

Paperwork Reduction Act

This interim rule contains no 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 78

Animal diseases, Bison, Cattle, Hogs, Quarantine, Reporting and recordkeeping requirements, Transportation.

Accordingly, we are amending 9 CFR part 78 as follows:

PART 78—BRUCELLOSIS

■ 1. The authority citation for part 78 continues to read as follows:

Authority: 7 U.S.C. 8301–8317; 7 CFR 2.22, 2.80, and 371.4.

§ 78.41 [Amended]

■ 2. Section 78.41 is amended as follows:

■ a. In paragraph (a), by adding the word “Idaho,” immediately after the word “Hawaii,”.

■ b. In paragraph (b), by removing the words “Idaho and”.

Done in Washington, DC, this 18th day of July 2007.

Kevin Shea,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. E7–14175 Filed 7–20–07; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 91

[Docket No. APHIS–2006–0147]

RIN 0579Z–AC26

Cattle for Export; Removal of Certain Testing Requirements

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: We are amending the livestock exportation regulations to eliminate the requirement for pre-export tuberculosis and brucellosis testing of certain cattle being exported to countries that do not require such testing. This action will facilitate the exportation of certain cattle by eliminating the need to conduct pre-export tuberculosis and brucellosis testing when the receiving country does not require such testing.

EFFECTIVE DATE: August 22, 2007.

FOR FURTHER INFORMATION CONTACT: Dr. Antonio Ramirez, Senior Staff Veterinarian, Technical Trade Services, National Center for Import and Export, VS, APHIS, 4700 River Road, Unit 40, Riverdale, MD 20737–1231; (301) 734–8364.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR part 91, “Inspection and Handling of Livestock for Exportation” (referred to below as the regulations), prescribe conditions for exporting animals from the United States. Section 91.5 requires, among other things, that cattle intended for exportation be tested for tuberculosis and brucellosis prior to export.

On January 10, 2007, we published in the **Federal Register** (72 FR 1192–1195, Docket No. APHIS–2006–0147) a proposal¹ to amend the regulations by eliminating the requirement for pre-export tuberculosis and brucellosis testing of certain cattle being exported to countries that do not require such testing. Under its Restricted Feeder Cattle Program, Canada allows the importation of certain U.S. cattle without testing for tuberculosis and brucellosis, but our regulations required that these cattle be tested for these diseases. Thus, the proposal was intended both to relieve restrictions on U.S. cattle that are exported to Canada under this program and to ensure that, if other countries receiving exports of U.S. cattle suspend or remove their requirements that U.S. cattle be tested for tuberculosis or brucellosis, U.S. exporters of cattle would receive the full benefits of no longer being required to perform such tests.

We solicited comments concerning our proposal for 60 days ending March 12, 2007. We received 8 comments by that date. They were from producers, exporters, and other private citizens. Two of the comments were entirely supportive. The remaining comments are discussed below.

One commenter stated that it is the United States’ responsibility to protect the health and welfare of the people of foreign nations and that testing cattle exported from the United States would help to accomplish this goal.

We proposed to remove the testing requirement for exported cattle only when testing is not required by the receiving country. Thus, a country receiving U.S. cattle would have to determine that waiving any tuberculosis

and brucellosis testing requirements for U.S. cattle would not be detrimental to its citizens’ health and welfare before we would allow any cattle to be exported to that country without testing.

One commenter opposed the proposal on the grounds that the existing exemptions to the testing requirements in the regulations are adequate.

As we discussed in the proposed rule, we do not believe that the current exemptions are adequate. For example, cattle exported to Canada under the Restricted Feeder Cattle Program are still required under our regulations to be tested for tuberculosis and brucellosis, even though Canada does not require such testing. Paragraph (b) of § 91.3 states that the Administrator may, upon request of the appropriate animal health official of the country of destination, waive the tuberculosis and brucellosis tests referred to in §§ 91.5(a) and (b) of the regulations when he finds such tests are not necessary to prevent the exportation of diseased animals from the United States. However, this provision does not allow us to relieve the testing requirement for cattle exported under the Restricted Feeder Cattle Program, as Canadian animal health officials would have to request each time cattle are exported that the brucellosis and tuberculosis tests not be administered. A more general exemption from the testing requirement is necessary to cover all situations in which U.S. cattle may be exported to countries that do not require them to be tested for tuberculosis or brucellosis.

One commenter stated that the testing of cattle at export for tuberculosis and brucellosis is done only to increase agricultural profits. This commenter also stated that no cattle should be exported.

APHIS tests cattle upon export to help prevent the spread of disease and to facilitate exports in accordance with our responsibilities under the Animal Health Protection Act (7 U.S.C. 8301 *et seq.*). We have no statutory authority to regulate the movement of livestock except as it relates to preventing the introduction or spread of animal diseases.

One commenter asked that we relieve testing restrictions for cattle exported to Mexico as well.

The testing requirement will be relieved for exports of cattle to any country that does not require testing of cattle for tuberculosis and brucellosis when they are exported from the United States. Negotiations with other countries to establish export agreements under which testing for tuberculosis and brucellosis is not required will be conducted separately. Once we have

¹To view the proposed rule and the comments we received, go to <http://www.regulations.gov/jdmspublic/component/main?main=DocketDetail&d=APHIS-2006-0147>.

established such an agreement with a country, however, any cattle exported from the United States in compliance with such an agreement could be exported without testing for one or both of these diseases, depending on the terms of the agreement.

Two commenters asked that we relieve the testing requirements for additional types of exported animals when testing is not required by the receiving country. One commenter requested that we apply the exemption to goats and swine, noting that these animals typically have lower per-head values than cattle, which would mean that the positive economic impact associated with exempting those animals from testing would be even greater for producers and exporters of those animals. Another commenter asked that testing requirements be relieved for sheep as well.

We agree that it would be desirable to relieve the testing restrictions for additional types of animals, where possible. However, removing the testing requirements for other species involves different risks that would need to be considered separately. We will continue to look for opportunities to further relieve testing requirements and, if removing testing requirements for other animals is warranted, we will issue a separate proposal to do so.

Therefore, for the reasons given in the proposed rule and in this document, we are adopting the proposed rule as a final rule, without change.

Executive Order 12866 and Regulatory Flexibility Act

This 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.

This final rule removes the requirement that cattle destined for export must be tested for brucellosis and tuberculosis prior to export in any case in which such testing is not required by the receiving country for cattle originating in the United States or any State therein.

The rule will affect domestic producers of cattle, specifically those engaged in the export of animals. In 2005, there were 982,510 cattle operations in the United States.² On January 1, 2005, domestic inventory of cattle and calves totaled over 95.8 million, with an average per head value of \$916, and a total value of production

of over \$87.8 billion.³ Under U.S. Small Business Administration's (SBA) size standards, operations engaged in cattle ranching or production (both beef and dairy) are considered small if they earn \$750,000 or less in annual receipts.⁴ According to the USDA's National Agricultural Statistics Service, approximately 953,390, or 97 percent, of the 982,510 cattle operations in the United States are holding fewer than 500 head of cattle. As such, we would assume that the overwhelming majority of domestic cattle operations would be considered small by SBA standards.

Only those operations engaged in the export of their animals will be affected by this rule. In 2005, the United States exported 21,155 live cattle, with a total value of over \$7.2 million. Our primary trading partners historically are Canada and Mexico, and in 2005 Canada and Mexico ranked first and second, respectively, as destinations of U.S. live cattle exports by value.⁵ In response to strong domestic cattle price and trade barriers related to bovine spongiform encephalopathy and other diseases, U.S. cattle exports declined significantly in 2003–2004, but they are now on the rebound. The number of operations engaged in the export of cattle is unknown.

Under the rule, domestic cattle producers wishing to export their animals will no longer be required to test for tuberculosis and brucellosis prior to export when the importing countries do not require such testing. As such, the rule represents a reduction in compliance costs currently associated with export requirements for live cattle. APHIS estimates the average cost of tuberculosis testing for cattle ranges from \$10 to \$12 per head. In addition, APHIS estimates the cost of an official herd blood test for brucellosis to be \$3 per animal. If a producer located in a State that is accredited-free for tuberculosis and Class Free for brucellosis exports cattle to a country where pre-export testing requirements have been removed, the cost savings that the producer will capture as a result of the change to the regulations will depend on the number of animals exported. Again, the exact number of domestic producers whose operations

depend on the export of cattle is unknown. However, given the average per-head value of \$916, the cost saved by not having to test for tuberculosis and brucellosis prior to export is not expected to be economically significant, as the combined cost of the tests represents a small percentage of the per-head value of the cattle.

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

Executive Order 12372

This program/activity is listed in the Catalog of Federal Domestic Assistance under No. 10.025 and is subject to Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V.)

Executive Order 12988

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule: (1) Preempts all State and local laws and regulations that are in conflict with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This final 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 91

Animal diseases, Animal welfare, Exports, Livestock, Reporting and recordkeeping requirements, Transportation.

■ Accordingly, we are amending 9 CFR part 91 as follows:

PART 91—INSPECTION AND HANDLING OF LIVESTOCK FOR EXPORTATION

■ 1. The authority citation for part 91 continues to read as follows:

Authority: 7 U.S.C. 8301–8317; 19 U.S.C. 1644a(c); 21 U.S.C. 136, 136a, and 618; 46 U.S.C. 3901 and 3902; 7 CFR 2.22, 2.80, and 371.4.

■ 2. In § 91.1, the definition of *official brucellosis vaccinate* is revised to read as follows:

§ 91.1 Definitions.

* * * * *

Official brucellosis vaccinate. An official adult vaccinate or an official

³ USDA–NASS, *Agricultural Statistics 2005*.

⁴ Table of Size Standards based on North American Industry Classification System (NAICS) 2002. Beef Cattle Ranching and Farming: NAICS code 112111, Dairy Cattle and Milk Production: NAICS code 112120. Washington, DC: U.S. Small Business Administration, effective January 5, 2006.

⁵ USDA–FAS, *U.S. Trade Exports-FATUS Commodity Aggregations*. Washington, DC: Foreign Agricultural Service. Based on data from the Dept. of Commerce, U.S. Census Bureau, Foreign Trade Statistics.

² USDA–NASS, *Quick Stats U.S. & All States Data*. Washington, DC: National Agricultural Statistics Service, 2006.

calhhood vaccinate as defined in § 78.1 of this chapter.

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■ 3. Section 91.5 is amended as follows:

■ a. In paragraph (a)(1), by removing the word "or" at the end of paragraph (a)(1)(i); by removing the citation "9 CFR 77.1" in paragraph (a)(1)(ii) and adding the citation "§ 77.7 of this chapter" in its place; by removing the period at the end of paragraph (a)(1)(ii) and adding a semicolon in its place; and by adding new paragraphs (a)(1)(iii) and (a)(1)(iv) to read as set forth below.

■ b. In paragraph (b)(1), by removing the word "or" at the end of paragraph (b)(1)(iv), by removing the period at the end of paragraph (b)(1)(v) and adding a semicolon in its place, and by adding new paragraphs (b)(1)(vi) and (b)(1)(vii) to read as set forth below.

§ 91.5 Cattle.

* * * * *

- (a) * * *
(1) * * *

(iii) Cattle exported to a country that does not require cattle from the United States to be tested for tuberculosis as described in this part; or

(iv) Cattle exported from a State designated as an Accredited-free State in § 77.7 of this chapter to a country that does not require cattle from Accredited-free States to be tested for tuberculosis as described in this part.

* * * * *

- (b) * * *
(1) * * *

(vi) Cattle exported to a country that does not require cattle from the United States to be tested for brucellosis as described in this part; or

(vii) Cattle exported from a State designated as a Class Free State in § 78.41 of this chapter to a country that does not require cattle from Class Free States to be tested for brucellosis as described in this part.

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Done in Washington, DC, this 18th day of July 2007.

Kevin Shea,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. E7-14177 Filed 7-20-07; 8:45 am]

BILLING CODE 3410-34-P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

14 CFR Parts 1260 and 1274

RIN 2700-AD34

NASA Grant and Cooperative Agreement Handbook—Individual Procurement Action Reports (NF 507)

AGENCY: National Aeronautics and Space Administration.

ACTION: Final rule.

SUMMARY: This final rule amends NASA regulations by removing from NASA grant officers responsibility for submitting Individual Procurement Action Reports (NF 507) for all grant and cooperative agreement actions. This rule also removes the "Individual Procurement Action Report (NASA Form 507)".

EFFECTIVE DATE: July 23, 2007.

FOR FURTHER INFORMATION CONTACT: Paul Brundage, NASA Headquarters, Contract Management Division, Washington, DC, (202) 358-0481, e-mail: paul.d.brundage@nasa.gov.

SUPPLEMENTARY INFORMATION:

A. Background

The NF 507 was rendered obsolete in 2003 and has been eliminated as a NASA form. Thus, the requirement for its submission by NASA grant officers on all grant and cooperative agreement actions is eliminated.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act does not apply to this final rule. This final rule does not constitute a significant revision within the meaning of Public Law 98-577, and publication for public comment is not required. However, NASA will consider comments from small entities concerning the affected coverage in accordance with 5 U.S.C. 610. Interested parties should cite 5 U.S.C. 601, et seq., in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act (Pub. L. 104-13) does not apply because this rule does not impose any new recordkeeping or information collection requirements, or collection of information from offerors, contractors, or members of the public that require the approval of the Office of Management (OMB) and Budget under 44 U.S.C. 3501, et seq.

List of Subjects in 14 CFR Parts 1260 and 1274

Grant programs-science and technology, Cooperative agreements

with commercial firms-science and technology.

Sheryl Goddard,

Acting Assistant Administrator for Procurement.

■ Accordingly, 14 CFR Parts 1260 and 1274 are amended as follows:

■ 1. The authority citation for 14 CFR Parts 1260 and 1274 continues to read as follows:

Authority: 42 U.S.C. 2473(c)(1), Pub. L. 97-258, 96 Stat. 1003 (31 U.S.C. 6301, et seq.), and OMB Circular A-110.

PART 1260—GRANTS AND COOPERATIVE AGREEMENTS

■ 2. Revise paragraph (a) of § 1260.75 to read as follows:

§ 1260.75 Summary of report requirements.

(a) The Committee on Academic Science and Engineering (CASE) Report (NF 1356), for grants and cooperative agreements awarded to educational institutions, is submitted by the program office with the basic award procurement request and completed by the grant officer. The grant officer should initiate an amendment to the NF 1356 whenever the principal investigator or the technical officer changes.

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PART 1274—COOPERATIVE AGREEMENTS WITH COMMERCIAL FIRMS

Appendix to Part 1274 [Amended]

■ 3. In the appendix to part 1274, under the section "Exhibit B to Part 1274—Reports," remove paragraph 1 and redesignate paragraphs 2 and 3 as 1 and 2, respectively.

[FR Doc. E7-14135 Filed 7-20-07; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9343]

RIN 1545-BF30

Agent for a Consolidated Group With Foreign Common Parent

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations and removal of temporary regulations.

SUMMARY: This document contains final regulations under section 1502 that