

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF AGRICULTURE

### Animal and Plant Health Inspection Service

#### 7 CFR Part 319

[Docket No. 00-068-1]

#### Cold Treatment for Fresh Fruits; Port of Corpus Christi, TX

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** We are proposing to allow, under certain conditions, the cold treatment of imported fruit upon arrival at the port of Corpus Christi, TX. We have determined that there are biological barriers at this port that, along with certain safeguards, would prevent the introduction of fruit flies and other insect pests into the United States in the unlikely event that they escape from shipments of fruit before the fruit undergoes cold treatment. This action would facilitate the importation of fruit requiring cold treatment while continuing to provide protection against the introduction of fruit flies and other insect pests into the United States.

**DATES:** We invite you to comment on this docket. We will consider all comments that we receive by July 31, 2001.

**ADDRESSES:** Please send four copies of your comment (an original and three copies) to: Docket No. 00-068-1, Regulatory Analysis and Development, PPD, APHIS, Suite 3C03, 4700 River Road, Unit 118, Riverdale, MD 20737-1238. Please state that your comment refers to Docket No. 00-068-1.

You may read any comments that we receive on this docket in our reading room. The reading room is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to

help you, please call (202) 690-2817 before coming.

APHIS documents published in the **Federal Register**, and related information, including the names of organizations and individuals who have commented on APHIS dockets, are available on the Internet at <http://www.aphis.usda.gov/ppd/rad/webrepor.html>.

**FOR FURTHER INFORMATION CONTACT:** Donna L. West, Import Specialist, PPQ, APHIS, 4700 River Road Unit 140, Riverdale, MD 20737-1236; (301) 734-5007.

#### SUPPLEMENTARY INFORMATION:

##### Background

The fruits and vegetables regulations, contained in 7 CFR 319.56 through 319.56-8 (referred to below as the regulations), prohibit or restrict the importation of fruits and vegetables to prevent the introduction or dissemination of injurious insects, including fruit flies, that are new to or not widely distributed in the United States. The Animal and Plant Health Inspection Service (APHIS) of the U.S. Department of Agriculture administers these regulations.

Under the regulations, APHIS allows certain fruits to be imported into the United States if they undergo sustained refrigeration (cold treatment) sufficient to kill certain insect pests. Cold treatment temperatures and the duration of treatment vary according to the type of fruit and the pests involved. Detailed cold treatment procedures may be found in the Plant Protection and Quarantine (PPQ) Treatment Manual, which is incorporated by reference into the regulations at 7 CFR 300.1.

Most imported fruit that requires cold treatment undergoes cold treatment while in transit to the United States. However, APHIS also allows imported fruit to undergo cold treatment at an approved cold treatment facility in either the country of origin or after arrival in the United States at certain ports designated by APHIS in § 319.56-2d(b)(1) of the regulations.

Currently, cold treatment in the United States is limited to the following ports: Atlantic ports north of, and including, Baltimore, MD; ports on the Great Lakes and St. Lawrence Seaway; Canadian border ports on the North Dakota border and east of North Dakota; the maritime ports of Wilmington, NC,

Seattle, WA, and Gulfport, MS; Seattle-Tacoma International Airport, Seattle, WA; Hartsfield-Atlanta International Airport, Atlanta, GA; Baltimore-Washington International Airport, Baltimore, MD; and Dulles International Airport, Chantilly, VA.

#### Proposal of Additional Port

Recently, we received a formal request from the Port of Corpus Christi Authority of Nueces County, TX, to designate the maritime port of Corpus Christi, TX, as an approved location for the cold treatment of imported fruit. In response to that request, we are proposing to add the maritime port of Corpus Christi, TX, to the list of ports that are designated as approved locations for cold treatment of imported fruit. This proposal is based on our determination that there are biological barriers in the area of this port that, along with certain safeguards, would prevent the introduction of fruit flies and other insect pests in the unlikely event that they escape from shipments of fruit before the fruit undergoes cold treatment.

Our determination is based, in part, on a 1994 document prepared by APHIS assessing the pest risks associated with allowing cold treatment of tropical fruit fly host materials at certain U.S. ports. The applicable risk mitigation measures discussed in that risk assessment document are included in this proposal as requirements for the port of Corpus Christi, TX. (Copies of the risk assessment document may be obtained by writing to the individual listed under **FOR FURTHER INFORMATION CONTACT.**)

#### Risk Groups

The risk assessment document establishes risk groups for many ports in the United States; these risk groups characterize the relative risk, without consideration for mitigating factors, associated with the movement of tropical fruit fly host material for cold treatment in the United States. The ports have been assigned to one of five risk groups based on a number of criteria, including the individual port's latitude, microclimate, immediate host availability, and past fruit fly infestations; the risk groups are assigned numbers I through V, with these numbers representing an ascending level of risk based on those criteria. The ports that were considered have been categorized as follows:

- *Group I ports*— Atlantic ports north of and including Baltimore, MD.
- *Group II ports*— Wilmington, NC; Seattle, WA; Portland, OR; Atlanta, GA; and Norfolk, VA.
- *Group III ports*— Charleston, SC; Savannah, GA; Port Arthur and Galveston/Houston, TX.
- *Group IV ports*— Gulfport, MS; Mobile, AL; New Orleans, LA; Corpus Christi, TX; and Pensacola, FL.
- *Group V ports*— San Diego, San Pedro/Long Beach, San Francisco, and Oakland, CA; Tampa, Miami, West Palm Beach/Fort Lauderdale, Cape Canaveral, Jacksonville, Fort Myers, and Fort Pierce, FL; Brownsville, TX; and all Hawaiian ports.

The general requirements for cold treatment found in § 319.56–2d are designed to mitigate the risk of infestation due to fruit fly escape from shipments arriving in Group I ports. These requirements, contained in § 319.56–2d(b)(5)(i) through (b)(5)(iii), include delivering, under the supervision of a PPQ inspector, shipments of fruit that require cold treatment to an approved cold storage warehouse where the shipments will be cold treated; precooling and refrigerating the shipments of fruit intended for cold treatment promptly upon arrival at the cold treatment facility; allowing shipments of fruit that require cold treatment to leave U.S. Customs Service (Customs) custody only under a redelivery bond for cold treatment; and allowing final release by Customs of shipments of fruit that require cold treatment only after the Customs officer has received official notification that the required cold treatment has been completed.

Those Group II and IV ports that are currently listed in the regulations as ports where cold treatment of imported fruit may occur must meet other requirements, in addition to the general requirements discussed in the previous paragraph, to prevent the introduction of fruit flies and other insect pests into the United States.

The port of Corpus Christi, TX, which we are proposing as an approved location for cold treatment in this document, has been designated as a Group IV port; consequently, additional mitigating measures would need to be in place before cold treatment could occur at this port.

The conditions that would be assigned to the port of Corpus Christi, TX, are, with one difference, the same as those currently found in § 319.56–2d(b)(5)(vii) regarding cold treatment at the port of Gulfport, MS, which is also a Group IV port. These proposed

conditions are listed and explained below.

#### **Special Conditions for the Maritime Port of Corpus Christi, TX**

The maritime port of Corpus Christi, TX, is not in a commercial citrus-producing area. This reduces the likelihood that a fruit fly escaping from a shipment of fruit intended for cold treatment would find adequate host material for propagation. However, the port of Corpus Christi, TX, is less than 150 miles away from commercial citrus growing areas. Additionally, the port of Corpus Christi, TX, is located in a part of the country with a longer growing season and a wider variety and greater quantity of backyard hosts available compared to ports in Groups I through III. Therefore, in addition to the general requirements in § 319.56–2d(b)(5)(i) through (b)(5)(iii) of the regulations concerning cold treatment, the following requirements would apply to cold treatment conducted at the maritime port of Corpus Christi, TX.

1. All fruit entering the port for cold treatment must move in maritime containers. No bulk shipments (i.e., those shipments that are stowed and unloaded by the case or bin) are permitted.

This condition would ensure that imported fruit arriving for cold treatment at the port of Corpus Christi, TX, would not be exposed to the outdoors. The shipping container would insulate the fruit, thereby helping to keep the fruit chilled during unloading, prevent leakage of the shipments, and serve as a barrier to fruit fly escape from shipments of untreated fruit.

2. Within the container, the fruit intended for cold treatment must be enclosed in fruit fly-proof packaging that prevents the escape of adult, larval, or pupal fruit flies.

This condition would ensure that shipments that arrive at the port of Corpus Christi, TX, would be packaged in such a manner as to prevent fruit flies or other insect pests from escaping from the shipment when the container is opened. Additionally, this condition would provide an extra barrier to fruit fly escape from a shipment of untreated fruit.

3. Containerized shipments of fruit arriving at the port for cold treatment must be cold treated within the area over which Customs is assigned the authority to accept entries of merchandise, to collect duties, and to enforce the various provisions of the customs and navigation laws in force.

This condition would restrict the movement from the immediate vicinity of the port of untreated shipments of

fruit intended for cold treatment, further minimizing the risk that any fruit flies or other insect pests in the shipments would come into contact with host material that may be in the area.

4. The cold treatment facility and PPQ must agree in advance on the route by which shipments are allowed to move between the vessel on which they arrived at the port and the cold treatment facility. The movement of shipments from vessel to cold treatment facility will not be allowed until an acceptable route has been agreed upon.

In most instances, the route would be determined by establishing the shortest route between the vessel and the cold storage facility that does not include an area that contains host material for fruit flies during the time of year when the region experiences its most abundant amount of host material for fruit flies. Then, that route would be used throughout the year to convey shipments from vessel to cold treatment facility. This predetermined route would reduce the amount of time that a shipment would have to wait before undergoing cold treatment and would reduce the risk that any fruit flies in the shipments would come into contact with host material en route to cold storage.

5. Advance reservations for cold treatment space at the port must be made prior to the departure of a shipment from its port of origin.

This condition would ensure that untreated shipments of fruit arriving at the port would not have to wait for an extended period of time for cold treatment. Ensuring the expeditious cold treatment of the fruit would minimize the risk of fruit flies maturing in ripening fruit.

6. Devanning, the unloading of fruit from containers into the cold treatment facility, must be conducted in accordance with the following requirements:

(1) All containers must be unloaded within the cold treatment facility; and

(2) Untreated fruit may not be exposed to the outdoors under any circumstances.

Because of the southern location of the port of Corpus Christi, TX, we believe that this condition would be a necessary mitigating factor at this port. This condition would eliminate the possibility of untreated fruit being unloaded and waiting for cold treatment outside the cold treatment facility.

If fruit intended for cold treatment was removed from its shipping container outside the cold treatment facility, there would be an increased risk of fruit fly escape due to untreated fruit warming up to temperatures that

would allow the insect pests that may be in the fruit to become more active and possibly to escape when the fly-proof packaging is removed from the shipment. Our proposal to require devanning inside the cold treatment facility would ensure that all fruit that requires cold treatment remains in a cool environment.

7. The cold treatment facility must remain locked during nonworking hours.

This condition would help ensure that unauthorized persons would not have access to untreated fruit and, therefore, could not remove untreated fruit from the cold treatment facility.

8. Blacklights or sticky paper must be used within the cold treatment facility, and other trapping methods, including Jackson/methyl eugenol and McPhail traps, must be used within the 5 square miles surrounding the cold treatment facility.

This condition is intended to serve as an extra layer of defense by providing a means to detect fruit flies within the facility or within the facility's environs in the unlikely event that any fruit flies survive past the stage of pupation in the cold treatment facility. Although the regulations require a 4-square-mile trapping zone around the port of Gulfport, MS, APHIS has determined that a 5-square-mile trapping zone around the port of Corpus Christi, TX, is necessary to further mitigate the risks associated with the variety of fruit fly host material that is within 5 miles of the port.

9. During cold treatment, a backup system must be available to cold treat the shipments of fruit should the primary system malfunction. The facility must also have one or more reefers (cold holding rooms) and methods of identifying lots of treated and untreated fruits.

This condition would ensure that, in the event that the primary cold treatment system fails, additional equipment is on hand at the cold treatment facility to perform cold treatment. Cold holding rooms would be necessary to ensure that shipments of fruit remain cool during any waiting period that may ensue from a malfunction of the primary cold room. The identification of shipments to determine which lots have been treated and which lots need to be treated would eliminate the possibility of comingling treated and untreated fruit and further reduce the possibility of fruit flies or other insect pests escaping from the cold treatment facility.

10. The cold treatment facility must have the ability to conduct methyl bromide fumigation on site. Therefore,

the cold treatment facility must have fumigation equipment approved by the Deputy Administrator of PPQ and a site for conducting fumigation on the premises.

This condition would act as an additional contingency measure to ensure that fruit entering the port of Corpus Christi, TX, receives the necessary treatments. As the risk of fruit fly infestation is greater at Corpus Christi, TX, than at ports included in Groups I through III, we have determined that extra protection should be provided by requiring methyl bromide fumigation capabilities as an alternative means of eliminating pests from shipments of fruit. The criteria for the approval of fumigation equipment are provided in the PPQ Treatment Manual.

With respect to methyl bromide fumigation, the Environmental Protection Agency (EPA) published a notice of final rulemaking in the **Federal Register** on December 10, 1993 (58 FR 65018–65082), that froze the production of methyl bromide in the United States at 1991 levels and required the phasing out of domestic use of methyl bromide by 2001. Subsequently, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Act of 1999 (Act) amended the Clean Air Act (CAA) and directed the EPA to promulgate new rules to reduce and terminate the production, importation, and consumption of methyl bromide in accordance with the phaseout schedule of the Montreal Protocol. Consistent with the Protocol, the Act also amended the CAA by providing a quarantine-use exemption for the production, importation, and use of methyl bromide to fumigate commodities entering or leaving the United States to comply with APHIS regulations and for other legitimate quarantine uses.

To ensure that the United States fulfills its obligations under the CAA and the Protocol, EPA is nearing completion on amendments to its regulations that would revise the accelerated phaseout regulations and conform the U.S. methyl bromide phasedown schedule with the Protocol's schedule for industrialized nations. EPA anticipates that a final rule on this issue will be published in the **Federal Register** in the near future. EPA has also indicated that it is preparing to publish a proposed rule regarding the process for handling and documenting exemptions for the production and importation of quantities of methyl bromide to be used for quarantine and preshipment purposes.

Because the Montreal Protocol exempts quarantine uses of methyl

bromide, our proposal assumes the continued availability of methyl bromide for use as a fumigant for the foreseeable future. Nevertheless, USDA takes very seriously its commitment to work toward the development of commodity treatment alternatives to methyl bromide. Accordingly, APHIS is actively assessing the effectiveness and environmental acceptability of other tools—such as hot water treatment, thermal treatments (hot air, vapor heat, and cold treatment), and irradiation—that may economically manage the pests currently controlled with methyl bromide.

11. The cold treatment facility must have contingency plans, approved by the Deputy Administrator of PPQ, for safely destroying or disposing of fruit.

This condition would ensure that, in the event a shipment cannot be cold treated or fumigated promptly or properly, the contents of the shipment could be safely destroyed or disposed of so that fruit flies and other plant pests would not have the opportunity to escape. Examples of adequate contingency plans include the ability to incinerate fruit, to bury fruit, or to reexport fruit.

We believe that the mitigation measures described above, which have proved successful in mitigating fruit fly risks associated with cold treatment at the port of Gulfport, MS, would prevent the introduction of fruit flies and other plant pests that may be in shipments of fruit arriving at the port of Corpus Christi, TX, for cold treatment.

#### Miscellaneous Changes

The regulations in § 319.56–2d contain outdated references to the Bureau of Customs, which is now the U.S. Customs Service. We are proposing to correct these references in this document. Also, another outdated term, “Collector of Customs,” appears in paragraph (b)(5)(iii) of § 319.56–2d; we are also proposing to update that term.

Our regulations also misidentify the locations of both Baltimore-Washington International and Dulles International Airports as Washington, DC. Baltimore-Washington International Airport is located in Baltimore, MD, and Dulles International Airport is located in Chantilly, VA. We are proposing to correct these location descriptions for accuracy.

#### Executive Order 12866 and Regulatory Flexibility Act

This proposed rule has been reviewed under Executive Order 12866. This rule has been determined to be not significant for the purposes of Executive Order 12866, and, therefore, has not

been reviewed by the Office of Management and Budget.

In accordance with 5 U.S.C. 603, we have performed an initial regulatory flexibility analysis, which is set out below, regarding the effects of this proposed rule on small entities. We do not currently have all the data necessary for a comprehensive analysis of the effects of this proposed rule on small entities. Therefore, we are inviting comments concerning potential effects. In particular, we are interested in determining the number and kind of small entities that may incur benefits or costs from the implementation of this proposed rule.

Under the Plant Protection Act (7 U.S.C. 7701–7772), the Secretary of Agriculture is authorized to regulate the importation of fruits and vegetables to prevent the introduction of plant pests.

This proposed rule would amend the regulations governing the importation of fruits and vegetables by allowing, under certain conditions, the cold treatment of imported fruits at the port of Corpus Christi, TX. A new cold treatment facility has been constructed at this port.

The port of Corpus Christi, located along the Texas coast on the Gulf of Mexico, is connected to both U.S. and Mexican markets through several State and interstate highways as well as by rail service from three rail carriers, which all have access to the docks. The facility at the port of Corpus Christi that would be used for cold treatment has 295,500 square feet of covered dockside storage and a state-of-the-art refrigerated warehouse with a 100,000 square-foot capacity. This cold storage and treatment facility, completed in August 2000, includes three rooms with freezing and chilling capacities, and temperature-controlled rail and truck docks. A study conducted by the port authority of Corpus Christi predicts that by the year 2010, national container traffic will top 2.75 million transit and exit units (TEU's) and that the port of Corpus Christi could capture a throughput of 820,000 TEU's.

The port authority expects that it would receive commodity imports from several countries throughout Central and South America in addition to New Zealand and South Africa. The annual collective estimated value of commodities expected to be cold treated at the facility is nearly \$131.7 million.

According to the Small Business Administration, a small entity involved in the wholesale trade of fresh fruits is one that employs no more than 100 people. While small entities would likely benefit from being able to cold treat commodities at the port of Corpus

Christi, the number of these entities and the extent to which they might benefit is unknown. Additionally, import and transport companies in the region could be expected to handle increased traffic in fruits and vegetables, as indicated by the projected figures provided by exporters in Latin America and South Africa; consequently, local employment opportunities could be expected to increase.

The alternative to this proposed rule was to make no changes to the regulations. After consideration, we rejected this alternative because it appears that, with the safeguards proposed, the cold treatment of fruit may be conducted at the port of Corpus Christi, TX, without significant risk of introducing fruit flies or other plant pests.

#### Executive Order 12988

This proposed rule would allow fresh fruit to be imported into the United States for cold treatment at the maritime port of Corpus Christi, TX. If this proposed rule is adopted, State and local laws and regulations regarding fruit imported under this rule would be preempted while the fruit is in foreign commerce. Fresh fruit is generally imported for immediate distribution and sale to the consuming public and would remain in foreign commerce until sold to the ultimate consumer. The question of when foreign commerce ceases in other cases must be addressed on a case-by-case basis. If this proposed rule is adopted, no retroactive effect will be given to this rule, and this rule will not require administrative proceedings before parties may file suit in court challenging this rule.

#### Paperwork Reduction Act

This proposed rule contains no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

#### List of Subjects in 7 CFR Part 319

Bees, Coffee, Cotton, Fruits, Honey, Imports, Incorporation by reference, Nursery Stock, Plant diseases and pests, Quarantine, Reporting and recordkeeping requirements, Rice, Vegetables.

Accordingly, we propose to amend 7 CFR part 319 as follows:

#### PART 319—FOREIGN QUARANTINE NOTICES

1. The authority citation for part 319 would continue to read as follows:

**Authority:** 7 U.S.C. 166, 450, 7711–7714, 7718, 7731, 7732, and 7751–7754; 21 U.S.C. 136 and 136a; 7 CFR 2.22, 2.80, and 371.3.

2. Section 319.56–2d would be amended as follows:

a. In paragraph (b)(1), the words “Corpus Christi, TX,” would be added immediately before the words “and Gulfport, MS;” the words “Airport, Baltimore, MD,” would be added after the words “Baltimore–Washington International”; and the words “airports, Washington, DC,” would be removed and the words “Airport, Chantilly, VA” added in their place.

b. In paragraph (b)(5)(iii), the words “Collector of Customs” would be removed and the words “Customs Service” added in their place.

c. In paragraphs (b)(5)(iv)(B), (b)(5)(v)(B), and (b)(5)(vi)(B), the words “Bureau of Customs” would be removed each time they occur and the words “U.S. Customs Service” added in their place.

d. The introductory text of paragraph (b)(5)(vii) would be revised.

e. In paragraph (b)(5)(vii)(A), the words “at the port of Gulfport, MS” would be removed.

f. In paragraph (b)(5)(vii)(C), the words “Bureau of Customs” would be removed and the words “U.S. Customs Service” added in their place.

g. Paragraph (b)(5)(vii)(H) would be revised.

#### § 319.56–2d Administrative instructions for cold treatments of certain imported fruits.

\* \* \* \* \*

(b) \* \* \*

(5) \* \* \*

(vii) *Special requirements for the maritime ports of Gulfport, MS, and Corpus Christi, TX.* Shipments of fruit arriving at the ports of Gulfport, MS, and Corpus Christi, TX, for cold treatment, in addition to meeting all of the requirements in paragraphs (b)(5)(i) through (b)(5)(iii) of this section, must meet the following special conditions:

\* \* \* \* \*

(H) Blacklights or sticky paper must be used within the cold treatment facility, and other trapping methods, including Jackson/methyl eugenol and McPhail traps, must be used within the 4 square miles surrounding the cold treatment facility at the maritime port of Gulfport, MS, and within the 5 square miles surrounding the cold treatment facility at the maritime port of Corpus Christi, TX.

\* \* \* \* \*

Done in Washington, DC, this 25th day of May 2001.

**Bobby R. Acord,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. 01-13758 Filed 5-31-01; 8:45 am]

BILLING CODE 3410-34-P

## DEPARTMENT OF AGRICULTURE

### Rural Housing Service

#### 7 CFR Part 1944

RIN 0575-AC25

#### Farm Labor Housing Technical Assistance

**AGENCY:** Rural Housing Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** The Rural Housing Service (RHS) proposes to amend its regulations for the Farm Labor Housing (FLH) program. The Housing Act of 1949 authorizes the RHS to provide financial assistance to private and public nonprofit agencies to encourage the development of domestic and migrant farm labor housing projects. The nonprofit agencies that receive this financial assistance, in turn, provide "technical assistance" to other organizations to assist them in obtaining loans and grants for the construction of farm labor housing. The RHS has provided this assistance in prior years by awarding technical assistance contracts. In fiscal year 2000 a Request for Proposals was published in the **Federal Register** requesting grant proposals from private and public nonprofit agencies. The intended effect of this action is to amend the regulations to establish the eligibility requirements that nonprofit agencies must meet to receive technical assistance grants and how the financial assistance will be made available by the RHS.

**DATES:** Written or E-mail comments must be received on or before July 31, 2001.

**ADDRESSES:** Written comments may be submitted, in duplicate, to the Branch Chief, Regulations and Paperwork Management Branch, Rural Development, U.S. Department of Agriculture, Stop 0742, 1400 Independence Avenue SW, Washington, DC 20250-0742. Comments may be submitted via the Internet by addressing them to [comments@rus.usda.gov](mailto:comments@rus.usda.gov) and must contain "Technical" in the subject. All written comments will be available for public inspection at 300 E Street SW, Washington, DC 20546, during normal working hours.

#### FOR FURTHER INFORMATION CONTACT:

Douglas MacDowell, Senior Loan Specialist, Multi-Family Housing Processing Division, Rural Housing Service, U.S. Department of Agriculture, STOP 0781, 1400 Independence Avenue SW., Washington, DC 20250-0781, Telephone (202) 720-1604.

#### SUPPLEMENTARY INFORMATION:

##### Classification

This rule has been determined to be not significant for purposes of Executive Order 12886 and therefore has not been reviewed by the Office of Management and Budget (OMB).

##### Paperwork Reduction Act

The information collection requirements contained in this regulation have been previously approved by OMB under the provisions of 44 U.S.C. chapter 35 and this regulation has been assigned OMB control number 0575-0181, in accordance with the Paperwork Reduction Act of 1995. This rule does not impose any new information collection requirements from those approved by OMB.

##### Civil Justice Reform

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. In accordance with this rule: (1) All state and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings in accordance with 7 CFR part 11 must be exhausted before bringing suit in court challenging action taken under this rule.

##### Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Pub. L. 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, RHS generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with "Federal mandates" that may result in expenditures to State, local, or tribal governments, in the aggregate, or to the private sector, of \$100 million or more in any one year. When such a statement is needed for a rule, section 205 of the UMRA generally requires RHS to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, more cost-effective or least burdensome alternative that achieves the objectives of the rule.

This rule contains no Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of section 202 and 205 of the UMRA.

##### Executive Order 13132, Federalism

The policies contained in this rule do not have any substantial direct effect on states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. Nor does this rule impose substantial direct compliance costs on state and local governments. Therefore, consultation with the states is not required.

##### Programs Affected

The affected program is listed in the Catalog of Federal Domestic Assistance under Number 10.405, Farm Labor Housing Loans and Grants.

##### Intergovernmental Consultation

For the reasons contained in the Final Rule related Notice to 7 CFR part 3015, subpart V, this program is subject to Executive Order 12372 which requires intergovernmental consultation with State and local officials. RHS has conducted intergovernmental consultation in the manner delineated in RD 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 RHS 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.

##### Regulatory Flexibility Act

This proposed rule has been reviewed with regard to the requirements of the Regulatory Flexibility Act (5 U.S.C. 601-612). The undersigned has determined and certified by signature of this document that this rule will not have a significant economic impact on a substantial number of small entities since this rulemaking action does not involve a new or expanded program nor does it require any more action on the part of a small business than required of a large entity.

##### Background

Farmworkers are among the lowest paid workers in the United States and