"(3) is authorized under regulations issued by the Secretary of Defense or the Secretary concerned and is not unlawful under section 2511 of title 18, United States Code.".

1-107. Rule 321(b)(2)(B) of the Military Rules of Evidence is amended by deleting the reference "(1)" and substituting therefor the reference "(A)".

1-108. Rule 403 of the Military Rules of Evidence is amended by correcting "exluded" to read "excluded" in the first clause of that rule.

1-109. Rule 408 of the Military Rules of Evidence is amended by correcting "purposes" to read "purpose" in the last sentence of that rule.

1-110. Rule 506(f) of the Military Rules of Evidence is amended by deleting "classified information" and substituting therefor "government information" in the last sentence of that rule.

1-111. Rule 507(a) of the Military Rules of Evidence is amended by deleting "information resulting in an investigation" and substituting therefor "information relating to or assisting in an investigation" in the second sentence of that rule.

1-112. Rule 1101(b) of the Military Rules of Evidence is amended by deleting the reference "Section V" and substituting therefor the reference "Sections III and V".

1-113. Section 12 of Part B, which provided for amendments to paragraph 127*c*(1) of Chapter XXV of the Manual, is amended by adding thereto the following:

"Paragraph 127*c*(1) is also amended by deleting "or the Code of the District of Columbia, whichever prescribed punishment is the lesser,". Further, paragraph 127*c*(1) is amended by deleting "or the Code of the District of Columbia and the respective Code" and substituting therefor "and the United States Code.".

Jimmy Carter

THE WHITE HOUSE,
September 1, 1980.

[FR Doc. 80-27404
Filed 9-3-80; 10:59 am]
Billing code 3195-01-M

Rules and Regulations

Federal Register
Vol. 45, No. 173
Thursday, September 4, 1980

PRESIDENTIAL COMMISSION ON WORLD HUNGER

1 CFR Part 475

Privacy Act of 1974 Regulations

AGENCY: Presidential Commission on World Hunger.

ACTION: Final rule.

SUMMARY: The Presidential Commission on World Hunger has terminated by compliance with E. O. 12078, as amended, which created the Commission.

EFFECTIVE DATE: August 31, 1980.

FOR FURTHER INFORMATION CONTACT: Daniel E. Shaughnessy, (202) 447-5095.

SUPPLEMENTARY INFORMATION: Commission hereby removes Part 475 from 1 CFR.

Dated: August 29, 1980.

Daniel E. Shaughnessy,

Executive Director.

[FR Doc. 80-27005 Filed 9-3-80, 8:45 am]
BILLING CODE 6820-97-M

DEPARTMENT OF AGRICULTURE

Office of the Secretary

7 CFR Part 14

Determining the Primary Purpose of Certain Payments for Federal Tax Purposes

AGENCY: U.S. Department of Agriculture (USDA).

ACTION: Final rule.

SUMMARY: This rule establishes criteria to be used in determining the primary purpose for which payments are made under certain Federal and non-Federal programs as authorized by section 543 of the Revenue Act of 1978 as amended. A determination that the primary purpose of a payment is to conserve soil or water resources, protect or restore the environment, improve forests, or provide wildlife habitat will allow recipients to exclude all or part of the payment from their gross income for Federal tax purposes provided that the payment does not increase substantially the annual income derived from the property benefited by the payment.

EFFECTIVE DATE: This rule is effective September 4, 1980. It applies to payments made after September 30, 1979.

FOR FURTHER INFORMATION CONTACT: Arnold Miller, Office of Budget, Planning and Evaluation, Office of the Secretary, Room 117-A Administration Building, U.S. Department of Agriculture, Washington, D.C. 20250, phone (202) 447-3255. The final Impact Statement describing the options considered in developing this final rule and the impact of implementing each option is available on request from Arnold Miller.

SUPPLEMENTARY INFORMATION: (1) *General.* This final action has been reviewed under USDA procedures established in Secretary' Memorandum 1955 to implement Executive Order 12044, and has been classified "significant."

Section 543 of the Revenue Act of 1978 (Pub. L. 95-600), hereafter referred to as the "Act" amended the Internal Revenue Code of 1954 to provide that certain payments, or portions thereof, received through Federal and non-Federal programs can be excluded from gross income for Federal income tax purposes. The exclusions apply to the extent that the Secretary of Agriculture determines that the payments, or portions thereof, are make primarily for the purposes of conserving soil and water resources, protecting or restoring the environment, improving forests, or providing wildlife habitat, and to the extent that the Secretary of the Treasury determines that the payments do not increase substantially the annual income derived from the property associated with the payments.

A deduction, depreciation, amortization, or investment credit may not be claimed with respect to amounts excluded from gross income under Section 543 of the Act. If associated property or improvements are disposed of within 20 years after the payment is made, some or all of any capital gain may be treated as ordinary income for tax purposes. Section 543 applies to payments made after September 30, 1979, and is incorporated into the Internal Revenue Code of 1954 as Section 126 (exclusion) and as Section 1255 (recapture).

The Department of Agriculture is working with the Department of the Treasury to implement Section 543 of the Act. This rule, however, applies only to the determinations to be made by the Secretary of Agriculture as prescribed in Section 543.

(2) *Form of determinations.* The criteria and definitions set forth in this rule will be applied to applicable programs to determine the primary purpose for which payments are made. The determinations may be made on the basis of entire programs, categories of practices or measures within programs, or on the basis of individual payments. Determinations made under this rule will be published in the **Federal Register.**

(3) *Non-Federal payments.* In addition to Federal payments, payments received by persons under programs administered by units of non-Federal governments may qualify for exclusion from gross income under Section 543 of the Act. Non-Federal public entities that seek an exclusion from gross income for payments made under their programs should notify the Secretary of Agriculture following the procedure specified in § 14.6 of this rule. Those that have submitted materials in response to: (1) the May 24, 1979, letter sent to all governors on this subject; (2) the advance notice of proposed rulemaking that appeared in the June 29, 1979, **Federal Register** (44 FR 37953); or (3) the proposed rule that appeared in the August 22, 1979, **Federal Register** (44 FR 49271) need not resubmit materials in response to this rule.

(4) *Recent legislation.* The Technical Corrections Act of 1979 (Pub. L. 96-222) was signed by the President on April 1, 1980. The Technical Corrections Act makes certain technical and clerical changes to the provisions of the Revenue Act of 1978. Sections 105(a)(7) and 105(b)(1) of the Technical Corrections Act contain five changes that apply to the provisions of Section 543 and thus to this rule. Two of these changes are significant.

First, there are circumstances under which a taxpayer would have been worse off under the provisions of

Section 543 as it appeared unamended in Pub. L. 95–600 than under previous tax law. Generally, this would have occurred in those situations in which payments would have been received as reimbursement for costs for which a deduction or credit was allowed under prior tax law. Under previous tax law a taxpayer could have received the payment nearly tax-free, but under the unamended section 543 a taxpayer would have had to treat the payment as income if he or she were to dispose of the property associated with the payment within 20 years after receiving the payment.

The Technical Corrections Act addresses this problem. It permits a taxpayer to elect not to use the exclusion and recapture provisions of section 543 if the taxpayer would have received more favorable tax treatment under previously existing tax law. However, the Technical Corrections Act also guards against the realization of double benefits.

Second, under the 1978 Act it was not clear whether the unamended Section 543 could be applied to payments made under programs operated by non-Federal public entities other than States. The Technical Corrections Act makes it clear that Section 543 is intended to apply to payments received under any program of a State, a possession of the United States, a political subdivision of either of the foregoing, or the District of Columbia.

The amendments made by the Technical Corrections Act with respect to Section 543 apply to payments made after September 30, 1979, the effective date of the Revenue Act of 1978.

As stated in the proposed rule, this final rule incorporates the amendments to the Revenue Act of 1978 made by the Technical Corrections Act of 1979.

(5) *Public comment.* Comments on the proposed rule were received from State agencies, conservation organizations, and individuals. Four comments simply supported the rule as proposed. Several comments opposed the provisions of the Act. The remaining comments suggested changes or raised questions concerning the intent of the proposed rule. All comments were considered in developing the final rule. The full text of all comments is on file and available for public inspection in Room 117–A, Administration Building, USDA, 14th and Independence Avenue S.W., Washington, D.C. 20250.

The substance of the public comments and the Department's response to them follow:

(a) One comment suggested that the regulations should clarify whether payments made for more than one purpose or that yield multiple benefits are eligible for exclusion from gross income. The comment further indicated that water supply development should not be considered a component of water conservation but suggested that practices yielding incidental water supply benefits should not be excluded from eligibility purely on that basis.

Response. The rules have been modified to make it clear that applicable payments may be excluded from gross income to the extent that they are determined to be made primarily for one or a combination of the purposes listed in the rule and if they are also determined not to increase substantially the annual income derived from property associated with the payment.

The incidental benefits of practices installed with payments received under eligible programs are considered to be separate from the primary purpose of those payments. Incidental benefits, however, may affect the excludable portion of payments if they result in an increase in the annual income derived from property associated with the payments. Procedures for determining the portions of applicable payments that should be either excluded from or reported as gross income will be published by the Secretary of the Treasury.

(b) Ten comments suggested that the definition of State programs should be expanded to include substate political entities such as counties, special purpose districts, and interstate compact programs.

Response: As one of the alternatives to the proposed rule, we considered a definition of "State" that would have interpreted Section 543 as extending to payments received through programs of substate political entities. This definition is in accord with the recently enacted Technical Corrections Act, and has been incorporated into the final rule.

(c) One comment suggested that the language referring to "existing stands" of timber in § 14.5(e)(2) limits the situations under which payments for improving forests would be eligible for exclusion from gross income.

Response: The limitation was not intended. The reference to "existing stands" has been deleted from the rule.

(d) One comment suggested that the rule require States to report payments made to individuals to the Internal Revenue Service (IRS).

Response: IRS, not USDA, is authorized to promulgate rules concerning income reporting. This comment has been brought to their attention.

(e) One comment cautioned against extending the definition of wildlife habitat to favor conditions under which wildlife resources are expropriated for private use to the exclusion of their beneficial use by the general public. Moreover, limiting the definition of wildlife habitat to that of threatened or endangered species would tend to reduce the effectiveness of incentive payments intended to encourage private action to enhance wildlife resources for general public benefit.

Response: The definition of wildlife habitat in the final rule does not include habitat provided for species husbanded or otherwise cultivated for profit. It includes the establishment of physical and biological conditions that can reasonably be expected to support noncultivated and nondomesticated forms of animal and plant life of value to the public apart from the value that is captured as private economic gain. The definition includes, but is not limited to, the habitat of endangered or threatened species.

(f) One comment suggested that conservation cost-share payments should not be considered as income and thus should not be taxed.

Response: The Internal Revenue Code and previous tax rulings indicate that, in general, conservation cost-sharing payments should be included in gross income. The intent of Section 543 of the Revenue Act of 1978 is to allow cost-share payments to be excluded from gross income for tax purposes to the extent that they yield benefits to the public apart from those that accrue to the recipients of the payments. This rule provides a basis for carrying out the Secretary of Agriculture's responsibilities under that Act.

(g) Two comments questioned why the Secretary of the Treasury has to make a separate determination that payments do not increase substantially the income even though the Secretary of Agriculture has determined that the payments are made for one or more of the purposes listed in the Act. Another comment suggested that the primary purpose of soil and water conservation practices is to protect land from deterioration for public benefit. Therefore, increases in land values or productivity are incidental and should not be taxed.

Response: These comments go to the Act itself. The Act specifies that all or part of a payment can be excluded from gross income (1) if the Secretary of Agriculture determines that it is made primarily for conserving soil and water resources, protecting or restoring the environment, improving forests, or providing wildlife habitat and (2) if the Secretary of the Treasury determines that the payment does not increase substantially the annual income derived from the property.

(h) Once comment expressed concern that the provision of the Act that calls for a determination that payments do not increase substantially annual income may work against small farmers. Because small farmers tend to have small farm incomes, and increase in income may be significant to them but insignificant to a farmer with a larger operation.

Response: Because the Act states that the Secretary of the Treasury is to determine whether payments increase substantially annual income, this comment has been referred to the Treasury Department. The Department will work with Treasury to help make sure that the implementation of Section 543 does not work against small farmers.

(i) One comment recommended redefining forestry improvement to include all aspects of timber production.

Response: The definition of forestry improvement has been expanded to include actions, measures, or practices undertaken for the direct or indirect conservation or enhancement of timber resources. However, not all aspects of timber production, as for example harvesting, are considered bo be consistent with the Act. Consequently, the definition has been tailored to include only those silvicultural actions associated with establishing, maintaining, and enhancing timber resources.

(j) One comment questioned whether the definition of environmental protection should be broad enough to include payments made to correct natural conditions that aggravate man-caused or man-induced reductions or degradations in the external or extrinsic conditions directly or indirectly affecting people.

Response: The definition of environmental protection and restoration is intended to encompass all activities necessary to correct man-caused or man-induced problems in the natural environment. This includes actions to overcome natural conditions that aggravate man-caused or man-induced degradations as necessary to reestablish the natural conditions that existed before the man-caused degradations.

(k) One comment questioned whether public payments made for animal waste pollution abatement measures would be considered eligible for exclusion from gross income under the Act.

Response: A determination of the eligibility of payments for animal waste control measures for exclusion from gross income would be premature without first reviewing the circumstances under which the payments are made. The payments, however, will qualify for exclusion to the extent that they are determined to be made for one of the purposes listed in the Act and as not increasing substantially the annual income derived from the property.

Title 7, Subtitle A of the Code of Federal Regulations, is amended by adding Part 14 to read as follows:

PART 14—DETERMINING THE PRIMARY PURPOSE OF CERTAIN PAYMENTS FOR FEDERAL TAX PURPOSES

Sec.

Authority: Sec. 543, Pub. L. 95-600; as amended by Sec. 105, Pub. L. 96-222; and 5 U.S.C. 301.

§ 14.1 Purpose.

(a) Part 14 sets forth criteria to be used by the Secretary of Agriculture in determining the primary purpose of certain payments received by persons under applicable programs. Determining the primary purpose for which applicable payments are made is one step toward the exclusion of all or part of the payments from gross income for Federal income tax purposes.

(b) The criteria set forth in Part 14 apply only to the determinations to be made by the Secretary of Agriculture.

§ 14.2 Applicability.

(a) Part 14 applies only to payments received under the programs listed in paragraphs (1) through (10). Payments received under programs not listed in paragraphs (1) through (10) are not considered eligible for exclusion from gross income under this part.

(1) The rural clean water program authorized by Section 208(j) of the Federal Water Pollution Control Act (33 U.S.C. 1288(j)).

(2) The rural abandoned mine program authorized by Section 406 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236).

(3) The water bank program authorized by the Water Bank Act (16 U.S.C. 1301 *et seq.*).

(4) The emergency conservation measures program authorized by Title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 *et seq.*).

(5) The agricultural conservation program authorized by the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590a).

(6) The Great Plains conservation program authorized by Section 16 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590p(b)).

(7) The resource conservation and development program authorized by the Bankhead-Jones Farm Tenant Act and by the Soil Conservation and Domestic Allotment Act (7 U.S.C. 1010; 16 U.S.C. 590a *et seq.*).

(8) The forestry incentives program authorized by Section 4 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103).

(9) Any small watershed program administered by the Secretary of Agriculture that is determined by the Secretary of the Treasury or his delegate to be substantially similar to the type of programs described in paragraphs (1) through (8).

(10) Any program of a State, a possession of the United States, a political subdivision of a State or a possession of the United States, the District of Columbia, or a combination of any of the foregoing under which payments are made primarily for the purpose of conserving soil and water resources, protecting or restoring the environment, improving forests, or providing a habitat for wildlife.

(b) The criteria set forth in § 14.5 for determining the primary purpose of payments with respect to their eligibility for exclusion from gross income shall also be used to determine the applicability of this part to payments received under non-Federal programs as provided in § 14.2(a)(10).

§ 14.3 Objective.

The objective of the determinations made under Part 14 is to provide maximum conservation, environmental, forestry improvement, and wildlife benefits to the general public from the operation of applicable programs.

§ 14.4. Policy.

Federal tax, conservation, natural resource, and environmental policies should complement rather than conflict with one another. Therefore, the Federal income tax liability on applicable payments should be reduced or eliminated to the extent that the payments yield conservation, environmental, forestry improvement, or wildlife benefits to the general public beyond the benefits that accrue to those who receive the payments.

§ 14.5. Procedure.

(a) The portion of an applicable payment that may be excluded from gross income under Part 14 shall be that portion or all, as appropriate, that—

(1) Is determined to be made primarily for the purpose of conserving soil and water resources, protecting or restoring the environment, improving forests, or providing wildlife habitat; and

(2) Is determined by the Secretary of the Treasury as not increasing substantially the annual income derived from the property associated with the payment.

(b) *Primary purpose* means the principal, fundamental, predominant, or independent objective for which a payment is made. The following shall be considered in determining the primary purpose of a payment:

(1) *Single-purpose* payments shall be considered as having that purpose as their primary purpose.

(2) *Multiple-Purpose Payments.* If a payment is made for several purposes, it may be considered as having soil and water conservation, environmental protection or restoration, forestry improvement, or providing wildlife habitat as its primary purpose to the extent of the portion of the payment that is made for one or more of such purposes.

(3) Where a purpose of a payment, or portion thereof, is in doubt, the following sources should be considered—

(i) Authorizing legislation, legislative history, administrative regulation, administrative history, interpretive case law, and the administrative policies and procedures under which the applicable program operates and the payment is made; and

(ii) Agreements or other documentation accompanying the transfer of the payment;

(iii) Use made of the payment by the recipient.

§ 14.6 Criteria for determining the primary purpose of payments with respect to potential exclusion from gross income.

(a) *Soil conservation.* (1) Payments shall be considered to be made primarily for the purpose of soil conservation if they are intended to finance activities, measures, or practices to reduce soil deterioration.

(2) Soil deterioration refers to impairments of the physical or chemical properties of soil that are largely irreversible and that can be expected to result in a long-term or permanent reduction in the productive capacity of the resource regardless of the level of technology available or applied. Erosion by water and wind and the associated changes that result in permanent or long-term reductions in the productive capacity of the soil are forms of soil deterioration.

(b) *Water conservation.* (1) Water conservation includes actions that, for a given level of water supply, reduce the demand for or use of water by—

(i) Improving efficiency in use;

(ii) Reducing loss and waste;

(iii) Increasing the recycling or reuse of water, thereby making existing supplies available for other current or future uses; or

(iv) Improving land management practices for the purpose of reducing water use, loss, waste, increasing the efficiency of water use, or increasing the recycling or reuse of water.

(2) Payments shall be considered to be made primarily for the purpose of water conservation if they are intended to finance actions, measures, or practices that can be expected to result in water conservation as defined in paragraph b(1) of this Section.

(c) *Protecting the environment.* (1) Payments shall be considered to be made primarily for the purpose of protecting the environment if they are intended to finance actions, measures, or practices undertaken to prevent man-caused or man-induced reductions or degradations in the quantity or quality of the natural external or extrinsic conditions directly or indirectly affecting people.

(2) External or extrinsic conditions refer to the complex of natural conditions or circumstances, including but not limited to those affecting public health and safety, in which people reside or otherwise carry out their lives.

(d) *Restoring the environment.* (1) Payments shall be considered to be made primarily for the purpose of restoring the environment if they are intended to finance actions, measures, or practices undertaken to reestablish, return, or enhance the quantity or quality of the natural external or extrinsic conditions directly or indirectly affecting people that existed before the man-caused or man-induced degradation.

(2) External or extrinsic conditions have the same meaning with respect to restoring the environment as they do for protecting the environment.

(e) *Improving forests.* (1) Payments shall be considered to be made primarily for the purpose of improving forests if they are intended to finance actions, measures, or practices undertaken for the direct or indirect conservation or enhancement of the quantity or quality of timber resources.

(2) Improving forests includes the generation and regeneration of timber stands as well as the silvicultural improvement of such timber stands but excludes harvest cuttings not undertaken primarily for silvicultural improvement.

(f) *Providing habitat for wildlife.* (1) Payments shall be considered to be made primarily for the purpose of providing habitat for wildlife if they are intended to finance actions, measures, or practices leading directly to the establishment of those physical and biological conditions or resources that can be expected to support primarily noncultivated and nondomesticated animal and plant life. The animal and plant life must be of value to the public in their natural state apart from any value that may be realized from them as private economic gain.

(2) Wildlife includes but is not limited to species of terrestrial or aquatic animals and plants.

(3) Habitat includes, but is not limited to, the food supply, water supply, and nesting and escape cover necessary to support populations of wildlife species. Included in the definition of wildlife habitat are domestic crops raised for the primary purpose of providing food supply or cover for specific wildlife species.

§ 14.7 Non-Federal programs and payments.

(a) *Definition of non-Federal programs.* Non-Federal program means any program of a State, a possession of the United States, a political subdivision of any State or possession of the United States, the District of Columbia, or a combination of any of the foregoing.

(b) *Applicability.* Payments received through non-federal programs under which payments are made primarily for the purpose of conserving soil and water resources, protecting or restoring the environment, improving forests, or providing a habitat for wildlife may be considered for exclusion from gross income under Part 14.

(c) *Determining the primary purpose of non-federal payments.* The determination of the primary purpose for which non-Federal payments are made with respect to their potential for exclusion from gross income shall be made by using the criteria set forth in Part 14 for determining the primary purpose of Federal payments.

(d) *Procedure for determining the primary purpose of payments made under non-Federal programs.* (1) To initiate the process of determining the applicability of this part to payments received through non-Federal programs and the primary purpose of the payments for potential exclusion from gross income, the non-Federal official responsible for the program through which the payments are made should provide six copies of the following materials relating to the program to the Secretary of Agriculture—

(i) Authorizing legislation;

(ii) Rules or regulations;

(iii) Current policies and procedures under which payments are made and used;

(iv) A description of all practices or measures for which payments are made and used; and

(v) Any other information that may be helpful in determining the purpose for which payments, or portions thereof, are made and used.

(2) Any changes in the supporting documentation listed in paragraphs (d)(1)(i) through (d)(1)(iv) should be reported to the Secretary within 30 days of the date they become final.

Signed at Washington, D.C., August 27, 1980.

Bob Bergland,

Secretary.

[FR Doc. 80-27073 Filed 9-3-80; 8:45 am]

BILLING CODE 3410-01-M

Agricultural Marketing Service

7 CFR Part 908

[Valencia Orange Reg. 662; Valencia Orange Reg. 661, Amdt. 1]

Valencia Oranges Grown in Arizona and Designated Part of California; Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This action establishes the quantity of fresh California-Arizona Valencia oranges that may be shipped to market during the period September 5–September 11, 1980, and increases the quantity of such oranges that may be so shipped during the period August 29–September 4, 1980. Such action is needed to provide for orderly marketing of fresh Valencia oranges for the periods specified due to the marketing situation confronting the orange industry.

DATES: The regulation becomes effective September 5, 1980, and the amendment is effective for the period August 29–September 4, 1980.

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

SUPPLEMENTARY INFORMATION: *Findings.* This regulation and amendment are issued under the marketing agreement, as amended, and Order No. 908, as amended (7 CFR Part 908), regulating the handling of Valencia oranges grown in Arizona and designated part of California. 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 Valencia Orange Administrative Committee and upon other available information. It is hereby found that the action will tend to effectuate the declared policy of the act.

This action is consistent with the marketing policy for 1979–80 which was designated significant under the procedures of Executive Order 12044. The marketing policy was recommended by the committee following discussion at a public meeting on January 22, 1980. A final impact analysis on the marketing policy is available from Malvin E. McGaha, Chief, Fruit Branch, F&V, AMS, USDA, Washington, D.C. 20250, telephone 202-477-5975.

The committee met again publicly on September 2, 1980 at Los Angeles, California, to consider the current and prospective conditions of supply and demand and recommended a quantity of Valencia oranges deemed advisable to be handled during the specified weeks. The committee reports the demand for Valencia oranges continues to be good.

It is further found that there is insufficient time between the date when information became available upon which this regulation and amendment are based and when the actions must be taken to warrent a 60-day comment period as recommended in E.O. 12044, and 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), and the amendment relieves restrictions on the handling of Valencia oranges. 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 times.

Section 908.962 is added as follows:

§ 908.962 Valencia Orange Regulation 662.

Order. (a) The quantities of Valencia oranges grown in Arizona and California which may be handled during the period September 5, 1980, through September 11, 1980, are established as follows:

(1) District 1: 374,000 cartons;

(2) District 2: 476,000 cartons;

(3) District 3: Open Movement.

(b) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" mean the same as defined in the marketing order.

§ 908.961 [Amended]

2. Paragraph (a) in § 908.961 Valencia Orange Regulation 661 (45 F.R. 57363), is hereby amended to read:

(a) * * *

(1) District 1: 418,000 cartons;

(2) District 2: 532,000 cartons;

(3) District 3: Open Movement.

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

Dated: September 3, 1980.

D. S. Kuryloski,

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

[FR Doc. 80-27423 Filed 9-3-80; 12:23 pm]

BILLING CODE 3410-02-M

Commodity Credit Corporation

7 CFR Part 1464

1980 Crop Grade Loan Rates—Burley Tobacco

AGENCY: Commodity Credit Corporation.

ACTION: Final rule.

SUMMARY: This rule sets forth the schedule of loan rates applicable to the various grades of 1980-crop burley tobacco so as to provide the level of support required by the Agricultural Act of 1949, as amended. Eligible burley tobacco can be delivered for price support at the specified rates.

EFFECTIVE DATE: September 4, 1980.

ADDRESS: U.S. Department of Agriculture, Price Support and Loan Division, ASCS, P.O. Box 2415, Washington, D.C. 20013.

FOR FURTHER INFORMATION CONTACT: Betty A. Lucas, ASCS, (202) 447-6733. The Final Impact Statement considered in developing this final rule is available on request from Robert L. Tarczy, Price Support and Loan Division (ASCS), Room 3754-South Building, P.O. Box 2415, Washington, D.C. 20013, (202) 447-6733.

SUPPLEMENTARY INFORMATION: This final action has been reviewed under USDA procedures established in Secretary's Memorandum 1955 to implement Executive Order 12044 and has been classified "not significant."

In compliance with Secretary's Memorandum No. 1955 and "Improving USDA Regulations" (43 FR 50988), initiation of review of these regulations contained in CFR 1464.21 for need, currency, clarity, and effectiveness is planned for the period May–July 1984.

The title and number of the Federal Assistance Program that the Final Rule applies to is: Title—Commodity Loans and Purchases; Number—10.051. This action will not have a significant impact