PART 95—SANITARY CONTROL OF ANIMAL BYPRODUCTS (EXCEPT CASINGS), AND HAY AND STRAW, OFFERED FOR ENTRY INTO THE UNITED STATES

8. The authority citation for part 95 would continue to read as follows:

Authority: 7 U.S.C. 8301–8317; 21 U.S.C. 136 and 136a; 31 U.S.C. 9701; 7 CFR 2.22, 2.80, and 371.4.

9. Section 95.4 would be amended as follows:

a. Paragraph (c)(2) would be revised to read as set forth below.

b. Paragraphs (c)(3) through (c)(7) would be redesignated as paragraphs (c)(4) through (c)(8), respectively.

c. A new paragraph (c)(3) would be added to read as set forth below.

d. Newly designated paragraph (c)(7) would be revised to read as set forth below.

§ 95.4 Restrictions on the importation of processed animal protein, offal, tankage, fat, glands, certain tallow other than tallow derivatives, and serum due to bovine spongiform encephalopathy.

(c) * * *

(2) Except for material processed or stored in regions listed in § 94.18(a)(3) of this subchapter, all steps of processing and storing the material are carried out in a facility that has not been used for the processing and storage of materials derived from ruminants that have been in any region listed in § 94.18(a) of this subchapter.

(3) For material processed or stored in regions listed in § 94.18(a)(3) of this subchapter, all steps of processing and storing the material are carried out in a facility that has not been used for the processing and storage of materials derived from ruminants that have been in any region listed in § 94.18(a)(1) or (a)(2) of this subchapter.

* * * * *

(7) Each shipment to the United States is accompanied by an original certificate signed by a full-time, salaried veterinarian of the government agency responsible for animal health in the region of export certifying that the conditions of paragraphs (c)(1) through (c)(4) of this section have been met; *except that,* for shipments of animal feed from a region listed in § 94.18(a)(3) of this subchapter, the certificate may be signed by a person authorized to issue such certificates by the veterinary services of the national government of the region of origin.

* * * * *

Done in Washington, DC, this 3rd day of August 2006.

Elizabeth E. Gaston,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. E6–12944 Filed 8–8–06; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 98

[Docket No. APHIS–2006–0120]

Importation of Sheep and Goat Semen

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Proposed rule.

SUMMARY: We are proposing to amend the regulations regarding the importation of animal germplasm by removing specific restrictions on sheep semen from regions where scrapie exists and requiring the inclusion of additional information on the international health certificate accompanying sheep and goat semen. Experience and research have convinced us that sheep and goat semen pose a minimal risk of transmitting scrapie. This action would relieve restrictions on imported sheep semen while continuing to provide safeguards against the introduction and dissemination of scrapie.

DATES: We will consider all comments that we receive on or before October 10, 2006.

ADDRESSES: You may submit comments by either of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov* and, in the lower ''Search Regulations and Federal Actions'' box, select ''Animal and Plant Health Inspection Service'' from the agency drop-down menu, then click on ''Submit.'' In the Docket ID column, select APHIS–2006–0120 to submit or view public comments and to view supporting and related materials available electronically. Information on using Regulations.gov, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site's ''User Tips'' link.
- *Postal Mail/Commercial Delivery:* Please send four copies of your comment (an original and three copies) to Docket No. APHIS–2006–0120, Regulatory Analysis and Development, PPD, APHIS, Station 3A–03.8, 4700 River Road Unit 118, Riverdale, MD 20737–1238. Please state that your comment refers to Docket No. APHIS–2006–0120.

Reading Room: You may read any comments that we receive on this docket in our reading room. The reading room is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue, SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 690–2817 before coming.

Other Information: Additional information about APHIS and its programs is available on the Internet at *http://www.aphis.usda.gov*.

FOR FURTHER INFORMATION CONTACT: Dr. Arnaldo Vaquer, Senior Staff Veterinarian, Technical Trade Services, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 39, Riverdale, MD 20737–1231; (301) 734–8074.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR part 98 govern the importation of animal germplasm to prevent the introduction of contagious diseases of livestock and poultry into the United States. Subparts A and B of part 98 apply to animal embryos, and subpart C (§§ 98.30 through 98.38, referred to below as the regulations) applies to animal semen.

Currently, the regulations in § 98.37 restrict, due to scrapie concerns, the importation of sheep semen into the United States from any region of the world other than Australia, Canada, and New Zealand. These restrictions include provisions that the semen must be transferred only to females in a U.S. flock that is participating in the voluntary Scrapie Flock Certification Program (SFCP), that the semen must originate from a donor animal participating in a program equivalent to the SFCP or the SFCP flock status must be lowered, and that the semen must be accompanied by a certificate attesting to the above conditions. The importer is also required to provide the Animal and Plant Health Inspection Service (APHIS) with information concerning control programs, surveillance, and disease incidence in the exporting region, as well as information concerning the health status of other ruminants in the region.

The regulations in § 98.35 deal with declarations, health certificates, and other documents required for the importation of all animal semen into the United States. All animal semen

intended for importation to the United States must be accompanied by a health certificate that provides certain specific information about the origin and handling of the semen. Paragraph (e) lists additional requirements for the health certificate accompanying sheep and goat semen, which must include an attestation that the semen donor has not been in any flock or herd nor had contact with sheep or goats which have been in any flock or herd where scrapie has been diagnosed or suspected during the 5 years prior to the date of collection of the semen, that the semen donor showed no evidence of scrapie at the time of collection, and that the parents of the semen donor are not, nor were not, affected with scrapie.

These requirements are more restrictive than those recommended by the World Organization for Animal Health (OIE) in Chapter 2.4.8, Article 2.4.8.8 of the Terrestrial Animal Health Code. The OIE standards for importing sheep and goat semen from a region not free from scrapie state that importing countries should require an international veterinary certificate attesting that in the region of origin, scrapie is compulsorily notifiable, a surveillance and monitoring system is in place, affected sheep and goats are slaughtered and completely destroyed, and the feeding of sheep and goats with meat-and-bone meal or greaves potentially contaminated with an animal transmissible spongiform encephalopathy (TSE) has been banned and the ban effectively enforced in the whole region. The certificate should also attest that donor animals are permanently identified to enable traceback to their establishment of origin, have been kept since birth in establishments in which no case of scrapie has been confirmed during their residency, and showed no clinical sign of scrapie at the time of semen collection.

Experience and research have convinced APHIS that sheep semen poses a minimal risk of transmitting and disseminating scrapie in the United States. Through the SFCP, flocks using imported semen from scrapie-affected regions have been monitored and no first generation (F1) progeny resulting from the imported semen have been implicated in scrapie outbreaks. Furthermore, research studies, though limited in scope, have not revealed transmission through semen or detected the infective agent in semen, testes, or seminal vesicles of affected rams.[1]

Therefore, we are proposing to ease the restrictions on the importation of sheep semen by removing the provisions of § 98.37 from our regulations. In lieu of these regulations, we would amend § 98.35(e) to require that imported sheep or goat semen be accompanied by an international veterinary certificate consistent with the OIE standards describe above. In § 98.35, paragraph (e) already contains some certificate requirements for imported sheep and goat semen; the changes we are proposing would bring them further into alignment with international standards.

Specifically, we would amend § 98.35(e) to require imported sheep and goat semen to be accompanied by an international veterinary certificate attesting that in the region where the semen originates certain conditions are met. These conditions would include that scrapie is a compulsorily notifiable disease and that there is an effective surveillance and monitoring system for scrapie in the region where the semen originates. In addition, the region where the semen originates would have to require that affected sheep and goats are slaughtered and completely destroyed. The region where the semen originates must also enforce a ruminant-to-ruminant feed ban; that is, the feeding of sheep and goats with meat-and-bone meal or greaves derived from ruminants must also be banned and the ban effectively enforced in the whole region. The certificate would have to attest that the donor animals are permanently identified to enable traceback to their premises of origin, have been kept since birth on premises in which no case of scrapie had been confirmed during their residency, showed no clinical sign of scrapie at the time of semen collection, and did not subsequently develop scrapie between the time of collection and the time the semen was exported to the United States. The certificate would also have to attest that donor animals were not the offspring of scrapie-affected dams.

This certificate would be required for all sheep and goat semen imported into the United States. In addition, the distribution of imported semen within the United States could be limited, depending on the status of the region of origin of the semen. Semen from regions free of scrapie could be distributed throughout the United States, but semen from regions not scrapie free could only be distributed to a flock that is listed as a flock/herd premises in the Scrapie National Database as part of either the regulatory or voluntary flock certification scrapie programs described in 9 CFR part 79 and 9 CFR part 54 subpart B, respectively. Flock owners would also be required to sign a written agreement that all first generation (F1) progeny resulting from imported semen from a region that is not free of scrapie would be identified with a permanent official identification consistent with the provisions in § 79.2, and records of any sale of F1 progeny, including the name and address of the buyer, would be kept for a period of 5 years. This would ease some restrictions on where imported semen may be used while still enabling traceback of the progeny resulting from the imported semen. While the risk of scrapie transmission from sheep semen is believed to be minimal, no studies have been done regarding the transmissibility through semen of other animal TSEs and certain other diseases in small ruminants. For this reason, traceback of progeny is essential.

Under the proposed rule, we would recognize Australia and New Zealand as regions free of scrapie. The regulations in § 98.37 currently allow imported sheep semen from Australia, Canada, and New Zealand to be distributed to any flock in the United States. When these regulations were established in 1996, Canada was included in the list of regions from which semen could be imported without additional restrictions even though Canada is not scrapie free. At that time, Canada had a scrapie control program equivalent to the one in the United States, and it was determined to be unlikely that new strains of scrapie would be spread into the United States from Canada. In 2001, the United States went from a control program to an eradication program, which is now in full implementation. However, Canada's scrapie program has not advanced at the same speed as the one in the United States. For these reasons, under the proposed rule semen imported from Canada would be subject to the same restrictions as semen from all other regions except Australia and New Zealand, *i.e,* it could be distributed only to females in a flock that is listed as a flock/herd premises in the Scrapie National Database, as described above.

Executive Order 12866 and Regulatory Flexibility Act

This proposed rule has been reviewed under Executive Order 12866. The rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget.

The regulations in § 98.37 restrict the importation of sheep semen from regions other than Australia, Canada, and New Zealand due to scrapie

[1] *See* L.A. Detwiler and M. Baylis, ''The Epidemiology of Scrapie,'' *Rev. sci. tech. Off. int. Epiz.* 2003, 22 (1), 131.

concerns. These restrictions include provisions requiring the semen to be transferred only to females in a United States flock that participates in the SFCP, the semen originates from a donor animal participating in a program equivalent to the United States SFCP, and that the semen is accompanied by a certificate attesting to the above conditions. Additionally, the regulations require the importer to provide APHIS with information regarding control programs, surveillance, and disease incidence in the exporting region, as well as information on the health status of other ruminants in the region in order to export sheep semen to the United States.

All of these restrictions on imports of sheep and goat semen were put in place due to scrapie concerns and with the goal of preventing the spread of scrapie in domestic animals. However, further scientific research, as well as experience, has demonstrated to APHIS that sheep and goat semen pose a minimal risk of transmitting scrapie. Therefore, this proposed rule would eliminate restrictions on sheep semen being imported from regions other than Australia, Canada, and New Zealand by removing the provisions of § 98.37 from our regulations. In their place, we would require that sheep or goat semen from scrapie-affected regions be accompanied by an international veterinary certificate as recommended in OIE's Terrestrial Animal Health Code. Consequently, this proposed rule would bring the United States' import standards for sheep semen in harmony with recognized international standards, while still protecting against scrapie introduction to the United States.

These proposed changes in the regulations would have a direct effect on importers of sheep semen and those businesses involved in support activities for animal production, which includes, among other activities, establishments providing breeding services. The number of establishments engaged in support activities for animal production is tracked by the U.S. Census Bureau. In 2001, the latest available year, there were 3,999 establishments in the North American Industry Classification System (NAICS) subsector 1152, which comprises establishments primarily engaged in performing support activities related to raising livestock.[2] The annual payroll for these 3,999 establishments was $452.3 million, which translates into an average annual payroll per establishment of $113,106. The U.S. Small Business Administration's (SBA) size standard for this particular sector is $6 million or less in annual receipts.[3] Unfortunately, the Census data do not include annual receipts for these establishments; however, based on the average annual payroll per establishment, it is reasonable to conclude that the majority of these businesses would be considered small by SBA definitions.

A variety of animal production support activities other than artificial insemination for sheep are included in NAICS subsector 1152. APHIS does not have specific information on the number or size of businesses providing artificial insemination services. Based on the data for all NAICS 1152 businesses, we believe they are primarily small entities with annual receipts of not more than $6 million. APHIS welcomes public comment that would support or contradict this understanding.

Additionally, it is possible the proposed rule may indirectly affect domestic sheep and goat producers. The Census of Agriculture for 2002, the most recent year for which we have data, estimated that there were 43,891 farms engaged in sheep and goat farming.[4] The SBA size standard for sheep and goat farming (NAICS subsector 1124) is $750,000 or less in annual receipts. The 2002 Census estimates the total market value of all agricultural products sold by domestic sheep and goat farmers to be over $445 million, which translates into an average of $10,147 per farm. When combined with government payments, the average per farm market value of agricultural products sold is $10,815.[5] Only 114 farms are classified as having $500,000 or more in market value of agricultural products sold and government payments. So, at least 43,777, or 99 percent, of farms engaged in sheep and goat farming would be considered small by SBA standards.

Foreign exporters of sheep semen from countries other than Australia, Canada, and New Zealand might also benefit from the removal of import restrictions on sheep semen. However, as non-U.S. entities, they lie outside the scope of the Regulatory Flexibility Act and are not considered in this economic analysis.

As this proposed rule would lift some of the import restrictions on imported semen from regions that are not considered scrapie-free, there would be a reduction in compliance requirements. In place of current requirements, imported sheep or goat semen would have to be accompanied by an international veterinary certificate consistent with OIE standards. This certificate would have to be completed by a veterinary officer prior to being exported to the United States, and as such would not pose any compliance requirements for domestic entities.

Benefits

Importers of sheep semen, as well as firms engaged in agricultural support activities, specifically those providing artificial insemination services, could possibly benefit from the proposed changes. Imports of sheep semen are not tracked as a separate line item by USDA's Foreign Agricultural Service. However, Veterinary Services of APHIS tracks raw data and estimates there were 2,491 straws of sheep semen imported in 2004 and only 1 straw in 2003, with Australia being the primary exporter.[6] It is possible that the proposed changes would encourage exports of sheep and goat semen to the United States in response to reduced import restrictions. Laws of supply and demand dictate that increased supply will result in lower prices. However, if this happens, it would be over the long run because currently there is not a large demand for sheep semen in the United States, as is evidenced by the number of imports. In fact, domestic sheep and goat producers rarely rely on artificial insemination as a means for breeding animals, as it is too expensive. Artificial insemination technology is primarily practiced by the seedstock industry. Thus, the market for imported sheep semen is small, consisting primarily of producers that raise less common breeds and desire imported semen to improve and diversify their genetics.[7]

Costs

It is possible the proposed changes could have an indirect effect on domestic sheep and goat breeders over the long run. However, a variety of conditions would have to be met for this

[2] *Statistics of U.S. Businesses: 2001: Support Activities for Animal Production—United States.* Washington, DC: U.S. Census Bureau.

[3] Table of Size Standards based on NAICS 2002. Washington, DC: U.S. Small Business Administration, 2004.

[4] USDA, *2002 Census of Agriculture-United States Data*, Table 50. Washington, DC: National Agricultural Statistics Service.

[5] USDA, *2002 Census of Agriculture*, Table 59, under column heading ''Sheep and Goat Farming (1124).''

[6] Elizabeth McKenna, Data Manager (APHIS).

[7] Susan Schoenian, Area Agent, Sheep & Goats Western Maryland Research & Education Center, University of Maryland Cooperative Extension; via e-mail communication and article ''An Update on Sheep A.I.'' Maryland Small Ruminant page. *http://www.sheepandgoat.com/articles/ai.html*, Maryland Sheep News, 1999.

situation to materialize. These conditions include, but are not limited to, artificial insemination technology becoming a more cost-effective approach to sheep and goat production versus using breeding animals. Essentially, the only way sheep and goat breeders would be affected over the long run is if the process of artificial insemination becomes cheaper than purchasing or maintaining replacement breeding animals. As of January 1, 2005, there were inventories of 4.53 million head of breeding sheep and 2.1 million head of breeding goats in the United States. Thus, it is possible that, as the process of artificial insemination becomes more cost-effective and as imported sheep semen becomes more readily available and technologies improve, sheep and goat producers will substitute away from buying replacement breeding animals and use artificial insemination instead. However, as stated previously, this situation is long-term in nature and highly conditional.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action would not have a significant economic impact on a substantial number of small entities.

Executive Order 12988

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. If this proposed rule is adopted: (1) All State and local laws and regulations that are inconsistent with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings will not be required before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This proposed rule contains no new information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Part 98

Animal diseases, Imports.

Accordingly, we propose to amend 9 CFR part 98 as follows:

PART 98—IMPORTATION OF CERTAIN ANIMAL EMBRYOS AND ANIMAL SEMEN

1. The authority citation for part 98 would continue to read as follows:

Authority: 7 U.S.C. 1622 and 8301–8317; 21 U.S.C. 136 and 136a; 31 U.S.C. 9701; 7 CFR 2.22, 2.80, and 371.4.

2. In § 98.35, paragraphs (e)(1), (e)(2), and (e)(3) would be revised to read as follows:

§ 98.35 Declaration, health certificate, and other documents for animal semen.

* * * * *

(e) * * *

(1) The donor animals:

(i) Are permanently identified, to enable trace back to their establishment of origin; and

(ii) Have been kept since birth in establishments in which no case of scrapie had been confirmed during their residency; and

(iii) Neither showed clinical signs of scrapie at the time of semen collection nor developed scrapie between the time of semen collection and export of the semen to the United States; and

(iv) The dam of the semen donor is not, nor was not, affected with scrapie.

(2) In the region where the semen originates:

(i) Scrapie is a compulsorily notifiable disease; and

(ii) An effective surveillance and monitoring system for scrapie is in place; and

(iii) Affected sheep and goats are slaughtered and completely destroyed; and

(iv) The feeding of sheep and goats with meat-and-bone meal or greaves derived from ruminants has been banned and the ban effectively enforced in the whole region; and

(3) Semen originating in regions other than Australia and New Zealand is to be transferred to females in a flock that is listed as a flock/herd premises in the Scrapie National Database as part of the Scrapie Program in the United States, and the flock owner has agreed, in writing, that:

(i) All first generation (F1) progeny resulting from imported semen will be identified with a permanent official identification consistent with the provisions in § 79.2 of this chapter; and

(ii) Records of any sale of F1 progeny, including the name and address of the buyer, will be kept for a period of 5 years.

* * * * *

§ 98.37 [Removed and reserved]

3. Section 98.37 would be removed and reserved.

Done in Washington, DC, this 3rd day of August 2006.

Elizabeth E. Gaston,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. E6–12934 Filed 8–8–06; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2006–25554; Directorate Identifier 2006–NM–123–AD]

RIN 2120–AA64

Airworthiness Directives; Lockheed Model L–1011 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for certain Lockheed Model L–1011 series airplanes. This proposed AD would require a one-time detailed inspection of the C112 harness clamp assembly for proper installation, a one-time detailed inspection of the C112 and C162 harness assemblies for damage, and corrective actions if necessary. This proposed AD results from a report of electrical arcing of the essential bus feeder cables behind hinged circuit breaker panel CB3 P–K. We are proposing this AD to prevent arcing of essential bus feeder cables due to improper installation of the harness C112 clamp assembly, which could result in loss of electrical systems and smoke and/or fire behind the CB3 P–K hinged circuit breaker panel in the flight compartment.

DATES: We must receive comments on this proposed AD by September 25, 2006.

ADDRESSES: Use one of the following addresses to submit comments on this proposed AD.

- *DOT Docket Web site:* Go to *http://dms.dot.gov* and follow the instructions for sending your comments electronically.
- *Government-wide rulemaking Web site:* Go to *http://www.regulations.gov* and follow the instructions for sending your comments electronically.
- *Mail:* Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street SW., Nassif Building, room PL–401, Washington, DC 20590.
- *Fax:* (202) 493–2251.
- *Hand Delivery:* Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Contact Lockheed Martin Aircraft & Logistics Center, 120 Orion Street, Greenville, South Carolina 29605, for the service information identified in this proposed AD.