted the only comment received. The comment suggested several changes in wording to clarify certain areas of administration. To the extent necessary and appropriate, several changes from the wording contained in the notice have been made. The changes are noted in the following discussion.

The term "utility dates" in § 987.103 is defined to be synonymous with the term "substandard dates". Under the March 15, 1978, amendment of the order, the term "substandard dates" was deleted and the term "utility dates" substituted. Thus, § 987.103 is not needed and is deleted.

Section 987.401 is deleted and its provisions defining major marketing promotion programs are included in a new § 987.104 in the definition section of the administrative rules for more convenient reference and better organization.

A new § 987.105, pertaining to the computation of the whole weight of pitted dates, is added to the definition section of the administrative rules for

similar reasons. The provisions were contained in § 987.145(f).

A new § 987.112, Identification of dates, is added to the administrative rules. This section contains marking requirements for the various outlet categories of dates similar to those being deleted from § 987.145. The revision primarily involves changes in wording and organization to make the requirements clearer and to facilitate reference.

A new § 987.112a, prescribing grade, size and container requirements for outlet categories, is added to the administrative rules. With the exception of minor changes in the wording for the sake of clarity, the requirements in § 987.112a are the same as those in §§ 987.202, 987.203, 987.204, 987.402, 987.403, and 987.501 which are being deleted.

The grade and size requirements in § 987.112a would be other minimum standards of quality pursuant to § 987.39 of the order. The March amendment of the order revised § 987.39 to authorize the Secretary, upon a recommendation of the Committee, to prescribe other minimum standards of grades and sizes for marketable dates of any variety to be handled in any designated outlets, and allows for regulation of different grades and sizes in different outlets for different varieties. These minimum quality standards would continue in effect irrespective of whether or not the season average price to date producers is above the parity level.

The comment received from the California Date Administrative Committee pertained, in part, to § 987.112(a). The Committee proposed additional provisions placing limitations on handlers. However, these limitations are already contained in the order and it is unnecessary to repeat them in the Administrative Rules and thus this part of the Committee's comment is denied. Other changes in § 987.112(a) recommended by the Committee included reorganization of certain outlet categories contained in that section. These are accepted and incorporated in § 987.112(a).

A new § 987.124 is added prescribing nomination and voting procedures to nominate persons to serve on the California Date Administrative Committee. The provisions are designed to obtain fuller participation in Committee nominations by requiring the nominations to be widely publicized, establishing a day and place for polling and for casting absentee ballots. In its comment, the Committee recommended eliminating the reference to "sample ballots" in § 987.124(a). This recommendation is accepted and the reference is deleted. The Committee also recommended revising the proposal in § 987.124(a) that would have permitted any person to request an absent-

tee ballot. The Committee indicated that it did not intend to give absentee ballots to any person, only to those with authority to cast one. This recommendation is accepted and § 987.124(a) revised accordingly.

A new § 987.138 is added to prescribe the CDAC form required to be filed annually by handlers pursuant to § 987.38. In § 987.141, minor wording changes are made to make the provisions clearer.

Several provisions now in § 987.145 are moved to other sections of the administrative rules for better organization. The provisions dealing with identification and marking are placed in § 987.112 in order to further clarify operating procedures. Those dealing with the various aspects of the withholding of restricted dates when volume regulations are established for a crop year are changed to make them clearer and to bring them into conformity with the recent changes in the volume regulation provisions of the order. In its comment, the Committee recommended that the term "area" in § 987.145(c) be changed to "area of production" to conform with the term currently defined in § 987.4 and used elsewhere. This recommendation is accepted.

The first sentence of § 987.151 is amended by changing the words "dates certified for products" to "product dates". The term "product dates" is defined in § 987.12 of the order and its use in this sentence is appropriate.

Pursuant to the recent amendment the term "free dates" only applies when volume regulations are in effect. Section 987.152(a) applies whether or not these regulations are in effect. Because of this, the second sentence of § 987.152(a) is amended by changing the words "free date quality" to "DAC date quality". In the notice, it was proposed that the provisions in § 987.152(b)(1) pertaining to sales of dates for further processing to health food stores or health food outlets be moved to § 987.112(a). In its comment, the Committee recommended restoration of these provisions in § 987.152(b)(1) to enable it to continue to treat these sales as exemptions for certain regulations. This is accepted. Minor conforming changes were proposed for § 987.152(b)(2). However, in its comment, the Committee recommended further changes in paragraph (b)(2) to provide for handler donations to needy people and others in years when volume regulations are not in effect. This also is accepted.

Sections 987.155 and 987.156 are deleted. The provisions in these sections would be included in § 987.112a. Section 987.159 is deleted and the provisions in this section moved to § 987.145(g). These changes provide for more convenient reference and better

organization. Minor wording changes are made in § 987.161 to conform with the March 15 amendment. In its comment, the Committee recommended a minor change to require handlers to submit to it a carryout report as of January 1 whenever volume regulations are in effect. This is accepted.

Minor wording changes are made in the provisions of § 987.162, pertaining to reports of handler acquisitions and dispositions, and in § 987.164, dealing with product dates and utility date dispositions. These changes are for clarification and to bring the provisions of these sections into conformity with the recent order amendment which changed volume regulations. The changed volume regulations recognize the increased importance of the export and product markets since the order was instituted in 1955. Minor wording changes are also made in § 987.165(b) pertaining to date product manufacturer reports to clarify the provisions.

The wording of the lead sentence of § 987.168, Handler records, is changed to make it clearer. The provisions now in § 987.145 pertaining to the computation and adjustment of handlers' assessment obligations on dates for further processing are moved to a new § 987.172 for more convenient reference.

After consideration of all relevant matter presented, including that in the notice, the comment received, the Committee's recommendations, and other available information, it is hereby found that the following changes will tend to effectuate the declared policy of the act.

It is, therefore, ordered, That, Subpart—Administrative Rules (7 CFR 987.101—987.168) be revised and the following Subparts be deleted: Subpart—Grade and Size Regulations (7 CFR 987.202—987.204), Subpart—Market Determinations (7 CFR 987.401—987.403), and Subpart—Container Regulations (7 CFR 987.501).

The changes follow:

§ 987.103 [Deleted]

1. Section 987.103 is deleted.
2. A new § 987.104 is added to read as follows:

§ 987.104 Major marketing promotion.

A major marketing promotion program is one requiring the expenditure of more than \$500 of Committee funds.

3. A new § 987.105 is added to read as follows:

§ 987.105 Whole equivalent of pitted dates.

For the purposes of this part, the whole date equivalent weight of pitted dates shall be determined by dividing the weight of the pitted dates by 0.875.

4. A center heading "Identification and Outlet Specifications" and a new § 987.112 are added to read as follows:

IDENTIFICATION AND OUTLET
SPECIFICATIONS

§ 987.112 Identification of dates.

(a) *General.* Prior to applying the markings required by this section, each handler shall remove or delete from each container all former identifying marks which conflict with those applicable to the dates currently in the container. Dates of each outlet category shall be held, stored, or shipped in a manner to preserve their identity. Except as provided in paragraph (d) of this section, the markings on the containers shall be not less than five-sixteenths ($\frac{5}{16}$) inch in height on containers exceeding 5 pounds net weight and not less than one-eighth ($\frac{1}{8}$) inch in height on smaller containers. All markings shall be legible.

(b) *DAC dates.* Each handler shall mark every shipping or storage container (excluding subcontainers) of DAC dates with his name or that of the distributor for whom the handler is packing, and the lot number. Under the supervision of the inspection service every container shall be marked with the date of inspection, the name or insignia of the inspection service, and the letters "DAC".

(c) *FP dates.* Each handler shall mark every shipping or storage container (excluding subcontainers) of FP dates with his name or that of the distributor for whom the handler is packing, and the lot number. Under the supervision of the inspection service every container shall be marked with the date of inspection, the name or insignia of the inspection service, and the letters "FP".

(d) *Export dates.* Each handler shall mark every shipping or storage container (excluding subcontainers) of Export dates with his name or that of the exporting firm, and the lot number. If the dates, including field-drun dates with cull dates removed, are certified as meeting the grade and size requirements for export to approved countries other than Mexico, the containers shall be marked "Export". Dry dates for processing packed for shipment to approved countries shall be marked "Export Dry". Dates packed for export to Mexico shall be marked "Export Mexico". However, "Export Mexico" shall be in letters not less than three-fourths ($\frac{3}{4}$) inch in height on containers exceeding 5 pounds net weight, and not less than one-eighth ($\frac{1}{8}$) inch in height on smaller containers. DAC dates and FP dates, marked pursuant to paragraphs (b) and (c), respectively, of this section, may be exported without change of marking.

(e) *Product and Utility dates.* Each handler shall mark every shipping or storage container (excluding subcontainers) of Product dates, or Utility dates when approved for use in products, with the lot number and, if for shipment outside the area of production, with the word "Product" or "Utility", as applicable. Whenever a handler, or an approved date product manufacturer, utilizes a procedure that maintains the identity of the lot and assures that the dates will be used in products or exported, the Committee may waive the requirements of this paragraph for that lot.

(f) *Unidentified dates.* If a handler loses the identity of any lot of dates previously inspected and certified as marketable dates, the certification as to such lot shall be void.

4. A new § 987.112a is added to read as follows:

§ 987.112a Grade, size, and container requirements for each outlet category.

(a) In lieu of the minimum standards prescribed in § 987.39, the following standards are prescribed as the minimum grades and sizes for marketable dates to be handled in the applicable outlets. These standards shall continue in effect irrespective of whether the season average price to producers for dates is or is not in excess of the parity level specified in section 2(1) of the act.

(b) *DAC dates.* (1) All varieties of DAC dates may be handled in the United States, Canada, or any other outlet established for dates of lesser grades or sizes.

(2) DAC dates of any variety shall at least meet the requirements of U.S. Grade B, except that up to 25 percent, by weight, of the dates may possess semi-dry of dry calyx ends, but not more than 5 percent, by weight, of the dates may possess dry calyx ends. Also, with respect to whole dates of the Deglet Noor variety, the individual dates in the samples from a lot shall weigh at least 6.5 grams but up to 10 percent, by weight, may weigh less than 6.5 grams. These size requirements are in addition to, and do not supersede, the requirements as to uniformity of size prescribed in the grade standards.

(3) DAC dates of any variety, when packed in plastic containers, other than bags and master shipping containers, shall contain a net weight (i) for whole dates, of either 8 ounces, 12 ounces, 1 pound 8 ounces, or more than 2 pounds, and (ii) for pitted dates, of either 10 ounces, 1 pound, 1 pound 8 ounces, or more than 2 pounds. DAC dates packed in other than plastic containers may be handled without regard to the net weight content. For the purpose of this subparagraph, "plastic container" means any container of any shape made from

plastic and in which dates are packed without the use of cardboard boats, trays, or other like stiffening material.

(c) *Dates for further processing.* (1) Except as provided in § 987.152(b)(1), all varieties of FP dates may be disposed of only (i) to persons in the United States capable of processing and packing the dates and having them certified as DAC dates, or (ii) exported to the countries designated in paragraph (d)(2) of this section.

(2) FP dates of any variety shall at least meet the requirements of U.S. Grade B (dry). Also, with respect to whole dates of the Deglet Noor variety, the individual dates in the samples from the lot shall weigh at least 6.5 grams, but up to 10 percent, by weight, may weigh less than 6.5 grams. These size requirements are in addition to, and do not supersede, the requirements as to uniformity of size prescribed in the grade standards.

(d) *Export dates.* (1) Dates of any variety identified as "Export" dates and inspected and certified as meeting the requirements of this subparagraph may only be exported to any country except Canada. Such dates shall at least meet the requirements of U.S. Grade C: *Provided*, That Deglet Noor dates shall score not less than 31 points for character and 24 points for absence of defects but up to 40 percent, by weight, of the dates may be damaged by broken skin.

(2) *Export of dry dates.* Dates of any variety identified as "Export Dry" and inspected and certified as meeting the requirements of this subparagraph, may only be exported to the following designated date producing and processing countries in North Africa: Morocco, Algeria, Tunisia, Libya, Egypt, and Sudan; and to the following date processing and consuming countries north of the Mediterranean Sea: Spain, France, Belgium, West Germany, Italy, Greece, and the Netherlands. Such dates shall at least meet U.S. Grade C (dry) except for defects removable by washing: *Provided*, That Deglet Noor dates shall score not less than 31 points for character and 24 points for absence of defects but up to 40 percent, by weight, of the dates may be damaged by broken skin.

(3) Dates of any variety identified as "Export-Mexico" and inspected and certified as at least meeting the requirements for Utility dates may only be exported to Mexico. No dates shall be exported to Mexico unless the handler certifies to the Committee and the U.S. Department of Agriculture, on CDAC Form No. 11(a), which shall be submitted to the Committee, that the importing buyer has agreed that such dates will not reenter the United States or be shipped to Canada. The form shall show the identity of the handler, the trucker, the importer, the destination of the dates, the location

of the border-crossing station, and such other information as the Committee deems appropriate to perform its duties and exercise its powers under this part.

(4) Whenever field-run dates of any variety are authorized for export to any country, each lot shall consist of at least 85 percent, by weight, of sound dates. "Sound dates" means individual dates which are at least U.S. Grade C in character and are free of the defects—other than those removable by washing—scored to determine the point requirement applicable to their intended destination.

(5) Dates meeting the grade and size requirements of this paragraph may be disposed of in outlet categories established for dates of lesser grades and sizes.

(e) *Product dates.* (1) Dates of any variety identified as "Product" dates and inspected and certified as at least meeting the requirements of this paragraph may be disposed of by handlers for use or used by them in the production of table syrup, rings, chunks, pieces, butter, paste, and macerated dates or other products approved by the Committee. If the handler does not use the dates in products, he may sell them to: (i) Other handlers within the area of production for conversion into products, or (ii) to date product manufacturers approved by the Committee regardless of their location. Once the dates have been converted from their whole or pitted form, they may be shipped to any market in the United States, Canada, or foreign country.

(2) Product dates of any variety and identified as "Product" shall meet the requirements of U.S. Grade C, except that mashing and mechanical injury not affecting eating quality shall not be considered in determining the defect factor.

(f) *Utility dates.* Utility dates may be disposed of by handlers in the same outlets and subject to the same requirements prescribed in paragraph (e) of this section for Product dates, or may be exported to Mexico.

(g) *Change of outlet.* A handler may change the outlet category for any lot of dates: *Provided*, That prior to such change, the handler files a completed CDAC Form No. 1(a) and a new inspection certificate with the Committee. If the grade and size requirements of the new outlet category are the same as or less than the requirements of the outlet category previously intended, only a condition inspection is required. If the grade and size requirements of the new outlet category are greater, a complete inspection is required. The handler shall change the marking on the containers to conform with the identification requirements prescribed in §987.112 for the new outlet.

(h) *Deteriorated dates.* Any marketable dates which deteriorated in quality so that they are either utility or cull dates may be disposed of only in the applicable outlets for such dates or they may be reconditioned and upon reconditioning, the modified lot may be reinspected and recertified, as applicable.

5. A center heading "Nominations" and a new §987.124 are added to read as follows:

NOMINATIONS

§987.124 Nomination and polling.

(a) Date producers and producer-handlers shall be provided an opportunity to nominate individuals to serve on the Committee. For this purpose, the Committee shall establish a date and place for polling prior to June 15 of each even-numbered year and establish a procedure for casting absentee ballots. The date and place of polling shall be announced at least 6 weeks prior to the polling date by letters to all known date producers and producer-handlers and by Committee press releases to local newspapers and other news media in the date-producing area. Such letters and press releases shall: (1) Include the names of incumbents who are willing to continue serving on the Committee; (2) inform eligible producers and producer-handlers of the opportunity to propose additional names to be included on the nomination ballots; and (3) state when and where absentee ballots will be available. Additional names to be included on the nomination ballot must be received by the Committee at least 4 weeks prior to the polling date. Absentee ballots and instructions for completing and returning the ballots will be made available by the Committee at least 3 weeks prior to the polling date. Any person eligible to vote must request the ballot in person at the Committee's office or must submit a written request to the Committee for an absentee ballot. All ballots shall provide for write-in candidates and must be returned by the close of business on the polling date to be counted.

(b)(1) *Producers.* Each producer may vote for three producer members and three producer alternate members. No producer may vote more than once for any one person. The three individuals receiving the highest number of votes for the producer member positions shall be the producer member nominees. Individuals nominated for producer member and failing to receive enough votes to become a producer member nominee shall have their names listed with those nominated for producer alternate members and the votes cast for them as member shall be counted with any votes they received for producer alternate member. The three individuals receiving the highest

number of votes for the producer alternate member positions shall be the producer alternate member nominees.

(2) *Producer-handlers.* Each producer-handler may vote for one producer-handler member and one producer-handler alternate member, and these votes shall be weighted as provided in §987.24. No producer-handler may vote more than once for any one person. The six individuals receiving the highest weighted votes for the producer-handler member positions shall be the producer-handler member nominees. Individuals nominated for producer-handler member and failing to receive enough votes to become a producer-handler member nominee shall have their names listed with those nominated for producer-handler alternate members and the votes cast for them as member shall be counted with any votes they received for producer-handler alternate member. The six individuals receiving the highest weighted vote for producer-handler alternate member positions shall be the alternate member nominees.

6. Add a new §987.138 to read as follows:

§987.138 Handlers of record.

Prior to handling dates, each person shall file CDAC Form No. 18 with the Committee at the times, and containing the information, prescribed in §987.38.

7. Section 987.141 is revised to read as follows:

§987.141 Inspection and certification.

Each handler shall furnish, or cause the inspection service to furnish, to the Committee a copy of the inspection certificate issued to him on each lot of dates, and such certificate shall contain at least the following information: (a) The date of inspection; (b) the name of the handler; (c) the lot number and the applicable outlet category set forth in §987.112a; (d) the variety of dates and weight of the lot; (e) the number and type of containers in the lot; and (f) if the dates (1) are other than field-run dates, a certification as to the grade of the dates and whether or not they meet the applicable grade, size, container, and identification requirements, or (2) are field-run dates, a certification showing the percentage by weight, of sound dates in the lot, and whether or not they meet the identification requirements for such dates.

8. Section 987.145 is revised to read:

§987.145 Withholding obligation.

(a) *Satisfying the withholding obligation.* Any handler may satisfy all or part of his withholding obligation for any variety of dates for which free and restricted percentages have been es-

established by having an adequate quantity of that variety inspected and certified as meeting the applicable grade, size, and container requirements prescribed by the Committee for any approved restricted date outlet.

(b) *Credit for excess disposition in restricted outlets.* Disposition of marketable dates in restricted outlets in excess of a handler's withholding obligation may be: (1) Transferred pursuant to § 987.45 upon such handler filing a completed CDAC Form No. 14 with the Committee, or (2) credited to the handler's withholding obligation of the following crop year so long as the excess disposition exceeds 199 pounds. However, the quantity so credited shall never exceed 40 percent of the handler's withholding obligation of the crop year in which the excess disposition occurred and 100 percent of the withholding obligation incurred by him during October through December of the crop year following the crop year in which such excess disposition occurred. All such crediting or accumulation shall be contingent upon the Committee receiving, in due course, confirmation that the dates were disposed of in eligible restricted outlets. With respect to exports, the withholding credit shall be granted upon the Committee receiving notification from the inspection service, and in due course a copy of the on board bill of lading or other documentary evidence satisfactory to the Committee.

(c) *FP dates.* Withholding obligations on FP dates shall be based on the weight of such dates when they are inspected and certified. However, if such dates are subsequently processed and packed within the area of production, the withholding obligation shall be adjusted to reflect any increase in weight.

(d) *Dates for deferment of withholding.* Any handler may defer his certification and withholding or disposition of restricted dates by pledging a comparable volume of graded or field-run dates as a surety that he will meet his withholding obligation at a later date. Such deferment shall not be effective until: (1) The handler files with the Committee a CDAC Form No. 12 to set aside graded dates or CDAC Form No. 13 to set aside field-run dates; and (2) the pledged dates are set aside as a lot and identified by the handler as "Restricted" and as "Graded" or "Field-Run", as appropriate, and as to the number of containers, the date of set-aside and whether or not the dates have been inspected. If the handler sets aside field-run dates or disposes of field-run dates in outlets prescribed in or pursuant to § 987.56 to obtain withholding credit for the sound date portion in the lot, the field-run dates shall meet the requirements prescribed in paragraph (f) of this section

for eligible field-run dates, as determined by the inspection service.

(e) *Identification of restricted dates.* Any lot of restricted dates not immediately disposed of through exportation to countries approved by the Committee or directed to approved product outlets shall be stored as a lot separate from all other dates and in a specified location with a USDA inspection service tag marked "Restricted".

(f) *Field-run dates.* Field-run dates set aside for the purpose of deferring or meeting any part or all of a withholding obligation shall consist of at least 70 percent, by weight, of sound dates but may contain 10 percent, by weight, of cull dates of which not more than 5 percent may be hidden culls—i.e., dates with internal defects including souring, mold, fermentation, insect infestation, or foreign material.

(g) *Substitution.* Any handler may, under the direction and supervision of the Committee or the inspection service, substitute for any quantity of restricted dates held by him a like quantity of dates of the same variety and of the same or more recent year's production which have been certified and identified as meeting the requirements for restricted dates.

§ 987.151 [Amended]

9. The first sentence of § 987.151 is amended by changing the words "dates certified for products" to "product dates."

10. The second sentence of § 987.152(a) is amended by changing the words "free date quality" to "DAC date quality," and § 987.152(b) is revised to read as follows:

§ 987.152 Exemption from regulations.

(b) *Handler exemptions—(1) Specialty sales.* The Committee may permit any handler to sell to health food stores or health food outlets, dates which at least meet the requirements for FP dates. It may permit any handler to sell to a candy manufacturer hand-pitted dates which meet the grade requirements for DAC dates except for size, or damage due to cutting and pitting. Also, it may permit any handler to sell hand-layered dates in tin, wood, plastic, or other type of container exempt from §§ 987.41(a) and 987.48, or to make shipments by common carrier of up to 150 pounds to any one purchaser in any one day exempt from the provisions of § 987.41(a): *Provided*, That the hand-layered dates or the shipment to a single purchaser in any 1 day have been packed from dates certified as meeting the grade requirements for DAC dates and have not been commingled with other dates. Permission to use these exemptions shall be granted

only upon the handler filing with the Committee its CDAC Form No. 10 wherein he describes how he plans to sell, and agrees to sell only specific dates and to report such sales.

(2) *Donations.* The Committee may permit any handler to donate Utility or marketable dates other than DAC dates to needy persons, prisoners, or Indians on reservations. Before such donation is made, such handler shall file a request for donation with the Committee detailing the quantity and grade of dates involved and the name and address of the intended donee. The donation may be subject to Committee surveillance, verification by written documentation of receipt by the donee, and any other safeguards necessary to assure consumption in these outlets.

DISPOSITION OF OTHER THAN FREE DATES [DELETED]

§ 987.155 [Deleted]

11. The center heading "Disposition of Other Than Free Dates" and § 987.155 are deleted.

§ 987.156 [Deleted]

12. Section 987.156 is deleted.

§ 987.159 [Deleted]

13. Section 987.159 is deleted.

14. Section 987.161 is revised to read as follows:

§ 987.161 Handler carryover.

Each handler shall file with the Committee, a report of his carryover of dates as of March 1 and October 1 and, when volume regulation is established, as of January 1. This report shall be on CDAC Form No. 5 and shall show, by variety, at least: (a) The quantity of DAC dates held within and outside the area, (b) the quantity of FP dates held within the area, (c) the quantity of export dates and utility dates, and (d) the quantity of dates held graded but not certified, and as field-run, segregated as to outlet category.

15. Section 987.162 is revised to read as follows:

§ 987.162 Handler acquisition and disposition.

Each handler shall file with the Committee by the 10th of each month, on CDAC Form No. 6, a report for the preceding month of his field-run acquisitions, his shipments of marketable dates in each outlet category, his shipments of free dates and disposition of restricted dates, whenever applicable, and his purchases from other handlers of DAC, Export, product, graded and field-run dates.

16. Section 987.164 is revised to read as follows:

§ 987.164 Shipments of product dates or utility dates and dispositions of restricted dates in approved product outlets.

Each handler shall file with the Committee a completed CDAC Form No. 8 showing the shipment of each lot of product or utility dates or the disposition of restricted dates in approved product outlets. This report shall be filed promptly after shipment or disposition of those dates and shall identify the lot, the outlet, the number of containers, and the net weight of the dates. If such dates are sold to an approved date product manufacturer, a copy of the completed form shall be signed and dated by the manufacturer and returned to the Committee. If the lot was certified as product dates and is exported to Mexico, the handler shall submit completed CDAC Form No. 8 together with completed CDAC Form No. 11(a) to the Committee.

17. Section 987.165(b) is revised to read as follows:

§ 987.165 Other reports.

(b) *Products.* Each approved date product manufacturer shall file with the Committee a completed CDAC Form No. 4 showing his beginning and ending inventories of product dates, the quantity received during the crop year, the quantity used, the type and quantity of products manufactured, and his year-end inventory of products. This report shall be filed promptly after the end of each crop year.

§ 987.168 [Amended]

18. Section 987.168 is amended by deleting the lead sentence and substituting the following sentences in its place, to read as follows:

"Each handler shall establish complete records which accurately show the quantity of dates handled, disposed of, and withheld. These records shall be maintained for at least 2 years after the end of the crop year of record. Records shall show:"

19. A new § 987.172 is added to read as follows:

§ 987.172 Adjustment of assessment obligation.

In accordance with §§ 987.45 and 987.72, the assessment obligation of FP dates shall be based on the weight of the dates at the time of inspection and certification. However, if such dates are subsequently processed and packed within the area of production, the assessment obligation shall be adjusted to reflect any increase in weight and the obligation shall be placed on the handler agreeing to assume it.

§§ 987.202-987.204 (Subpart—Grade and Size Regulations) [Deleted]

20. Subpart—Grade and Size Regulations (7 CFR Part 987.202-987.204) is deleted.

§§ 987.401-987.403 (Subpart—Market Determinations) [Deleted]

21. Subpart—Market Determinations (7 CFR Part 987.401-987.403) is deleted.

§ 987.501 Subpart—Container Regulation [Deleted]

22. Subpart—Container Regulation (7 CFR Part 987.501) is deleted.

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

Dated: June 27, 1978.

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

[FR Doc. 78-18312 Filed 6-29-78; 8:45 am]

[3410-07]

CHAPTER XVIII—FARMERS HOME ADMINISTRATION, DEPARTMENT OF AGRICULTURE

SUBCHAPTER D—GUARANTEED LOANS

[FmHA Instruction 449.1]

PART 1841—GENERAL PROVISIONS

Addition to Clarify Renewal Policy

AGENCY: Farmers Home Administration, USDA.

ACTION: Final rule.

SUMMARY: The Farmers Home Administration amends its regulations pertaining to guaranteed loans. The intended effect of this action is to clarify the renewal policy with regard to 80 percent guaranteed emergency livestock loans approved before June 16, 1975, and it is necessary to comply with legislation.

EFFECTIVE DATE: June 30, 1978.

FOR FURTHER INFORMATION CONTACT:

William Krause, 202-447-7600.

SUPPLEMENTARY INFORMATION: Section 1841.47 of Part 1841 of Chapter XVIII, Title 7, Code of Federal Regulations, is added to clarify the policy with regard to renewing 80 percent guaranteed emergency livestock loans approved before June 16, 1975. It is the policy of this Department that rules relating to public property, loans, grants, benefits, or contracts should be published for comments notwithstanding the exemption of 5 U.S.C. 553 with respect to such rules. However, this amendment is not published for proposed rulemaking since

such notice would delay the servicing of emergency livestock loans to indebted borrowers thereby causing possible financial losses to the borrowers, the guaranteed lenders, and/or the Government, and therefore would be contrary to the public interest.

Accordingly, the Table of Sections for Part 1841 is amended and § 1841.47 of Part 1841 is added and reads as follows:

The Table of Sections for Part 1841 is amended to add § 1841.47, Renewal policy with regard to 80 percent guaranteed emergency livestock (EL) loans approved before June 16, 1975.

§ 1841.47 Renewal policy with regard to 80 percent guaranteed emergency livestock (EL) loans approved before June 16, 1975.

Pub. L. 94-35, an amendment to the Emergency Livestock Credit Act, enacted on June 16, 1975, changed guarantee provisions and the previous loan term and renewal provisions for EL loans from 3 years plus 2 years to 7 years plus 3 years. There is no authority to renew 80 percent guaranteed EL loans approved before June 16, 1975, when they reach the final maturity date described in the note. If a lender desires to change the terms of one of these loans to bring it current or for other reasons it may be done by making a new EL loan to refinance the unpaid balance owed on the existing one, provided the borrower qualifies for the new loan. This is authorized by § 1980.270 of subpart C of part 1980 of this chapter.

If the maturity date on an 80 percent guaranteed loan has been reached and the lender does not want to make a new EL loan as authorized by § 1980.270 of subpart C of part 1980 of this chapter, the lender must liquidate if the loan remains unpaid. This is required because the contract guaranteeing the loan describes the loan note and is limited by its terms. The lender may be allowed a reasonable time to close out the loan after the maturity date has arrived without full payment being made. To this extent, the Contract of Guarantee does not terminate automatically at the maturity date. However, the lender may not continue with a borrower indefinitely.

§ 1841.48-1841.55 [Reserved]

Sections 1841.48 through 1841.55 are reserved.

(Sec. 10 PL 93-357, 88 Stat 392; delegation of authority by Sec. of Agri. 7 CFR 2.23; delegation of authority by the Asst. Sec. for Rural Development, 7 CFR 2.70.)

Dated: June 20, 1978.

JAMES E. THORNTON,
Associate Administrator,
Farmers Home Administration.

[FR Doc. 78-18244 Filed 6-29-78; 8:45 am]