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OFFICE OF PERSONNEL MANAGEMENT

5 CFR Parts 340 and 890

Part-Time Employment; Federal Employees Health Benefits Program

AGENCY: Office of Personnel Management.

ACTION: Final Regulations.

SUMMARY: The Office of Personnel Management (OPM) is issuing final regulations to implement its responsibilities under Pub. L. 95–437, the Federal Employees Part-time Career Employment Act of 1978. This law narrows the definition of part-time career employment in the Federal Government from scheduled work of less than 40 hours per week to scheduled work between 16 and 32 hours per week, requires most Federal agencies to develop and administer a program to expand part-time employment opportunities, and changes the personnel ceiling and fringe benefit provisions governing part-time career Federal employees. The regulations define coverage under the Act for employment (Part 340) and health insurance (Part 890) purposes, and outline OPM responsibilities to provide technical guidance and assistance in the part-time employment area. The regulations also implement the statutory requirement that agencies report their progress in expanding part-time employment opportunities to the Office of Personnel Management on a twice-yearly basis.

DATE: Effective Date October 5, 1979.

FOR FURTHER INFORMATION CONTACT:

Ed McHugh, 202–632–6817 (employment). Staffing Services, Room 6524.

Ed Borchers, 202–632–4684 (health benefits). Compensation, Room 4334. Office of Personnel Management, 1900 E Street, N.W., Washington, D.C.20415.

SUPPLEMENTARY INFORMATION:

Background

On April 6, 1979, the Office of Personnel Management published interim regulations to implement the Federal Employees Part-time Career Employment Act of 1978 (5 U.S.C. 3401 et seq.) and invited comments from the public (44 FR 20697). Written comments were received from ten individuals and organizations.

As a result of comments and suggestions received during this period, the Office of Personnel Management has modified the final regulations as described below. The Office will also supplement the regulations with guidance issued through the Federal Personnel Manual System to clarify certain items addressed during the public comment period which are outside the scope of these regulations.

Statutory Provisions

Some comments were directed at the provisions of the Federal Employees Part-time Career Employment Act contained in Subpart A of the regulations. Although these provisions are by and large not subject to modification by OPM regulation, they will be monitored by OPM, and amendments to the statute may be recommended for congressional action in the future. The substance of these comments is, therefore, reflected below.

Several Federal agencies indicated that the limitation of new part-time employees to a 32-hour-per-week maximum regular work schedule is unduly restrictive to management as well as employees. Although the major thrust of Pub. L. 95–437 was to expand Federal part-time employment opportunities, Congress also evidenced clear intent to end the practice of employing "nominal" part-time employees in the 33- to 39-hour-per-week range to skirt personnel ceilings. Therefore, agencies may not regularly employ workers with permanent appointments who become part time on or after April 8, 1979, under schedules of more than 32 hours per week. This prohibition does not apply to the employment of part-timers who were already working on a permanent part-time basis before that date for as long as they continue to work part time. Also it does not restrict agencies from temporarily increasing an employee's hours of duty above 32 hours per week for limited periods to meet heavy workloads, permit employee training, etc. No specific limitation has been placed on these temporary increases; however, their use must be consistent with the congressional intent reflected above.

Another statutory provision which drew comments was the prorating of the Government contribution toward the health insurance of new part-time employees according to the percentage of a full-time schedule the employees work. Most respondents recognized that this provision is designed to make fringe benefit arrangements more equitable and reduce the cost to the Government of employing additional part-time workers. Several indicated, however, that the additional costs incurred by the employee for such benefits could serve as a deterrent to working part time.

As provided in Pub. L. 95–437, part-time employees working schedules of less than 16 hours per week are excluded from the requirement that the Government contribution toward the health insurance of part-time employees be prorated. Thus, while new part-time employees working from 16 to 32 hours per week receive only a portion of the Government contribution for health insurance, those working less than 16 hours per week receive the full amount. Several respondents noted this inconsistency. Alternatives to remedy this are under consideration.

Finally, one employee labor organization recommended including in the regulation the statutory provision prohibiting abolishment of occupied positions to make them available on a part-time basis, and the provision prohibiting a full-time employee from being required to accept part-time employment as a condition of continued employment. These provisions are incorporated in Subpart A of the regulations as part of the substantive language of Pub. L. 95–437.

Several Federal agencies indicated that the statutory requirement for special goals and timetables to expand part-time employment opportunities are burdensome. OPM instructions in the Federal Personnel Manual on part-time employment will encourage agencies to incorporate such goals and timetables,

to the extent possible, in ongoing affirmative action programs.

Exception of Employees Working Less Than 16 Hours Per Week

The statutory part-time employment scheme established by Pub. L. 95–437 generally limits part-time employment to 16 to 32 hours per week. However, Congress did not explicitly evidence intent to end the practice of employing career part-timers for less than 16 hours per week in the same way that 33- to 39-hour-per-week employment was proscribed. Recognizing that there were circumstances in which agencies needed to employ permanent workers under regular schedules of less than 16 hours per week, OPM regulations provide for this type of employment as an exception to the general definition of part-time employment in the statute.

Respondents asked about the rationale for this exception as well as the statutory language which provides such employees with a larger Federal health insurance contribution than employees in the 16- to 32-hour week range. (See statutory provisions above).

Mixed Tour Employees

A few Federal agencies use career-seasonal employees who work under "mixed" tours of duty (i.e., varying periods of full-time, part-time and intermittent service) during the course of a year. One agency inquired whether seasonal employees serving on a part-time basis as part of their mixed tour are subject to the schedule limitations and health insurance proration provided for part-time employees by Pub. L. 95–437.

In OPM's view, the Federal Employees Part-time Career Employment Act of 1978 is designed to encourage regularly scheduled employment from 16 to 32 hours per week. Although many career-seasonal employees occasionally work on a part-time basis, we understand such service to be limited and incidental to a more extended period of full-time employment during the course of the year.

We, therefore, have determined that seasonal employees with mixed tours of duty are not covered by the Federal Employees Part-time Career Employment Act of 1978. Our final implementing regulations on Pub. L. 95–437 specifically exempt employees serving under permanent appointments who have mixed tours of duty from the provisions of this Act.

Recruitment of Part-Time Workers

Several responses suggested that OPM should take on the principal responsibility for recruiting part-time workers and communicating and advertising part-time job vacancies to the public as required under 5 U.S.C. 3402(a)(1)(E). It was also suggested that OPM establish a nationwide talent bank containing the names of potential part-time employees.

Because of these concerns OPM will look to the development of improved methods for filling part-time positions in carrying out the research and demonstration responsibilities required by 5 U.S.C. 3402(b)(2).

The Office of Personnel Management has examined and considered all the comments brought to its attention during the public comment period. In preparing the preceding summary, the Office has tried to address the major points raised in the letters it has received. Certain of the comments and suggestions, however, involved matters outside the scope of these regulations. Others addressed issues of program administration that will be covered in guidance materials the Office will issue to assist agencies in implementing the program.

Office of Personnel Management.

Beverly M. Jones,

Issuance System Manager.

Accordingly, the Office of Personnel Management is amending Title 5, Code of Federal Regulations, as follows:

(1) A new Part 340 is added as set forth below:

PART 340—PART-TIME EMPLOYMENT

Subpart A—Principal Statutory Requirements

Sec.

340.101 Principal statutory requirements.

Subpart B—Regulatory Requirements of the Office of Personnel Management

340.201 Regulatory requirements.
340.202 General provisions.
340.203 Technical assistance.
340.204 Agency reporting.

Authority: 5 U.S.C. 3401 et seq.

Subpart A—Principal Statutory Requirements

§ 340.101 Principal statutory requirements.

This subpart incorporates for the benefit of the user of the principal statutory requirements governing part-time career employment, as contained in 5 U.S.C. 3401–3408, and related provisions of Pub. L. 95–437.

Short Title

Sec. 1. This Act may be cited as the "Federal Employees Part-Time Career Employment Act of 1978".

Congressional Findings and Purpose

Sec. 2. (a) The Congress finds that—

(1) many individuals in our society possess great productive potential which goes unused because they cannot meet the requirements of a standard workweek; and

(2) part-time permanent employment—

(A) provides older individuals with a gradual transition into retirement;

(B) provides employment opportunities to handicapped individuals or others who require a reduced workweek;

(C) provides parents opportunities to balance family responsibilities with the need for additional income;

(D) benefits students who must finance their own education or vocational training;

(E) benefits the Government, as an employer, by increasing productivity and job satisfaction, while lowering turnover rates and absenteeism, offering management more flexibility in meeting work requirements, and filling shortages in various occupations; and

(F) benefits society by offering a needed alternative for those individuals who require or prefer shorter hours (despite the reduced income), thus increasing jobs available to reduce unemployment while retaining the skills of individuals who have training and experience.

(b) The purpose of this Act is to provide increased part-time career employment opportunities throughout the Federal Government.

"§ 3401 Definitions

"For the purpose of this subchapter—

"(1) 'agency' means—

"(A) an Executive agency;

"(B) a military department;

"(C) an agency in the judicial branch;

"(D) the Library of Congress;

"(E) the Botanic Garden; and

"(F) the Office of the Architect of the Capitol; but does not include—

"(i) a Government controlled corporation;

"(ii) the Tennessee Valley Authority;

"(iii) the Alaska Railroad;

"(iv) the Virgin Island Corporation;

"(v) the Panama Canal Company;

"(vi) the Federal Bureau of Investigation, Department of Justice;

"(vii) the Central Intelligence Agency; and

"(viii) the National Security Agency, Department of Defense; and

"(2) 'part-time career employment' means part-time employment of 16 to 32 hours a week under a schedule consisting of an equal or varied number of hours per day, whether in a position which would be part-time without regard to this section or one established to allow job-sharing or comparable

arrangements, but does not include employment on a temporary or intermittent basis.

"§ 3402. Establishment of part-time career employment programs

"(a)(1) In order to promote part-time career employment opportunities in all grade levels, the head of each agency, by regulation, shall establish and maintain a program for part-time career employment within such agency. Such regulations shall provide for—

"(A) the review of positions which, after such positions become vacant, may be filled on a part-time career employment basis (including the establishment of criteria to be used in identifying such positions);

"(B) procedures and criteria to be used in connection with establishing or converting positions for part-time career employment, subject to the limitations of section 3393 of this title;

"(C) annual goals for establishing or converting positions for part-time career employment, and a timetable setting forth interim and final deadlines for achieving such goals;

"(D) a continuing review and evaluation of the part-time career employment program established under such regulations; and

"(E) procedures for notifying the public of vacant part-time positions in such agency, utilizing facilities and funds otherwise available to such agency for the dissemination of information.

"(2) The head of each agency shall provide for communication between, and coordination of the activities of, the individuals within such agency whose responsibilities relate to the part-time career employment program established within that agency.

"(3) Regulations established under paragraph (1) of this subsection may provide for such exceptions as may be necessary to carry out the mission of the agency.

"(b)(1) The Civil Service Commission, by regulation, shall establish and maintain a program under which it shall, on the request of an agency, advise and assist such agency in the establishment and maintenance of its part-time career employment program under this subchapter.

"(2) The Commission shall conduct a research and demonstration program with respect to part-time career employment within the Federal Government. In particular, such program shall be directed to—

"(A) determining the extent to which part-time career employment may be used in filling positions which have not traditionally been open for such employment on any extensive basis, such as supervisory, managerial, and professional positions;

"(B) determining the extent to which job-sharing arrangements may be established for various occupations and positions; and

"(C) evaluating attitudes, benefits, costs, efficiency, and productivity associated with part-time career employment, as well as its various sociological effects as a mode of employment.

"§ 3403. Limitations

"(a) An agency shall not abolish any position occupied by an employee in order to make the duties of such position available to be performed on a part-time career employment basis.

"(b) Any person who is employed on a full-time basis in an agency shall not be required to accept part-time employment as a condition of continued employment.

"§ 3404. Personnel ceilings

"In administering any personnel ceiling applicable to an agency (or unit therein), an employee employed by such agency on a part-time career employment basis shall be counted as a fraction which is determined by dividing 40 hours into the average number of hours of such employee's regularly scheduled workweek. This section shall become effective on October 1, 1980.

"§ 3405. Nonapplicability

"(a) If, on the date of enactment of this subchapter, there is in effect with respect to positions within an agency a collective-bargaining agreement which establishes the number of hours of employment a week, then this subchapter shall not apply to those positions.

"(b) This subchapter shall not require part-time career employment in positions the rate of basic pay for which is fixed at a rate equal to or greater than the minimum rate fixed for GS–16 of the General Schedule.

"§ 3406. Regulations

"Before any regulation is prescribed under this subchapter, a copy of the proposed regulation shall be published in the **Federal Register** and an opportunity provided to interested parties to present written comment and, where practicable, oral comment. Initial regulations shall be prescribed not later than 180 days after the date of the enactment of this subchapter.

"§ 3407. Reports

"(a) Each agency shall prepare and transmit on a biannual basis a report to the Office of Personnel Management on its activities under this subchapter, including—

"(1) details on such agency's progress in meeting part-time career employment goals established under section 3392 of this title; and

"(2) an explanation of any impediments experienced by such agency in meeting such goals or in otherwise carrying out the provisions of this subchapter, together with a statement of the measures taken to overcome such impediments.

"(b) The Commission shall include in its annual report under section 1308 of this title a statement of its activities under this subchapter, and a description and evaluation of the activities of agencies in carrying out the provisions of this subchapter.

"§ 3408. Employee organization representation

"If an employee organization has been accorded exclusive recognition with respect to a unit within an agency, then the employee organization shall be entitled to represent all employees within that unit employed on a part-time career employment basis.".

(b) Subpart B of the table of chapters of part III of the analysis of chapter 33 of title 5, United States Code, is amended by inserting after the item relating to section 3385 the following:

"SUBCHAPTER VII—PART-TIME CAREER EMPLOYMENT OPPORTUNITIES

"Sec.
"3401. Definitions.
"3402. Establishment of part-time career employment programs.
"3403. Limitations.
"3404. Personnel ceilings.
"3405. Nonapplicability.
"3406. Regulations.
"3407. Reports.
"3408. Employee organization representation.

Sec. 4. (a) Section 8347(g) of title 5, United States Code, is amended by adding at the end thereof the following: "However, the Commission may not exclude any employee who occupies a position on a part-time career employment basis (as defined in section 3391(2) of this title).".

(b) Section 8716(b) of such title 5 is amended—

(1) by striking out of the second sentence "or part-time";

(2) by striking out "or" at the end of clause (1);

(3) by striking out the period at the end of clause (2) and inserting in lieu thereof "; or"; and

(4) by adding at the end thereof the following:

"(3) an employee who is occupying a position on a part-time career

employment basis (as defined in section 3391(2) of this title).".

(c)(1) Section 8913(b) of such title 5 is amended—

(A) by striking out "or" at the end of clause (1);

(B) by striking out the period at the end of clause (2) and inserting in lieu thereof "; or"; and

(C) by adding at the end thereof the following:

"(3) an employee who is occupying a position on a part-time career employment basis (as defined in section 3391(2) of this title).".

(2)(A) Section 8906(b) of such title 5 is amended—

(i) by striking out "paragraph (2)" in paragraph (1) and inserting in lieu thereof "paragraphs (2) and (3)"; and

(ii) by adding at the end thereof the following new paragraph:

"(3) In the case of an employee who is occupying a position on a part-time career employment basis (as defined in section 3391 (2) of this title), the biweekly Government contribution shall be equal to the percentage which bears the same ratio to the percentage determined under this subsection (without regard to this paragraph) as the average number of hours of such employee's regularly scheduled workweek bears to the average number of hours in the regularly scheduled workweek of an employee serving in a comparable position on a full-time career basis (as determined under regulations prescribed by the Commission)".

(B) The amendments made by subparagraph (A) shall not apply with respect to any employee serving in a position on a part-time career employment basis on the date of the enactment of this Act for such period as the employee continues to serve without a break in service in that or any other position on such part-time basis.

Sec. 5. Each report prepared by an agency under section 3397(a) of title 5, United States Code (as added by this Act), shall, to the extent to which part-time career employment opportunities have been extended by such agency during the period covered by such report to each group referred to in subparagraphs (A), (B), (C), and (D), of section 2(a)(2) of this Act.

Subpart B—Regulatory Requirements of the Office of Personnel Management

§ 340.201 Regulatory requirements.

This subpart contains the regulations of the Office of Personnel Management which implement the above sections of chapter 34 (as set out in § 340.101).

§ 340.202 General.

(a) *Definitions.* "Part-time career employment" means regularly scheduled work of from 16 to 32 hours per week performed by an employee of an agency as defined in 5 U.S.C. 3401 (a) through (f), who has an appointment in tenure group I or II and who becomes employed on such part-time basis on or after April 8, 1979.

"Tenure group I" applies to employees in the competitive service under career appointments who are not serving probation and permanent employees in the excepted service whose appointments carry no restrictions or conditions.

"Tenure group II" applies to employees in the competitive service serving probation, career-conditional employees, and career employees in obligated positions. It also includes employees in the excepted service serving trial periods, whose tenure is indefinite solely because they occupy obligated positions; or whose tenure is equivalent to career-conditional in the competitive service.

(b) *Agency Exceptions.* As an exception to the general definition of part-time employment in § 340.202(a) and under the authority provided in 5 U.S.C. 3402(a)(3), an agency may permit an employee who has an appointment in tenure group I or II to perform regularly scheduled work of from 1 to 15 hours per week.

(c) *Mixed Tours of Duty.* The provisions of this subpart and the term "part-time career employment" do not apply to employees with appointments in tenure groups I or II who work under mixed tours of duty. A mixed tour of duty consists of annually recurring periods of full-time, part-time or intermittent service.

§ 340.203 Technical assistance.

(a) The Office of Personnel Management shall provide, within available resources, consultation and technical advice and assistance to agencies to aid them in expanding career part-time employment opportunities. This assistance shall include but not be limited to:

(1) Help in developing part-time career employment programs;

(2) Information on public and private sector part-time employment practices;

(3) Development of special recruitment and selection techniques for filling part-time positions;

(4) Interpretations of part-time employment law, regulations and policy;

(5) Guidance on job sharing and position restructuring.

(b) Request for information and assistance should be directed to the Associate Director for Staffing Services, Office of Personnel Management, 1900 E Street, NW., Washington, D.C. 20415, or the nearest OPM regional office.

§ 340.204 Agency reporting.

(a) Agency reports required under 5 U.S.C. 3407 shall be based on data as of March 31 and September 30 each year and shall be provided to the Office of Personnel Management no later than May 15 and November 15 respectively.

(b) Each agency shall include with such reports a copy of any agencywide part-time career employment program regulations and instructions issued during the 6-month period preceding the report date.

(c) Reports should be sent to the Associate Director for Staffing Services, Office of Personnel Management, 1900 E Street, NW., Washington, D.C. 20415.

PART 890—FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

(2) Part 890 of the regulations is amended: (a) By redesignating § 890.102(d) as § 890.102(e) and adding a new paragraph (d); and (b) by adding a new paragraph (v) to § 890.301, as set out below.

§ 890.102 Coverage.

* * * * *

(d) Paragraph (c) of this section does not deny coverage to an individual appointed to perform "part-time career employment," as defined in section 3401(2) of title 5, United States Code, and 5 CFR Part 340, Subpart B.

(e) The Office of Personnel Management makes the final determination of the applicability of this section to specific employees or groups of employees.

(33 FR 12510, September 4, 1968, as amended at 33 FR 20002, December 31, 1968; 35 FR 753, January 20, 1970.)

§ 890.301 Opportunities to register to enroll and change enrollment.

* * * * *

(v) *Change to part-time career employment.* An enrolled employee who moves, without a break in service or after a separation of 3 days or less, to "part-time career employment" as defined in section 3401(2) of title 5, United States Code, and 5 CFR Part 340, Subpart B, may change to any other plan or option. This change in enrollment may be made within 31 days after the change to "part-time career employment."

(33 FR 12510, September 4, 1968, as amended at 41 FR 40090, September 17, 1976; 41, FR

52043, November 26, 1976; 42 FR 52373, September 30, 1977.)

[FR Doc. 79-30936 Filed 10-4-79; 8:45 am]

BILLING CODE 6325-01-M

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 910

[Lemon Reg. 220]

Lemons Grown in California and Arizona; Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This regulation establishes the quantity of fresh California-Arizona lemons that may be shipped to market during the period October 7–13, 1979. Such action is needed to provide for orderly marketing of fresh lemons for this period due to the marketing situation confronting the lemon industry.

EFFECTIVE DATE: October 7, 1979.

FOR FURTHER INFORMATION CONTACT: Malvin E. McGaha, 202–447–5975.

SUPPLEMENTARY INFORMATION: *Findings.* This regulation is issued under 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. The agreement and order are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). The action is based upon the recommendations and information submitted by the Lemon Administrative Committee, and upon other information. It is hereby found that this action will tend to effectuate the declared policy of the act.

The committee met on October 2, 1979, to consider supply and market conditions and other factors affecting the need for regulation and recommended a quantity of lemons deemed advisable to be handled during the specified week. The committee reports the demand for lemons is easier.

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. 553), because of insufficient time between the date when information became available upon which this regulation is 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. 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.

Further, in accordance with procedures in Executive Order 12044, the emergency nature of this regulation warrants publication without opportunity for further public comment. The regulation has not been classified significant under USDA criteria for implementing the Executive Order. An Impact Analysis is available from Malvin E. McGaha, 202–447–5975.

§ 910.520 Lemon Regulation 220.

Order. (a) The quantity of lemons grown in California and Arizona which may be handled during the period October 7, 1979, through October 13, 1979, is established at 200,000 cartons.

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

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

Dated: October 3, 1979.

D. S. Kuryloski,

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

[FR Doc. 79-31108 Filed 10-4-79; 8:45 am]

BILLING CODE 3410-02-M

Commodity Credit Corporation

7 CFR Part 1421

[CCC Grain Price Support Regs., Grain Reserve Program Supplement, Amd. 2]

Regulations Governing the Grain Reserve Program for 1976 and Subsequent Crops

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Final rule.

SUMMARY: This rule contains provisions whereby the Secretary may offer producers, under certain circumstances, the options of (1) delaying their date for settlement of called reserve loans and (2) the reentry of such loans into the reserve loan program.

The delayed settlement provision is needed to promote orderly marketing of called reserve loans as intended by the reserve program. The present 30-day period allowed for redemption of called reserve commodities has proven inadequate to permit producers to redeem and market their grain in an orderly manner. When transportation problems and/or storage problems occur in an area, notwithstanding the national average market price being at call level or above, producers are often prevented from marketing the commodity in order to repay their loans. Delayed settlements will allow producers to hold their reserve commodities until disruption of orderly marketing eases and better prices may be obtained.

The reentry of called reserve loans into the reserve is also needed to ensure that producers receive the intended benefits of the reserve program which is to hold their stocks and take advantage of higher prices. Sharply declining market prices below reserve release level subsequent to the call of a reserve commodity deprives the producer this opportunity.

EFFECTIVE DATE: October 5, 1979.

ADDRESS: Price Support and Loan Division, ASCS, USDA, 3741 South Building, P.O. Box 2415, Washington, D.C. 20013.

FOR FURTHER INFORMATION CONTACT: Harold Jamison, ASCS, (202) 447–7973.

SUPPLEMENTARY INFORMATION: On July 27, 1979, the Secretary of Agriculture authorized State and county ASC committees to give producers the option of delaying settlement of reserve barley and oat loans called in areas where orderly marketing is disrupted. Disruption to orderly marketing has occurred in the major barley and oat producing areas caused by the shortage of railcars, the recent strike by independent truckers, and by the elevator operator strike in the Duluth-Superior area.

On August 3, 1979, the Secretary authorized, at producers option, the reentry of oats loans into the Grain Reserve Program. Such action is deemed appropriate for any called reserve grain when market prices for such grain fall below the release level as it has for oats. The intent of the reserve program as provided in Section 110 of the Agriculture Act of 1949, as added by the Food and Agricultural Act of 1977, is to allow producers to hold their stocks when such commodities are in abundant supply and extend the time period for their orderly marketing. A sudden decline in market prices below reserve release level subsequent to the call of a reserve commodity disrupts orderly marketing and defeats the purpose of the reserve program.

Final Rule

Accordingly, 7 CFR Part 1421 is amended by revising Section 1421.543(c) as follows: