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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 94

[Docket No. 97-086-2]

Changes in Disease Status of Belgium, France, Greece, Luxembourg, Portugal, and Spain

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: We are declaring Luxembourg and Portugal free of rinderpest and foot-and-mouth disease; Greece free of rinderpest; France, Greece, Luxembourg, and Spain free of exotic Newcastle disease; Portugal free of African swine fever; and Belgium, France, and Portugal free of swine vesicular disease. These actions are based on a request from the European Commission's Directorate General for Agriculture and on our review of the supporting documentation supplied with that request. These actions will relieve some restrictions on the importation into the United States of certain animals and animal products from those countries. However, because of the status of those countries with respect to other diseases, and because of other factors that could result in a risk of introducing animal diseases into the United States, the importation into the United States of animals and animal products from those countries will continue to be subject to certain restrictions.

EFFECTIVE DATE: December 23, 1998.

FOR FURTHER INFORMATION CONTACT: Dr. John Cougill, Staff Veterinarian, Products Program, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 40, Riverdale, MD 20737-1231, (301) 734-8695; or e-mail: John.W.Cougill@usda.gov.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR part 94 (referred to below as the regulations) prohibit or restrict the importation of specified animals and animal products into the United States in order to prevent the introduction of various animal diseases, including foot-and-mouth disease (FMD), rinderpest, exotic Newcastle disease (END), African swine fever (ASF), hog cholera, swine vesicular disease (SVD), and bovine spongiform encephalopathy (BSE). These are dangerous and destructive communicable diseases of ruminants, swine, and poultry.

On November 14, 1997, we published in the **Federal Register** (62 FR 61036-61041, Docket No. 97-086-1) a proposal to amend the regulations to declare Luxembourg and Portugal free of FMD and rinderpest; Greece free of rinderpest; France, Greece, Luxembourg, and Spain free of END; Portugal free of ASF; and Belgium, France, and Portugal free of SVD. We proposed those actions in response to a request submitted to the Animal and Plant Health Inspection Service (APHIS) in July 1997 by the European Commission's Directorate General for Agriculture.

We solicited comments concerning our proposal rule for 60 days ending January 13, 1998. We received one comment by that date. The comment was from a veterinary association and fully supported the proposed rule.

Therefore, based on the rationale set forth in the proposed rule, we are adopting the provisions of the proposal as a final rule without change.

Effective Date

This is a substantive rule that relieves restrictions and, pursuant to the provisions of 5 U.S.C. 553, may be made effective less than 30 days after publication in the **Federal Register**.

This rule removes certain restrictions on the importation into the United States of certain animals and animal products from Belgium, France, Greece, Luxembourg, Portugal, and Spain. We have determined that approximately 2 weeks are needed to ensure that Animal and Plant Health Inspection Service personnel at ports of entry receive official notice of these changes in the regulations. Therefore, the Administrator of the Animal and Plant Health Inspection Service has determined that this rule should be

made effective 15 days after publication in the **Federal Register**.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. For this action, the Office of Management and Budget has waived its review process required by Executive Order 12866.

This rule amends the regulations by declaring Luxembourg and Portugal free of rinderpest and FMD; Greece free of rinderpest; France, Greece, Luxembourg, and Spain free of END; Portugal free of ASF; and Belgium, France, and Portugal free of SVD.

Pork and Pork Products and Swine

Although this rule declares Luxembourg and Portugal free of rinderpest and FMD; Greece free of rinderpest; Belgium, France, and Portugal free of SVD; and Portugal free of ASF, all those countries are still considered affected with hog cholera, and Greece is still considered to be affected with FMD. Because of this, this rule will not lead to any substantive relaxation of restrictions imposed on the importation of pork and pork products and live swine from those countries, as these products will continue to be restricted based on the presence of hog cholera and, in the case of Greece, FMD. Therefore, the effect of this rule on the importation of pork and pork products and live swine will be minimal, and thus the potential impact on the domestic producers of pork and pork products and swine will be minimal.

Ruminants and Ruminant Products

This rule declares Greece free of rinderpest, but that country is still considered to be affected with FMD and, as a result of an interim rule effective on December 12, 1997, and published in the **Federal Register** on January 6, 1998 (63 FR 406-408, Docket No. 97-127-1), is listed in § 94.18(a)(2) as a region from which the importation of live ruminants, meat and meat products from ruminants, and certain other ruminant products is restricted due to the risk of BSE. Similarly, this rule declares Portugal and Luxembourg free of rinderpest and FMD, but those countries are considered to be affected with BSE. (Luxembourg was not considered to be affected with BSE at the time the proposed rule was published, but it was added to the list

of regions where BSE exists in an interim rule that was effective on December 2, 1997, and published in the **Federal Register** on December 17, 1997 (62 FR 65999–66001, Docket No. 97–118–1.) Because imports of ruminants and ruminant products from Greece are restricted due to FMD and BSE, and because imports of ruminants and ruminant products from Portugal and Luxembourg are restricted due to BSE, this rule will not lead to a substantive change in the restrictions imposed on the importation of ruminants and ruminant products from those three countries.

Bird and Poultry Products

This rule declares France, Greece, Luxembourg, and Spain free of END. This action relieves restrictions on the importation of carcasses, or parts or products of carcasses, of poultry, game birds, or other birds from those countries, and relieves certain restrictions on the importation of eggs (other than hatching eggs) laid by poultry, game birds, or other birds from those countries. This action also relieves the quarantine requirements for poultry hatching eggs imported from France, Greece, Luxembourg, and Spain.

Egg production in those four countries is considerable: In 1995, the reported egg production in Belgium and Luxembourg was 3,858 million; in France, 16,911 million; in Greece, 2,600 million; and in Spain, 9,983 million ("Agriculture Statistics," 1997). U.S. production is also large, 74,280 million in 1995. In addition, the U.S. imports few eggs, with the total amount being equal to less than 0.1 percent of U.S. production. We believe that it is unlikely that these countries will redirect a significant portion of their production toward such a small U.S. import market.

Total poultry meat production in France, Greece, Luxembourg, and Spain in 1995 was about 3.5 million metric tons, or about 26 percent the size of U.S. production of 13.8 million metric tons. However, the United States is a very strong net exporter of poultry meat, with imports of only 3,546 metric tons and exports of more than 2 million metric tons in 1996 ("World Trade Atlas," June 1997). Very few of the imports are from western Europe. Moreover, more than 99 percent of U.S. poultry meat imports originated in Canada. We do not expect that these countries will redirect a significant amount of poultry meat toward such a small U.S. import market.

Impact on Small Entities

The Regulatory Flexibility Act requires that the Agency specifically

consider the economic impact associated with the rule on small entities. Those likely to be affected by this rule are those entities engaged in the production of live swine, pork and pork products, live ruminants, meat, meat products, and dairy products derived from ruminants, and poultry products.

The Small Business Administration's (SBA's) definition of a "small" cattle, swine, or poultry farm is one whose total sales is less than \$0.5 million annually. In 1992, 97.8 percent of cattle and calf farms would be considered small entities. The vast majority of the domestic hog and pig farms qualify as small entities (96.3 percent in 1992). Eighty-seven percent of poultry farms would be considered small entities in 1992 ("1992 Census of Agriculture," U.S. Department of Commerce, 1993).

The SBA's guidelines state that a "small" producer of poultry meat (Standard Industrial Classification (SIC) 2015, poultry slaughtering and processing) is one employing fewer than 500 workers. In 1992, 74 percent of 591 poultry slaughtering and processing establishments were considered small entities. These small entities accounted for approximately 30 percent of the total value of shipments of the industry, \$7.2 billion.

The SBA's guidelines state that a "small" producer of pork and ruminant products (part of SIC 2011 or 2013, meat packing plants) is one employing fewer than 500 workers. In 1992, 97 percent of the 1,367 meat packing establishments in SIC 2011 were considered small entities. These small establishments accounted for approximately 40 percent of the total value of shipments of the industry, \$50.4 billion. Ninety-eight percent of the 1,264 establishments in SIC 2013 were considered small entities in 1992. These producers accounted for 84 percent of the total value of shipments of the industry, \$19.97 billion.

Although the majority of the domestic entities potentially affected by this rule are small, there will likely be only a minimal change in the level of imports that may compete with the output of these small entities, and thus there will be a minimal impact on any domestic producer of these products, whether small or large.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule: (1) Preempts all State and local laws and regulations that are inconsistent with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

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

List of Subjects in 9 CFR Part 94

Animal diseases, Imports, Livestock, Meat and meat products, Milk, Poultry and poultry products, Reporting and recordkeeping requirements.

Accordingly, 9 CFR part 94 is amended as follows:

PART 94—RINDERPEST, FOOT-AND-MOUTH DISEASE, FOWL PEST (FOWL PLAGUE), EXOTIC NEWCASTLE DISEASE, AFRICAN SWINE FEVER, HOG CHOLERA, AND BOVINE SPONGIFORM ENCEPHALOPATHY: PROHIBITED AND RESTRICTED IMPORTATIONS

1. The authority citation for part 94 continues to read as follows:

Authority: 7 U.S.C. 147a, 150ee, 161, 162, and 450; 19 U.S.C. 1306; 21 U.S.C. 111, 114a, 134a, 134b, 134c, 134f, 136, and 136a; 31 U.S.C. 9701; 42 U.S.C. 4331 and 4332; 7 CFR 2.22, 2.80, and 371.2(d).

2. Section 94.1 is amended as follows:

a. In paragraph (a)(1), the words "or (a)(3)" are added immediately after the words "paragraph (a)(2)".

b. In paragraph (a)(2), the word "Luxembourg," is added immediately after the word "Japan," and the word "Portugal," is added immediately after the word "Poland,";

c. A new paragraph (a)(3) is added to read as set forth below.

d. In the introductory text of paragraph (c), the words "paragraph (a) of" are removed and the words "paragraph (a)(2) of" are added in their place.

§ 94.1 Regions where rinderpest or foot-and-mouth disease exists; importations prohibited.

(a) * * *

(3) The following regions are declared to be free of rinderpest: Greece.

* * * * *

§ 94.3 [Amended]

3. Section 94.3 is amended by adding the words "where rinderpest or foot-

and-mouth disease exists, as” immediately before the word “designated”.

§ 94.4 [Amended]

4. In § 94.4(a), the introductory text of the paragraph is amended by adding the words “where rinderpest or foot-and-mouth disease exists, as” immediately before the word “designated”.

5. In § 94.6, paragraph (a)(2) is revised to read as follows:

§ 94.6 Carcasses, or parts or products of carcasses, and eggs (other than hatching eggs) of poultry, game birds, or other birds; importations from regions where Exotic Newcastle disease (END) or S. enteritidis is considered to exist.

(a) * * *

(2) The following regions are considered to be free of Exotic Newcastle disease (END): Australia, Canada, Chile, Costa Rica, Denmark, Fiji, Finland, France, Great Britain (England, Scotland, Wales, and the Isle of Man), Greece, Iceland, Luxembourg, New Zealand, Republic of Ireland, Spain, Sweden, and Switzerland.

* * * * *

§ 94.8 [Amended]

6. In § 94.8, the introductory text of the section is amended by removing the words “Malta, and Portugal” and adding in their place the words “and Malta”.

§ 94.11 [Amended]

7. In § 94.11, paragraph (a), the first sentence is amended by adding the word “Luxembourg,” immediately after the word “Japan,”; by adding the word “Portugal,” immediately after the word “Poland,”; and by removing the reference “§ 94.1” and adding the reference “§ 94.1(a)(2)” in its place.

§ 94.12 [Amended]

8. In § 94.12, paragraph (a) is amended by adding the word “Belgium,” immediately after the words “The Bahamas,”; by adding the word “France,” immediately after the word “Finland,”; and by adding the word “Portugal,” immediately after the word “Panama,”.

§ 94.13 [Amended]

9. In § 94.13, the introductory text of the section is amended by adding the word “Belgium,” immediately after the words “The Bahamas,”; by adding the word “France,” immediately after the word “Denmark,”; and by adding the word “Portugal,” immediately after the words “Northern Ireland,”.

Done in Washington, DC, this 2nd day of December 1998.

Craig A. Reed,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 98-32520 Filed 12-7-98; 8:45 am]

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FEDERAL RESERVE SYSTEM

12 CFR Part 226

[Regulation Z; Docket No. R-1030]

Truth in Lending

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice of adjustment of dollar amount.

SUMMARY: The Board is publishing an adjustment to the dollar amount that triggers certain requirements of Regulation Z (Truth in Lending) for mortgages bearing fees above a certain amount. The Home Ownership and Equity Protection Act of 1994 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. 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. For 1999, the adjusted dollar amount is \$441.

EFFECTIVE DATE: January 1, 1999.

FOR FURTHER INFORMATION CONTACT:

Michael Hentrel, 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 *only*, please contact Diane Jenkins at (202) 452-3544.

SUPPLEMENTARY INFORMATION:

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).

On March 24, 1995, the Board published amendments to Regulation Z implementing the Home Ownership and Equity Protection Act of 1994 (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, which became effective on October 1, 1995, are contained in § 226.32 of the regulation and impose additional disclosure requirements and substantive limitations 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 rules in § 226.32 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 section 226.32(a)(1)(ii) The Board adjusted the \$400 amount to \$412 for 1996, to \$424 for 1997, and to \$435 for 1998.

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, 1998, was the CPI-U index “in effect” on June 1, and reflects the percentage increase from April 1997 to April 1998. The adjustment to the \$400 figure below reflects a 1.4 percent increase in the CPI-U index for this period.

Adjustment

For the reasons set forth in the preamble, for purposes of determining whether a mortgage transaction is covered by § 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 \$441 or 8 percent of the total loan amount, effective January 1, 1999.

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board under delegated authority, December 2, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98-32460 Filed 12-7-98; 8:45 am]

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