FOR FURTHER INFORMATION CONTACT: Richard Schultz at the above address or telephone (202) 720–5976.

SUPPLEMENTARY INFORMATION: This final rule amends the Lime Research, Promotion, and Consumer Information Order [7 CFR 1212], herein referred to as the Order. The Order is effective under the Lime Research, Promotion, and Consumer Information Act of 1990 (1990 Act) [Pub. L. 101–624, 7 U.S.C. 6201–6212], as amended by the Lime Research, Promotion, and Consumer Information Improvement Act (1993 Act) [Pub. L. 103–194, Dec. 14, 1993].

The Department of Agriculture (Department) is issuing this rule in conformance with Executive Order 12866.

This rule has been reviewed under Executive Order 12778, Civil Justice Reform. It 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 § 1957 of the Act, a person subject to the Order may file a petition with the Secretary of Agriculture (Secretary) stating that the Order or any provision of the Order, or any obligation imposed in connection with the Order, is not in accordance with law and requesting a modification of the Order or an exemption from the Order. The petitioner is afforded the opportunity for a hearing on the petition. After such hearing, the Secretary will make a ruling on the petition. The Act provides that the district courts of the United States in any district in which a person who is a petitioner resides or carries on business are vested with jurisdiction to review the Secretary's ruling on the petition, if a complaint for that purpose is filed within 20 days after the date of the entry of the ruling.

## **Regulatory Impact Analysis**

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

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.

The 1990 Act exempted lime producers who produce less than 35,000 pounds annually for the fresh market from being subject to the Order. When the 1990 Act was enacted, there were an

estimated 325 producers who produced at least 35,000 pounds annually and were subject to the Order. When the 1993 Act was enacted, the exemption level was increased to less than 200,000 pounds annually. At this exemption level, there are an estimated 50 producers who produce at least 200,000 pounds and will be subject to the Order. Despite this increase in exemption level, the majority of producers subject to the Order will still be classified as small entities. Small agricultural producers have been defined by the Small Business Administration (SBA) [13 CFR 121.601] as those having annual receipts of less than \$500,000.

The increase in exemption level is not expected to significantly affect the number of first handlers who are responsible for collecting and remitting producer assessments to the Lime Board (Board). The number of first handlers remains at approximately 25. The increase in exemption level, which also applies to imports, is not expected to significantly affect the number of importers of fresh market limes. The number of importers subject to the Order will increase from 5 to 35. However, this increase in importers is not primarily due to the increase in the exemption level but rather to the changing character of the lime industry. As in the case of producers, the majority of first handlers and importers subject to the Order will still be classified as small entities. Small agricultural service firms, which include handlers and importers, have been defined by the SBA as those having annual receipts of less than \$5,000,000.

Since the enactment of the 1990 Act, the character of the lime industry has significantly changed. As a result of the extensive damage to lime orchards in Florida by Hurricane Andrew in August 1992, domestic production has plummeted and the volume of imports has increased dramatically. Domestic production is not expected to reach pre-Hurricane Andrew levels for possibly two to three years because Florida accounted for a majority of domestic production.

Shipment reports of domestic limes, from January 1, 1994, through December 31, 1994, indicate truck shipments of 11.32 million pounds from Florida and 4.23 million pounds from California, for a total of 15.55 million pounds. Shipment reports of imported limes for the most recent 12 month period, November 1, 1993, through October 31, 1994, indicate truck shipments of 240.46 million pounds from Mexico plus an additional 8.02 million pounds from 13 other countries. Imports

currently represent roughly 94 percent of lime shipments in the United States.

The Order, prior to this action, required lime producers, producer-handlers, and importers who produce or import 35,000 pounds or more annually for fresh market to pay an assessment not to exceed one cent per pound of limes. This action limits assessment obligations to producers, producer-handlers, and importers who produce or import 200,000 pounds or more annually. The expected results of this action will significantly decrease the number of persons subject to the Order and decrease the amount of assessments collected.

This action also alters the size and composition of the Board, the administrative body appointed by the Secretary to operate the Order, from 11 members to seven. Further, it reduces the number of producer members serving on the Board from seven to three. The number of importer members will remain at three. The seventh member will be the public member. These changes to the Board's size and membership are reflective of the current structure of the lime industry.

Accordingly, the Administrator of the AMS has determined that the changes reflected in this action 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 requirements contained in the Order have been approved by the OMB and were assigned OMB number 0581–0093, except for the Board nominee background statement form which was assigned OMB number 0505–0001. This action will generally reduce the number of information collections, and hence the reporting burden. The information collection requirements of the Order are as follows:

- (1) A periodic report by each first handler who handles limes for fresh market. The estimated number of respondents required to complete this report is 25, each submitting a maximum of 12 responses per year, with an estimated average reporting burden of 30 minutes per response. First handlers may alternatively prepay assessments annually, requiring only an initial report of anticipated assessments and a final annual report of actual handling;
- (2) A periodic report by each importer who imports 200,000 or more pounds annually for fresh market. The estimated number of respondents completing this report is 35, each