

national marketing quota for any such kind of tobacco for each of the next 3 MYs if such MY is the last year of 3 consecutive years for which marketing quotas previously proclaimed will be in effect; or because marketing quotas previously proclaimed were last disapproved by producers in a referendum held 3 years previously. With respect to Virginia sun-cured (type 37) tobacco, the 1994 MY is the last year of 3 such consecutive years; for Maryland (type 32), cigar-filler (type 41), and cigar binder (types 51–52) 1995 represents the beginning of another 3-year cycle. Accordingly, subject to producer approved marketing quotas for Maryland (type 32), Virginia sun-cured (type 37), cigar-filler (type 41) and cigar binder (types 51–52) tobaccos have been proclaimed for each of the 3 MYs beginning October 1, 1995; October 1, 1996; and October 1, 1997. As indicated, however, type 37 producers approved the quotas.

Because of producer approval of quotas sections 312 and 313 of the 1938 Act require that the Secretary also announce the reserve supply level and the total supply of fire-cured (type 21), fire-cured (types 22–23), Maryland (type 32), dark air-cured (types 35–36), Virginia sun-cured (type 37), cigar-filler (type 41), cigar-filler and binder (types 42–44 and 53–55), cigar-filler (type 46), and cigar binder (types 51–52) tobaccos for the MY beginning October 1, 1994, and for these tobaccos, the amounts of the national marketing quotas, national acreage allotments, national acreage factors for apportioning the national acreage allotments (less reserves) to old farms, and the amounts of the national reserves and parts thereof available for (1) new farms and (2) making corrections and adjusting inequities in old farm allotments.

Under the 1949 Act, price support is required to be made available for each crop of a kind of tobacco for which marketing quotas are in effect or for which marketing quotas have not been disapproved by producers. With respect to the 1995 crop of the nine kinds of tobacco which are the subject of this rule, the respective maximum level of support for six of those kinds is determined in accordance with section 106 of the 1949 Act. For the other three kinds of tobacco, price support was not calculated because producers of these kinds of tobacco had disapproved marketing quotas in previous referenda and were not expected to approve quotas in separate referenda to be held March 27–30, 1995.

The announcement of the price support levels for the 1995 crops of these six kinds of tobacco are made

insofar as practicable before the beginning of the planting season.

Marketing Quotas

Section 312(b) of the 1938 Act provides, in part, that the national marketing quota for a kind of tobacco is the total quantity of that kind of tobacco which may be marketed such that a supply of such tobacco equal to its reserve supply level is made available during the MY.

Section 313(g) of the 1938 Act provides that the Secretary may convert the national marketing quota into a national acreage allotment for apportionment to individual farms.

Since producers of these kinds of tobacco generally produce less than their respective national acreage allotments allow, it has been determined that a larger quota is necessary to make available production equal to the reserve supply level. The amount of the national marketing quota so announced may, not later than the following March 1, be increased by not more than 20 percent if the Secretary determines that such increase is necessary in order to meet market demands or to avoid undue restriction of marketings in adjusting the total supply to the reserve supply level.

Section 301(b)(14)(B) of the 1938 Act defines “reserve supply level” as the normal supply, plus 5 percent thereof, to ensure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty. “Normal supply” is defined in section 301(b)(10)(B) of the 1938 Act as a normal year’s domestic consumption and exports, plus 175 percent of a normal year’s domestic use and 65 percent of a normal year’s exports as an allowance for a normal year’s carryover.

Normal year’s domestic consumption is defined in section 301(b)(11)(B) of the 1938 Act as the average quantity produced and consumed in the United States during the 10 MYs immediately preceding the MY in which such consumption is determined, adjusted for current trends in such consumption. Normal year’s exports is defined in section 301(b)(12) of the 1938 Act as the average quantity produced in and exported from the United States during the 10 MYs immediately preceding the MY in which such exports are determined, adjusted for current trends in such exports.

In accordance with section 313(g) of the 1938 Act, the Secretary is authorized to establish a national reserve from the national acreage allotment in an amount equivalent to not more than 1 percent of

the national acreage allotment for the purpose of making corrections in farm acreage allotments, adjusting for inequities, and for establishing allotments for new farms. The Secretary has determined that the national reserve, noted herein, for the 1995 crop of each of these kinds of tobacco is adequate for these purposes.

On January 25, 1995, a proposed rule was published (60 FR 4871) in which interested persons were requested to comment with respect to setting quotas for the tobacco kinds addressed in the notice.

Discussion of Comments

Thirty-two written responses were received during the comment period which ended February 3, 1995. Some respondents discussed more than one kind of tobacco. A summary of these comments by kind of tobacco follows:

(1) *Fire-cured (type 21) tobacco*. Nine comments were received. Eight comments recommended that quotas be decreased by 15 percent. The other recommended that the marketing quotas be decreased by 10 percent from the 1994 MY.

(2) *Fire-cured (types 22–23) tobacco*. Six comments were received. Five recommended a 7-percent decrease from the 1994 marketing quota, while the sixth recommended no change in quota.

(3) *Dark air-cured (types 35–36) tobacco*. Seven comments were received. Six recommended a 15-percent decrease, and a seventh recommended a 10-percent decrease in the quota.

(4) *Virginia sun-cured (type 37) tobacco*. Eight comments were received, all recommended a 5-percent decrease in quota.

(5) *Cigar-filler and binder (types 42–44 and 53–55) tobacco*. Two comments were received, both recommending no change in quota.

(6) *Maryland (type 32), cigar filler (type 41), cigar filler (type 46) and cigar binder (type 51–52) tobaccos*. No comments were received.

Marketing quotas and the corresponding acreage allotments for Maryland (type 32), cigar filler (type 41), and cigar binder (types 51–52) tobaccos were proclaimed on March 1, 1995, but were each disapproved by producers in subsequent referenda. Accordingly, the following marketing quotas appear as a matter of record only: Maryland (type 32), 6.45 million pounds; cigar filler (type 41), 1.35 million pounds; and cigar binder (type 51–52), 675,000 pounds.

For the six kinds of tobacco for which marketing quotas have been approved the following determinations have been