

the March 16, 1984 issue of the Federal Register beginning on page 9865:

1. On page 9889, middle of page, third column, remove the table from

§ 1800.67(a)(1) and insert the following new Tables I and II in its place:

Bureau of Alcohol, Tobacco and Firearms

27 CFR Part 9

[T.D. ATF-170; Ref: Notice No. 484]

The Umpqua Valley Viticultural Area

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

ACTION: Final rule, Treasury decision.

SUMMARY: As the result of a petition, this final rule establishes a viticultural area in Douglas County, Oregon, to be known as "Umpqua Valley." The Bureau of Alcohol, Tobacco and Firearms (ATF) believes the establishment of Umpqua Valley as a viticultural area and its subsequent use as an appellation of origin on wine labels and in wine advertisements will allow wineries to better designate where their wines come from and will enable consumers to better identify the wines from this area. **EFFECTIVE DATE:** April 30, 1984.

FOR FURTHER INFORMATION CONTACT: Robert L. White, Regulations and Procedures Division, Bureau of Alcohol, Tobacco and Firearms, Washington, DC 20226 (202-566-7531).

SUPPLEMENTARY INFORMATION:

Background

On August 23, 1978, ATF published Treasury Decision ATF-53 (43 FR 37672, 54624) revising regulations in 27 CFR Part 4. These regulations allow the establishment of definite viticultural areas. The regulations also allow the name of an approved viticultural area to be used as an appellation of origin on wine labels and in wine advertisements.

On October 2, 1979, ATF published Treasury Decision ATF-60 (44 FR 56692) which added a new Part 9 to 27 CFR, for the listing of approved American viticultural areas.

Section 4.25a(e)(1), Title 27, CFR, defines an American viticultural area as a delimited grape-growing region distinguishable by geographical features. Section 4.25a(e)(2) outlines the procedures for proposing an American viticultural area. Any interested person may petition ATF to establish a grape-growing region as a viticultural area.

Mr. David B. Adelsheim, Chairman of the Appellation Committee, Oregon Winegrowers Association, petitioned ATF to establish a viticultural area in Douglas County, Oregon, to be known as "Umpqua Valley." This viticultural area is located entirely within Douglas County in the southwestern part of the State and consists of approximately 768,000 acres. There are five wineries

TABLE I

Building type	Assistance as percentage of improvement cost	Maximum assistance			
		1-family building	2-family building	3-family building	4-family building
One- to four-family residential building. Annual income of recipient:					
80 percent or less of median area income.....	50 percent up to.....	\$1,250	\$2,000	\$2,750	\$3,500
80-100 percent of median area income.....	35 percent up to.....	875	1,400	1,925	2,450
100-120 percent of median area income.....	30 percent up to.....	750	1,200	1,650	2,100
120-150 percent of median area income.....	20 percent up to.....	500	800	1,100	1,440
Over 150 percent of median area income.....	20 percent up to.....	(¹)	(²)	(²)	(²)

¹ \$400 for a non-occupant owner.

² \$400 per dwelling unit for an owner.

TABLE II

Building type	Assistance as percentage of improvement cost	Maximum assistance
Multifamily residential building.....	20 percent up to.....	(¹)
Agricultural or commercial building.....	20 percent up to.....	\$5,000

¹ \$400 for a tenant with annual income not in excess of 150% of median area income; \$400 per dwelling unit for an owner.

Authority: Secs. 506(e) and 520, Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3604(e) and 3618).

Dated: March 23, 1984.

Grady J. Norris,

Assistant General Counsel for Regulations.

[FR Doc. 84-8420 Filed 3-28-84; 8:45 am]

BILLING CODE 4210-32-M

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

25 CFR Part 11

Law and Order on Indian Reservations; Listing of Courts of Indian Offenses

Correction

In FR Doc. 84-5304 beginning on page 7365 in the issue of Wednesday, February 29, 1984, make the following corrections.

On page 7366, first column, in § 11.1(a), insert "(8) Kaibab (Arizona)." between paragraphs (7) and (9).

In the second column in the file line, "FR Doc. 84-5304" should read "FR Doc. 84-5303".

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[T.D. 7947]

Income Tax; Taxable Years Beginning After December 31, 1953; Deduction for Motor Carrier Operating Authorities

Correction

In FR Doc. 84-5935 beginning on page 8246 in the issue of Tuesday, March 6, 1984, make the following corrections.

1. On page 8248, first column, third line of § 1.9200-1(c)(1)(ii), "paragraph (c)(1)(ii)" should have read "paragraph (c)(1)(i)".

2. On page 8249, second column, § 1.9200-1(g), eighteenth line of example (1)(iv), "\$30,000" should have read "\$130,000".

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and approximately 334 acres of grapes scattered throughout the area. In response to this petition, ATF published a notice of proposed rulemaking, Notice No. 484, in the Federal Register on September 16, 1983 (48 FR 41604), proposing the establishment of the Umpqua Valley viticultural area.

Comments

No comments were received during the comment period. ATF has received no information from any source indicating opposition to the petition.

General Information

In *The Winemakers* by Purser and Allen, the beginnings of viticulture in the Umpqua Valley are traced to Jesse Applegate who planted 40 acres of grapes in 1876 that were probably sold as table grapes. The Von Pessl brothers planted the first vinifera vines soon after, having brought cuttings from St. Helena and Lodi, California. The brothers grew Zinfandel, Riesling, and Sauvignon, made wine for home use, and also ran a distillery. Adam Doerner visited the Von Pessls in 1888, worked for the Beringers in St. Helena, then returned to the Umpqua Valley to grow Sauvignon and Riesling grapes. The winery he started continued to produce wine up until 1965 (selling most to home winemakers during Prohibition) under Adam's son and grandson.

Leon Adams, in *The Wines of America*, calls Richard Sommer the father of Oregon's current wine industry. The following quote is from Adams' book: "Remembering what Dr. Amerine (University of California at Davis professor) had taught, that the finest wine grapes in California are grown in the cooler districts, Sommer went where it is still cooler, to Oregon. He went * * * north, testing the grapes in each locality. At Roseburg in the Umpqua Valley he found some Zinfandels in the 80-year-old Doerner's Winery vineyard that tested right. In 1961 he bought a hillside farm * * * ten miles west of Roseburg, planted vines from the Napa Valley, and bonded his winery two years later." In the 22 years since that time, winegrape acreage in the Umpqua Valley has grown considerably. In the period between 1981 and 1983, vineyard acreage increased by about 201 acres. This is an increase of about 151 percent in two years and shows that this area is a rapidly developing grape-growing area.

Evidence Relating to the Name

The name "Umpqua Valley" is the name used in both academic and consumer-oriented wine and viticulture books to refer to the section of Douglas

County where grapes are grown. *The Wines of America* by Leon Adams, McGraw-Hill Book Co., 1978, *Northwest Wine* by Ted Meredith, Nexus Press, 1980, and *Touring The Wine Country of Oregon* by Ronald and Glenda Holden, 1982, all make extensive mention of viticulture in the Umpqua Valley. In *The Winemakers* by Purser and Allen, Harbor House Publishing Ltd., 1977, the authors interchange "Umpqua Valley" with the more prosaic "Hundred Valleys of the Umpqua."

Umpqua Valley has been in use on approved wine labels since 1954, and became one of three appellations of origin approved for use on Oregon wines by the Oregon Liquor Control Commission in 1976. That appellation was defined, using political boundaries, as being all of Douglas County. Those county lines coincide almost exactly with the boundary of the Umpqua River basin. However, only the center, intermountain lowland section of that basin is cultivable. Consequently, the boundaries of the viticultural area have been drawn to coincide with this center, intermountain lowland section.

Historical/Current Evidence of Boundaries

Umpqua is a historic name in the State of Oregon. It was used by the Indians to refer to the locality of the Umpqua River and the name came to be applied both to the river and to an Indian tribe. The territorial legislature created an "Umpqua County" on January 24, 1851. It ceased to exist on October 16, 1862, its area having been added to Douglas and Lane Counties. The Hudson's Bay Company had an establishment in the Umpqua Valley as early as 1832, probably on Calapooya Creek. It was generally called Old Fort Umpqua, and Umpqua City was established near Reedsport in 1850 but gradually died out by 1867. The present Umpqua Post Office is on the Umpqua River, near the mouth of Calapooya Creek. It was originally known as Umpqua Ferry when it was established in 1877.

Contemporary attempts to define an "Umpqua Valley" viticultural area include the previously mentioned Oregon Liquor Control Commission-approved appellation and "Wine-Grape Adaptation to Oregon Climates" by Warren Aney in the *Proceedings* of the Oregon Horticultural Society, 1974. Mr. Aney used various climatological factors to isolate an oval-shaped area around Roseburg, 33 miles wide and 70 miles long, stretching from Elkton in the north to Canyonville in the south. A recent unpublished proposal by the same author (February 25, 1982)

identifying various potential viticultural areas in the Pacific Northwest, defined the "Umpqua subregion" as "that part of the Umpqua basin above Elkton having—

- (a) An elevation not greater than 300 meters (1,000 feet);
- (b) An expected 20-year minimum not lower than minus 20 degrees Celsius (minus four degrees Fahrenheit);
- (c) A growing season at least 180 days long; and
- (d) At least 2,000 degrees-days from April through October."

A map of donation land claims (free land given to settlers by 1855) in the *Atlas of Oregon*, University of Oregon Books, 1976, page 8, and a map compiled from LANDSAT satellite photographs, found on page 23 of the same book, both clearly isolate the agricultural intermountain lowlands of the Umpqua basin from the surrounding forested coastal and Cascade Mountain regions. The most accurate map showing the cultivable land in the Umpqua River basin is the two-part General Soil Map contained in Appendix I-16, "Umpqua Drainage Basin," to *Oregon's Long-Range Requirements for Water*, State Water Resources Board, Salem, 1969. It divides all of the land in the central part of the basin into five classes of irrigation suitability, from excellent to very poor (non-irrigable), based on slope and soil type. In defining the boundaries of the viticultural area, we have tried to include all areas with soils in Classes I-IV in the central part of the basin, i.e., from Scottsburg upstream.

Geographical Evidence

In accordance with 27 CFR 4.25a(e)(2), the viticultural area should possess geographical features which distinguish the viticultural features of the area from surrounding areas.

The petition and attached documents contained substantial geographic and climatic information which show that:

- (a) The Umpqua Valley viticultural area is basically the intermountain lowlands section of the Umpqua basin. It is bounded on the west and north by the Coast Range Mountains. The Klamath Mountains form the southern boundary and the Cascade Mountains the eastern. The area is separated from the Willamette Valley by an 800 foot divide at the Douglas/Lane County line. In comparison, the surrounding area is generally steeper and more rugged.
- (b) The 1,000-foot contour line was chosen as the basic boundary of the viticultural area because elevation seems to be a fairly reliable indicator of suitability for cultivation. At the 1,000-foot level, low slopes turn into steep

slopes and become less hospitable to horticulture. Above the 1,000-foot contour line there is a noticeable difference in climate, soils, topography and vegetation. In addition, there are a few sections of the region below the 1,000-foot elevation, particularly south of the Umpqua River between Elkton and Scottsburg, which contain no cultivable soils. These have been excluded from the viticultural area. Similarly, in the Cascade foothills, the upper sections of the valleys of the North Umpqua River and Calapooya Creek have been excluded for lack of irrigable land.

(c) The soils reflect the complex geology of the region. In the flood plains of the Umpqua River and its tributaries, there is much recent alluvial material which is slightly acidic and well-drained. The flood plains are intensively used for irrigated specialty crops, including grapes. In comparison, the surrounding area is not part of the flood plains and consequently its soil is quite different.

(d) The climate of the Umpqua basin is characterized by cool winters, warm summers, and high annual precipitation with a definite summer deficiency. The mean January temperature at Roseburg is 41 degrees Fahrenheit and the July mean is 67 degrees Fahrenheit. The frost-free period averages 230 days and the April through October degree-day index is 2,380 which establishes this growing area as Region I as classified by the University of California at Davis system of heat summation by degree-days. This area has slightly greater annual temperature ranges than the Willamette Valley to the north and the coastal areas to the west.

Boundaries

The boundaries proposed by the petitioner are adopted. An exact description of these boundaries is discussed in the regulations portion of this document. ATF believes that these boundaries delineate an area with distinguishable geographic and climatic features.

Miscellaneous

ATF does not wish to give the impression by approving the Umpqua Valley viticultural area that it is approving or endorsing the quality of the wine from this area. ATF is approving this area as being distinct from surrounding areas, not better than other areas. By approving the area, wine producers are allowed to claim a distinction on labels and advertisements as to origin of the grapes. Any commercial advantage gained can only

come from consumer acceptance of Umpqua Valley wines.

Executive Order 12291

It has been determined that this final regulation is not a "major rule" within the meaning of Executive Order 12291, 46 FR 13193 (February 17, 1981), because it will not have an annual effect on the economy of \$100 million or more; it 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 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.

Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act relating to an initial and final regulatory flexibility analysis (5 U.S.C. 603, 604) are not applicable to this final rule because the final rule will not have a significant economic impact on a substantial number of small entities. The final rule will not impose, or otherwise cause, a significant increase in the reporting, recordkeeping, or other compliance burdens on a substantial number of small entities. The final rule is not expected to have significant secondary or incidental effects on a substantial number of small entities.

Accordingly, it is hereby certified under the provisions of section 3 of the Regulatory Flexibility Act (5 U.S.C. 605(b)), that this final rule will not have a significant economic impact on a substantial number of small entities.

Paperwork Reduction Act

The provisions of the Paperwork Reduction Act of 1980, Pub. L. 96-511, 44 U.S.C. Chapter 35, and its implementing regulations, 5 CFR Part 1320, do not apply to this final rule because no requirement to collect information is imposed.

Disclosure

A copy of the petition and comments, along with the appropriate maps with boundaries marked, are available for inspection during normal business hours at the following location: ATF Reading Room, Room 4407, Office of Public Affairs and Disclosure, 12th & Pennsylvania Avenue, NW, Washington, DC.

Drafting Information

The principal author of this document is Robert L. White, Regulations and

Procedures Division, Bureau of Alcohol, Tobacco and Firearms.

List of Subjects in 27 CFR Part 9

Administrative practice and procedure, Consumer protection, Viticultural areas, Wine.

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 Part 9 is amended as follows:

PART 9—AMERICAN VITICULTURAL AREAS

Paragraph 1. The table of sections in 27 CFR Part 9, Subpart C, is amended to add the title of § 9.89. As amended, the table of sections reads as follows:

Subpart C—Approved American Viticultural Areas

Sec.	*	*	*	*	*
9.89					Umpqua Valley.

Par. 2. Subpart C is amended by adding § 9.89. As amended, Subpart C reads as follows:

Subpart C—Approved American Viticultural Areas

*	*	*	*	*
§ 9.89				Umpqua Valley.

(a) *Name.* The name of the viticultural area described in this section is "Umpqua Valley."

(b) *Approved maps.* The appropriate maps for determining the boundaries of the Umpqua Valley viticultural area are two U.S.G.S. maps. They are titled:

- (1) "Roseburg," scale 1:250,000 (1958, revised 1970); and
- (2) "Medford," scale 1:250,000 (1955, revised 1976).

(c) *Boundaries.* The Umpqua Valley viticultural area is located entirely within Douglas County, Oregon, which is in the southwest part of the State. The beginning point is the intersection of Interstate Highway 5 with the Douglas/Lane County line in Township 21 South (T21S), Range 4 West (R4W) on the "Roseburg" map.

(1) From the beginning point, the boundary proceeds north along the Douglas/Lane County line approximately .5 miles to the the 1,000-foot contour line;

(2) Thence northwest along the 1,000-foot contour line to the Douglas/Lane County line; thence west along the Douglas/Lane County line approximately 2.5 miles, returning to the 1,000-foot contour line; thence in a

generally westerly direction along the 1,000-foot contour line to the R9W/R10W range line;

(3) Thence south along the R9W/R10W range line approximately 2.75 miles to the center of the Umpqua River; thence along a straight line in an easterly direction approximately 6.25 miles to the intersection of range line R8W/R9W with the center of the Umpqua River; thence south along range line R8W/R9W approximately 3.5 miles to its intersection with township line T22S/T23S;

(4) Thence southeast approximately 8.5 miles along a straight line to the intersection of township line T23S/T24S with range line R7W/R8W; thence south along the R7W/R8W range line approximately 8 miles to its intersection with the 1,000-foot contour line; thence in a southeasterly direction in a straight line approximately 3.5 miles toward the intersection of township line T25S/T26S with range line R6W/R7W, returning to the 1,000-foot contour line;

(5) Thence in a southerly direction along the 1,000-foot contour line to the intersection of township line T27S/T28S with range line R7W/R8W; thence in a southwesterly direction in a straight line approximately 3.5 miles toward the intersection of township line T28S/T29S with range line R8W/R9W, returning to the 1,000-foot contour line; thence south along the 1,000-foot contour line to its intersection with township line T29S/T30S;

(6) Thence east along township line T29S/T30S approximately .33 miles, rejoining the 1,000-foot contour line; thence in a northerly and eventually a southerly direction along the 1,000-foot contour line past the town of Riddle on the "Medford" map to range line R6W/R7W; thence south along the R6W/R7W range line approximately .5 miles back to the 1,000-foot contour line;

(7) Thence in an easterly, westerly, and eventually a northerly direction along the 1,000-foot contour line to a point approximately 3.5 miles east of Dillard, where the contour line crosses Interstate Highway 5 on the "Roseburg" map; thence northeast along Interstate Highway 5 approximately .25 mile, returning to the 1,000-foot contour line; thence in a generally northeasterly, southeasterly, northwesterly, and eventually a northeasterly direction along the 1,000-foot contour line past the town of Idleyld Park to the R2W/R3W range line;

(8) Thence north along range line R2W/R3W approximately 1.75 miles to the T25S/T26S township line; thence west along township line T25S/T26S approximately .25 mile, returning to the 1,000-foot contour line; thence in a

generally westerly and then a northerly direction along the 1,000-foot contour line up the valley of Calapooya Creek to the R3W/R4W range line; thence north along range line R3W/R4W approximately 2.25 miles, back to the 1,000-foot contour line;

(9) Thence in a westerly and then a northerly direction along the 1,000-foot contour line to the T23S/T24S township line; thence east along the T23S/T24S township line approximately 2.75 miles to the 1,000-foot contour line; thence in a northerly direction along the 1,000-foot contour line to its intersection with the Douglas/Lane County line; thence north along the Douglas/Lane County line approximately .75 mile to the point of beginning.

Signed: January 24, 1984.

Stephen E. Higgins,
Director.

Approved: March 16, 1984.

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

[FR Doc. 84-6234 Filed 3-27-84; 1:20 PM]
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DEPARTMENT OF JUSTICE

28 CFR Part 0

[Tax Division Directive No. 47]

Organization of the Department of Justice; Appendix to Subpart Y—Redelegation of Authority To Compromise and Close Civil Claims; Redelegation of Authority To Compromise and Close Civil Claims

AGENCY: Tax Division, Department of Justice.

ACTION: Final rule.

SUMMARY: This directive gives the Attorney-in-Charge of the Dallas Field Office authority to accept offers in compromise in which the amount of the Government's concession, exclusive of statutory interest, does not exceed \$10,000, and to reject offers in compromise, regardless of amount. This directive supersedes Tax Division Directive No. 45. This revision is intended to simplify the Department's procedures.

EFFECTIVE DATE: March 29, 1984.

FOR FURTHER INFORMATION CONTACT: Mildred L. Seidman, Tax Division, Department of Justice, Washington, D.C. 20530, (202) 724-6567.

SUPPLEMENTARY INFORMATION: The Assistant Attorney General for the Tax Division has determined that this directive is not a rule within the

meaning of Executive Order 12231 or the Regulatory Flexibility Act.

List of Subjects in 28 CFR Part 0

Administrative practice and procedure; Authority delegations (Government agencies).

PART 0—[AMENDED]

In appendix to Subpart Y—Redelegation of Authority to Compromise and Close Civil Claims, Tax Division Directive No. 45 is deleted and Directive No. 47 is added as follows:

[Directive No. 47]

By virtue of the authority vested in me by Part 0 of Title 28 of the Code of Federal Regulations, particularly §§ 0.70, 0.160, 0.162, 0.164, 0.166, and 0.168, it is ordered as follows:

Section 1. The Chiefs of the Civil Trial Sections, the Claims Court Section, and the Appellate Section and the Attorney-in-Charge of the Dallas Field Office are authorized to reject offers in compromise, regardless of amount, provided that such action is not opposed by the agency or agencies involved.

Sec. 2. Subject to the conditions and limitations set forth in Section 8 hereof, the Chiefs of the Civil Trial Sections and Claims Court Section are authorized to:

(A) Accept offers in compromise in all civil cases in which the amount of the Government's concession, exclusive of statutory interest, does not exceed \$200,000,

(B) Approve administrative settlements not exceeding \$100,000,

(C) Approve concessions (other than by compromise) of civil claims asserted by the Government in all cases in which the gross amount of the original claim does not exceed \$100,000,

(D) Accept offers in compromise in injunction or declaratory judgment suits against the United States in which the amount of the related liability, if any, does not exceed \$200,000, and

(E) Accept offers in compromise in all other nonmonetary cases,

provided that such action is not opposed by the agency or agencies involved, and provided further that the case is not subject to reference to the Joint Committee on Taxation.

Sec. 3. Subject to the conditions and limitations set forth in Section 8 hereof, the Chief of the Appellate Section is authorized to:

(A) Accept offers in compromise with reference to litigating hazards of the issues on appeal in all civil cases in which the amount of the Government's concession, exclusive of statutory interest, does not exceed \$200,000,

(B) Accept offers in compromise in declaratory judgment suits against the United States in which the amount of the related liability, if any, does not exceed \$200,000, and