

shipping containers used for these plants.

7. In § 301.75-12, paragraph (a) is revised to read as follows:

§ 301.75-12 Treatments.

(a) *Fruit.* Fruit for which treatment is required by this subpart must be treated in accordance with this paragraph in the presence of an inspector or at a facility whose owner operates under a compliance agreement.

(1) Fruit to be moved interstate with a certificate: Thorough wetting with a solution containing 200 parts per million sodium hypochlorite for at least 2 minutes; or thorough wetting with a solution containing sodium o-phenyl phenate (SOPP) at a concentration of 1.86 to 2 percent of the total solution for 45 seconds if the solution has sufficient soap or detergent to cause a visible foaming action or for 1 minute if the solution does not contain sufficient soap or detergent to cause a visible foaming action.

Note.—Sodium hypochlorite and SOPP must be applied in accordance with label directions.

(2) Fruit that is to be moved interstate with a limited permit and that was produced in groves located within an area of Florida listed in paragraph (b)(3) of this section: Treatment as prescribed in paragraph (a)(1) of this section.

(3) Fruit that is to be moved interstate with a limited permit and that was produced in groves of 10 or more regulated trees located outside the areas of Florida listed in paragraph (b)(3) of this section: Treatment as prescribed in paragraph (a)(1) of this section or thorough wetting and brush scrubbing for one minute with a solution of water and soap (or water and detergent) sufficient to cause a visible foaming action.

* * * * *

§ 301.75-12 [Amended]

8. In § 301.75-12, paragraph (b) is amended by revising "active chlorine" to read "sodium hypochlorite".

9. In § 301.75-12, paragraph (d)(1) is amended by revising "chlorine solution" to read "solution of sodium hypochlorite".

Done at Washington, DC, this 21st day of March 1989.

James W. Glosser,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 89-7087 Filed 3-23-89; 8:45 am]

BILLING CODE 3410-34-M

Agricultural Marketing Service

7 CFR Part 910

[Lemon Regulation 658]

Lemons Grown in California and Arizona; Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: Regulation 658 establishes the quantity of fresh California-Arizona lemons that may be shipped to market at 280,000 cartons during the period March 26, through April 1, 1989. Such action is needed to balance the supply of fresh lemons with market demand for the period specified, due to the marketing situation confronting the lemon industry.

DATES: Regulation 658 (§ 910.958) is effective for the period March 26 through April 1, 1989.

FOR FURTHER INFORMATION CONTACT:

Beatriz Rodriguez, Marketing Specialist, Marketing Order Administration Branch, F&V, AMS, USDA, Room 2523, South Building, P.O. Box 96456, Washington, DC 20090-6456; telephone: (202) 447-5697.

SUPPLEMENTARY INFORMATION: This final rule has been reviewed under Executive Order 12291 and Departmental Regulation 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 action to the scale of business subject to such actions in order that small business 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 statutes have small entity orientation and compatibility.

There are approximately 85 handlers of lemons grown in California and Arizona subject to regulation under the lemon marketing order and approximately 2500 producers in the regulated 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 \$500,000, and small agricultural

service firms are defined as those whose gross annual receipts are less than \$3,500,000. The majority of handlers and producers of California-Arizona lemons may be classified as small entities.

This regulation 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 (the "Act," 7 U.S.C. 601-674), as amended. This action is based upon the recommendation and information submitted by the Lemon Administrative Committee (Committee) and upon other available information. It is found that this action will tend to effectuate the declared policy of the Act.

This regulation is consistent with the marketing policy for 1988-89. The Committee met publicly on March 21, 1989, in Los Angeles, California, to consider the current and prospective conditions of supply and demand and, by an 11-1 vote, recommended a quantity of lemons deemed advisable to be handled during the specified week. The Committee reports that demand for lemons has decreased.

Pursuant to 5 U.S.C. 553, it is further found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice and engage in further public procedure with respect to this action and that good cause exists for not postponing the effective date of this action until 30 days after publication in the *Federal Register* because of insufficient time between the date when information became available upon which this regulation is 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. It is necessary, in order to effectuate the declared purposes of the Act, to make these regulatory provisions effective as specified, and 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.

For the reasons set forth in the preamble, 7 CFR Part 910 is amended as follows:

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

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

Authority: Sec. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 6010-674.

2. Section 910.958 is added to read as follows:

Note.—This section will not appear in the Code of Federal Regulations.

§ 910.958 Lemon Regulation 658.

The quantity of lemons grown in California and Arizona which may be handled during the period March 26, 1989, through April 1, 1989, is established at 280,000 cartons.

Dated: March 22, 1989.

Robert C. Keeney,

Deputy Director, Fruit and Vegetable Division.

[FR Doc. 89-7218 Filed 3-23-89; 8:45 am]

BILLING CODE 3410-02-M

Rural Electrification Administration

7 CFR Part 1754

Advance and Disbursement of Funds—Telephone Loan Program

AGENCY: Rural Electrification Administration, USDA.

ACTION: Final rule.

SUMMARY: The Rural Electrification Administration (REA) hereby adds Part 1754, Advance and Disbursement of Funds—Telephone Loan Program, to 7 CFR Chapter XVII of the Code of Federal Regulations. This new part sets forth the provisions and requirements of the Rural Electrification Act (RE Act) and the administrative policies, requirements, and procedures for the advance and disbursement of REA telephone loan and other funds to and from the REA Construction Fund.

All telephone loan program borrowers will be affected by this rule.

EFFECTIVE DATE: This final rule is effective March 24, 1989.

FOR FURTHER INFORMATION CONTACT:

William F. Albrecht, Director, Telecommunications Staff Division, Rural Electrification Administration, Room 2835, South Building, U.S. Department of Agriculture, Washington, DC 20250-1500, telephone number (202) 382-8663. The Final Regulatory Impact Analysis describing the options considered in developing this rule is available on request from the above named individual.

SUPPLEMENTARY INFORMATION: This rule is issued in conformity with Executive Order 12291, Federal Regulation: This action will not (1) have an annual effect on the economy of \$100 million or more; (2) result in a major increase in costs or prices for consumers, individual industries, Federal, state, or local government agencies, or geographic regions; or (3) result in significant

adverse effects on competition, employment, investment or productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets. Therefore, this rule has been determined to be "not major."

This action does not fall within the scope of the Regulatory Flexibility Act. REA has concluded that promulgation of this rule would not represent a major Federal action significantly affecting the quality of the human environment under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.* (1976)) and, therefore, does not require an environmental impact statement or an environmental assessment.

This program is listed in the Catalog of Federal Domestic Assistance under No. 10.851, Rural Telephone Loans and Loan Guarantees, and 10.852, Rural Telephone Bank Loans. For the reasons set forth in the final rule related Notice to 7 CFR Part 3015, Subpart V (50 FR 47034, November 14, 1985), this program is excluded from the scope of Executive Order 12372 which requires intergovernmental consultation with State and local officials.

The reporting and recordkeeping provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3507 *et seq.*) contained in this rule have been approved by the Office of Management and Budget (OMB) under clearance number 0572-0023.

Public reporting burden for this collection of information is estimated to average 1.4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, Room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0572-0023), Washington, DC 20503.

Background

Currently, the policies and requirements concerning the advance and disbursement of telephone loan funds are contained in REA Bulletin 327-1, Advance of Telephone Loan Funds. When this rule becomes effective, this bulletin will be rescinded.

On August 22, 1988, REA published in the *Federal Register* Proposed Rule 7 CFR Part 1754, Advance and Disbursement of Funds—Telephone

Program, regarding the requirements and procedures to be followed by REA telephone borrowers in obtaining advances and making disbursements of loan and nonloan funds to and from the REA Construction Fund. In the proposed rule REA invited interested parties to file comments on or before September 21, 1988.

Comments

Comments and recommendations were received from Telephone and Data Systems, Inc., Madison, Wisconsin; Missouri Telephone Company, Bolivar, Missouri; Interstate Telecommunications Cooperative, Inc., Clear Lake, South Dakota; United Utilities, Inc., Anchorage, Alaska; and filing as a group the National Rural Telcom Association, the United States Telephone Association, and the Organization for the Protection and Advancement of Small Telephone Companies whose membership includes the majority of telephone systems which have received financing or are eligible for financing from the REA.

The comments and recommendations are summarized as follows:

Several respondents commented that a 30-day comment period is not reasonable, a 60-day comment period should be granted for proposed agency regulations.

Response. The 30-day comment period was selected because of the deadline imposed by the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100-203.

Several respondents commented that the Final Rule should rescind all affected bulletins.

Response. Bulletin 327-1, Advance of Telephone Loan Funds, will be rescinded when the Final Rule becomes effective.

Several respondents commented that intermingling advice and requirements creates confusion and regulatory burdens for both borrowers and REA.

Response. REA is committed to the elimination of unnecessary requirements and advice for borrowers. REA believes, however, that it is appropriate to include advice in regulations when it will improve communications, prevent problems, or otherwise further effective program administration.

Section 1754.2(i) Several respondents commented that the definition of interim financing does not state that the borrower has applied for an REA loan and also does not indicate that REA loan funds will be made available if the loan is approved.

Response. The definition in the Final Rule has been revised to indicate that

funding for a project will be included, should the loan be approved.

Section 1754.6(c). Several respondents commented that the only funds that properly should be deposited in the Construction Fund are advances and interest resulting therefrom.

Response. REA disagrees. The Construction Fund provides an effective method for both the borrower and REA to control and account for, not only REA loan funds, but also general funds for (1) contributions required in the loan documents, (2) contracts that exceed the loan funds available for the contract purposes, (3) portions of contracts for purposes not included in the loans, and (4) receipts and disbursements resulting from loan administration activities, such as sale of properties.

Section 1754.6(f). Several respondents commented that further explanation is needed for the procedure under which disbursements from the Construction Fund will be made to reimburse a borrower's general funds for construction included in an REA loan.

Response. Final advances of loan funds are made for construction based on approved closeout documents, regardless of whether loan funds or general funds were used initially. The required closeout documents for major and minor construction are set forth in 7 CFR Part 1765. When general funds were used initially, the Construction Fund check is made payable to the borrower's general fund account. The reimbursement schedule required by § 1754.6(f) documents the approved purposes and amounts included in the reimbursement and provides an audit trail for the subsequent loan fund audit.

Section 1754.7(a). Several respondents commented that the phrase "and other information when required by REA" is an open-ended requirement that could dramatically increase the regulatory burden on a borrower requesting an advance.

Response. The section has been revised to limit the other information required by REA to information related to the advances.

Several respondent commented that a copy of the FRS, REA Form 481, should be included into the final rule.

Response. Since many forms are referenced in more than one regulation, it would be too costly to revise several regulations each time a form is changed. Required forms are available from REA upon request. REA Form 481 has OMB approval, OMB-No. 0572-0023.

Section 1754.7(b)(1)(iv). Several respondents commented that REA cannot require compliance with REA Bulletin 380-1, Right-of-Way and Title

Procedure-Telephone, in light of the law adopted as part of Pub. L. 100-203.

Response. Title requirements are a matter of contractual obligation of the borrower under the loan contract. Therefore, the reference to REA Bulletin 380-1 has been deleted and title requirements will be codified in a future rule.

Section 1754.7(b)(4)(iv). Several respondents commented that the Final Rule should address the advance of funds for purchase of Bank stock. The rule should require that 5 percent of each advance of an RTB loan go toward the purchase of Bank stock instead of all the stock being purchased with the first advance.

Response. The amount and terms of the advance of the Class "B" RTB stock are established in the loan documents, and are beyond the scope of this regulation. This regulation sets forth the requirements and procedures for the advancement and disbursement of funds in the amounts and under the terms of the loan documents.

Section 1754.7(f). Several respondents commented that there is no reason for a policy rounding down advances to the nearest thousand of dollars.

Response. The rounding down to the nearest thousand has been retained because it helps to expedite processing and reduces administrative costs for REA and Treasury.

Section 1754.8(a)(1). Several respondents commented there is no legal or policy reason to restrict the investment of REA fund to 5 percent Treasury Certificates of Indebtedness—R.E.A. Series and there is no basis in the Act to distinguish among loans with different interest rates as to the proper vehicle for investment. One respondent questioned why temporary excess REA funds are limited to 5 percent Treasury Certificates of Indebtedness—REA.

Response. The investment of loan funds for interest income or dividends is not an Act purpose and funds for these purposes are not included in approved loans. Loan funds are approved for specific purposes and are to be kept in the Construction Fund until expended for those purposes. When unforeseeable circumstances result in a temporary excess of loan funds in the Construction Fund account, temporary investment of these excess funds is permitted to offset, or partially offset, the interest charges against these funds for the time periods these funds are not needed, not to make a profit. For these reasons the investment of REA loan funds is limited to 5 percent Treasury Certificates of Indebtedness—REA Series.

Section 1754.8(a)(8). Several respondents commented that the section

was unnecessary due to the quality of the lien REA seeks to obtain on the borrower's property. They also maintain that the section does not provide an objective standard for the authority provided therein.

Response. The often highly leveraged loans made by REA must be provided the highest possible quality of lien security. This section requires the borrower, if directed by the Administrator, to take whatever steps may be necessary to provide the United States with a perfected first lien on the assets described in the borrower's mortgage.

This commitment by the borrower is required by REA prior to releasing loan funds and continues until all secured loans to the borrower have been repaid.

Section 1754.8(d). Several respondents commented that this section should be deleted because no reason or objective standards are given for suspending a borrower's authorization to invest temporary excess construction funds.

Response. Authorization to invest temporary excess loan funds is granted during the time the funds are not needed for approved purposes. Once the funds are needed for approved purposes, the investments must be withdrawn. The Administrator must have the authority to suspend the authorization if the borrower does not comply with the requirements.

Section 1754.9(a). Several respondents proposed deletion of this section, stating that REA has neither a legal right nor supportable public policy reason to regulate the order of advances of REA loans; therefore, this section should be deleted from the final rule.

Response. This section has been changed to conform with the Agriculture Appropriations Act for FY 1989, Pub. L. 100-460, which was enacted after publication of the proposed rule.

Since Government loans and guarantees are made for specific projects and purposes and the feasibility of each loan is based on the economic factors associated with the particular loan, it is necessary to have an orderly method of advancing funds to maintain the financial integrity of these loans. For these reasons REA will publish for public comment a proposed rule setting forth the order of advances to be followed after September 30, 1989.

Section 1754.9(b). Several respondents objected to the first advance generally being limited to the amount required to retire any obligations related to interim financed construction.

Response. The first advance provision allows REA to provide loan funds to borrowers to satisfy outstanding liens

and thus meet the requirement for loan security of REA having a first lien.

Section 1754.9(d). Several respondents commented that REA should encourage wire transfers of loan funds because of their safety, security, and efficiency.

Two respondents objected to the \$500,000 minimum amount for advances of REA funds by wire service and recommended this amount be reduced to \$100,000, the same as for FFB loans. One respondent expressed concern that codification of the \$500,000 minimum for wire service transfer would eliminate future wire transfers to companies outside the continental United States.

Response. A new wire transfer system is being investigated whereby practically all transfer of funds to and from borrowers will be made by wire. Until this new transfer system is implemented, advances will be made in accordance with § 1754.9(f) of the final rule.

List of Subjects in 7 CFR Part 1754

Loan programs—communications, Telecommunications, Telephone.

Therefore, REA amends 7 CFR Chapter XVII by adding the following new Part 1754:

PART 1754—ADVANCE AND DISBURSEMENT OF FUNDS—TELEPHONE LOAN PROGRAM

Sec.	
1754.1	General.
1754.2	Definitions.
1754.3	Introduction.
1754.4	The telephone loan budget.
1754.5	Budget adjustment.
1754.6	The construction fund.
1754.7	The financial requirement statement (FRS).
1754.8	Temporary excess construction funds.
1754.9	Order and method of advances of telephone loan funds.
1754.10	through 1754.99 [Reserved]

Authority: 7 U.S.C. 901 *et seq.*, 7 U.S.C. 1921 *et seq.*

§ 1754.1 General.

(a) The standard loan documents (as defined in 7 CFR Part 1758) contain provisions regarding advances and disbursements of loan funds by telephone borrowers. This part implements certain of the provisions by setting forth requirements and procedures to be followed by borrowers in obtaining advances and making disbursements of loan and nonloan funds.

(b) This part supersedes any sections of REA Bulletins with which it is in conflict.

§ 1754.2 Definitions.

As used in this part:

(a) "Administrator" means the Administrator of REA. See 7 CFR Part 1745.

(b) "Advance" means transferring funds from REA or FFB to the borrower's construction fund.

(c) "Borrower" means any organization that has an outstanding loan made or guaranteed by REA, or that is seeking such financing. See 7 CFR Part 1745.

(d) "Construction Fund" means the REA Construction Fund Account required by section 2.4 of the Loan Contract into which all REA loan funds are advanced.

(e) "Disbursement" means the paying of money by the borrower out of the construction fund for approved loan purposes.

(f) "FFB" means the Federal Financing Bank.

(g) "FRS" means REA Form 481 (OMB—No. 0572-0023) Financial Requirement Statement.

(h) "Interim Construction" means the purchase of equipment or the conduct of construction under an REA-approved plan of interim financing. See 7 CFR Part 1749.

(i) "Interim Financing" means funding for a project which REA has acknowledged will be included in a loan, should said loan be approved, but for which REA loan funds have not yet been made available.

(j) "Loan" ("REA Loan") means any loan made or guaranteed by REA. See 7 CFR Part 1745.

(k) "Loan Documents" means the loan contract, note and mortgage between the borrower and REA and any associated document pertinent to a loan.

(l) "Loan Funds" ("REA Loan Funds") means funds provided by REA through direct or guaranteed loans.

(m) "RTB" means the Rural Telephone Bank.

§ 1754.3 Introduction.

REA is under no obligation to make or approve advances of loan funds unless the borrower is in compliance with all terms and conditions of the loan documents. The borrower shall use funds in its construction fund only to make disbursements approved by REA.

§ 1754.4 The telephone loan budget.

When the loan is made, REA provides the borrower a Telephone Loan Budget, REA Form 493. This budget divides the loan into budget accounts such as "Engineering." When a contract or other document is approved by REA, funds are encumbered from the appropriate budget account. See 7 CFR Part 1765.

§ 1754.5 Budget adjustment.

(a) If more funds are required than are available in a budget account, the borrower may request REA's approval of a budget adjustment to use funds from another account. The request shall include an explanation of the change, the budget account to be used, and a description of how the adjustment will affect loan purposes. REA will not approve a budget adjustment that affects other loan purposes unless the borrower satisfies REA that the additional funds are available from another source, requests a deficiency loan, or scales back the project.

(b) REA may make a budget adjustment without a formal request by the borrower when a budget account is insufficient to encumber funds for a contract that otherwise would be approved by REA. See 7 CFR Part 1765.

§ 1754.6 The construction fund.

(a) The construction fund is used by the borrower primarily to hold advances until disbursed.

(b) All advances shall be deposited in the construction fund.

(c) REA may require that other funds be deposited in the construction fund. These may include equity or general fund contributions to construction, service termination payments, proceeds from the sale of property, amounts recovered from insurance for losses during the construction period, and interest received on loan funds in savings or interest bearing checking accounts, and similar receipts. Deposit slips for any deposit to the construction fund shall show the source and amount of funds deposited and be executed by an authorized representative of the bank.

(d) Funds shall be disbursed only up to the amount approved for advance on the FRS as described in § 1754.7. No funds may be withdrawn from the fund except for loan purposes approved by REA.

(e) The disbursement of nonloan funds requires the same REA approvals as loan funds.

(f) Disbursements must be evidenced by canceled checks. The invoices and supporting documentation needed for construction contracts are specified in the contracts and in 7 CFR Part 1765. Disbursements to reimburse the borrower's general funds shall be documented by a reimbursement schedule, *to be retained in the borrower's files*, that lists the construction fund check number, date, and an explanation of amounts reimbursed by budget account.

§ 1754.7 The financial requirement statement (FRS).

(a) To request advances, the borrower must submit to REA an FRS, a description of the advances desired, and other information related to the transactions when required by REA.

(b) The FRS is used by REA and the borrower to record and control transactions in the construction fund. Approved contracts and other items are shown on the FRS under "Approved Purposes." Except as noted below, the amount approved for advance is 100 percent of the amount encumbered for that item. Funds are approved for advance as follows:

(1) *Construction—(i) Construction contracts and force account proposals.*

Ninety percent of the encumbered amount (95 percent for outside plant), with the final 10 percent (5 percent) approved when REA approves the closeout documents. When a contract contains supplement "A" (See 7 CFR Part 1765), 90 percent (95 percent) of the contract is approved less materials supplied by the borrower. For the Supplement "A" materials, which are a separate entry on the FRS, 100 percent of the material cost is approved.

(ii) *Work orders.* The portion of the work order summary (See 7 CFR Part 1765) determined by REA to be for approved loan purposes.

(iii) *Work order fund.* Based on a borrower's request as described in 7 CFR Part 1865.

(iv) *Real estate.* Upon request by the borrower after submission of evidence of a valid title.

(v) *Right of way procurement.* Based on the borrower's itemized costs.

(vi) *Joint use charges.* Based on copies of invoices from the other utility.

(2) *Engineering—(i) Preloan engineering.* Based on a final itemized invoice from the engineer.

(ii) *Postloan engineering contracts.* The amount shown on the engineering estimate, REA Form 506, less the amount estimated for construction contract closeouts. The balance is approved when the engineering contract is closed.

(iii) *Force account engineering.* Ninety percent of the total amount of the REA approved force account engineering proposal. The balance is approved when the force account engineering proposal is closed.

(3) *Office equipment, vehicles and work equipment.* Based on copies of invoices for the equipment.

(4) *General—(i) Organization and loan expenditures.* Based on an itemized list of requirements prepared by the borrower.

(ii) *Construction overhead.* Based on an itemized list of expenditures. If funds

are required for employee salaries, the itemization shall include the employee's position, the period covered, total compensation for the period, and the portion of compensation attributable to the itemized construction.

(iii) *Legal fees.* Based on itemized invoices from the attorney.

(iv) *Bank stock.* Based on the requirements for purchase of Class "B" Rural Telephone Bank stock established in the loan.

(5) *Operating expenses—(i) Working capital—new system.* Based on the borrower's itemized estimate.

(ii) *Current operating deficiencies.* Based on a current and projected balance sheet submitted by the borrower.

(6) *Debt retirement and refinancing.* Upon release of the loan, based on the amount in the approved budget.

(7) *Acquisitions.* Based on final itemized costs, but cannot exceed the amount in the approved loan budget.

(c) Funds other than loan funds deposited in the construction fund, which shall include proceeds from the sale of property on which REA has a lien, (lines 10 and 11 on the FRS) are reported as a credit under total disbursements. Disbursements of these funds are subject to the same REA approvals as loan funds.

(d) The borrower shall request advances as needed to meet its obligations promptly. Generally, REA does not approve an advance requested more than 60 days before the obligation is payable.

(e) Funds should be disbursed for the item for which they were advanced. If the borrower needs to pay an invoice for which funds have not been advanced, and disbursement of advanced funds for another item has been delayed, the latter funds may be disbursed to pay the invoice up to the amount approved for advance for that item on the FRS. The borrower shall make erasable entries on the next FRS showing the changes under "Total Advances to Date" and shall explain the changes in writing before REA will process the next FRS.

(f) Advances will be rounded down to the nearest thousands of dollars except for final amounts.

(g) The certification on each of the three copies of the FRS sent to REA shall be signed by a corporate officer of manager authorized by resolution of the board of directors to sign such statements. At the time of such authorization a certified copy of the resolution and one copy of REA Form 675, Certificate of Authority, shall be submitted to REA.

(h) The documentation required for the FRS transactions are the deposit

slips, the canceled construction fund checks and the supporting invoices or reimbursement schedules. These shall be kept in the borrower's files for periodic audits by REA.

§ 1754.8 Temporary excess construction funds.

(a) When unanticipated events delay disbursement of advances, the funds, other than funds lent by FFB, can be returned as a refund of an advance, or they can be used as follows:

(1) With REA funds, the borrower may invest the funds in 5 percent Treasury Certificates of Indebtedness—R.E.A. Series.

(2) With FFB or RTB funds, the following apply:

(i) The borrower may invest the funds in short term securities issued by the United States Treasury.

(ii) If permitted by state law, the borrower may deposit the funds in savings accounts, including certificates of deposit, of federally insured savings institutions.

(3) Funds advanced by a guaranteed lender other than the FFB may, if so permitted by such lender, be invested under the terms and conditions described above for FFB advances.

(4) Any security or investment made under this authorization shall identify the borrower by its corporate name followed by the words "Trustee, Rural Electrification Administration."

(5) All temporary investments and all income derived from them shall be considered part of the construction fund and be subject to the same controls as cash in that account.

(6) Securities and other investments shall have maturity dates or liquidating provisions that ensure the availability of funds as required for the completion of projects and the payment of obligations.

(7) Any instrument evidencing a security or other investment herein authorized to be purchased or made, may not be sold, discounted, or pledged as collateral for a loan or as security for the performance of an obligation or for any other purpose.

(8) The Administrator may, at his sole discretion, require a borrower to pledge any security or other evidence of investment authorized hereby by forwarding to him all pertinent instruments and related documentation as he may reasonably require.

(9) Borrowers shall be responsible for the safekeeping of securities and other investments.

(b) All interest and income received from investments of temporary excess funds, as described in this section, shall be deposited in the Construction Fund.

(c) The borrower shall account for investment proceeds on the next FRS submitted to REA. REA will make the necessary adjustments on budgetary records.

(d) The Administrator reserves the right to suspend any borrower's authorization to invest temporary excess funds contained herein if the borrower does not comply with the requirements.

§ 1754.9 Order and method of advances of telephone loan funds.

(a) Borrowers may specify the sequence of advances of funds under any combination of approved telephone loans from REA, RTB, or FFB, pursuant to Pub. L. 100-460. If the borrower does not specify the sequence, REA will contact the borrower to determine the sequence.

(b) The first or subsequent advances of loan funds may be conditioned on the satisfaction of certain requirements stated in the borrower's loan contract.

(c) Normally, only one payment is made by the Automatic Clearing House (ACH) for an advance of funds.

(d) Borrowers of REA and RTB funds may request advances by wire service only for amounts greater than \$500,000 or for advances to borrowers outside the Continental United States. FFB advances in any amount over \$100,000 can be sent by wire service.

(e) The following information shall be included with the FRS:

(1) Name and address of borrower's bank.

(2) If borrower's bank is not a member of the Federal Reserve System, the name and address of its correspondent bank that is a member of the Federal Reserve System.

(3) American Bankers Association (ABA) nine digit identifier of the receiving banks (routing number and check digit).

(4) Borrower's bank account title and number.

(5) Any other necessary identifying information.

§ 1754.10 through 1754.99 [Reserved]

Jack Van Mark,

Acting Administrator, Rural Electrification Administration.

Date: March 8, 1989.

[FR Doc. 89-7086 Filed 3-23-89; 8:45 am]

BILLING CODE 3410-15-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 520

Animal Drugs, Feeds, and Related Products; Change of Sponsor

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the animal drug regulations to reflect a change of sponsor for a new animal drug application (NADA) from Solvay Veterinary, Inc., to Salsbury Laboratories, Inc.

EFFECTIVE DATE: March 24, 1989.

FOR FURTHER INFORMATION CONTACT: Benjamin A. Puyot, Center for Veterinary Medicine (HFV-130), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-1415.

SUPPLEMENTARY INFORMATION: Solvay Veterinary, Inc., P.O. Box 7348, Princeton, NJ 08540, advised FDA of a change of sponsor of NADA 31-553 for sodium sulfachloropyrazine monohydrate to its affiliate, Salsbury Laboratories, Inc., 2000 Rockford Rd., Charles City, IA 50616. The agency is amending 21 CFR 520.2184 in paragraph (b) by removing sponsor number "053501" and inserting "017210" in its place.

List of Subjects in 21 CFR Part 520

Animal drugs.

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 520 is amended as follows:

PART 520—ORAL DOSAGE FORM NEW ANIMAL DRUGS NOT SUBJECT TO CERTIFICATION

1. The authority citation for 21 CFR Part 520 continues to read as follows:

Authority: Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)); 21 CFR 5.10 and 5.83.

§ 520.2184 [Amended]

2. Section 520.2184 *Sodium sulfachloropyrazine monohydrate* is amended in paragraph (b) by removing "053501" and inserting in its place "017210".

Dated: March 16, 1989.

Robert C. Livingston,
Deputy Director, Office of New Animal Drug Evaluation, Center for Veterinary Medicine.
[FR Doc. 89-7015 Filed 3-23-89; 8:45 am]

BILLING CODE 4160-01-M

21 CFR Part 558

New Animal Drugs for Use in Animal Feeds; Bacitracin Methylene Disalicylate

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 a supplemental new animal drug application (NADA) filed by A. L. Laboratories, Inc., providing for the manufacture of a 75-gram-per-pound bacitracin methylene disalicylate Type A medicated article used to make Type C medicated feeds for chickens, turkeys, pheasants, quail, swine, and feedlot beef cattle.

EFFECTIVE DATE: March 24, 1989.

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: A. L. Laboratories, Inc., One Executive Dr., P.O. Box 1399, Fort Lee, NJ 07024, has filed supplemental NADA 46-592. The supplement provides for the manufacture of a 75-gram-per-pound bacitracin methylene disalicylate Type A medicated article used to make Type C medicated feeds for chickens, turkeys, pheasants, quail, swine, and feedlot beef cattle for use as in 21 CFR 558.76. The firm currently holds approvals for use of 10-, 25-, 30-, 40-, 50-, and 60-gram-per-pound bacitracin methylene disalicylate Type A medicated articles to make feeds for the same species. The supplemental NADA is approved and 21 CFR 558.76(a) is revised to reflect the approval.

This supplemental NADA provides for a higher bacitracin methylene disalicylate concentration in a Type A medicated article only. There are no changes in the conditions of use of the feeds made from the higher drug concentration article (i.e., amount of drug administered, duration, indications, etc.). Therefore, the approval does not