(sheep meat, wool, and wool products) subject to the assessment and establishes procedures for calculating, collecting, and remitting assessments on imported sheep, sheep meat, wool, and wool products and establishes the basis for exempting certain imported sheep and sheep products from assessment. Because the Act exempts raw wool from the collecting provisions, raw wool is not subject to assessment.

This rule will implement applicable Order provisions in the manner provided therein, if an Order is passed in referendum. Accordingly, the Administrator of AMS has determined that this rule will not have a significant economic impact on a substantial number of small entities.

## Paperwork Reduction

In accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), the information collection and recordkeeping requirements for domestic producers, feeders, handlers, and processors of sheep and wool contained in part 1280 have been approved by OMB and assigned control number 0581–0093.

Based on comparable research and promotion programs, it would require approximately 0.5 hours per response for producers, feeders, handlers, and any persons other than the person making payment to the producer, feeder, or handler, to complete a reporting form on a monthly basis and file a request for reimbursement if necessary.

For importers, the Department of Agriculture (Department) intends to rely to a great extent on records maintained by the U.S. Customs Service (Customs) and records maintained by importers under Custom's requirements for its administration and enforcement of the provision of the proposed regulations. The Department anticipates that importers only would be required to provide additional information if needed as evidence of reimbursement of assessments.

Any person subject to the assessment, collection, and remittance provisions of the Act and the Order would be expected to maintain and make available to the Secretary such books and records as necessary to carry out the provisions of the Order and these regulations. Such books and records should be maintained for at least 2 years beyond the fiscal period of their applicability. Reporting forms would be submitted monthly.

Comments concerning the information collection requirements contained in this action should also be sent to the Office of Information and Regulatory Affairs; Office of

Management and Budget; Washington, DC 20503. Attention: Desk Officer for the Agricultural Marketing Service, USDA.

## Background

The Act (7 U.S.C. 7101-7111) approved October 22, 1994, authorizes the Secretary to establish a national sheep and wool promotion, research, education, and information program, designed to strengthen the sheep industry's position in the marketplace, to maintain and expand existing domestic and foreign markets and uses for sheep and sheep products and to develop new markets and uses for sheep and sheep products. This program would be funded by assessments on domestic sheep producers, sheep feeders, and exporters of live sheep and greasy wool of 1-cent-per-pound on live sheep sold and 2-cents-per-pound on greasy wool sold. Importers would be assessed 1-cent-per-pound on live sheep imported and the equivalent of 1-centper-pound of live sheep for sheep products imported as well as 2-centsper-pound of degreased wool or the equivalent of degreased wool for wool and wool products imported. Imported raw wool would be exempt from assessments. Each person who processes or causes to be processed sheep or sheep products of that person's own production and markets the processed products would be assessed the equivalent of 1-cent-per-pound of live sheep sold or 2-cents-per-pound of greasy wool sold. All assessment rates may be adjusted in accordance with applicable provisions of the Act.

Pursuant to the Act, a proposed rule was published in the June 2, 1995, Federal Register (60 FR 28747). That action proposed a full proposal and four partial proposals. If approved in referendum, a final Order would require that each person who makes payment to a sheep producer, feeder, or handler of sheep or sheep products be a collecting person who collects the assessment from the producer, feeder, or handler of sheep or sheep products and pass the collected assessment on to the subsequent purchaser pursuant to the Act. Any person who buys domestic live sheep or greasy wool for processing must collect the assessment from the producer, feeder, or handler and remit the assessment to the proposed National Sheep Promotion, Research, and Information Board (Board). Any person who processes or causes to be processed sheep or sheep products of the person's own production and markets the processed products would be required to pay an assessment and remit the assessment to the Board. Any person

who exports live sheep or greasy wool would be required to pay an assessment and remit the assessment to the Board at the time of export. Finally, each person who imports sheep and sheep products—excluding raw wool—would be required to pay an assessment. Customs will collect the assessments on imported sheep and sheep products upon importation and will forward the assessments to AMS for disbursement to the Board.

The proposed Order further would define a collecting person as any person who is responsible for collecting an assessment pursuant to the Act, this subpart and these regulations, including processors and any other persons who are required to remit assessments to the Board, except that a collecting person who is a market agency; i.e., commission merchant, auction market, or livestock market in the business of receiving such sheep or sheep products for sale on commission for or on behalf of a producer or feeder, shall pass the collected assessment on to the subsequent purchaser pursuant to the Act, this subpart and the regulations prescribed by the Board and approved by the Secretary.

For the purposes of the collection of assessments on imported wool and wool products by Customs, the Department proposes that the Harmonized Tariff Schedule (HTS) classification numbers published by the International Trade Commission be used to identify imported sheep and sheep products that would be subject to the assessment if the proposed Order becomes effective. The HTS classification system identifies each category of imported sheep, sheep meat, wool, and products that contains wool fiber by a 10-digit classification number and provides a brief description of the imported product that corresponds to the various classification numbers. Additionally, the HTS classification number may be further divided into multiple fiber categories for products that contain a blend of fibers.

In determining which HTS classification numbers would be assessed under this proposal, the primary objectives were to meet the intent of the Act by maximizing participation of imported sheep, sheep meat, wool, and wool products in the assessment collection provisions of the Act and minimizing the burden of administering those provisions. To make certain these objectives would be met, the Department reviewed 5 years-1989-93—of historical import data of sheep, sheep meat, wool, and products containing wool fibers from the Bureau of Census of the U.S. Department of Commerce. These data are available on