

on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments should be submitted to the Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Washington, D.C. 20503 and to Bonnie Hart, Information Management Branch, Farm Service Agency, U.S. Department of Agriculture, Washington, D.C. 20250. Copies of the information collection may be obtained from Bonnie Hart at the above address. Telephone (202) 690-2857.

It has been determined under section 6(a) of Executive Order 12612, Federalism, that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment. The provisions contained in this rule will not have a substantial direct effect on states or their political subdivisions, or on the distribution of power and responsibilities among the various levels of government.

This regulation will not have a significant impact on a substantial number of small entities. The impact of obtaining or delivering these policies will not vary significantly from that required to obtain or deliver the present policy. Therefore, this action is determined to be exempt from the provisions of the Regulatory Flexibility Act (5 U.S.C. § 605) and no Regulatory Flexibility Analysis was prepared.

This program is listed in the Catalog of Federal Domestic Assistance under No. 10.450.

This program is not subject to the provisions of Executive Order 12372 which require intergovernmental consultation with state and local officials. See the Notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115, June 24, 1983.

The Office of the General Counsel has determined that these regulations meet the applicable standards provided in subsections 2(a) and 2(b)(2) of Executive Order 12778. The provisions of this rule will preempt state and local laws to the extent such state and local laws are inconsistent herewith. The administrative appeal provisions promulgated by the National Appeals Division under Pub. L. No. 103-354 must be exhausted before judicial action may be brought.

This action is not expected to have any significant impact on the quality of the human environment, health, and safety. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

Background

FCIC proposes to amend the Common Crop Insurance Regulations (7 CFR part 457) by revising and reissuing 7 CFR 457.103, Malting Barley Option effective for the 1996 and succeeding crop years. The principal changes to the provisions for insuring malting barley are as follows:

1. The current Malting Barley Option will be replaced by the proposed Malting Barley Price and Quality Endorsement. The new endorsement is divided into two coverage options. Option A is intended to provide insurance coverage for producers who do not grow malting barley under contract with a brewery or with a business that makes or sells malt or processed mash to a brewery. Option B provides insurance coverage for producers who grow malting barley under such a contract. A producer may select only one option to cover all acreage planted to approved varieties of malting barley in the county during the crop year.

Option A

2. Section 1—Requires an applicant for insurance or insured to provide records of the sale of malting barley for at least four crop years to be eligible for coverage. These production records may be used to determine the malting barley production guarantee (see item 3 below).

3. Section 2—Provides that the malting barley production guarantee per acre will be the lesser of: (a) The production guarantee calculated under the APH regulations, 7 CFR part 400, subpart G, and the Small Grains Crop Provisions for feed barley for acreage planted to approved malting varieties; or (b) the average amount calculated under the APH regulations of malting barley sold per planted acre during the APH base period.

4. Section 3—Provides for the maximum malting barley additional value price to be designated in the Special Provisions.

5. Section 4—Indicates the production to count against the malting barley production guarantee. Quality standards specified in this section represent typical minimum acceptance standards in the malting barley industry.

6. Section 5—Provides that a claim cannot be settled until final disposition of all production can be determined, or May 31 of the calendar year following the crop year. Production stored after May 31 of the calendar year following the crop year will be adjusted based on the quality specifications contained in subsection 4(b) of the option. This

extended settlement period is intended to prevent the payment of an indemnity for production that does not meet quality specifications but is ultimately used for malting purposes due to a shortage of quality malting barley. If barley is used for malting purposes regardless of quality it is production to count against the guarantee.

Option B

7. Section 1—Requires an applicant for insurance or insured to provide a copy of the malting barley contract by the acreage reporting date to be eligible for coverage. The amount of production under contract may be used to determine the malting barley production guarantee (see item 8 below).

8. Section 2—Provides that the malting barley production guarantee per acre be the lesser of: (a) The production guarantee calculated under the APH regulations, 7 CFR part 400, subpart G, and the Small Grains Crop Provisions for feed barley for acreage planted to approved malting varieties; or (b) the amount determined by dividing the number of bushels of contracted production by the number of acres planted to approved malting varieties, and multiplying the result by the percentage for the coverage level you elected under the Small Grains Crop Provisions for feed barley.

9. Section 3—Establishes the maximum malting barley additional value price as: (a) The difference between the maximum price election available for feed barley under the Small Grains Crop Provisions and the established sale price in the malting barley contract provided such price is fixed on or before the acreage reporting date; or (b) the basis or differential per bushel shown in the malting barley contract if the sale price is based on a future market price for basic (feed) barley plus a differential amount for malting barley production. For example, if the malting barley contract provides for a fixed price of \$2.50 per bushel on or before the acreage reporting date and the maximum price election available for feed barley is \$1.90 per bushel, the additional value price would be \$0.60 per bushel (\$2.50-\$1.90); however, if the malting barley contract provides for a basis or differential of \$0.60 per bushel above a future market price, the additional value price would be \$0.60. In no event will the additional value price exceed 200% of the maximum additional value price shown in the Special Provisions.

10. Section 4—Indicates the production to count against the malting barley production guarantee in the event of a claim. Production meeting the