

peanuts of lower quality. This section also establishes consistent procedures for collecting samples from peanut lots that are being inspected. Lot identification and sampling procedures must be applied consistently on all peanut lots undergoing inspection to ensure that all peanut lots are handled uniformly and lots once certified as meeting outgoing standards are maintained and shipped without loss of quality. PLI standards under this final rule are the same as the positive lot identification requirements previously used by the Inspection Service under the Agreement, non-signer, and import peanut programs.

The Inspection Service works with domestic peanut handlers, importers, and storage warehouses to determine the most appropriate PLI or lot identity method to be used on individual peanut lots. Several factors dictate which PLI method should be used: (1) Size of the lot; (2) storage space on the dock or in the warehouse; (3) whether any further movement of the lot is required prior to certification; and (4) other needs of the handler, importer, dock or warehouse operators, or the Customs Service.

For domestic lots and repackaged import lots, PLI includes PLI stickers, tags or seals applied to each individual package or container in such a manner that is acceptable to the Inspection Service and maintains the identity of the lot. For imported lots, PLI tape may be used to wrap bags or boxes on pallets, PLI stickers may be used to cover the shrink-wrap overlap, doors may be sealed to isolate the lot, bags or boxes may be stenciled with a lot number, or any other means that is acceptable to the Inspection Service. The crop year or quota year shown on the positive lot identification tags shall be the year in which the peanuts in the lot were produced domestically or imported into the United States, as appropriate.

PLI practices for both domestic and imported peanuts also include affixing a PLI seal to the door of a shipping container so that it cannot be opened without breaking the seal, and affixing a red tag on sewn bags of failing quality peanuts. Other methods acceptable to the Inspection Service that clearly identify the lot and prevent peanuts from being removed or added to the lot may be used. Any peanuts moved in bulk or bulk bins shall have their lot identity maintained by sealing the conveyance and, if in other containers, by other means acceptable to the Inspection Service. All lots of shelled or cleaned-in-shell peanuts shall be handled, stored, and shipped under positive lot identification procedures.

The standard peanut lot size is 40,000 pounds, but may vary at the handler or buyer's preference. Lot size is limited to 200,000 pounds, which is the largest amount of peanuts that can be adequately sampled by the Inspection Service. The limitation was used under the agreement, non-signer, and import peanut programs.

**Sampling procedures:** This rule continues in effect uniform sampling procedures and sample sizes that the Inspection Service follows when conducting grade inspections, and in collecting peanuts for chemical analysis. The portion of the peanuts collected for chemical analysis are sent to a USDA or USDA-approved laboratory. A portion of the peanuts sampled are held by the Inspection Service as check samples if the lot is determined to fail either grade or aflatoxin analysis. These procedures and sample sizes are the same as those previously used under the Agreement, non-signer, and import peanut programs.

All required sampling and positive lot identification procedures are performed by inspectors of the Federal or Federal-State Inspection Service. Imported peanuts are subject to Customs Service redelivery demands if determined in violation of these quality or handling standards or Customs Service entry requirements referenced below. Handlers and importers must reimburse the Inspection Service and chemical laboratories for sampling and grade inspection and chemical analyses for aflatoxin. Incoming inspections range from \$4.00 to \$6.25 per ton of farmers stock peanuts. Sampling and outgoing grade inspections vary with each Federal-State Inspection Service and range from \$1.50 to \$3.00 a ton. Chemical analysis for aflatoxin averages \$40.00 per analysis. The fee schedule for USDA laboratories appears at 7 CFR part 91.37.

#### **Import Entry Procedures**

The import entry and safeguard procedures established under the interim final rule and finalized in this rule are similar to the procedures applied under the previous peanut import program (7 CFR part 999.600).

**U.S. Customs Service requirements:** Importers of foreign produced peanuts must follow established Customs Service entry procedures and AMS stamp-and-fax notification and inspection procedures specified below. Customs Service importation procedures and requirements are set out in title 19 of the Code of Federal Regulations. The Customs Service regulations applicable to peanut handling and processing include, but

are not be limited to: Bond requirements (19 CFR part 113); transfer of merchandise from port of arrival to another Customs Service office location (19 CFR parts 18 and 112); entry of merchandise for consumption (19 CFR parts 141 and 142); warehouse entry and withdrawal from warehouse for consumption (19 CFR part 144); establishment of bonded warehouses (19 CFR part 19); and within these parts, manipulation in bonded warehouses (19 CFR part 19.11); substitution of actual owner as importer of record (19 CFR part 141.20); failure to recondition merchandise (19 CFR part 113.62(e); and redelivery of merchandise to Customs custody (19 CFR part 113.62(d)) and 19 CFR 141.113). For Customs Service purposes, the term "consumption" means "use in the United States." Customs Service entry procedures are not superseded by the import procedures in this program.

It is the importer's responsibility to file import entry documentation and notify the Inspection Service with documentation sufficient to insure inspection of all imported peanut lots. It also is the importer's responsibility to account for disposition of all failing quality peanut lots imported by the importer. A bond secured by surety or U.S. Treasury obligations must be posted by the importer with the Customs Service to guarantee the importer's performance. For more information on these procedures, importers should contact their customs broker, the Customs Service office at the port where peanuts are expected to be entered, or [www.ustreas.gov/education/duties/bureaus/uscustoms.html](http://www.ustreas.gov/education/duties/bureaus/uscustoms.html).

**Safeguard procedures:** The safeguard procedures in this part are similar to safeguard procedures already in place for peanuts and other imported fresh agricultural commodities and are consistent with the inspection, identification, and certification requirements applied to domestically produced peanuts.

To obtain information on importing peanuts or making arrangements for necessary inspection and certification, importers may contact the Fresh Products Branch headquarters office in Washington, DC, which will direct them to the closest regional inspection office. The telephone number of headquarters office is (202) 720-5870, and the fax number is (202) 720-0393.

**Stamp-and-fax procedure:** Under USDA safeguard procedures established in this program, the importer must provide advance notice of inspection needs to the Inspection Service office that will collect samples of the peanuts for inspection. The importer must file