

inspection applications will meet CBP's requirement for ITDS.

### Initial Regulatory Flexibility Analysis

Pursuant to the requirements of the Regulatory Flexibility Act (RFA) (5 U.S.C. 601–612), AMS has considered the economic impact of this action on small entities. Accordingly, AMS has prepared this initial regulatory flexibility analysis.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions in order that small businesses will not be unduly or disproportionately burdened.

Small agricultural producers are defined by the Small Business Administration (SBA) as those having annual receipts of no more than \$750,000 and small agricultural service firms are defined as those having annual receipts of no more than \$7.5 million. Under these definitions, AMS estimates the number of companies affected is approximately 60,000, with 24,000, or 40%, of the companies considered small businesses. AMS does not foresee any negative impact on members of the industry, regardless of size, as a result of this interim rule.

AMS is making these administrative changes to allow for the use of current technology by allowing the application for inspection to be submitted electronically and eliminating references to filing applications for service by telegraph.

### Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the information collection requirements for form SC–357, *Initial Inspection Request for Regulated Imported Commodities*, was previously approved by the Office of Management and Budget (OMB) and assigned OMB No. 0581–0125, effective August 1, 2016. AMS has determined that no changes are required to the information collection requirements as a result of the changes in this action. Should additional changes become necessary, they would be submitted to OMB for approval. AMS is committed to complying with the E-Government Act, to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

In addition, USDA has not identified any relevant Federal rules that duplicate, overlap or conflict with this rule.

Finally, interested persons are invited to submit comments on this interim

rule, including the regulatory and informational impacts of this action on small businesses.

This rule invites comments on updates to application requirements and the administrative change to the inspection, certification and standards requirements for fresh and processed fruit, vegetable, and specialty crops. Any comments received will be considered prior to finalization of this rule.

After consideration of all relevant material presented, it is found that this interim rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act of 1946. Pursuant to 5 U.S.C. 553, AMS has found and determined upon good cause that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice prior to putting this rule into effect because: (1) The changes in this rule reflect current practices; (2) the import industry is aware of the ITDS initiative and its goal to automate paper-based processes; (3) CBP is requiring the timely update of import regulations to meet the ITDS electronic data submission requirement; and (4) this rule provides a 60-day comment period, and all comments received will be considered prior to the finalization of this rule.

### List of Subjects

#### 7 CFR Part 51

Food grades and standards, Fruits, Nuts, Reporting and recordkeeping, Vegetables.

#### 7 CFR Part 52

Food grades and standards, Food labeling, Frozen foods, Fruits, Reporting and recordkeeping requirements, Vegetables.

■ For the reasons set forth in the preamble, 7 CFR parts 51 and 52 are amended as follows:

■ 1. The authority citation for parts 51 and 52 continues to read as follows:

**Authority:** 7 U.S.C. 1621–1627.

### PART 51—FRESH FRUITS, VEGETABLES AND OTHER PRODUCTS (INSPECTION, CERTIFICATION, AND STANDARDS)

■ 2. Revise § 51.6 to read as follows:

#### § 51.6 How to make application.

An application for inspection service may be filed in an office of inspection at any market referred to in § 51.4 (b), (c), or (d) or with any inspector. It may be made in writing, orally, electronically, or by telephone. If made orally or by telephone, the inspector

may require that it be confirmed by the applicant in writing or electronically. An application may be made for one or more lots, or it may be in the nature of a blanket application for inspection of all designated lots of a given commodity within a particular period, or for all designated lots loaded or received at a specified point.

### PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

■ 3. Revise § 52.7 paragraph (a) to read as follows:

#### § 52.7 Information required in connection with application.

(a) Application for inspection service shall be made in the English language and may be made orally (in person or by telephone), in writing, or electronically. If an application for inspection is made orally, written confirmation may be required by the inspection service involved.

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Dated: December 14, 2016.

**Elanor Starmer,**

*Administrator, Agricultural Marketing Service.*

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## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 52

[Document Number AMS–FV–15–0049, FV–16–332]

### United States Standards for Grades of Canned Vegetables

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Final notice of U.S. grade standards.

**SUMMARY:** The Agricultural Marketing Service (AMS) of the Department of Agriculture (USDA) is revising 18 U.S. grade standards for canned vegetables issued on or before August 3, 1998. AMS is replacing the two-term grading system (dual nomenclature) with a single term to describe each quality level for the grade standards identified in this document. Terms using the letter grade will be retained and the descriptive term will be eliminated. For example, grade standards using the term “U.S. Grade A” or “U.S. Fancy” will be revised to use only the term “U.S. Grade

A.” Likewise, grade standards using the term “U.S. Grade B” or “U.S. Extra Standard” will be revised to use the single term “U.S. Grade B.” These changes will bring the grade standards in line with the present quality levels being marketed today and provide guidance in the effective use of these products. Editorial changes will also be made to the grade standards that conform to recent changes made in other grade standards.

**DATES:** These grade standards go into effect January 20, 2017.

**ADDRESSES:** Standardization Branch, Specialty Crops Inspection Division, Specialty Crops Program, Agricultural Marketing Service, U.S. Department of Agriculture, 1400 Independence Avenue SW., Room 0709-South Building; STOP 0247, Washington, DC 20250.

**FOR FURTHER INFORMATION CONTACT:** Dana N. White, at the address above, by phone (202) 720-5870; fax (202) 690-1527; or email: [Dana.White@ams.usda.gov](mailto:Dana.White@ams.usda.gov). Copies of the revised U.S. standards for grades for the 18 canned vegetables covered by this document will be available on the Internet at <http://www.ams.usda.gov/grades-standards/vegetables>.

**SUPPLEMENTARY INFORMATION:** Section 203(c) of the Agricultural Marketing Act

of 1946, as amended, directs and authorizes the Secretary of Agriculture “to develop and improve standards of quality, condition, quantity, grade, and packaging, and recommend and demonstrate such standards in order to encourage uniformity and consistency in commercial practices.”

AMS is committed to carrying out this authority in a manner that facilitates the marketing of agricultural commodities and makes copies of official standards available upon request. The U.S. standards for grades of fruits and vegetables not connected with Federal Marketing Orders or U.S. import requirements no longer appear in the Code of Federal Regulations, but are maintained by USDA, AMS, Specialty Crops Program and are available on the internet at: <http://www.ams.usda.gov/grades-standards/vegetables>. AMS revised these U.S. Standards for Grades using the procedures that appear in part 36 of title 7 of the Code of Federal Regulations (7 CFR part 36).

**BACKGROUND:** AMS periodically reviews the grade standards for usefulness in serving the industry. AMS has determined that changes to 18 grade standards covering various canned vegetables are required. More recently developed grade standards use a single term, such as “U.S. Grade A” or “U.S.

Grade B,” to describe each level of quality within a grade standard. Older grade standards used dual nomenclature, such as “U.S. Grade A” and “U.S. Fancy,” “U.S. Grade B” and “U.S. Extra Standard,” and “U.S. Grade C” and “U.S. Standard,” to describe the same level of quality. The terms “U.S. Fancy,” “U.S. Extra Standard,” and “U.S. Standard” will be removed and the terms “U.S. Grade A,” “U.S. Grade B,” and “U.S. Grade C” will be used exclusively. AMS proposed editorial changes to these grade standards, *i.e.*, updating addresses to obtain copies of the grade standards, removing specific addresses for licensed suppliers of color standards and inspection aids, and updating Code of Federal Regulations references where applicable. Contact information for current licensed suppliers is available in the Fresh and Processed Equipment Catalog on the AMS Web site at: <http://www.ams.usda.gov/grades-standards/how-purchase-equipment-and-visual-aids>.

**SUPPLEMENTARY INFORMATION:** These revisions will provide a format that is consistent with those of other grade standards (75 FR 43141). The following table summarizes the changes made by AMS.

U.S. Standards for grades of canned	Effective date	Change level of quality designation to single term	Other revisions proposed
Asparagus .....	06/20/73	Yes .....	Update address for standards. Correct Standard of Identity citation.
Beets .....	08/03/98	Yes .....	Update address for standards.
Carrots .....	08/03/98	Yes .....	Update address for standards.
Chili Sauce .....	10/20/53	Yes .....	Update address for standards.
Corn, Cream Style .....	07/01/57	Yes .....	Update address for standards. Add Standard of Identity citation. Add Latin name.
Hominy .....	03/10/58	Yes .....	Update address for standards.
Leafy Greens .....	09/01/73	Yes .....	Update address for standards. Add titles to Tables IV and V. Correct Standard of Identity citation.
Okra .....	07/08/57	Yes .....	Update address for standards.
Okra and Tomatoes or Tomatoes and Okra.	12/24/57	Yes .....	Update address for standards.
Onions .....	11/02/57	Yes .....	Update address for standards. Add titles for Tables II and III. Add Standard of Identity citation.
Peas and Carrots .....	07/20/70	Yes .....	Update address for standards.
Peas, Field and Black-eye Peas .....	07/01/57	Yes .....	Update address for standards. Replace “U.S. Grade D” with “Substandard.”
Pimientos .....	10/23/67	Yes .....	Update address for standards.
Pumpkin (Squash) .....	07/01/57	Yes .....	Update address for standards.
Sauerkraut .....	05/13/63	Yes .....	Update address for standards.
Spinach .....	05/08/71	Yes .....	Update address for standards. Correct Standard of Identity citation.
Squash (Summer Type) .....	05/25/59	Yes .....	Update address for standards.
Succotash .....	05/24/67	Yes .....	Update address for standards. Replace “U.S. Grade D” with “Substandard.” Put “proportion of ingredients” in outline form.

These revisions provide a common language for trade and better reflect the current marketing of fruits and vegetables.

On June 17, 2016, AMS published a Proposed Notice in the **Federal Register** (81 FR 39596) soliciting comments on replacing the two-term grading system with a single term to describe each quality level for the grade standards identified in this document. Two comments were received by August 16, 2016, the closing date of the public comment period, from one private citizen and one individual associated with a tribal government agency.

The two comments supported the replacement of the two-term grading system with a single term as a positive step forward. USDA stands by its decision to replace the two-term grading system (dual nomenclature) with a single term.

Based on the information gathered, AMS is removing the two-term grading system (dual nomenclature) and making editorial changes to the aforementioned U.S. Standards for Grade. The revision brings these grade standards in line with other recently amended standards and current terminology, and updates the standards to more accurately represent today's marketing practices.

**Authority:** 7 U.S.C. 1621–1627.

Dated: December 15, 2016.

**Elanor Starmer,**  
*Administrator, Agricultural Marketing Service.*

[FR Doc. 2016–30619 Filed 12–20–16; 8:45 am]

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## DEPARTMENT OF AGRICULTURE

### Office of Inspector General

#### 7 CFR Part 2610

#### Organization, Functions, and Delegations of Authority

**AGENCY:** Office of Inspector General, USDA.

**ACTION:** Final rule.

**SUMMARY:** The U.S. Department of Agriculture (USDA), Office of Inspector General (OIG) amends its regulation relating to organization, functions, and delegations of authority. The amendments are necessary to reflect reorganizations within OIG.

**DATES:** Effective December 21, 2016.

**FOR FURTHER INFORMATION CONTACT:** Christy Slamowitz, Counsel to the Inspector General, U.S. Department of Agriculture, 1400 Independence Avenue SW., Room 441–E, Washington, DC

20250–2308, Telephone: (202) 720–9110.

**SUPPLEMENTARY INFORMATION:** The regulation on USDA–OIG's organization, functions, and delegations of authority was last published in 1995 (60 FR 52840). Since that time, OIG has had several internal reorganizations. In order to provide the public with current information regarding OIG's organization, functions, and delegations of authority, OIG is amending its regulations.

#### Administrative Procedure Act

This rule relates to agency organization and internal agency management. Pursuant to 5 U.S.C. 553(A), such rules are not subject to the requirement to provide public notice of proposed rulemaking and opportunity for public comment. Therefore, notice and comment before the effective date are being waived.

#### Executive Orders 12866 and 13563

OIG has reviewed this rule to ensure its consistency with the regulatory philosophy and principles set forth in Executive Orders 12866 and 13563. OIG has determined that this rule is non-significant within the meaning of Executive Order 12866. Therefore, this rule is not required to be and has not been reviewed by the Office of Management and Budget (OMB).

#### Regulatory Flexibility Act

These regulations will not have a significant economic impact on a substantial number of small entities. Therefore, a regulatory flexibility analysis as provided by the Regulatory Flexibility Act, as amended, is not required.

#### Executive Order 12291

This rule relates to internal agency organization and management. Therefore, it is exempt from the provisions of Executive Order 12291.

#### Paperwork Reduction Act

These regulations impose no additional reporting and recordkeeping requirements. Therefore, clearance by OMB is not required.

#### Federalism (Executive Order 13132)

This rule does not have Federalism implications, as set forth in Executive Order 13132. It will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

#### Congressional Review Act

OIG has determined that this rule is not a major rule as defined by the Congressional Review Act, 5 U.S.C. 804.

#### List of Subjects in 7 CFR Part 2610

Authority delegations (Government agencies), Organization and functions (Government agencies).

■ For the reasons set forth in the preamble, the Office of Inspector General revises 7 CFR part 2610 to read as follows:

#### PART 2610—ORGANIZATION, FUNCTIONS, AND DELEGATIONS OF AUTHORITY

Sec.

- 2610.1 General statement.
- 2610.2 Headquarters organization.
- 2610.3 Regional organization.
- 2610.4 Requests for service.
- 2610.5 Delegations of authority.

**Authority:** 5 U.S.C. 301, 552; Inspector General Act of 1978, as amended, 5 U.S.C. app.; 7 U.S.C. 2270.

##### § 2610.1 General statement.

(a) The Inspector General Act of 1978, as amended, 5 U.S.C. app. (IG Act), established an Office of Inspector General (OIG) in the U.S. Department of Agriculture (USDA) and transferred to it the functions, powers, and duties of offices referred to in the Department as the “Office of Investigation” and the “Office of Audit,” previously assigned to the OIG created by the Secretary's Memoranda 1915 and 1727, dated March 23, 1977, and October 5, 1977, respectively. Under the IG Act, OIG was established as an independent and objective unit, headed by the Inspector General (IG), who is appointed by the President and reports to and is under the general supervision of the Secretary.

(b) OIG conducts and supervises audits and investigations relating to Department programs and operations; provides leadership and coordination and recommends policies for activities designed to promote economy, efficiency, and effectiveness in the administration of, and to prevent and detect fraud and abuse in, such programs and operations; and provides a means for keeping the Secretary of Agriculture and the Congress fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action.

(c) The IG has specific duties, responsibilities, and authorities pursuant to the IG Act, including to:

(1) Provide policy direction for, and conduct, supervise, and coordinate