

In 2001, turkey production totaled 269 million birds with a combined live weight of 6.98 billion pounds and value of \$2.8 billion. Finally, in 2000, the United States produced approximately 84.4 billion eggs worth an estimated \$4.3 billion.¹

The U.S. poultry industry plays a significant role in international trade. In fact, the United States is the world's largest exporter of both broilers and turkey products. In 2001, broiler exports totaled 5.5 billion pounds, valued at \$1.8 billion. Turkey exports for the same year totaled 487 million pounds and were valued at \$257 million. In addition, 191 million dozen eggs and egg products were exported in 2001.²

Participation in the Plan serves as a "seal of approval" for eggs and poultry producers in the sense that tests and procedures recommended by the Plan are considered optimal for the industry. As such, while participation in the Plan is voluntary, many foreign nations, such as Russia, do not accept poultry products unless they have originated from flocks participating in the Plan.³ Consequently, participation in the Plan increases product marketability both domestically and internationally, which in turn increases the economic benefits received by the poultry industry from participation in the Plan.

The Regulatory Flexibility Act requires that agencies consider the economic impact of their regulations on small entities. Under the North American Industry Classification System (NAICS) used by the Small Business Administration, chicken egg operations are considered small entities if they have \$10.5 million or less in annual receipts (NAICS code 112310).

All other poultry products and meat operations are considered small entities if they have \$750,000 or less in annual receipts (NAICS code 112320).⁴ As this final rule only makes minor changes in a continuing program in an effort to better safeguard poultry health, the economic effects on poultry producers are not expected to be significant.

The last agricultural census estimated there were 63,246 domestic poultry and poultry products farms.⁵ Unfortunately, the size distribution of these farms is not known. However, because most poultry production is carried out by small farms working under contract with larger processors or marketing firms, we can assume a fair amount of poultry production is carried out by small operations.

However, only those producers that voluntarily participate in the Plan will be affected. As is the case in the majority of voluntary control programs, individuals are likely to remain in the program as long as the costs of implementing the program are lower than the added benefits they receive from the program. In any event, the changes in this final rule will not have a significant economic effect on Plan participants.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

Executive Order 12372

This program/activity is listed in the Catalog of Federal Domestic Assistance under No. 10.025 and is subject to Executive Order 12372, which requires intergovernmental consultation with

State and local officials. (See 7 CFR part 3015, subpart V.)

Executive Order 12988

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule: (1) Preempts all State and local laws and regulations that are in conflict with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This final rule contains no new information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Parts 145 and 147

Animal diseases, Poultry and poultry products, Reporting and recordkeeping requirements.

■ Accordingly, we are amending 9 CFR parts 145 and 147 as follows:

PART 145—NATIONAL POULTRY IMPROVEMENT PLAN

■ 1. The authority citation for part 145 continues to read as follows:

Authority: 7 U.S.C. 8301–8317; 7 CFR 2.22, 2.80, and 371.4.

■ 2. Section 145.10 is amended as follows:

- a. In paragraph (r), by removing the word "and" and adding a comma in its place and by adding the words ", and 145.53(e)" after the citation "145.33(l)".
- b. By adding a new paragraph (t) to read as set forth below.

§ 145.10 Terminology and classification; flocks, products, and States.

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(t) *U.S. H5/H7 Avian Influenza Clean.*
(See § 145.43(g).)

¹ USDA, *Agricultural Statistics 2002*. Washington, DC: National Agricultural Statistics Service, 2002.

² USDA, *Poultry and Eggs: Trade*. Washington, DC: Economic Research Service, 2002.

³ USDA, *Export Requirements for Russia*. Washington, DC: Food Safety and Inspection Service, 2003.

⁴ Table of Size Standards based on NAICS 2002. Washington, DC: U.S. Small Business Administration, 2002.

⁵ USDA, *1997 Census of Agriculture*. Washington, DC: National Agricultural Statistics Service.