

completed entry documentation (usually Customs Service forms CS 3461 and CF 7501, or other equivalent forms) with the Inspection Service office by mail or facsimile transmission. To expedite entry procedures, the filing should occur prior to, or upon arrival of the shipment at the port of entry. The Inspection Service office stamps, signs, and dates the entry document and returns it to the importer or Customs broker by fax or mail. The importer/broker then submits the stamped copy to the Customs Service. This "stamp-and-fax" procedure is unchanged from the procedure used under the previous peanut import program and is similar to procedures in place for other imported agricultural commodities under USDA jurisdiction. Failure to file the entry documentation stamped by the Inspection Service may result in a delay in entry of the product.

The importer must file a copy of each stamp-and-fax entry document with USDA and forward a copy, with any lot that is transported in-bond to an inland destination for inspection or warehousing. The importer must provide sufficient information to identify the peanut lot being entered and to ensure that arrangements are made for sampling and inspection. This information must include the Customs Service entry number, container identification, weight of the peanut lot, the city, street address, and building number (if known) receiving the peanut lot, the requested date and time of inspection, and a contact name and telephone number at the destination. If the destination is changed from that listed on the stamp-and-fax document, the importer must immediately advise Inspection Service offices at both the original destination and the new destination of such change. Shipments that are not made available pursuant to entry documentation, or are not properly displayed for sampling purposes, will be reported to the Customs Service as failing to follow required entry procedures.

Boatload shipments exceeding 200,000 pounds must be entered as two or more items on Customs Service entry documents. This limit on lot size is required by USDA and the Inspection Service for sampling purposes and is the same as the limit on lot sizes of domestically produced peanuts. Lot size and identification arrangements must be made cooperatively between the importer and the Inspection Service. This facilitates subsequent lot identification, inspection, and reporting of large imported shipments.

Release for importation: Depending on condition (shelled or inshell) and

containerization, foreign-produced peanuts may be either: (1) Held at the port-of-entry until certified by the Inspection Service as meeting the edible quality requirements of this rule; or, (2) conditionally released under Customs Service entry procedures and transported inland for inspection and certification.

Under option (1), foreign-produced shelled or cleaned-inshell peanuts which are held at the port-of-arrival must be presented in containers or bags that allow appropriate sampling of the lot pursuant to Inspection Service requirements. After sampling, such lots are held at the port-of-arrival under Customs Service custody, under positive lot identification requirements of the Inspection Service, pending results of the inspection and chemical analysis. If determined to meet the applicable edible quality requirements of this part, the shelled or cleaned-inshell peanuts may be entered for consumption without further inspection. Reports of such entries do not have to be filed with USDA.

If a lot is held at the port-of-arrival under Customs Service custody and subsequently determined to fail edible quality standards, the lot, at the importer's discretion, may be: Exported; moved inland under bond for reconditioning and, if satisfactorily remilled or blanched, used for edible consumption; or entered for non-edible consumption. Such failing peanuts that remain under Customs Service custody until exported do not have to be reported to USDA because the peanuts were not officially entered into the U.S. Failing lots that are moved in-bond for reconditioning at a remilling or blanching facility inland must be reported to USDA, pursuant to option 2, below. The importer is responsible for ensuring that such lots remain under PLI until reconditioned and determined to meet edible quality requirements. Records of disposition of residual peanuts to non-edible outlets also must be maintained. Such records must be maintained for the time frames discussed under Reporting and Recordkeeping Requirements, below.

Under option (2), foreign produced peanuts moved inland from the port-of-arrival for sampling, inspection, and certification. All imported farmers stock peanuts must be shipped inland for sampling and inspection because specialized sampling facilities at buying points are not available at ports of entry. All in-bond entries must be maintained under PLI. Shelled and cleaned-inshell lots which are subsequently sampled and determined to meet both grade and aflatoxin quality standards may be

entered directly into human consumption channels of commerce and not reported to USDA. For monitoring and compliance-assurance purposes, in-bond entries which fail to meet outgoing quality standards are reported to USDA by the Inspection Service and/or the aflatoxin laboratory.

Peanuts transported from the port-of-arrival to another location must be transported by a carrier designated by the Customs Service under 19 U.S.C. 1551. Peanuts entered for warehousing must be stored in a Customs Service bonded warehouse. Such peanuts must remain in Customs Service custody until they are determined to meet the quality and handling standards of this program, at which point they may be withdrawn from warehouse and entered for consumption.

Imported shipments of farmers stock peanuts must be transported inland to a buying point where sampling equipment is available to conduct the incoming sampling operation. Importers are required to maintain all records showing compliance with these standards and all Customs Service requirements.

Importers must not release failing lots for edible consumption until reconditioned and certified as meeting the standards of this program.

Reporting and Recordkeeping

This rule finalizes reporting and recordkeeping standards under § 996.71 that are necessary for USDA to monitor compliance with program quality and handling standards.

Farmers stock acquisitions: Handlers and importers are required to report to USDA the volume of Segregation 1, 2, and 3 farmers stock peanuts acquired from growers or others, or imported. Under previous peanut programs, the information was used, in part, to determine the assessment owed by signatory handlers to the PAC and non-signatory handlers to USDA.

Because all farmers stock peanuts can now be shelled for human consumption use, all three categories of farmers stock must be reported. This information is used for compliance purposes and in the compilation of reports by USDA. The monthly report must include the volume, by variety, of Segregation 1, 2, and 3 farmers stock peanuts acquired in the preceding month. Form FV-305, Handlers/Importers Monthly Report is used by handlers and importers to report their monthly farmers stock acquisitions.

To collect farmers stock information, the interim Board recommended that USDA use the assessment form used under the national Peanut Promotion,