

administrative procedures that must be exhausted prior to any judicial challenge to the provisions of this rule.

Civil Rights Review

In promulgating the final LMR regulations (65 FR 75464), AMS considered the potential civil rights implications on minorities, women, or persons with disabilities and prepared a Civil Rights Impact Analysis to ensure that no person or group shall be discriminated against on the basis of race, color, sex, national origin, religion, age, disability, or marital or family status.

The proposed amendments to the LMR regulations do not alter any of the findings of the Civil Rights Impact Analysis on the LMR regulations.

Regulatory Flexibility Act

This proposed rule has been reviewed under the requirements of the Regulatory Flexibility Act (RFA) [5 U.S.C. 601 *et seq.*]. The purpose of the RFA is to consider the economic impact of a rule on small business entities. Alternatives, which would accomplish the objectives of the rule without unduly burdening small entities or erecting barriers that would restrict their ability to compete in the marketplace have been evaluated. Regulatory action should be appropriate to the scale of the businesses subject to the action. The collection of information is necessary for the proper performance of the functions of AMS concerning the mandatory reporting of livestock information. The Act (7 U.S.C. 1635–1636) requires AMS to collect and publish livestock market information. The required information is only available directly from those entities required to report under the Act and by the LMR regulations and exists nowhere else. Therefore, the LMR regulations do not duplicate market information reasonably accessible to the Agency.

In formulating this proposed rule, particular consideration was given to reducing the burden on entities while still achieving the objectives of the LMR regulations. Accordingly, proposed thresholds were set which would redefine those sales transactions considered to be “carlot-based” and therefore required to be reported under the LMR program, and those entities which would be required to report information on sales of imported boxed lamb cuts including applicable branded product.

The proposal would require packers to report information on carlot-based sales transactions of boxed lamb cuts consisting of 1,000 pounds or more of one or more individual boxed lamb

items. The definition of “carlot-based” would be amended to read, “The term “carlot-based”, when used in reference to lamb carcass sales, means any transaction between a buyer and a seller destined for three or less delivery stops consisting of any combination of carcass weights. When used in reference to boxed lamb cuts sales, the term “carlot-based” means any transaction between a buyer and a seller consisting of 1,000 pounds or more of one or more individual boxed lamb items.”

Additionally, the proposal would also require importers that imported an average of 2,500 metric tons of lamb meat products per year to report information on sales transactions of boxed lamb cuts. The definition of “importer” would be amended to read, “For any calendar year, lamb importers that imported an average of 2,500 metric tons of lamb meat products per year during the immediately preceding 5 calendar years would be required to report. Additionally, lamb importers that did not import an average of 2,500 metric tons of lamb meat products during the immediately preceding 5 calendar years if the USDA determines that the person should be considered an importer based on the volume of lamb imports are required to report.”

Implementation of the proposed amendment redefining the term “carlot-based” would not change the number of entities required to submit information on sales of boxed lamb cuts under the LMR regulations.

Implementation of the proposed amendment redefining the term “importer” would slightly increase the original estimate of the number of lamb importers required to submit information on sales of imported boxed lamb cuts under the LMR regulations. After analyzing the U.S. Customs Service data for total lamb imported into the U.S. by importer for each of the 5 years between 1998 and 2002, AMS believes that the 2,500 metric ton threshold would now cover eight importers of lamb into the U.S. (one importer is also a packer).

Accordingly, we also have prepared a regulatory flexibility analysis. The RFA compares the size of meat packing plants to the Standard Industrial Code (SIC) established by the Small Business Administration (SBA) [13 CFR 121.201] to determine the percentage of small businesses within the meat packing industry and the wholesale meat products trade, including importers. Under these size standards, meat packing companies with 500 or less employees are considered small business entities (SIC 2011) and lamb importers with 100 or less employees

are considered small business entities (SIC 5147).

The objective of this proposed rule is to improve the price and supply reporting services of USDA. AMS believes that this objective can be accomplished by amending the definitions of the terms “carlot-based” and “importer” in the LMR regulations.

The LMR regulations provide for the mandatory reporting of market information by livestock packers who for any calendar year have slaughtered a certain number of livestock during the immediately preceding 5 calendar years. Lamb plants required to report include those that for any calendar year slaughter or process the equivalent of 75,000 head per year during the immediately preceding 5 calendar years. Additionally, for any calendar year lamb importers that imported an average of 5,000 metric tons of lamb meat products per calendar year during the immediately preceding 5 calendar years are also required to report details of their purchases. Additionally, lamb packers and lamb meat processors and importers that did not slaughter or process the equivalent of 75,000 head per year or import 5,000 metric tons of lamb meat products per year during the immediately preceding 5 calendar years are required to report if the USDA determines that they should be considered an importer based on their volume of lamb imports. This proposed rule would amend the LMR regulations to redefine those entities considered as importers by changing the 5,000 metric ton provision to 2,500 metric tons.

These packers and importers are required to report the details of all transactions involving domestic sales of boxed lamb cuts including applicable branded product, and imported boxed lamb cuts including applicable branded product to AMS. Lamb information is reported to AMS according to the schedule mandated by the LMR regulations with sales of boxed lamb cuts reported once each day. Previous week sales of imported boxed lamb cuts including applicable branded boxed lamb cuts are reported once weekly on the first reporting day of the week.

For any calendar year, lamb packers required to report include those that slaughtered or processed the equivalent of 75,000 head per year during each of the immediately preceding 5 calendar years. Also included are processing plants that did not slaughter or process an average of 75,000 lambs during the immediately preceding 5 calendar years but are determined to be a packer by USDA based on the capacity of the processing plant. For any calendar year, an importer that imported an average of