

# Rules and Regulations

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## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 925

#### Grapes Grown in a Designated Area of Southeastern California—Additional; Packing Holiday for the 1987 Season Only

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Final rule.

**SUMMARY:** This final rule suspends the Independence Day packing holiday for handlers of California desert grapes currently scheduled for Friday, July 3, 1987, and substitutes therefore Monday, July 6, 1987. This modification will apply to the 1987 season only. This action is necessary in order to counter slow table grape sales activity during the week following the Independence Day holiday. It was recommended by the California Desert Grape Administrative Committee, which works with the Department in administering the Federal Marketing Order No. 925 for California desert grapes.

**EFFECTIVE DATE:** July 1, 1987.

**FOR FURTHER INFORMATION CONTACT:** James M. Scanlon, Acting Chief, Marketing Order Administration Branch, F&V, AMS, USDA, Washington, DC 20250-1400, telephone (202) 475-3914.

**SUPPLEMENTARY INFORMATION:** This final rule has been reviewed under Departmental Regulation 1512-1 and Executive Order 12291 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 of 1937, as amended (the Act, 7 U.S.C. 601-674), and rules promulgated thereunder, are unique in that they are brought about through the group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

Grapes grown in the production area are marketed in the major market areas of the United States. Shipments of California desert grapes totaled 8,189,994 million lugs (22 pounds equivalent) in 1986. This is compared to 7,491,364 million lugs in 1985 and the three year (1983-1985) average of 6,899,377 million lugs. Since 1982, bearing acreage of California desert grapes has increased moderately. Bearing acreage was reported at 18,073 acres in 1986, slightly more than the 15,994 acres in 1985.

There are approximately 22 handlers of California desert grapes subject to regulation under the marketing order handling regulation. There are approximately 88 growers of desert grapes in the production area. Small agricultural producers have been defined by the Small Business Administration (13 CFR 121.2) as those having annual gross revenues for the last three years of less than \$100,000, and agricultural service firms are defined as those whose gross annual receipts are less than \$3,500,000. The majority of handlers and producers of table grapes may be classified as small entities.

The regulatory action in this instance is a final rule which suspends the Friday, July 3, 1987, Independence Day packing holiday and substitutes therefor Monday, July 6, as the packing holiday for handlers of California desert grapes. This change will apply to the 1987 season only. This action was recommended by the California Desert Grape Administrative Committee at a public meeting on November 20, 1986. California Desert Grape Regulation 6 (§ 925.304; 52 FR 8865) prohibits handlers from packing grapes on Saturdays, Sundays, Memorial Day, and Independence Day. The purpose of these

packing holidays is to promote market stability by avoiding an oversupply of grapes in marketing channels. Section 925.304(e) authorizes the committee to modify or suspend these holidays.

Notice of this change was published in the June 10, 1987, issue of the **Federal Register** (52 FR 21960, 24090), affording interested persons 10 days in which to submit written comments. None were submitted.

Under the current handling regulation, the officially observed Independence Day packing holiday this season is Friday, July 3. Due in part to this holiday, most wholesale and terminal markets will be closed on Friday, July 3. The Los Angeles Wholesale Terminal Market, which receives a substantial percentage of grapes shipped out of Coachella Valley, will be closed on both July 3 and Monday, July 6. This action is necessary in order to counter slow table grape sales activity during the week after Independence Day and recognize market closings in observance of the Independence Day holiday.

No action is necessary for table grape imports under section 608e-1 of the Act. A change in the import regulation (7 CFR 944.503) is applicable when there is a change in the grade, size, quality, and maturity of a domestically produced commodity. Therefore, since packing holiday regulations are not included in the requirements of § 8e, no change is necessary to the applicable import regulations.

It is hereby found that suspending the Independence Day packing holiday for Friday, July 3, 1987, and substituting therefor Monday, July 6, will tend to effectuate the declared policy of the Act.

It is hereby further found that good cause exists for not postponing the effective date of this action until 30 days after publication in the **Federal Register** (5 U.S.C. 553) in that the Independence Day holiday for 1987 will occur shortly, and this rule should become effective as soon as possible.

#### List of Subjects in 7 CFR Part 925

Marketing agreements and orders, Grapes, California.

For the reasons set forth in the preamble, Part 925 is amended as follows:

**PART 925—GRAPES GROWN IN A DESIGNATED AREA OF SOUTHEASTERN CALIFORNIA**

1. The authority citation for 7 CFR Part 925 continues to read as follows:

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

2. Section 925.304, introductory text, is revised as follows:

**§ 925.304 California desert grape regulation 6.**

During the period April 20 through August 15 each year, no person shall pack or repack any variety of grapes except Emperor, Almeria, Calmeria, and Ribier varieties on any Saturday, Sunday, Memorial Day, or the observed Independence Day holiday, unless approved in accordance with paragraph (e) of this section, nor handle any variety of grapes except Emperor, Calmeria, Almeria, and Ribier varieties, unless such grapes meet the requirements specified in this section: *Provided*, That for the 1987 season, July 6, 1987, shall be substituted for July 3, 1987, as the Independence Day packing holiday.

\* \* \* \* \*

Dated: June 26, 1987.

William J. Doyle,

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

[FR Doc. 87-14952 Filed 6-30-87; 8:45 am]

BILLING CODE 3410-02-M

**DEPARTMENT OF THE TREASURY**

**Customs Service**

**19 CFR Parts 10, 141, 148, 152 and 177**  
[T.D. 87-89]

**Customs Regulations Amendments Regarding Valuation of Imported Merchandise**

**AGENCY:** U.S. Customs Service, Treasury.

**ACTION:** Final rule.

**SUMMARY:** This document amends the Customs Regulations relating to the valuation of imported merchandise. The Trade Agreements Act of 1979, provided a new system of customs valuation based on transaction value. However, the old system of valuation was to continue to apply to merchandise exported to the U.S. before the effective date of the new law. The new law became effective on or after July 1, 1980, for most goods exported to the U.S., and on or after July 1, 1981, for all goods. Implementing the new valuation system required that the Customs Regulations

be modified. Accordingly, T.D. 81-7 amended the regulations by adding new sections setting forth the new valuation system. However, T.D. 81-7 did not amend or delete certain sections explaining the old system so that reference could be made to them for entries which were made before the new valuation system became effective and were not yet liquidated pending the resolution of various legal issues. As the number of these entries has dwindled, Customs believes that it is now appropriate to amend the regulations to remove references to the old valuation system.

**EFFECTIVE DATE:** July 31, 1987.

**FOR FURTHER INFORMATION CONTACT:** Elena Giacometti Kennedy, Classification and Value Division, (202-566-2938).

**SUPPLEMENTARY INFORMATION:**

**Background**

Classification and valuation are the two most important factors affecting the amount of duty assessed on imported merchandise. Classification and valuation must be provided by commercial importers when an entry is filed. Customs officers at ports of entry review the classification and valuation submitted by commercial importers, as well as other required import information, to verify that the submissions are correct for the imported merchandise they describe.

Before July 1, 1980 (or July 1, 1981, in the case of certain rubber footwear), imported merchandise was valued pursuant to sections 402 and 402a, Tariff Act of 1930, as amended (19 U.S.C. 1401a, 1402). However, Title II of the Trade Agreements Act of 1979 (Pub. L. 96-39) (TAA), significantly changed the laws administered by Customs relating to the valuation of imported merchandise.

The TAA incorporated into U.S. law the trade agreements negotiated by the U.S. in the Tokyo Round of Multilateral Trade Negotiations. Title II of the TAA, "Customs Valuation", implements the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (the Agreement). A supplementary agreement on customs valuation which eliminated one of the tests under the Agreement and Title II was passed as Pub. L. 96-490 on December 2, 1980.

Subsequently, by T.D. 81-7, published in the *Federal Register* on January 12, 1981 (46 FR 2597), Customs issued regulations to administer the new statutory valuation system. These regulations are set forth in Subpart E, Part 152, §§ 152.100-152.108, Customs

Regulations (19 CFR 152.100-152.108). Pursuant to Presidential Proclamation 4768 (June 28, 1980), the effective date of these "new value" regulations for all merchandise, except certain rubber footwear, was July 1, 1980. The regulation became effective for the rubber footwear on July 1, 1981.

The TAA repealed 19 U.S.C. 1402 and amended 19 U.S.C. 1401a. However, the "old value law" was applicable to merchandise exported to the U.S. before the effective date. Accordingly, while T.D. 81-7 amended the regulations by adding new sections setting forth the new valuation system, it did not amend or delete certain sections explaining the old system so that reference could be made to them for entries made before the new valuation system became effective. Until recently, the number of entries made before the new valuation system became effective which were unliquidated pending the resolution of various legal issues was sufficient to maintain the old regulations. As the number of outstanding unliquidated entries made prior to the new law has dwindled, Customs believes that it is now appropriate to amend the value regulations to remove references to the old valuation system. It should be noted, however, that any unliquidated entries made prior to the new law which are still outstanding will still be valued according to the old system.

**Discussion of Amendments**

In this document Customs is amending sections of Parts 10, 141, 148, 152 and 177, Customs Regulations (19 CFR Parts 10, 141, 148, 152, and 177). Section 10.18 (19 CFR 10.18), is amended by stating that the full value of assembled articles imported under item 807.00, Tariff Schedules of the U.S. (TSUS) (19 U.S.C. 1202), is to be determined in accordance with 19 CFR 152.100 *et seq.*, the regulations detailing the new valuation law. Sections 10.19 and 10.20 (19 CFR 10.19, 10.20), are deleted as the concepts discussed in these sections relate to the old value law.

The TAA requires that the primary basis for valuing all imported merchandise is transaction value, *i.e.*, the price actually paid or payable for the goods. Accordingly, under the TAA in most instances, it is irrelevant that a purchaser of goods may have obtained them at retail or wholesale. In view of this, the references to retail sales in § 148.13(d) (1) and (2) (19 CFR 148(d) (1) and (2)), are deleted.

The statutory language covering many of the personal exemptions mentions in Part 148, Customs Regulations (19 CFR Part 148), refers to "Fair retail value" or

"fair market value" despite the new laws' definition of transaction value. Items 813.30, 183.31, 869.00, and 869.10, TSUS (19 U.S.C. 1202), use the above-mentioned terms. Because of this, references in Part 148 to these terms are not being changed. Further, because of the use of the language "fair retail value" and "fair market value", a definition of these terms is included in § 152.1(d), Customs Regulations (19 CFR 152.1(d)). Both terms are defined as the price actually paid or payable for all imported merchandise, or if not purchased, the value as otherwise ascertained under 19 CFR 152.100 *et seq.*

Other changes made by this document are removing the references to the repealed statute, 19 U.S.C. 1402 (section 402(a), Tariff Act of 1930, as amended), in § 141.88, § 148.24, § 148.101, § 152.1(c), § 152.23, and § 177.9, Customs Regulations (19 CFR 141.88, 148.24, 148.101, 152.1(c), 152.23 and 177.9); and deleting §§ 152.1(a), 152.1(b), 152.20 through 152.22, 152.24, Customs Regulations (19 CFR 152.1(a), 152.1(b), 152.20-152.22, 152.24), as well as Subpart D, Part 152, Customs Regulations (19 CFR Part 152 Subpart D), because they relate to the old law.

#### Inapplicability of Notice and Delayed Effective Date Requirements

All merchandise exported to the U.S. on or after July 1, 1981, has been subject to the statutory valuation system established by the TAA. Because these amendments merely implement this statutory change and neither impose any additional burdens on, or take away any existing rights or privileges from, the public, it has been determined that pursuant to 5 U.S.C. 553(b)(3), notice is not required. For the same reasons, Customs has determined that good cause exists for dispensing with a delayed effective date pursuant to 5 U.S.C. 553(d)(3).

#### Executive Order 12291

This amendment does not meet the criteria for a "major rule" as defined by section 1(b) of E.O. 12291. Accordingly, no regulatory impact analysis has been prepared.

#### Regulatory Flexibility Act

It is certified that the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), are not applicable to these amendments because the rule will not have a significant economic impact on a substantial number of small entities. Any economic impact would be attributable to the actions of Congress and not Customs.

#### Paperwork Reduction Act

No new recordkeeping or data collection burdens are imposed upon the public as a result of this amendment. Accordingly, it is not subject to the Paperwork Reduction Act of 1980, Pub. L. 96-511.

#### Drafting Information

The principal author of this document was Harold M. Singer, Regulations Control Branch, U.S. Customs Service. However, personnel from other offices participated in its development.

#### List of Subjects

##### 19 CFR Part 10

Customs duties and inspection, Imports, Exports.

##### 19 CFR Part 141

Customs duties and inspection, Explosives, Imports, Lawyers.

##### 19 CFR Part 148

Customs duties and inspection, Imports.

##### 19 CFR Part 152

Customs duties and inspection, Imports, Valuation.

##### 19 CFR Part 177

Administrative practice and procedure, Customs duties and inspection, Imports.

#### Amendments to the Regulations

Parts 10, 141, 148, 152 and 177, Customs Regulations (19 CFR Parts 10, 141, 148, 152, 177), are amended as set forth below:

#### PART 10—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.

1. The general authority for Part 10, Customs Regulations, continues to read as follows:

Authority: 19 U.S.C. 66, 1202, 1481, 1484, 1498, 1623, 1624.

All other statutory authority cited for various sections in Part 10 remain the same.

2. Section 10.18 is revised to read as follows:

##### § 10.18 Valuation of assembled articles.

As in the case of the appraisalment of any other import merchandise (see Subpart C of Part 152 of this chapter), the full value of assembled articles imported under item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), is determined in accordance with 19 CFR 152.100 *et seq.*

#### §§ 10.19 and 10.20 [Removed and Reserved]

3. Part 10 is further amended by removing §§ 10.19 and 10.20 and marking them "[Reserved]".

#### PART 141—ENTRY OF MERCHANDISE

1. The general authority for Part 141 continues to read as follows:

Authority: 19 U.S.C. 66, 1448, 1484, 1624.

All other statutory authority cited for various sections in Part 141 remain the same.

2. The heading and text of § 141.88 is revised to read as follows:

##### § 141.88 Computed value.

When the district director determines that information as to computed value is necessary in the appraisalment of any class or kind of merchandise, he shall so notify the importer, and thereafter invoices of such merchandise shall contain a verified statement by the manufacturer or producer of computed value as defined in § 402(e), Tariff Act of 1930, as amended by the Trade Agreements Act of 1979 (19 U.S.C. 1401a(e)).

#### PART 148—PERSONAL DECLARATIONS AND EXEMPTIONS

1. The general authority for Part 148 continues to read as follows:

Authority: 19 U.S.C. 66, 1498, 1624. The provisions of this part, except for Subpart C, are also issued under 19 U.S.C. 1202 (Gen. Headnote 11).

All other statutory authority cited for various sections in Part 148 remain the same.

2. Section 148.13(d) is revised to read as follows:

##### § 148.13 Written declarations.

(d) *Value.* Opposite the description of each article required to be declared specifically in a written declaration, the passenger shall state either:

(1) The price actually paid for the article in the currency of purchase, or its equivalent in U.S. currency; or

(2) The fair retail value in the country of acquisition if the article was not acquired by purchase, in the currency of the country in which the article was acquired, or its equivalent in U.S. currency.

##### § 148.24 [Amended]

3. Section 148.24 is amended by removing the words "or section 402a" and ", 1402:" in the first sentence of paragraph (a).

**§ 148.101 [Amended]**

4. Section 148.101 is amended by removing the words "or 402a" and ", 1402" in the text and by removing "or 402a" in the footnotes to Example 1 and Example 2.

**PART 152—CLASSIFICATION AND APPRAISEMENT OF MERCHANDISE**

1. The general authority for Part 152 continues to read as follows:

**Authority:** 19 U.S.C. 66, 1401a, 1500, 1502, 1624.

All other statutory authority cited for specific subparts of, and various sections in, Part 152 remain the same.

**§ 152.1 [Amended]**

2. Section 152.1 is amended by removing paragraphs (a) and (b) and marking them "[Reserved]", and by removing the words "and 402a" and "and 1402" in the first sentence of paragraph (c).

3. Section 152.1 is further amended by adding a new paragraph (d) to read as follows:

**§ 152.1 Definitions.**

(d) *Fair retail value.* "Fair retail value" or "fair market value" as used in Schedule 8, Tariff Schedules of the United States, and Part 148 of this chapter means the price actually paid or payable for all imported merchandise, or if not purchased, the value as otherwise ascertained under 19 CFR 152.100 *et seq.*

**§ 152.20 through 152.22 and 152.24****[Removed and Reserved]**

4. Sections 152.20 through 152.22 and 152.24 are removed and marked "[Reserved]".

**§ 152.23 [Amended]**

5. Section 152.23 is amended by removing the words "402a," and ", 1402" in the first sentence.

**Subpart D—[Removed and Reserved]**

6. Part 152 is amended by removing the heading and text of Subpart D entitled "Subpart D—Benzenoid Chemicals and Products" (§§ 152.31–152.43) and marking it "[Reserved]".

**PART 177—ADMINISTRATIVE RULINGS**

1. The general authority for Part 177 continues to read as follows:

**Authority:** 5 U.S.C. 301, 19 U.S.C. 66, 1202 (General Headnote 11), 1624.

All other statutory authority cited for various sections in Part 177 remain the same.

**§ 177.9 [Amended]**

2. Section 177.9(b)(3) is amended by removing the words "or 402a" and ", 1402" in the first sentence.

**William von Raab,**  
*Commissioner of Customs.*

Approved:  
**John P. Simpson,**  
*Acting Assistant Secretary of the Treasury.*  
[FR Doc. 87-14948 Filed 6-30-87; 8:45 am]  
**BILLING CODE 4820-02-M**

**DEPARTMENT OF JUSTICE****Drug Enforcement Administration****21 CFR Part 1316**

[A.G. Order No. 1198-87]

**Administrative Functions, Practices, and Procedures; Technical Amendment**

**AGENCY:** Drug Enforcement Administration, Justice.

**ACTION:** Final rule.

**SUMMARY:** This order revises 21 CFR 1316.75(b) to increase the cap on the bond from \$2,500 to \$5,000 to contest an administrative forfeiture. This is being done to reflect a recent amendment to the law.

**EFFECTIVE DATE:** June 18, 1987.

**FOR FURTHER INFORMATION CONTACT:** Brad Cates, Director, Asset Forfeiture Office, Criminal Division, United States Department of Justice, Washington, DC 20530; (202) 272-6420.

**SUPPLEMENTARY INFORMATION:** The Anti-Drug Abuse Act of 1986 amended 19 U.S.C. 1608 to raise the cap on the bond to be posted to contest administrative forfeiture actions from \$2,500 to \$5,000. Pub. L. 99-570, section 1862. The administrative forfeiture regulations of 21 CFR 1316.75(b), which refer to the Tariff Act (19 U.S.C. 1602, *et seq.*), must be amended to reflect this change in the cap on the bond.

It has been determined that this is an integral management matter not requiring consultation with the Office of Management and Budget under E.O. 12291. Moreover, this order will have no impact upon small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*

**List of Subjects in 21 CFR Part 1316**

Seizures, Forfeitures.

**PART 1316—[AMENDED]**

By virtue of the authority vested in me by 28 U.S.C. 509, 510 and 5 U.S.C. 301, Part 1316 of Title 21 of the Code of

Federal Regulations is amended as follows:

1. The authority citation for Subpart E of Part 1316 is revised to read as follows:

**Authority:** 21 U.S.C. 871(b), 881, 965, 19 U.S.C. 1606, 1607, 1608, 1610, 1613, 1618, 28 U.S.C. 509, 510.

**§ 1316.75 [Amended]**

2. Section 1316.75(b)(3) is amended by removing "\$2,500" and adding in its place, "\$5,000".

Dated: June 18, 1987.

**Arnold I. Burns,**  
*Acting Attorney General.*  
[FR Doc. 87-14862 Filed 6-30-87; 8:45 am]  
**BILLING CODE 4410-01-M**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT****Office of the Assistant Secretary of Housing—Federal Housing Commissioner****24 CFR Part 888**

[Docket No. N-87-1590; FR-2161]

**Section 8 Housing Assistance Payments Program; Fair Market Rents for New Construction and Substantial Rehabilitation—All Markets; Correction**

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner.

**ACTION:** Final notice; correction.

**SUMMARY:** This document corrects a notice published on August 7, 1986 in the *Federal Register* announcing final, Fiscal Year 1986 Fair Market Rents for the Section 8 New Construction Program and the Section 8 Substantial Rehabilitation Program.

**EFFECTIVE DATE:** August 7, 1986.

**FOR FURTHER INFORMATION CONTACT:** Edward M. Winiarski, Chief Appraiser, Valuation Branch, Technical Support Division, Office of Insured Multifamily Housing Development, 451 Seventh Street SW., Washington, DC 20410-8000, telephone (202) 426-7624. (This is not a toll-free number.)

**SUPPLEMENTARY INFORMATION:** The Department published final Fair Market Rents on August 7, 1986 (51 FR 28491). This document corrects the Fiscal Year 1986 Fair Market Rent schedule applicable to the San Juan, Puerto Rico market area permitting inclusion of additional rents for the 5+ -story elevator category. These rents were inadvertently omitted from the published schedule.