

to the grade, size, maturity and inspection requirements, provided that safeguards are met to prevent such potatoes from reaching unauthorized outlets. Certified seed is exempt because requirements for this outlet differ greatly from those for fresh market. Shipments for use as livestock feed likewise are exempt. Since no purpose would be served by regulating potatoes used for charity purposes, such shipments are likewise exempt.

Also potatoes for most processing uses are exempt under the legislative authority for this part.

Potatoes for prepeeling may be handled without regard to maturity requirements since skinning of such potatoes is of no consequence. Also, the maturity requirements terminate on December 31, 1981, because at that stage of the marketing season potatoes are generally mature with skins firmly set.

Findings. After consideration of all relevant matter presented, including the proposal set forth in the aforesaid notice which was recommended by the Colorado Area No. 3 Potato Committee, established pursuant to said marketing agreement and order, it is hereby found that the handling regulation, as hereinafter set forth, will tend to effectuate the declared policy of the act.

It is hereby further found that good cause exists for not postponing the effective date of this section until 30 days after its publication in the *Federal Register* (5 U.S.C. 553) in that (1) shipments of potatoes grown in the production area will begin on or about the effective date specified herein, (2) to maximize benefits to producers, this regulation should apply to as many shipments as possible during the marketing season, and (3) compliance with this regulation, which is similar to that in effect during previous marketing seasons, will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective date hereof.

PART 948—IRISH POTATOES GROWN IN COLORADO

Section 948.383 (45 FR 51182, August 1, 1980) is hereby removed and a new § 948.385 is added as follows:

§ 948.385 Handling regulation.

Beginning the effective period hereof through July 31, 1982, no person shall handle any lot of potatoes grown in Area No. 3 unless such potatoes meet the requirements of paragraphs (a), (b) and (c) of this section, or unless such potatoes are handled in accordance with paragraphs (d) and (e), or (f) of this section.

(a) *Grade and size requirements—All Varieties.* U.S. No. 2 or better grade, 1½ inches minimum diameter or 4 ounces minimum weight. However, Size B may be handled if U.S. No. 1 grade.

(b) *Maturity (skinning) requirements—All varieties.* Through December 31, 1981, for U.S. No. 2 grade, not more than "moderately skinned," and for all other grades, not more than "slightly skinned"; thereafter no maturity requirements.

(c) *Inspection.* (1) No handler shall handle any potatoes for which inspection is required unless an appropriate inspection certificate has been issued with respect thereto and the certificate is valid at the time of shipment. For purpose of operation under this part it is hereby determined pursuant to paragraph (d) of § 948.40, that each inspection certificate shall be valid for a period not to exceed five days following the date of inspection as shown on the inspection certificate.

(2) No handler may transport or cause the transportation by motor vehicle of any shipment of potatoes for which an inspection certificate is required unless each shipment is accompanied by a copy of the inspection certificate applicable thereto and the copy is made available for examination at any time upon request.

(d) *Special purpose shipments.* (1) The grade, size, maturity and inspection requirements of paragraphs (a), (b), and (c) of this section shall not be applicable to shipments of potatoes for:

- (i) Livestock feed;
- (ii) Charity;
- (iii) Canning, freezing, and "other processing" as hereinafter defined; and
- (iv) Certified seed potatoes (§ 948.6).

(2) The maturity requirements set forth in paragraph (b) of this section shall not be applicable to shipments of potatoes for prepeeling.

(e) *Safeguards.* Each handler making shipments of potatoes pursuant to paragraph (d) of this section shall:

(1) Prior to shipment, apply for and obtain a Certificate of Privilege from the committee;

(2) Furnish the committee such reports and documents as required, including certification by the buyer or receiver on the use of such potatoes; and

(3) Bill each shipment directly to the applicable buyer or receiver.

(f) *Minimum quantity.* For purposes of regulation under this part, each person may handle up to but not to exceed 1,000 pounds of potatoes per shipment without regard to the requirements of paragraphs (a) and (b) of this section, but this exception shall not apply to any shipment of over 1,000 pounds of potatoes.

(g) *Definitions.* The terms "U.S. No. 1," "U.S. No. 2," "Size B," "moderately skinned" and "slightly skinned" shall have the same meaning as when used in the United States Standards for Grades of Potatoes (7 CFR 2851.1540–2851.1566) including the tolerances set forth therein. The term "prepeeling" means the commercial preparation in a prepeeling plant of clean, sound, fresh potatoes by washing, peeling or otherwise removing the outer skin, trimming, sorting, and properly treating to prevent discoloration preparatory to sale in one or more of the styles of peeled potatoes described in § 2852.2422 United States Standards for Grades of Peeled Potatoes (7 CFR 2852.2421–2852.2433). The term "other processing" has the same meaning as the term appearing in the act and includes, but is not restricted to, potatoes for dehydration, chips, shoestrings, starch, and flour. It includes only that preparation of potatoes for market which involves the application of heat or cold to such an extent that the natural form or stability of the commodity undergoes a substantial change. The act of peeling, cooling, slicing, dicing, or applying material to prevent oxidation does not constitute "other processing." All other terms used in this section shall have the same meaning as when used in Marketing Agreement No. 97, as amended, and this part.

(h) *Applicability to imports.* Pursuant to section 8e of the act and § 980.1, "Import regulations" (7 CFR 980.1), round white varieties of Irish potatoes, except certified seed potatoes, imported into the United States beginning the effective period hereof through June 4, 1982, shall meet the minimum grade, size, quality, and maturity requirements specified in paragraphs (a) and (b) of this section.

(i) *Forms.* Information requirements (reporting or record keeping) under this part are subject to clearance by the Office of Management and Budget and are in the process of review. These information requirements shall not become effective until such time as clearance by the OMB has been obtained.

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

Dated: July 28, 1981 to become effective July 31, 1981.

D. S. Kuryloski,

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

[FR Doc. 81-22399 Filed 7-30-81; 8:45 am]

BILLING CODE 3410-02-M

7 CFR Part 989

Raisins Produced From Grapes Grown In California; Amendment of Various Subparts; Varietal Types of Raisins

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This regulation classifies Dipped Seedless, and Oleate and Related Seedless, raisins as separate varietal types. Raisins are separated into varietal types to apply volume and quality regulations established under the order. This rule is based on a recommendation of the Raisin Administrative Committee. The Committee works with the USDA in administering the order.

EFFECTIVE DATE: July 31, 1981.

FOR FURTHER INFORMATION CONTACT:

J. S. Miller, Chief, Specialty Crops Branch, Fruit and Vegetable Division, AMS, USDA, Washington, D.C. 20250, (202) 447-5897.

SUPPLEMENTARY INFORMATION: This final action has been reviewed under USDA guidelines implementing Executive Order No. 12291 and Secretary's Memorandum No. 1512-1 and has been determined to be a "non-major" rule.

William T. Manley, Deputy Administrator, Agricultural Marketing Service, has determined that this action will not have a significant economic impact on a substantial number of small entities because it would result in only minimal costs being incurred by the regulated 19 handlers.

Information collection (reporting and recordkeeping) under this part are subject to clearance by the Office of Management and Budget and are in the process of review. These information requirements shall not become effective until such time as clearance by the OMB has been obtained.

It is found that good cause exists for not postponing the effective date of this action until 30 days after publication in the *Federal Register* (5 U.S.C. 553) because: (1) The 1981-82 crop year begins August 1 and this action should be effective by the time new crop deliveries from producers to handlers begin; (2) raisin varietal types are used in the application of quality and volume regulations under the order and this action should be effective soon so handlers can formulate their marketing plans for these types of raisins for the 1981-82 crop year; and (3) postponing the effective date of this action would serve no useful purpose and could cause administrative problems in the

application of quality regulations and any volume regulations established for the 1981-82 crop year.

Notice of this action was published in the *Federal Register* on June 10, 1981 (46 FR 30645). In that notice, interested persons were given the opportunity to submit comments until June 30, 1981. Three comments were received. Two of the commentators agreed with the separation and stated it would make the application of volume regulations more equitable and isolate the production and marketing uncertainties of the oleate raisins from the more established water-dipped raisins. The third commentator recommended changes to make the proposal more specific and to bring the proposal in line with current procedures used in classifying raisins into varietal types. This comment is discussed later in more detail.

This action will be taken under § 989.10 of the Marketing Agreement and Order No. 989 (7 CFR 989), both as amended, regulating the handling of raisins produced from grapes grown in California (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). Section 989.10 lists seven types of raisins, and provides that the Committee may, subject to the approval of the Secretary, change this list.

The seven listed varietal types are set forth as categories in § 989.110 and the raisins included in each category are defined. One of these is Category (2), Dipped and Related Seedless. That category includes raisins commonly referred to in the industry as water-dipped, soda-dipped, and oleate raisins.

The segment of the raisin industry making water-dipped and soda-dipped raisins is relatively small and is reasonably capable of tailoring supplies of those raisins to market needs. There are approximately 30 dehydrators in the industry capable of making water-dipped and soda-dipped raisins.

Production of oleate raisins is an outgrowth of the production of natural (sun-dried) raisins. Oleate raisins are of relatively recent origin to the U.S. raisin industry and were developed in order to reduce the time required to sun-dry raisins and reduce any problems associated with untimely rains during drying. Each producer making sun-dried raisins also is a potential producer of oleate raisins. There are roughly 4,800 producers making sun-dried raisins. Their number can fluctuate from year to year depending upon several factors, the most important of which is the prospective price for raisins versus the

price offered by wineries for raisin variety grapes. The large number of producers and the versatility of the Thompson Seedless grape make it virtually impossible to tailor production of these raisins to free tonnage needs.

Currently, if a producer sprays grapes to accelerate the rate of drying, the dried product would be classified as Dipped and Related Seedless raisins. If oleate production is minimal, there would be little effect on any volume control percentages established for Dipped and Related Seedless raisins. However, if production of oleate raisins in any one year is substantial, the reserve percentage for Dipped and Related Seedless raisins would be inflated and the water-dipped segment's portion of the free tonnage for that year would be reduced.

To provide equity between the sun-dried and artificially dehydrated raisin segments of the industry in volume regulation computations, water-dipped, soda-dipped, and oleate raisins will be classified on the basis of whether or not they are sun-dried or artificially dried. Therefore, Category (2), "Dipped and Related Seedless" will be changed to "Dipped Seedless" and would include all raisins produced by artificial dehydration of seedless grapes which have or have not been dipped in or sprayed with water, with or without soda, oil, ethyl oleate, methyl oleate, or any other chemical, after such grapes have been removed from the vine and which have not been sulfured prior to drying. Under the proposal this category did not include raisins from Category (1), Natural (sun-dried) Seedless, Category (3), Golden Seedless, and Category (8), Oleate and Related Seedless. The Committee's inspection service, which is responsible for classifying raisins into varietal types, recommended that Category (5), Sultana, Category (6), Zante Currant, and Category (7), Monukka also be excluded from Category (2). The inspection service indicated that raisins included in Categories (5), (6), and (7), normally are seedless, can be made using the same production processes as those used to produce the raisins proposed to be included in Category (2), and in some cases closely resemble Category (2) raisins. It, therefore, is recommended that the industry's desire to retain Categories (5), (6), and (7) as separate varietal types would be best accomplished by excluding these three types of raisins from Category (2). In view of the foregoing, this recommendation is adopted and Category (2) is revised accordingly.

Category (8), Oleate and Related Seedless will include all raisins produced by sun-drying of seedless grapes which have been dipped in or sprayed with water, with or without soda, oil, ethyl oleate, methyl oleate or any other chemicals, either while such grapes are on the vine or after they have been removed from the vine. Under the proposal, this category did not include raisins in Categories (1), (2), and (3). The inspection service suggested that the raisins included in Categories (5), (6), and (7) also be excluded from this category because they normally are seedless, can be made like Category (8) raisins, and in some cases closely resemble them. To retain Categories (5), (6), and (7) as separate varietal types, this recommendation also is adopted and appropriate changes are made in Category (2).

The inspection service also recommended a change in the proposed surveillance and identification requirements which were proposed in § 989.110(i). Under the proposal, water-dipped raisins produced without inspection surveillance would have been classified as Oleate and Related Seedless, even though the inspection service may have disagreed with that classification. This would have resulted in the inspection service certifying incorrectly the varietal type of raisins. It pointed out that under the proposed surveillance and identification requirements, the classification of water-dipped raisins could be manipulated by arranging for or not arranging for surveillance. This could create problems in applying volume regulations especially if the regulation would be more restrictive for one of these varietal types.

For these reasons, and to continue the flexibility the inspection needs in classifying raisins, the proposed surveillance and identification requirements are deleted from the final rule.

Under current inspection service classification procedures, the varietal type category is declared on the application for inspection. If the inspector disagrees with that declaration, the inspector informs the applicant and gives the applicant the opportunity to substantiate the stated declaration. If adequate proof is not presented to justify the applicant's declaration, the inspector classified the raisins, by type, on the basis of his judgment. If the applicant appeals this classification, the matter is referred to the Committee for resolution.

The change in the term "Dipped and Related Seedless" to "Dipped Seedless", and the addition of the new category, "Oleate and Related Seedless"

necessitates some conforming changes in Subpart—Supplementary Regulations (7 CFR 989.202–989.233; 45 FR 75164), Subpart—Conversion Factors (7 CFR 989.601), and Subpart—Quality Control (7 CFR 989.701–989.703; 45 FR 65512), and these changes also are in this document.

After consideration of all relevant matter presented, including that in the notice, the comments submitted, the information and recommendation submitted by the Committee, and other available information, it is further found that the classification of Dipped Seedless, and Oleate and Related Seedless, raisins as separate varietal types in § 989.110 of Subpart—Administrative Rules and Regulations (7 CFR 989.102–989.176), and the necessary conforming changes in Subpart—Supplementary Regulations (7 CFR 989.202–989.233; 45 FR 75164), Subpart—Conversion Factors (7 CFR 989.601), and Subpart—Quality Control (7 CFR 989.701–989.703; 45 FR 65512), will tend to effectuate the declared policy of the act.

Therefore, the changes are made as follows:

PART 989 RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Subpart—Administrative Rules and Regulations

1. Section 989.110 of Subpart—Administrative Rules and Regulations (7 CFR 989.102–989.176) is amended by revising the Introductory paragraph, paragraph (b) and by adding a new paragraph (h) to read as follows:

§ 989.110 Changed list of varietal types.

Pursuant to § 989.10, the list of varietal types of raisins contained in that section is changed to include the category "Oleate and Related Seedless" and by specifying definitions for each varietal type category as follows:

(b) Category (2), Dipped Seedless includes all raisins, other than those in Categories (1), (3), (5), (6), (7), and (8), produced by artificial dehydration of seedless grapes which have or have not been dipped in or sprayed with water, with or without soda, oil, ethyl oleate, methyl oleate, or any other chemicals, after such grapes have been removed from the vine.

(h) Category (8), Oleate and Related Seedless includes all raisins, other than those in Categories (1), (2), (3), (5), (6), and (7) produced by sun-drying of seedless grapes which are dipped in or

sprayed with water, with or without soda, oil, ethyl oleate, methyl oleate, or any other chemicals either while such grapes are on the vine or after they have been removed from the vine.

Subpart—Supplementary Regulations

§ 989.210 [Amended]

2. Section 989.210 of Subpart—Supplementary Regulations (7 CFR 989.210–989.233; 45 FR 75164) is amended by changing the term "Dipped and Related Seedless", to "Dipped Seedless, and Oleate and Related Seedless" whenever that term appears in that section.

Subpart—Conversion Factors

§ 989.601 [Amended]

3. The conversion factor table in § 989.601 is revised by changing the term "Dipped and Related Seedless" to "Dipped Seedless" and by adding the varietal type "Oleate and Related Seedless" to the list immediately after "Zante Currant". The conversion factors for "Oleate and Related Seedless" for weight computation "After Stemmer and Blower Processing", and after "Completion of Processing" shall be .94 and .92, respectively.

Subpart—Quality Control

§ 989.701–989.703 [Amended]

4. Section 989.701(b), 989.702, and 989.703 of Subpart—Quality Control (7 CFR 989.701–989.703; 45 FR 65512) is amended by changing the term "Dipped and Related Seedless" wherever that term appears in those sections, to "Dipped Seedless, and Oleate and Related Seedless."

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

Dated: July 28, 1981.

D. S. Kuryloski,
Deputy Director, Fruit and Vegetable
Division.

[FR Doc. 81–32407 Filed 7–30–81; 8:45 am]
BILLING CODE 3410–02–M

Farmers Home Administration

7 CFR Part 1942

Community Facility Loans

AGENCY: Farmers Home Administration, USDA.

ACTION: Final rule.

SUMMARY: The Farmers Home Administration (FmHA) amends its regulations regarding Community Facility loans to allow FmHA District

Directors to redelegate their duties authorized under Community Facility Program regulations. The intended effect of this action is to allow District Directors to utilize qualified staff members to the fullest extent. This action is taken as a result of an administrative decision.

EFFECTIVE DATE: July 31, 1981.

FOR FURTHER INFORMATION CONTACT:

Gary J. Morgan, Civil Engineer, Farmers Home Administration, USDA, Room 6318, South Agriculture Building, 14th and Independence Avenue, SW, Washington, DC 20250, Telephone: (202) 447-5717.

SUPPLEMENTARY INFORMATION: It has been determined that this final action relates solely to internal agency management and is therefore exempt from the requirements of Executive Order 12291 and Secretary's Memorandum 1512-1. The FmHA programs and projects which are affected by this instruction are subject to State and local clearinghouse review in the manner delineated in FmHA Instructions 1901-H.

CFDA No. 10.418, Water and Waste Disposal Systems for Rural Communities. CFDA No. 10.423, Community Facilities Loans.

This document has been reviewed in accordance with 7 CFR Part 1901, Subpart G, "Environmental Impact Statement." It is the determination of FmHA that the proposed action does not constitute a major Federal action significantly affecting the quality of the human environment and in accordance with the National Environmental Policy Act of 1969, Public Law 91-190, an Environmental Impact Statement is not required.

It is the policy of this Department that rules relating to public property, loans, grants, benefits, or contracts shall be published for comment notwithstanding the exemptions in 5 USC 553 with respect to such rules. This action, however, is not published for proposed rulemaking since the purpose of the change is administrative in nature and publication for comment is unnecessary.

The State Director is responsible for implementing the authorities contained in 7 CFR 1942, Subpart A and for issuing State supplements re delegating these authorities to appropriate FmHA employees. This final rule amends Section 1942.15 of Subpart A and provides District Directors, the State Director's subordinates, a similar re delegation ability. District Directors, except for loan and grant approval authority, may redelegate their duties to qualified staff members.

Therefore, Subpart A of Part 1942, Chapter XVIII, Title 7, Code of Federal Regulations is amended by revising § 1942.15 to read as follows:

§ 1942.15 Delegation and re delegation of authority.

The State Director is responsible for implementing the authorities contained in this Subpart and to issue State supplements re delegating these authorities to appropriate FmHA employees. Except for loan and grant approval authority, District Directors may redelegate their duties to qualified staff members as appropriate. Loan and grant approval authority is contained in Subpart A of Part 1901 of this Chapter.

(7 USC 1989; 7 CFR 2.33, 7 CFR 2.70)

Dated: July 14, 1981.

Dwight O. Calhoun,

Acting Administrator, Farmers Home Administration.

[FR Doc. 81-22365 Filed 7-30-81; 8:45 am]

BILLING CODE 3410-07-M

7 CFR Part 1962

Servicing and Liquidation of Chattel Security

AGENCY: Farmers Home Administration, USDA.

ACTION: Final rule.

SUMMARY: The Farmers Home Administration (FmHA) adds regulations pertaining to the rotation of grain crops that are covered by an FmHA lien and the Commodity Credit Corporation (CCC) Grain Reserve Program to the Code of Federal Regulations (CFR). The intended effect of these regulations is to provide a memorandum of understanding between FmHA and CCC whereby the CCC can relinquish its first lien position on the original grain reserve crop to FmHA and in turn the FmHA can relinquish its first lien position to CCC on the replacement grain reserve crop. The addition will enable the borrower to maintain quality grain while it is under the CCC grain storage program.

EFFECTIVE DATE: July 31, 1981.

FOR FURTHER INFORMATION CONTACT:

Mr. Lynn L. Pickinpaugh, Acting Director, Farm Real Estate and Production Loan Division, FmHA, USDA, Room 5314, South Agriculture Building, 14th and Independence Avenue, SW., Washington, D.C. 20250, (202) 447-5044.

The Final Impact Statement describing the options considered in developing this final rule and impact of implementing each option is available on request from the Office of the Chief,

Directives Management Branch, USDA, FmHA, Room 6346-S, South Agriculture Building, Washington, D.C. 20250, Phone: 202-447-4057.

SUPPLEMENTARY INFORMATION: This final action has been reviewed under USDA procedures established in Secretary's Memorandum 1955 and Executive Order 12291 and has been classified "not major." This regulation does not directly affect any FmHA programs or projects which are subject to A-95 Clearinghouse review. The Catalog of Federal Domestic Assistance numbers include Nos. 10.404 Emergency Loans, 10.406 Operating Loans, and 10.428 Economic Emergency Loans. This document has been reviewed in accordance with 7 CFR Part 1901, Subpart G, "Environmental Impact Statements." It is the determination of FmHA that the proposed action does not constitute a major Federal action significantly affecting the quality of the human environment and in accordance with the National Environmental Policy Act of 1969, Public Law 91-190, an Environmental Impact Statement is not required. On January 29, 1981, FmHA published for comment in the Federal Register at 46 FR 9617 a proposed rule to add a Memorandum of Understanding between Farmers Home Administration and Commodity Credit Corporation for rotation of grain crops as Exhibit C to Subpart A of Part 1962, Chapter XVIII, Title 7, Code of Federal Regulations. No comments were received. References to the new Exhibit are added in § 1962.30. In 44 FR 37904 published June 29, 1979, FmHA removed Part 1862 and added a new Subpart B of Part 1951, Chapter XVIII, Title 7, in the Code of Federal Regulations. A cross-reference change was inadvertently omitted from § 1962.49(e)(3)(ii) of Subpart A of Part 1962. This change is being made in this document.

PART 1962—PERSONAL PROPERTY

Accordingly, Subpart A of Part 1962 is amended as follows:

1. Section 1962.30 (e) is revised and (e)(4) is added to read as follows:

§ 1962.30 Subordination and waiver of FmHA liens on chattel security.

* * * * *

(e) *Loans under CCC program.* See Exhibits B and C of this Subpart. * * *

(4) When the borrower wishes to rotate or exchange a new crop for an old crop that is stored under the CCC Grain Reserve Program, the County Supervisor and the ASCS official will proceed as set out in Exhibit C of this Subpart.