This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510. The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1230

Pork Promotion and Research

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: Pursuant to the Pork Promotion, Research, and Consumer Information Act of 1985 and the order issued thereunder, this final rule (1) increases the amount of the assessment per pound due on imported pork and pork products to reflect an increase in the 1986 seven-market average price for domestic barrows and gilts and (2) changes the schedule for remitting monthly assessments of less than $25 on domestic porcine animals to the National Pork Board (Board) from monthly to quarterly.


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FOR FURTHER INFORMATION CONTACT: Ralph L. Tapp, Chief, Marketing Programs and Procurement Branch (202) 447-2650.

SUPPLEMENTARY INFORMATION: This action was reviewed under USDA procedures established to implement Executive Order No. 12291 and Departmental Regulation 1512-1 and is hereby classified as a nonmajor rule under the criteria contained therein. This action also was reviewed under the Regulatory Flexibility Act (RFA) [5 U.S.C. 601 et seq.]. The effect of the order upon small entities was discussed in the September 5, 1986, issue of the Federal Register (51 FR 31898), and it was determined that the order would not have a significant effect upon a substantial number of small entities. Many producers, importers, and collecting persons may be classified as small entities.

Increasing the assessments per pound on imported pork and pork products by two-to-three-hundredths of a cent-per-pound will result in an increase of $200,000 more in assessments over a 12-month period. Changing the schedule for remitting and reporting monthly assessments of less than $25 to the Board from monthly to quarterly will promote greater efficiency and cost-effectiveness. Modifying the remittance schedule for assessments on domestic porcine animals will benefit those persons who remit less than $25 per month to the Board. Any additional costs will be outweighed by the benefits from the improved operation of the pork promotion, research, and consumer information program. Accordingly, the Administrator of AMS has determined that this rule will not have a significant economic impact on a substantial number of small entities.

Pursuant to the regulations (5 CFR Part 1320) which implement the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35) and section 3504(h) of that Act, the Office of Management and Budget (OMB) has reviewed and approved the information collection requirements contained in this final rule. The information collection requirements have been assigned OMB control number 0651-0151.

The Pork Promotion, Research, and Consumer Information Act of 1985 (7 U.S.C. 601–619) approved December 23, 1985, authorizes the establishment of a national pork promotion, research, and consumer information program. The program is funded by an assessment rate of 0.25 percent of the market value of all porcine animals marketed in the United States and an equivalent amount of assessment on imported porcine animals, pork, and pork products. The final rule establishing a pork promotion, research, and consumer information program was published in the September 5, 1986, issue of the Federal Register (51 FR 31898; as corrected at 51 FR 36383) and assessments began on November 1, 1986. The order requires importers of porcine animals to pay to the Customs Service, upon importation, the assessment of 0.25 percent of the animal's declared value. The order also requires importers of pork and pork products to pay to the Customs Service, upon importation, the assessment of 0.25 percent of the market value of the live porcine animals from which such pork and pork products were produced. As a matter of practicality, the assessment on imported pork and pork products is expressed in dollars per pound for each type of such products. The initial schedule of assessments was listed in a table in the order for each type of pork and pork products identified by a Tariff Schedule of the United States (TSUS) number.

The order requires purchasers of domestic porcine animals or in some special cases producers of such animals to remit all assessments due at the time of sale to the Board by the 10th day of the month following the month in which the animals were marketed.

On October 22, 1987, the Agricultural Marketing Service (AMS) published in the Federal Register (52 FR 39536) a proposed rule which would (1) increase the per-pound assessments on imported pork and pork products consistent with increases in the 1986 average price of domestic barrows and gilts to provide comparability between importer and domestic assessments and (2) establish a quarterly schedule for remitting to the National Pork Board domestic assessments of less than $25 monthly. Additionally, the proposed rule provided for removing the section of the order—§ 1230.91—containing the OMB control number assigned pursuant to the Paperwork Reduction Act of 1980 (49 U.S.C. Chapter 35) and adding it to the regulations implementing the order. The proposed rule was published with a request for comments by November 22, 1987. Sixteen comments were received—one from a national pork producers organization, one from a national organization representing importers of pork and pork products, one from the Board, one from a national farm organization, two from State farm organizations, one from a national livestock marketing association, six from State pork producer associations, and three from national swine breeder's associations. All commenters were in favor of the proposed increase in the assessments on imported pork and pork products and the proposed change in the schedule for remitting small domestic assessments. Commentors expressed the

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opinion that the increase in assessments for pork and pork products was fair and equitable and would promote comparability between import and domestic assessments. Additionally, commentors believed that the change in the schedule for remitting domestic assessments from monthly to quarterly for amounts of less than $25 per month would result in a reduction in the paperwork for small producers and operators thus saving them time and money. No comments were received on the proposal to delete the Paperwork Reduction Act assigned control number from the order and include it in the regulations.

When the order was first published, the initial per-pound assessment on imported pork and pork products listed in the table in § 1230.71 of the order was calculated using the conversion formula, described in the supplementary information accompanying the order and published in the September 5, 1986, Federal Register at 51 FR 31901 and the 1985 annual seven-market average price of $44.50 per hundredweight for domestic barrows and gilts. The discussion of the conversion formula noted that it would be necessary to recalculate the equivalent live animal value of imported pork and pork products to reflect changes in the annual average price of domestic barrows and gilts to maintain equity of assessments between domestic porcine animals and imported pork and pork products. The 1986 annual seven-market average price per hundredweight was $50.90—an increase of slightly more than 13 percent over the comparable 1985 per hundredweight price. Accordingly, the per-pound assessment for each type of pork and pork products subject to assessment under the order is increased proportionately. It is estimated that a corresponding increase in the per-pound assessment for pork and pork products would result in about $200,000 more in import assessments over a 12-month period.

Since it is anticipated that adjustments, if necessary, will be made on a yearly basis, the table for assessments on imported pork and pork products, which presently appears in § 1230.71(e) of the order, is removed from that section and added to a new subpart containing regulations implementing the order.

The procedures and schedule for the collection and remittance of domestic assessments are specified in § 1230.71 of the order. Under that section, purchasers of porcine animals are required to collect assessments from producers upon the sale of porcine animals if an assessment is due and remit such assessment to the Board by the 10th day of the month following the month in which porcine animals were marketed. As referenced in § 1230.71(b)(1) of the order, a purchaser is any person buying feeder pigs or market hogs; and, for purposes of collection and remittance of assessments, also includes any person engaged as a commission merchant, as well as an auction market, or livestock market in the business of receiving porcine animals for sale on commission for or on behalf of a producer. However, in certain situations, producers are required to pay assessments directly to the Board. Those instances are seed stock producers and producers who slaughter their porcine animals for sale or who sell porcine animals to consumers for custom slaughter. Based on the Board's experience since collection of assessments began November 1, 1986, most purchasers collecting assessments collect and remit substantial amounts of assessments to the Board each month. However, the producers described above who are responsible for remitting assessments to the Board upon sale of their porcine animals may have only a limited number of sales per month and therefore owe relatively small amounts of assessments at the end of each month (i.e., $5 to $10). The time and the costs involved with reporting and remitting these small amounts monthly and the cost of processing them are disproportionately greater than for remitting and processing larger amounts. Establishing a different remittance date for such small volume purchasers and producers based on a minimum monthly dollar amount can facilitate collection and remittance and reduce processing costs.

Accordingly, this rule establishes a quarterly remittance schedule to permit purchasers and producers whose total assessments are less than $25 per month to accumulate such assessments for a designated 3-month period. If, during any month of the quarter, assessments totaled $25 or more, they must be remitted to the Board. The time for remitting assessments to the Board is required by § 1230.80 of the order.

The control number assigned by the Office of Management and Budget pursuant to the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35) is displayed in § 1230.91 of the order. That section is being deleted. The OMB control number will be included in § 1230.120 of the regulations. Paperwork Reduction Act assigned control numbers are more appropriately included in the regulations.

List of Subjects in 7 CFR Part 1230

Administrative Practice and Procedure, Advertising, Agricultural research, Marketing agreement, Meat and meat products, Pork and pork products.

For the reasons set forth in the preamble, 7 CFR Part 1230 is amended as set forth below:

PART 1230—PORK PROMOTION, RESEARCH, AND CONSUMER INFORMATION

1. The authority citation for 7 CFR 1230 continues to read as follows:


§§ 1230.100–1230.102 (Subpart B) [Redesignated as §§ 1230.400–1230.402 (Subpart C)]

2. Sections 1230.100–1230.102 (Subpart B) are redesignated as §§ 1230.400–1230.402 (Subpart C).

3. Amend Subpart A—Pork Promotion, Research, and Consumer Information Order by revising § 1230.71(b)(3) and (e) to read as follows:

§ 1230.71 [Amended]

(b) * * *

(3) Assessments on domestic porcine animals shall be remitted in the form of a negotiable instrument made payable to the “National Pork Board,” which, together with the reports required by § 1230.80, shall be sent to the address designated by the Board in accordance with the following remittance schedule:

(i) Monthly assessments totaling $25 or more shall be remitted to the Board by the 10th day of the month following the month in which the porcine animals were marketed.

(ii) Assessments totaling less than $25 during each month of a quarter in which the porcine animals were marketed may be accumulated and remitted by the 10th day of the month following the end of a quarter. The quarters shall be: January through March; April through June; July through September; October through December.
§ 1230.100 Terms defined.

Definitions

Assessments

and pork products.

the definition of such terms in Subpart A

terms shall have the same meaning as

Miscellaneous

§ 1230.110 Assessments on imported pork

and pork products.

1230.120 OMB control number assigned

regardless of the amount,

following the end of the quarter

be remitted by the 10th day of the month

remitted as described in paragraphs

(b)(3)(i), (ii), or (iii) of this section, must

unremitted assessments from the

(iii) Assessments totaling $25 or more

(iv) Assessments collected during any

calendar quarter and not previously

approved by the Secretary.

(e) Assessments on imported pork and

pork products shall be expressed in an

amount per pound for each type of pork

or pork product subject to assessment,

which shall be established by

regulations prescribed by the Board and

approved by the Secretary.

§ 1230.94 [Removed]

4. Section 1230.94 is removed.

5. A new Subpart B is added to read as follows:

Subpart B—Rules and Regulations

Definitions

Sec.

1230.100 Terms defined.

1230.110 Assessments on imported pork and

pork products.

Miscellaneous

1230.120 OMB control number assigned

pursuant to the Paperwork Reduction Act.

Subpart B—Rules and Regulations

Definitions

§ 1230.100 Terms defined.

As used throughout this subpart, unless the context otherwise requires, terms shall have the same meaning as the definition of such terms in Subpart A of this part.

Assessments

§ 1230.110 Assessments on imported pork and pork products.

The following imported pork and pork products are subject to assessment in the amount per pound as follows:

Pork and pork products (U.S. Tariff Schedule No.) Assessment (dollars per pound)

| 107.3000 | 0.021 |
| 107.2815 | 0.027 |
| 107.3525 | 0.027 |
| 107.3549 | 0.019 |
| 107.3560 | 0.025 |

Miscellaneous

§ 1230.120 OMB control number assigned pursuant to the Paperwork Reduction Act.

The information collection and recordkeeping requirements contained in this part have been approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C. Chapter 35 and have been assigned OMB control number 0051-0151.


J. Patrick Boyle, Administrator.

[FR Doc. 88-1319 Filed 1-22-88; 8:45 am]

BILLING CODE 4910-02-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 47 and 49

(Docket No. 20349; Amdt. Nos. 47-23 and 49-9)

Recordation of Conveyances Affecting Title to, or an Interest in, Aircraft

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: These amendments adopt rules affecting aircraft registration and the recordation of conveyances, by eliminating the requirement for a conditional sales vendee to have the consent or a release from the conditional sales vendor before transferring the ownership of the aircraft. The amendments are in keeping with the express language of the Uniform Commercial Code. The amendments are in response to petitions for rulemaking filed by Casa Aire Finance Corporation and the Aircraft Finance Association.


FOR FURTHER INFORMATION CONTACT:

Ms. Agnes M. Jones, Aircraft Registration Branch, (AAC-250), Airmen and Aircraft Registry, Aeronautical Center, P.O. Box 25082, Oklahoma City, Oklahoma 73125; Telephone (405) 686-2284.

SUPPLEMENTARY INFORMATION:

Background

A Federal system for recordation of instruments transferring or affecting interests in aircraft was first established by Congress in 1938. Currently section 506 of the Federal Aviation Act of 1958 (the Act) requires the FAA to establish and maintain a system for recording conveyances affecting title to, or interest in, civil aircraft. These documents include bills of sale, contracts of conditional sale, mortgages, and other security agreements. The Act also provides that no conveyance shall be valid against any person other than the persons involved in the conveyance, or a person who has actual notice, until the conveyance affecting the aircraft is recorded with the FAA.

Under the Act, an aircraft may only be registered by its owner. Since 1939, as a result of the O’Connor decision (1 C.A.A. 5, 1939), the regulations have recognized the buyer of an aircraft under a contract of conditional sale as the owner for registration purposes. This is true even though the conditional seller retains legal title until the buyer meets the conditions of the contract. The FAA considers certain leases with option to purchase, and bailment leases, as defined in 49 U.S.C. 1301(19), “conditional sales”, to be equivalent to conditional sales and wherever the terms “conditional sales” or “conditional sales contract” are used, they include those leases with option and bailment leases.

Parts 47 and 49 of the Federal Aviation Regulations (FAARs) historically have recognized this special character of a contract of conditional sale. Section 47.11, Evidence of Ownership, requires the transferee under a contract of conditional sale to submit the contract (unless it is already recorded at the FAA Aircraft Registry (Registry)) and the transfer from the original buyer, bailee, lessee, or prior transferee. The transfer must bear the written assent of the seller, bailor, lessor, or transferee thereof under the original contract. To obtain a certificate of aircraft registration under § 47.31, the applicant must submit evidence of ownership acceptable under § 47.11.

In addition, §§ 47.31 and 49.17 provide that a transfer of the conditional buyer's interest cannot be recorded and the aircraft cannot be registered to the buyer's transferee without the consent of the conditional seller. However, if a person holds any other kind of security interest in an aircraft, such as a security agreement, or a chattel mortgage, the consent of the secured party is not required for recordation of the transfer of the aircraft.