

consumers as having quality characteristics.

Neither AMS nor the Committee have received any complaints regarding Marketing Order 945 or the regulations issued thereunder. The marketing order is not unduly complex. Except for 8e regulations, AMS has not identified any relevant Federal rules, or State and local regulations that duplicate, overlap, or conflict with the Idaho-Eastern Oregon potato marketing order. In its comment, the Committee states that the order is not complex, but adds that it is available to assist both regulated handlers and inspection personnel if there are any questions or problems regarding interpretation of the handling regulations issued under the marketing order.

AMS provides federal oversight of the order and, along with the Committee, monitors marketing operations on a continuing basis. AMS works with the Committee to be responsive to an ever-changing market. Changes in regulations are implemented to reflect current industry operating practices, and to solve marketing problems as they occur. The goal of these evaluations is to assure that the marketing order and the regulations implemented under it fit the needs of the industry and are consistent with the Act. The Committee commented that it meets at least twice annually to discuss the marketing order and the various regulations issued thereunder, and to determine if, or what, changes may be necessary to recommend to AMS to reflect current industry practices. As a result, regulatory changes have been made by AMS numerous times over the years to address industry operation changes and to improve program administration.

AMS will continue to work with the Idaho-Eastern Oregon potato industry in maintaining an effective marketing order program.

Dated: May 20, 2002.

Kenneth C. Clayton,

Acting Administrator, Agricultural Marketing Service.

[FR Doc. 02-13124 Filed 5-24-02; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 989

[Docket No. FV02-989-1 IFR]

Raisins Produced From Grapes Grown in California; Addition of a New Varietal Type and Quality Requirements for Other Seedless-Sulfured Raisins

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Interim final rule with request for comments.

SUMMARY: This rule adds a new varietal type of raisin under the Federal marketing order for California raisins (order). The order regulates the handling of raisins produced from grapes grown in California and is locally administered by the Raisin Administrative Committee (RAC). The order provides authority for volume and quality regulations that are imposed by varietal type. This action establishes and adds to the regulations a new varietal type (Other Seedless-Sulfured raisins), along with quality requirements for this varietal type. This is a new type of raisin being produced by some industry members.

DATES: Effective May 29, 2002. Comments received by July 29, 2002, will be considered prior to issuance of a final rule.

ADDRESSES: Interested persons are invited to submit written comments concerning this rule. Comments must be sent to the Docket Clerk, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue, SW Stop 0237, Washington, DC 20250-0237; Fax: (202) 720-8938, or E-mail:

moab.docketclerk@usda.gov. All comments should reference the docket number and the date and page number of this issue of the **Federal Register** and will be made available for public inspection in the Office of the Docket Clerk during regular business hours, or can be viewed at: <http://www.ams.usda.gov/fv/moab.html>.

FOR FURTHER INFORMATION CONTACT: Maureen T. Pello, Senior Marketing Specialist, California Marketing Field Office, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 2202 Monterey Street, suite 102B, Fresno, California 93721; telephone: (559) 487-5901, Fax: (559) 487-5906; or George Kelhart, Technical Advisor, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 1400

Independence Avenue, SW Stop 0237, Washington, DC 20250-0237; telephone: (202) 720-2491, Fax: (202) 720-8938.

Small businesses may request information on complying with this regulation by contacting Jay Guerber, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, room 2525-S, P.O. Box 96456, Washington, DC 20090-6456; telephone: (202) 720-2491, Fax: (202) 720-8938, or E-mail: Jay.Guerber@usda.gov.

SUPPLEMENTARY INFORMATION: This rule is issued under Marketing Agreement and Order No. 989 (7 CFR part 989), both as amended, regulating the handling of raisins produced from grapes grown in California, hereinafter referred to as the "order." The order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), hereinafter referred to as the "Act."

The Department of Agriculture (USDA) is issuing this rule in conformance with Executive Order 12866.

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. It is not intended to have retroactive intent. Under the order provisions now in effect, varietal types and quality requirements may be established for raisins acquired by handlers during the crop year. This rule establishes a new varietal type and quality requirements for Other Seedless-Sulfured raisins. This rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with USDA a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and request a modification of the order or to be exempted therefrom. Such handler is afforded the opportunity for a hearing on the petition. After the hearing USDA would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction to review USDA's ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

This rule adds a new varietal type of raisin under the order. The order

regulates the handling of raisins produced from grapes grown in California and is administered locally by the RAC. The order provides authority for volume and quality regulations that are imposed by varietal type. This action establishes, and adds to the regulations a varietal type (Other Seedless-Sulfured raisins), along with quality requirements, which is a new type of raisin being produced by some industry members. This action was recommended by the RAC at a meeting in August 2001, and discussed further at RAC meetings in September and November 2001. The RAC recommended that this rule apply to such raisins acquired during the 2001-02 crop year and forward. Changes to the import regulation will be made in a separate rule.

Varietal Type for Other Seedless-Sulfured Raisins

The order provides authority for volume and quality regulations that are imposed by varietal type. Section 989.10 of the order defines the term varietal type to mean raisins generally recognized as possessing characteristics differing from other raisins in a degree sufficient to make necessary or desirable separate identification and classification. That section includes a list of eight varietal types, and provides authority for the RAC, with the approval of USDA, to change this list. A description of these varietal types, along with additional varietal types, may be found in § 989.110 of the order's administrative rules and regulations. There are currently nine different varietal types of raisins listed in this section.

Some industry members have found a new market for raisins made by dehydrating sulfured red seedless grapes. These raisins do not fit into any of the current existing varietal types specified in § 989.110. Such raisins are similar to the Other Seedless varietal type, except they have been sulfured. Such raisins are also similar to the Golden Seedless varietal type, but may not meet the color requirements for Golden Seedless raisins. Golden Seedless raisins are made from green seedless grapes and are mostly yellowish green to greenish amber in color when sulfured. Red seedless grapes typically vary in color when sulfured.

Thus, the RAC recommended establishing, and adding to the regulations, a new varietal type—Other Seedless-Sulfured raisins. This will allow the RAC to consider Other Seedless-Sulfured raisins separate from other varietal types for the purpose of

volume and quality regulation, thereby recognizing distinct differences in supply and demand conditions, and raisin characteristics. Accordingly, a new paragraph (j) is added to § 989.110 to define Other Seedless-Sulfured as all raisins produced from Ruby Seedless, Kings Ruby Seedless, Flame Seedless and other seedless grapes not included in any of the varietal categories for Seedless raisins which have been artificially dehydrated and sulfured.

Quality Requirements for Other Seedless-Sulfured Raisins

This rule also adds quality requirements for Other Seedless-Sulfured raisins. Specifically, this rule adds: incoming quality requirements (which includes adding these raisins to the order's weight dockage system); a factor for converting between natural condition and processed weight; and outgoing quality requirements for Other Seedless-Sulfured raisins. The details of these changes are discussed below.

Incoming Quality Requirements

Section 989.58(a) of the order provides authority for quality control regulations whereby natural condition raisins that are delivered from producers to handlers must meet certain incoming quality requirements. Section 989.701 of the order's regulations specifies minimum grade and condition standards for natural condition raisins for each varietal type. Paragraph (b) of that section specifies requirements for two varietal types of raisins—Dipped Seedless and Oleate and Related Seedless raisins. The RAC determined that natural condition Other Seedless-Sulfured raisins are similar to these two varietal types and, therefore, it has been determined that they should have the same incoming quality requirements. Accordingly, paragraph (b) of § 989.701 is revised to include Other Seedless-Sulfured raisins.

Weight Dockage System

Section 989.58(a) also contains authority for handlers to acquire natural condition raisins that fall outside the tolerance established for maturity, which includes substandard raisins, under a weight dockage system. Handler acquisitions of raisins and payments to producers are adjusted according to the percentage of substandard raisins in a lot, or the percentage of raisins that fall below certain levels of maturity. Section 989.210(a) of the order's regulations lists the varietal types of raisins that may be acquired pursuant to a weight dockage system. Sections 989.212 and 989.213 contain tables with dockage factors applicable to lots of raisins that fall

outside the tolerances for substandard raisins and maturity, respectively, specified in § 989.701.

Because these raisins are similar to Dipped Seedless and Oleate and Related Seedless raisins, this rule adds Other Seedless-Sulfured raisins to the list contained in § 989.210(a), the substandard dockage table specified in § 989.212(b), the list regarding maturity in § 989.213(a), and to the maturity dockage tables in § 989.213(b) and (d). Additionally, this rule removes obsolete language contained in §§ 989.212 and 989.213 that was applicable to only the 1998–99 crop year.

Raisin Weight Conversion Table

Section 989.601 of the order's regulations specifies a list of conversion factors for raisin weights. The factors are used to convert the net weight of reconditioned raisins acquired by handlers as packed raisins to a natural condition weight. The net weight of the raisins after the completion of processing is divided by the applicable factor to obtain the natural condition weight. If the adjusted weight exceeds the original weight, the original weight is used. This rule adds Other Seedless-Sulfured raisins to that list, specifying a conversion factor of 0.95. These raisins are similar to Golden Seedless and Dipped Seedless for which 0.95 conversion factors are specified.

Outgoing Quality Requirements

Section 989.59 of the order provides authority for quality control regulations for raisins subsequent to their acquisition by handlers (outgoing requirements). Section 989.702 of the order's regulations specifies minimum grade standards for packed raisins. Paragraph (a) of that section specifies requirements for three varietal types—Natural (sun-dried) Seedless, Dipped Seedless, and Oleate and Related Seedless raisins. This rule revises paragraph (a) to add Other Seedless-Sulfured raisins.

Accordingly, Other Seedless-Sulfured raisins must meet the requirements of U.S. Grade C as defined in the United States Standards for Grades of Processed Raisins (§§ 52.1841 through 52.1858) issued under the Agricultural Marketing Act of 1946 (7 U.S.C. 1622 through 1624). At least 70 percent, by weight, of the raisins in a lot must be well-matured or reasonably well-matured. With respect to select-sized and mixed-sized lots, the raisins must at least meet the U.S. Grade B tolerances for pieces of stem, and underdeveloped and substandard raisins, and small (midget) sized raisins must meet the U.S. Grade C tolerances for those factors.

Reporting Requirements

All raisin handlers are currently required to submit various reports to the RAC where the data collected is segregated by varietal type of raisin. These reports include: (1) Weekly Report of Standard Raisin Acquisitions (RAC-1); (2) Weekly Report of Standard Raisins Received for Memorandum Receipt or Warehousing (RAC-3); (3) Monthly Report of Free Tonnage Raisin Disposition (RAC-20); (4) Weekly Off-Grade Summary (RAC-30); (5) Inventory of Free Tonnage Standard Quality Raisins On Hand (RAC-50); and (6) Inventory of Off-Grade Raisins On Hand (RAC-51). This rule requires that an additional column be added to these six forms so that handlers can report Other Seedless-Sulfured raisins separately. The current total annual burden for these six forms is 660 hours. This rule will not change this burden on handlers.

Initial Regulatory Flexibility Analysis

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Agricultural Marketing Service (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 business subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 20 handlers of California raisins who are subject to regulation under the order and approximately 4,500 raisin producers in the regulated area. Small agricultural firms are defined by the Small Business Administration (13 CFR 121.201) as those having annual receipts of less than \$5,000,000, and small agricultural producers are defined as those having annual receipts of less than \$750,000. Thirteen of the 20 handlers subject to regulation have annual sales estimated to be at least \$5,000,000, and the remaining 7 handlers have sales less than \$5,000,000, excluding receipts from any other sources. No more than 7 handlers, and a majority of producers, of California raisins may be classified as small entities.

The order provides authority for volume and quality regulations that are imposed by varietal type of raisin. This rule establishes, and adds to the

regulations a varietal type (Other Seedless-Sulfured raisins), along with quality requirements which is a new type of raisin that is being produced by some industry members. A new paragraph (j) is added to § 989.110 of the order's regulations to define the varietal type Other Seedless-Sulfured raisins. Pursuant to §§ 989.58 and 989.59, quality requirements for Other Seedless-Sulfured raisins are added to the order's regulations as follows: incoming quality requirements are added to §§ 989.210, 989.212, 989.213, and 989.701; a factor for converting between natural condition and processed weight is added to § 989.601; and outgoing quality requirements are added to § 989.702.

Regarding the impact of this action on affected entities, this rule will allow the RAC to consider Other Seedless-Sulfured raisins separately from other varietal types of raisins for the purpose of volume and quality regulation, thereby recognizing distinct differences in supply and demand conditions for that product. Producers and handlers will be able to take advantage of a separate and distinct market for Other Seedless-Sulfured raisins. This rule also allows appropriate quality requirements to be applied to this new varietal type, which will facilitate the production and handling of such raisins. In addition, this rule will allow the RAC to examine data on acquisitions and shipments of Other Seedless-Sulfured raisins, as handlers submit various reports to the RAC where the data is segregated by varietal type. The RAC will be able to analyze this data and assess marketing trends and opportunities for this unique varietal type. There are no expected additional costs associated with this regulation on either producers or handlers.

The RAC considered some alternatives to this action. The RAC reviewed the existing varietal types to see whether Other Seedless-Sulfured raisins could fit into an established category. The Golden Seedless and Other Seedless varietal types were examined. However, Other Seedless-Sulfured raisins may not meet the color requirements for Golden Seedless raisins. In addition, Other Seedless-Sulfured raisins do not fit into the Other Seedless category because that varietal type has historically included raisins that have not been sulfured. The industry determined that it was appropriate to establish a separate varietal type for Other Seedless raisins that had been dehydrated and sulfured.

All raisin handlers are currently required to submit various reports to the RAC where the data collected is segregated by varietal type of raisin.

These reports include: (1) Weekly Report of Standard Raisin Acquisitions (RAC-1); (2) Weekly Report of Standard Raisins Received for Memorandum Receipt or Warehousing (RAC-3); (3) Monthly Report of Free Tonnage Raisin Disposition (RAC-20); (4) Weekly Off-Grade Summary (RAC-30); (5) Inventory of Free Tonnage Standard Quality Raisins On Hand (RAC-50); and (6) Inventory of Off-Grade Raisins On Hand (RAC-51). This rule requires that an additional column be added to these six forms so that handlers can report Other Seedless-Sulfured raisins separately. The current total annual burden for these six forms is 660 hours. This rule will not change this burden on handlers.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the information collection requirements referenced above have been approved by the Office of Management and Budget (OMB) under OMB Control No. 0581-0178. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

Additionally, except for applicable section 8e import regulations, USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule. However, as previously stated, Other Seedless-Sulfured raisins must meet U.S. Grade C as defined in the United States Standards for Grades of Processed Raisins (§§ 52.1841 through 52.1858) issued under the Agricultural Marketing Act of 1946 (7 U.S.C. 1622 through 1624).

Further, the RAC's meetings on August 14, September 20, and November 13, 2001, where this action was deliberated were public meetings widely publicized throughout the raisin industry. All interested persons were invited to attend the meetings and participate in the industry's deliberations. Finally, interested persons are invited to submit information on the regulatory and information impact of this action on small businesses.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: <http://www.ams.usda.gov/fv/moab.html>. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

Comments are invited concerning this rule. A 60-day comment period is provided to allow interested persons to respond. All comments received will be

considered prior to finalization of this rule.

After consideration of all relevant material presented, including the information and recommendation submitted by the RAC and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

Pursuant to 5 U.S.C. 553, it is also 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, and that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register** because: (1) Other Seedless-Sulfured raisins are being produced by dehydrators and acquired by handlers during the 2001–02 crop year; (2) industry members are aware of this action which was recommended and discussed by the RAC at public meetings; (3) this rule provides appropriate quality standards for Other Seedless-Sulfured raisins which will facilitate the production and marketing of such raisins; and (4) this interim final rule provides a 60-day period for written comments, and all comments timely received will be considered prior to finalization of this rule.

List of Subjects in 7 CFR Part 989

Grapes, Marketing agreements, Raisins, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 989 is amended as followed:

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

1. The authority citation for 7 CFR part 989 continues to read as follows:

Authority: 7 U.S.C. 601–674.

2. Section 989.110 is amended by adding a new paragraph (j) to read as follows:

§ 989.110 Varietal types.

* * * * *

(j) Other Seedless-Sulfured includes all raisins produced from Ruby Seedless, Kings Ruby Seedless, Flame Seedless and other seedless grapes not included in any of the varietal categories for Seedless raisins defined in paragraphs (a), (b), (c), (d), (h), or (i) of this section which have been artificially dehydrated and sulfured.

3. In § 989.210, the first sentence in paragraph (a) is revised to read as follows:

§ 989.210 Handling of varietal types of raisins acquired pursuant to a weight dockage system.

(a) *General.* A handler may acquire as standard raisins lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Oleate and Related Seedless, Monukka, Other Seedless, Sultana, Zante Currant, Muscat (including other raisins with seeds), and Other Seedless-Sulfured raisins under the weight dockage provisions described in §§ 989.212 and 989.213.* * *

* * * * *

4. In § 989.212, paragraph (a), the paragraph heading in paragraph (b), the note to paragraph (b), and the note to paragraph (c) are revised to read as follows: § 989.212 Substandard dockage.

(a) *General.* Subject to prior agreement between handler and tenderer, Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Oleate and Related Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins containing from 5.1 through 17.0 percent, by weight, of substandard raisins may be acquired by a handler under a weight dockage system. A handler may also, subject to prior agreement, acquire as standard raisins any lot of Muscat (including other raisins with seeds), Sultana, and Zante Currant raisins containing from 12.1 through 20.0 percent, by weight, of substandard raisins under a weight dockage system. The creditable weight of each lot of raisins acquired under the substandard dockage system shall be obtained by multiplying the net weight of the lot of raisins by the applicable dockage factor from the appropriate dockage table prescribed in paragraph (b) or (c) of this section.

(b) *Substandard dockage table applicable to Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Oleate and Related Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins.* * * *

Note to paragraph (b): Percentages in excess of the last percentage shown in the table shall be expressed in the same increment as the foregoing, and the dockage factor for each such increment shall be .001 less than the dockage factor for the preceding increment. Deliveries in excess of 17.0 percent would be offgrade; therefore, the dockage factor does not apply.

(c) * * *

Note to paragraph (c): Percentages in excess of the last percentage shown in the table shall be expressed in the same increments as the foregoing, and the dockage factor for each increment shall be .001 less

than the dockage factor for the preceding increment. Deliveries in excess of 20.0 percent would be offgrade; therefore, the dockage factor does not apply.

5. Section 989.213 is amended by revising paragraph (a) and the introductory text in paragraphs (b), (c), and (d), removing the last sentence in the note to paragraph (d) and removing the last sentence in the note to paragraph (e) to read as follows:

§ 989.213 Maturity dockage.

(a) *General.* Subject to prior agreement between handler and tenderer, Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Oleate and Related Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins containing from 35.0 percent through 49.9 percent, by weight, of well-matured or reasonably well-matured raisins may be acquired by a handler under a weight dockage system. The creditable weight of each lot of raisins acquired under the maturity dockage system shall be obtained by multiplying the net weight of the lot of raisins by the applicable dockage factor from the dockage table prescribed in paragraphs (b), (c), and (d) of this section.

(b) Maturity dockage table applicable to lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Oleate and Related Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins which contain 45.0 percent through 49.9 percent well-matured or reasonably well-matured raisins: * * *

(c) Maturity dockage table applicable to lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Oleate and Related Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins which contain 40.0 percent through 44.9 percent well-matured or reasonably well-matured raisins: * * *

(d) Maturity dockage table applicable to lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Oleate and Related Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins which contain 35.0 percent through 39.9 percent well-matured or reasonably well-matured raisins: * * *

* * * * *

6. In § 989.601, the table is revised to read as follows:

§ 989.601 Conversion factors for raisin weight.

* * * * *

Varietal type	Conversion factor
Natural (sun-dried) Seedless	0.92
Golden Seedless, Dipped Seedless, Other Seedless, and Other Seedless-Sulfured Muscats (including raisins with seeds):	0.95
Seeded	0.80
Unseeded	0.92
Sultana	0.92
Zante Currant	0.91
Oleate and Related Seedless ..	0.92

7. In § 989.701, the paragraph heading and the first sentence in paragraph (b) are revised to read as follows:

§ 989.701 Minimum grade and condition standards for natural condition raisins.

* * * * *

(b) *Dipped Seedless, Oleate and Related Seedless, and Other Seedless-Sulfured raisins.* Natural condition Dipped Seedless, Oleate and Related Seedless, and Other Seedless-Sulfured raisins shall have been prepared from sound, wholesome, matured grapes properly dried and cured, and shall meet the following additional requirements: * * *

* * * * *

8. In § 989.702, paragraph (a) is revised to read as follows:

§ 989.702 Minimum grade standards for packed raisins.

* * * * *

(a) *Natural (sun-dried) Seedless, Dipped Seedless, Oleate and Related Seedless, and Other Seedless-Sulfured raisins.* Packed Natural (sun-dried) Seedless, Dipped Seedless, Oleate and Related Seedless, and Other Seedless-Sulfured raisins shall meet the requirements of U.S. Grade C as defined in the effective United States Standards for Grades of Processed Raisins (§§ 52.1841 through 52.1858 of this title): *Provided*, That at least 70.0 percent, by weight, of the raisins shall be well-matured or reasonably well-matured. With respect to select-sized and mixed-sized raisin lots, the raisins shall at least meet the U.S. Grade B tolerances for pieces of stem, and underdeveloped and substandard raisins, and small (midget)-sized raisins shall meet the U.S. Grade C tolerances for those factors.

* * * * *

Dated: May 21, 2002.

A.J. Yates,
Administrator, Agricultural Marketing Service.

[FR Doc. 02-13229 Filed 5-24-02; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1205

[Doc # CN-02-002]

Cotton Board Rules and Regulations: Adjusting Supplemental Assessment on Imports, (2002 Amendments)

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: The Agricultural Marketing Service (AMS) is amending the Cotton Board Rules and Regulations by lowering the value assigned to imported cotton for the purpose of calculating supplemental assessments collected for use by the Cotton Research and Promotion Program. An adjustment is required on an annual basis to ensure that the assessments collected on imported cotton and the cotton content of imported products remain similar to those paid on domestically produced cotton.

EFFECTIVE DATE: June 27, 2002.

FOR FURTHER INFORMATION CONTACT:

Whitney Rick, Chief, Research and Promotion Staff, Cotton Program, AMS, USDA, Stop 0224, 1400 Independence Ave., SW, Washington, DC 20250-0224, telephone (202) 720-2259, facsimile (202) 690-1718, or email at whitney.rick@usda.gov.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

The Office of Management and Budget has waived the review process required by Executive Order 12866 for this action.

Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. It is not intended to have retroactive effect. This rule would not preempt any state or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

The Cotton Research and Promotion Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under Section 12 of the Act, any person subject to an order may file with the Secretary a petition stating that the order, any provision of the plan, or any obligation imposed in connection with the order is not in accordance with law and requesting a modification of the order or to be exempted therefrom. Such person is afforded the opportunity for a

hearing on the petition. After the hearing, the Secretary would rule on the petition. The Act provides that the District Court of the United States in any district in which the person is an inhabitant, or has his principal place of business, has jurisdiction to review the Secretary's ruling, provided a complaint is filed within 20 days from the date of the entry of ruling.

Regulatory Flexibility Act

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 et seq.) AMS has considered the economic impact of this action on small entities and has determined that its implementation will not have a significant economic impact on a substantial number of small businesses.

There are an estimated 10,000 importers who are presently subject to rules and regulations issued pursuant to the Cotton Research and Promotion Order. This rule will affect importers of cotton and cotton-containing products. The majority of these importers are small businesses under the criteria established by the Small Business Administration. This rule will lower the assessments paid by the importers under the Cotton Research and Promotion Order. Even though the assessment would be lowered, the decrease is small and will not significantly affect small businesses. The current assessment on imported cotton is \$0.009965 per kilogram of imported cotton. The new assessment is \$0.00862, a decrease of \$0.001345 or a 13.5 percent decrease. From January through December 2001 approximately \$22 million was collected. Should the volume of cotton products imported into the U.S. remain at the same level in 2002, one could expect the decreased assessment to generate approximately \$19 million or a 13.5 percent decrease from 2001.

Paperwork Reduction

In compliance with Office of Management and Budget (OMB) regulations (5 CFR Part 1320) which implement the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 et seq.) the information collection requirements contained in the regulation to be amended have been previously approved by OMB and were assigned control number 0581-0093.

Background

The Cotton Research and Promotion Act Amendments of 1990 enacted by Congress under Subtitle G of Title XIX of the Food, Agriculture, Conservation and Trade Act of 1990 on November 28, 1990, contained two provisions that