

electronically to maximum extent possible. Electronic submission of the information collection will be implemented before October 2003 in compliance with the GPEA. The Department will request OMB approval of forms that are being developed for electronic submission of the information collection, and issue a **Federal Register** notice soliciting public comments on the requested revision of the information collection to provide for submission of the information collection on electronic forms. All public comments received will be considered prior to implementation of an electronic reporting system, and will also become a matter of public record. Copies of that information collection will be made available from Kimberly Chisley, the Agency Information Collection Coordinator, at (202) 720-2568 or e-mail at Chisley@fas.usda.gov.

Executive Order 12988

This proposed rule has been reviewed under Executive Order 12988. The provisions of this proposed rule would not have preemptive effect with respect to any State or local laws, regulations, or policies which conflict with such provision or which otherwise impede their full implementation. The proposed rule would not have retroactive effect. Before any judicial action may be brought regarding this rule, all administrative remedies must be exhausted.

National Environmental Policy Act

The Administrator has determined that this action will not have a significant effect on the quality of the human environment. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is necessary for this proposed rule.

Executive Orders 12372, 13083 and 13084, and the Unfunded Mandates Reform Act (Pub. L. 104-4)

These Executive Orders and Pub. L. 104-4 require consultation with State and local officials and Indian tribal governments. This proposed rule does not impose an unfunded mandate or any other requirement on State, local or tribal governments. Accordingly, these programs are not subject to the provisions of Executive Order 12372, Executive Order 13083, and Executive Order 13084, or the Unfunded Mandates Reform Act.

Executive Order 12630

This Order requires careful evaluation of governmental actions that interfere with constitutionally protected property rights. This proposed rule would not

interfere with any property rights and, therefore, does not need to be evaluated on the basis of the criteria outlined in Executive Order 12630.

Background

The Trade Act of 2002 (Pub. L. 107-210) amended the Trade Act of 1974 (19 U.S.C. 2551, *et seq.*) to add a new chapter 6, which establishes a program of trade adjustment assistance for farmers, providing both technical assistance and cash benefits to producers. The statute authorizes an appropriation of not more than \$90 million for each fiscal year 2003 through 2007 to carry out the program.

Under this proposed rule, a group of agricultural commodity producers may petition the Administrator of the Foreign Agricultural Service (FAS) for trade adjustment assistance from mid-August through the end of January. FAS will first review the petition for appropriateness, completeness, and timeliness, before publishing a notice in the **Federal Register** that it has been received. The Economic Research Service (ERS) will then conduct a market study to verify the decline in producer prices, and to assess possible causes, taking due account of any special factors which may have affected prices of the articles concerned, including imports, exports, production, changes in consumer preferences, weather conditions, diseases, and other relevant issues. ERS will report its findings to the FAS Administrator, who will then determine whether or not the group is eligible for trade adjustment assistance. If the national average price in the most recent marketing year for the commodity produced by the group is equal to or less than 80 percent of the average of the national average prices in the preceding 5 marketing years and that increases in imports of that commodity contributed importantly to the decline in price, the Administrator will certify the group as eligible for trade adjustment assistance.

Upon certification, producers have 90 days to contact the Farm Service Agency (FSA) to apply for assistance. As soon as they apply, they are eligible to receive at no cost a technical assistance package specifically tailored for their needs by the Extension Service. Depending on the commodity and the region, the Extension Service package may include technical publications in print or on-line, group seminars and presentations, and one-on-one meetings. Producers, who receive the technical assistance and also satisfy personal and farm income limits, are eligible for TAA payments. If the funding authorized by Congress is insufficient to pay 100

percent of all TAA claims during the fiscal year, payments will be prorated and issued after June 15, the last possible date for producers to file a TAA application.

Producers may petition for adjustment assistance in subsequent years. Petitions will be reviewed and approved if prices remain at or below the same 80 percent threshold as the initial year of adjustment assistance, and if imports have continued to increase and contributed importantly to the decline in prices.

The Department invites comments on all aspects of the proposed rule including: Eligibility requirements, including the coverage of aquaculture; unintended market consequences of the program to producers, importers, buyers and consumers; timing and prorating of adjustment payments when funding may be insufficient; petitions on behalf of producers within regions of the United States; marketing periods of less than 12 months; and less restrictive alternatives to the proposed rule that would address the intent of the program.

List of Subjects in 7 CFR Part 1580

Agricultural commodities, Imports, Reporting and recordkeeping requirements, Trade adjustment assistance.

Proposed Rule

Accordingly, it is proposed to amend title 7 of the Code of Federal Regulations by adding a new part 1580, to read as follows:

PART 1580—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

- Sec.
- 1580.101 General statement.
- 1580.102 Definitions.
- 1580.201 Petitions for trade adjustment assistance.
- 1580.202 Hearings, petition reviews, and amendments.
- 1580.203 Determination of eligibility and certification by the Administrator.
- 1580.301 Application for adjustment assistance.
- 1580.302 Technical assistance and services.
- 1580.303 Adjustment assistance payments.
- 1580.401 Subsequent qualifying year eligibility.
- 1580.501 Administration.
- 1580.502 Maintenance of records, audits and compliance.
- 1580.503 Debarment and suspension.
- 1580.504 Fraud and recovery of overpayments.
- 1580.505 Appeals.
- 1580.601 Implementation.
- 1580.602 Paperwork Reduction Act assigned number.

Authority: 19 Sec. U.S.C. 2401.