

USDA, room 5444, Washington, DC, telephone: (202) 475-4009.

SUPPLEMENTARY INFORMATION:

Classification

This action has been reviewed under USDA procedures established in Departmental Regulation 1512-1, which implements Executive Order 12291, and has been determined to be nonmajor because there will not be an annual effect on the economy of \$100 million or more. There will not be a major increase in cost or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions, nor will there be significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Programs Affected

These changes affect the following FmHA programs as listed in the catalog of Federal Domestic Assistance:

- 10.401—Emergency Loans
- 10.406—Farm Operating Loans
- 10.407—Farm Ownership Loans
- 10.410—Low Income Housing Loans (Section 502 Rural Housing Loans)
- 10.416—Soil and Water Loans

Intergovernmental Consultation

For the reasons set forth in the final rule related to Notice 7 CFR 3015, subpart V (48 FR 29115, June 24, 1983) and FmHA Instruction 1940-J, "Intergovernmental Review of Farmers Home Administration Programs and Activities" (December 34, 1983), Emergency Loans, Farm Operating Loans, and Farm Ownership Loans are excluded, with the exception of non-farm enterprise activity, from the scope of Executive Order 12372, which requires intergovernmental consultation with State and local officials.

The Soil and Water Loan Program is subject to the provisions of Executive Order 12372 and FmHA Instruction 1940-J.

Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR part 1940, subpart G, "Environmental Program." It is the determination of FmHA that this action does not constitute a major Federal action significantly affecting the quality of the human environment, and in accordance with the National Environmental Policy Act of 1969 (Pub. L. 91-190), an Environmental Impact Statement is not required.

Background

The Agricultural Credit Act of 1987 (Pub. L. 100-233) requires a number of changes in the Farmers Home Administration (FmHA) regulations and how the agency will continue to do business with its Farmer Programs borrowers. The needed changes to subpart C of part 1950 were inadvertently not included in the Federal Register Publication (53 FR 35638-35798) dated Wednesday, September 14, 1988. However, sufficient notice to affected parties was given by this publication to encourage any necessary comments by the public. Furthermore, subpart S of part 1951 of this chapter specifically provides for all Farmer Programs loans to be serviced under that subpart. These changes will only affect Farmer Programs borrowers who have entered or are entering the military service. The changes are administrative and will require the County Supervisor to send the appropriate loan servicing notices to those borrowers who have entered or are entering the military and who are 180 days delinquent or otherwise defaulted on their FmHA loans. This revision is necessary to meet requirements of the Agricultural Credit Act of 1987. FmHA, for good cause, has found notice of proposed rulemaking unnecessary and impracticable with respect to this technical change, because the change is merely removing an inconsistency which was overlooked earlier. The change will have no effect on how the agency has been handling the program.

List of Subjects in 7 CFR Part 1950

Accounting, Loan programs—agriculture—military personnel.

Accordingly, title 7, chapter XVIII, Code of Federal Regulations is amended as follows:

PART 1950—GENERAL

1. The authority citation for part 1950 continues to read as follows:

Authority: 7 U.S.C. 1989; 42 U.S.C. 1480; 5 U.S.C. 301; 7 CFR 2.23; 7 CFR 2.70.

Subpart C—Servicing Accounts of Borrowers Entering the Armed Forces

2. Section 1950.103 is amended by revising the first sentence of paragraph (a)(2) to read as follows:

§ 1950.103 Borrower owing FmHA loans which are secured by chattels.

(a) * * *

(2) Borrowers who owe FO, SW, RL, OL, EE, EM, SL, EO, and/or RHF loans. If the borrower is delinquent in

accordance with subpart S of part 1951 of this chapter, or otherwise in default, the County Supervisor will send exhibit A and the appropriate attachments, as outlined in subpart S of part 1951 of this chapter. * * *

3. Section 1950.104 is amended by revising the fourth sentence of the introductory text and the second sentence of paragraph (d) to read as follows:

§ 1950.104 Borrower owing FmHA loans which are secured by real estate.

* * * Borrowers who owe FO, SW, RL, OL, EE, EM, SL, EO, ST, and/or RHF loans and who are delinquent or otherwise in default must be sent exhibit A and the appropriate attachments, as outlined in subpart S of part 1951 of this chapter. * * *

(d) * * * Those borrowers should be sent exhibit A and the appropriate attachments as outlined in subpart S of part 1951 of this chapter. * * *

Dated: August 23, 1990.

Roland R. Vautour,
Under Secretary for Small Community and Rural Development.

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UNITED STATES TRADE REPRESENTATIVE

15 CFR Parts 2011 and 2013

Allocation of Tariff-Rate Quota for Imports of Sugar

AGENCY: United States Trade Representative (USTR).

ACTION: Interim rule.

SUMMARY: Presidential Proclamation No. 6179 of September 13, 1990, 55 FR 38293, converted the U.S. sugar import quota into a tariff-rate quota, effective October 1, 1990. This Proclamation provided for the designation of certain amounts of sugars, syrups, and molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, and 2106.90.11 of the Harmonized Tariff Schedule of the United States (HTS), imported from foreign countries and areas specified in paragraph (b) of additional U.S. note 3 to chapter 17 of the HTS, to be imported subject to the lower duty rates (or duty free) of the tariff-rate quota.

This interim rule amends the regulations previously promulgated to implement the former absolute quota in

order to conform the regulations to the provisions of the HTS, as modified by Proclamation No. 6179. A Certificate of Quota Eligibility will be required in order for sugars, syrups or molasses to be entered under subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS.

In addition, this interim rule makes numerous minor amendments to update or clarify former provisions. It also reissues the regulations previously promulgated under 7 CFR 6.90-6.93, "Allocations of Sugar Import Quotas for 'Other Specified Countries or Areas,'" to implement the transfer of this authority as proclaimed in Proclamation 6179. Specifically, because of the transfer of authority relating to allocations of sugar import quotas for "Other Specified Countries or Areas," Proclamation 6179 has the effect of rendering void, as of October 1, 1990, those regulations previously promulgated under 7 CFR 6.90-6.93, relating to allocations of sugar import quotas for "Other Specified Countries or Areas." The Secretary of Agriculture will publish a document in the Federal Register amending those regulations accordingly in the near future. This interim rule reissues the regulations under the authority of the United States Trade Representative.

DATES: Interim rule effective October 1, 1990; comments must be submitted on or before December 4, 1990.

ADDRESSES: Interested persons are invited to submit written comments concerning this interim rule. Comments should be mailed or delivered to Ellen Terpstra, Senior Economist, Agricultural Affairs (room 423), Office of the United States Trade Representative, Executive Office of the President, Washington, DC 20506. Comments received may also be inspected at room 423 between 10 a.m. and 4 p.m.

FOR FURTHER INFORMATION CONTACT: Ellen Terpstra (Senior Economist, Agricultural Affairs), 202-395-5006 or Richard Steinberg (Assistant General Counsel), 202-395-7305.

SUPPLEMENTARY INFORMATION: This interim rule has been reviewed under the United States Trade Representative's procedures implementing Executive Order 12291 and has been classified as "not major." It has been determined that the provisions of this interim rule will not result in: (1) An annual effect on the economy of \$100 million or more; (2) major increases in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions; or (3)

significant adverse effects on competition, employment, investment, productivity, innovation or on the ability of United States-based enterprises in domestic or export markets.

The United States Trade Representative certifies that this interim rule will not have a significant economic impact on a substantial number of small entities. Consequently, no regulatory flexibility analysis is required under the provisions of the Regulatory Flexibility Act (5 U.S.C. 601). It has been determined by an environmental evaluation that this action will not have any significant impact on the quality of the human environment. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is necessary for this interim rule.

Pursuant to the Paperwork Reduction Act of 1980, we have asked for expedited clearance of the information collection requirements imposed by this rule under Office of Management and Budget control number 0551-0014. Comments on any burden resulting from the information collection requirements of this regulation may be forwarded to: Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503. These programs are not subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials.

Background

Soon after the establishment of a restrictive import quota for sugars, syrups and molasses by Presidential Proclamation 4941 of May 5, 1982 (47 FR 19661), the United States Trade Representative promulgated regulations providing for the issuance of certificates of quota eligibility by foreign governments to implement the country-by-country allocations of the base quota and providing for the allocation of a separate quota for imports of specialty sugars.

Presidential Proclamation No. 6179 of September 13, 1990, 55 FR 38293, modified additional U.S. notes 3 and 4 of chapter 17 of the HTS and the tariff rates applicable to imported sugars, syrups, and molasses in order to convert the U.S. sugar import quota into a tariff-rate quota, effective October 1, 1990. This Proclamation provided for sugars, syrups, and molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, and 2106.90.11 of the HTS to enter the United States at the lower duty rates of the tariff-rate quota, subject to a quota allocated among supplying countries and areas. As in the past, the

total quota amount and quota period will be established by the Secretary of Agriculture; the United States Trade Representative will allocate specific quota amounts to each country and area eligible to receive an allocation.

It has been determined that this interim rule is necessary and appropriate to implement additional U.S. Note 3 to chapter 17 of the HTS, as modified by Proclamation 6179. Because the tariff-rate quota takes effect on October 1, 1990, it is necessary to revise and republish existing regulations on an interim basis, pending public comments, in order to avoid serious disruptions in the trade of sugars, syrups, and molasses, and for other reasons.

Certificates of Quota Eligibility

The regulations previously set forth as 15 CFR part 2011 to provide for certificates of quota eligibility have been revised and republished as subpart A of 15 CFR part 2011. These regulations set forth the terms and conditions under which certificates of quota eligibility will be issued to Canada and to foreign countries which have been allocated a share of the U.S. tariff-rate quota for sugar imports.

Except for specialty sugars (which are covered by the regulations in the new subpart B of part 2011) and except as otherwise discussed below, imported sugars, syrups, and molasses will not be permitted to be entered or withdrawn from warehouse for consumption under subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the Harmonized Tariff Schedule of the United States (HTS), unless such sugars, syrups, and molasses are accompanied by a certificate of quota eligibility. Accordingly, all foreign countries and areas which have been allocated a share of the base quota must participate in the certificate of quota eligibility program. The U.S. Customs Service will classify sugar imported from such countries and areas to such subheadings of the HTS only if the sugar is accompanied by a certificate of quota eligibility. The certificate requirement will also apply to all sugars, syrups and molasses imported from Canada regardless of the HTS subheading applicable to such articles.

This interim rule debates the exceptions to the certificate requirements previously allowed by 15 CFR 2011.3(b) for *de minimis* amounts (less than 20 short tons) and by 15 CFR 2011.6(b)-(d) for imports from countries and areas not participating in the certificate program. The deletion of these exceptions is necessary because

the certificate will be used by the U.S. Customs Service to determine which imports may be classified to subheading 1701.11.1, 1701.12.01, 1701.19.21, 1701.99.01, 1701.90.31, 1806.10.41, or 2106.90.11 of the HTS. A limited exception is provided, as in the previous regulations, for waivers to be granted by the Secretary of Agriculture when a waiver is justified by unusual, unavoidable or otherwise appropriate circumstances, such as the loss or destruction of the certificate, unavoidable delays in transmittal of the certificate to the port of entry, and clerical errors in the execution or issuance of the certificate.

This interim rule also deletes the transitional provisions previously set forth in § 2011.9, which has become obsolete. Finally, changes in the authority citation, certain definitions, and other provisions have been made to conform to the modifications in additional U.S. note 3 to chapter 17 of the HTS and to remove obsolete references to the International Sugar Agreement, 1977, which has expired.

Specialty Sugars

The regulations previously set forth as 15 CFR part 2013 to provide for the issuance of specialty sugar certificates have been revised and republished as subpart B of 15 CFR part 2011. These regulations set forth the terms and conditions under which specialty sugar certificates will be issued to U.S. importers for importing specialty sugars under the lower duty rates of the tariff-rate quota from countries set forth in additional U.S. note 3(b)(i) to chapter 17 of the HTS. These "other specialty sugar source countries" are Belgium, Burma, Cameroon, Denmark, Federal Republic of Germany, France, Hong Kong, Indonesia, Ireland, Italy, Japan, Kenya, Luxembourg, Netherlands, Netherlands Antilles, People's Republic of China, Republic of Korea, Republic of Yemen, Surinam, Sweden, Switzerland, United Kingdom, and Venezuela.

Specialty sugars imported from these countries will not be permitted to be entered under subheadings 1701.11.01, 1701.12.01, 1701.19.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS unless accompanied by a specialty sugar certificate issued by the Team Leader for Import Quota Programs of the U.S. Department of Agriculture's Foreign Agriculture Service (FAS). Accordingly, all importers of specialty sugars from foreign countries and areas which have been allocated a share of specialty sugar must participate in the specialty sugar certificate program. The U.S. Customs Service will classify specialty sugar imported from such countries and areas

to such subheadings of the HTS only if the specialty sugar is accompanied by a specialty sugar certificate.

The only substantial change made by this interim rule to the previous regulations in part 2013 involves the definition of specialty sugars. The former definition in 15 CFR 2013.2(i) included as an element that the specialty sugars not be "currently commercially produced in the United States or reasonably available from domestic sources." This limitation has been replaced with a specific list of the products traditionally considered to be specialty sugars. The list includes brown slab sugar (also known as slab sugar candy), pearl sugar (also known as perl sugar, perle sugar, and nibs sugar), vanilla sugar, rock candy, demerara sugar, silver dragees for cooking and baking, white fondant (a creamy blend of sugar and glucose), ti light sugar (99.2% sugar with the residual comprised of the artificial sweeteners aspartame and acesulfame K), caster sugar, golden syrup, and frediana granella grossa. These products must also be classifiable to subheadings 1701.11.01, 1701.12.01, 1701.19.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS, be the product of a country listed among the "other specialty sugar source countries," and require no further refining, processing, or other preparation prior to consumption, other than incorporation as an ingredient in human food.

In addition, changes in the authority citation, certain definitions, and other provisions have been made to conform to the modifications in additional U.S. note 3 to chapter 17 of the HTS and to remove obsolete references to the International Sugar Agreement, 1977, which has expired.

"Other Specified Countries and Areas"

The regulations previously promulgated by the Secretary of Agriculture and set forth in 7 CFR 6.90-6.93 to provide for allocations of the former absolute quota to the "other specified countries and areas" have been revised and republished as subpart C of 15 CFR part 2011. These regulations set forth the manner in which individual sugar import tariff-rate quota allocations will be calculated for those countries listed as "Other specified countries and areas" in paragraph (b)(i) of additional U.S. note 3 to chapter 17 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 1202). These countries and areas are: Congo, Cote d'Ivoire, Gabon, Haiti, Madagascar, Mexico, Papua-New Guinea, Paraguay, Saint Christopher-Nevis, and Uruguay.

Proclamation No. 6179 transferred authority from the Secretary of Agriculture to the United States Trade Representative to promulgate regulations providing for such minimum allocation amounts as may be appropriate to provide reasonable access to the U.S. sugar market to these countries. Changes have been made to the authority citation and other provisions to conform to the modifications in additional U.S. note 3 to chapter 17 of the HTS, and the final two sentences of former § 6.93 have been deleted because they were in conflict with the first sentence.

List of Subjects in 15 CFR Part 2011

Allocations for "Other Specified Countries and Areas", Certificates of Quota Eligibility, Imports, Specialty sugars, Sugar.

Accordingly, 15 CFR is amended to read as follows:

1. Part 2011 is revised to read as follows:

PART 2011—ALLOCATION OF TARIFF-RATE QUOTA ON IMPORTED SUGARS, SYRUPS AND MOLASSES

Subpart A—Certificates of Quota Eligibility

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| Sec. | |
| 2011.101 | General statement. |
| 2011.102 | Definitions. |
| 2011.103 | Entry into the United States. |
| 2011.104 | Waiver. |
| 2011.105 | Form and applicability of certificate. |
| 2011.106 | Agreements with foreign countries. |
| 2011.107 | Issuance of certificates to foreign countries. |
| 2011.108 | Execution and issuance of certificates by the certifying authority. |
| 2011.109 | Suspension or revocation of individual certificates. |
| 2011.110 | Suspension of certificate system. |

Subpart B—Specialty Sugar

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| 2011.201 | General statement. |
| 2011.202 | Definitions. |
| 2011.203 | Issuance of specialty sugar certificates. |
| 2011.204 | Entry of specialty sugars. |
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| 2011.206 | Suspension or revocation of individual certificates. |
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Subpart C—Allocations for "Other Specified Countries and Areas"

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| 2011.301 | General Statement. |
| 2011.302 | Definitions. |
| 2011.303 | Allocation of individual import quotas. |
| 2011.304 | Applicability. |
| 2011.305 | Relationship to overall import quota. |
| 2011.306 | Paperwork Reduction Act assigned number. |

Authority: Presidential Proclamation No. 6179, September 13, 1990 (55 FR 38293); additional U.S. note 3 to chapter 17 of the Harmonized Tariff Schedule of the United States (HTS) (19 U.S.C. 1202).

Subpart A—Certificate of Quota Eligibility

§ 2011.101 General statement.

This subpart sets forth the terms and conditions under which certificates of quota eligibility will be issued to foreign countries which have been allocated a share of the U.S. sugar tariff-rate quota. Except for specialty sugars covered by the regulations in subpart B of this part and except as otherwise provided in this subpart, sugars, syrups, and molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the Harmonized Tariff Schedule of the United States (HTS), imported from a foreign country, may not be entered or withdrawn from warehouse for consumption under such HTS subheadings unless such sugars, syrups, or molasses are accompanied by a certificate of quota eligibility. It has been determined that these regulations are necessary and appropriate to implement additional U.S. note 3 to chapter 17 of the HTS.

§ 2011.102 Definitions.

Unless the context otherwise requires, for the purpose of this subpart, the following terms shall have the meanings assigned below.

(a) *Additional U.S. note 3* means additional U.S. note 3 to chapter 17 of the HTS, including any amendments thereto.

(b) *Appropriate customs official* means the district or area Director of the U.S. Customs Service, his or her designee, or any other customs officer of similar authority and responsibility for the customs district in which the port of entry is located.

(c) *Certificate of quota eligibility* or "certificate" means a certificate issued by the Secretary to a foreign country or area which, when duly executed and issued by the certifying authority of such foreign country or area, authorizes the entry into the United States of sugar produced in such country under subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS.

(d) *Certifying authority* means a person designated by the government of a foreign country who is authorized to execute and issue certificates of quota eligibility on behalf of such foreign country.

(e) *Entry* means entry, or withdrawal from warehouse, for consumption in the customs territory of the United States.

(f) *Foreign country* means any of the following foreign countries or areas: Argentina, Australia, Barbados, Belize, Bolivia, Brazil, Canada, Columbia, Congo, Costa Rica, Cote d'Ivoire, Dominican Republic, Ecuador, El Salvador, Fiji, Gabon, Guatemala, Guyana, Haiti, Honduras, India, Jamaica, Madagascar, Malawi, Mauritius, Mexico, Mozambique, Nicaragua, Panama, Papua-New Guinea, Paraguay, Peru, Philippines, Saint Christopher-Nevis, Swaziland, Taiwan, Thailand, Trinidad-Tobago, Uruguay, and Zimbabwe.

(g) *Licensing Authority* means the Team Leader, Import Quota Programs, Import Policies and Trade Analysis Division, Foreign Agricultural Service, U.S. Department of Agriculture, or his or her designee.

(h) *Person* means an individual, partnership, corporation, association, estate, trust, or other legal entity, and, wherever applicable, any unit, instrumentality, or agency of a government, domestic or foreign.

(i) *Quota* means any tariff-rate quota on imports of sugars, syrups or molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, and 2106.90.11 of the HTS established and allocated pursuant to the provisions of paragraphs (a) and (b) of additional U.S. note 3 to chapter 17 of the HTS.

(j) *Quota period* means any period of time for which a quota for imports of sugar has been established in accordance with additional U.S. note 3.

(k) *Raw value* means, for a given quantity of sugar, the equivalent of that quantity of sugar in terms of ordinary commercial raw sugar testing 96 degrees by the polariscope as determined in accordance with regulations issued by the Secretary of the Treasury.

(l) *Secretary* means the Secretary of Agriculture or any officer or employee of the Department of Agriculture to whom the Secretary has delegated the authority or to whom the authority hereafter may be delegated to act in the Secretary's place.

(m) *Sugar* means sugar, syrups, and molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11, but does not include specialty sugars as defined in subpart B of this part, or, in the case of "sugar" which is the product of Canada, means sugar, syrups, and molasses described in subheadings 1701.11.02, 1701.11.03, 1701.12.02, 1701.91.22, 1701.99.02, 1702.90.32, 1806.10.42, or 2106.90.12 of the

HTS, which is the product of Canada, but does not include specialty sugars as defined in subpart B of this part.

§ 2011.103 Entry into the United States.

(a) *General*. Except as otherwise provided herein (see §§ 2011.104 and 2011.109), no sugar described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS, which is the product of a foreign country or area, may be entered or withdrawn from warehouse for consumption after 12:01 a.m. October 1, 1990 unless at the time of entry the person entering such sugar presents to the appropriate customs official a valid and properly executed certificate of quota eligibility for such sugar. Except as otherwise provided herein (see §§ 2011.104 and 2011.109), no sugar described in subheadings 1701.11.02, 1701.11.03, 1701.12.02, 1701.91.22, 1701.99.02, 1702.90.32, 1806.10.42, or 2106.90.12 of the HTS, which is the product of Canada, may be entered or withdrawn from warehouse for consumption after 12:01 a.m. October 1, 1990 unless at the time of entry the person entering such sugar presents to the appropriate customs official a valid and properly executed certificate of quota eligibility for such sugar.

(b) *Determinations of weight*. (1) For purposes of determining the amount of sugar which may be entered into the United States under a certificate of quota eligibility, sugar shall be entered on the basis of the actual weight of the sugar, as determined by the appropriate customs official. No adjustments in weight shall be made for the differences in polarization.

(2) The actual weight of the sugar entered into the United States may not exceed the weight specified on the certificate of quota eligibility by more than five percent. Such tolerance may be modified by the Secretary if the Secretary finds that such modification is appropriate to carry out the provisions of this subpart. Notice of any such modification shall be published by the Secretary in the Federal Register.

(3) The provisions of this paragraph shall not affect the manner in which the amount of sugar (raw value) entered into the United States is determined for purposes of administering the import quotas imposed under additional U.S. note 3 on sugar described in subheadings 1701.99.01, 1702.90.31, 1806.10.41, and 2106.90.11 of the HTS.

§ 2011.104 Waiver.

(a) *General*. The Secretary may waive, with respect to individual

shipments, any or all of the requirements of this subpart if he or she determines that a waiver will not impair the proper operation of the sugar quota system, that it will not have the effect of modifying the allocation of sugar made pursuant to the provisions of paragraph (b) of additional U.S. note 3 to chapter 17 of the HTS, and that such waiver is justified by unusual, unavoidable, or otherwise appropriate circumstances. Such circumstances include, but are not limited to, loss or the destruction of the certificate, unavoidable delays in transmittal of the certificate to the port of entry, and clerical errors in the execution or issuance of the certificate.

(b) *Request for waiver.* The request for a waiver must be made to the Secretary in writing. The request need not follow any specific format. However, the request should set forth in detail all pertinent information relating to the shipment in question and the basis upon which the waiver should be granted.

(c) *Issuance of waiver.* The Secretary shall notify, in writing, the applicant for the waiver and the Secretary of the Treasury of any waiver granted under the authority of this section. The Secretary may attach any terms, conditions or limitations to the waiver which he or she determines are appropriate.

§ 2011.105 Form and applicability of certificate.

(a) *Contents.* Each certificate shall be numbered and identified by the foreign country. The certificate shall state that the quantity specified on the certificate is eligible to be entered into the United States during the applicable quota period. The certificate shall provide spaces into which the following information must be inserted by the certifying authority of the foreign country: Quantity eligible to be entered; name of shipper; name of vessel; and port of loading. The following information, if known, may also be specified on the certificate by the certifying authority: name and address of consignee; expected date of departure; expected date of arrival in U.S.; and expected port(s) of arrival in the United States. The certificate shall also provide an area where the certifying authority of the foreign country shall affix a seal or other form of authentication and sign and date the certificate.

(b) *Other limitations.* The Secretary may attach such other terms, limitations, or conditions to individual certificates of quota eligibility as he or she determines are appropriate to carry out the purposes of this subpart, provided that such other terms, limitations, or

conditions will not have the effect of modifying the allocation of sugar made pursuant to the provisions of paragraph (b) of additional U.S. note 3 to chapter 17 of the HTS. Such terms, limitations or conditions may include, but are not limited to, maximum quantities per certificate and a specified period of time during which the certificate shall be valid. In no event shall the maximum quantity per certificate exceed 10,000 short tons.

(c) *Applicability of the certificate.* The certificate of quota eligibility shall only be applicable to the shipment of sugar for which it was executed and issued by the certifying authority.

§ 2011.106 Agreements with foreign countries.

Agreements or arrangements providing for the certificate system may be entered into by the United States Government with the governments of foreign countries. Such agreements or arrangements may provide for the designation of certifying authorities, the designation of seals or other forms of authentication, the transmittal and exchange of pertinent information, and other appropriate means or forms of cooperation.

§ 2011.107 Issuance of certificates to foreign countries.

(a) *Amount and timing.* The Secretary may issue certificates of quota eligibility to foreign countries for any quota period in such amounts and at such times as he or she determines are appropriate to enable the foreign country to fill its quota allocation for such quota period in a reasonable manner, taking into account traditional shipping patterns, harvesting period, U.S. import requirements, and other relevant factors.

(b) *Adjustments.* The Secretary may adjust the amount of certificates issued to a certifying authority for any quota period, provided that such adjustment will not have the effect of modifying the allocation of sugar made pursuant to the provisions of paragraph (b) of additional U.S. note 3 to chapter 17 of the HTS, in order to reflect:

(1) The amount of sugar entered into warehouse during previous quota periods;

(2) Anticipated differences in actual weight and weight determined on a raw value basis; and

(3) Other relevant factors.

§ 2011.108 Execution and issuance of certificates by the certifying authority.

(a) *Execution.* The certificate of quota eligibility shall be executed by the certifying authority by:

(1) Entering on the certificate the information required under § 2011.105 of this subpart; and

(2) Affixing a seal or other form of authentication to the certificate.

(b) *Issuance.* The executed certificate shall be issued by the certifying authority to the shipper or consignee specified on the certificate.

(c) *Modifications by the certifying authority.* The terms and conditions set forth in the certificate may not be modified, added to, or deleted by the certifying authority without the prior written approval of the Secretary.

(d) A certificate shall not be considered valid unless it is executed and issued in accordance with this section.

§ 2011.109 Suspension or revocation of individual certificates.

(a) *Suspension or revocation.* The Secretary may suspend, revoke, modify or add further limitations to any certificate if the Secretary determines that such action or actions is necessary to ensure the effective operation of the import quota system for sugar and that such suspension, revocation, modification or addition of further limitations will not have the effect of modifying the allocation of sugar made pursuant to the provisions of paragraph (b) of additional U.S. note 3 to chapter 17 of the HTS.

(b) *Reinstatement.* The Secretary may reinstate or reissue any certificate which was previously suspended, revoked, modified, or otherwise limited under the authority of this section.

§ 2011.110 Suspension of certificate system.

(a) *Suspension.* The U.S. Trade Representative may suspend the provisions of this subpart whenever he or she determines that such action gives due consideration to the interests in the U.S. sugar market of domestic producers and materially affected contracting parties to the General Agreement on Tariffs and Trade. Notice of such suspension and the effective date thereof shall be published in the Federal Register.

(b) *Reinstatement.* The U.S. Trade Representative may at any time reinstate the operation of this subpart if he or she finds that the conditions set forth in paragraph (a) of this section no longer apply. Notice of such reinstatement and the effective date thereof shall be published in the Federal Register.

(c) *Transitional provisions.* In the case of any suspension or reinstatement of the certificate system established by

this subpart, the Secretary, in consultation with the United States Trade Representative, may prescribe such additional guidelines, instructions, and limitations which shall be applied or implemented by appropriate customs officials in order to ensure an orderly transition.

Subpart B—Specialty Sugar

§ 2011.201 General statement.

This subpart sets forth the terms and conditions under which specialty sugar certificates will be issued to U.S. importers for importing specialty sugars from countries set forth in additional U.S. note 3(b)(i) to chapter 17 of the Harmonized Tariff Schedule of the United States (HTS). Specialty sugars imported from such countries may not be entered under subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS unless accompanied by a specialty sugar certificate. It has been determined that the regulations in this subpart are necessary and appropriate to implement authority conferred on the United States Trade Representative by additional U.S. note 3 to chapter 17 of the HTS. It has further been determined that these regulations give consideration to the interests in the U.S. sugar market of domestic producers and materially affected contracting parties to the General Agreement on Tariffs and Trade (GATT), and that these regulations are necessary and appropriate to assist in fulfilling U.S. obligations under the GATT.

§ 2011.202 Definitions.

Unless the context otherwise requires, for the purpose of this subpart, the following terms shall have the meanings assigned below.

(a) *Appropriate Customs official* means the District or Area Director of Customs, his or her designee, or any other Customs officer of similar authority and responsibility for the Customs district in which the port of entry is located.

(b) *Certificate* means a specialty sugar certificate issued by the Certifying Authority permitting the entry of specialty sugar as defined in this section.

(c) *Certifying Authority* means the Team Leader, Import Quota Programs, Foreign Agriculture Service, U.S. Department of Agriculture, or his or her designee.

(d) *Date of entry* means the date on which the appropriate Customs entry form is properly executed and deposited, together with any estimated

duties and special import fees and any related documents required by law or regulation to be filed with such form at the time of entry with the appropriate Customs Officer.

(e) *Importer* means any person in the United States importing specialty sugar into the United States.

(f) *Person* means any individual, partnership, corporation, association, estate, trust, or any other business entity, and, whenever applicable, any unit, instrumentality, or agency, of a government, domestic or foreign.

(g) *Other specialty sugar source countries* means the following countries: Belgium, Burma, Cameroon, Denmark, Federal Republic of Germany, France, Hong Kong, Indonesia, Ireland, Italy, Japan, Kenya, Luxembourg, Netherlands, Netherlands Antilles, People's Republic of China, Republic of Korea, Republic of Yemen, Surinam, Sweden, Switzerland, United Kingdom, and Venezuela.

(h) *Quota* means any tariff-rate quota on imports of any sugars, sirups, or molasses provided for in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, and 2106.90.11 of the HTS applied under the authority of additional U.S. note 3 to chapter 17 of the HTS and any modifications thereto.

(i) *Secretary* means the Secretary of Agriculture or any officer of employee of the Department of Agriculture to whom the Secretary has delegated the authority or to whom the authority hereafter may be delegated to act in his place.

(j) *Specialty sugar* means brown slab sugar (also known as slab sugar candy), pearl sugar (also known as perl sugar, perle sugar, and nibs sugar), vanilla sugar, rock candy, demerara sugar, silver dragees for cooking and baking, white fondant (a creamy blend of sugar and glucose), ti light sugar (99.2% sugar with the residual comprised of the artificial sweeteners aspartame and acesulfame K), caster sugar, golden syrup, and ferdiana granella grossa, which in addition:

(1) Are sugars, syrups, or molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the Harmonized Tariff Schedule of the United States.

(2) Are the product of a country listed among the "other specialty sugar source countries," and

(3) Require no further refining, processing, or other preparation prior to consumption, other than incorporation as an ingredient in human food.

§ 2011.203 Issuance of specialty sugar certificates.

(a) Specialty sugars imported into the United States from other specialty sugar source countries may be entered under subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS only if such specialty sugars are accompanied by a certificate issued by the Certifying Authority.

(b) A certificate may be issued to an importer who complies with the provisions of this part. The certificate may contain such conditions, limitations or restrictions as the Certifying Authority, in his discretion, deems necessary. The Certifying Authority will issue a certificate if sufficient evidence has been provided to permit the Certifying Authority to make a reasonable determination that the sugar proposed to be imported under the certificate fits the definition of specialty sugars in this subpart.

(c) Subject to quota availability, an unlimited number of complying shipments may enter under a given certificate and a given certificate may cover more than one type of specialty sugar. Issuance of a certificate does not guarantee the entry of any specific shipment of specialty sugars under subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS, but only permits entry of such sugar under such HTS subheadings if the applicable quota or quotas are not already filled.

§ 2011.204 Entry of specialty sugars.

An importer or his or her agent must present a certificate to the appropriate Customs official at the time of entry of specialty sugars. Entry of specialty sugars under subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS shall be allowed only in conformity with the description of sugars and other conditions, if any, stated in the certificate.

§ 2011.205 Application for a specialty sugar certificate.

Applicants for certificates for the import of specialty sugars must apply in writing to the Certifying Authority. Such letter of application shall contain the following information:

(a) The name and address of the applicant;

(b) A statement of the anticipated quantity of specialty sugars to be imported, if known;

(c) The appropriate six digit HTS subheading number;

(d) A description of the specialty sugar the importer expects to import during the period of the certificate, including the manufacturer's or exporter's usual trade name or designation and use of such specialty sugar, and the importer's use of such specialty sugar;

(e) Sufficient evidence to permit the Certifying Authority to make a reasonable determination that such sugars are specialty sugars within the definition of specialty sugars in this subpart;

(f) The name of the anticipated consumer of the specialty sugars, if known at time of application; and

(g) The anticipated date of entry, if known at time of application.

The Certifying Authority may waive any provision of this section for good cause if he or she determines that such a waiver will not adversely affect the implementation of this subpart.

§ 2011.206 Suspension or revocation of individual certificates.

(a) *Suspension or revocation.* The Certifying Authority may suspend, revoke, modify or add limitations to any certificate which has been issued if he or she determines that such action or actions is necessary to ensure the effective operation of the quota for specialty sugars or determines that the importer has failed to comply with the requirements of this subpart.

(b) *Reinstatement.* The Certifying Authority may reinstate or restore any certificate which was previously suspended, revoked, modified or otherwise limited under the authority of this section.

(c) The determination of the Certifying Authority under paragraph (a) of this section that the importer has failed to comply with the requirements of this subpart may be appealed to the Director, Import Policy and Trade Analysis Division, Foreign Agriculture Service (FAS), U.S. Department of Agriculture, Washington, DC 20250, within 30 days from the date of suspension or revocation. The request for reconsideration shall be presented in writing and shall specifically state the reason or reasons why such determination should not stand. The Director, Import Policy and Trade Analysis Division, Foreign Agriculture Service (FAS), U.S. Department of Agriculture, Washington, DC 20250, will provide such person with an opportunity for an informal hearing on such matter. A further appeal may be made to the Administrator, FAS, U.S. Department of Agriculture, Washington, DC 20250, within five working days of receipt of the notification of the Director's

decision. The Certifying Authority may take action under paragraph (b) of this section during the pendency of any appeal.

§ 2011.207 Suspension of the certificate system.

(a) *Suspension.* The U.S. Trade Representative may suspend the provisions of this subpart whenever he or she determines that the quota provided for in additional note 3 to chapter 17 of the HTS is no longer in force or that this subpart is no longer necessary to implement those provisions. Notice of such suspension and the effective date thereof shall be published in the Federal Register.

(b) *Reinstatement.* The U.S. Trade Representative may at any time reinstate the operation of this subpart if he or she finds that the conditions set forth in paragraph (a) of this section no longer apply. Notice of such reinstatement and the effective date thereof shall be published in the Federal Register.

(c) *Transitional provisions.* In the case of any suspension or reinstatement of the certificate system established by this subpart, the Certifying Authority may prescribe such additional guidelines, instructions, and limitations which shall be applied or implemented by appropriate Customs officials in order to ensure an orderly transition.

Subpart C—Allocations for "Other Specified Countries and Areas"

§ 2011.301 General Statement.

This subpart sets forth the manner in which individual allocations of the tariff-rate quota will be calculated for those countries listed as "Other specified countries and areas" in paragraph (b)(i) of additional U.S. note 3 to chapter 17 of the Harmonized Tariff Schedule of the United States (HTS). It has been determined that the regulations in this subpart are necessary and appropriate to provide reasonable access to the U.S. sugar market to countries listed as "Other specified countries and areas." It has further been determined that these regulations give due consideration to the interests in the U.S. sugar market of domestic producers and materially affected contracting parties to the General Agreement on Tariffs and Trade.

§ 2011.302 Definitions.

Unless the context otherwise requires, for the purpose of this subpart, the following terms shall have the meanings assigned below.

(a) *Individual quota amount* means a specific quantity of sugars, syrups and

molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, or 2106.90.11 of the HTS, that may be imported from each country and area included in the category of "Other specified countries and areas."

(b) *Other specified countries and areas* means the following countries and areas: Congo, Cote d'Ivoire, Gabon, Haiti, Madagascar, Mexico, Papua-New Guinea, Paraguay, Saint Christopher-Nevis, and Uruguay.

(c) *Quota* means any tariff-rate quota on imports of sugars, syrups or molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, and 2106.90.11 of the HTS established under the provisions of paragraph (a) of additional U.S. note 3 to chapter 17 of the HTS.

(d) *Total quota amount* means the total amount, as established by the Secretary of Agriculture, of sugars, syrups and molasses described in subheadings 1701.11.01, 1701.12.01, 1701.91.21, 1701.99.01, 1702.90.31, 1806.10.41, and 2106.90.11 of the HTS, that may be entered or withdrawn from warehouse for consumption, during such period as shall be established by the Secretary of Agriculture.

§ 2011.303 Allocation of individual import quota

(a) Each foreign country and area in the category of "Other specified countries and areas" shall be allocated an individual quota amount for each quota period.

(b) The individual quota amount for each country and area in the category of "Other specified countries and areas" shall be the greater of:

(1) The pro rata share of the total quota amount allocated to the category "Other specified countries and areas" for each quota period in question;

(2) 7,258 metric tons, raw value; or

(3) Such other minimum quota amount as shall be determined by the United States Trade Representative to be appropriate to provide reasonable access to the U.S. market for imports from the other specified countries and area.

(c) Notwithstanding paragraph (b) of this section, the United States Trade Representative may provide for the allocation to other specified countries and areas of other individual quota amounts for specific time periods, or other special rules or limitations, in order to ensure an orderly transition in the following circumstances:

(1) The addition or deletion of a country or area to or from the category

"Other specified countries and areas;" or

(2) A change from an annual quota period (October 1–September 30) to another quota period.

Notice of any such quotas, rules, or limitations shall be published in the Federal Register.

§ 2011.304 Applicability.

This subpart shall be applicable to the quota period beginning October 1, 1990, and all subsequent quota periods.

§ 2011.305 Relationship to overall import quota.

The allocation of minimum quota amounts to the "Other specified countries and areas" may result in a quota allocation for such category which is in excess of that category's percentage allocation of quota.

§ 2011.306 Paperwork Reduction Act assigned number.

The Office of Management and Budget (OMB) has approved the information collection requirements contained in the regulations in this subpart in accordance with 44 U.S.C. chapter 25 and OMB control number 0551-0014 has been assigned.

PART 2013—[REMOVED]

2. Part 2013 is removed.

Signed at Washington, DC, on October 1, 1990.

Carla A. Hills,

United States Trade Representative.

[FR Doc. 90-23603 Filed 10-2-90; 11:28 am]

BILLING CODE 3190-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 522

Implantation or Injectable Dosage Form New Animal Drugs Not Subject to Certification; Ketoprofen Solution

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the animal drug regulations to reflect approval of a new animal drug application (NADA) filed by Fort Dodge Laboratories, Inc. The NADA provides for intravenous use of a ketoprofen sterile solution for alleviation of inflammation and pain associated with musculoskeletal disorders in horses.

EFFECTIVE DATE: October 4, 1990.

FOR FURTHER INFORMATION CONTACT: Sandra K. Woods, Center for Veterinary Medicine (HFV-114), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-3420.

SUPPLEMENTARY INFORMATION: Fort Dodge Laboratories, Inc., P.O. Box 518, 800 5th St. NW., Fort Dodge, IA 50501-0518, filed NADA 140-269 which provides for veterinary prescription use of ketoprofen (KetofenTM) sterile aqueous solution to treat inflammation and pain associated with musculoskeletal disorders in horses. The NADA is approved as of September 26, 1990, and the regulations are amended by adding new 21 CFR 522.1225 to reflect the approval. The basis for approval is discussed in the freedom of information summary.

In accordance with the freedom of information provisions of part 20 (21 CFR part 20) and § 514.11(e)(2)(ii) (21 CFR 514.11(e)(2)(ii)), a summary of safety and effectiveness data and information submitted to support approval of this application may be seen in the Dockets Management Branch (HFA-305), Food and Drug Administration, Rm. 4-82, 5600 Fishers Lane, Rockville, MD 20857, from 9 a.m. to 4 p.m., Monday through Friday.

As provided under section 512(c)(2)(F)(i) of the Generic Animal Drug and Patent Term Restoration Act of 1988 (21 U.S.C. 360b(c)(2)(F)(i)), this approval qualifies for 5 years of marketing exclusivity beginning September 26, 1990, because ketoprofen is a new chemical entity; i.e., it has not previously been approved under section 512(c)(1).

The agency has carefully considered the potential environmental effects of this action. FDA has concluded that the action will not have a significant impact on the human environment, and that an environmental impact statement is not required. The agency's finding of no significant impact and the evidence supporting that finding, contained in an environmental assessment, may be seen in the Dockets Management Branch (address above) between 9 a.m. and 4 p.m., Monday through Friday.

List of Subjects in 21 CFR Part 522

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, 21 CFR part 522 is amended as follows:

PART 522—IMPLANTATION OR INJECTABLE DOSAGE FORM NEW ANIMAL DRUGS NOT SUBJECT TO CERTIFICATION

1. The authority citation for 21 CFR part 522 continues to read as follows:

Authority: Section 512 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b).

2. New § 522.1225 is added to read as follows:

§ 522.1225 Ketoprofen solution.

(a) *Specifications.* Each milliliter of sterile aqueous solution contains 100 milligrams of ketoprofen.

(b) *Sponsor.* See 000856 in 21 CFR 510.600(c) of this chapter.

(c) *Conditions of use in horses.*—(1) *Amount.* 1.0 milligram per pound of body weight once daily for up to 5 days.

(2) *Indications for use.* For alleviation of inflammation and pain associated with musculoskeletal disorders in horses.

(3) *Limitations.* For intravenous use only. Do not use in breeding animals. Effects on fertility, pregnancy, or fetal health have not been determined. Not for use in horses intended for food. Federal law restricts this drug to use by or on the order of a licensed veterinarian.

Dated: September 26, 1990.

Gerald B. Guest,

Director, Center for Veterinary Medicine.

[FR Doc. 90-23468 Filed 10-3-90; 8:45 am]

BILLING CODE 4160-01-M

DEPARTMENT OF JUSTICE

Office of the Attorney General

28 CFR Part 0

[Order No. 1446-90]

Delegation of Authority

AGENCY: Department of Justice.

ACTION: Final rule.

SUMMARY: This order will amend part 0 of title 28 of the Code of Federal Regulations to delegate to the Assistant Attorney General in charge of the Civil Rights Division the authority assigned to the Attorney General by the Americans with Disabilities Act of 1990, Public Law 101-336.

EFFECTIVE DATE: September 24, 1990.

FOR FURTHER INFORMATION CONTACT: Stewart B. Oneglia, Chief, Coordination & Review Section, U.S. Department of Justice, P.O. Box 66118, Washington, DC 20035-6118, (202) 307-2222 (Voice), (202) 307-2678 (TDD).

SUPPLEMENTARY INFORMATION: This order is a matter of internal Department management. It does not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 605(b). It is not a major rule within the meaning of or subject to Executive Order No. 12291.

List of Subjects in 28 CFR Part 0

Authority delegations (Government agencies), Government employees, Organization and functions (Government agencies), Whistleblowing.

Accordingly, by virtue of the authority vested in me as Attorney General by 5 U.S.C. 301 and 28 U.S.C. 509, 510, subpart J of part 0 of title 28 of the Code of Federal Regulations is amended as follows:

1. The authority citation for part 0 is revised to read as follows:

Authority: 5 U.S.C. 301, 2303, 3103; 8 U.S.C. 1103, 1324A, 1427(g); 15 U.S.C. 644(k); 18 U.S.C. 2254, 3621, 3622, 4001, 4041, 4042, 4044, 4062, 4201 *et seq.*, 6003(b); 21 U.S.C. 871, 873(a), 891(d), 904; 22 U.S.C. 263a, 1621-1645o, 1622 note; 28 U.S.C. 509, 510, 515, 516, 519, 524, 543, 552, 552a, 569; 31 U.S.C. 1108, 3801 *et seq.*; 50 U.S.C. App. 1989b, 2001-2017p; Pub. L. 91-513, sec. 501; EO 11919; EO 11267; EO 11300; Pub. L. 101-203.

2. Section 0.50 is amended by adding paragraph (l) to read as follows:

§ 0.50 General functions.

(l) Enforcement and administration of the Americans with Disabilities Act of 1990, Public Law 101-336.

Dated: September 24, 1990.

Dick Thornburgh,
Attorney General.

[FR Doc. 90-23498 Filed 10-3-90; 8:45 am]

BILLING CODE 4410-01-M

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 36

RIN 2900-AD91

Loan Guaranty: Implementation of Public Law 100-198

AGENCY: Department of Veterans Affairs.

ACTION: Final regulatory amendments.

SUMMARY: The Department of Veterans Affairs (VA) is amending its loan guaranty regulations (38 CFR part 36) to comply with certain provisions of Public Law 100-198, the Veterans' Home Loan Program Improvements and Property Rehabilitation Act of 1987, as amended by Public Law 100-253, the Veterans'

Home Loan Program Emergency Amendments of 1988 and with certain provisions of Public Law 101-237, the Veterans Home Loan Indemnity and Restructuring Act of 1989. Changes made by these laws which VA will incorporate into the regulations by these amendments are: (1) An increase in the maximum amount of entitlement from \$27,500 to \$36,000, except that if the loan amount exceeds \$144,000 the maximum amount of entitlement is increased to \$46,000; (2) a revision of the method for calculating the guaranty amount; (3) a revision of the occupancy requirements; (4) a revision of the requirements for refinancing loans; and (5) a revision in the amount of the funding fee.

EFFECTIVE DATE: November 5, 1990.

FOR FURTHER INFORMATION CONTACT: Mr. Alan Schneider Assistant Director for Loan Policy (264), Loan Guaranty Service, Veterans Benefits Administration, (202) 233-3042.

SUPPLEMENTARY INFORMATION: On November 13, 1989, VA published in the Federal Register at pages 47220-47223 proposed regulatory amendments to change: (1) 38 CFR 36.4302, to increase the maximum amount of entitlement and to revise the method for calculating the guaranty amount; (2) §§ 36.4303, 36.4306, and 36.4306a, to revise occupancy requirements; (3) § 36.4306, to limit the amount of refinancing loans to not more than 90 percent of the appraised value of the property; and (4) § 36.4306a, to extend the term of interest rate reduction refinancing loan. Public comments were requested on the proposed amendments, and comments supporting all the changes were received from the vice president of one association.

On December 13, 1989, Public Law 101-237 was enacted. Certain changes made by this law are also being incorporated into the regulations by these amendments.

To comply with provisions of Public Law 101-237, 38 CFR 36.4312(e) is being amended to provide as follows: (1) For all refinancing loans and all loans where the veteran makes no down payment the funding fee shall be 1.25 percent of the loan amount; (2) For loans where the veteran makes a downpayment of 5 percent or more, but less than 10 percent, the funding fee shall be 0.75 percent of the loan amount; and (3) For loans where the veteran makes a downpayment of 10 percent or more, the funding fee shall be 0.50 percent of the loan amount.

Also, to comply with provisions of Public Law 101-237, 38 CFR 36.4302 is being further amended to provide as follows: (1) For loans of \$45,000 or less,

the maximum guaranty amount shall be 50 percent of the loan amount; (2) For loans of more than \$45,000, but no more than \$56,250, the maximum guaranty amount shall be \$22,500; (3) For loans of more than \$56,250, but not more than \$144,000, the guaranty amount shall be the lesser of \$36,000 or 40 percent of the loan amount; and (4) For loans of more than \$144,000, made for the purchase or construction of a home or farm residence or to purchase a residential unit in a condominium, the guaranty amount shall be the lesser of \$46,000 or 25 percent of the loan amount. These amounts are all subject to reduction if the veteran previously used VA loan entitlement.

In addition, § 36.4306 is being further amended to provide three instances in which a refinancing loan that is not an interest rate reduction refinancing loan may be for an amount in excess of 90 percent of the reasonable value. The instances are: (1) To refinance a construction loan; (2) to refinance an installment land sale contract; and (3) to refinance an existing loan assumed by the veteran, provided the new VA loan is at an interest rate lower than that of the loan being refinanced.

In the instances referred to in the preceding paragraph the refinancing loan amount may not exceed the lesser of the reasonable value established by VA or the sum of the outstanding balance on the loan to be refinanced and the closing costs (including discounts) actually paid by the veteran as specified in VA regulations.

VA finds, for good cause, advance publication for notice and public comment is not required on the amendments to 38 CFR 36.4302, 36.4306, and 36.4312(e) required by Public Law 101-237. The regulatory amendments merely update VA regulations consistent with the recent changes in law and do not involve any substantive changes in VA policy or regulations other than those required by the law. Thus, in accordance with the provisions of 38 CFR 1.12, advance publication in the Federal Register of these changes is unnecessary. Accordingly, the changes in the regulations are now published as final.

The Secretary hereby certifies that these regulatory amendments will not, if promulgated, have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601-612. The proposed amendments simply update VA regulations to incorporate the changes which have already been made by Public Law 100-198 as amended by Public Law 100-253.