

considered by the agency, in the original petition, it is concluded that the pesticide can be safely used in the prescribed manner when such use is in accordance with the label and labeling registered pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973, 89 Stat. 751, 7 U.S.C. 136(a) *et seq.*). Therefore, the feed additive regulation is renewed as set forth below.

Any person adversely affected by this regulation may, within 30 days after the date of publication of this notice in the Federal Register, file written objections with the Hearing Clerk, Environmental Protection Agency, Rm. 3708 (A-110), 401 M St., SW., Washington, DC 20460. Such objections should be submitted in quintuplicate and specify the provisions of the regulation deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are legally sufficient to justify the relief sought.

As required by Executive Order 12291, EPA has determined that this rule is not a "Major" rule and therefore does not require a Regulatory Impact Analysis. In addition, the Office of Management and Budget (OMB) has exempted this rule from the OMB review requirement of Executive Order 12291, pursuant to section 8(b) of that Order.

Pursuant to the requirements of the Regulatory Flexibility Act (Pub. L. 96-534, 94 Stat. 1164, 5 U.S.C. 601-612), the Administrator has determined that regulations establishing new food and feed additive levels, or conditions for safe use of additives, or raising such food and feed additive levels do not have a significant economic impact on a substantial number of small entities. A certification statement to this effect was published in the Federal Register of May 4, 1981 (46 FR 24945). Effective on: November 6, 1981.

(Sec. 409(c)(1), 72 Stat. 1786; (21 U.S.C. 346(c)(1)))

Dated: October 27, 1981.

James M. Conlon,

Acting Director, Office of Pesticides Program.

## PART 561—IDENTIFICATION AND LISTING OF HAZARDOUS WASTE

Therefore, 21 CFR 561.395(a) is revised to read as follows:

§ 561.395 Tricyclazole.

(a) Tolerances are renewed for the combined residues of the fungicide tricyclazole (5-methyl-1,2,4-triazolo[3,4-b]benzothiazole) and its metabolite (1,2,4-triazolo[3,4-b]benzothiazole-5-methanol) in or on rice bran, rice hulls,

and rice polishings at 30 parts per million resulting from the application of the fungicide to growing rice in accordance with the provisions of an experimental use permit that expires December 31, 1983.

\* \* \* \* \*  
(FR Doc. 81-32203 Filed 11-5-81; 8:45 am)  
BILLING CODE 6560-32-M

## DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

27 CFR Parts 4, 5, and 7

[T.D. ATF-94; Ref: Notice No. 372]

### Rescission of Ingredient Labeling Regulations for Wine, Distilled Spirits, and Malt Beverages

AGENCY: Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury.

ACTION: Final rule, Treasury decision.

**SUMMARY:** This final rule rescinds the ingredient labeling provisions for wine, distilled spirits, and malt beverages of T.D. ATF-66 (45 FR 40538, June 13, 1980), which were to become mandatory on January 1, 1983. The primary aspect of these regulations was to require ingredient disclosure either directly on the label or by providing a name and full mailing address in the United States where the ingredient information was available. This final rule does not rescind the metric type size requirements imposed on labels of distilled spirits and malt beverages made in T.D. ATF-66. This action makes these labeling requirements uniform with the wine labeling requirements.

The Department reviewed T.D. ATF-66 under the criteria of Executive Order 12291 and the comments received pursuant to Notice No. 314 (44 FR 6740, February 2, 1979). The Department concluded that the ingredient labeling regulations did not meet the criteria of this Order.

**EFFECTIVE DATE:** December 7, 1981.

**FOR FURTHER INFORMATION CONTACT:** Norman Blake or Roger Bowling, Research and Regulations Branch, Bureau of Alcohol, Tobacco and Firearms, Washington, D.C. 20226 (202-566-7626).

#### SUPPLEMENTARY INFORMATION:

##### Background

Treasury Decision ATF-66 required mandatory disclosure of ingredients used in the production of alcoholic

beverages. Disclosure could be accomplished in two ways:

(a) By placing an ingredient list directly on the label; or

(b) By providing on the label a name and full mailing address in the United States where the ingredient information was available (optional ingredient statement).

The ingredients that required disclosure were essential components and additives which color, flavor, preserve, or have a technical or functional effect on the finished product. If the ingredient list was not shown in order of predominance, a statement to that effect must have been shown on the label. However, regardless of whether the actual ingredient list or the optional ingredient statement was shown, the presence of FD&C Yellow No. 5 must have been indicated.

On imported products, the foreign producer must have submitted a list of ingredients with the initial label approval certified by an authorized government official that the ingredient list accurately reflected the contents of the product.

Furthermore, an ATF Form 1649 Supplemental was devised. This form provided for the listing of ingredients for a number of previously approved product labels, thus allowing the use of one form for the ingredient approval of many products.

In addition, T.D. ATF-66 amended the minimum type size requirements for distilled spirits and malt beverages mandatory information from 6 or 8 point Gothic cap to 1 or 2 millimeters. This change was not related to ingredient labeling, but merely brought uniformity to all alcoholic beverage type size requirements. Wine type size requirements were amended to metric in T.D. ATF-53 (43 FR 37671, 54624; August 23, 1978).

These regulations became effective on October 14, 1980, and would have become mandatory on January 1, 1983.

**Review Under Executive Order No. 12291**

On February 17, 1981, President Reagan issued Executive Order 12291, which was published in the Federal Register on February 19, 1981 (46 FR 13193). This order directs each Federal agency to establish a management system for Federal regulation that will improve the quality and lessen the burden of Federal regulation. Executive Order 12291 requires agencies, within their legal authority, to establish regulatory goals, set regulatory priorities, review existing regulations, and implement new regulations with the

aim throughout Government of maximizing the benefits to society while at the same time imposing the least burden to achieve those benefits.

With regard to reviewing existing regulations, Executive Order 12291 requires the Department to:

(a) Base administrative decisions on adequate information concerning the need for and consequences of proposed government action;

(b) Undertake regulatory action only when the potential benefits to society for the regulation outweigh the potential cost to society;

(c) Choose regulatory objectives to maximize the net benefits to society;

(d) Choose the alternative involving the least net cost to society among alternative approaches to any given regulatory objectives; and

(e) set forth regulatory priorities with the aim of maximizing the aggregate benefits to society, taking into account the condition of the particular industries affected by regulations, the condition of the national economy, and other regulatory actions contemplated for the future.

The Department reviewed T.D. ATF-66 under the criteria of Executive Order 12291 and the comments received pursuant to Notice No. 314 (44 FR 6740, February 2, 1979). The Department concluded that the ingredient labeling regulations did not meet the criteria of this Order. Furthermore, the Department concluded that the regulations were not truly necessary, cost effective, beneficial, or in keeping with United States international commitments.

Based on these conclusions, the Department issued a notice of proposed rulemaking proposing the rescission of the ingredient labeling regulations.

#### Notice of Proposed Rulemaking

The Department published Notice No. 372, on May 4, 1981 (46 FR 24962). The closing date for submission of comments was to have been July 6, 1981. However, the Center For Science In The Public Interest petitioned for an extension. Due to the impact that any final regulations would have on industry and consumers, the extension was granted. The closing date was then extended to August 5, 1981, with a total of 8,068 comments containing 23,352 individual signatures being submitted.

The notice requested specific comment on:

(a) Whether the ingredient labeling regulations were consistent with Executive Order 12291;

(b) The impact on American and foreign producers;

(c) Whether the regulations conformed to United States international obligations;

(d) Consumer concerns; and

(e) The costs and benefits derived from these regulations.

#### Comment Analysis

Of all comments received, 4,909 comments representing 17,138 individuals supported the proposal to rescind the ingredient labeling regulations. Of these commenters, 693 were American alcoholic beverage industry members or related industries, 144 foreign producers/exporters, six (6) foreign governments, 33 Federal and State officials and organizations, and 4,033 consumers.

Commenters stated the following reasons in support of the proposal to rescind the ingredient labeling regulations:

(a) They were unnecessary in that labels currently contain sufficient information without listing the ingredients;

(b) The regulations were inflationary in that the increased costs would be passed through the marketing channels to the consumer;

(c) The regulations placed American industries at a trade disadvantage;

(d) The regulations were not consistent with Executive Order 12291;

(e) The commenters supported the President's mandate of less Government regulations, and further stated our proposal was consistent with this mandate;

(f) The health hazard issue was nonexistent.

We received 3,159 comments, representing 6,214 individuals, opposing the rescission of the ingredient labeling regulations. These comments expressed the opinion that it was the "consumers' right to know" what was contained in alcoholic beverages and the industry should be required to disclose the ingredients contained in their products.

#### Conclusions

The FAA Act does not require ingredient labeling of alcoholic beverages. Rather, the statute vests discretionary authority in the Secretary to prescribe regulations which will provide adequate information as to the identity and quality of the products. The Department has concluded, within this discretionary authority, that the ingredient labeling regulations would result in increased costs to consumers and burdens on industry which are not commensurate with the benefits which might flow from the additional label information. The Department has further concluded that ingredient labeling

would not result in an appreciable benefit to consumers when compared to the existing label information requirements and standards of identity. The statutory and regulatory provisions presently exercised by the Bureau were, and are, sufficient to protect the consumer and ensure product integrity through the establishment of "standards of identity." Under FAA Act regulations, a standard of identity generally identifies the basic agricultural ingredient, and further, sets forth parameters of production and alcoholic content. Standards of identity for wine and distilled spirits are published in ATF FAA Act regulations and are available to the public. Any product not having a standard of identity, must bear a statement of composition on the label. All substances used in the production of alcoholic beverages are required to be approved by the Food and Drug Administration (FDA). FDA and ATF also establish specifications and limitations for these substances.

In view of the above, the Department has decided to rescind the ingredient labeling requirements of T.D. ATF-66. This decision is consistent with Executive Order 12291, the President's mandate on less government regulation, and Treasury's statutory authority.

#### Regulatory Amendments

The following regulations and requirements issued under T.D. ATF-66 are rescinded:

(a) Label disclosure of all essential components, most flavorings and colorings, all preservatives, and certain other additives which have a technical or functional effect on the finished alcoholic beverage;

(b) As an alternative to label disclosure of ingredients, a name and address in the United States where the ingredient information may be obtained upon written request;

(c) If the ingredients are not listed in order of predominance, a statement to that effect must appear on the label;

(d) ATF Form 1649 Supplemental;

(e) Foreign certification by an authorized government official as to the accuracy of the ingredient list;

(f) The following terms and their definitions; additive and additive (adjunct), artificial flavor or artificial flavoring, essential component, incidental additive and incidental additive (incidental adjunct), ingredient, natural flavor or natural flavoring; and

(g) All other references made to ingredient lists placed in numerous sections of regulations.

The following regulations included in T.D. ATF-66 are not rescinded by this final rule:

(a) The metric type size requirements for distilled spirits and malt beverages. This made a conforming change between these two parts of 27 CFR to the wine labeling regulations amended in T.D. ATF-53 (43 FR 37671, 54624); and

(b) Editorial changes made to various regulatory sections. It is important to note that these editorial changes did not alter the intent or purpose of the regulations.

#### Executive Order 12291

It has been determined that these final regulations are not a "major rule" within the meaning of Executive Order 12291 of February 17, 1981, because they will not have an annual effect on the economy of \$100 million or more; they will not result in a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; and they will not have significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of the United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

#### Public Inspection and Disclosure

Copies of the final rule and all written comments will be available for public inspection under authority of 27 CFR 71.41(b) during normal business hours at: ATF Reading Room, Room 4405, Office of Public Affairs and Disclosure, 12th and Pennsylvania Avenue NW., Washington, D.C. 20226.

#### Drafting Information

The principal authors of this document are Norman P. Blake and Roger L. Bowling, Specialists, of the Research and Regulations Branch, Bureau of Alcohol, Tobacco, and Firearms. However, other personnel in the Bureau and the Department participated in the development of this document, both in matters of substance and style.

#### Authority and Issuance

Accordingly, under the authority contained in section 5 of the Federal Alcohol Administration Act (49 Stat. 981, as amended; 27 U.S.C. 205), 27 CFR Parts 4, 5, and 7 are amended as follows:

### PART 4—LABELING AND ADVERTISING OF WINE

Paragraph 1. The table of sections in 27 CFR Part 4 is amended to remove § 4.37a.

#### Subpart A—Scope

##### § 4.10 [Amended]

Paragraph 2. Section 4.10 is amended to remove, in alphabetical order, "Additive", "Artificial flavor or artificial flavoring", "Essential component", "Incidental additive", "Ingredient", and "Natural flavor or natural flavoring."

#### Subpart D—Labeling Requirements for Wine

Paragraph 3. Section 4.32 is amended by removing the reference to paragraph (d) in paragraph (a); removing paragraph (c) in its entirety; and by relettering paragraph (d) as (c). As revised, the introductory text of § 4.32(a) reads as follows:

##### § 4.32 Mandatory label information.

(a) Except as otherwise provided in paragraph (c) of this section, there shall be stated on the brand label:

\* \* \* \* \*

##### § 4.37a [Removed]

Par. 4. Section 4.37a is removed in its entirety.

Par. 5. Section 4.38 is amended by removing paragraphs (b)(1)(ii) and (b)(2)(ii); removing references to the ingredient list in paragraphs (b)(1)(i) and (b)(2)(i); and by renumbering paragraphs (b)(1)(i) and (b)(2)(i) as paragraphs (b)(1) and (2), respectively. As revised, § 4.38(b)(1) and (2) as follows:

##### § 4.38 General requirements.

\* \* \* \* \*

(b) *Size of type.* (1) Containers of more than 187 millimeters. All mandatory information required on labels by this part, except the alcoholic content statement, shall be in script, type, or printing not smaller than 2 millimeters; except that if contained among other descriptive or explanatory information, the script, type, or printing of the mandatory information shall be of a size substantially more conspicuous than that of the descriptive or explanatory information.

(2) Containers of 187 millimeters or less. All mandatory information required on labels by this part, except the alcoholic content statement, shall not be smaller than 1 millimeter, except that if contained among other descriptive or explanatory information, the script, type, or printing of the mandatory information shall be of a size substantially more conspicuous than that of the descriptive or explanatory information.

\* \* \* \* \*

Par. 6. Section 4.39 is amended to remove the last sentence of, and make

editorial changes to paragraph (a)(7); and to change the reference to type size in paragraph (d) to read in metrics. As revised, § 4.39(a)(7) and the last sentence of paragraph (d) read as follows:

##### § 4.39 Prohibited practices.

###### (a) *Statements on labels.*

\* \* \* \* \*

(7) Any statement, design, device, or representation (other than a statement of alcohol content in conformity with § 4.36), which tends to create the impression that a wine:

(i) Contains distilled spirits;

(ii) Is comparable to a distilled spirit;

or

(iii) Has intoxicating qualities.

However, if a statement of composition is required to appear as the designation of a product not defined in these regulations, such statement of composition may include a reference to the type of distilled spirits contained therein.

\* \* \* \* \*

###### (d) *Statement of miscellaneous dates.*

\* \* \* If any such date refers to the date of establishment of any business or brand name, it shall not be stated, in the case of containers of a capacity of 5 liters or less, in any script, type, or printing larger than 2 millimeters, and shall be stated in direct conjunction with the name of the person, company, or brand name to which it refers if the Director finds that this is necessary in order to prevent confusion as to the person, company, or brand name to which the establishment date is applicable.

\* \* \* \* \*

#### Subpart E—Requirements for Withdrawal of Wine From Customs Custody

Par. 7. Section 4.40 is amended by removing paragraphs (b) and (c) in their entirety; by removing paragraphs (d) (1) through (4); removing references to the Form 1649 Supplemental in paragraphs (d) and (e); and by redesignating paragraphs (d) and (e) as (b) and (c) respectively. As revised, § 4.40 (b) and (c) read as follows:

##### § 4.40 Label approval and release.

\* \* \* \* \*

(b) If the original or photostatic copy of Form 1649 bears the signature of the Director, then the brand or lot of imported wine bearing labels identical with those shown thereon may be released from U.S. Customs custody.

(c) *Relabeling.* Imported wine in U.S. Customs custody which is not labeled in

conformity with certificates of label approval issued by the Director must be relabeled prior to release under the supervision and direction of Customs officers of the port at which the wine is located.

\* \* \* \* \*

#### Subpart F—Requirements for Approval of Labels of Wine Domestically Bottled or Packed

Par. 8. Section 4.50 is amended to remove reference to the ingredient list in paragraph (a); remove paragraphs (b) and (c) in their entirety; and redesignate paragraph (d) as (b). As revised, the first sentence of paragraph (a) reads as follows:

##### § 4.50 Certificates of label approval.

(a) No person shall bottle or pack wine, other than wine bottled or packed in U.S. Customs custody, or remove such wine from the plant where bottled or packed, unless application is made to the Director and an approved certificate of label approval, Form 1649, is issued.

\* \* \* \* \*

#### Subpart C—Advertising of Wine

Par. 9. Section 4.64 is amended to remove the last sentence in, and to make editorial changes to paragraph (a)(8). As revised, § 4.64(a)(8) reads as follows:

##### § 4.64 Prohibited statements.

###### (a) Restrictions.

\* \* \* \* \*

(8) Any statement, design, device, or representation which relates to alcohol content or which tends to create the impression that a wine:

- (i) Contains distilled spirits;
- (ii) Is comparable to a distilled spirit; or
- (iii) Has intoxicating qualities.

However, if a statement of composition is required to appear as a designation of a product not defined in these regulations, such statement of composition may include a reference to the type of distilled spirits employed therein.

\* \* \* \* \*

#### PART 5—LABELING AND ADVERTISING OF DISTILLED SPIRITS

Par. 10. The table of sections in 27 CFR Part 5 is amended to remove § 5.39a.

#### Subpart A—Scope

##### § 5.11 [Amended]

Par. 11. Section 5.11 is amended to remove, in alphabetical order, the

definitions of "Additive", "Artificial flavor or artificial flavoring", "Essential component", "Incidental additive", "Ingredient", and "Natural flavor."

#### Subpart C—Standards of Identity

Par. 12. Section 5.22 is amended to remove the parenthetical explanation in the last sentence of paragraph (i). As revised, the last sentence of paragraph (i) reads as follows:

##### § 5.22 The standards of identity.

\* \* \* \* \*

(i) *Class 9, flavored brandy, flavored gin, flavored rum, flavored vodka, and flavored whiskey.* \* \* \* If the finished product contains more than 2½ percent by volume of wine, the kinds and percentages by volume of wine must be stated as a part of the designation, except that a flavored brandy may contain an additional 12½ percent by volume of wine, without label disclosure, if the additional wine is derived from the particular fruit corresponding to the labeled flavor of the product.

\* \* \* \* \*

#### Subpart D—Labeling Requirements for Distilled Spirits

Par. 13. Section 5.32 is amended by removing paragraphs (b), (c), and (d) which were to become effective January 1, 1983. As revised, § 5.32 (b) and (c) read as follows:

##### § 5.32 Mandatory label information.

###### (a) \* \* \*

(b) On the brand label or on a back label:

(1) Name and address, in accordance with § 5.36.

(2) In the case of imported spirits, the country of origin, in accordance with § 5.36.

(3) In the case of distilled spirits packaged in containers conforming to the standards of fill prescribed in § 5.47 or § 5.47a, net contents in accordance with §§ 5.38(a), 5.38a(a), or 5.38a (b)(1).

(4) Coloring or flavoring, in accordance with § 5.39.

(5) Percentage of neutral spirits and name of commodity from which distilled, or in the case of continuously distilled neutral spirits or gin, the name of the commodity only, in accordance with § 5.39.

(6) A statement of age or age and percentage, when required, in accordance with § 5.40.

(7) State of distillation of domestic types of whisky and straight whisky, except light whisky and blends, in accordance with § 5.36.

(c) In the case of a container which has been excepted by the Director under the provisions of § 5.48(a), the information required to appear on the "brand label," as defined, may appear elsewhere on such container if it can be demonstrated that the container cannot reasonably be so designed that the required brand label can be properly affixed.

Par. 14. Section 5.33 is amended by removing reference to ingredient information in paragraphs (b)(1), (2), (4), and (6); by removing paragraph (b)(5) in its entirety; and by redesignating paragraph (b)(6) as (b)(5). As revised, § 5.33(b)(1), (2), (4), and (5) read as follows:

##### § 5.33 Additional requirements.

\* \* \* \* \*

(b) *Location of statements and size of type.*

(1) Statements required by this subpart, except brand names, shall appear generally parallel to the base on which the bottle rests as it is designed to be displayed or shall be otherwise equally conspicuous.

(2) Statements required by this subpart, except brand names, shall be separate and apart from any other descriptive or explanatory matter.

\* \* \* \* \*

(4) Statements required by this subpart, except brand names, shall be in script, type, or printing not smaller than 2 millimeters (or 8-point gothic until January 1, 1983), except that, in the case of labels on bottles of 200 milliliters or less capacity, such script, type, or printing shall not be smaller than 1 millimeter (or 6-point gothic until January 1, 1983).

(5) When net contents are stated either in metric measures or in both metric and U.S. fluid measures, statements required by the subpart, except brand names, shall be in script, type, or printing not smaller than 2 millimeters (or 8-point gothic until January 1, 1983), except that, in the case of labels on bottles of 200 milliliters or less capacity such script, type, or printing shall not be smaller than 1 millimeter (or 6-point gothic until January 1, 1983).

\* \* \* \* \*

Par. 15. Section 5.39 is amended by retaining paragraph (b) which was to be effective until January 1, 1983; and redesignating paragraph (b) which was to become effective January 1, 1983 as paragraph (c). As revised, § 5.39(b) and (c) read as follows:

**§ 5.39 Presence of neutral spirits and coloring, flavoring, and blending materials.**

(a) \* \* \*

**(b) Coloring materials.**

The words "artificially colored" shall be stated on the label of any distilled spirits containing synthetic or natural materials which primarily contribute color, or when the label conveys the impression that the color is derived from a source other than the actual source, except that:

(1) If no coloring material other than natural flavoring material has been added, there may be stated in lieu of the words "artificially colored" a truthful and adequate statement of the source of the color;

(2) If no coloring material other than those certified as suitable for use in foods by the Food and Drug Administration has been added, there may be stated in lieu of the words "artificially colored," the words "certified color added"; and

(3) If no coloring material other than caramel has been added, there may be stated in lieu of the words "artificially colored," the words "colored with caramel," or a substantially similar statement, but no such statement is required for the use of caramel in brandy, rum, or tequila, or in any type of whisky other than straight whisky.

(c) *Treatment with wood.* The words "colored and flavored with wood — (insert chips, slabs, etc., as appropriate)" shall be stated as a part of the class and type designation for whisky and brandy treated, in whole or in part, with wood through percolation, or otherwise, during distillation or storage, other than through contact with the oak container.

**§ 5.39 [Removed]**

Par. 16. Section 5.39a is removed in its entirety.

\* \* \* \* \*

**Subpart F—Requirements for Withdrawal From Customs Custody of Bottled Imported Distilled Spirits**

Par. 17. Section 5.51 is amended by removing paragraphs (b) and (f) in their entirety; by removing paragraphs (c)(1) through (4) in their entirety; by removing references to the Form 1649 Supplemental in paragraphs (c) and (d); and redesignating paragraphs (c), (d), and (e) as (b), (c), and (d) respectively. As revised, § 5.51 (b) and (c) read as follows:

**§ 5.51 Label approval and release.**

\* \* \* \* \*

(b) *Release.* If the original or photostatic copy of Form 1649 bears the signature of the Director, then the brand

or lot of distilled spirits bearing labels identical with those shown thereon may be released from U.S. Customs custody.

(c) *Relabeling.* Imported distilled spirits in U.S. Customs custody which are not labeled in conformity with certificates of label approval issued by the Director must be relabeled prior to release under the supervision of the Customs officers of the port at which the spirits are located.

(d) *Statements of process.*

\* \* \* \* \*

**Subpart G—Requirements for Approval of Labels of Domestically Bottled Distilled Spirits**

Par. 18. Section 5.55 is amended by revising paragraph (a); removing paragraphs (b) and (c) in their entirety; by redesignating paragraphs (d) and (e) as (b) and (c); and by deleting references to paragraphs (b) and (c). As revised, § 5.55 (a) and (b) read as follows:

**§ 5.55 Certificates of label approval.**

(a) *Requirement.* Distilled spirits shall not be bottled or removed from a plant, except as provided in paragraph (b) of this section, unless the proprietor possesses a certificate of label approval, Form 1649, covering the labels on the bottle, issued by the Director pursuant to application on such form. Application for certificates of label approval covering labels for imported gin bearing the word "distilled" as a part of the designation shall be accompanied by a statement prepared by the manufacturer setting forth a step-by-step description of the manufacturing process.

(b) *Exemption.* Any bottler of distilled spirits shall be exempt from the requirements in paragraph (a) of this section and § 5.56 if the bottler possesses a certificate of exemption from label approval, Form 1650, issued by the Director pursuant to application on Form 1648 showing that the distilled spirits to be bottled are not to be sold, offered for sale, or shipped or delivered for shipment, or otherwise introduced into interstate or foreign commerce.

(c) *Miscellaneous.* \* \* \*

**PART 7—LABELING AND ADVERTISING OF MALT BEVERAGES**

Par. 19. The table of sections to 27 CFR Part 7, Subpart C is revised to remove § 7.27a.

**Subpart A—Scope**

Par. 20. Section 7.10 is amended to remove, in alphabetical order, the definitions of "Additive (Adjunct)", "Artificial flavor or artificial flavoring", "Essential component", "Incidental

additive (Incidental adjunct)", "Ingredient", and "Natural flavor or natural flavoring".

**Subpart C—Labeling Requirements for Malt Beverages**

**§ 7.22 [Amended]**

Par. 21. Section 7.22 is amended by removing paragraph (c) in its entirety.

**§ 7.27a [Amended]**

Par. 22. Section 7.27a is removed in its entirety.

Par. 23. Section 7.28 is amended by removing the references to the ingredient list in paragraphs (b)(1)(i) and (b)(2)(i); and by removing paragraphs (b)(1)(iii) and (b)(2)(iii). As revised, § 7.28 (b)(1)(i) and (b)(2)(i) read as follows:

**§ 7.28 General requirements.**

\* \* \* \* \*

**(b) Size of type. \* \* \***

(1) \* \* \*

(i) All mandatory information required on labels by this part, except alcoholic content statements, shall be in script, type, or printing not smaller than 2 millimeter (or 8-point gothic until January 1, 1983); except that if contained among other descriptive or explanatory information, the script, type, or printing of all mandatory information shall be of a size substantially more conspicuous than that of the descriptive or explanatory information.

\* \* \* \* \*

(2) \* \* \*

(i) All mandatory information required on labels by this part, except alcoholic content statements, shall be in script, type, or printing not smaller than 1 millimeter (or 6 point gothic until January 1, 1983); except that if contained among other descriptive or explanatory information, the script, type, or printing of all mandatory information shall be of a size substantially more conspicuous than that of the descriptive or explanatory information.

\* \* \* \* \*

**Subpart E—Requirements for Withdrawal of Imported Malt Beverages from Customs Custody**

Par. 24. Section 7.31 is amended to remove references to the Form 1649 Supplemental in paragraphs (c) and (d); to remove paragraphs (b) and (e) in their entirety; to remove (c) (1) through (4) in their entirety; and to redesignate paragraphs (c) and (d) as (b) and (c). As revised, § 7.31 (b) and (c) read as follows:

**§ 7.31 Label approval and release.**

\* \* \* \* \*

(b) *Release.* If the original or photostatic copy of Form 1649 bears the signature of the Director, then the brand or lot of imported malt beverages bearing labels identical with those shown thereon may be released from U.S. Customs custody.

(c) *Relabeling.* Imported malt beverages in U.S. Customs custody which are not labeled in conformity with certificates of label approval issued by the Director must be relabeled, prior to release, under the supervision and direction of the U.S. Customs officers of the port at which the malt beverages are located.

### Subpart E—Requirements for Approval of Labels of Malt Beverages Domestically Bottled or Packed

Par. 25. Section 7.41 is revised by deleting references to the ingredient list in paragraph (a); and by deleting paragraph (b). As revised, § 7.41 reads as follows:

**§ 7.41 Certificates of label approval.**

No person shall bottle or pack malt beverages, or remove malt beverages from the plant where bottled or packed unless application is made to the Director, and an approved certificate of label approval, Form 1649, is issued by the Director.

Signed: October 8, 1981.

G. R. Dickerson,  
Director.

Approved: October 27, 1981.

John M. Walker, Jr.,  
Assistant Secretary, Enforcement and Operations.

[FR Doc. 81-32318 Filed 11-5-81; 8:45 am]

BILLING CODE 4810-31-M

## VETERANS ADMINISTRATION

### 38 CFR Part 3

#### Income and Net Worth Questionnaires

AGENCY: Veterans Administration.

ACTION: Final regulations.

**SUMMARY:** The Veterans Administration has amended its regulation governing discontinuance of improved pension and dependency and indemnity compensation (DIC) for failure to file an income questionnaire. This amendment permits the VA to discontinue these benefits for failure to file an income questionnaire on the first day of the year for which income was to be reported.

**EFFECTIVE DATE:** October 14, 1981.

### FOR FURTHER INFORMATION CONTACT:

T. H. Spindle, Jr. (202) 389-3005.

**SUPPLEMENTARY INFORMATION:** On July 28, 1981 the Veterans Administration published a proposed amendment to 38 CFR 3.661(b). See 46 FR 38539 (1981). Interested persons were invited to submit comments, suggestions or objections to the proposed amendment. We received none. The amendment to § 3.661(b) is adopted as proposed.

The Administrator hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (RFA), 5 U.S.C. 601-612. Pursuant to 5 U.S.C. 605(b), this final rule is therefore exempt from the initial and final regulatory flexibility analyses requirements of sections 603 and 604. The reason for this certification is that this regulation applies to individuals in receipt of pension or dependency and indemnity compensation. It will have no significant impact on small entities in terms of compliance costs, recordkeeping requirements, or effects on competition.

In accordance with Executive Order 12291, Federal Regulation, we have determined that this regulation change, in itself, is nonmajor for the following reasons:

(1) It will not have an effect on the economy of \$100 million or more.

(2) It will not cause a major increase in costs or prices.

(3) It will not have significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

(The Catalog of Federal Domestic Assistance program numbers are 64.104, 64.105 and 64.110)

Approved: October 14, 1981.

Robert P. Nimmo,  
Administrator.

### PART 3—ADJUDICATION

In § 3.661, paragraph (b) is revised to read as follows:

**§ 3.661 Income and net worth questionnaires.**

\* \* \* \* \*

(b) *Failure to return questionnaire.* (1) *Section 306 and old-law pension—(i) Discontinuance.* Discontinuance of old-law or section 306 pension shall be effective the last day of the year for which income (and net worth in a section 306 pension case) was to be reported.

(ii) *Resumption of benefits.* Payment of old-law or section 306 pension may be

resumed, if otherwise in order, from the date of last payment if evidence of entitlement is received within the year following the year for which income (and net worth in a section 306 pension case) was to be reported; otherwise pension may not be paid for any period prior to the date of receipt of a new claim.

(2) *Improved pension and dependency and indemnity compensation—(i) Discontinuance.* Discontinuance of dependency and indemnity compensation (DIC) or improved pension shall be effective the first day of the year for which income (and net worth in an improved pension case) was to be reported or the effective date of the award, whichever is the later date.

(ii) *Adjustment of overpayment.* If evidence of entitlement to improved pension or DIC for any period for which payment of improved pension or DIC was discontinued for failure to file an income questionnaire is received at any time, payment of improved pension or DIC shall be awarded for the period of entitlement for which benefits were discontinued for failure to file an income questionnaire.

(iii) *Resumption of benefits.* Payment of improved pension and DIC may be resumed, if otherwise in order, from the date of last payment if evidence of entitlement is received within the year following the year for which income (and net worth in an improved pension case) was to be reported; otherwise pension or DIC may not be paid for any period prior to receipt of a new claim.

(38 U.S.C. 210(c))

[FR Doc. 81-32213 Filed 11-5-81; 8:45 am]

BILLING CODE 8320-01-M

## • ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

[A-4-FRL-1958-4]

**Approval and Promulgation of Implementation Plans; South Carolina: Alternative Emission Reduction Options**

AGENCY: Environmental Protection Agency.

ACTION: Final rule.

**SUMMARY:** On June 17, 1981, the South Carolina Department of Health and Environmental Control (DHEC) submitted a State Implementation Plan (SIP) revision containing Air Pollution Control Standard No. 6—Alternative Emission Reduction Options, more commonly known as the "Bubble" concept. EPA has reviewed this submittal and found that it meets all applicable requirements. Therefore, the