

the loan and purchase level for soybeans for subsequent years.

Section 201(i)(5) of the 1949 Act provides that the Secretary shall make a preliminary announcement of the level of price support for a crop of soybeans not earlier than 30 days prior to September 1, the beginning of the soybean marketing year, based upon the latest information and statistics then available. The Secretary must make a final announcement of such level as soon as full information and statistics are available. The final announcement of the level of price support must be made no later than October 1 of the marketing year to which the announcement is applicable and cannot be less than the level set forth in the preliminary announcement. The level announced in the preliminary announcement was \$4.77 per bushel.

Ending stocks of soybeans for the 1986-87 marketing year are expected to be approximately 480 million bushels, an amount considered to be excessive. Maintaining the price support level for the 1987 crop of soybeans at \$5.02 per bushel would likely result in ending stocks of approximately 507 million bushels for the 1987-88 marketing year since such a support level would discourage the exportation of soybeans and to a lesser degree, result in lower domestic use of soybeans. Based upon the 1987 estimated production of soybeans, a \$4.77 per bushel price support level would likely result in ending stocks of approximately 480 million bushels for the 1987-1988 marketing year.

As compared to a \$5.02 per bushel price support level, a \$4.77 per bushel price support level would increase the export of soybeans about 3 percent and also increase slightly the domestic use of soybeans. The price support level for the 1987 crop of corn has been established at \$1.82 per bushel. Establishing a 1987 soybean price support level of \$5.02 per bushel, with a \$1.82 per bushel price support level for corn, would result in an adverse distortion of the historical corn/soybean price relationship and result in an adverse impact on the use of soybeans. However, a 1987 soybean price support level of \$4.77 per bushel would better maintain this normal corn/soybean price relationship. Accordingly, the 1987-crop soybean price support level is \$4.77 per bushel, the same as the price support level for the 1986 crop.

Section 201(i)(3) of the 1949 Act provides that, if the Secretary determines that such action will assist in maintaining the competitive relationship of soybeans in domestic and export markets after taking into consideration the cost of producing soybeans, supply and demand

conditions, and world prices for soybeans, the Secretary may permit a producer to repay a loan for a crop at a level that is the lesser of (1) the announced loan level for such crop or (2) the prevailing world market price for soybeans, as determined by the Secretary. If the Secretary permits a producer to repay a loan as described above, the Secretary shall prescribe by regulation (1) a formula to define the prevailing world market price for soybeans and (2) a mechanism by which the Secretary shall announce periodically the prevailing world market price for soybeans.

Section 1009(a) of the Food Security Act of 1985 provides that whenever the Secretary determines that an action authorized by section 1009(c), (d) or (e) will reduce the total of the direct and indirect costs to the Federal Government of a commodity program administered by the Secretary without adversely affecting income to small and medium sized producers participating in such programs, the Secretary shall take such action with respect to that commodity program. These actions include: (1) The commercial purchases of commodities by the Secretary; (2) the settlement of nonrecourse loans at an amount less than the total of the principal loan amount and accumulated interest, but not less than the principal amount, if such action will result in: (A) Receipt of a portion rather than none of the accumulated interest; (B) avoidance of default of the loan; and (C) elimination of storage, handling and carrying charges on the forfeited loan collateral; and (3) the reopening of a production control or loan program established for a crop at any time prior to harvest of such crop for the purpose of accepting bids from producers for the conversion of acreage planted to a program crop to diverted acreage in return for in-kind payments if the Secretary has determined that: (1) Changes in domestic or world supply or demand conditions have substantially changed after announcement of the program for that crop and (2) without action to further adjust production, the Federal Government and producers will be faced with a burdensome and costly surplus. Such payments are not subject to the maximum payment limitation provision of section 1001 of the Food Security Act of 1985 but are limited to \$20,000 per year per producer for any one commodity.

Accordingly, the following determinations have been made.

Determinations

A. Price Support Level

The price support level for the 1987

crop of soybeans shall be \$4.77 per bushel.

B. Marketing Loan

A marketing loan will not be implemented with respect to the 1987 crop of soybeans.

C. Cost Reduction Options

The decision to implement any cost reduction option will be made at a later date.

(Sec. 201(i), Agricultural Act of 1949, as amended, 63 Stat. 1052, as amended (7 U.S.C. 1446(i)))

Signed at Washington, DC, on September 24, 1987.

Richard E. Lying,

Secretary.

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Packers and Stockyards Administration

Certification of Central Filing System; New Hampshire

The Statewide central filing system of New Hampshire is hereby certified, pursuant to section 1324 of the Food Security Act of 1985, on the basis of information submitted by Christopher Morgan, Assistant Secretary of State, for all farm products produced in that State.

This is issued pursuant to authority delegated by the Secretary of Agriculture.

Authority: Sec. 1324(c)(2), Pub. L. 99-198, 99 Stat. 1535, 7 U.S.C. 1631(c)(2); 7 CFR 2.17(e)(3), 2.56(a)(3), 51 FR 22795.

Dated: September 29, 1987.

B. H. (Bill) Jones,

Administrator, Packers and Stockyards Administration.

[FR Doc. 87-22956 Filed 10-2-87; 8:45 am]

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Certification of Central Filing System; South Dakota

The Statewide central filing system of South Dakota is hereby certified, pursuant to section 1324 of the Food Security Act of 1985, on the basis of information submitted by Thomas G. Leckey, Deputy Secretary of State, for all farm products produced in that State except timber to be cut.

This is issued pursuant to authority delegated by the Secretary of Agriculture.

Authority: Sec. 1324(c)(2), Pub. L. 99-198, 99 Stat. 1535, 7 U.S.C. 1631(c)(2); 7 CFR 2.17(e)(3), 2.56(a)(3), 51 FR 22795.

Dated: September 29, 1987.

B.H. (BILL) Jones,

Administrator, Packers and Stockyards Administration.

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