

substitute meat and poultry food products. Therefore, any cost incurred would be voluntary.

If firms chose to make ingredient substitutions to bring newer, healthful products to market, they may incur some short run costs. However, these are the normal costs of marketing and production. If they are incurred, they arise because a firm expects the new product to be profitable. The costs of bringing these new products to market would, in the long run, be less than the benefits to firms of increased sales and profits. If the market for substitute foods is substantial enough for firms to successfully market these new products, then there may be a net economic benefit to the industry.

The net effect of the proposed rule would be beneficial to the meat and poultry industry as a whole and would provide consumers with a greater diversity of meat and poultry products. Consumers would benefit from the proposed rule because it is expected to increase the variety of processed meat and poultry products that would be available from which to make the most healthful dietary choices for each individual. At the same time, the proposed rule would safeguard the integrity of traditional standardized meat and poultry food products that have served the market well and for which there is expected to continue to be a strong demand. Consumers would be informed by the product labeling of the differences between the traditional standardized product and the modified version.

Executive Order 12778

This proposed rule has been reviewed under Executive Order 12778, Civil Justice Reform. States and local jurisdictions are preempted under the Federal Meat Inspection Act (FMIA) and the Poultry Products Inspection Act (PPIA) from imposing any marking, labeling, packaging, or ingredient requirement on federally inspected meat and poultry products that are in addition to, or different than, those imposed under the FMIA or PPIA. States and local jurisdictions may, however, exercise concurrent jurisdiction over meat and poultry products that are outside official establishments for the purpose of preventing the distribution of meat and poultry products that are misbranded or adulterated under the FMIA or PPIA, or, in the case of imported articles, which are not at such an establishment, after their entry into the United States. Under the FMIA and PPIA, States that maintain meat and poultry inspection programs must impose requirements

that are at least equal to those required under the FMIA and PPIA. The States may, however, impose more stringent requirements on such State inspected products and establishments.

No retroactive effect will be given to this proposed rule. The administrative procedures specified in 9 CFR 306.5 and 381.35 must be exhausted prior to any judicial challenge of the application of the provisions of this proposed rule, if the challenge involves any decision of an inspector relating to inspection services provided under the FMIA or PPIA. The administrative procedures specified in 9 CFR parts 335 and 381, subpart W, must be exhausted prior to any judicial challenge of the application of the provisions of this proposed rule with respect to labeling decisions.

Effect on Small Entities

The Administrator, FSIS, has made an initial determination that this proposed rule would not have a significant economic impact on a substantial number of small entities, as defined by the Regulatory Flexibility Act (5 U.S.C. 601). Small manufacturers would be provided the flexibility to create more meat and poultry products that have reductions in certain food constituents that have health implications. Small businesses who choose to market the new substitute meat and poultry food products would be required to design new labels or make certain revisions to their existing product labels, thereby, incurring some costs. These costs could be outweighed by the potential revenue increases from sales of the new substitute products.

Paperwork Requirements

Abstract: FSIS has reviewed the paperwork and recordkeeping requirements in this proposed rule in accordance with the Paperwork Reduction Act. This proposed rule would require manufacturers producing new meat and poultry products in accordance with the definition and general standard of identity for modified processed meat and poultry products to design their new product labels and submit such labeling to FSIS for approval.

Estimate of Burden: Meat and poultry establishments must develop product labels in accordance with the regulations. To receive approval of the labels, establishments must complete FSIS Form 7234-1. FSIS program employees review FSIS Form 7234-1 to ensure that information on the labels complies with the regulations. FSIS estimates that it will take 60 minutes to design and develop modified product labels in accordance with the proposed

regulations and 15 minutes to prepare FSIS Form 7234-1 and submit it, along with the label, to FSIS or to a label expeditor who will deliver the form and label to FSIS.

Respondents: Meat and poultry product establishments.

Estimated Number of Respondents: FSIS estimates that at this time 100 establishments would have to develop new labels.

Estimated Number of Responses per Respondent: FSIS estimates that each establishment would modify about 5 product labels.

Estimated Total Annual Burden on Respondents: 625 hours.

Copies of this information collection assessment can be obtained from Lee Puricelli, Paperwork Specialist, Food Safety and Inspection Service, USDA, South Agriculture Building, Room 3812, Washington, DC 20250.

Comments regarding the need for and usefulness of the proposed requirements, the accuracy of FSIS's burden hour estimate, ways to minimize the estimated burden, including through the use of automated collection techniques or other forms of information collection technology, or any other aspect of this collection of information discussion, to Lee Puricelli, Paperwork Specialist, at the address above.

All responses to this notice will be summarized and included in FSIS's request for the Office Management and Budget (OMB) approval of the proposed regulation's paperwork requirements. All comments submitted will also become a matter of public record.

Comments

Interested persons may submit an original and two copies of written comments concerning this proposed rule to: FSIS Docket Clerk, DOCKET #92-024P, Room 4352, South Building, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, DC 20250. Any person desiring an opportunity for an oral presentation of views should make such a request to Mr. Charles R. Edwards so that arrangements can be made for such views to be presented. A record will be made of all views orally presented. All comments submitted in response to this proposal will be available for public inspection in the FSIS Docket Room, Room 4352, South Building, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, DC 20250, 8:30 a.m. to 1:00 p.m., and from 2:00 p.m. to 4:30 p.m., Monday through Friday.