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DEPARTMENT OF AGRICULTURE

Office of the Secretary

7 CFR Part 6

RIN 0551-AA70

The Dairy Import Licensing Program

AGENCY: Office of the Secretary, USDA.

ACTION: Final rule.

SUMMARY: This final rule amends the historical license reduction provisions of the dairy tariff-rate import quota licensing program by suspending the provisions with respect to the reduction of historical licenses based on surrenders of unused quantities until 2011.

DATES: This rule is effective October 16, 2008.

FOR FURTHER INFORMATION CONTACT: Ron Lord, Branch Chief, Sugar and Dairy Branch, Import and Trade Support Programs Division, Foreign Agricultural Service, Stop 1021, 1400 Independence Avenue, SW., Washington, DC 20250, telephone (202) 720-6939, or e-mail at ronald.lord@fas.usda.gov.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

The final rule has been determined to be non-significant under E.O. 12866 and has not been reviewed by the Office of Management and Budget.

Regulatory Flexibility Act

The Regulatory Flexibility Act ensures that regulatory and information requirements are tailored to the size and nature of small businesses, small organizations, and small governmental jurisdictions. This final rule will not have a significant economic impact on small businesses participating in the program.

Executive Order 12988

This final rule has been reviewed under Executive Order 12988. The provisions of this final rule would not have a preemptive effect with respect to any State or local laws, regulations, or policies which conflict with such provision or which otherwise impede their full implementation. The final rule would not have a retroactive effect. Before any judicial action may be brought forward regarding this final rule, all administrative remedies must be exhausted.

National Environmental Policy Act

The Administrator has determined that this action will not have a significant effect on the quality of the human environment. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is necessary for this final rule.

Unfunded Mandates Reform Act (Pub. L. 104-4)

Public Law 104-4 requires consultation with State and local officials and Indian tribal governments. This final rule does not impose an unfunded mandate or any other requirement on State, local, or tribal governments. Accordingly, these programs are not subject to the provisions of the Unfunded Mandates Reform Act.

Executive Order 12630

This Order requires careful evaluation of governmental actions that interfere with constitutionally protected property rights. This final rule would not interfere with any property rights and, therefore, does not need to be evaluated on the basis of the criteria outlined in Executive Order 12630.

Government Paperwork Elimination Act

FAS is committed to compliance with the Government Paperwork Elimination Act, which requires Government agencies, in general, to provide the public the option of submitting information or transacting business electronically to the maximum extent possible.

Background

The Foreign Agricultural Service administers the Dairy Tariff-Rate Import Quota Licensing program, 7 CFR 6.20-6.37, that provides the issuance of

licenses to import certain dairy articles under tariff-rate quotas (TRQs) system, as set forth in the Harmonized Tariff Schedule of the United States. These dairy products may only be imported into the United States at the in-quota rate, by or for the account of a person or firm to whom such licenses have been issued, and only in accordance with the terms and conditions of the 6.25(b)(1)(i) provides that if a licensee has surrendered more than 50 percent of a historical license in each of the 3 prior years, that license will be permanently reduced to the average amount entered during those 3 years. Section 6.25(b)(1)(ii) provides that if a licensee surrenders more than 50 percent of a historical license in at least 3 out of the 5 prior years, that license will be permanently reduced to the average amount entered during those 5 years. Any amounts permanently reduced are transferred to the non-historical quota, which is allocated by a lottery.

The current regulation permitted the Secretary of Agriculture to suspend the historical license reduction provisions on a one-time basis, "in light of market conditions," prior to 1999. In 1998, the Secretary published a notice in the **Federal Register** suspending these provisions for 5 years, thereby delaying their implementation until 2004.

From 2004 through 2007, historical licenses were reduced from 77,010,604 kilograms to 72,394,927 kilograms, as quota-filled rates decreased, especially for certain types of cheeses from the European Union (EU). EU milk production has been constrained by quotas while EU domestic consumption has reduced the availability of exportable cheese supplies. In addition, U.S. cheese prices are now competitive on global markets, and the price differentials that made the U.S. cheese market attractive to EU exporters have diminished significantly.

The proposed rule, published on October 4, 2007 (72 FR 56677-78), proposed suspending the provisions of 7 CFR 6.25 with respect to the reduction of historical licenses based on unused amounts, delaying further reductions under the 3-years-in-a-row provision until 2011, and the at-least-3-out-of-5-years provision until 2014.

Summary of public comments: The Department requested public comments on the proposed rule published on October 4, 2007. Public comments were

submitted by 30 entities during the comment period from October 4, 2007, to November 5, 2007. The comments were submitted by 25 importers, 3 associations, 1 transport company, and 1 foreign government entity. Most of the comments from importers favored a 5 year suspension, citing market conditions as the primary reason for the suspension. Other importers opposed the suspension, or favored a 1 year suspension of the provisions. Arguments against the proposed 5 year suspension included that market conditions over the next 5 years could not be predicted and, therefore, should not be used as a justification for the suspension.

Two associations favored the proposed suspension, while a third association opposed it. The transport company supported the proposed 5 year suspension. The foreign government entity recommended combining different quotas for specific types of cheeses to maximize quota filled rates for the more popular types of cheeses.

Conclusion: Quota-filled rates for Swiss, Gruyere and low fat type cheeses have remained low even after transfer to the lottery, although this fact by itself does not provide justification for a suspension of the historical license reduction provisions. Market conditions are always subject to fluctuation and change, and it is incumbent upon all license holders to adjust to these changing conditions. Nonetheless, to allow additional time to adjust to changes in EU's supply and demand, due to its long-term dairy policy changes, the Department will temporarily suspend the historical license reduction provisions for a period of 2 years, commencing in 2009. Historical license reductions will again be implemented beginning 2011, rather than in 2012 or 2014, as in the proposed rule. In 2011, historical license reductions will be based on import data from years 2006 through 2010. Because there will already be 5 years of historical import data, the 3-years-in-a-row provision is unnecessary, which was not the case when the regulation was originally promulgated in 1996, and is therefore being eliminated.

List of Subjects in 7 CFR Part 6

Agricultural commodities, Cheese, Dairy products, and Imports.

■ For the reasons described in the conclusion, The Department of Agriculture amends 7 CFR part 6 as follows:

PART 6—IMPORT QUOTAS AND FEES

■ 1. The authority citation for part 6 continues to read as follows:

Authority: Additional U.S. Notes 6, 7, 8, 12, 14, 16–23, and 25 to Chapter 4 and General Note 15 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 1202), Pub. L. 97 258, 96 Stat. 1051, as amended (31 U.S.C. 9701), and sections 103 and 404, Pub. L. 103–465, 108 Stat. 4819 (19 U.S.C. 3513 and 3601).

■ 2. In § 6.25 revise paragraph (b) to read as follows:

§ 6.25 Allocation of Licenses.

* * * * *

(b) *Historical licenses for the 2009 and subsequent quota years (Appendix 1).* (1) A person issued a historical license for the 2008 quota year will be issued a historical license in the same amount for the same article from the same country for the 2009 quota year and for each subsequent quota year except that:

(i) Beginning with the 2011 quota year, a person who has surrendered more than 50 percent of such historical license in at least three of the prior five quota years will thereafter be issued a license in an amount equal to the average annual quantity entered during those five quota years.

(ii) [Reserved]

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Issued at Washington, DC the 21st day of August 2008.

Ronald Lord,

Licensing Authority.

[FR Doc. E8–21467 Filed 9–15–08; 8:45 am]

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FEDERAL HOUSING FINANCE AGENCY

12 CFR Part 1231

RIN 2590–AA08

Golden Parachute Payments and Indemnification Payments

AGENCY: Federal Housing Finance Agency.

ACTION: Interim Final Regulation with Request for Comments.

SUMMARY: The Federal Housing Finance Agency (FHFA) is issuing an interim final regulation, with a request for comments, setting forth factors to be considered by the Director of FHFA in acting upon the Director's authority to limit golden parachute payments to entity-affiliated parties in connection with the Federal National Mortgage Association, the Federal Home Loan

Mortgage Corporation, and the Federal Home Loan Banks.

DATES: *Effective date:* September 16, 2008.

Comment date: Comments on the Interim Final Regulation must be received on or before October 31, 2008. For additional information, see

SUPPLEMENTARY INFORMATION.

ADDRESSES: You may submit your comments on the interim final regulation, identified by regulatory information number “RIN 2590–AA08,” by any of the following methods:

- *U.S. Mail, United Parcel Post, Federal Express, or Other Mail Service:* The mailing address for comments is: Alfred M. Pollard, General Counsel (Office of Federal Housing Enterprise Oversight (OFHEO)) and Christopher Curtis, General Counsel (Federal Housing Finance Board (FHFB)), Attention: Comments/RIN 2590–AA08, Federal Housing Finance Agency, Fourth Floor, 1700 G Street, NW., Washington, DC 20552.

- *Hand Delivered/Courier:* The hand delivery address is: Alfred M. Pollard, General Counsel (OFHEO) and Christopher Curtis, General Counsel (FHFB), Attention: Comments/RIN 2590–AA08, Federal Housing Finance Agency, Fourth Floor, 1700 G Street, NW., Washington, DC 20552. The package should be logged at the Guard Desk, First Floor, on business days between 9 a.m. and 5 p.m.

- *E-mail:* Comments to Alfred M. Pollard, General Counsel (OFHEO) and Christopher Curtis, General Counsel (FHFB), may be sent by e-mail at RegComments@FHFA.gov. Please include “RIN 2590–AA08” in the subject line of the message.

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

FOR FURTHER INFORMATION CONTACT:

Alfred M. Pollard, General Counsel (OFHEO), telephone (202) 414–3788 or Christopher Curtis, General Counsel (FHFB), telephone (202) 408–2802 (not toll-free numbers), Federal Housing Finance Agency, Fourth Floor, 1700 G Street, NW., Washington, DC 20552. The telephone number for the Telecommunications Device for the Deaf is (800) 877–8339.

SUPPLEMENTARY INFORMATION:

I. Comments

The Federal Housing Finance Agency (FHFA) invites comments on all aspects of the interim final regulation, and will take all comments into consideration before issuing the final regulation. FHFA requests that comments submitted in hard copy also be