



Billing Code 3410-10-P

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

7 CFR Part 1471

RIN 0551-AB00

Pima Agriculture Cotton Trust Fund and Agriculture Wool Apparel Manufacturers Trust Fund

AGENCY: Foreign Agricultural Service and Commodity Credit Corporation (CCC), USDA.

ACTION: Final rule.

SUMMARY: This final rule makes amendments to regulations for the Pima Agriculture Cotton Trust Fund (Agriculture Pima Trust Fund) and the Agriculture Wool Apparel Manufacturers Trust Fund (Wool Trust Fund) programs. This final rule makes minor changes to the Department of Agriculture's administration of the Wool Trust Fund, required by section 12603 of the Agriculture Improvement Act of 2018. Statutory changes were made with respect to two of the four types of payments available under the Wool Trust Fund, the Refund of Duties Paid on Imports of Certain Wool Products (Wool Duty Refund program) and the Payments to Manufacturers of Certain Worsted Wool Fabrics (Wool Grant program). In addition, new regulatory language is required to update the payment expiration calendar year and for submission of affidavits that apply to all four payments made available under the Wool Trust Fund. This final rule also makes minor changes to the Department of Agriculture's administration of the Agriculture Pima Trust Fund per section 12602 of the Agriculture Improvement Act of 2018. New

regulatory language is required for updating the payment expiration calendar year and to include information in the required affidavit of yarn spinners.

DATES: This final rule is effective [**Insert date of publication in the *FEDERAL REGISTER***].

FOR FURTHER INFORMATION CONTACT: Benjamin Chan, Director for Grant Programs Branch, Global Programs, Foreign Agricultural Service, USDA; email: pimawool@fas.usda.gov, 202-720-8877.

SUPPLEMENTARY INFORMATION:

Background

Purpose of the Regulatory Action

On March 9, 2015, FAS published a final rule in the Federal Register (80 FR 12321) for the Agriculture Pima Trust and the Agriculture Wool Trust programs. That rule was subsequently amended on November 18, 2016, (81 FR 81657) based on comments received to add details for the Refund of Duties Paid on Imports of Certain Wool Products payment. This current rule reflects minor changes to the Department of Agriculture's administration of the Wool Trust Fund, made by section 12603 of the Agriculture Improvement Act of 2018. This rule also reflects minor changes to the Department of Agriculture's administration of the Agriculture Pima Trust Fund made by Section 12602 of the Agriculture Improvement Act of 2018.

Effective Date and Notice and Comment

In general, the Administrative Procedure Act (APA, 5 U.S.C. 553) requires that a notice of proposed rulemaking be published in the *Federal Register* for interested persons to be given an opportunity to participate in the rulemaking through submission of written

data, views, or arguments with or without opportunity for oral presentation and requires a 30-day delay in the effective date of rules, except when the rule involves a matter relating to public property, loans, grants, benefits, or contracts. This rule involves matters relating to contracts and therefore the requirements in section 553 do not apply.

The Office of Management and Budget (OMB) designated this rule as not major under the Congressional Review Act, as defined by 5 U.S.C. 804(2). Therefore, FAS is not required to delay the effective date for 60 days from the date of publication to allow for Congressional review.

Accordingly, this rule is effective upon publication in the *Federal Register*.

Executive Order 12866, 13563, 13771 and 13777

Executive Order 12866, “Regulatory Planning and Review,” and Executive Order 13563, “Improving Regulation and Regulatory Review,” direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasized the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. The requirements in Executive Orders 12866 and 13573 for the analysis of costs and benefits to loans apply to rules that are determined to be significant. Executive Order 13777, “Enforcing the Regulatory Reform Agenda,” established a federal policy to alleviate unnecessary regulatory burdens on the American people.

OMB designated this rule as not significant for the purposes of Executive Order 12866 and was not reviewed by OMB. A cost-benefit assessment of this rule was not required for either Executive Orders 12866 or 13563.

Executive Order 12372

This final rule is not subject to Executive Order 12372, “Intergovernmental Review of Federal Programs,” which requires consultation with State and local officials that would be directly affected by proposed Federal financial assistance. The objectives of the Executive Order are to foster an intergovernmental partnership and a strengthened federalism, by relying on State and local processes for State and local government coordination and review of proposed Federal financial assistance and direct Federal development. For reasons specified in the final rule related notice regarding 7 CFR part 3015, (48 FR 29115, June 24, 1983), the programs and activities within this rule are excluded from the scope of Executive Order 12372.

Executive Order 12988

This rule has been reviewed in accordance with Executive Order 12988, “Civil Justice Reform.” This rule does not preempt State or local laws, regulations, or policies unless they present an irreconcilable conflict with this rule. This rule will not be retroactive.

Executive Order 13132

This final rule has been reviewed under Executive order 13132, “Federalism.” The policies contained in this final rule do not have any substantial direct effect on States, on the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government, except as required

by law. Nor does this final rule impose substantial direct compliance costs on State and local governments. Therefore, consultation with the States is not required.

Executive Order 13175

This final rule has been reviewed in accordance with the requirements of Executive Order 13175, “Consultation and Coordination with Indian Tribal Governments.” Executive Order 13175 requires federal agencies to consult and coordinate with Tribes on a government-to-government basis on policies that have Tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

USDA has assessed the impact of this rule on Indian Tribes and determined that this rule does not have Tribal implications that required Tribal consultation under Executive Order 13175. If a Tribe requests consultation, FAS will work with the USDA Office of Tribal Relations to ensure meaningful consultation is provided.

Regulatory Flexibility Act

The Regulatory Flexibility Act does not apply to this final rule because FAS is not required by 5 U.S.C. 553 or any other law to publish a notice of proposed rulemaking with respect to the subject matter of this final rule.

Environmental Review

The environmental impacts of this rule have been considered in a manner consistent with the provisions of the National Environmental Policy Act (NEPA, 42

U.S.C. 4321-4347), the regulations of the Council on Environmental Quality (40 CFR parts 1500-1508), and FSA regulations for compliance with NEPA that apply to CCC activities (7 CFR part 799). FAS has determined that NEPA does not apply to this final rule and that no environmental assessment or environmental impact statement will be prepared.

Unfunded Mandates Reform Act

This final rule does not impose any enforceable duty or contain any unfunded mandate as described under Title II of the Unfunded Mandates Reform Act of 1995 (UMRA). Therefore, this rule is not subject to the requirements of sections 202 and 205 of UMRA.

Paperwork Reduction Act of 1995

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520), this rule does not change the information collection approved by OMB under control number 0551-0044.

E-Government Act Compliance

FAS is committed to complying with the E-Government Act to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information, services, and for other purposes. The forms, regulations, and other information collection activities required to be utilized by a person subject to this final rule are available at: <http://www.fas.usda.gov>.

List of Subjects in 7 CFR Part 1471

Agricultural commodities, imports.

Accordingly, 7 CFR part 1471 is amended as follows:

PART 1471--PIMA AGRICULTURE COTTON TRUST FUND (AGRICULTURE PIMA TRUST) AND AGRICULTURE WOOL APPAREL MANUFACTURERS TRUST FUND (AGRICULTURE WOOL TRUST)

1. The authority citation for part 1471 is revised to read as follows.

Authority: Sections 501-506, Pub. L. 106-200, (114 Stat. 299-304); section 4002, Pub. L. 108-429 (7 U.S.C. 7101 note); section 1633, Pub. L.109-280 (120 Stat. 1166); section 325, Pub. L. 110-343 (122 Stat. 3875); sections 12314 and 12315, Pub. L. 113-79 (7 U.S.C. 2101 note and 7101 note); and sections 12602 and 12603, Pub. L. 115-334 (7 U.S.C. 2101 note).

Subpart A — Agriculture Pima Trust

§ 1471.1 [Amended]

2. Amend § 1471.1(b)(2) by removing “2015 through 2018” and adding “2019 through 2023” in its place.

3. Amend § 1471.2 as follows:

a. In the introductory text, remove the year “2018” and add the year “2023” in its place;

b. In paragraph (b) introductory text, remove the phrase “2013 and”;

c. In paragraph (b)(1), remove the first occurrence of the year “2013” and add the words “the prior calendar year” in its place and remove the phrase “calendar year 2013” and add the phrase “the prior calendar year” in its place;

c. In paragraph (b)(2), remove the phrase “calendar year 2013” and add the words “the prior calendar year” in its place;

d. In paragraph (c) introductory text, remove the phrase “calendar year 2013” and add the phrase “the prior calendar year” in its place; and

e. Add paragraphs (c)(3) and (4).

The additions read as follows:

§ 1471.2 Pima cotton payments.

* * * * *

(c) * * *

(3) A yarn spinner will not receive an amount under paragraph (b)(1) of this section that exceeds the cost of pima cotton that was:

- (i) Purchased during the prior calendar year; and
- (ii) Used in spinning any cotton yarns.

(4) The Secretary will reallocate any amounts reduced by reason of the limitation under paragraph (b) of this section to spinners using the ratio described in paragraph (b) of this section, disregarding production of any spinner subject to that limitation.

4. Amend § 1471.3 as follows:

a. In paragraphs (a) and (c) remove the phrase “calendar year 2013” and add the phrase “the prior calendar year” in its place;

b. In paragraph (b), remove the phrase “During 2013” and in its place the phrase “In the prior calendar year”; and

c. Add paragraph (d).

The addition reads as follows:

§ 1471.3 Affidavit of producers of ring spun pima cotton yarn.

* * * * *

(d) The dollar amount of pima cotton purchased during the prior calendar year that was used in spinning any cotton yarns, and for which the producer maintains supporting documentation.

§ 1471.4 [Amended]

5. Amend § 1471.4 as follows:

a. In paragraph (a)(1), remove the phrase “and during calendar year 2013”;

b. In paragraph (a)(2), remove the phrase “calendar year 2013” and add “the prior calendar year” in its place; and

c. In paragraph (a)(4), remove the phrase “2013 and in”.

Subpart B—Agriculture Wool Trust

§ 1471.10 [Amended]

6. Amend § 1471.10, in paragraph (b)(2) by removing “2015 through 2019” and adding the years “2019 through 2023” in its place.

Robert Stephenson,
Executive Vice President,
Commodity Credit Corporation.

January 14, 2020
Date

In concurrence with:

Clay Hamilton
Acting Administrator,
Foreign Agricultural Service.

12-23-2019
Date

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