APPENDIX

1	2		3	4				5	
	Intend to sell to non-accredited investors in State (Part B-Item 1)		Type of security and aggregate offering price offered in state (Part C-Item1)	Type of investor and amount purchased in State (Part C-Item 2)				Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item1)	
State	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
AL									
AK									
AZ									
AR									
CA									
CO									
CT									
DE									
DC									
FL									
GA									
HI									
ID									
IL									
IN									
IA									
KS									
KY									
LA									
ME									
MD									
MA									
MI									
MN									
MS									
MO									

7

APPENDIX

1	2		3	4				5	
	Intend to sell to non-accredited investors in State (Part B-Item 1)		Type of security and aggregate offering price offered in state (Part C-Item1)	Type of investor and amount purchased in State (Part C-Item 2)				Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item1)	
State	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
MT									
NE									
NV									
NH									
NJ									
NM									
NY									
NC									
ND									
OH									
OK									
OR									
PA									
RI									
SC									
SD									
TN									
TX									
UT									
VT									
VA									
WA									
WV									
WI									
WY									
PR									

8

[FR Doc. 86–22822 Filed 10–9–86; 8:45 am]
BILLING CODE 8010-01-C

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 558

New Animal Drugs for Use in Animal Feeds; Monensin, Bacitracin Methylene Disalicylate, Roxarsone

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the animal drug regulations to reflect approval of Elanco's new animal drug application (NADA) for combining individually approved monensin, bacitracin methylene disalicylate, and roxarsone Type A articles to make Type C broiler feeds to identify a second approved source of roxarsone, Salsbury Labs.

EFFECTIVE DATE: October 10, 1986.

FOR FURTHER INFORMATION CONTACT: Lonnie W. Luther, Center for Veterinary Medicine (HFV-128), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-4317.

SUPPLEMENTARY INFORMATION: Elanco Products Co., a division of Eli Lilly & Co., Lilly Corporate Center, Indianapolis, IN 46285, is the sponsor of NADA 49-464 approved July 28, 1978 (43 FR 32750). The NADA provides for combining previously approved monensin, bacitracin methylene disalicylate, and roxarsone Type A articles to prepare a Type C broiler feed. The regulation failed to indicate that Salsbury Labs. was also a source of roxarsone used to make the Type C feed. The regulations are amended to provide for the additional approved drug source.

List of Subjects in 21 CFR Part 558

Animal drugs, Animal feeds.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Veterinary Medicine, Part 558 is amended as follows:

PART 558—NEW ANIMAL DRUGS FOR USE IN ANIMAL FEEDS

1. The authority citation for 21 CFR Part 558 continues to read as follows:

Authority: Sec. 512, 82 Stat. 343-351 (21 U.S.C. 360b); 21 CFR 5.10 and 5.83.

§ 558.355 [Amended]

2. Section 558.355 *Monensin* is amended in paragraph (f)(1)(xii)(*b*) by revising the phrase "as roxarsone provided by No. 011801 in § 510.600 of this chapter." to read "as roxarsone provided by Nos. 011801 or 017210 in § 510.600 of this chapter."

Dated: October 6, 1986.

Marvin A. Norcross,

Associate Director for New Animal Drug Evaluation.

[FR Doc. 86-23001 Filed 10-9-86; 8:45 am]

BILLING CODE 4160-01-M

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 46 and 602

[T.D. 8102]

Excise Tax Imposed on the Issuer of Registration-Required Obligation Not in Registered Form

Correction

In FR Doc. 86-21442, beginning on page 33593, in the issue of Monday, September 22, 1986, make the following corrections:

On page 33594, in the first column, eleventh line, the first word should read. "or", and

§ 46.4701-1 [Corrected]

On the same page, in the third column, in § 46.4701-1, paragraph (b)(6)(ii), in the third line, after "the" insert the words "date the".

BILLING CODE 1505-01-M

Bureau of Alcohol, Tobacco and Firearms

27 CFR Parts 5 and 19

[T.D. ATF-237; Re: Notice No. 580]

Labeling of Distilled Spirits in Percent-Alcohol-by-Volume

AGENCY: Bureau of Alcohol, Tobacco and Firearms, Treasury.

ACTION: Final rule, Treasury decision.

SUMMARY: On January 24, 1986, the Bureau of Alcohol, Tobacco and Firearms (ATF) proposed (at 51 FR 3208) to amend regulations in 27 CFR Parts 5 and 19 to provide for labeling and advertising the alcohol content of distilled spirits products in percent-alcohol-by-volume rather than in proof. The notice of proposed rulemaking, Notice No. 580, was based on a petition submitted by Joseph E. Seagram and Sons, Inc. This final rule adopts the proposed rule with minor modifications and with a transition period of two years.

EFFECTIVE DATE: Amendatory paragraphs 2A, 3A, 7A and 8A are effective November 10, 1986. Amendatory paragraphs 2B, 3B, 4, 6, 7B, 8B and 9 are effective October 10, 1988.

FOR FURTHER INFORMATION CONTACT: John A. Linthicum, FAA, Wine, and Beer Branch, (202-566-7626).

SUPPLEMENTARY INFORMATION:

Background

The alcohol content is specifically required to be shown on labels and in advertisements of distilled spirits products under 27 U.S.C 205 (e) and (f). The purpose of this requirement, stated in this section, is to ". . . provide the consumer with adequate information as to the identity and quality of the products, [including] the alcoholic content thereof . . .". The alcohol content is also required to be shown on labels of distilled spirits products under the authority conferred by 26 U.S.C 5301(a). This section reads, in part, "Whenever in his judgment such action is necessary to protect the revenue, the Secretary is authorized, by the regulations prescribed by him . . . to regulate the kind, size, branding, marking, . . . of containers (of a capacity of not more than 5 wine gallons) designed or intended for use for the sale of distilled spirits . . .".

Since the repeal of Prohibition, ATF and its predecessor agencies have regulated the labeling and advertising of the alcohol content of distilled spirits products by requiring a statement expressed in degrees of proof. (Degrees of proof are equal to the percent-alcohol-by-volume multiplied by two). This requirement, unchanged for 50 years, was also the conventional method of labeling and advertising the alcohol content of distilled spirits products before Prohibition. Branding and marking requirements are expressed in proof on labels of distilled spirits because the tax is imposed on the basis of proof.

The previous regulations, 27 CFR 5.37, 5.63, and 19.643, required proof statements on labels and in advertisments of distilled spirits, except that the alcohol content could be stated in percent-alcohol-by-volume on labels for liqueurs, cordials, bitters, cocktails, highballs, or other such specialties.

Petition

Joseph E. Seagram & Son, Inc. petitioned ATF to amend 27 CFR 5.37, relating to the alcohol content statement on labels of distilled spirits. Seagram petitioned for a statement of percent-alcohol-by-volume to replace the use of proof statements on labels of distilled

spirits. ATF proposed this change in Notice No. 580, published in the Federal Register of January 24, 1986, at 51 FR 3208. ATF also proposed to amend the similar labeling requirement in 27 CFR 19.643, and the mandatory advertising statement of alcohol content in 27 CFR 5.63.

Discussion

In the November 1980 Report to the President and the Congress on *Health Hazards Associated with Alcohol and Methods to Inform the General Public of these Hazards*, submitted by the Treasury Department and the Department of Health and Human Services, the Treasury Department was in favor of labeling distilled spirits in percent-alcohol-by-volume.

In the ATF Quarterly Bulletin, A.T.F.Q.B. 1985–2, Page 71, ATF announced that statements of percent alcohol-by-volume may now appear on labels of all distilled spirits products, as *additional*, truthful information. This announcement reversed a long-standing label approval policy, and partially implemented the Seagram's petition and the November 1980 Report to the President and the Congress, mentioned above.

Other Requirements to Label Proof. In Notice No. 580, ATF specifically did not consider the amendment of regulations on marking requirements for cases, bulk containers (including barrels used for aging spirits), or bottles of industrial alcohol used by hospitals, universities, or manufacturers of food products or medicinal preparations. These regulations require that some containers of distilled spirits be marked to show the proof of the product. In general, these are the containers on which taxes are determined. Since taxes are imposed on the basis of proof, as previously discussed, these requirements are oriented toward protection of the revenue.

Moreover, these marking requirements have little or no impact on consumers. Although whole cases of distilled spirits are sometimes purchased by consumers, ATF does not generally consider a case to be a consumer container. Therefore, ATF did not propose to amend the marking requirements for these containers.

Public Comments

In response to Notice No. 580, ATF received 23 comments, as follows: 17 in favor, 5 opposed, 1 no preference. Demographically, the commenters were: 8 bottlers of distilled spirits products, 6 consumers, 5 trade associations, 3 government agencies, and 1 importer of distilled spirits products. Based on this response, and based on the Treasury Department's previous report to the President and the Congress in favor of making this change, ATF is adopting the proposed rule, modified as discussed below.

Four commenters, R.E. Welch, State of Idaho Liquor Dispensary, Washington State Liquor Control Board, and Scotch Whisky Association, suggested that there should be a transition period during which the alcohol content is expressed in both forms, to educate consumers. In drafting Notice No. 580, ATF considered but rejected this idea, since it would require two label changes. Also, as previously discussed, importers and bottlers are already allowed to show the alcohol content in both forms, if desired. At a later date, importers and bottlers may choose to drop the proof statement which is being made optional in this final rule.

In Notice No. 580, ATF requested comments on the following question: If percentage statements replace proof statements, how long should the transition period be? Seven commenters addressed this question, including four bottlers of distilled spirits who are directly affected by this aspect of the proposed change. Their comments are as follows: R.E. Welch and Consolidated Distilled Products, Inc. were in favor of a five-year transition. Consolidated stated that some small bottlers frequently purchase label stocks of up to a five to ten year supply. The Washington State Liquor Control Board was in favor of a two-year transition period during which the alcohol content is expressed in both forms, to help educate the consumer. Brown-Forman Corp. was in favor of an 18-month transition period, if an open-ended transition period could not be allowed. Scotch Whisky Association was in favor of a 12- to 18-month transition period. Ed Phillips & Sons was in favor of a transition period of one year. ISC Wines of California was in favor of a transition period which is "long enough that suppliers are able to use up existing labels."

Implementation

Transition period. ATF has decided to implement the new requirement in two years. ATF believes that this period is long enough for industry members to make the conversion with little or no waste of obsolete labels. A two-year period will also minimize the confusion caused by having two styles of labels on retail shelves.

Use of Both Forms in Direct Conjunction. The proposed rule allowed the alcohol content to be expressed in both forms. The final rule adopts this proposal with the additional requirement that both forms, if shown, must be in direct conjunction with each other. Without this requirement, a consumer could be confused if he/she found "80° proof" on one part of the label and "40 percent-alcohol-by-volume" elsewhere on the same label. The requirement for direct conjunction dispels possible consumer confusion, and shows the consumer that the two expressions of alcohol content mean the same thing. To emphasize the fact that both expressions of alcohol content mean the same thing, the optional statement in degrees of proof must be placed in parentheses, in brackets, or otherwise distinguished from the mandatory percent-alcohol-by-volume statement.

Revision of 27 CFR 19.643. Notice No. 580 proposed to amend 27 CFR 19.643 by replacing the first sentence with two sentences. Based on the modifications of the proposed rule discussed above, ATF is completely revising this section for clarity by adding designated paragraphs to separate the several label statements required by the section.

Amendment of §§ 19.386, 19.395, and 19.750. Notice No. 580 did not propose to amend §§ 19.386, 19.395, or 19.750. These sections relate to labels for spirits bottled for export and bottling line tests of alcohol content. ATF believes that these sections should also be amended to remove references to measurement of alcohol content in proof.

Incorporation of Revenue Ruling 55–494. Amendment of all regulations on labeling alcohol content enables ATF to incorporate Revenue Ruling 55–494, which requires a special label statement of alcohol content for "Rock and Rye" and similar products. These products contain a significant amount of fruit or other solid material in the bottle. As a result, the alcohol content of the liquid portion reduces over time. Therefore, this ruling was issued to require that the label show the alcohol content at the time the product is bottled, as follows: "Bottled at ——— proof." The substance of this ruling is incorporated in each section which requires the labeling alcohol content. Revenue Ruling 55–494, I.R.C.B. 1955–2, 736, is hereby declared obsolete on the effective date of this final rule.

New Label Approval Not Required. Labels may be changed to implement this final rule without submission of the revised labels for approval by ATF. The same mandatory requirements of 27 CFR 5.33 (size, color contrast, etc.) shall apply to labels revised with the new alcohol content statement expressed in percent-alcohol-by-volume.

Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act relating to a final regulatory flexibility analysis (5 U.S.C. 604) are not applicable to this final rule because it will not have a significant economic impact on a substantial number of small entities. The final rule will not impose, or otherwise cause, a significant increase in reporting, recordkeeping, or other compliance burdens on a substantial number of small entities. The final rule is not expected to have significant secondary or incidental effects on a substantial number of small entities.

Accordingly, it is hereby certified under the provisions of section 3 of the Regulatory Flexibility Act (5 U.S.C. 605(b)) that this final rule, will not have a significant economic impact on a substantial number of small entities.

Executive Order 12291

In compliance with Executive Order 12291, ATF has determined that this final rule is not a "major rule" since it will not result in:

(a) An annual effect on the economy of $100 million or more;

(b) A major increase in costs or prices for consumers, individual industries, Federal, state, or local government agencies, or geographic regions; or

(c) Significant adverse affect 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.

Paperwork Reduction Act

The requirements to display information on labels of distilled spirits, proposed in this notice, were submitted to the Office of Management and Budget for review under sec. 3504(h) of the Paperwork Reduction Act of 1980, Pub. L. 96-511, 44 U.S.C. Chapter 35. The Office of Management and Budget had previously assigned control number 1512-0482 to the collection of information which included labeling and advertising requirements. That collection of information is hereby modified by this final rule.

List of Subjects

27 CFR Part 5

Advertising, Consumer protection, Customs duties and inspection, Imports, Labeling, Liquors, Packaging and containers.

27 CFR Part 19

Administrative practice and procedure, Alcohol and alcoholic beverages, Authority delegations, Claims, Chemicals, Customs duties and inspection, Electronic funds transfers, Excise taxes, Exports, Gasohol, Imports, Labeling, Liquors, Packaging and containers, Puerto Rico, Reporting and recordkeeping requirements, Research, Security measures, Spices and flavorings, Surety bonds, Transportation, Virgin Islands, Warehouses, Wine.

Drafting Information

The principal author of this document is John A. Linthicum, FAA, Wine, and Beer Branch, Bureau of Alcohol, Tobacco and Firearms.

Authority and Issuance

PART 5—[AMENDED]

27 CFR Part 5—Labeling and Advertising of Distilled Spirits is amended as follows:

1. The authority citation for Part 5 continues to read as follows:

Authority: 27 U.S.C. 205.

2A. Section 5.37 is amended by revising paragraph (a) to read as follows:

§ 5.37 Alcoholic content.

(a) *Statement.* The alcohol content for distilled spirits shall be stated in proof or in percent-alcohol-by-volume. Products such as "Rock and Rye" or similar products containing a significant amount of solid material shall state the alcohol content at the time of bottling as follows: "Bottled at _____ percent-alcohol-by-volume" or "Bottled at _____ proof".

* * * * *

2B. Effective on October 10, 1988, § 5.37 is revised to read as follows:

§ 5.37 Alcohol content.

(a) *Statements.* (1) *Mandatory statement.* The alcohol content for distilled spirits shall be stated in percent-alcohol-by-volume. Products such as "Rock and Rye. or similar products containing a significant amount of solid material shall state the alcohol content at the time of bottling as follows: "Bottled at _____ percent-alcohol-by-volume."

(2) *Optional statement.* In addition, the label may also state the alcohol content in degrees of proof if this information appears in direct conjunction (i.e. with no intervening material) with the statement expressed in percent-alcohol-by-volume. If both forms of alcohol content are shown, the optional statement in degrees of proof shall be placed in parentheses, in brackets, or otherwise distinguished from the mandatory statement in percent-alcohol-by-volume to emphasize the fact that both expressions of alcohol content mean the same thing.

(b) *Tolerances.* The following tolerances shall be allowed (without affecting the labeled statement of alcohol content) for losses of alcohol content occurring during bottling:

(1) Not to exceed 0.25 percent-alcohol-by-volume for spirits containing solids in excess of 600 mg per 100 ml; or

(2) Not to exceed 0.15 percent-alcohol-by-volume for all other spirits.

(Approved by the Office of Management and Budget under Control Number 1512-0482)

Authority: Sec. 201, Pub. L. 85-859, 72 Stat. 1394, as amended (26 U.S.C. 5301(a)); 49 Stat. 917, as amended (27 U.S.C. 205(e)).

3A. Paragraph (c) of § 5.63 is revised to read as follows:

§ 5.63 Mandatory statements.

* * * * *

(c) *Alcoholic content.* The alcohol content for distilled spirits shall be stated in proof or in percent-alcohol-by-volume. Products such as "Rock and Rye" or similar products containing a significant amount of solid material shall state the alcohol content at the time of bottling as follows: "Bottled at _____ percent-alcohol-by-volume" or "Bottled at _____ proof".

* * * * *

3B. Effective on October 10, 1988, paragraph (c) of § 5.63 is revised to read as follows:

§ 5.63 Mandatory statements.

* * * * *

(c) *Alcohol content.* (1) *Mandatory statement.* The alcohol content for distilled spirits shall be stated in percent-alcohol-by-volume. Products such as "Rock and Rye" or similar products containing a significant amount of solid material shall state the alcohol content at the time of bottling as follows: "Bottled at _____ percent-alcohol-by-volume."

(2) *Optional statement.* In addition, the advertisement may also state the alcohol content in degrees of proof if this information appears in direct conjunction (i.e. with no intervening material) with the statement expressed in percent-alcohol-by-volume. If both forms of alcohol content are shown, the optional statement in degrees of proof shall be placed in parentheses, in brackets, or otherwise distinguished from the mandatory statement in percent-alcohol-by-volume to emphasize

the fact that both expressions of alcohol content mean the same thing.

* * * * *

PART 19—[AMENDED]

27 CFR Part 19—Distilled Spirits Plants is amended as follows:

4. Effective on October 10, 1988, the table of sections for Part 19 is amended by revising the headings of §§ 19.386 and 19.750 to read as follows:

Sec.

* * * * *

19.386 Alcohol content and fill.

* * * * *

19.750 Records of alcohol content and fill tests.

* * * * *

5. The authority citation for Part 19 continues to read as follows:

Authority: 26 U.S.C. 5001, 5002, 5004–5006, 5008, 5041, 5061, 5062, 5066, 5101, 5111–5113, 5171–5173, 5175, 5176, 5178–5181, 5201–5207, 5211–5215, 5221–5223, 5231, 5232, 5235, 5236, 5241–5243, 5271, 5273, 5301, 5311–5313, 5362, 5370, 5373, 5501–5505, 5551–5555, 5559, 5561, 5562, 5601, 5612, 5682, 6001, 6065 6109, 6302, 6311, 6676, 7510; 7805; 31 U.S.C. 9301, 9303, 9304, 9306.

6. Effective on October 10, 1988, § 19.386 is revised to read as follows:

§ 19.386 Alcohol content and fill.

(a) *General.* (1) Proprietors shall test and examine at representative intervals spirits bottled during bottling operations to determine whether the bottled spirits agree in alcohol content and quantity (fill) with that stated on the label or bottle.

(2) If the regional director (compliance) finds that a proprietor's test procedures do not protect the revenue and ensure label accuracy of the bottled product, he or she may require corrective measures.

(b) *Variations in alcohol content and fill.* The proprietor shall rebottle, recondition or relabel spirits if the bottle contents do not agree with the respective data on the label or bottle as to:

(1) Quantity (fill), except for such variation as may occur in filling conducted in compliance with good commercial practice with an overall objective of maintaining 100 percent fill for spirits bottled; and/or

(2) Alcohol content, subject to a normal drop in alcohol content occurring during bottling operations not to exceed 0.25 percent-alcohol-by-volume for products containing solids in excess of 600 mg per 100 ml, or 0.15 percent-alcohol-by-volume for all other spirits. For example, a product with a solids content of less than 600 mg per 100 ml, labeled as containing 40 percent-alcohol-by-volume, would be acceptable if the test for alcohol content found that it contained 39.85 percent-alcohol-by-volume.

(c) *Records.* Proprietors shall record the results of all tests of alcohol content and quantity (fill) in the record required by § 19.750.

Authority: Sec. 201, Pub. L. 85–859, 72 Stat. 1356, as amended, 1394, as amended (26 U.S.C. 5201, 5301).

7A. Paragraph (b) of § 19.395 is revised to read as follows:

§ 19.395 Labels for export spirits.

* * * * *

(b) Proof or percent-alcohol-by-volume of the spirits;

* * * * *

7B. Effective on October 10, 1988, paragraph (b) of § 19.395 is revised to read as follows:

§ 19.395 Labels for export spirits.

* * * * *

(b) Percent-alcohol-by-volume of the spirits;

* * * * *

8A. The first sentence of § 19.643 is replaced by the following two sentences which read as follows:

§ 19.643 Brand name, kind, alcohol content, and State of distillation.

The brand name, kind as set out in 27 CFR Part 5, and alcohol content, expressed in proof or in percent-alcohol-by-volume, shall be shown on the label. Products such as "Rock and Rye" or similar products containing a significant amount of solid material shall state the alcohol content at the time of bottling as follows: "Bottled at _____ percent-alcohol-by-volume" or "Bottled at _____ proof. * * *"

8B. Effective on October 10, 1988, § 19.643 is revised to read as follows:

§ 19.643 Brand name, kind, alcohol content, and State of distillation.

(a) *Brand name and kind.* The label of distilled spirits shall state the brand name and kind, as set out in 27 CFR Part 5.

(b) *Alcohol content.* (1) *Mandatory statement.* The label of distilled spirits shall state the alcohol content in percent-alcohol-by-volume. Products such as "Rock and Rye" or similar products containing a significant amount of solid material shall state the alcohol content at the time of bottling as follows: "Bottled at _____ percent-alcohol-by-volume."

(2) *Optional statement.* In addition, the label may also state the alcohol content in degrees of proof if this information appears in direct conjunction (i.e. with no intervening material) with the statement expressed in percent-alcohol-by-volume. If both forms of alcohol content are shown, the optional statement in degrees of proof shall be placed in parentheses, in brackets, or otherwise distinguished from the mandatory statement in percent-alcohol-by-volume to emphasize the fact that both expressions of alcohol content mean the same thing.

(c) *State of distillation.* (1) *Mandatory statement.* If a whisky produced in the United States was not produced in the State shown on the label, the label shall show the State of distillation, except as provided by paragraph (c)(2) or (c)(3) of this section. The Director may, however, require the State of distillation to be shown on the label or permit such other labeling as may be necessary to preclude any misleading or deceptive impression which might otherwise be created as to the actual State of distillation.

(2) *Exceptions.* The State of distillation is not required to be shown on labels of "blended whisky", "a blend of straight whiskies", "spirit whisky", "light whisky", or "blended light whisky". The State of distillation may be prohibited on certain labels of "light whisky" or "blended light whisky", in accordance with paragraph (c)(3) of this section.

(3) *Prohibited statement.* The State of distillation may not be shown, except as part of the name and address required by 27 CFR 5.36(a), on labels of "light whisky" or "blended light whisky" produced in a State which the Director finds to be associated by consumers with an American type whisky.

Authority: Sec. 201, Pub. L. 85–859, 72 Stat. 1356, as amended (26 U.S.C. 5201).

9. Effective on October 10, 1986, § 19.750 is revised to read as follows:

§ 19.750 Records of alcohol content and fill tests.

(a) Proprietors shall record the results of all tests of alcohol content and quantity (fill) conducted.

(b) The record shall be maintained in a manner and provide information that will enable ATF officers to determine whether the proprietor has complied with the provisions of § 19.386 by:

(1) Monitoring operations by conducting alcohol content and fill tests; and

(2) Employing procedures to correct variations in alcohol content and fill.

(c) Alcohol content and fill test records shall contain, at a minimum, the following information:

(1) Date and time of test;
(2) Bottling tank number;
(3) Serial number of bottling record;
(4) Bottling line designation;
(5) Size of bottle;
(6) Number of bottles tested;
(7) Labeled alcohol content;
(8) Alcohol content found by the test;
(9) Percentage of variation from 100 percent fill; and
(10) Corrective action taken, if any.

Sec. 201, Pub. L. 85–859, 72 Stat. 1395, as amended (26 U.S.C. 5555); Sec. 807(a), Pub. L. 96–39 (26 U.S.C. 5207).

Signed:
W.T. Drake,
Acting Director.
September 8, 1986.
Approved:
Francis A. Keating II,
Assistant Secretary (Enforcement).
September 26, 1986.
[FR Doc. 86–22969 Filed 10–9–86; 8:45 am]
BILLING CODE 4810–31–M

27 CFR Part 9

[T.D. ATF–240 Re: Notice No. 585]

North Fork of Long Island Viticultural Area

AGENCY: Bureau of Alcohol, Tobacco and Firearms (ATF), Treasury.

ACTION: Final rule; Treasury decision.

SUMMARY: This final rule establishes a viticultural area known as the North Fork of Long Island, located in Suffolk County in eastern Long Island, New York. The viticultural area includes all of the land areas in the Townships of Riverhead, Shelter Island and Southold. The petition was submitted by a group of Long Island grape growers and bonded winery owners located within the boundaries of the viticultural area. ATF feels that the establishment of viticultural areas and the subsequent use of viticultural area names as appellations of origin in wine labeling and advertising will help consumers identify the wines they may purchase. It will also allow wineries to better designate the specific grape-growing area where their wines come from.

EFFECTIVE DATE: November 10, 1986.

FOR FURTHER INFORMATION CONTACT: Edward A. Reisman, ATF Specialist, FAA, Wine and Beer Branch, Bureau of Alcohol, Tobacco and Firearms, Ariel Rios Federal Building, 1200 Pennsylvania Avenue, NW., Washington, DC 20226 (202–566–7626).

SUPPLEMENTARY INFORMATION:

Background

On August 23, 1978, ATF published Treasury Decision ATF–53 (43 FR 37672, 54624) revising regulations in 27 CFR Part 4. These regulations also allow the name and location of an approved viticultural area to be used as an appellation of origin on wine labels and in wine advertisements.

On October 2, 1979, ATF published Treasury Decision ATF–60 (44 FR 56692) which added a new Part 9 to 27 CFR, providing for the listing of approved American viticultural areas, the names of which may be used as appellations of origin.

Section 4.25a(e)(1) Title 27, CFR, defines an American viticultural area as a delimited grape-growing region distinguishable by geographical features, the boundaries of which have been delineated in Subpart C of Part 9.

Section 4.25a(e)(2), outlines the procedure for proposing an American viticultural area. Any interested person may petition ATF to establish a grape-growing region as a viticultural area. The petition should include—

(a) Evidence that the name of the proposed viticultural area is locally and/or nationally known as referring to the area specified in the petition;

(b) Historical or current evidence that the boundaries of the viticultural area are as specified in the petition;

(c) Evidence relating to the geographical characteristics (climate, soil, elevation, physical features, etc.) which distinguish the viticultural features of the proposed area from surrounding areas;

(d) A description of the specific boundaries of the viticultural area, based on features which can be found on United States Geological Survey (U.S.G.S.) maps of the largest applicable scale; and

(e) A copy of the appropriate U.S.G.S. maps with the boundaries prominently marked.

Petition

ATF was petitioned for the North Fork of Long Island viticultural area by the Long Island Grape Growers Association located in Riverhead, New York. Just across the bay (south) from the North Fork of Long Island viticultural area is The Hamptons, Long Island viticultural area. The area includes all of the land in the (South Fork) Townships of Southampton and East Hampton.

The North Fork of Long Island viticultural area consists of the Townships of Riverhead, Shelter Island and Southold (including all mainland and island areas). The total area of this viticultural area consists of 158.5 square miles or 101,440 acres of land. There are 5 bonded wineries operating within the viticultural area.

The basis for approval of this viticultural area was supported by the following evidence that was submitted by the petitioner:

Evidence of Name

The name North Fork is locally used to describe the land area on the North Shore of Long Island beginning at Riverhead Township and extending east for approximately 40 miles to Orient Point. This description is supported by many publications, businesses, and landmarks which use the name North Fork to distinguish this region from the rest of Long Island.

Evidence of Boundaries

The geographic area of the North Fork, although attached to a larger island, is a peninsula. This is due to the fact that three of its boundaries are surrounded by water; the Long Island Sound to the north, the Peconic Bay to the south, and the Atlantic Ocean to the east. The western boundary is the 6.5 mile long boundary, line separating Brookhaven and Riverhead Townships. The North Fork is 6 miles wide at its widest point and less than .5 mile wide at its narrowest point. The townships of Riverhead (78 square miles), Shelter Island (11.5 square miles) and Southold (69 square miles) make up the total area of the viticultural area. Shelter Island, although a separate land area from the mainland of Long Island, was included in the boundaries of the North Fork of Long Island viticultural area because of its immediate proximity to the mainland. Also, another reason for its inclusion in the viticultural area is because it is composed of soil associations and climate conditions similar to those on the North Fork of Long Island.

The boundaries of the "North Fork of Long Island" viticultural area may be found on five U.S.G.S. maps. Having verified the boundaries, ATF agrees that they meet the requirements for approval of the "North Fork of Long Island" as an American viticultural area.

Area History

The petitioner provided documentation that grape growing and limited wine production on the North Fork dates back to the settlement of the area. But more noteworthy, it was not until recent years that there have been commercial vineyards on the North Fork of Long Island, some of which are vinifera bearing. The total grape acreage on the North Fork is approximately 1000