

(4) *All varieties.* 1-inch minimum diameter to 1¾-inch maximum diameter, if U.S. No. 1 or better grade: *Provided*, That varieties of long, red-skinned, yellow fleshed potatoes shall grade U.S. Commercial or better.

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Dated: December 15, 2005.

Lloyd C. Day,

Administrator, Agricultural Marketing Service.

[FR Doc. E5-7677 Filed 12-21-05; 8:45 am]

BILLING CODE 3410-02-P

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 979

[Docket No. FV06-979-1 PR]

Melons Grown in South Texas; Proposed Termination of Marketing Order 979

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This rule proposes to terminate the Federal marketing order for melons grown in South Texas (order) and the rules and regulations issued thereunder. The order contains authority to regulate the handling of melons grown in South Texas and is administered locally by the South Texas Melon Committee (Committee). The Committee recommended terminating the order at a meeting on September 7, 2005. The Department of Agriculture (USDA) suspended regulations under the order while it considered the Committee's recommendation. This rule invites comments on proposed termination of the order.

DATES: Comments must be received by February 21, 2006.

ADDRESSES: Interested persons are invited to submit written comments concerning this rule. Comments must be sent to the Docket Clerk, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue SW., STOP 0237, Washington, DC 20250-0237; Fax: (202) 720-8938; E-mail: *moab*.

docketclerk@usda.gov; or Internet: <http://www.regulations.gov>. All comments should reference the docket number and the date and page number of this issue of the **Federal Register** and will be made available for public inspection in the Office of the Docket Clerk during regular business hours, or can be viewed at: <http://www.ams.usda.gov/fv/moab.html>.

FOR FURTHER INFORMATION CONTACT:

Martin J. Engeler, Senior Marketing Specialist, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 2202 Monterey Street, Suite 102-B, Fresno, California 93721; telephone: (559) 487-5110, Fax: (559) 487-5906; or Kathleen M. Finn, Formal Rulemaking Team Leader, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue SW., STOP 0237, Washington, DC 20250-0237; telephone: (202) 720-2491, Fax: (202) 720-8938.

Small businesses may request information on complying with this regulation by contacting Jay Guerber, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS USDA, 1400 Independence Avenue SW., STOP 0237, Washington, DC 20250-0237; telephone: (202) 720-2491, Fax: (202) 720-8938, or E-mail: *Jay.Guerber@USDA.gov*.

SUPPLEMENTARY INFORMATION: This proposed rule is governed by section 608c(16)(A) of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), hereinafter referred to as the "Act", and § 979.84 of the order.

USDA is issuing this rule in conformance with Executive Order 12866.

This proposed termination of the order has been reviewed under Executive Order 12988, Civil Justice Reform. This rule is not intended to have retroactive effect. This rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with USDA a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and request a modification of the order or to be exempted therefrom. A handler is afforded the opportunity for a hearing on the petition. After the hearing USDA would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction to review USDA's ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

This rule proposes to terminate the Federal marketing order for melons

grown in South Texas and the rules and regulations issued thereunder. The order contains authority to regulate the handling of melons grown in South Texas and is administered locally by the South Texas Melon Committee (Committee). At a meeting held on September 7, 2005, the Committee recommended terminating the order. USDA suspended indefinitely regulations under the order while it considers the Committee's recommendation for termination (70 FR 57995; October 5, 2005). This rule invites comments on proposed termination of the order.

Section 979.84 of the order provides, in pertinent part, that the Secretary shall terminate or suspend any or all provisions of the order when he finds that it does not tend to effectuate the declared policy of the Act. Section 608c(16)(A) of the Act provides that the Secretary shall terminate or suspend the operation of any order whenever the order or provision thereof obstructs or does not tend to effectuate the declared policy of the Act. The Secretary must notify Congress not later than 60 days before the date the order would be terminated.

The order has been in effect since 1979. It contains authority for grade, size, quality, maturity, pack, container, and reporting requirements. It also authorizes production research and marketing research and development activities. Grade, quality, maturity, container, and pack regulations have historically been utilized under the order, as well as mandatory inspection to ensure these requirements were met. Assessments have been collected to fund order operations, including production research and marketing research and promotion activities. Reporting requirements have also been implemented under the order.

The South Texas melon industry has been shrinking in recent seasons due to the inability to provide a dependable supply of good quality fruit, a lack of success in developing new varieties of improved quality melons, and intense domestic and foreign competition. Acreage decreased from a high of 27,463 acres in 1987 to 4,780 acres in 2004. The number of producers and handlers has decreased significantly as well.

Because of the declining status of the industry, on September 16, 2004, the Committee recommended suspending all regulatory and reporting requirements and assessment collections under the order for the 2004-05 season, except one reporting requirement regarding planted acreage. The suspension was recommended for one season with the hope that new

melon varieties may be developed to help revive the industry, and to provide a period of time to allow the Committee to evaluate whether it believed the marketing order should be continued. An interim final rule suspending the regulatory and reporting requirements and assessment collections for the 2004–05 season, except for one reporting requirement regarding planted acreage, was published in the **Federal Register** on November 26, 2004 (69 FR 68761), followed by a final rule published on February 23, 2005 (70 FR 8709). The 2004–05 season began on October 1, 2004, and ended on September 30, 2005.

The Committee met on September 7, 2005, to evaluate the industry situation since the regulations were suspended. Planted acreage continued to decline, from 4,780 acres in 2003–04 to 2,364 acres in 2004–05. The number of melon growers and handlers also continued to decline. During the 2003–04 season, there were 29 growers and 16 handlers; in 2004–05 the number of known growers decreased to 13 and handlers decreased to seven. In addition, no new varieties were introduced to improve the quality and make the product more competitive with product from other producing areas. In short, the industry situation continues to worsen. The Committee believes that there is no longer a need for the order, and therefore recommended its termination by unanimous vote.

USDA continued the suspension of regulations, reporting requirements, and assessment collections for an indefinite period, and also suspended the one remaining reporting requirement regarding planted acreage for an indefinite period to allow adequate time to collect additional information in order to determine if terminating the order is warranted. Suspension of regulations, reporting requirements, and assessment collections for an indefinite period was published in the **Federal Register** on October 5, 2005 (70 FR 57995). No comments were received as a result of that publication and a final rule was published in the **Federal Register** on December 7, 2005 (70 FR 72699). The rule continued to relieve handlers of regulatory requirements while USDA evaluated the Committee's recommendation for terminating the order.

This proposed termination of the order is intended to solicit input and any additional information available from interested parties regarding whether the order should be terminated. USDA will evaluate all available information prior to making a final determination on this matter.

Initial Regulatory Flexibility Analysis

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Agricultural Marketing Service (AMS) has considered the economic impact of this action on small entities.

Accordingly, AMS has prepared this initial regulatory flexibility analysis.

The purpose of the RFA is to fit regulatory actions to the scale of business subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

During the 2004–05 marketing year, there were approximately seven handlers of South Texas melons subject to regulation under the marketing order and approximately 13 melon growers in the regulated area. Small agricultural service firms are defined by the Small Business Administration (SBA) (13 CFR 121.201) as those having annual receipts of less than \$6,000,000 and small agricultural growers are defined as those having annual receipts of less than \$750,000.

Most of the handlers are vertically integrated operations involved in growing, shipping, and marketing melons. For the 2003–04 marketing year, the industry's 16 handlers shipped melons produced on 4,780 acres with the average and median volume handled being 89,012 and 10,655 containers, respectively. In terms of production value, total revenue for the 16 handlers was estimated to be \$12,175,919, with the average and median revenues being \$760,996 and \$91,094, respectively. Complete comparable data is not available for the 2004–05 marketing year, but based on a reduction of acreage from 4,780 acres in 2003–04 to 2,364 acres in 2004–05, and the reduced number of growers and handlers, it follows that the volume handled and the value of production likely declined as well.

The South Texas melon industry is characterized by growers and handlers whose farming operations generally involve more than one commodity, and whose income from farming operations is not exclusively dependent on the production of melons. Alternative crops provide an opportunity to utilize many of the same facilities and equipment not in use when the melon production season is complete. For this reason, typical melon growers and handlers either double-crop melons during other

times of the year or produce alternative crops, like onions.

Based on the SBA's definition of small entities, it is estimated that all of the seven handlers regulated by the order would be considered small entities if only their spring melon revenues are considered. However, revenues from other productive enterprises might push a number of these handlers above the \$6,000,000 annual receipt threshold. Of the 13 growers within the production area, few have sufficient acreage to generate sales in excess of \$750,000; therefore, the majority of growers may be classified as small entities.

The South Texas cantaloupe and honeydew melon industry has been shrinking. South Texas historically had enjoyed a marketing window of approximately six weeks beginning about May 1 each season. That window has steadily eroded in recent years due to strong competition from other melon producing areas, and quality problems with Texas melons. As a result, acreage has decreased dramatically from a high of 27,463 acres in 1987, to 4,780 in 2004, and 2,364 acres in 2005. The number of producers and handlers also has steadily declined.

Because of the declining status of the industry, the Committee recommended suspending all regulatory and reporting requirements and assessment collections under the order for the 2004–05 season, except one reporting requirement regarding planted acreage. The suspension was recommended for one season with the hope that new melon varieties may be developed to help revive the industry, and to provide a period of time to allow the Committee to evaluate whether it believed the marketing order should be continued. An interim final rule suspending the regulatory and reporting requirements and assessment collections for the 2004–05 season, except for one reporting requirement regarding planted acreage, was published in the **Federal Register** on November 26, 2004 (69 FR 68761), followed by a final rule published on February 23, 2005 (70 FR 8709).

Suspending the regulations enabled handlers to ship melons without regard to the minimum grade, quality, maturity, container, pack, inspection, and related requirements for the 2004–05 fiscal period. It decreased industry expenses associated with inspection and payment of assessments. During the 2003–04 season, inspection costs associated with the order were estimated at \$46,000 and assessments collected were \$102,988. These costs were not incurred during the 2004–05

season as a result of the suspension of regulations and assessment obligations.

The Committee met on September 7, 2005, to evaluate the industry situation since the regulations were suspended. As previously discussed, planted acreage continued to decline and the number of melon growers and handlers also continued to decline during the 2004–05 season. In addition, no new varieties were introduced to improve the quality and make South Texas melons more competitive with other producing areas. The Committee believes that there is no longer a need for the order, and therefore unanimously recommended its termination.

Suspension of regulations, reporting requirements, and assessment collections was continued for an indefinite period, and the one remaining reporting requirement regarding planted acreage was also suspended indefinitely pursuant to publication in the **Federal Register** on October 5, 2005 (70 FR 57995). No comments were received as a result of that publication and a final rule was published in the **Federal Register** on December 7, 2005 (70 FR 72699). The rule continued to relieve handlers of regulatory requirements while USDA evaluated the Committee's recommendation for terminating the order.

This proposal would reduce the regulatory burden on handlers under the marketing order. There are no other viable alternatives to this proposal.

This proposed termination of the order is intended to solicit input and any additional information available from interested parties on whether the order should be terminated. USDA will evaluate all available information prior to making a final determination on this matter.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the information collection requirements being suspended by this rule were approved previously by the Office of Management and Budget (OMB) and assigned OMB No. 0581–0178, Vegetable and Specialty Crops. Suspension of all the reporting requirements under the order is expected to reduce the reporting burden on small or large South Texas melon handlers by 24.90 hours, and should further reduce industry expenses. Handlers are no longer required to file any forms with the Committee. This proposed rule would thus not impose any additional reporting or recordkeeping requirements on either small or large melon handlers. As with all Federal marketing order programs, reports and forms are periodically

reviewed to reduce information requirements and duplication by industry and public sector agencies.

In addition, USDA has not identified any relevant Federal rules that duplicate, overlap or conflict with this rule.

Further, the Committee's meeting was widely publicized throughout the melon industry and all interested persons were invited to attend the meeting and participate in Committee deliberations. Like all Committee meetings, the September 16, 2004, meeting and the September 7, 2005 meeting were public meetings and all entities, both large and small, were able to express their views on this issue. Finally, interested persons are invited to submit information on the regulatory and informational impacts of this action on small businesses.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: <http://www.ams.usda.gov/fv/moab.html>. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

This rule invites comments on the proposed termination of Marketing Order 979 covering melons grown in South Texas. All written comments timely received will be considered before a final determination is made on this matter.

Based on the foregoing, and pursuant to § 608c(16)(A) of the Act and § 979.84 of the Order, USDA is considering termination of the order. If USDA decides to terminate the order, trustees would be appointed to conclude and liquidate the affairs of the Committee, and would continue in that capacity until discharged by USDA. In addition, USDA would notify Congress 60 days in advance of termination pursuant to § 608c(16)(A) of the Act.

List of Subjects in 7 CFR Part 979

Marketing agreements, Melons, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 979 is proposed to be removed.

PART 979—[REMOVED]

1. The authority citation for 7 CFR part 979 continues to read as follows:

Authority: 7 U.S.C. 601–674.

2. Accordingly, 7 CFR part 979 is removed.

Dated: December 16, 2005.

Lloyd C. Day,

Administrator, Agricultural Marketing Service.

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NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Chap. VII

Request for Burden Reduction Recommendation; Rules Relating to Agency Programs, Capital, and Corporate Credit Unions; Economic Growth and Regulatory Paperwork Reduction Act of 1996 Review

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice of regulatory review; request for comments.

SUMMARY: The NCUA Board is continuing its review of its regulations to identify outdated, unnecessary, or unduly burdensome regulatory requirements imposed on federally-insured credit unions pursuant to the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA). NCUA requests comments and suggestions on ways to reduce burden in regulations that govern agency programs, capital and corporate credit unions, consistent with our statutory obligations. All comments are welcome. This is the final notice in the ten-year regulatory review required by EGRPRA.

NCUA will analyze the comments received and propose burden reducing changes to its regulations where appropriate. Some suggestions for burden reduction might require legislative changes. Where legislative changes would be required, NCUA will consider the suggestions in recommending appropriate changes to Congress.

DATES: Comments must be received on or before March 22, 2006.

ADDRESSES: You may submit comments by any of the following methods (Please send comments by one method only):

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- NCUA Web Site: http://www.ncua.gov/RegulationsOpinionsLaws/proposed_regs/proposed_regs.html. Follow the instructions for submitting comments.
- E-mail: Address to regcomments@ncua.gov. Include “[Your