Rules and Regulations

Federal Register
Vol. 51, No. 206
Friday, October 24, 1986

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 910

[Lemon Regulation 532, Lemon Regulation 531, Amdt. 1]

Lemons Grown in California and Arizona; Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This notice establishes the quantity of fresh California-Arizona lemons that may be shipped to market at 281,766 cartons during the period October 26 through November 1, 1986, and increases the quantity of lemons that may be shipped during the period October 19 through October 25, 1986, to 282,500 cartons. Such action is needed to balance the supply of fresh lemons with demand for such periods, due to the marketing situation confronting the lemon industry.

EFFECTIVE DATES: Regulation 532 (§ 910.832) is effective for the period October 26 through November 1, 1986, and the amendment (§ 910.831) is effective for the period October 19 through October 25, 1986.

FOR FURTHER INFORMATION CONTACT: Ronald L. Cioffi, Chief, Marketing Order Administration Branch, F&V, AMS, USDA, Washington, DC 20250, telephone: 202-447-5697.

SUPPLEMENTARY INFORMATION: This final rule has been reviewed under Executive Order 12291 and Secretary's Memorandum 1512-1 and has been determined to be a "non-major" rule under criteria contained therein.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Administrator of the Agricultural Marketing Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

The purpose of the RFA is to fit regulatory actions to the scale of business subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Agricultural Marketing Agreement Act, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statues have small entity orientation and compatibility.

This final rule is issued under Marketing Order No. 910, as amended (7 CFR Part 910) regulating the handling of lemons grown in California and Arizona. The order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). This action is based upon recommendations and information submitted by the Lemon Administrative Committee and upon their available information. It is hereby found that this action will tend to effectuate the declared policy of the Act.

This action is consistent with the marketing policy for 1986-87. The committee voted by telephone on October 20, 1986, and met publicly on October 21, 1986, at Los Angeles, California, to consider the current and prospective conditions of supply and demand and recommended a quantity of lemons deemed advisable to be handled during the specified weeks. The committee reports that lemon demand is good and the market remains active. The increase in the current week's allotment was recommended due to improvement in the lemon market which resulted in inadequate allotment to meet lemon demand.

It is further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rulemaking, or postpone the effective date until 30 days after publication in the **Federal Register** (5 U.S.C. 553), because of insufficient time between the date when information became available upon which this regulation and amendment are based and the effective date necessary to effectuate the declared purposes of the Act. Interested persons were given an opportunity to submit information and views on the regulation at an open meeting, and the amendment relieves restrictions on the handling of lemons. Handlers have been apprised of such provisions and the effective time.

List of Subjects in 7 CFR Part 910

Marketing agreements and orders, California, Arizona, Lemons.

PART 910—[AMENDED]

1. The authority citation for 7 CFR Part 910 continues to read as follows:

Authority: Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674.

2. Section 910.832 is added to read as follows:

§ 910.832 Lemon Regulation 532.

The quantity of lemons grown in California and Arizona which may be handled during the period October 26, 1986, through November 1, 1986, is established at 281,766 cartons.

3. Section 910.831 is revised to read as follows:

§ 910.831 Lemon Regulation 531.

The quantity of lemons grown in California and Arizona which may be handled during the period October 19, 1986, through October 25, 1986, is established at 282,500 cartons.

Dated: October 22, 1986.

William J. Doyle,

Associate Deputy Director Fruit and Vegetable Division Agricultural Marketing Service.

[FR Doc. 86-24222 Filed 10-23-86; 8:45 am]

BILLING CODE 3410-02-M

7 CFR Part 1205

Revised Rules for Collecting Cotton Research and Promotion Assessments

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule revises the Cotton Board Rules and Regulations governing collecting handlers and the collection of the supplemental assessment for the Cotton Research and Promotion Program. Under the revision, the Agricultural Stabilization and Conservation Service (ASCS) will deduct the supplemental assessment from loan deficiency payments made available with respect to cotton in

accordance with the Agricultural Act of 1949, as amended. This will assure that all cotton which is either placed under loan or which is the basis for a loan deficiency payment will be assessed on the same basis and prevent a decline in funding for the cotton research and promotion activities budgeted by the Cotton Board.

EFFECTIVE DATE: October 24, 1986.

FOR FURTHER INFORMATION CONTACT: Naomi Hacker, Chief, Research and Promotion, Cotton Division, AMS, USDA, Washington, DC 20250, (202) 447-2259.

SUPPLEMENTARY INFORMATION: This final rule has been reviewed in accordance with Executive Order 12291 and Departmental Regulation 1512-1 and has been determined not to be a "major rule" since it does not meet the criteria for a major regulatory action as stated in the Order.

The Administrator of AMS has determined that this action will not have a significant economic impact on a substantial number of small entities as defined by the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) because: (1) This action will assure that the research and promotion assessment will be levied equally on producers who (a) pledge cotton to the Commodity Credit Corporation (CCC) for a price support loan or (b) sell cotton on the open market and receive from CCC a loan deficiency payment; (2) contributions to the support of the cotton research and promotion program are voluntary since cotton producers are entitled to a complete refund of assessments collected; (3) the assessment does not affect the competitive position or market access of small entities in the cotton industry; and (4) the benefits of the cotton research and promotion program (stimulation of consumer demand for cotton, increased market share for cotton products) accrue to all U.S. cotton producers regardless of size or degrees of support for the program.

Background

The Cotton Research and Promotion Act of 1966 (7 U.S.C. 2101 *et seq.*) and the implementing Order provide for the operation and funding of a producer financed cotton research and promotion program designed to maintain and expand markets for U.S. cotton. The program is administered by a 20-member Cotton Board, appointed by the Secretary of Agriculture, which represents cotton producers in each cotton-producing state. The Cotton Board reviews research, advertising, sales, promotion and development projects and related budgets developed by the contracting organization established to carry out such projects (7 CFR 1205.328). The Board makes recommendations concerning these projects and budgets to the Secretary of Agriculture who has final budget approval authority.

A per-bale assessement is collected from the producer by the first handler of the cotton and transmitted to the Cotton Board to be used to finance research and promotion projects. Cotton producers are entitled to a full refund of assessments collected from them (7 CFR 1205.520). Initially, the Cotton Research and Promotion Act of 1966 (Act) authorized a flat $1 per bale assessment. On July 14, 1976, the Act was amended (7 U.S.C. 2106(e)) to authorize a supplemental assessment to be collected in addition to the existing levy of $1 per bale that was not to exceed one percent of the value of the cotton.

The Cotton Board Rules and Regulations were amended to implement a supplemental assessment of six-tenths of one percent of the value of cotton effective July 24, 1985 (50 FR 30131).

Assessment of Loan Deficiency Payments

Under the Agricultural Act of 1949, as amended (The "1949 Act"), cotton producers of the 1986 through 1990 crop of Upland cotton have the option of either: (1) Pledging cotton to the Commodity Credit Corporation (CCC) as security for a price support loan with the opportunity to repay the loan at a lower rate; or (2) foregoing the loan to sell their cotton on the open market and, instead of a loan, receiving from CCC a payment that is based upon the difference between the loan rate and the loan repayment rate. The payment is referred to as a loan deficiency payment.

In the previous Cotton Board Rules and Regulations, ASCS was designated a collecting handler of assessments on cotton tendered to CCC for a Form A loan (7 CFR 1205.513). The revised Rules and Regulations amend 1205.513 to authorize ASCS to also collect assessments on the loan deficiency payment.

Since a producer who elects to receive a loan deficiency payment will receive a return on the producer's cotton approximately equivalent to the loan level established for the crop of cotton, the supplemental assessment of six-tenths of one percent of the value of the cotton represented by the loan deficiency payment will be collected from each producer choosing this method of marketing the crop.

The ASCS County Office or a cooperative marketing association will be the collecting handler of the supplemental assessment on the value of the cotton represented by the loan deficiency payment at the time such payment is made available to the producer or the cooperative.

If the supplemental assessment were not deducted from the loan deficiency payment there would be, in effect, a difference in the total assessment collected with respect to cotton entered into the Form A loan program and cotton with respect to which a loan deficiency payment was made. The revised Rules and Regulations will assure that the assessment is applied equally since all participating producers will utilize either the Form A loan program or receive a loan deficiency payment and therefore will pay approximately the same assessment under either option.

In addition, the Cotton Board estimates that failure to collect the assessment on cotton would reduce research and promotion program funding by nearly $1 million. This revision will prevent such a serious disruption of funding for cotton research and promotion activities.

Proposed Rule

The revisions in the Cotton Board Rules and Regulations were published as a proposed rule in the August 22, 1986 **Federal Register** 51 FR 30069.

Comments

Comments on the proposed rule were solicited from interested parties until September 11, 1986. No comments were received.

Final Rule

After reviewing available information, the Department has determined that the Cotton Board rules and regulations be revised to provide for the collection of supplemental cotton research and promotion assessments on any loan deficiency payment made by CCC in accordance with the 1949 Act. The revisions in this final rule do not differ from the provisions in the proposed rule.

Pursuant to the provisions of 5 U.S.C. 553, good cause is found for making this rule effective less than 30 days after publication.

This rule will become effective on publication because the cotton harvest season is already underway and assessment collections have begun. Delay in implementation of the rule would result in continued differences in the level of supplemental assessments on cotton which is placed under loan or which is the basis for a loan deficiency payment. In addition, failure to promptly commence assessment collections on loan deficiency payments would result in loss of funds for cotton research and promotion activities.

A new definition of loan deficiency payments is added as paragraph (n) to the list of terms defined in § 1205.500. In addition, the definition of current value of cotton in § 1205.500 (d) is revised to reflect the inclusion of loan deficiency payments. Miscellaneous non-substantive changes are also made to the definition for clarity.

Section 1205.513, dealing with collecting handlers and the time of collection of the supplemental assessment, is amended by redesignating paragraphs (d) through (j) as paragraphs (e) through (k) respectively and inserting a new paragraph (d). The new paragraph (d) sets forth the methods of collecting the supplemental assessment on the value of the cotton represented by the loan deficiency payment and also identifies the collecting handler for such assessments.

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

List of subjects in 7 CFR Part 1205

Cotton, Administrative practice and procedure, Research and promotion, Cotton Board, Producer assessments, Producers refunds.

PART 1205—[AMENDED]

Accordingly, Part 1205 of Chapter II, Title 7 of the Code of Federal Regulations is amended as follows:

1. The authority citation for Part 1205 continues to read as follows:

Authority: Sec. 15, 80 Stat. 285, 7 U.S.C. 2114; Sec. 7, 80 Stat. 281, 7 U.S.C. 2106.

2. Section 1205.500 is amended by revising paragraph (d) and adding a new paragraph (n) to read as follows:

§ 1205.500 Terms defined.

* * * * *

(d) "Current value of Cotton" means the gross price per pound of lint cotton received by the producer for cotton as shown on the producers' settlement document before deductions are made for weight penalties, buyer's commission or brokerage fees, marketing fees, the $1 per bale cotton research and promotion assessment, picking charges, ginning charges, warehouse receiving charges, warehouse storage charges, transportation charges or any other charges, plus any amount received by a producer in the form of a loan deficiency payment with respect to such cotton.

* * * * *

(n) "Loan deficiency payment" means any payment on Upland cotton made by the Commodity Credit Corporation to a producer in accordance with 7 CFR § 713.55.

3. Section 1205.513 is amended by redesignating paragraphs (d) through (j) as paragraphs (e) through (k) respectively, and by adding a new paragraph (d) to read as follows:

§ 1205.513 Collecting handlers and time of collection of the supplemental assessment.

* * * * *

(d) With respect to any Upland cotton on which the producer or a cooperative marketing association acting on behalf of a producer receives a loan deficiency payment, the ASCS County Office or the cooperative marketing association shall be the collecting handler of the supplemental assessment on the value of the cotton represented by the loan deficiency payment at the time such payment is made to the producer or the cooperative marketing association. A copy of a document reflecting this transaction issued by the ASCS County Office or cooperative marketing association shall show the amount collected as the supplemental assessment and shall constitute the producer's receipt for payment of the supplemental assessment.

* * * * *

Dated: October 21, 1986.

William T. Manley,

Deputy Administrator, Marketing Programs.

[FR Doc. 86-24157 Filed 10-23-86; 8:45am]

BILLING CODE 3410-02-M

Food Safety and Inspection Service

9 CFR Parts 301, 312, 327 and 381

[Docket No. 85-001F]

Import Inspection; Requirements, Responsibilities and Procedures

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: On May 20, 1986, the Food Safety and Inspection Service (FSIS) published a proposed rule to amend certain provisions regarding inspection of imported meat and poultry products in the Federal meat inspection regulations and the poultry products inspection regulations to clarify import inspection procedures and to accommodate the recent transfer of import inspection management authority from FSIS' Meat and Poultry Inspection Operations to its International Programs. All proposed changes were administrative in nature or clarified procedures and entailed no changes in import inspection policies or procedures. FSIS received no comments in response to the proposed rule. Therefore, FSIS intends to adopt the proposal as published.

EFFECTIVE DATE: November 24, 1986.

FOR FURTHER INFORMATION CONTACT: Patricia Stolfa, Deputy Administrator, International Programs, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, DC 20250, (202) 447-3473.

SUPPLEMENTARY INFORMATION:

Executive Order 12291

The Administrator has determined in accordance with Executive Order 12291 that this final rule is not a "major rule." It will not result in an annual effect on the economy of $100 million or more. There will be no major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions, and it will not have a significant effect 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 rule would only make various administrative changes to the Federal meat and poultry products inspection regulations to reflect the transfer of import inspection management authority within the Agency and to clarify the import inspection procedures.

Effect on Small Entities

The Administrator 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 because the changes are only administrative in nature or to clarify procedures and entail no changes in import inspection policies or procedures.

Background

On May 20, 1986, FSIS published in the **Federal Register** (51 FR 18456), a proposed rule to amend the Federal meat and poultry products inspection regulations by making various administrative changes to reflect the transfer of import inspection management authority from FSIS' Meat and Poultry Inspection Operations to its International Programs. The proposal also provided for clarification of certain import inspection procedures, while making no substantive changes in current import inspection policies or procedures.

Under the provisions of the Federal Meat Inspection Act (21 U.S.C. 620) and the Poultry Products Inspection Act (21 U.S.C. 466), the Food Safety and Inspection Service is responsible for assuring that imported meat and poultry products imported into this country meet standards at least equal to those that are applied to domestic products. FSIS carries out its responsibility by conducting two activities: (1) The review of foreign inspection systems to evaluate and determine the "at least equal to" eligibility of countries wishing to export to the United States, and (2) import inspection of meat and poultry products to ensure they meet United States standards.

Until recently, FSIS' Meat and Poultry Inspection Operations carried out both domestic and import inspection activities. However, on February 28, 1985, the Department approved the transfer of import inspection activities from Meat and Poultry Inspection Operations (MPIO) to International Programs (IP), effective April 28, 1985.

This transfer of authority also involved the transfer of some personnel from MPIO to IP and necessitated the establishment of a field management structure with geographic responsibilities that are different from those used by MPIO. A new Import Inspection Division under IP is now responsible for the overall management of its field inspection program. To reflect the transfer of import inspection authority, various administrative changes are needed in Parts 301, 312, and 327 of the Federal meat inspection regulations and Part 381 of the poultry products inspection regulations. These changes will improve management communication, delineate clear lines of import inspection responsibility, provide new streamlined provisions for appeals from inspector decisions, and will provide for more consistent and clear import inspection procedures.

The clarifying changes to the Federal meat inspection regulations and poultry products inspection regulations are as follows:

1. Providing new definitions to be included in §§ 301.2 and 381.1 for:

—Import field office, including areas of authority
—Import supervisor

2. Adding an "appeals" section to the Federal meat import inspection regulations, similar to the "appeals" section in 9 CFR 306.5, and a new paragraph to the poultry products import inspection regulations, similar to the "appeals" section in 9 CFR 381.35, to delineate a clear route for appeals from decisions made by import inspectors.

3. Replacing the term import "facility" with import "establishment" wherever it appears.

4. Replacing all references to inspector-in-charge, area supervisor, regional director, and regional office with the new organizational terms—import supervisor and import field office.

5. Transferring § 312.5(b)—Official Seals for Transportation of (Imported) Products—to Part 327. Delete current cross-reference.

6. Adding a new paragraph for "Official Seals" to Part 381. Delete cross-reference.

7. Transferring §§ 312.7 and 381.102—Official Import Inspection Marks and Devices—to Part 327 and § 381.204 respectively. Delete current cross-references. Add new paragraph (e) to new § 327.26 to refer to § 317.3(c) of the Federal meat inspection regulations.

8. Adding a "denaturing" section to Part 327, similar to 9 CFR 325.13. Delete cross-reference to Part 327. Adding a "denaturing" paragraph to § 381.202, similar to 9 CFR 381.95.

9. Deleting a reference in § 327.6(m) to a nonexistent paragraph (n).

Comments on the Proposed Rule

FSIS did not receive any comments in response to the proposed rule. Therefore, FSIS is adopting the proposal as published.

Accordingly, Parts 301, 312, and 327 of the Federal meat inspection regulations and Part 381 of the poultry products inspection regulations are amended as set forth below:

Final Rule

List of Subjects

9 CFR Part 301

Meat inspection, Definitions.

9 CFR Part 312

Official inspection marks and devices, Meat inspection.

9 CFR Part 327

Imported products, Imports, Meat inspection.

9 CFR Part 381

Poultry products inspection; Imported products, Poultry and poultry products.

PART 301—[AMENDED]

1. The authority citation for Part 301 (9 CFR Part 301) is added to the table of contents 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.*

2. Section 301.2 (9 CFR 301.2) is amended by adding paragraphs (yyy) and (zzz) to read as follows:

§ 301.2 Definitions.

* * * * *

(yyy) Import Field Office (IFO). The office of the supervisor or import inspection activities for a particular importing field area. The areas are as follows:

IFO #1. Boston, MA—Covering the States of Massachusetts, New York (excluding New York City), Connecticut, Rhode Island, Vermont, New Hampshire and Maine.

IFO #2. New York, NY—Covering the areas of New York City and northern New Jersey.

IFO #3. Philadelphia, PA—Covering the State of Pennsylvania and the area of southern New Jersey.

IFO #4. Baltimore, MD—Covering the States of Maryland, Delaware, West Virginia, Virginia and Kentucky.

IFO #5. Charleston, SC—Covering the States of Tennessee, North Carolina, South Carolina, Georgia and Florida (excluding south Florida).

IFO #6. Miami, FL—Covering the areas of southern Florida, Puerto Rico and the Virgin Islands.

IFO #7. New Orleans, LA—Covering the States of Louisiana, Mississippi, Alabama, Arkansas, Texas, Oklahoma, Kansas, New Mexico and Colorado.

IFO #8. San Pedro, CA—Covering the States of Hawaii, Arizona, Utah, Nevada, the area of southern California, American Samoa, Guam, and the Northern Marianas.

IFO #9. Tacoma, WA—Covering the States of Washington, Oregon, Idaho, Montana, Wyoming, North Dakota, South Dakota, Alaska, and Nebraska, and the area of northern California.

IFO #10. Detroit, MI—Covering the States of Michigan, Wisconsin, Minnesota, Iowa, Missouri, Illinois, Indiana and Ohio.

(zzz) Import Supervisor. The official in charge of import inspection activities within each of the import field offices.

PART 312—[AMENDED]

3. The authority citation for Part 312 is revised 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.*

§ 312.7 [Removed]

4. Section 312.7 (9 CFR 312.7) is removed and reserved for future use, and the information is transferred to Part 327.

§ 312.5 [Amended]

5. Paragraph (b) of § 312.5 (9 CFR 312.5) is removed. The information is transferred to § 327.22 (9 CFR 327.22) and the remaining paragraph (a) designation is removed.

PART 327—[AMENDED]

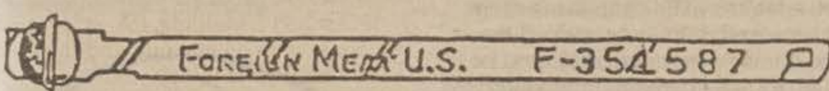
6. The authority citation for Part 327 (9 CFR Part 327) is revised to read as follows:

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

7. Section 327.22 (9 CFR 327.22) is revised to read as follows:

§ 327.22 Official seals for transportation of products.

The official mark for use in sealing cars, trucks, other means of conveyance, or containers in which any imported product is conveyed shall be the inscription and a serial number hereinafter shown below [1], and the import meat seal approved by the Administrator for applying such mark shall be an official device for purposes of the Act. Such device shall be attached to the means of conveyance only by a Program employee, or a Customs officer or his designee, and he/she shall also affix thereto a "Warning Tag" (Form MP-408-3).



§ 327.6 [Amended]

8. Paragraph (m) of § 327.6 (9 CFR 327.6) is amended by removing the words "paragraphs (l) and (n)" and replacing them with the words "paragraph (l)."

9. Paragraphs (c), (d) and (f) of § 327.6 (9 CFR 327.6) are amended by removing the words "facility" and "facilities" and inserting, in their place, the words "establishment" and "establishments, respectively," wherever they appear.

10. Paragraph (e) of § 327.6 (9 CFR 327.6) is revised to read as follows:

§ 327.6 Products for importation; program inspection, time and place; application for approval of facilities as official import inspection establishment; refusal or withdrawal of approval; official numbers.

* * * * *

(e) Owners or operators of establishments at which import inspections of product are to be made shall furnish adequate sanitary facilities and equipment for examination of such product. The requirements of §§ 304.2(e), 307.1, 307.2 (b), (d), (f), (h), (k), and (l) and 308.3, 308.4, 308.5, 308.6, 308.7, 308.8, 308.9, 308.11, 308.13, 308.14, and 308.15 of this subchapter shall apply as conditions for approval of establishments as official import inspection establishments to the same extent and in the same manner as they apply with respect to official establishments.

* * * * *

11. Paragraph (a) of § 327.5 (9 CFR 327.5) is revised to read as follows:

§ 327.5 Importer to make application for inspection of products for importation; information required.

(a) Each importer shall apply for inspection of any product for 54 importation by contacting the import field office covering the location where import inspection will take place. The import field office will provide specific application instructions. (See § 301.2 (yyy)).

* * * * *

§ 327.7 [Amended]

12. Paragraph (a)(1) of § 327.7 (9 CFR 327.7) is amended by removing the words "area supervisor" and inserting, in their place, the words "import supervisor."

13. Paragraph (a)(2) of § 327.7 (9 CFR 327.7) is amended by removing the term "§ 312.5(b)" and inserting, in its place, the term "§ 327.22"; and by removing the words "officer in charge" in inserting, in their place, the word "inspector."

§ 327.10 [Amended]

14. Paragraph (b) of § 327.10 (9 CFR 327.10) is amended by removing the term "§ 312.7" and inserting, in its place, the term "§ 327.26."

§ 327.11 [Amended]

15. Section 327.11 (9 CFR 327.11) is amended by removing the words "inspectors in charge" and inserting, in their place, the words "the inspectors."

§ 327.14 [Amended]

16. Paragraph (c) of § 327.14 (9 CFR 327.14) is amended by removing the phrase "Labels and Packaging Staff, Meat and Poultry Inspection" and inserting, in its place, the phrase "Standards and Labeling Division, Meat and Poultry Inspection Technical Services" and by removing the words "inspector in charge" in inserting, in their place, the word "inspector."

§ 327.15 [Amended]

17. Paragraph (c) of § 327.15 (9 CFR 327.15) is amended by removing the term "§ 312.7" and inserting, in its place, the term "§ 327.26."

§ 327.17 [Amended]

18. Section 327.17 (9 CFR 327.17) is amended by removing the words "Meat and Poultry Inspection Field Operations" and inserting, in their place, the words "International Programs."

§ 327.20 [Amended]

19. Section 327.20 (9 CFR 327.20) is amended by removing the phrase "§ 325.13 of this subchapter" and inserting, in its place, the phrase "§ 327.25 of this Part."

20. Part 327 (9 CFR Part 327) is amended by adding a new § 327.24 (9 CFR 327.24) to read as follows:

§ 327.24 Appeals; how made.

Any appeal from a decision of any program employee shall be made to his/her immediate supervisor having jurisdiction over the subject matter of the appeal, except as otherwise provided in the applicable rules of practice. Denial of a labeling application by the inspector shall not constitute a basis for an appeal under this section.

21. Part 327 (9 CFR Part 327) is amended by adding a new § 327.25 (9 CFR 327.25) to read as follows:

§ 327.25 Disposition procedures for product condemned or ordered destroyed under import inspection.

(a) Carcasses, parts thereof, meat and meat food products (other than rendered animal fats) that have been treated in accordance with the provisions of this section shall be considered denatured for the purposes of the regulations in this part, except as otherwise provided in Part 314 of this subchapter for articles condemned at official establishments or at official import inspection establishments.

(1) The following agents are prescribed for denaturing carcasses, parts thereof, meat or meat food

[1] The term "F-351587" is given as an example only. The serial number of the specific seal will be shown in lieu thereof.

products which are affected with any condition that would result in their condemnation and disposal under Part 314 of this subchapter if they were at an official establishment or at an official import inspection establishment: Crude carbolic acid; cresylic disinfectant; a formula consisting of 1 part FD&C green No. 3 coloring, 40 parts water, 40 parts liquid detergent, and 40 parts oil of citronella, or other proprietary substance approved by the Administrator in specific cases.[1]

(2) Meat may be denatured by dipping it in a solution of 0.0625 percent tannic acid, followed by immersion in a water bath, then dipping it in a solution of 0.0625 percent ferric acid; and except as provided in paragraphs (3) and (5) of this section, the following agents are prescribed for denaturing other carcasses, parts thereof, meat and meat food products, for which denaturing is required by this part: FD&C green No. 3 coloring; FD&C blue No. 1 coloring; FD&C blue No. 2 coloring; finely powdered charcoal; or other proprietary substance approved by the Administrator in specific cases.[1] Carcasses (other than viscera), parts thereof, cuts of meat, and unground pieces of meat darkened by charcoal or other black dyes shall be deemed to be denatured pursuant to this section only if they contain at least that degree of darkness depicted by diagram 1 of the Meat Denaturing Guide (MP Form 91).[2]

(3) Tripe may be denatured by dipping it in a 6 percent solution of tannic acid for 1 minute followed by immersion in a water bath, then immersing it for 1 minute in a solution of 0.022 percent FD&C yellow No. 5 coloring.

(4) When meat, meat byproducts, or meat food products are in ground form, 4 percent by weight of coarsely ground hard done, which shall be in pieces no smaller than the opening size specified for No. 5 mesh in the standards issued by the U.S. Bureau of Standards or 6 percent by weight of coarsely ground hard bone, which shall be in pieces no smaller than the opening size specified for No. 8 mesh in said Standards, uniformly incorporated with the product, may be used in lieu of the agents prescribed in paragraph (a)(2) of this section.

(5) Before the denaturing agents are applied to articles in pieces more than 4 inches in diameter, the pieces shall be freely slashed or sectioned. (If the articles are in pieces not more than 4 inches in diameter, slashing or sectioning will not be necessary.) The application of any of the denaturing agents listed in paragraph (a) (1) or (2) of this section to the outer surface of molds or blocks or boneless meat, meat by-products, or meat food products shall not be adequate. The denaturing agent must be mixed intimately with all the material to be denatured, and must be applied in such quantity and manner that it cannot easily and readily be removed by washing or soaking. A sufficient amount of the appropriate agent shall be used to give the material a distinctive color, odor, or taste so that such material cannot be confused with an article of human food.

(b) Inedible rendered animal fats shall be denatured by thoroughly mixing therein denaturing oil, No. 2 fuel oil, brucine dissolved in a mixture of alcohol and pine oil or oil of rosemary, finely powdered charcoal, or any proprietary denaturing agent approved for the purpose by the Administrator in specific cases. The charcoal shall be used in no less quantity than 100 parts per million and shall be of such character that it will remain suspended indefinitely in the liquid fat. Sufficient of the chosen identifying agents shall be used to give the rendered fat so distinctive a color, odor, or taste that it cannot be confused with an article of human food.

21a. Section 327.26 is redesignated from § 312.7 and revised to read as follows:

§ 327.26 Official import inspection marks and devices.

(a) When import inspections are performed in official import inspection establishments, the official inspection legend to be applied to imported meat and meat food products shall be in the appropriate form [1] as herein specified.

For application to cattle, sheep, swine, and goat carcasses, primal parts, and cuts, not in containers.

For application to outside containers of meat and meat food products prepared from cattle, sheep, swine, and goats.

For application to horse carcasses, primal parts, and cuts, not in containers.

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[1] Information as to approval of any proprietary denaturing substance may be obtained from the Meat and Poultry Inspection Technical Services, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, DC 20250.

[2] Copies of MP Form 91 may be obtained, without charge, by writing to the Administrative Operations Branch, Food Safety and Inspection Service, U.S. Department of Agriculture, 123 East Grant Street, Minneapolis, Minnesota 55403. Diagrams 2 and 3 of the Meat Denaturing Guide are for comparison purposes only. The Meat Denaturing Guide has been approved for incorporation by reference by the Director, Office of the Federal Register, and is on file at the Federal Register Library.

[1] The number "I-38" is given as an example only. The establishment number of the official import inspecton establishment where the imported product is inspected shall be used in lieu thereof.

For application to outside containers of horsemeat food products.

For application to mule and other (nonhorse) equine carcasses, primal parts, and cuts, not in containers.

For application to outside containers of equine meat food products.

(b) When import inspections are performed in official establishments, the official inspection legend to be applied to imported meat and meat food products shall be the appropriate form as specified in §§ 312.2 and 312.3 of this subchapter.

(c) When products are refused entry into the United States, the official mark to be applied to the products refused entry shall be in the following form:

UNITED STATES REFUSED ENTRY

(d) Devices for applying "United States Refused Entry" marks shall be furnished to Program inspectors by the Department.

(e) The ordering and manufacture of brands containing official inspection legends shall be in accordance with the provisions contained in § 317.3(c) of the Federal meat inspection regulations.

PART 381—[AMENDED]

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

Authority: 71 Stat. 441, 82 Stat. 791, as amended, (21 U.S.C. 450 *et seq.*), 76 Stat. 663 (7 U.S.C. 451 *et seq.*), unless otherwise noted.

23. Section 381.1 (9 CFR 381.1) is amended by adding paragraphs (b) (61) and (62) to read as follows:

§ 381.1 Definitions.

* * * * *

(61) Import Field Office (IFO). The office of the supervisor of import inspection activities for a particular importing field area. The areas are as follows:

IFO #1. Boston, MA—Covering the States of Massachusetts, New York (excluding New York City), Connecticut, Rhode Island, Vermont, New Hampshire, and Maine.

IFO #2. New York, NY—Covering the areas of New York City and northern New Jersey.

IFO #3. Philadelphia, PA—Covering the State of Pennsylvania and the area of southern New Jersey.

IFO #4. Baltimore, MD—Covering the States of Maryland, Delaware, West Virginia, Virginia and Kentucky.

IFO #5. Charleston, SC—Covering the States of Tennessee, North Carolina, South Carolina, Georgia, and Florida (excluding south Florida).

IFO #6. Miami, FL—Covering the areas of southern Florida, Puerto Rico and the Virgin Islands.

IFO #7. New Orleans, LA—Covering the States of Louisiana, Mississippi, Alabama, Arkansas, Texas, Oklahoma, Kansas, New Mexico and Colorado.

IFO #8. San Pedro, CA—Covering the States of Hawaii, Arizona, Utah, Nevada, the area of southern California, American Samoa, Guam, and the Northern Marianas.

IFO #9. Tacoma, WA—Covering the States of Washington, Oregon, Idaho, Montana, Wyoming, North Dakota, South Dakota, Alaska, and Nebraska, and the area of northern California.

IFO #10. Detroit, MI—Covering the States of Michigan, Wisconsin, Minnesota, Iowa, Missouri, Illinois, Indiana and Ohio.

(62) Import Supervisor. The official in charge of import inspection activities within each of the import field offices.

24. Section 381.202 (9 CFR 381.202) is amended by revising the section heading and adding new paragraphs (d) and (e) to read as follows:

§ 381.202 Poultry products offered for entry; reporting of findings to customs; handling of articles refused entry; appeals, how made; denaturing procedures.

* * * * *

(d) Any person receiving inspection service may, if dissatisfied with any decision of an inspector relating to any inspection, file an appeal from such decision: *Provided,* That such appeal is filed within 48 hours from the time the decision was made. Any such appeal from a decision of an inspector shall be made to his/her immediate supervisor having jurisdiction over the subject matter of the appeal, and such supervisor shall determine whether the inspector's decision was correct. Review of such appeal determination, when requested, shall be made by the immediate supervisor of the employee of the Department making the appeal determination. The cost of any such appeal shall be borne by the appellant if the Administrator determines that the appeal is frivolous. The charges for such frivolous appeal shall be at the rate of $9.28 per hour for the time required to make the appeal inspection. The poultry or poultry products involved in any appeal shall be identified by U.S. retained tags and segregated in a manner approved by the inspector pending completion of an appeal inspection: *Provided, further,* That denial of a labeling application by the inspector shall not constitute a basis for an appeal under this section. This is similar to the procedure outlined in 9 CFR 381.35.

(e) All condemned carcasses, or condemned parts of carcasses, or other condemned poultry products, except those condemned for biological residues, shall be disposed of by one of the following methods, under the supervision of an inspector of the Inspection Service. (Facilities and materials for carrying out the requirements in this section shall be furnished by the official establishments.)

(1) Steam treatment (which shall be accomplished by processing the condemned product in a pressure tank under at least 40 pounds of steam pressure) or thorough cooking in a kettle or vat, a sufficient time to effectively destroy the product for human food purposes and preclude dissemination of disease through consumption by animals. (Tanks and equipment used for this purpose or for rendering or preparing inedible products shall be in rooms or compartments separate from those used for the preparation of edible products. There shall be no direct connection by means of pipes, or otherwise, between tanks containing inedible products and those containing edible products.)

(2) Incineration or complete destruction by burning.

(3) Chemical denaturing, which shall be accomplished by the liberal application to all carcasses and parts thereof, of:

(i) Crude carbolic acid,

(ii) Kerosene, fuel oil, or used crankcase oil, or

(iii) Any phenolic disinfectant conforming to commercial standards CS 70–41 or CS 71–41 which shall be used in at least 2 percent emulsion or solution.

(4) Any other substances or method that the Administrator approves in specific cases, which will denature the poultry product to the extent necessary to accomplish the purposes of this section.

(5) Carcasses and parts of carcasses condemned for biological residue shall be disposed of in accordance with paragraph (2) of this section or by burying under the supervision of an inspector.

§ 381.198 [Amended]

25. Section 381.198 (9 CFR 381.198) is amended by removing the words "inspector in charge" and inserting, in their place, the words "import supervisor;" and by removing the words "import inspection office" and inserting, in their place, the words "import field office."

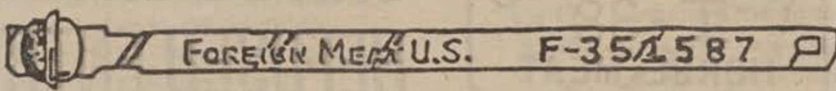
26. Paragraph (c) of § 381.200 (9 CFR 381.200) is amended by removing the term "§ 381.98" and inserting, in its place, the term "paragraph (h) of this section."

27. Section 381.200 (9 CFR 381.200) is amended by revising the section heading and adding a new paragraph (h) to read as follows:

§ 381.200 Imported poultry products, retention in customs custody; delivery under bond; movement prior to inspection; sealing; handling; facilities and assistance; official seal.

* * * * *

(h) The official mark for use in sealing means of conveyance used in



transporting poultry products under any requirement in this part shall be the inscription and a serial number as shown below,[1] and any seals approved by the Administrator for applying such mark shall be an official device.

28. Section 381.204 (9 CFR 381.204) is revised to read as follows:

§ 381.204 Marking of poultry products offered for entry; official import inspection marks and devices.

(a) Poultry products which upon inspection are found to be acceptable for entry into the United States shall be marked with the official inspection legend shown in paragraph (b) of this section. Such inspection legend shall be placed upon such products only after completion of official import inspection and product acceptance.

(b) The official mark for marking poultry products offered for entry as "U.S. inspected and passed" shall be in the following form, and any device approved by the Administrator for applying such mark shall be an official device.[2]

FIGURE 1

(c) When products are refused entry into the United States, the official mark to be applied to the products refused entry shall be in the following form:

UNITED STATES
REFUSED ENTRY

FIGURE 2

(d) The import warning notice prescribed in § 381.200(c) is an official mark.

(e) The ordering and manufacture of brands shall be in accordance with the provisions contained in § 317.3(c) of the Federal meat inspection regulations.

§ 381.102 [Removed and Reserved]

29. Section 381.102 (9 CFR 381.102) is removed and reserved for future use.

Done at Washington, DC on: October 21, 1986.

Donald L. Houston,

Administrator, Food Safety and Inspection Service.

[FR Doc. 86–24060 Filed 10–23–86; 8:45 am]

BILLING CODE 3410-DM-M

[1] The term "F-351587" is given as an example only. The serial number of the specific seal will be shown in lieu thereof.

[2] The number "I-42" is given as an example only. The establishment number of the official establishment or official import inspection establishment where the product was inspected shall be shown on each stamp impression.