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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Parts 916 and 917

[Docket No. FV06–916/917–2 PR]

Nectarines and Peaches Grown in California; Increased Assessment Rates

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This rule would increase the assessment rates established for the Nectarine Administrative Committee and the Peach Commodity Committee (committees) for the 2006–07 and subsequent fiscal periods from $0.20 to $0.21 per 25-pound container or container equivalent of nectarines and peaches handled. The committees locally administer the marketing orders that regulate the handling of nectarines and peaches grown in California. Authorization to assess nectarine and peach handlers enables the committees to incur expenses that are reasonable and necessary to administer the programs. The fiscal period runs from March 1 through the last day of February. The assessment rates would remain in effect indefinitely unless modified, suspended, or terminated.

DATES: Comments must be received by July 17, 2006.

ADDRESSES: Interested persons are invited to submit written comments concerning this rule. Comments must be sent to the Docket Clerk, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue SW., STOP 0237, Washington, DC 20250–0237; Fax: (202) 720–8938, or e-mail: *moab.docketclerk@usda.gov.* Comments should reference the docket number and the date and page number of this issue of the **Federal Register** and will be available for public inspection in the Office of the Docket Clerk during regular business hours, or can be viewed at: *http://www.ams.usda.gov/fv/moab.html.*

FOR FURTHER INFORMATION CONTACT: Laurel May, Marketing Specialist, or Kurt Kimmel, Regional Manager, California Marketing Field Office, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA; Telephone: (559) 487–5901, Fax: (559) 487–5906.

Small businesses may request information on complying with this regulation by contacting Jay Guerber, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue SW., STOP 0237, Washington, DC 20250–0237; Telephone: (202) 720–2491, Fax: (202) 720–8938, or e-mail: *Jay.Guerber@usda.gov.*

SUPPLEMENTARY INFORMATION: This rule is issued under Marketing Agreement Nos. 85 and 124 and Order Nos. 916 and 917, both as amended (7 CFR parts 916 and 917), regulating the handling of nectarines and peaches grown in California, respectively, hereinafter referred to as the ''orders.'' The marketing agreements and orders 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 (USDA) 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 orders now in effect, California nectarine and peach handlers are subject to assessments. Funds to administer the orders are derived from such assessments. It is intended that the assessment rates as proposed herein would be applicable to all assessable nectarines and peaches beginning on March 1, 2006, 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 USDA 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 USDA 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 USDA'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 would increase the assessment rate established for the Nectarine Administrative Committee (NAC) and the Peach Commodity Committee (PCC) for the 2006–07 and subsequent fiscal periods from $0.20 to $0.21 per 25-pound container or container equivalent of nectarines and peaches handled.

The nectarine and peach marketing orders provide authority for the committees, with the approval of USDA, to formulate annual budgets of expenses and collect assessments from handlers to administer the programs. The members of NAC and PCC are producers of California nectarines and peaches, respectively. They are familiar with the committees' needs, and with the costs for goods and services in their local area and are, therefore, in a position to formulate appropriate budgets and assessment rates. The assessment rates are formulated and discussed in public meetings. Thus, all directly affected persons have an opportunity to participate and provide input.

NAC Assessment and Expenses

The NAC recommended, for the 2005–06 fiscal period, and USDA approved, an assessment rate of $0.20 that would continue in effect from fiscal period to fiscal period unless modified, suspended, or terminated by USDA upon recommendation and information submitted by the committee or other information available to USDA.

The NAC met on April 27, 2006, and discussed and unanimously recommended 2006–07 expenditures and an assessment rate of $0.21 per 25-pound container or container equivalent of nectarines. At the same meeting, NAC unanimously recommended 2006–07 expenditures of $4,473,764. In comparison, the budgeted expenditures for 2005–06 were $4,919,048. The proposed assessment rate of $0.21 is $0.01 higher than the rate currently in effect.

The rate increase was recommended to ensure that, despite lower than normal crop production estimates for the 2006 crop season, which began on March 1, 2006, NAC could meet its 2006–07 anticipated expenses and carry over a financial reserve that would provide adequate funds for promotional and other activities at the beginning of the 2007 season before assessment collections begin. Increasing the assessment rate from $0.20 to $0.21 per 25-pound container or container equivalent is expected to provide about $178,240 in additional assessment revenue, and would allow NAC to start the 2007 season with adequate funds.

Expenditures recommended by the NAC for the 2006–07 fiscal period include $567,856 for administration, $1,070,832 for inspection, $201,702 for research, and $2,633,374 for domestic and international promotion. Budgeted expenses for these items in 2005–06 were $899,288 for administration, $1,167,381 for inspection, $203,230 for research, and $2,649,149 for domestic and international promotion.

The NAC 2006–07 fiscal period assessment rate was derived after considering anticipated fiscal year expenses; the estimated assessable nectarines of 17,824,000 25-pound containers or container equivalents; the estimated income from other sources, such as interest; and the need for an adequate financial reserve to carry the NAC into the 2007 season. Therefore, the NAC recommended an assessment rate of $0.21 per 25-pound container or container equivalent. According to the committee, that assessment rate would result in an adequate financial reserve, yet one well within the maximum of approximately one year's expenses permitted by the order (§ 916.42).

PCC Assessment and Expenses

The PCC recommended, for the 2005–06 fiscal period, and USDA approved, an assessment rate of $0.20 that would continue in effect from fiscal period to fiscal period unless modified, suspended, or terminated by USDA upon recommendation and information submitted by the committee or other information available to USDA.

The PCC met on April 27, 2006, and discussed and recommended 2006–07 expenditures and an assessment rate of $0.21 per 25-pound container or container equivalent of peaches. At the same meeting, PCC recommended 2006–07 expenditures of $4,988,914. In comparison, last year's budgeted expenditures were $5,095,709. The proposed assessment rate of $0.21 is $0.01 higher than the rate currently in effect.

The rate increase was recommended to ensure that PCC could meet its 2006–07 anticipated expenses and carry over a financial reserve that would provide adequate funds for promotional and other activities at the beginning of the 2007 season before assessment collections begin. Increasing the assessment rate from $0.20 to $0.21 per 25-pound container or container equivalent is expected to provide about $202,420 in additional assessment revenue, and would allow PCC to start the 2007 season with adequate funds.

Expenditures recommended by the PCC for the 2006–07 fiscal period include $629,024 for administration, $1,299,211 for inspection, $210,718 for research, and $2,849,961 for domestic and international promotion. Budgeted expenses for these items in 2005–06 were $918,736 for administration, $1,260,160 for inspection, $204,833 for research, and $2,711,980 for domestic and international promotion.

The PCC 2006–07 fiscal period assessment rate was derived after considering anticipated PCC expenses; the estimated assessable peaches of 20,242,000 25-pound containers or container equivalents; the estimated income from other sources, such as interest; and the need for an adequate reserve to carry the PCC into the 2006 season. Therefore, the PCC recommended an assessment rate of $0.21 per 25-pound container or container equivalent. According to the committee, that assessment rate would result in an adequate financial reserve, yet one well within the maximum of approximately one year's expenses permitted by the order (§ 917.38)

Continuance of Assessment Rates

The proposed assessment rates would continue in effect indefinitely unless modified, suspended, or terminated by USDA upon recommendation and information submitted by the committees or other available information.

Although these assessment rates would be in effect for an indefinite period, the committees would continue to meet prior to or during each fiscal period to recommend a budget of expenses and consider recommendations for modification of the assessment rates. The dates and times of committee meetings are available from the committees' website at *www.eatcaliforniafruit.com* or USDA.

Committee meetings are open to the public and interested persons may express their views at these meetings. USDA would evaluate the committees' recommendations and other available information to determine whether modification of the assessment rate for each committee is needed. Further rulemaking would be undertaken as necessary. The committees' 2006–07 fiscal period budgets and those for subsequent fiscal periods would be reviewed and, as appropriate, approved by USDA.

Initial Regulatory Flexibility Analysis

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 initial 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 150 California nectarine and peach handlers subject to regulation under the orders covering nectarines and peaches grown in California, and about 800 producers of these fruits in California. Small agricultural service firms, which include handlers, are defined by the Small Business Administration [13 CFR 121.201] as those whose annual receipts are less than $6,500,000. Small agricultural producers are defined by the Small Business Administration as those having annual receipts of less than $750,000. A majority of these handlers and producers may be classified as small entities.

The committees' staff has estimated that there are fewer than 25 handlers in the industry who could be defined as other than small entities. For the 2005 season, the committees' staff estimated that the average handler price received was $10.00 per container or container equivalent of nectarines or peaches. A handler would have to ship at least 650,000 containers to have annual receipts of $6,500,000. Given data on shipments maintained by the committees' staff and the average handler price received during the 2005 season, the committees' staff estimates that small handlers represent approximately 83 percent of all the handlers within the industry.

The committees' staff has also estimated that fewer than 10 percent of the producers in the industry could be defined as other than small entities. For the 2005 season, the committees' staff estimated the average producer price received was $5.25 per container or container equivalent for nectarines and peaches. A producer would have to produce at least 142,858 containers of nectarines and peaches to have annual receipts of $750,000. Given data maintained by the committees' staff and the average producer price received during the 2005 season, the committees' staff estimates that small producers represent more than 90 percent of the producers within the industry.

With an average producer price of $5.25 per container or container equivalent, and a combined packout of nectarines and peaches of 38,691,622 containers, the value of the 2005 packout is estimated to be $203,131,016. Dividing this total estimated grower revenue figure by the estimated number of producers (800) yields an estimate of average revenue per producer of about $253,914 from the sales of peaches and nectarines.

This rule would increase the assessment rates established for NAC and PCC for the 2006–07 and subsequent fiscal periods from $0.20 to $0.21 per 25-pound container or container equivalent of nectarines or peaches.

The NAC recommended 2006–07 fiscal period expenditures of $4,473,764 for nectarines and an assessment rate of $0.21 per 25-pound container or container equivalent of nectarines. The proposed assessment rate of $0.21 is $0.01 higher than the current rate. The PCC recommended 2006–07 fiscal period expenditures of $4,988,914 for peaches and an assessments rate of $0.21 per 25-pound container or container equivalent of peaches. The proposed assessment rate of $0.21 is $0.01 higher than the current rate.

Analysis of NAC Budget

The quantity of assessable nectarines for the 2006–07 fiscal period is estimated at 17,824,000 25-pound containers or container equivalents. Thus, the $0.21 rate should provide $3,743,040 in assessment income. Income derived from handler assessments, along with interest income and research grants, would be adequate to cover budgeted expenses and maintain their desired reserve.

The major expenditures recommended by the NAC for the 2006–07 year include $567,856 for administration, $1,070,832 for inspection, $201,702 for research, and $2,633,374 for domestic and international promotion. Budgeted expenses for these items in 2005–06 were $899,288, $1,167,381, $203,230, and $2,649,149, respectively.

The NAC recommended an increase in the assessment rate to meet anticipated 2006–07 expenses and maintain an acceptable financial reserve, which is needed to fund expenses for the following year until assessments for that year are received. The NAC reviewed and recommended 2006–07 expenditures of $4,473,764 and the increased assessment rate.

Analysis of PCC Budget

The quantity of assessable peaches for the 2006–07 fiscal year is estimated at 20,242,000 25-pound containers or container equivalents. Thus, the $0.21 rate should provide $4,250,820 in assessment income. Income derived from handler assessments, along with interest income and research grants, would be adequate to cover budgeted expenses and maintain their desired reserve.

The major expenditures recommended by PCC for the 2006–07 year include $629,024 for administration, $1,299,211 for inspection, $210,718 for research, and $2,849,961 for domestic and international promotion. Budgeted expenses for these items in 2005–06 were $918,736, $1,260,160, $204,833, and $2,711,980, respectively.

The PCC recommended an increase in the assessment rate to meet anticipated 2006–07 expenses and maintain an acceptable financial reserve, which is needed to fund expenses for the following year until assessments for that year are received. The PCC reviewed and recommended 2006–07 expenditures of $4,988,914 and the increased assessment rate.

Considerations in Determining Expenses and Assessment Rates

Prior to arriving at these budgets, the committees considered information and recommendations from various sources, including, but not limited to: The Executive Committee, the Research Subcommittee, the International Programs Subcommittee, the Domestic Promotion Subcommittee, and the Nectarine and Peach Estimating Committees. Because 2006 crop estimates are lower than those for previous years, assessment revenues would decrease if the current rates were maintained through the 2006 season. The committees considered decreasing their promotional program expenditures in order to avoid raising the assessment rates. However, they believe that their current promotional programs are crucial to the success of the industry. Therefore, they recommended increasing the assessment rates in order to continue funding those activities at the current level. Both NAC and PCC decided that an assessment rate of $0.21 per 25-pound container or container equivalent would allow them to meet their 2006–07 fiscal period expenses and carry over necessary operating reserves to finance operations before 2007–08 assessments are collected. The committees then recommended these rates to USDA.

A review of historical and preliminary information pertaining to the upcoming fiscal period indicates that the grower price for nectarines and peaches for the 2006–07 season could range between $4.00 and $6.00 per 25-pound container or container equivalent. Therefore, the estimated assessment revenue for the 2006–07 fiscal period as a percentage of total grower revenue could range between 3.5 and 5.25 percent.

This action would increase 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 would be offset by the benefits derived from the operation of the marketing orders. In addition, the committees' meetings were widely publicized throughout the California nectarine and peach industries and all interested persons were invited to attend the meetings and participate in the committees' deliberations on all issues. Like all committee meetings, the April 27, 2006 meetings were public meetings and all entities of all sizes were able to express views on this issue. Finally, interested persons are invited to submit information on the regulatory and informational impacts of this action on small businesses.

This proposed rule would impose no additional reporting or recordkeeping requirements on either small or large 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.

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

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: *http://www.ams.usda.gov/fv/moab.html.* Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

A 10-day comment period is provided to allow interested persons to respond to this proposal. Ten days is deemed appropriate because: (1) The 2006–07 fiscal period began on March 1, 2006, and the marketing order requires that the rate of assessment for each fiscal period apply to all assessable nectarines and peaches handled during such fiscal period; (2) the committees need to have sufficient funds to pay their expenses, which are incurred on a continuous basis; and (3) handlers are aware of this action, which was discussed by the committees at public meetings and recommended at their meetings on April 27, 2006, and is similar to other assessment rate actions issued in past years.

List of Subjects

7 CFR Part 916

Marketing agreements, Nectarines, Reporting and recordkeeping requirements.

7 CFR Part 917

Marketing agreements, Peaches, Pears, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR parts 916 and 917 are proposed to be amended as follows:

1. The authority citation for 7 CFR parts 916 and 917 continues to read as follows:

Authority: 7 U.S.C. 601–674.

PART 916—NECTARINES GROWN IN CALIFORNIA

2. Section 916.234 is revised to read as follows:

§ 916.234 Assessment rate.

On and after March 1, 2006, an assessment rate of $0.21 per 25-pound container or container equivalent of nectarines is established for California nectarines.

PART 917—PEACHES GROWN IN CALIFORNIA

3. Section 917.258 is revised to read as follows:

§ 917.258 Assessment rate.

On and after March 1, 2006, an assessment rate of $0.21 per 25-pound container or container equivalent of peaches is established for California peaches.

Dated: June 28, 2006.

Lloyd C. Day,

Administrator, Agricultural Marketing Service.

[FR Doc. E6–10425 Filed 7–3–06;8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 91

[Docket No. FAA–2006–25250; Notice No. 06–08]

RIN 2120–AI63

Special Awareness Training for the Washington, DC Metropolitan Area

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This proposed rule would require special awareness training for any person who flies under visual flight rules (VFR) within 100 nautical miles of the Washington, DC VHF omni-directional range/distance measuring equipment (DCA VOR/DME). This training program is provided by the FAA on its Web site and focuses primarily on training pilots on the procedures for flying in and around the Washington, DC Metropolitan Area Defense Identification Zone (ADIZ) and the Washington, DC Metropolitan Area Flight Restricted Zone (FRZ). The intended effect of this proposed rule is to reduce the number of unauthorized flights into the airspace of the Washington, DC Metropolitan Area ADIZ and FRZ through education of the pilot community.

DATES: Comments must be received on or before September 5, 2006. See the note in the ''Comments Invited'' section under **SUPPLEMENTARY INFORMATION**.

ADDRESSES: You may send comments identified by docket number using any of the following methods:

- *DOT Docket Web site:* Go to *http://dms.dot.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 20590–0001.
- *Fax:* 1–202–493–2251.
- *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.

For more information on the rulemaking process, see the **SUPPLEMENTARY INFORMATION** section of this document.

Privacy: We will post all comments we receive, without change, to *http://dms.dot.gov,* including any personal information you provide. For more information, see the Privacy Act discussion in the **SUPPLEMENTARY INFORMATION** section of this document.

Docket: To read background documents or comments received, go to *http://dms.dot.gov* at any time or to 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.

FOR FURTHER INFORMATION CONTACT: John D. Lynch, Certification and General Aviation Operations Branch, AFS–810, General Aviation and Commercial Division, Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; telephone: (202) 267–3844 or (202) 267–8212; e-mail address: *john.d.lynch@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

Note: On August 4, 2005, the FAA proposed to codify current flight restrictions for certain aircraft operations in the Washington, DC, metropolitan area (70 FR 45250; Aug. 4, 2005). The comment period for that proposed rule closed on February 6, 2006. Today's NPRM is a separate action that would require special awareness training for any person who flies under visual flight rules (VFR) within 100 nautical miles of the Washington, DC VHF omni-directional range/distance measuring equipment (DCA VOR/DME). If the FAA receives comments on the August 4, 2005, proposal in response to this special awareness training NPRM, those comments will be treated as outside the scope of this rulemaking.

The FAA invites interested persons to participate in this proposed rulemaking by submitting written comments, data, or views. We also invite comments relating to the economic, environmental, energy, or Federalism impacts that might result from adopting as final the requirements in this interim rule. The most helpful comments reference a specific portion of the rule, explain the reason for any recommended change, and include supporting data. We ask that you send us two copies of written comments.

We will file in the docket all comments we receive, as well as a report summarizing each substantive public contact with FAA personnel concerning this interim rulemaking. The docket is available for public inspection before and after the comment closing date. If you wish to review the docket in person, go to the address in the **ADDRESSES** section of this preamble between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also review the docket using