Presidential Documents

Executive Order 12392 of November 15, 1982

International Financial Institutions

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 301 of Title 3 of the United States Code, and in order to assign to the Secretary of the Treasury the authority to make payments to certain international financial institutions, it is hereby ordered that the functions vested in the President by Section 129 of Public Law 97-276 (October 2, 1982) are delegated to the Secretary of the Treasury.

Ronald Reagan

THE WHITE HOUSE,
November 15, 1982.

[FR Doc. 82-31705
Filed 11-16-82; 10:06 am]
Billing code 3195-01-M

Presidential Documents

Memorandum of November 16, 1982

Determination Under Section 301 of the Trade Act of 1974

Memorandum for the United States Trade Representative

Pursuant to Section 301(a)(2) of the Trade Act of 1974 (19 U.S.C. 2411(a)(2)), I have determined that the action described below is an appropriate and feasible response to subsidy practices of the European Community (EC), Belgium, France, Italy, the United Kingdom, Austria and Sweden, which are inconsistent with Articles 8 and 11 of the Agreement on the Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade (Subsidies Code). With a view toward eliminating the harmful effects of such practices, I am directing the United States Trade Representative (USTR) to: (1) request the United States International Trade Commission to conduct an expedited investigation under Section 201 of the Trade Act of 1974 (19 U.S.C. 2251) with regard to the five specialty steel products subject to the 301 investigation; (2) initiate multilateral and/or bilateral discussions aimed at the elimination of all trade distortive practices in the specialty steel sector; and (3) monitor imports of specialty steel products subject to the 201 proceeding. If during the pendency of the International Trade Commission section 201 investigation imports cause damage which is difficult to repair, consideration would be given to what action, if any, might appropriately be taken on an emergency, interim basis under Section 301 of the Trade Act of 1974, consistent with U.S. international obligations.

Statement of Reasons

The Office of the USTR initiated investigations under Section 301 on February 26, 1982 (47 F.R. 10107) and on August 9, 1982 (47 F.R. 35387) on the basis of petitions filed by the Tool and Stainless Steel Industry Committee and the United Steelworkers of America. Petitioners principally allege that the EC and the above-mentioned countries have subsidized the production of specialty steel in a manner inconsistent with their obligations under Articles 8 and 11 of the Subsidies Code.

Petitioners' allegations are well founded. The United States believes that subsidies have been provided by the Government of Austria in the form of grants and capitalization, by the Government of Sweden in the form of preferential loans, loan guarantees and grants, and by the European Communities and its member governments in the form of preferential loans, loan guarantees, capital grants, "recapitalization" of financial losses, interest rebate programs, exemptions from taxation, and other practices.

The injury to the domestic industry is clear. The specialty steel industry is an efficient, technologically up-to-date and export-oriented branch of the steel industry. Its output is used in a wide range of demanding applications critical to an industrial economy and thus commands a price far higher than ordinary steel. Regarded as an advanced, innovative and competitive industry, specialty steel producers in the United States have tended to be more profitable than the industry as a whole and far more so than most of their major competitors abroad. Nevertheless, the industry is facing an unprecedented challenge to its continued prosperity, and a number of its member firms are fighting for survival.

Part of the problem can be traced to the recession that began in America's basic industries more than two years ago. However, it is clear that since the lifting of import quotas in February 1980, imports have steadily captured a larger share of the U.S. market, further depressing operating rates, employment, prices and revenues. Through the first eight months of 1982, imports were at historically high levels, with import penetration ratios ranging from 11 to more than 50 percent, depending on the product. In every product category, imports now exceed the surge levels established by the Department of Commerce.

The majority of these imports are currently under investigation for unfair trade practices under Section 301, the countervailing duty statute, or the antidumping duty statute. However, they do not cover all important, or potentially important, sources of specialty steel imports. A partial remedy against unfair imports can be rendered meaningless by a substitution of new foreign suppliers for those whose shipments are affected. Thus, the specific subsidy complaints could lead to a remedy that fails to resolve the overall import problem. Moreover, dealing with the specific subsidy problem itself probably would not have a great impact on the world steel trading environment in which our industry must compete. Subsidies are only one of a wide range of trade restrictive and trade distortive practices that many of our trading partners engage in to protect their industries and to stimulate exports. If we are ever to put an end to constant trade disputes in steel, we must stop dealing with discrete import and export issues in isolation and instead begin a coordinated approach to the problem. By combining the Section 201 and Section 301 approaches, the United States hopes to stabilize the immediate import situation and to reverse the global trend toward greater excess capacity, increased subsidization, and closed markets.

This determination shall be published in the **Federal Register**.

Ronald Reagan

THE WHITE HOUSE,
Washington, November 16, 1982.

[FR Doc. 82-31748
Filed 11-16-82; 11:55 am]
Billing code 3195-01-M

Rules and Regulations

Federal Register

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Wednesday, November 17, 1982

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 29

Tobacco Inspection, Alternative Packaging for Burley Tobacco and Identifying and Preventing "Nesting"

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: The Department issued a notice of proposed rulemaking in the **Federal Register** on September 9, 1982, allowing interested parties a 30-day comment period for views and comments on alternative packaging for burley tobacco and on identifying and preventing the problem of "nesting" in flue-cured and burley tobaccos. Based on comments received from a cross-section of the burley industry the Department has determined that it will continue to provide official grading on U.S. Type 31 tobacco only when offered for sale at auction tied in hands or untied in bales. The Department is amending the regulations to provide a new grademark designation for tobacco that is determined by a Federal inspector to be "nested." Additional amendments adopted herein by the Department concern the manner in which burley tobacco is to be displayed for inspection.

EFFECTIVE DATE: November 17, 1982.

FOR FURTHER INFORMATION CONTACT: J. T. Bunn, Deputy Director, Tobacco Division, Agricultural Marketing Service, Room 502 Annex Building, United States Department of Agriculture, Washington, D.C. 20250, (202) 447-7235.

SUPPLEMENTARY INFORMATION: In an effort to improve the current burley marketing program and in the interest of promoting and maintaining orderly marketing conditions in the tobacco industry, the Agricultural Marketing Service (AMS) and the Commodity Credit Corporation (CCC) issued a joint advance notice of proposed rulemaking on April 26, 1982 (47 FR 17825). In response to the more than 1,500 comments received, on September 9, 1982 (47 FR 39688), AMS issued a notice of proposed rulemaking allowing a 30-day period for views and comments from interested parties. CCC published an interim final rule on October 18, 1982, in response to comments applicable to them. The AMS proposal included allowing burley tobacco, U.S. Type 31, to be eligible for official grading when marketed untied on burlap sheets, as well as tied in hands and untied in bales, providing a new grademark of "No-G-Nested" for burley and flue-cured tobaccos determined by a Federal inspector to be nested, and additional proposals concerning the manner in which burley tobacco is displayed for inspection. This final rule, issued as result of the comments received in response to the publication of the proposed rulemaking (47 FR 39688), adopts all of the proposals set forth by AMS in its proposed rulemaking with the exception that U.S. Type 31 burley tobacco is not to be sold untied on burlap sheets and that burley tobacco weighed in prior to the official weigh-in date will not receive an official grade. The authority for promulgating these regulations is contained in the Tobacco Inspection Act of 1935 (49 Stat. 731; 7 U.S.C. *et seq.*).

Background and Discussion

Prior to the 1978–79 marketing season, burley tobacco was eligible for official grading and price support only when marketed on baskets and tied in hands. As early as 1974, various segments of the burley tobacco industry expressed a desire to market their tobacco in an untied fashion which, through history and custom, has been marketed tied in hands. In an effort to cooperate with and meet the needs of the burley industry, the Department has cooperated in experimental sales of untied burley tobacco since 1974.

Following each of the 1978–79, 1979–80, and 1980–81 seasons, the Department collected pertinent project data on relevant aspects of the experiment. Much data was supplied by the Universities of Kentucky and Tennessee. At the request of AMS, studies were made and reports were complied by the Economics and Statistics Service which analyzed, interpreted, and summarized all available data on the experiment. Based on the Department's evaluation of these experiments, regulations were amended in 1981 to apply Official Standard Grades and make eligible for loan, unlimited quantities of burley tobacco when it is tied in hands or untied in bales.

Even though official grading has not been provided for packaging methods other than hand-tied and untied loose leaf in approximately 70-pound bales on baskets or pallets, other types of packaging appeared on the auction market during the 1981–82 season. Federal graders applied "No-G," a no-grade designation, to these lots. A small quantity of untied tobacco on burlap sheets has appeared on the burley markets for the last few years with the amount increasing each year. During the 1981 marketing season, approximately 5 percent of the crop was sold untied on burlap sheets.

A total of 7,106 comments were received from all segments of the tobacco industry on the proposal for marketing U.S. Type 31 burley tobacco untied on burlap sheets. Comments received totaled 3,973 in favor of selling tobacco untied on burlap sheets and 3,130 opposed. Those opposed wanted the tobacco to be sold either untied in bales or in the traditional method of hand-tied bundles. The majority of commentors (4,437) responded on preprinted postcards: 2,462 in favor of sheeted sales and 3,075 against sheeted sales. Three commentors voiced neutrality on the issue. The Department received two congressional responses favoring "sheeted" tobacco—one from Tennessee and one from Virginia. Additionally, one Senator from Tennessee stated that he would support any decision made by the Department on alternative packaging methods for burley tobacco.

One farm organization strongly supported loose-leaf sales and specifically stated that the baling concept had a definite, permanent place in the orderly marketing of burley tobacco. It further emphasized it would oppose any proposal threatening to restrict producers from continuing to bale. A major buying concern stated it supported loose-leaf packaging and recommended moving towards one packaging method.

Many commentors stated that the burley industry should decide on the package it desires. Two prominent buying concerns, while basically against sheeting, recommended that certain criteria be included if sheeted tobacco was to be officially graded, such as sheet size, minimum-maximum weights, and that a lot consist of only one sheet.

An organization representing various segments of the burley tobacco industry, while receptive to the majority of the Department's proposals, emphasized that there is no place in the system for 3 types of packaging and that the Department should not approve price support on sheeted sales. It also recommended rewording § 29.75a to include resales to accommodate all packages of burley tobacco offered for sale. The Department declines to include the word "resale" in revising Section 29.75a because that section concerns certification procedures for the "sale" of burley tobacco. "Resale" certifications fall under the authority of CCC. This recommendation was forwarded to CCC prior to the publication of the proposal by AMS. CCC declined the recommendation because resale tobacco is not eligible for price support. For further information regarding "resale", interested parties should contact C. Russell Levering, Marketing Specialist, Agricultural Stabilization and Conservation Service, Washington, D.C. 20013. Telephone: (202) 447-7446.

The major revision to the Department's proposal is that tobacco marketed untied on burlap sheets will not be officially graded nor price-supported for the 1982-83 marketing season. The Department arrived at this decision after a thorough review of the substantive comments received from a cross-section of the tobacco industry and an intensive evaluation among Departmental officials of AMS, CCC, and ASCS. This determination is made in the interest of the burley industry in an effort to avoid the possibility of market congestion, deterioration of quality and, most importantly, to provide the opportunity for further observation of the relatively new system of marketing burley tobacco untied in bales. The Department emphasizes that this does not preclude the possibility of an experimental program for sheeted sales in future marketing seasons.

Other proposals by the Department referred to warehouse floor spacing, inspector titles, nesting, official weigh-in date, the word "lot" substituted for the word "basket" and a new definition for the word "oriented." The comments received were favorable regarding these items with the exception of two commentors who objected to the Department's proposal to expand its regulations on warehouse floor spacing to provide that tobacco displayed for sale at auction have not less than eight inches between adjacent lots of tobacco. These commentors stated that one lot supports the other by placing them closer together. The Department rejects this recommendation because it has been determined that additional space between lots facilitates the inspection and marketing process. Therefore, the Department, in the issuance of this final rule, makes no revision to this item as proposed September 9, 1982 (47 FR 39688).

In the Department's proposal, it was stated that a need exists to closely examine the weigh-in date on the warehouse sales ticket to insure that it is not prior to the official weigh-in date established by the Burley Sales Committee of the Burley Auction Warehouse Association. The Department had indicated its intention to grade a lot that was found to have a weigh-in date which was prior to the official weigh-in date but to have the grader immediately report it to the office of the appropriate loan association. After further evaluation of this proposal and discussions with Departmental officials, it has been determined that tobacco found to have a weigh-in date prior to the official weigh-in date will not receive an official grade unless the warehouse operator informs the grader that he intends to violate the weigh-in provisions of the loan association's contract with that warehouse firm. The Department's initial proposal on weigh-in dates requiring the Federal grader to notify the loan association would have been ineffective. The lag time between notification by the grading official and the time of the sale of the tobacco in question would have been insufficient for the loan association to review the weigh-in date. Therefore, for the 1982-83 and succeeding seasons, only that tobacco weighed in at the warehouse on or after the official weigh-in date established by the Burley Sales Committee will receive an official grade. Instructions to graders will reflect this determination.

The Department received several telephone and written comments supporting the proposal that AMS and ASCS cooperate in the collection and publication of sales figures regarding ASCS Forms MQ-79 and 80. The recommendations essentially requested that AMS expand its publication of burley sales figures in the printed market news reports. The Department accepts these recommendations and will administratively implement them for the 1982-83 burley marketing season. Therefore, it is not necessary to write regulations for AMS in this regard.

One of the Department's proposals concerned the problem of "nesting" in the flue-cured and burley types. Twenty-one formal comments were received on this issue—all in support of the Department's proposal to provide a new grademark designation of "No-G-Nested." Comments ranged from making nested tobacco ineligible for price support, strengthening regulations on "nesting," withholding payment from producers who nest, to reporting all "nests" to ASCS and reducing the offenders' poundage the following year. The nesting problem will be carefully scrutinized during the coming burley tobacco season and throughout the 1983 flue-cured season to see if there are decreased incidences of nesting resulting from the use of the new grademark "No-G-Nested." If the results are favorable, there will be no need to further revise the regulations in this regard.

This final rule has been reviewed under USDA procedures established to implement Executive Order 12291 and the Secretary's Memorandum 1512-1 and has been determined to be a "nonmajor" rule because it does not meet any of the criteria established for major rules under the executive order. Initial review of the regulations contained in 7 CFR Part 29, for need, currency, clarity, and effectiveness has been completed.

Additionally, in conformance with the provisions of Pub. L. 96-354, Regulatory Flexibility Act, full consideration has been given to the potential economic impact upon small business. Tobacco warehousemen and producers fall within the confines of "small business" as defined in the Regulatory Flexibility Act. A number of firms which are affected by these adopted regulations do not meet the definition of small business either because of their individual size or because of their dominant position in one or more marketing areas. It has been determined that the economic impact upon all entities, small or large, will not be adverse and will in no way affect the normal competition in the market place.

List of Subjects in 7 CFR Part 29

Administrative practices and procedure, Tobacco.

PART 29—TOBACCO INSPECTION

Accordingly, the Department hereby amends the regulations under the

Tobacco Inspection Act contained in 7 CFR Part 29 as follows:

1. In § 29.75a (a) and (b) are revised to read as follows:

§ 29.75a Display of burley tobacco on auction warehouse floors in designated markets.

(a)(1) Each lot of burley tobacco displayed for sale on auction warehouse floors shall have a minimum space of 24 inches from butts to butts between the rows. Distances between lots of tobacco within the row shall be no less than 8 inches between immediately adjacent lots.

(2) The number of bales on a pallet shall not exceed eight. Tobacco packed in bales shall have the stems turned toward the aisle.

(3) Each warehouse operator shall display a plainly visible sign showing the total number of lots of burley tobacco allotted to be sold each day. Such sign shall be displayed at the point of lots where the days' sales will conclude and no additional tobacco shall be graded beyond that point.

(4) Each warehouse operator shall arrange his entire day's sale in a continuous and orderly arrayed sequence of lots and rows of tobacco. Any arrangement of tobacco in rows of progressively varying lengths, or any deviations from an orderly arrayed sequence of lots and rows of tobacco, shall have prior approval of the Set Work Leader or Circuit Supervisor.

(5) Each warehouse operator shall designate to the Set Work Leader or Circuit Supervisor the starting point or lot for each day's sale, and counting and grading will begin at this designated point and proceed to the closing point of the sale in an orderly sequence. All lot spaces, containing or not containing a lot of tobacco, and all lots of tobacco, covered or uncovered, shall be counted and included in the daily sales allotment. Lots of tobacco shall not be removed, added, rearranged, or substituted between the time they are counted for the day's sale and the time they are graded for the day's sale, provided, however, that with prior approval of the Set Work Leader or Circuit Supervisor compensating lots of tobacco may be substituted for empty spaces and covered lots included in a daily sales count.

(6) Each operator of a warehouse at which baled burley tobacco is offered for sale shall open the particular bale, in a lot of tobacco, chosen by a grader for inspection and reseal that bale after inspection.

(7) Each seller, by offering burley tobacco for sale, certifies that the lot inspected by a grader is representative of the grade of all the tobacco in that lot, that the leaf was stalk-cured, that the bales do not contain any foreign matter or material, and are not nested.

(b) Before starting inspection of the day's sale of burley tobacco in each warehouse, the Set Work Leader or Circuit Supervisor shall determine if there is compliance with the requirements of paragraph (a) of this section. If he determines that the prescribed requirements have not been followed, the inspector shall proceed to the next sale or sales as originally scheduled for that day and grade the number of lots of tobacco scheduled for such sale or sales, and shall return to the noncomplying warehouse or the next regularly scheduled sales day for such warehouse, at which time the Set Work Leader or Circuit Supervisor shall again determine if the prescribed system has been followed before starting the inspection. If noncompliance or failure to observe requirements of paragraph (a) of this section are discovered after inspection for the day's sale has started, the inspector shall discontinue inspection and proceed to the next sale or sales scheduled for that day and shall return to the noncomplying warehouse on the next regularly scheduled sales day for such warehouse.

* * * * *

§ 29.1035 Nested. [Amended]

2. Remove the phrase "(See rule 23.)" at the end of § 29.1035 and replace it with the phrase "(See rule 27.)."

3. Section 29.1036 is revised to read as follows:

§ 29.1036 No-G.

A designation applied to a lot of tobacco which is offtype, semicured, fire-killed, smoked, oxidized over 10 percent, or has an odor foreign to the type. (See rule 23.)

§§ 29.1038–29.1078 [Redesignated as §§ 29.1039–29.1079]

4. Sections 29.1038–29.1078 are renumbered §§ 29.1039–29.1079, respectively.

5. Section 29.1038 is added to read as follows:

§ 29.1038 No-G-Nested.

A designation applied to a lot of tobacco which is classified as nested. (See rule 27.)

6. Section 29.1129 is revised to read as follows:

§ 29.1129 Rule 23.

Tobacco shall be designated by the grademark "No-G," when it is offtype, semicured, fire-killed, smoked, oxidized over 10 percent, or has an odor foreign to the type.

7. Section 29.1133 is added to read as follows:

§ 29.1133 Rule 27.

Tobacco shall be designated by the grademark "No-G-Nested" when it is nested.

§ 29.1181 Summary of standard grades. [Amended]

8. The last sentence of § 29.1181 is amended to read: Tobacco not covered by the standard grades is designated "No-G", "No-G-F", or "No-G-Nested."

9. Section 29.3036 is revised to read as follows:

§ 29.3036 Lot.

A pile, basket, bulk, bale or bales, case, hogshead, tierce, package or other definite package unit.

10 Section 29.3039 is revised to read as follows:

§ 29.3039 Nested.

Any lot of tobacco which as has been loaded, packed or arranged to conceal foreign matter or tobacco of inferior grade, quality, or condition. Nested includes:

(a) Any lot of tobacco which contains foreign matter, is damaged, injured, or tangled, or contains other inferior tobacco, any of which cannot be readily detected upon inspection because of the way the lot is packed or arranged;

(b) Any lot of tobacco which consists of distinctly different grades, qualities or conditions and which is stacked or arranged with the same kinds together so that the tobacco in the lower portions of the lot is distinctly inferior in grade, quality or condition from the tobacco in the top portion of the lot.

11. Section 29.3040 is revised to read as follows:

§ 29.3040 No grade.

A designation applied to a lot of tobacco which is classified as offtype, rework, semicured, damaged 20 percent or more, abnormally dirty, contains foreign matter, and/or having an odor foreign to the type.

§ 29.3041 [Redesignated as § 29.3042]

12. Renumber § 29.3041 Offtype, as § 29.3042 to maintain alphabetical sequence of the definitions contained in 7 CFR Part 29.

13. Section 29.3041 is added to read as follows:

§ 29.3041 No-G-Nested.

A designation applied to a lot of tobacco which is classified as nested.

§§ 29.3044-29.3074 [Redesignated as §§ 29.3045-29.3075]

14. Current §§ 29.3044-29.3074 are renumbered §§ 29.3045-29.3075, respectively.

15. Section 29.3044 is added to read as follows:

§ 29.3044 Oriented.

A term applied to untied tobacco which denotes the arrangement of leaves in a straight and orderly manner. Oriented includes any lot of baled tobacco in which the leaves are packed parallel to the length of the bale with the butts to the outside and the tips of the leaves overlapping sufficiently to make a level, solid and uniform package;

16. Section 29.3051 (as renumbered from § 29.3050) is revised to read as follows:

§ 29.3051 Rework.

Any lot of tobacco which needs to be restored or otherwise rearranged to prepare it properly for market, including:

(a) Tobacco which contains an abnormally large quantity of foreign matter or an unusual number of muddy or extremely dirty leaves which should be removed;

(b) Tobacco not properly tied in hands, not packed in bales approximately 1 x 2 x 3 feet, not oriented, not packed straight, bales not opened for inspection when chosen by a grader, or otherwise not properly prepared for market.

17. Section 29.3126 is revised to read as follows:

§ 29.3126 Rule 23.

Tobacco shall be designated as No Grade, using the grademark, "No-G," when it is dirty, offtype, semicured, needs to be reworked, damaged 20 percent or more, contains foreign matter, or has an odor foreign to the type.

18. Section 29.3127 is added to read as follows:

§ 29.3127 Rule 24.

Tobacco shall be designated by the grademark "No-G-Nested" when it is nested.

§ 29.3181 Summary of standard grades. [Amended]

19. The last sentence of § 29.3181 is amended to read: Tobacco not covered by the standard grades is designated by No-G or No-G-Nested.

Dated: November 15, 1982.

C. W. McMillan,

Assistant Secretary, Marketing and Inspection Services.

[FR Doc. 82-31503 Filed 11-16-82; 8:45 am]

BILLING CODE 3410-02-M

7 CFR Part 29

Tobacco Inspection; User Fees

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: The Secretary of Agriculture revised by interim final rule, effective July 1, 1982, and published in the **Federal Register** (47 FR 27057, June 23, 1982), the fees and charges assessed by the Department for the mandatory inspection and certification of quota tobacco, and other services, including administrative and supervisory costs, at tobacco auction markets, to reflect the Department's increased costs of operating the tobacco inspection program. The fees and charges assessed by the Department for the permissive inspection of tobacco, performed upon request and paid for at a prescribed hourly fee, were also increased effective July 1, 1982. This document adopts the interim rules as final rules without change as they were published on June 23, 1982.

EFFECTIVE DATE: July 1, 1982.

FOR FURTHER INFORMATION CONTACT: J. T. Bunn, Deputy Director, Tobacco Division, Agricultural Marketing Service, United States Department of Agriculture, Washington, D.C. 20250 (202) 447-7235.

SUPPLEMENTARY INFORMATION: Notice was given (47 FR 27057, June 23, 1982) that the Department was amending the regulations effective July 1, 1982, to increase fees and charges both for the permissive inspection and certification of tobacco conducted pursuant to request and for the mandatory inspection and certification of tobacco sold at designated tobacco auction markets throughout the tobacco producing areas. Interested parties were given an opportunity to comment upon the interim final rule (47 FR 27057, June 23, 1982).

Only one comment was received on the interim final rule. The Flue-Cured Tobacco Cooperative Stabilization Corporation, Raleigh, North Carolina, stated than an increase of almost 15 percent for permissive inspection hourly rates is unwarranted and unjustified in view of present economic conditions, budget restraints, and general belt-tightening. It further recommended that the increase in permissive inspection fees be no more than 5 percent. The Department must reject this recommendation because it is required by law to fix and collect fees and charges to cover, as nearly as practical, the costs of operating permissive inspection services requested by the industry.

Therefore, the Department hereby adopts the regulations appearing in the interim final rule which provided for increased charges for inspection and certification. These charges, as nearly as possible, cover the costs of the services, including administrative and supervisory costs. The authority for these regulations is contained in the Tobbaco Inspection Act (49 Stat. 731; 7 U.S.C 511 *et seq.*) as amended by the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35).

Prior to October 1, 1981, the Department, pursuant to the Tobacco Inspection Act, provided free and mandatory inspection of all quota tobacco sold at designated auction markets. The Omnibus Budget Reconciliation Act of 1981 directed the Secretary of Agriculture to promulgate regulations setting fees and charges under the Tobacco Inspection Program for the inspection and certification of tobacco, and other services, including administrative and supervisory costs for all quota tobacco sold on designated markets. These fees and charges were, as nearly as possible, to cover the Department's costs of performing these services. Effective October 1, 1981, the Department established these fees and charges at $.0045 per pound, as published in the **Federal Register** (46 FR 6239) on December 24, 1981. This fee had been calculated after a review of historical data regarding production and marketing. However, a review of data not available prior to the implementation of user fees on October 1, 1981, demonstrated that the initial fee of $.0045 per pound was insufficient to reimburse the Department for its costs of operating the tobacco inspection program at the level of service requested by the industry. The primary reasons for the need to increase the assessed fee were as follows: (1) The effective quota for flue-cured tobacco was the smallest since the inception of the acreage-poundage concept thereby reducing the revenues to the Department; (2) Government-wide salary increases; (3) Cost of workers' compensation and unemployment compensation previously paid for from USDA appropriated budget and which must now be included as part of the administrative costs of this program; and (4) The cost of recruitment and training resulting from the large number of resignations and retirements of tobacco inspectors. Therefore, it is determined that in order to cover the Department's costs associated with the mandatory inspection and certification of tobacco and thereby maintain the level of service requested by growers, warehousemen, and tobacco buyers, it was necessary to increase the fee to $.0055 per pound.

This final rule also increases the fees and charges under which permissive tobacco inspection and grading services are provided to those requesting the service. The Tobacco Inspection Act requires that permissive inspections, as defined by 7 CFR 29.56, be made available to interested parties on a fee basis. The hourly fee schedule for permissive inspection had not been increased since February 3, 1981 (46 FR 10451). The Department determined that prior to July 1, 1982, the fees for permissive inspections were insufficient to cover the Department's costs of inspection and certification, and other services, including administrative and supervisory costs. The major factors causing the need for an increase in the fees include the government-wide salary increase, and the cost of workers' compensation and unemployment compensation previously paid for from USDA appropriated budget and which must now be included as part of the administrative cost. Therefore, based on these factors, the Department determined that, in order to cover the Department's costs of providing permissive tobacco inspection, the hourly salary fee needed to be increased from a "basic hourly salary of $17.80", an "overtime rate of $21.30", and a "Sunday and holiday rate of $26.70", to "$20.45, "$24.40", and "$30.50" per hour, respectively.

This final rule has been reviewed under U.S.A.D. procedures established to implement Executive Order 12291 and the Secretary's Memorandum 1512–1 and has been determined to be a "nonmajor rule" because it does not meet any of the criteria established for major rule under the Executive Order. Review of the regulations, with regard to user fees, contained in 7 CFR Part 29, for need, currency, clarity, and effectiveness has been completed.

Additionally, in conformance with the provisions of the Regulatory Flexibility Act, Pub. L. 96–354 (5 U.S.C. 601) full consideration has been given to the potential economic impact upon small business. All tobacco warehousemen and producers fall within the confines of "small business," as defined in the Regulatory Flexibility Act. Prior to publication of the interim final rule (47 FR 27057, June 23, 1982) the Department had informally advised all segments of the tobacco industry of the anticipated increase of user fees and that there would be no change in the level of the services provided. It has been determined that the economic impact upon small entities is not adverse and in no way affects normal competition in the market place. Furthermore, the Department is required by law to fix and collect fees and charges to cover the Department's cost in operating the Tobacco Inspection Program.

List of Subjects in 7 CFR Part 29

Administrative practice and procedure, Tobacco.

PART 29—TOBACCO INSPECTION

Accordingly, the Department hereby adopts as final regulations without change the interim regulations amending §§ 29.123 and 29.9251 which were published at 47 FR 27058 (June 23, 1982).

Dated: November 9, 1982.

C. W. McMillan,

Assistant Secretary, Marketing and Inspection Services.

[FR Doc. 82–31341 Filed 11–16–82; 8:45 am]

BILLING CODE 3410–02–M

Animal and Plant Health Inspection Service

7 CFR Part 319

[Docket No. 82–348]

Citrus Canker—Mexico

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Interim rule and notice of public hearing.

SUMMARY: This document, on an emergency basis, establishes an interim rule based on the recent finding of citrus canker disease in the State of Colima and in the municipio of Coahuayana in the State of Michoacan in Mexico (these areas are referred to below as infected areas). There is reason to believe that citrus canker disease is carried by any fruit of peel of Mexican lime (*Citrus aurantifolia*) from any area in Mexico, and by any other fruit of peel of citrus or citrus relatives (fruit or peel of any genera, species, or varieties of the subfamilies *Aurantioideae*, *Rutoideae*, and *Toddalioideae* of the botanical family *Rutaceae*) from infected areas in Mexico. The interim rule provides that any of these articles offered for importation into the United States will be refused importation into the United States, unless imported by the U.S. Department of Agriculture for experimental or scientific expertise it appears that there are no less drastic measures that would be adequate to prevent the introduction into the United States of citrus canker disease. The interim rule also provides that fruit or peel of ethrog (*Citrus medica*), grapefruit (*Citrus paradisi*), lemon (*Citrus limon*), orange (*Citrus sinensis*), Persian lime (*Citrus latifolia*), and tangerine (*Citrus reticulata*) from uninfected areas in Mexico is allowed to be imported into the United States only in accordance with certain restrictions. This action is necessary as an emergency measure to prevent the introduction of citrus canker disease into the United States.

A companion document captioned "Citrus Canker—Mexico" proposes to establish similar provisions as a final rule. The companion document is published in the proposed rule section of this issue of the Federal Register. Also, a public hearing will be held concerning the establishment of the final rule.

DATES: Effective date of the interim rule is November 17, 1982. Written comments must be received on or before January 17, 1983. A public hearing concerning a final rule will be held on December 7, 1982.

ADDRESSES: Written comments should be submitted to Thomas J. Lanier, Assistant Director, Regulatory Services Staff, Plant Protection and Quarantine, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, Room 643 Federal Building, 6505 Belcrest Road, Hyattsville, MD 20782. Written comments received may be inspected at Room 641 of the Federal Building between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. A public hearing concerning a final rule will be held at the Conquistador Room, La Quinta Airport East, 333 N.E. Loop 410, San Antonio, Texas.

FOR FURTHER INFORMATION CONTACT: Contact either: Frank Cooper, Staff Officer, Regulatory Services Staff, Plant Protection and Quarantine, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, Room 637 Federal Building, 6505 Belcrest Road, Hyattsville, MD 20782, 301–436–8248; or Stephen Poe, Plant Pathologist, Emergency Programs, Plant Protection and Quarantine, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, Room 609 Federal Building, 6505 Belcrest Road, Hyattsville, MD 20782, 301–436–6365.

SUPPLEMENTARY INFORMATION:

Emergency Action

Harvey L. Ford, Deputy Administrator of the Animal and Plant Health Inspection Service for Plant Protection and Quarantine, has determined that an emergency situation exists which warrants publication of this interim rule