

"nonmajor" rule. Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), William T. Manley, Deputy Administrator, Marketing Programs, Agricultural Marketing Service, has certified that this action will not have a significant economic impact on a substantial number of small entities. The rule merely makes changes in the titles of two of the Potato Board Executive Committee members to conform with the provisions of the Bylaws recently revised by the Board.

The Potato Board is the administrative agency established by the Potato Research and Promotion Plan (7 CFR Part 1207). The Plan is effective under the Potato Research and Promotion Act (7 U.S.C. 2611-2627).

At its public annual meeting at Denver, Colorado, on March 14-16, 1985, the Potato Board amended its Bylaws to specify that the Executive Committee of the Potato Board shall be composed of the President and six Vice Presidents, one of whom shall also serve as the Secretary and the Treasurer. Previously the Executive Committee has been composed of the President, four Vice Presidents, a Secretary and a Treasurer. This rule will amend the Rules and Regulations to conform with the recently changed Bylaws.

Findings

Notice was given in the Federal Register of May 6, 1985 (50 FR 19026) allowing interested persons until June 5, 1985, to file comments; and none was received. After consideration of all relevant matters, including the proposal set forth in the notice, it is hereby found that this amendment will tend to effectuate the Potato Research and Promotion Act.

It is further found that under the administrative procedure provisions in 5 U.S.C. 553, it is impractical and unnecessary to delay the effectiveness of this amendment until 30 days after publication in the Federal Register for the reasons that (1) No substantive change of rule is involved, and (2) this amendment merely formalizes a change already enacted in the Board's bylaws.

List of Subjects in 7 CFR Part 1207

Advertising, Agricultural research, Potatoes.

PART 1207—POTATO RESEARCH AND PROMOTION

1. The authority citation for Part 1207 is revised to read as follows:

Authority: Title III of Pub. L. 91-670; 84 Stat. 2041; 7 U.S.C. 2611-2627, as amended.

2. Section 1207.507 is hereby amended by revising paragraph (a) to read as follows:

§ 1207.507 Administrative Committee.

(a) The Board shall annually select from among its members an Administrative Committee consisting of not more than 25 members. Selection shall be made in such manner as the Board may prescribe: Except that such committee shall include the President, and six Vice Presidents, one of whom shall also serve as the Secretary and Treasurer of the Board.

Dated: June 12, 1985.

William J. Doyle,

Acting Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.
[FR Doc. 85-14473 Filed 6-17-85; 8:45 am]

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Food Safety and Inspection Service

9 CFR Part 313

[Docket Number 82-021F]

Electrical Method of Slaughter

AGENCY: Food and Safety Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: This rule amends the Federal meat inspection regulations by permitting the use of electrical devices that induce instantaneous cardiac arrest in animals as a means of slaughter. Current regulations require that animals must die from loss of blood resulting from the bleeding operation and not from the electrical shock. This rule change is based upon scientific research published in the literature which indicates that the procedure is an effective and humane slaughter method.

EFFECTIVE DATE: June 18, 1985.

FOR FURTHER INFORMATION CONTACT:

Dr. Karen M. Wesson, Acting Director, Slaughter Inspection Standards and Procedures Division, Meat and Poultry Inspection Technical Services, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, D.C. 20250, (202) 447-3219.

SUPPLEMENTARY INFORMATION:

Executive Order 12291

The Agency has determined that this final rule is not a "major rule" as defined under Executive Order 12291. It will not result in an annual effect on the economy of \$100 million or more; a major increase in costs or prices for consumers, individual industries, Federal, State, or local government

agencies or geographic regions; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Because this procedure provides an optional method of humane slaughter, there will not be any new cost burdens mandated for the industry.

Effect on Small Entities

The Administrator, Food Safety and Inspection Service, has determined that this final rule will not have a significant economic impact on a substantial number of small entities, as defined by the Regulatory Flexibility Act, Pub. L. 96-354 (5 U.S.C. 601), because this procedure provides an optional method of humane slaughter that will not require any equipment or facility changes.

Background

The Secretary of Agriculture has been charged with the responsibility of assuring that livestock slaughter is conducted in a humane manner (7 U.S.C. 1901 *et seq.*). The Secretary is further "authorized and directed to conduct, assist, and foster research, investigation, and experimentation . . ." into humane slaughter methods (7 U.S.C. 1904(a)). This rule will provide an alternative procedure for slaughter consistent with the Secretary's mandate.

Until recently, it was generally believed that the continued pumping action of the heart was essential for proper exsanguination of food animals at slaughter. For this reason, the current regulations require that food animals must die from blood loss. To accomplish this in a humane manner, the regulations further mandate that livestock be stunned, that is, rendered insensible, prior to bleeding. Several different humane slaughter stunning methods have been approved: carbon dioxide gas, gunshot or captive bolt, and electrical current (9 CFR Part 313).

The Department has reviewed data published in the scientific literature which indicates that meat from animals killed outright by an electric current compares favorably in quality with that from animals stunned and killed under the traditional methods of slaughter. By applying high voltage electricity using certain techniques, the animal's heart is instantaneously stopped and there is an immediate cessation of circulation to the brain, thus rendering the animal insensible. Such a method of slaughter, which is sometimes referred to as "deep stunning" or "electrical slaughter," has

been used effectively in New Zealand and other countries (Ref. 4, 5, 7, 12).¹

The electrical slaughter method has proved to be efficient and effective for the smaller species such as hogs, calves, and sheep. However, there is not, at this time, sufficient data to indicate that the method would be practical for the larger species such as cattle and horses.

Although conflicting data exist concerning bleedout time when electrical slaughter is used (Ref. 7, 12), the weight of blood lost appears identical to that achieved using other stunning methods (Ref. 4, 7, 12). Additionally, the color of the meat, the amount of residual blood present, and the heme pigment concentration of the meat, which is a good indicator of hemoglobin and, therefore, the amount of retained blood in the muscle, are comparable (Ref. 12).

The traditional method of electrical stunning often results in agonal hemorrhages in the muscle and fat, commonly known as "blood splashing" and "fat speckling." The major advantage of electrical slaughter appears to be that it causes fewer hemorrhages than are commonly associated with electrical stunning.

It is not entirely clear why electrical slaughter reduces the occurrence of blood splashing and fat speckling, but the reduction may be due to the decrease in blood pressure resulting from electrical slaughter (i.e., death) in contrast to the increase in blood pressure which occurs during conventional electrical stunning (Ref. 1, 5, 7). The phenomenon of fewer blood splashes may also be related to the decreased thrashing of the animals which results when the electrical slaughter procedure is used (Ref. 5).

In addition to the amount of voltage and amperage, the placement of electrodes is an important part of electrical slaughter. The traditional method of electrical stunning involves placing two electrodes on the animal's head. With this method, however, it is not possible to kill the animal outright without greatly increasing the amount of electric current and the length of application time. This, however, adversely affects carcass quality by causing an increase in agonal hemorrhages and damage to the hide.

To overcome these limitations, various techniques for applying the electric current have been devised. The two most effective electrical slaughter methods are head-to-back and head-to-foot. In head-to-back, two electrodes are

placed on the head and a third is placed on the back in the mid-thoracic region. In head-to-foot, two electrodes are placed on the head and a third on a foot or a foreleg.

Due to the placement of the third electrode, both of these methods cause the electric current to flow over a large portion of the animal's body including the area of the heart. When electric current is applied by either of these methods, immediate unconsciousness and heart stoppage occur. Both of these methods appear superior to the traditional electrical stunning technique for decreasing blood splashing. Of the two, head-to-foot results in the lower incidence of fat speckling (Ref. 7).

When the traditional electrical stunning technique is used, the range of time that stunned animals remain unconscious varies for each species (Ref. 1, 2, 3, 5, 8). Although the time ranges may vary, this humane method, when applied properly, results in death from exsanguination before the animal regains consciousness.

Some researchers believe that the electrical slaughter method is a better way of slaughter than the traditional electrical stunning method because, when correctly applied, it guarantees permanent insensibility and, therefore, eliminates the chance of animal recovery (Ref. 1, 2). The Department has concluded, however, that there is not, at this time, sufficient data to justify mandating the use of electrical slaughter instead of electrical stunning. It will, however, monitor the application of both electrical stunning and electrical slaughter to determine if such action may be indicated at a later date.

Therefore, the Department is amending section 313.30 of the Federal meat inspection regulations (9 CFR 313.30) to permit the use of electric current at a level which will cause instantaneous cardiac arrest as an alternative method of humane slaughter.

References

1. Blackmore, D.K. and Newhook, J.C., "Electroencephalographic Studies of Stunning and Slaughter of Sheep and Calves—Part 3: The Duration of Insensibility Induced by Electrical Stunning in Sheep and Calves," *Meat Science*, 7:19-28, (1982).
2. Blackmore, D.K., and Newhook, J.C., "Insensibility During Slaughter of Pigs in Comparison to Other Domestic Stock," *New Zealand Veterinary Journal*, 29:219-222, (1981).
3. Blackmore, D.K., Newhook, J.C. and Petersen, G.V., "Electrical Stunning and Humane Slaughter," *New Zealand Veterinary Journal*, 27:224, (1979).
4. Blackmore, D.K. and Petersen, G.V., "Stunning and Slaughter of Sheep and Calves in New Zealand," *New Zealand Veterinary Journal*, 29:99-102, (1981).

5. Grandin, T., "Slaughter Research in New Zealand," *Meat Industry*, pp. 102-103, (1981).

6. Kirton, A.H., Bishop, W.H., Mullord, M.M., and Frazerhurst, L.F., "Relationships Between Time of Stunning and Time of Throat Cutting and Their Effect on Blood Pressure and Blood Splash in Lambs," *Meat Science*, 2:199-206, (1978).

7. Kirton, A.H., Frazerhurst, L.F., Woods, E.G., and Chrystall, B.B., "Effect of Electrical Stunning Method and Cardiac Arrest on Bleeding Efficiency, Residual Blood and Blood Splash in Lambs," *Meat Science*, 5:347-353, (1981).

8. Newhook, J.C. and Blackmore, D.K., "Electroencephalographic Studies of Stunning and Slaughter of Sheep and Calves—Part 1: The Onset of Permanent Insensibility in Sheep During Slaughter," *Meat Science*, 6:221-233, (1982).

9. Petersen, G.V. and Wright, D.R., "Observations of Subcutaneous Hemorrhagic Speckling in Lambs," *New Zealand Veterinary Journal*, 27:166-168, (1979).

10. Warriss, P.D., "Factors Affecting the Residual Blood Content of Meat," *Meat Science*, 2:155-159, (1978).

11. Warriss, P.D., "The Residual Blood Content of Meat—A Review," *Journal of the Science of Food and Agriculture*, 28:457-461, (1977).

12. Warriss, P.D. and Wotton, S.B., "Effect of Cardiac Arrest on Exsanguination in Pigs," *Research in Veterinary Science*, 31:82-86, (1981).

Discussion of Comments

Comments on the proposed rule were solicited from interested parties in the June 27, 1984, Federal Register (49 FR 26240). The comment period closed on August 27, 1984. During the comment period, the Agency received 36 comments—5 from meat processors, 2 from trade associations, 1 from a university, 25 from consumers, and 3 from special interest groups.

The following are summaries of those comments and the Agency's response to each comment:

A. Meat Processors

All the comments from the meat processors were in support of the proposal. They did suggest, however, certain modifications and/or deletions of wording in four areas as addressed below:

1. *Comment:* The term "surgical anesthesia" needs to be clearly defined in simple diagnostic terms, i.e., specific reflex actions.

Response: This term is used in the current regulations and is generally understood and accepted by industry and the inspection force to mean that an animal will not feel a painful sensation. The wording in the final rule has been modified to clarify this term.

2. *Comment:* The phrase "flexible or padded material" should be deleted and

¹ See "References" section for a list of scientific materials reviewed during the preparation of this rule.

substituted with the phrase . . . "shall be of a design and construction to avoid external hemorrhages and injury."

Response: This phraseology is used in the current regulations. The Department has determined from past practices that the required material allows for adequate protection of the animals while not being unduly burdensome to the packer.

3. Comment: There are no standards set for examining gauges, instruments, etc., by USDA inspectors, so the statement ". . . all indicators, instruments, and measuring devices shall be available for inspection by program inspectors" should be deleted from the proposal.

Response: This language is from the current rule which has proved to be effective and unburdensome to the industry. Although the Agency has no standards for examining gauges, etc., the availability of indicators, instruments, and measuring devices has been an indirect aid to Program inspectors in determining that animals are being stunned properly and humanely.

4. Comment: The term "insensibility immediately" needs to be clarified into layman's language. Clarification of the term should be in terms of reflex action.

Response: The term "insensibility immediately" has been replaced in the final rule by the term "surgical anesthesia," which is more precise, and understood by the layman to mean that an animal will not feel a painful sensation.

B. Trade Associations

Comments from the trade associations included concerns with modifications and/or deletions of wording. These concerns were answered previously in the responses to the meat processors' comments. In addition, the trade associations were concerned with the possibility that this method may be mandated. This is addressed in our response.

Comment: The use of electrical slaughter has not been studied adequately for application to cattle. Cattle slaughterers are against mandating this form of slaughter at this time.

Response: The Department has concluded, that there is not, at this time, sufficient data to justify mandating the use of electrical slaughter. This rule would permit the use of electric current at a level which would cause instantaneous cardiac arrest as an alternative method of humane slaughter.

C. University

The university supported the proposed method stating that it has "a great deal of merit."

D. Consumers

While most of the comments from consumers were favorable, the following questions and concerns were expressed.

1. Comment: Could the expense involved in implementing the new method be a barrier to its widespread use?

Response: The Department does not know at this time, nor does it have the data to show, the cost of equipment being developed to handle the application of the new method. The industry has shown a great deal of interest in implementing the method and some industry members have concluded that the expense would not constitute a barrier to its use.

2. Comment: Electrical slaughter of hogs will cause bone breakage and carcass damage.

Response: As discussed in the proposed rule, various new techniques have been devised for applying electric current to overcome adverse effects of carcass quality. The two most effective electrical slaughter methods are head-to-back and head-to-foot placement of electrodes. Data published in the scientific literature indicates that meat from animals killed outright by an electric current compares favorably in quality with that from animals stunned and killed under the traditional methods of slaughter. Such methods have been used effectively in New Zealand and other countries.

3. Comment: Why change the proven procedures when the approved stunning method for cattle passes on better meat quality to the consumer?

Response: This rule will not change the approved humane slaughter methods, but will provide to industry an alternative method to the traditional methods of slaughter.

4. Comment: If the new method is more humane than the other methods, why is it not made a mandatory rule?

Response: The traditional methods, when correctly applied, are as humane as the new method. Some researchers do believe, however, that the new method is a better way of slaughter than traditional electrical stunning method because, when correctly applied, it guarantees heart stoppage and eliminates the chance of animal recovery before exsanguination. Although the new method may be used on the larger species, the scientific literature indicates, at this time, that the new method would be practical only for

the smaller species such as hogs, calves, and sheep. The Department, however, has concluded that there is not, at this time, sufficient data to justify mandating the use of electrical slaughter in place of electrical stunning for the smaller species as a more humane method.

5. Comment: The animal cannot be bled as effectively if the heart is not beating.

Response: As discussed in the proposed rule, data published in the scientific literature indicates that when electrical slaughter is used, the weight of blood lost appears identical to that achieved using other stunning methods. Additionally, the color of the meat, the amount of residual blood present, and the heme pigment concentration of the meat are comparable. Supporting studies in the scientific literature are cited in the proposed rule. (See Reference List in Background Statement).

E. Special Interest Groups

All comments were in support of the new rule. One concern was expressed in regard to training of personnel.

Comment: Operators should be adequately trained and supervised in the use of equipment when using the new method.

Response: The Department agrees with the commentor, in that operators should be adequately trained and supervised in the use of electrical slaughter equipment. An error in application would still result in an adequate amount of electricity to stun the animal humanely as used in the traditional stunning method. However, the Department has determined that inadequate application of the new method by the packer would decrease the quality of the meat; therefore, it is expected that the packer will independently assure that the method is properly utilized and that his employees are properly trained.

Final Rule

FSIS has determined that the use of electrical slaughter offers a viable and human alternative to the existing methods of stunning. Producers who choose to implement electrical slaughter must comply with the requirements of the final rule as listed below.

After careful consideration of the comments received following the publication of the proposed rule in the *Federal Register* June 27, 1984, (49 FR 26240), FSIS is adopting the proposal with minor changes as discussed in the preamble.

As required by 1 CFR 18.20 (46 FR 1762, January 22, 1981), the following are the indexing terms for this regulation:

List of Subjects in 9 CFR Part 313

Humane slaughter, Electrical
Stunning, Meat inspection.

PART 313—[AMENDED]

Accordingly, § 313.30 of the Federal meat inspection regulations (9 CFR 313.30) is amended to read as follows:

1. The authority citation for Part 313 continues to read as follows:

Authority: 92 Stat. 1069, 72 Stat. 862, 34 Stat. 1290, 79 Stat. 903 as amended, 81 Stat. 91, 438; 21 U.S.C. 71 *et seq.*; 601 *et seq.*; 7 U.S.C. 1901-1906.

2. In § 313.30 (9 CFR 313.30) the introductory paragraph and paragraphs (a)(1), (a)(2), (a)(4) and (b) are revised to read as follows:

§ 313.30 Electrical; stunning or slaughtering with electric current.

The slaughtering of swine, sheep, calves, cattle, and goats with the use of electric current and the handling in connection therewith, in compliance with the provisions contained in this section, are hereby designated and approved as humane methods of slaughtering and handling of such animals under the Act.

(a) *Administration of electric current, required effect; handling.* (1) The electric current shall be administered so as to produce, at a minimum, surgical anesthesia, i.e., a state where the animal feels no painful sensation. The animals shall be either stunned or killed before they are shackled, hoisted, thrown, cast, or cut. They shall be exposed to the electric current in a way that will accomplish the desired result quickly and effectively, with a minimum of excitement and discomfort.

(2) The driving or conveying of the animals to the place of application of electric current shall be done with a minimum of excitement and discomfort to the animals. Delivery of calm animals to the place of application is essential to ensure rapid and effective insensibility. Among other things, this requires that, in driving animals to the place of application, electrical equipment be used as little as possible and with the lowest effective voltage.

(4) The stunned animal shall remain in a state of surgical anesthesia through shackling, sticking, and bleeding.

(b) *Facilities and procedures; operator.*—(1) *General requirements for operator.* It is necessary that the operator of electric current application

equipment be skilled, attentive, and aware of his or her responsibility.

(2) *Special requirements for electric current application equipment.* The ability of electric current equipment to perform with maximum efficiency is dependent on its proper design and efficient mechanical operation. Pathways, compartments, current applicators, and all other equipment used must be designed to properly accommodate the species of animals being anesthetized. Animals shall be free from pain-producing restraining devices. Injury of animals must be prevented by the elimination of sharp projections or exposed wheels or gears. There shall be no unnecessary holes, spaces or openings where feet or legs of animals may be injured. Impellers or other devices designed to mechanically move or drive animals or otherwise keep them in motion or compartmentalized shall be constructed of flexible or padded material. Power activated gates designed for constant flow of animals shall be so fabricated that they will not cause injury. All equipment used to apply and control the electrical current shall be maintained in good repair, and all indicators, instruments, and measuring devices shall be available for inspection by Program inspectors during the operation and at other times.

(3) *Electric current.* Each animal shall be given a sufficient application of electric current to ensure surgical anesthesia throughout the bleeding operation. Suitable timing, voltage and current control devices shall be used to ensure that each animal receives the necessary electrical charge to produce immediate unconsciousness. The current shall be applied so as to avoid the production of hemorrhages or other tissue changes which could interfere with inspection procedures.

Done at Washington, D.C., on: May 21, 1985.

Donald L. Houston,
Administrator, Food Safety and Inspection Service.

[FR Doc. 85-14477 Filed 6-17-85; 8:45 am]

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9 CFR Part 318

[Docket No. 80-054F]

Production of Dry Cured or Country Ham Not Using Prescribed Methods To Destroy Trichina

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Partial waiver of final rule.

SUMMARY: This notice announces the Food Safety and Inspection Service's (FSIS) intent to permit producers of dry cured or country ham not currently using one of the two prescribed methods for destroying trichina in pork to continue to use nonconforming methods beyond the effective date of August 6, 1985. This approach will both protect consumers and permit dry cured or country ham producers to continue production while research concerning the effectiveness of current processing techniques is undertaken.

EFFECTIVE DATE: June 18, 1985.

FOR FURTHER INFORMATION CONTACT: Bill F. Dennis, Director, Processed Products Inspection Division, Meat and Poultry Inspection Technical Services, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, DC 20250, (202) 447-3840.

SUPPLEMENTARY INFORMATION:

Background

Section 318.10(c)(3)(iv) of the Federal meat inspection regulations (9 CFR 318.10(c)(3)(iv)) provides two methods of destroying any possible live trichina while processing dry salt cured hams, one of which may be used to manufacture country hams. These two methods have been in use for over 50 years.

A final rule prescribing a third method for destroying live trichina in dry salt cured hams and which could also be used for country hams was published on February 7, 1985 (50 FR 5226), and is effective August 6, 1985. With the development and publication of the third method, FSIS believed it had addressed all dry curing methods currently in use. However, FSIS has recently learned that many of the smaller dry cured or country ham producers use methods which still do not meet the requirements of either of the two prescribed methods. These producers use ambient temperatures that may not meet the time/temperature requirements; use a curing process that does not include a mid-cure re-exposure of the ham to salt (overhaul); wash the ham before the required curing time is completed; or in some way do not meet the requirements. For several years, the Agency has permitted the use of nonconforming processing methods since they were traditional, decade-old methods believed to be effective in destroying trichina. In addition, the Department has not received any reports of trichinosis occurring from ingestion of any dry cured or country hams.

Because of the inability of certain producers to meet the effective date and since there have been no reported cases of trichinosis from products not treated under the three prescribed methods, FSIS is permitting processors of dry cured or country hams utilizing trichina treatment methods not in compliance with 9 CFR 318.10(c)(3)(iv) to continue production under the following conditions.

1. Any dry cured or country hams in processing prior to August 6, 1985, will be controlled under the two methods currently in the regulations.
2. Dry cured ham producers using processing techniques not covered by the regulations must submit a description of their processes, through their inspector, to the Processed Products Inspection Division, by August 6, 1985. A description of the process must contain:
 - a. The average and maximum ham weight;
 - b. The cure and the smoking times and temperatures, and, if used, heating times and temperatures;
 - c. The amount of salt used and how applied, and, if applicable, how reapplied and/or replenished;
 - d. If and when hams are washed.
3. Dry cured and country ham producers will be permitted to continue using their current processes until December 31, 1986, unless:
 - a. Upon initial review of the process, the Administrator determines that the method is not likely to prove effective; or
 - b. Data become available to substantiate the effectiveness or ineffectiveness of the method.

Research will be conducted between now and December 31, 1986, to find one or more additional effective processing methods. The Administrator believes that it is reasonable to permit these producers to continue using their existing methods beyond the August 6, 1985, effective date of the regulation. This approach will both protect consumers and permit dry cured or country ham producers to continue production while research concerning the effectiveness of current processing techniques is undertaken.

Done at Washington, DC, on: June 6, 1985.

Donald L. Houston,
Administrator, Food Safety and Inspection Service.

[FR Doc. 85-14475 Filed 6-17-85; 8:45 am]

BILLING CODE 3410-04-M

9 CFR Parts 322 and 381

[Docket No. 84-011F]

Exempting Military Shipments

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: On January 11, 1985, the Food Safety and Inspection Service (FSIS) published a proposed rule to exempt United States military shipments of meat and poultry products intended for export from the export stamp requirement. In addition, the proposed rule would add the two exemptions currently provided in the meat inspection regulations to the poultry products inspection regulations. FSIS solicited comments on the proposed rule. No comments were received. FSIS has determined that the proposed rule should be made a final rule. This action is necessary because presently the Federal meat inspection regulations contain only two limited exemptions to its requirement that the outside container of meat and meat products intended for export must be marked with an official export stamp bearing the number of the export certificate. The poultry products inspection regulations do not mandate the issuance of export certificates, but provide for their issuance upon request. If issued, the export container must be stamped with the export certificate number. The poultry products inspection regulations do not provide for any exemptions for omitting the export stamp when export certificates are issued. FSIS is, therefore, also adding the two exemptions currently provided in the meat inspection regulations to the poultry products inspection regulations.

EFFECTIVE DATE: June 18, 1985.

FOR FURTHER INFORMATION CONTACT: Dr. Richard Mikita, Acting Director, Export Coordination Division, International Programs, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, D.C. 20250 (202) 447-9051.

SUPPLEMENTARY INFORMATION:

Executive Order 12291

The Agency has determined that this proposed rule is not a "major rule" under Executive Order 12291. It will not result in an annual effect on the economy of \$100 million or more; a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies or geographic regions; or significant adverse effects on competition, employment, investment,

productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets. The final regulation only codifies existing Agency practices.

Effect on Small Entities

The Administrator, FSIS, has determined that this final rule will not have a significant economic impact on a substantial number of small entities, as defined by the Regulatory Flexibility Act, Pub. L. 96-354 (5 U.S.C. 601). The final regulation only codified existing Agency practices.

Background

On January 11, 1985, FSIS published in the Federal Register (50 FR 1540) a proposed rule to exempt United States military shipments of meat and poultry products intended for export from the export stamp requirement. The Federal Meat Inspection Act (21 U.S.C. 601 *et seq.*) requires that meat and meat products intended for export be accompanied by a certificate issued by an authorized inspector indicating that the products are sound and wholesome, unless the Secretary waives the requirements of such certificate (21 U.S.C. 617). Further, the Federal meat inspection regulations require that the outside containers of products intended for export be marked with an official export stamp bearing the number of the export certificate (9 CFR 322.1(a)). The Federal meat inspection regulations provide two exemptions to this export stamp requirement—product intended for ship stores and small quantities of product consigned to an individual exclusively for personal use and not for sale or distribution.

While the Poultry Products Inspection Act (21 U.S.C. 451 *et seq.*) does not require that a certificate accompany poultry and poultry products intended for export, most exporters and importing countries do require some form of certification indicating the product's wholesomeness. The poultry products inspection regulations require that the outside containers of products covered by an export certificate be marked with a stamp bearing the number of the export certificate (9 CFR 381.105(a)). The poultry products inspection regulations do not currently provide for any exemptions from this export stamp requirement.

The Department of Defense (DOD) assembles shipments of meat and poultry products in military staging warehouses in the United States. The shipments have been inspected and certified for export by USDA. The

shipments are disassembled and reassembled in the warehouses to meet the specific needs of military bases located outside of the United States. DOD military veterinary officers recertify the reassembled shipments for export by using information obtained from the export certificates and identify the outside containers with special symbols, including contract number and specifications. As a matter of policy, FSIS has allowed U.S. military shipments of meat and poultry products intended for export to be exempted from the export stamp requirement. FSIS is amending the Federal meat inspection and poultry products inspection regulations to reflect this policy by adding U.S. military shipments as an exemption from the export stamp requirement. Concurrently, FSIS is amending the poultry products inspection regulations by adding the two current exemptions contained in the meat inspection regulations relating to ship stores and personal use.

Comments on the Proposed Rule

FSIS did not receive any comments in response to the proposed rule.

After careful consideration of all relevant information available to FSIS, the Administrator has determined that the proposed rule should be published as a permanent regulation as set forth below.

Final Rule

As required by 1 CFR 18.20 (46 FR 1762, January 22, 1981), the following are the indexing terms for this regulation:

List of Subjects

9 CFR Part 322

Meat inspection, Exports.

9 CFR Part 381

Poultry products inspection, Exports, Official marks, Devices and Certificates.

PART 322—[AMENDED]

1. The authority citation for Part 322 continues to read as follows:

Authority: 34 Stat. 1260, 79 Stat. 903, as amended, 81 Stat. 584, 84 Stat. 91, 438; (21 U.S.C. 71 *et seq.*, 601 *et seq.*, 33 U.S.C. 1254).

2. Section 322.1(a) (9 CFR 322.1(a)) is revised to read as follows:

§ 322.1 Manner of affixing stamps and marking products for export.

(a) The outside container (including cloth wrappings) of any inspected and passed product for export, except ship stores, small quantities exclusively for the personal use of the consignee and not for sale or distribution, and shipments by and for the U.S. Armed

Forces, shall be marked with an official export stamp, as shown in § 312.8 of this subchapter, bearing the number of the export certificate.

PART 381—[AMENDED]

3. The authority citation for Part 381 continues to read as follows:

Authority: 71 Stat. 441, 76 Stat. 110, as amended, Sec. 14 (21 U.S.C. 451 *et seq.*).

4. Section 381.105(a) (9 CFR 381.105(a)) is revised to read as follows:

§ 381.105 Export certification; marking of containers.

(a) Upon request or application by any person intending to export any poultry product, any inspector is authorized to issue an official export certificate as prescribed in § 381.107 with respect to the shipment to any foreign country of any inspected and passed poultry product, after adequate inspection of the product has been made by the inspector to determine its identity as inspected and passed and eligible for export: *Provided*, that the product is offered for inspection at an official establishment. Each shipping container covered by the export certificate, except ship stores, small quantities exclusively for the personal use of the consignee and not for sale or distribution, and shipments by and for the U.S. Armed Forces, shall be marked with an official export stamp as shown in § 381.104 bearing the number of the export certificate. Official export certificates will be issued only upon condition that the products covered thereby shall be subject to reinspection at any place and at any time prior to exportation to determine the identity of the products and their eligibility for certification, and such certificates shall become invalid if such reinspection is refused or discloses that the products are not eligible for certification. If reinspection discloses that any poultry products covered by an export certificate are not eligible for such certification, a superseding certificate setting forth such findings shall be issued and copies shall be furnished to interested persons.

Done at Washington, D.C., on May 21, 1985.

Donald L. Houston,

Administrator, Food Safety and Inspection Service.

[FR Doc. 85-14476 Filed 6-17-85; 8:45 am]

BILLING CODE 3410-0M-M

NUCLEAR REGULATORY COMMISSION

10 CFR Part 9

Charges for the Production of Records

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) is amending its regulations by revising the charges for copying records publicly available at the NRC Public Document Room in Washington, DC. The amendments are necessary in order to reflect the change in copying charges resulting from the Commission's award of a new contract for the copying of records.

EFFECTIVE DATE: June 18, 1985.

FOR FURTHER INFORMATION CONTACT: John Philips, Chief, Rules and Procedures Branch, Division of Rules and Records, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Telephone: 301-492-7086.

SUPPLEMENTARY INFORMATION: The NRC maintains a Public Document Room (PDR) at its headquarters at 1717 H Street, NW, Washington, DC. The PDR contains an extensive collection of publicly available technical and administrative records that the NRC receives or generates. Requests by the public for the reproduction of records at the PDR have traditionally been accommodated by a copying service contractor selected by the NRC. The schedule of reproduction charges to the public established in the copying service contract is set forth in 10 CFR 9.14 of the Commission's regulations. The NRC has recently awarded a new copying service contract. The revised fee schedule reflects the changes in copying charges to the public that have resulted from the awarding of the new contract for the reproduction of records at the PDR.

Because these are amendments dealing with agency practice and procedures, the notice provisions of the Administrative Procedure Act do not apply pursuant to 5 U.S.C. 553(b)(A). In addition, the PDR users were notified on June 3, 1985, that the new contract was being awarded and that the new prices would go into effect on June 10, 1985. The amendments are effective upon publication in the *Federal Register*. Good cause exists to dispense the usual 30-day delay in the effective date because the amendments are of a minor and administrative nature dealing with agency procedures.

Regulatory Flexibility Act

5 U.S.C. 552(a)(4)(A) requires the NRC, as a Federal agency, to promulgate regulations "... specifying a uniform schedule of fees applicable to all constituent units of such agency." (emphasis added). Therefore, no analysis of any differential impacts on small entities is necessary.

Paperwork Reduction Act Statement

This final rule contains no information collection requirements and therefore is not subject to the requirements of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.).

List of Subjects in 10 CFR Part 9

Freedom of information, Penalty, Privacy, Reporting and recordkeeping requirements, Sunshine Act.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974, as amended, and 5 U.S.C. 553, the NRC is adopting the following amendments to 10 CFR Part 9.

PART 9—PUBLIC RECORDS

1. The authority citation for Part 9 is revised to read as follows:

Authority: Sec. 161, 68 Stat. 948, as amended (42 U.S.C. 2201); sec. 201, 88 Stat. 1242, as amended (42 U.S.C. 5841).

Subpart A also issued under 5 U.S.C. 552 and 31 U.S.C. 9710. Subpart B also issued under 5 U.S.C. 552a. Subpart C also issued under 5 U.S.C. 552b.

2. In § 9.14, paragraphs (a)(1) and (b)(1) are revised and paragraph (f) is added to read as follows:

§ 9.14 Charges for production or records.

(a)(1) Charges for the copying of records at the NRC Public Document Room (PDR), 1717 H Street, NW, Washington, DC by the copying service contractor are as follows:

(i) Five cents per page for paper copy to paper copy, except for engineering drawings and any other records larger than 17 x 11 inches for which the charges vary as follows depending on the reproduction process that is used: Xerographic process—\$1.25 per square foot for large documents or engineering drawings (random size up to 24 inches in width and with variable length) reduced or full size; Photographic process—\$7.00 per square foot for large documents or engineering drawings (random size exceeding 24 inches in width up to a maximum size of 42 inches in length) full size only.

(ii) Five cents per page for microform to paper copy, except for engineering drawings and any other records larger

than 17 x 11 inches for which the charge is \$1.25 per square foot or \$2.60 for a reduced size print (18 x 24 inches).

(iii) Seventy-five cents per microfiche to microfiche.

(iv) One dollar per aperture card to aperture card.

* * * * *

(b) * * *

(1) Sizes up to 8½ x 14 inches made on office copying machines—\$0.05 per page of copy.

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(f) Charges for production of records in Local Public Document Rooms. Charges for the reproduction of NRC documents located in NRC Local Public Document Rooms (LPDRs) may vary according to location.

Dated at Bethesda, Maryland, this 11th day of June 1985.

For the Nuclear Regulatory Commission,
William J. Dircks,

Executive Director for Operations.

[FR Doc. 85-14635 Filed 6-17-85; 8:45 am]

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FEDERAL HOME LOAN BANK BOARD**12 CFR Part 571**

[85-462]

Mortgage-Backed Securities

Dated: June 10, 1985.

AGENCY: Federal Home Loan Bank Board.

ACTION: Final rule.

SUMMARY: The Federal Home Loan Bank Board is adopting a statement of policy concerning the accounting for reverse repurchase agreements, dollar reverse repurchase agreements, dollar reverse repurchase agreements which are rolled forward, and the rollover of forward commitments to acquire mortgage-backed securities for all reports submitted to the Board or to the Corporation. It is the intention of the Board by adopting this statement of policy to eliminate confusion and inconsistent accounting treatment in this area. The statement of policy will be made effective as of December 31, 1984, as the Board had notified the public it was proposing to do in the proposal.

EFFECTIVE DATE: December 31, 1984.

FOR FURTHER INFORMATION CONTACT: Thomas Bloom, Professional Accounting Fellow, Office of Examinations and Supervision (202-377-6392), or James H. Underwood, Attorney, Corporate and Securities Division, Office of the General Counsel (202-377-6649), Federal

Home Loan Bank Board, 1700 G Street, NW., Washington, D.C. 20552.

SUPPLEMENTARY INFORMATION: By Board Resolution No. 84-679, dated November 30, 1984, the Federal Home Loan Bank Board ("Board"), as the operating head of the Federal Savings and Loans Insurance Corporation ("FSLIC" or Corporation), proposed to adopt a statement of policy pertaining to the regulatory accounting for certain mortgage-backed security transactions. The Board's action in this area was in response to the increasing activity by insured institutions in transactions involving the sale and repurchase of mortgage-backed securities. Since the accounting standard-setting bodies have not yet fully addressed certain aspects of these transactions, there currently exists considerable confusion and controversy regarding the distinction between the accounting for reverse-repurchase agreements, dollar reverse-repurchase agreements, dollar reverse-repurchase agreements which are subsequently "rolled" or extended, and the rollover of forward commitments to purchase mortgage-backed securities. As a result, inconsistent accounting treatment is being applied to similar transactions, which is of concern to the Board. The Board therefore decided to address this issue, taking into consideration the desirability of consistent accounting treatment as well as the need to retain a potentially economically sound financial tool for the thrift industry.

The Board's staff held numerous meetings with representatives of the accounting profession, investment banking firms and other informed persons during the development of the proposed statement of policy. The purpose of these meetings was twofold: (1) To develop criteria that could be used to assess whether dollar reverse-repurchase-agreement transactions involved securities that were substantially the same; and (2) to identify criteria that could be used to ascertain speculative rather than investment intent.

The Board received 24 comment letters addressing the proposal: 16 comments were received from insured institutions, three from trade groups, two from brokerage firms, one from the Securities and Exchange Commission ("SEC"), one from an accounting firm and one from the Financial Accounting Standards Board ("FASB"). While almost all of the letters supported the Board's proposed action in this area, a number of commenters made suggestions and raised issues; these are discussed below. After consideration of