

open to the public and interested persons may express their views at these meetings. The Department will evaluate Committee recommendations and other available information to determine whether modification of the assessment rate is needed. Further rulemaking will be undertaken as necessary. The Committee's 1998-99 budget and those for subsequent fiscal periods will be reviewed and, as appropriate, approved by the Department.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Agricultural Marketing Service (AMS) has considered the economic impact of this action on small entities. Accordingly, AMS has prepared this final regulatory flexibility analysis.

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. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 285 producers of Colorado Area II potatoes in the production area and approximately 100 handlers subject to regulation under the marketing order. Small agricultural producers have been defined by the Small Business Administration (13 CFR 121.601) as those having annual receipts less than \$500,000 and small agricultural service firms are defined as those whose annual receipts are less than \$5,000,000. The majority of Colorado Area II potato producers and handlers may be classified as small entities.

This rule continues to decrease the assessment rate established for the Committee and collected from handlers for the 1998-99 and subsequent fiscal periods from \$0.0030 to \$0.0015 per hundredweight of potatoes handled. The Committee by a nine to one vote recommended 1998-99 expenditures of \$66,895 and an assessment rate of \$0.0015 per hundredweight of potatoes handled. The Committee member voting no objected to the amount being budgeted for the executive director's salary but had no problem with the total amount budgeted or the reduction in the assessment rate. In comparison, last year's budgeted expenditures were \$63,329. The assessment rate of \$0.0015 is \$0.0015 lower than the 1997-98 rate. The Committee voted to lower the assessment rate and use some of the funds in its operating reserve to bring the reserve closer to the amount it

believes necessary to administer the program. The decrease will reduce the financial burden on handlers as prices for San Luis Valley potatoes have been extremely low the past two seasons. Overproduction of the 1996 fall crop and unusually cold weather during the 1997 fall crop growing season resulted in major financial disasters within the San Luis Valley potato industry. The Committee discussed various assessment rates but decided that an assessment rate of less than \$0.0015 would not generate the income necessary to administer the program with an adequate reserve.

Major expenses recommended by the Committee for the 1998-99 fiscal period include \$37,210 for salaries, \$10,850 for office expenses, which include telephone, supplies, and postage, and \$5,250 for building maintenance which includes insurance and utilities. Budgeted expenses for these items in 1997-98 were \$35,579, \$9,500, and \$5,250, respectively.

With Colorado Area II potato shipments for 1998-99 estimated at 16,500,000 hundredweight, the \$0.0015 rate of assessment should provide \$24,750 in assessment income. Income derived from handler assessments, along with funds from the Committee's authorized reserve, will be adequate to cover budgeted expenses. Funds in the reserve (\$124,903 as of September 1, 1997) will be kept within the maximum permitted by the order (less than approximately two fiscal periods' expenses; § 948.78).

Recent price information indicates that the grower price for the 1998-99 marketing season will range between \$1.60 and \$6.15 per hundredweight of Colorado potatoes. Therefore, the estimated assessment revenue for the 1998-99 fiscal period as a percentage of total grower revenue will range between 0.0900 and 0.0243 percent.

This action continues to decrease the assessment obligation imposed on handlers. Assessments are applied uniformly on all handlers, and some of the costs may be passed on to producers. However, decreasing the assessment rate reduces the burden on handlers and may reduce the burden on producers. In addition, the Committee's meeting was widely publicized throughout the Colorado Area II potato industry and all interested persons were invited to attend the meeting and participate in Committee deliberations on all issues. Like all Committee meetings, the May 21, 1998, meeting was a public meeting and all entities, both large and small, were able to express views on this issue.

This action will not impose any additional reporting or recordkeeping requirements on either small or large Colorado Area II potato handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

The Department has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

An interim final rule concerning this action was published in the **Federal Register** on July 16, 1998 (63 FR 38282). Copies of that rule were also mailed or sent via facsimile to all Area II potato handlers. Finally, the interim final rule was made available through the Internet by the Office of the Federal Register. A 60-day comment period was provided for interested persons to respond to the interim final rule. The comment period ended on September 14, 1998, and no comments were received.

After consideration of all relevant matter presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

List of Subjects in 7 CFR Part 948

Marketing agreements, Potatoes, Reporting and recordkeeping requirements.

PART 948—IRISH POTATOES GROWN IN COLORADO

Accordingly, the interim final rule amending 7 CFR part 948 which was published at 63 FR 38282 on July 16, 1998, is adopted as a final rule without change.

Dated: October 5, 1998.

Robert C. Keeney,
Deputy Administrator, Fruit and Vegetable Programs.

[FR Doc. 98-27182 Filed 10-8-98; 8:45 am]

BILLING CODE 3410-02-P

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 987

[Docket No. FV98-987-1 FR]

Domestic Dates Produced or Packed in Riverside County, CA; Increased Assessment Rate

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule increases the assessment rate from \$0.0556 to \$0.10 per hundredweight established for the California Date Administrative Committee (Committee) under Marketing Order No. 987 for the 1998-99 and subsequent crop years. The Committee is responsible for local administration of the marketing order which regulates the handling of dates produced or packed in Riverside County, California. Authorization to assess date handlers enables the Committee to incur expenses that are reasonable and necessary to administer the program. The crop year began October 1 and ends September 30. The assessment rate will remain in effect indefinitely unless modified, suspended, or terminated.

EFFECTIVE DATE: October 13, 1998.

FOR FURTHER INFORMATION CONTACT:

Diane Purvis, Marketing Assistant, or Richard P. Van Diest, Marketing Specialist, California Marketing Field Office, Fruit and Vegetable Programs, AMS, USDA, 2202 Monterey St., suite 102B, Fresno, CA 93721; telephone: (209) 487-5901; Fax: (209) 487-5906; or George Kelhart, Technical Advisor, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, room 2525-S, P.O. Box 96456, Washington, DC 20090-6456; telephone: (202) 720-2491, Fax: (202) 205-6632. Small businesses may request information on compliance with this regulation by contacting Jay Guerber, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, room 2525-S, P.O. Box 96456, Washington, DC 20090-6456; telephone: (202) 720-2491, Fax: (202) 205-6632.

SUPPLEMENTARY INFORMATION: This rule is issued under Marketing Agreement and Order No. 987, both as amended (7 CFR part 987), regulating the handling of domestic dates produced or packed in Riverside County, California, hereinafter referred to as the "order." The marketing agreement and order are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), hereinafter referred to as the "Act."

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

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. Under the marketing order now in effect, California date handlers are subject to assessments. Funds to administer the order are derived from

such assessments. It is intended that the assessment rate as issued herein will be applicable to all assessable dates beginning on October 1, 1998, and continue until amended, suspended, or terminated. 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 section 608c(15)(A) of the Act, any handler subject to an order may file with the Secretary a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and request a modification of the order or to be exempted therefrom. Such handler is afforded the opportunity for a hearing on the petition. After the hearing the Secretary would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction to review the Secretary's ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

This rule increases the assessment rate established for the Committee for the 1998-99 and subsequent crop years from \$0.0556 per hundredweight to \$0.10 per hundredweight of assessable dates handled.

The California date marketing order provides authority for the Committee, with the approval of the Department, to formulate an annual budget of expenses and collect assessments from handlers to administer the program. The members of the Committee are producers and producer-handlers of California dates. They are familiar with the Committee's needs and with the costs for goods and services in their local area and are thus in a position to formulate an appropriate budget and assessment rate. The assessment rate is formulated and discussed in a public meeting. Thus, all directly affected persons have an opportunity to participate and provide input.

For the 1996-97 and subsequent crop years, the Committee recommended, and the Department approved, an assessment rate that would continue in effect from crop year to crop year unless modified, suspended, or terminated by the Secretary upon recommendation and information submitted by the Committee or other information available to the Secretary.

The Committee met on June 4, 1998, and unanimously recommended 1998-99 expenditures of \$80,000 and an

assessment rate of \$0.10 per hundredweight of dates handled. In comparison, last year's budgeted expenditures were \$60,000. The assessment rate of \$0.10 is \$0.0444 higher than the rate currently in effect. The higher assessment rate is needed to offset an expected reduction in funds available to the Committee from the sale of cull dates. Proceeds from such sales are deposited into the surplus account for subsequent use by the Committee in covering the surplus pool share of the Committee's expenses. Handlers may also dispose of cull dates of their own production within their own livestock-feeding operation; otherwise, such cull dates must be shipped or delivered to the Committee for sale to non-human food product outlets.

The Committee expects to apply \$40,000 of surplus account monies to cover surplus pool expenses during 1997-98. Based on a recent trend of declining sales of cull dates over the past few years, the Committee expects the surplus pool share of expenses during 1998-99 to be \$30,000, or \$10,000 less than expected during 1997-98. Hence, the revenue available from the surplus pool to cover Committee expenses during 1998-99 is expected to be 25 percent less than last year. To offset this reduction in income, the Committee recommended increasing the assessment rate and using \$20,000 from its administrative reserves to fund the 1998-99 budget.

The major expenditures recommended by the Committee for the 1998-99 year include \$32,100 in salaries and benefits, \$20,000 in office administration, and \$23,990 in office expenses. Office administration includes \$16,000 towards the salary for a new compliance officer position. Budgeted expenses for these items in 1997-98 were \$37,627 in salaries and benefits and \$18,507 in office expenses.

The assessment rate recommended by the Committee was derived from applying the following formula where:
 A = 1998-99 surplus account (\$30,000);
 B = amount taken from administrative reserves (\$20,000);
 C = 1998-99 expenses (\$80,000);
 D = 1998-99 expected shipments (300,000 hundredweight);
 $(C - (A + B)) \div D = \$0.10$ per hundredweight.

Estimated shipments should provide \$30,000 in assessment income. Income derived from handler assessments, the surplus account (which contains money from cull date sales), and the administrative reserves will be adequate to cover budgeted expenses. Funds in the reserve are expected to total about

\$20,000 by September 30, 1998, and therefore will be less than the maximum permitted by the order (not to exceed 50% of the average of expenses incurred during the most recent five preceding crop years; § 987.72(c)).

The assessment rate established in this rule will continue in effect indefinitely unless modified, suspended, or terminated by the Secretary upon recommendation and information submitted by the Committee or other available information.

Although this assessment rate will be in effect for an indefinite period, the Committee will continue to meet prior to or during each crop year to recommend a budget of expenses and consider recommendations for modification of the assessment rate. The dates and times of Committee meetings are available from the Committee or the Department. Committee meetings are open to the public and interested persons may express their views at these meetings. The Department will evaluate Committee recommendations and other available information to determine whether modification of the assessment rate is needed. Further rulemaking will be undertaken as necessary. The Committee's 1998-99 budget has been approved; and those for subsequent crop years would be reviewed and, as appropriate, approved by the Department.

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

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. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 135 producers of dates in the production area and approximately 20 handlers subject to regulation under the marketing order. Small agricultural producers have been defined by the Small Business Administration (13 CFR 121.601) as those having annual receipts less than \$500,000, and small agricultural service firms are defined as those whose annual receipts are less than \$5,000,000. The majority of

California date producers and handlers may be classified as small entities.

This rule increases the assessment rate established for the Committee and collected from handlers for the 1998-99 and subsequent crop years from \$0.0556 per hundredweight to \$0.10 per hundredweight of assessable dates handled. The Committee unanimously recommended 1998-99 expenditures of \$80,000 and an assessment rate of \$0.10 per hundredweight. The assessment rate of \$0.10 is \$0.0444 higher than the 1997-98 rate. The quantity of assessable dates for the 1998-99 crop year is estimated at 300,000 hundredweight. Thus, the \$0.10 rate should provide \$30,000 in assessment income and, in conjunction with other funds available to the Committee, be adequate to meet this year's expenses. Funds available to the Committee include income derived from assessments, the surplus account (which contains money from cull date sales), and the administrative reserves.

The major expenditures recommended by the Committee for the 1998-99 year include \$32,100 in salaries and benefits, \$20,000 in office administration, and \$23,990 in office expenses. Office administration includes \$16,000 towards the salary for a new compliance officer position. Budgeted expenses for these items in 1997-98 were \$37,627 in salaries and benefits and \$18,507 in office expenses.

The higher assessment rate is needed to offset an expected reduction in funds available to the Committee from the sale of cull dates to non-human food product outlets. Proceeds from such sales are deposited into the surplus account for subsequent use by the Committee. Last year, the Committee applied \$40,000 to the budget from the sale of cull dates as the surplus account's share of Committee expenses. Based on a trend of declining sales of cull dates over the past few years, this year the Committee expects to only be able to apply \$30,000 (25 percent less) to the budget from the sale of cull dates. To offset this reduction in income, the Committee recommended increasing the assessment rate and using \$20,000 from its administrative reserves to fund the 1998-99 budget. Funds in the reserve are expected to total about \$20,000 on September 30, 1998, and therefore will be less than the maximum permitted under the order (not to exceed 50 percent of the average of expenses incurred during the most recent five preceding crop years; § 987.72(c)).

The Committee reviewed and unanimously recommended 1998-99 expenditures of \$80,000 which included increases in salaries and benefits and administrative expenses. Prior to

arriving at this budget, the Committee considered alternative expenditure levels, including a proposal to not fund a compliance officer position, but determined that expenditures for the position were necessary to promote compliance with program requirements. The assessment rate of \$0.10 per hundredweight of assessable dates was then determined by applying the following formula where:

A = 1998-99 surplus account (\$30,000);
 B = amount taken from administrative reserves (\$20,000);
 C = 1998-99 expenses (\$80,000);
 D = 1998-99 expected shipments (300,000 hundredweight);
 $(C - (A + B)) \div D = \$0.10$ per hundredweight.

A review of historical information and preliminary information pertaining to the upcoming crop year indicates that the grower price for the 1998-99 season could range between \$30 and \$75 per hundredweight of dates. Therefore, the estimated assessment revenue for the 1998-99 crop year as a percentage of total grower revenue could be less than one percent.

This action increases the assessment obligation imposed on handlers. While assessments impose some additional costs on handlers, the costs are minimal and uniform on all handlers. Some of the additional costs may be passed on to producers. However, these costs are offset by the benefits derived by the operation of the marketing order. In addition, the Committee's meeting was widely publicized throughout the California date industry, and all interested persons were invited to attend the meeting and participate in Committee deliberations on all issues. Like all Committee meetings, the June 4, 1998, meeting was a public meeting and all entities, both large and small, were able to express views on this issue.

This rule imposes no additional reporting or recordkeeping requirements on either small or large California date handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

The Department has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

A proposed rule concerning this action was published in the **Federal Register** on July 24, 1998, (63 FR 39757). Copies of the proposed rule were also mailed or sent via facsimile to all date handlers. Finally, the proposal was made available through the Internet by

the Office of the Federal Register. A 60-day comment period ending September 22, 1998, was provided for interested persons to respond to the proposal. No comments were received.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

Pursuant to 5 U.S.C. 553, it is also found and determined that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register** because the 1998-99 crop year began October 1, 1998, and the marketing order requires that the rate of assessment for each crop year apply to all assessable dates handled during such period. The Committee needs to have sufficient funds to pay its expenses which are incurred on a continuing basis. Further, handlers are aware of this rule which was recommended at a public meeting. Also, a 60-day comment period was provided for in the proposed rule, and no comments were received in response to that rule.

List of Subjects in 7 CFR Part 987

Dates, Marketing agreements, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 987 is amended as follows:

PART 987—DOMESTIC DATES PRODUCED OR PACKED IN RIVERSIDE COUNTY, CALIFORNIA

1. The authority citation for 7 CFR part 987 continues to read as follows:

Authority: 7 U.S.C. 601-674.

2. Section 987.339 is revised to read as follows:

§ 987.339 Assessment rate.

On and after October 1, 1998, an assessment rate of \$0.10 per hundredweight is established for California dates.

Dated: October 2, 1998.

Robert C. Keeney,

Deputy Administrator, Fruit and Vegetable Programs.

[FR Doc. 98-27180 Filed 10-8-98; 8:45 am]

BILLING CODE 3410-02-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 96-CE-54-AD; Amendment 39-10821; AD 98-08-25 R1]

RIN 2120-AA64

Airworthiness Directives; Twin Commander Aircraft Corporation 500, 680, 690, and 695 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Direct final rule; request for comments.

SUMMARY: This amendment revises Airworthiness Directive (AD) 98-08-25, which currently requires replacing the nose landing gear (NLG) drag link bolt with an approved heat-treated bolt that has the manufacturer's serial number, manufacture date, and the last three digits of the drawing number (055) on the bolt head on certain Twin Commander Aircraft Corporation (Twin Commander) 500, 680, 690, and 695 series airplanes; and changing the bolt part number (P/N) to be installed on Models 690D and 695A from P/N ED10055 to P/N 750076-1. The FAA inadvertently transposed the serial numbers of the 4 affected Model 695A airplanes. This AD retains the same actions of AD 98-08-25, and corrects the serial numbers of these 4 airplanes. Three of the four airplanes are not on the U.S. Register and the other one is already in compliance with the actions of AD 98-08-25. The actions specified in this AD are intended to continue to prevent the NLG from collapsing due to failure of a drag link bolt, which could result in loss of control of the airplane during landing operations.

DATES: Effective January 5, 1999.

The incorporation by reference of certain publications listed in the regulations was previously approved by the Director of the Federal Register as of May 18, 1998 (63 FR 19387, April 20, 1998).

Comments for inclusion in the Rules Docket must be received on or before December 14, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 96-CE-54-AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Service information that applies to this AD may be obtained from the Twin Commander Aircraft Corporation, 19010 59th Drive NE, Arlington, Washington

98223-7832; telephone: (360) 435-9797; facsimile: (360) 435-1112. This information may also be examined at the Federal Aviation Administration (FAA), Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 96-CE-54-AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106; or at the Office of the Federal Register, 800 North Capitol Street, NW, suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Jeffrey Morfitt, Aerospace Engineer, FAA, Seattle Aircraft Certification Office, 1601 Lind Ave. SW, Renton, Washington, 98055-4056; telephone: (206) 227-2595; facsimile: (206) 227-1181.

SUPPLEMENTARY INFORMATION:

Discussion

On April 9, 1998, the FAA issued AD 98-08-25, Amendment 39-10474 (63 FR 19387, April 20, 1998), which applies to certain Twin Commander 500, 680, 690, and 695 series airplanes. AD 98-08-25 currently requires replacing the NLG drag link bolt with an approved heat-treated bolt that has the manufacturer's serial number, manufacture date, and the last three digits of the drawing number (055) on the bolt head on all of the affected airplanes; and changing the bolt part number (P/N) to be installed from P/N ED10055 to P/N 750076-1, on Models 690D and 695A airplanes.

Accomplishment of the actions of AD 98-08-25 are required in accordance with Twin Commander Service Bulletin 224, Revision C, dated July 25, 1996.

The actions specified by AD 98-08-25 are intended to prevent the nose landing gear (NLG) from collapsing because of failure of a drag link bolt, which could result in loss of control of the airplane during landing operations.

AD 98-08-25 was the result of the FAA's determination that a defective lot of drag link bolts used in the NLG was manufactured and distributed to the field.

Events Leading to the Issuance of This AD

Since AD 98-08-25 became effective, the FAA has realized that it inadvertently transposed the serial numbers of the 4 affected Model 695A airplanes. In particular, the AD currently contains Model 695A airplanes, serial numbers 69010, 69041, 69056, and 69061. The affected serial numbers should be 96010, 96041, 96056, and 96061.

Three of the four airplanes are not on the U.S. Register and the other one is already in compliance with the actions of AD 98-08-25.