

Proposed Rules

Federal Register

Vol. 68, No. 207

Monday, October 27, 2003

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 59

[Docket No. LS-01-08]

RIN 0581-AB98

Livestock Mandatory Reporting; Amendment To Revise Lamb Reporting Definitions

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule with request for comments.

SUMMARY: This proposed rule would amend the Livestock Mandatory Reporting regulations to modify the requirements for the submission of information on domestic and imported boxed lamb cuts sales. This rule would amend the definition of "carlot-based" by inserting language to limit carlot-based sales of boxed lamb cuts to transactions between a buyer and a seller consisting of 1,000 pounds or more of one or more individual boxed lamb items. This rule would also amend the definition of "importer" by reducing the volume level of annual lamb imports establishing a person as an importer from 5,000 metric tons of lamb meat products per year to 2,500 metric tons. This amendment would improve the accuracy and reliability of the data being reported by the Agricultural Marketing Service (AMS) on domestic boxed lamb cuts sales by ensuring that the bulk of data being reported is representative of the market, thus enabling producers to evaluate market conditions and make more informed marketing decisions. This amendment would also increase the volume of imported products that would be reported to AMS, which will permit AMS to publish reports on the sales of imported boxed lamb cuts.

DATES: Comments must be submitted on or before December 26, 2003 to be assured of consideration.

ADDITIONAL INFORMATION OR COMMENTS:

Comments may be sent to John E. Van Dyke, Chief, Livestock and Grain Market News Branch, Livestock and Seed Program, Agricultural Marketing Service, USDA, 1400 Independence Avenue, SW, Room 2619-South Building, Stop 0252, Washington, DC 20250-0242; telephone (202) 720-6231, facsimile (202) 690-3732, E-mail marketnewscomments@usda.gov. For further information, contact John E. Van Dyke at the above address. Comments received may be inspected at 1400 Independence Avenue, SW, Room 2619-South Building, Washington, DC between 7:30 a.m. and 4 p.m. The comments will also be posted on the Livestock and Grain Market News Branch Web site, located at <http://www.ams.usda.gov/lsmnpubs/>.

SUPPLEMENTARY INFORMATION:

Background

In accordance with the Livestock Mandatory Reporting Act of 1999 (Act) [7 U.S.C. 1635h-1636h], regulations implementing a mandatory program of reporting information related to the marketing of cattle, swine, lambs, and products of such livestock, were published in the **Federal Register** on December 1, 2000 (65 FR 75464). This Livestock Mandatory Reporting (LMR) program requires the submission of market information by packers who have annually slaughtered an average of 125,000 cattle or 100,000 swine over the most recent 5 calendar year period, or have annually slaughtered or processed an average of 75,000 lambs over the most recent 5 calendar year period. Importers who have annually imported an average of 5,000 metric tons of lamb meat products over the most recent 5 calendar year period are also subject to mandatory reporting requirements. The LMR program is intended to provide information on pricing, contracting for purchase, and supply and demand conditions for livestock, livestock production, and livestock products that can be readily understood by producers, packers, and other market participants.

Section 241 of the Act gives the Department of Agriculture (USDA) authority to establish a mandatory lamb price reporting program that will, (1) provide timely, accurate, and reliable market information; (2) facilitate more informed marketing decisions; and (3) promote competition in the lamb

slaughtering industry. AMS established submission requirements for lamb packers and lamb importers in accordance with this authority based upon its extensive knowledge of the lamb industry gained through a program of voluntary market information reporting of lamb.

Under the mandatory lamb price reporting program, packers are required to report information daily on domestic sales of boxed lamb cuts each reporting day including prices for sales, the type of sale, the branded product characteristics, the quantity of each sale, the USDA grade, trim specification, weight range, delivery period, the quantity of boxes of each cut, the weight range of each cut, and the product state of refrigeration. USDA reports on domestic boxed lamb cut sales to the public once each reporting day.

For any calendar year, a lamb importer who imported an average of 5,000 metric tons of lamb meat products per year during the immediately preceding 5 calendar years is required to report to USDA weekly the prices received for imported lamb cuts sold on the domestic market. Additionally, an importer that did not import an average of 5,000 metric tons of lamb meat products during the immediately preceding 5 calendar years is also required to report the above information, if USDA determines that the person should be considered an importer based on their volume of lamb imports.

Because there are not enough daily sales of imported products to meet the confidentiality guidelines and allow USDA to publish daily reports, lamb importers are required to report weekly prices received for sales of imported boxed lamb cuts sold on the domestic market during the prior week including the quantity of each transaction, the type of sale, the branded product characteristics, the product state of refrigeration, the cut of lamb, the trim specification, the cut weight range, and the product delivery period.

Boxed lamb is defined in the LMR regulations to mean those carlot-based portions of a lamb carcass including fresh primals, subprimals, cuts fabricated from subprimals, excluding portion-control cuts such as chops and steaks similar to those portion cut items described in the Institutional Meat Purchase Specifications (IMPS) for