

State	Sales through auction market	Sales to a slaughter/packer	Sales to a feedlot	Sales to an order buyer/dealer	Country sales <sup>1</sup>
Arizona .....	CP	CP	CP	B	B
California .....	CP	CP	B	B-CP	B
Colorado .....	CP	B	B	B	B
Idaho .....	B	B	B	B	B
Montana .....	CP	B	B	B	B
Nebraska .....	CP	CP	B-CP	B-CP	B-CP
Nevada .....	B	B	B	B	B
Oregon .....	CP	B-CP	B	B	B
New Mexico .....	CP	B-CP	B-CP	B-CP	B-CP
Utah .....	CP	B-CP	B	B	B
Washington .....	CP	CP	B	B-CP	B
Wyoming .....	CP	B	B	B	B

**Key:**

B—Brand inspector has responsibility to collect and remit assessments due.

CP—The person paying the producer shall be the collecting person and has responsibility to collect and remit the assessments due.

B-CP—Brand inspector has responsibility to collect; however, when there has not been a physical brand inspection the person paying the producer shall be the collecting person and has the responsibility to collect and remit assessments due.

<sup>1</sup> For the purpose of this subpart, the term "country sales" shall include any sales not conducted at an auction or livestock market and which is not a sale to a slaughter/packer, feedlot, or order buyer or dealer.

\* \* \* \* \*

(f)(1) In lieu of each person making a payment to a producer for cattle purchased in the United States, producers are provided the option in accordance with this paragraph (f) to remit the assessment to the QSBC in the State in which the producer resides. A producer who transports, prior to sale, cattle of that producer's own production to another State, may elect to make a directed payment of the \$1-per-head assessment in advance to the QSBC in the State in which the producer resides, provided that the producer fulfills the following requirements:

(i) Transports the cattle under retained ownership to a feedlot or similar location, and the cattle remain at such location, prior to sale, for a period not less than 30 days; and

(ii) The producer, either before or at the time of transport, signs a Certification of Producer Directed Payment of Cattle Assessments form indicating that the assessment has been paid in advance, and remits the assessment to the appropriate QSBC. A copy of the certification form indicating the payment of the assessment shall be sent by the producer with the assessment when remitted to the QSBC. The producer also shall send a copy of the certification form to the feedlot operator at the time the cattle are delivered. A copy of the certification form also shall be given to the purchaser of the cattle by the feedlot operator at the time of sale.

(2) The certification form will include the following information:

- (i) Producer's Name.
- (ii) Producer's social security number or Tax I.D. number.

(iii) Producer's address (street address or P.O. Box, city, State, and zip code).

(iv) Signature of Producer.

(v) Producer's State of residence.

(vi) Number of cattle shipped to out of State feedyard under retained ownership.

(vii) Date cattle shipped.

(viii) State where cattle will be on feed.

(ix) Name of feedyard.

(x) Address of feedyard.

(3) Cattle of a producer's own production shall be those cattle which meet all of the following requirements:

(i) The cattle shall be offspring of a producer's own cow herd;

(ii) The cattle shall have been continuously and exclusively under the producer's ownership; and

(iii) The cattle are transported to a feedlot with such producer continuously owning the cattle through the entire feeding phase.

(4) For those cattle for which the assessment has been producer directed and paid in advance pursuant to paragraph (f)(1) of this section, the purchaser of the cattle shall not be required to collect and remit the assessment, but shall maintain on file a copy of the Certification of Producer Directed Payment of Cattle Assessments form completed and signed by the producer who originally transported the cattle under retained ownership.

(5) For those cattle for which the assessment has been producer directed and paid in advance pursuant to paragraph (f)(1) of this section, copies of the completed Certification of Producer Directed Payment of Cattle Assessments form shall be maintained on file by the producer, the QSBC or the Board, the feedlot operator, and the purchaser of the cattle for 3 years.

(6) Producers shall not receive credit of the assessment required to be paid pursuant to paragraph (f)(1) of this section for those cattle lost because of death.

Dated: September 26, 2002.

**A.J. Yates,**

*Administrator, Agricultural Marketing Service.*

[FR Doc. 02-24968 Filed 9-27-02; 3:57 pm]

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## DEPARTMENT OF AGRICULTURE

### Food Safety and Inspection Service

#### 9 CFR Parts 331 and 381

[Docket No. 02-028F]

#### Termination of Designation of the State of Maine With Respect to the Inspection of Meat and Meat Food Products and Poultry and Poultry Food Products

**AGENCY:** Food Safety and Inspection Service, USDA.

**ACTION:** Direct final rule and termination of designation.

**SUMMARY:** This direct final rule amends the Federal meat and poultry products inspection regulations by terminating the designation of the State of Maine under Titles I, II, and IV of the Federal Meat Inspection Act (FMIA) and under sections 1 through 4, 6 through 11, and 12 through 22 of the Poultry Products Inspection Act (PPIA).

**DATES:** This direct final rule will be effective November 1, 2002 unless FSIS receives written adverse comments within the scope of this rulemaking or written notice of intent to submit

adverse comments within the scope of this rulemaking on or before October 23, 2002. If FSIS receives adverse comments, a timely withdrawal will be published in the **Federal Register** informing the public that the rule will not take effect.

**FOR FURTHER INFORMATION CONTACT:** Dr. William Leese, 202 418–8900, william.leese@fsis.usda.gov.

**SUPPLEMENTARY INFORMATION:**

**Background**

Section 301(c) of the FMIA (21 U.S.C. 661(c)) and section 5(c) of the PPIA (21 U.S.C. 454(c)) authorize the Secretary of Agriculture (Secretary) to designate a State as one in which the provisions of Titles I and IV of the FMIA and sections 1–4, 6–11, and 12–22 of the PPIA will apply to operations and transactions wholly within the State after the Secretary has determined that requirements at least equal to those imposed under the Acts have not been developed and effectively enforced by the State.

At different times in the past, the Secretary designated the State of Maine under section 301(c) of the FMIA and section 5(c) of the PPIA as a State in which the Federal Government is responsible for providing meat and poultry products inspection at eligible establishments and for otherwise enforcing the applicable provisions of the FMIA and the PPIA with regard to intrastate activities in the State. These designations were undertaken by the Secretary when it was determined that the State of Maine was not in a position to enforce requirements that are at least equal to the requirements of FMIA and PPIA enforced by the Federal Government.

On January 2, 1971, the Federal Government assumed the responsibility of administering the authorities provided for under sections 11(b) and (c) of the PPIA (21 U.S.C. 460(b) and (c)). On May 12, 1980, the Federal Government assumed the responsibility of administering the authorities provided for under sections 202 and 203 of the FMIA (21 U.S.C. 642 and 643).

The Director of Agriculture of the State of Maine has advised FSIS that on October 17, 2002, the State of Maine will publish regulations declaring that it will administer a State meat and poultry products inspection program that includes requirements at least equal to those imposed under the Federal meat and poultry products inspection program.

Section 301(c) of the FMIA and section 5(c) of the PPIA provide that whenever the Secretary of Agriculture

determines that any designated State has developed and will enforce State meat and poultry products inspection requirements at least equal to those imposed by the Federal Government under the FMIA and the PPIA with regard to intrastate operations and transactions, the Secretary will terminate the designation of such State. The Secretary has determined that the State of Maine has developed, and will enforce, such a State meat and poultry products inspection program in accordance with the applicable provisions of the FMIA and the PPIA.

Establishments have the option to apply for Federal or State inspection. However, product produced under State inspection is limited to distribution in intrastate commerce.

**Executive Order 12866**

This final rule is issued in conformance with Executive Order 12866 and has been determined not to be a major rule. It will not result in an annual effect on the economy of \$100 million or more and will not adversely affect the economy or any segment of the economy. Because this final rule is not a significant rule under Executive Order 12866, it has not undergone review by the Office of Management and Budget.

**Effect on Small Entities**

The FSIS Administrator has determined that this action will not have a significant economic impact on a substantial number of small entities, as defined by the Regulatory Flexibility Act (Pub. L. 96–354; 5 U.S.C. 601). As stated above, the State of Maine is assuming a responsibility, previously limited to the Federal Government, of administering a meat and poultry products inspection program for intrastate operations and transactions.

**Additional Public Notification**

FSIS has considered the potential civil rights impact of this final rule on minorities, women, and persons with disabilities. Public involvement in all segments of rulemaking and policy development is important. Consequently, in an effort to better ensure that minorities, women, and persons with disabilities are aware of this rulemaking, FSIS will announce it and provide copies of this **Federal Register** publication in the FSIS Constituent Update. FSIS provides a weekly Constituent Update, which is communicated via Listserv, a free e-mail subscription service. In addition, the update is available on-line through the FSIS web page located at <http://www.fsis.usda.gov>. The update is used

to provide information regarding FSIS policies, procedures, regulations, **Federal Register** notices, FSIS public meetings, recalls, and any other types of information that could affect or would be of interest to our constituents/stakeholders. The constituent Listserv consists of industry, trade, and farm groups, consumer interest groups, allied health professionals, scientific professionals, and other individuals that have requested to be included. Through the Listserv and web page, FSIS is able to provide information to a much broader, more diverse audience.

For more information contact the Congressional and Public Affairs Office, at (202) 720–9113. To be added to the free e-mail subscription service (Listserv) go to the “Constituent Update” page on the FSIS web site at <http://www.fsis.usda.gov/oa/update/update.htm>. Click on the “Subscribe to the Constituent Update Listserv” link, then fill out and submit the form.

**List of Subjects**

*9 CFR Part 331*

Meat inspection.

*9 CFR Part 381*

Poultry and poultry products.

Accordingly, 9 CFR parts 331 and 381 are amended as follows:

**PART 331—[AMENDED]**

1. The authority citation for part 331 continues to read as follows:

**Authority:** 21 U.S.C. 601–695; 7 CFR 2.17, 2.55.

**§ 331.2 [Amended]**

2. The table in § 331.2 is amended by removing “Maine” from the “State” column and by removing the corresponding date.

**§ 331.6 [Amended]**

3. The table in § 331.6 is amended by removing “Maine” from the “State” column in three places and by removing the corresponding dates.

**PART 381—[AMENDED]**

4. The authority citation for part 381 continues to read as follows:

**Authority:** 7 U.S.C. 138F; 7 U.S.C. 450; 21 U.S.C. 451–470; 7 CFR 2.18, 2.53.

**§ 381.221 [Amended]**

5. The table in § 381.221 is amended by removing “Maine” from the “States” column and by removing the corresponding date.

**§ 381.224 [Amended]**

6. The table in § 381.224 is amended by removing “Maine” from the “State”

column in three places and by removing the corresponding dates.

Done in Washington, DC on September 25, 2002.

Garry L. McKee,  
Administrator.

[FR Doc. 02-24979 Filed 10-1-02; 8:45 am]

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## FEDERAL RESERVE SYSTEM

### 12 CFR Part 226

[Regulation Z; Docket No. R-1130]

#### Truth in Lending

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Final rule; staff commentary.

**SUMMARY:** The Board is publishing a final rule amending the staff commentary that interprets the requirements of Regulation Z (Truth in Lending). The Board is required to adjust annually the dollar amount that triggers requirements for certain mortgages bearing fees above a certain amount. The Home Ownership and Equity Protection Act of 1994 (HOEPA) sets forth rules for home-secured loans in which the total points and fees payable by the consumer at or before loan consummation exceed the greater of \$400 or 8 percent of the total loan amount. In keeping with the statute, the Board has annually adjusted the \$400 amount based on the annual percentage change reflected in the Consumer Price Index that is in effect on June 1. The adjusted dollar amount for 2003 is \$488.

**DATES:** Effective January 1, 2003.

**FOR FURTHER INFORMATION CONTACT:**

Minh-Duc T. Le, Staff Attorney, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, at (202) 452-3667. For the users of Telecommunications Device for the Deaf ("TDD") only, contact (202) 263-4869.

**SUPPLEMENTARY INFORMATION:**

#### I. Background

The Truth in Lending Act (TILA; 15 U.S.C. 1601 - 1666j) requires creditors to disclose credit terms and the cost of consumer credit as an annual percentage rate. The act requires additional disclosures for loans secured by a consumer's home, and permits consumers to cancel certain transactions that involve their principal dwelling. TILA is implemented by the Board's Regulation Z (12 CFR part 226). The Board's official staff commentary (12 CFR part 226 (Supp. I)) interprets the regulation, and provides guidance to

creditors in applying the regulation to specific transactions.

In 1995, the Board published amendments to Regulation Z implementing HOEPA, contained in the Riegle Community Development and Regulatory Improvement Act of 1994, Pub. L. 103-325, 108 Stat. 2160 (60 FR 15463). These amendments are contained in § 226.32 and 226.34 of the regulation and impose substantive limitations and additional disclosure requirements on certain closed-end mortgage loans bearing rates or fees above a certain percentage or amount. As enacted, the statute requires creditors to comply with the HOEPA rules if the total points and fees payable by the consumer at or before loan consummation exceed the greater of \$400 or 8 percent of the total loan amount. TILA and Regulation Z provide that the \$400 figure shall be adjusted annually on January 1 by the annual percentage change in the Consumer Price Index (CPI) that was reported on the preceding June 1. (15 U.S.C. 1602(aa)(3) and 12 CFR 226.32(a)(1)(ii)). The Board adjusted the \$400 amount to \$480 for the year 2002.

The Bureau of Labor Statistics publishes consumer-based indices monthly, but does not "report" a CPI change on June 1; adjustments are reported in the middle of each month. The Board uses the CPI-U index, which is based on all urban consumers and represents approximately 80 percent of the U.S. population, as the index for adjusting the \$400 dollar figure. The adjustment to the CPI-U index reported by the Bureau of Labor Statistics on May 15, 2002, was the CPI-U index "in effect" on June 1, and reflects the percentage increase from April 2001 to April 2002. The adjustment to the \$400 figure below reflects a 1.64 percent increase in the CPI-U index for this period and is rounded to whole dollars for ease of compliance.

#### II. Adjustment and Commentary Revision

For the reasons set forth in the preamble, for purposes of determining whether a mortgage transaction is covered by 12 CFR 226.32 (based on the total points and fees payable by the consumer at or before loan consummation), a loan is covered if the points and fees exceed the greater of \$488 or 8 percent of the total loan amount, effective January 1, 2003. Comment 32(a)(1)(ii)-2, which lists the adjustments for each year, is amended to reflect the dollar adjustment for 2003. Because the timing and method of the adjustment is set by statute, the Board

finds that notice and public comment on the change are unnecessary.

### III. Regulatory Flexibility Analysis

The Board certifies that this amendment will not have a substantial effect on regulated entities because the only change is to raise the threshold for transactions requiring HOEPA disclosures.

#### List of Subjects in 12 CFR Part 226

Advertising, Federal Reserve System, Mortgages, Reporting and recordkeeping requirements, Truth in lending.

For the reasons set forth in the preamble, the Board amends Regulation Z, 12 CFR part 226, as set forth below:

#### PART 226—TRUTH IN LENDING (REGULATION Z)

1. The authority citation for part 226 continues to read as follows:

**Authority:** 12 U.S.C. 3806; 15 U.S.C. 1604 and 1637(c)(5).

2. In Supplement I to part 226, under § 226.32 Requirements for certain closed-end home mortgages, under Paragraph 32(a)(1)(ii), paragraph 2.viii is added as follows:

#### SUPPLEMENT I TO PART 226—OFFICIAL STAFF INTERPRETATIONS

\* \* \* \* \*

#### Subpart E—Special Rules for Certain Home Mortgage Transactions

\* \* \* \* \*

#### § 226.32 Requirements for certain closed-end home mortgages.

##### 32(a) Coverage

\* \* \* \* \*

##### Paragraph 32(a)(1)(ii)

\* \* \* \* \*

##### 2. Annual adjustment of \$400 amount.

\* \* \* \* \*

viii. For 2003, \$488, reflecting a 1.64 percent increase in the CPI-U from June 2001 to June 2002, rounded to the nearest whole dollar.

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, acting through the Director of the Division of Consumer and Community Affairs under delegated authority, September 26, 2002.

Jennifer J. Johnson,  
Secretary of the Board.

[FR Doc. 02-25037 Filed 10-1-02; 8:45 am]

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