

handling standards under the program; (2) the 2003 peanut harvest is expected to begin around August 15 and these relaxations should be in place as soon as possible; (3) the Board supported the changes; and (4) this rule provides a 30-day comment period and any comments will be considered prior to finalization of this rule. A 30-day comment period is appropriate for these reasons.

#### List of Subjects in 7 CFR Part 996

Food grades and standards, Imports, Peanuts, Reporting and recordkeeping requirements.

■ For the reasons set forth in the preamble, 7 CFR Part 996 is amended as follows:

#### PART 996—MINIMUM QUALITY AND HANDLING STANDARDS FOR DOMESTIC AND IMPORTED PEANUTS MARKETING IN THE UNITED STATES

■ 1. The authority citation for 7 CFR part 996 is revised to read as follows:

Authority: 7 U.S.C. 7958.

■ 2. In § 996.31, the table in paragraph (a) is revised to read as follows:

#### § 996.31 Outgoing quality requirements.

(a) \* \* \*

#### MINIMUM QUALITY STANDARDS—PEANUTS FOR HUMAN CONSUMPTION

[Whole kernels and splits: Maximum limitations]

Type and grade category	Unshelled peanuts and damaged kernels (percent)	Unshelled peanuts and damaged kernels and defects (percent)	Total fall through Sound whole kernels and/or sound split and broken kernels	Foreign materials (percent)	Moisture (percent)
<b>Excluding Lots of "Splits"</b>					
Runner .....	1.50	2.50	6.00%; 1 <sup>7</sup> / <sub>64</sub> inch round screen .....	.20	9.00
Virginia (except No. 2) .....	1.50	2.50	6.00%; 1 <sup>7</sup> / <sub>64</sub> inch round screen .....	.20	9.00
Spanish and Valencia .....	1.50	2.50	6.00%; 1 <sup>6</sup> / <sub>64</sub> inch round screen .....	.20	9.00
No. 2 Virginia .....	1.50	2.50	6.00%; 1 <sup>7</sup> / <sub>64</sub> inch round screen .....	.20	9.00
Runner with splits (not more than 15% sound splits).	1.50	2.50	6.00%; 1 <sup>7</sup> / <sub>64</sub> inch round screen .....	.20	9.00
Virginia with splits (not more than 15% sound splits).	1.50	2.50	6.00%; 1 <sup>7</sup> / <sub>64</sub> inch round screen .....	.20	9.00
Spanish and Valencia with splits (not more than 15% sound splits).	1.50	2.50	6.00%; 1 <sup>6</sup> / <sub>64</sub> inch round screen .....	.20	9.00
<b>Lots of "splits"</b>					
Runner (not less than 90% splits) .....	2.00	2.50	6.00%; 1 <sup>7</sup> / <sub>64</sub> inch round screen .....	.20	9.00
Virginia (not less than 90% Splits) .....	2.00	2.50	6.00%; 1 <sup>7</sup> / <sub>64</sub> inch round screen .....	.20	9.00
Spanish and Valencia .....	2.00	2.50	6.00%; 1 <sup>6</sup> / <sub>64</sub> inch round screen .....	.20	9.00

\* \* \* \* \*

■ 3. In § 996.40, a new paragraph (c) is added to read as follows:

#### § 996.40 Handling standards.

\* \* \* \* \*

(c) *Appeal inspections.* Any "holder of the title" to any lot of peanuts may request an appeal inspection if it is believed that the original aflatoxin test results were in error. Appeal inspections would be conducted in accordance with Federal or Federal-State inspection procedures for milled peanuts. The aflatoxin appeal sample would be drawn by Federal or Federal-State Inspection Service officials and the appeal analysis would be conducted by USDA or USDA-approved laboratories. Any financially interested person may request an appeal inspection if it is believed that the original quality inspection is in error. Quality appeals would be conducted by Federal or Federal-State Inspection Service inspectors in accordance with the Federal or Federal-State inspection

procedures for milled peanuts. The person requesting the appeal inspection would pay the cost of such appeals. The appeal inspection results shall be issued to the person requesting the appeal inspection and a copy shall be mailed to USDA or its agent.

■ 4. In § 996.50, paragraph (d) is revised to read as follows:

#### § 996.50 Reconditioning failing quality peanuts.

\* \* \* \* \*

(d) *Blanching.* Handlers and importers may blanch, or cause to have blanched, shelled peanuts failing to meet the outgoing quality standards specified in the table in § 996.31(a). If after blanching, such peanut lot meets the quality standards in § 996.31(a), the lot may be moved for human consumption under positive lot identification procedures and accompanied by applicable grade and aflatoxin certificates. Peanut lots certified as meeting the fall through standard or the damaged kernels and minor defects

standard as specified in § 996.31(a), prior to blanching shall be exempt from fall through, damaged kernels and minor defects standards after blanching.

\* \* \* \* \*

■ 5. Section 996.75 is revised to read as follows:

#### § 996.75 Effective time.

The provisions of this part, as well as any amendments, shall apply to 2003–04 and subsequent crop year peanuts, to 2002–03 and 2001–02 crop year peanuts not yet inspected, or failing peanuts that have not met disposition standards, and shall continue in force and effect until modified, suspended, or terminated.

Dated: August 4, 2003.

A.J. Yates,

Administrator, Agricultural Marketing Service.

[FR Doc. 03–20158 Filed 8–4–03; 3:11 pm]

BILLING CODE 3410–02–P