

was then determined by dividing the total recommended budget by the quantity of assessable onions, estimated at 7.5 million 50-pound equivalents for the 2000–2001 fiscal period. This is approximately \$81,740 below the anticipated expenses, which the Committee determined to be acceptable.

A review of historical information and preliminary information pertaining to the 2000–2001 fiscal period indicates that the grower price for the 2000–2001 marketing season could range between \$7.00 and \$12.00 per 50-pound equivalent of onions. Therefore, the estimated assessment revenue for the 2000–2001 fiscal period as a percentage of total grower revenue could range between .43 and .25 percent.

This action continues to decrease the assessment obligation imposed on handlers. Assessments are applied uniformly on all handlers, and some of the costs may be passed on to producers. However, decreasing the assessment rate reduces the burden on handlers, and may reduce the burden on producers. In addition, the Committee's meeting was widely publicized throughout the South Texas onion industry and all interested persons were invited to attend the meeting and participate in Committee deliberations on all issues. Like all Committee meetings, the December 27, 2000, meeting was a public meeting and all entities, both large and small, were able to express views on this issue.

This action imposes no additional reporting or recordkeeping requirements on either small or large South Texas onion handlers. 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.

The Department has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

An interim final rule concerning this action was published in the **Federal Register** on March 27, 2001 (66 FR 16594). The interim final rule was made available through the Internet by the Office of the Federal Register. A 60-day comment period was provided for interested persons to respond to the interim final rule. The comment period ended on May 29, 2001, and no comments were received.

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.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee 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.

#### List of Subjects in 7 CFR Part 959

Marketing agreements, Onions, Reporting and recordkeeping requirements.

#### PART 959—ONIONS GROWN IN SOUTH TEXAS

Accordingly, the interim final rule amending 7 CFR part 959 which was published at 66 FR 16594 on March 27, 2001, is adopted as a final rule without change.

Dated: July 26, 2001.

**Kenneth C. Clayton,**

*Acting Administrator, Agricultural Marketing Service.*

[FR Doc. 01–19098 Filed 7–31–01; 8:45 am]

**BILLING CODE 3410–02–P**

#### DEPARTMENT OF AGRICULTURE

##### Agricultural Marketing Service

#### 7 CFR Part 989

[Docket No. FV01–989–3 IFR]

#### Raisins Produced From Grapes Grown in California; Final Free and Reserve Percentages for 2000–01 Crop Natural (Sun-Dried) Seedless and Zante Currant Raisins

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

**ACTION:** Interim final rule with respect for comments.

**SUMMARY:** This rule establishes final volume regulation percentages for 2000–01 crop Natural (sun-dried) Seedless raisins (Naturals) and Zante Currant raisins (Zantes) covered 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 (Committee). The volume regulation percentages are 53 percent free and 47 percent reserve for Naturals, and 83 percent free and 17 percent reserve for Zantes. The percentages are intended to help stabilize raisin supplies and prices, and strengthen market conditions.

**DATES:** *Effective date:* August 2, 2001. Comments received by August 31, 2001 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, room 2525–S, P.O. Box 96456, Washington, DC 20090–6456; Fax: (202) 720–8938, or E-mail: [moab.docket.clerk@usda.gov](mailto:moab.docket.clerk@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, room 2525–S, P.O. Box 96456, Washington, DC 20090–6456; 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, P.O. Box 96456, room 2525–S, Washington, DC 20090–6456; telephone: (202) 720–2491, Fax: (202) 720–8938, or E-mail: [Jay.Guerber@usda.gov](mailto: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 marketing agreement and order are 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 (Department) is issuing this rule in conformance with Executive Order 12866.

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. Under the order provisions now in effect, final free and reserve percentages may be established for raisins acquired by handlers during the

crop year. This rule establishes final free and reserve percentages for naturals and Zantes for the 2000–01 crop year, which began August 1, 2000, and ends July 31, 2001. 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 the Secretary 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 the Secretary 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 the Secretary'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 establishes final volume regulation percentages for 2000–01 crop Naturals and Zantes covered under the order. The volume regulation percentages are 53 percent free and 47 percent reserve for Naturals and 83 percent free and 17 percent reserve for Zantes. Free tonnage raisins may be sold by handlers to any market. Reserve raisins must be held in a pool for the account of the Committee and are disposed of through various programs authorized under the order. For example, reserve raisins may be sold by the Committee to handlers for free use or to replace part of the free tonnage raisins they exported; used in diversion programs; carried over as a hedge against a short crop; or disposed of in other outlets not competitive with those for free tonnage raisins, such as government purchase, distilleries, or animal feed.

The volume regulation percentages are intended to help stabilize raisin supplies and prices, and strengthen market conditions. Final percentages were unanimously recommended by the Committee on January 12, 2001.

#### Computation of Trade Demands

Section 989.54 of the order prescribes procedures and time frames to be

followed in establishing volume regulation. This includes methodology used to calculate percentages. Pursuant to § 989.54(a) of the order, the Committee met on August 15, 2000, to review shipment and inventory data, and other matters relating to the supplies of raisins of all varietal types. The Committee computed a trade demand for each varietal type for which a free tonnage percentage might be recommended. Trade demand is computed using a formula specified in the order and, for each varietal type, is equal to 90 percent of the prior year's shipments of free tonnage and reserve tonnage raisins sold for free use into all market outlets, adjusted by subtracting the carryin on August 1 of the current crop year, and adding the desirable carryout at the end of that crop year. As specified in § 989.154(a), the desirable carryout for each varietal type is equal to a 5-year rolling average, dropping the high and low figures, of free tonnage shipments during the months of August, September, and October. In accordance with these provisions, the Committee computed and announced 2000–01 trade demands for Naturals and Zantes at 233,344 tons and 4,290 tons, respectively, as shown below.

#### COMPUTED TRADE DEMANDS

[Natural condition tons]

	Naturals	Zantes
Prior year's shipments .....	264,619	4,635
Multiplied by 90 percent .....	0.90	0.90
Equals adjusted base .....	238,157	4,172
Minus carryin inventory .....	97,109	1,109
Plus desirable carryout .....	92,296	1,227
Equals computed trade demand .....	233,344	4,290

#### Computation of Preliminary Volume Regulation Percentages

As required under § 989.54(b) of the order, the Committee met on October 4, 2000, and announced a preliminary crop estimate of 427,394 tons for Naturals. Naturals are the major varietal type of California raisin. This estimate was about 27 percent higher than the 10-year average of 336,766 tons. Combining the carrying inventory of 97,109 with the 427,394-ton crop estimate resulted in a total available supply of 524,503 tons, which was significantly higher (about 125 percent) than the 233,344-ton trade demand. Thus, the Committee determined that volume regulation for Naturals was warranted. The Committee announced preliminary free and reserve percentages for Naturals which released 65 percent of the computed trade demand since the

field price (price paid by handlers to producers for their free tonnage raisins) had not yet been established. The preliminary percentages were 35 percent free and 65 percent reserve.

Also at its October 4, 2000, meeting, the Committee announced a preliminary crop estimate for Zantes at 4,828 tons, which is comparable to the 10-year average of 4,447 tons. Combining the carry-in inventory of 1,109 tons with the 4,828-ton crop estimate resulted in a total available supply of 5,937 tons. With the estimated supply about 38 percent greater than the 4,290-ton trade demand, the Committee determined that volume regulation for Zantes was warranted. The Committee announced preliminary percentages for Zantes which released 65 percent of the computed trade demand since field price had not yet been established. The

preliminary percentages were 58 percent free and 42 percent reserve.

In addition, preliminary percentages were also announced for Dipped Seedless and Other Seedless raisins. The Committee ultimately determined that volume regulation was only warranted for Naturals and Zantes. As in past seasons, the Committee submitted its marketing policy to the Department for review.

#### Computation of Final Volume Regulation Percentages

Pursuant to § 989.54(c) and (d) of the order, the Committee met on January 12, 2001, and recommended interim percentages for Naturals and Zantes to release slightly less than their full trade demands. Specifically, interim percentages were recommended for Naturals at 52.75 percent free and 47.25

percent reserve, and for Zantes at 82.75 percent free and 17.25 percent reserve.

The Department reviewed the Committee's recommendation for interim percentages in light of unusual circumstances facing the industry this season. Field prices for Naturals and Zantes are negotiated between the Raisin Bargaining Association (RBA) and handlers, and are usually set in October. For the first time ever, price negotiations proceeded to arbitration, a process that occurred between April 30–May 2, 2001. The Committee's rationale for recommending interim percentages in January, prior to the establishment of field prices, was that the industry was proceeding to binding arbitration, and that field prices would be set through this process.

In reviewing the Committee's recommendation regarding interim percentages, the Department considered the fact that volume regulation under

the order is linked to the establishment of field prices. Preliminary percentages release 85 percent of the trade demand if field prices have been set, but only 65 percent if they have not. The order also permits preliminary and interim percentages to be implemented through announcements by the Committee, but final percentages must be established by the Department through informal rulemaking.

While preliminary percentages were designed to release 65 percent of the trade demand until field price is set, the order does not contemplate and provides no contingency for the failure to set prices by mid-February. The rulemaking record indicates that the quantity of tonnage released at the 65-percent level would be sufficient to supply market needs through February, but does not address restrictions after February 15. The Department does not support marketing order regulations that

restrict supplies to the point where market needs are not met. This would negatively hurt the industry as a whole. Thus, on March 15, 2001, the Department approved the establishment of interim percentages for Naturals and Zantes.

At its January 2001 meeting, the Committee also recommended final percentages to release the full trade demands for Naturals and Zantes, once field prices were set through arbitration. Field prices were established on May 2, 2001. Final percentages compute to 53 percent free and 47 percent reserve for Naturals, and 83 percent free and 17 percent reserve for Zantes.

Both the interim and final percentage computations were based on revised crop estimates of 440,000 tons for Naturals and 5,160 tons for Zantes. The Committee's calculations to arrive at final percentages for Naturals and Zantes are shown in the table below:

FINAL VOLUME REGULATION PERCENTAGES  
[Natural condition tons]

	Naturals	Zantes
Trade demand .....	233,344	4,290
Divided by crop estimate .....	440,000	5,160
Equals free percentage .....	53	83
100 minus free percentage equals reserve percentage .....	47	17

In addition, the Department's "Guidelines for Fruity, Vegetable, and Specialty Crop Marketing Orders" (Guidelines) specify that 110 percent of recent years' sales should be made available to primary markets each season for marketing orders utilizing reserve pool authority. This goal will be met for Naturals and Zantes by the establishment of final percentages which release 100 percent of the trade demand and the offer of additional reserve raisins for sale to handlers under the "10 plus 10 offers." As specified in § 989.54(g), the 10 plus 10 offers are two offers of reserve pool raisins which are made available to handlers during each season. For each such offer, a quantity of reserve raising equal to 10 percent of the prior year's shipments is made available for free use. Handlers may sell their 10 plus 10 raisins to any market.

The "10 plus 10 offers" were held for both Naturals and Zantes in May 2001. For Naturals, a total of 52,924 tons was made available to raisin handlers. Adding the 52,924 tons of 10 plus 10 raisins to the 233,344-ton trade demand figure, plus 97,109 tons of 1999–2000 carryin inventory, equates to about 383,377 tons of natural condition raisins, or about 359,190 tons of packed

raisins, that were made available for free use, or to the primary market. This is 145 percent of the quantity of Naturals shipped during the 1999–2000 crop year (264,619 natural condition tons or 247,925 packed tons).

For Zantes, about 820 tons were made available to handlers through 10 plus 10 offers. This quantity is less than the amount specified in the order (927 tons). Although 927 tons were not available, all of the reserve raisins available were offered to handlers for free use through the 10 plus 10 offers. Adding the 820-tons of 10 plus 10 raisins to the 4,290-ton trade demand figure, plus 1,109 tons of 1999–2000 carryin inventory equates to 6,219 tons natural condition raisins, or about 5,540 tons of packed raisins, that were made available for free use, or to primary markets. This is 134 percent of the quantity of Zantes shipped during the 1999–2000 crop year (4,635 tons natural condition tons or 4,129 tons packed tons).

In addition to the 10 plus 10 offers, § 989.67(j) of the order provides authority for sales of reserve raisins to handlers under certain conditions such as a national emergency, crop failure, change in economic or marketing conditions, or if free tonnage shipments

in the current crop year exceed shipments of a comparable period of the prior crop year. Such reserve raisins may be sold by handlers to any market. When implemented, the additional offers of reserve raisins make even more raisins available to primary markets which is consistent with the Department's Guidelines.

#### 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 service 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 \$500,000. 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, excluding receipts from other sources.

Since 1949, the California raisin industry has operated under a Federal marketing order. The order contains authority to, among other things, limit the portion of a given year's crop that can be marketed freely in any outlet by raisin handlers. This volume control mechanism is used to stabilize supplies and prices and strengthen market conditions.

Pursuant to § 989.54(d) of the order, this rule establishes final volume regulation percentages for 2000–1 crop Natural and Zante raisins. The volume regulation percentages are 53 percent free and 47 percent reserve for Naturals and 83 percent free and 17 percent reserve for Zantes. Free tonnage raisins may be sold by handlers to any market. Reserve raisins must be held in a pool for the account of the Committee and are disposed of through certain programs authorized under the order.

Volume regulation is warranted this season for Naturals because the final crop estimate of 440,000 tons combined with the carryin inventory of 97,109 tons, plus 45,275 tons of reserve raisins released to-date for free use through an

export program, results in a total available supply of 582,384 tons, which is about 150 percent higher than the 233,344-ton trade demand. Volume regulation is warranted for Zantes this season because the crop estimate of 5,160 tons combined with the carryin inventory of 1,109 tons results in a total available supply of 6,269 tons, which is about 46 percent higher than the 4,290-ton trade demand.

Many years of marketing experience led to the development of the current volume regulation procedures. These procedures have helped the industry address its marketing problems by keeping supplies in balance with domestic and export market needs, and strengthening market conditions. The current volume regulation procedures fully supply the domestic and export markets, provide for market expansion, and help prevent oversupplies in the domestic market.

Raisin grapes are a perennial crop, so production in any year is dependent upon plantings made in earlier years. The sun-drying method of producing raisins involves considerable risk because of variable weather patterns.

Even though the product and the industry are viewed as mature, the industry has experienced considerable change over the last several decades. Before the 1975–76 crop year, more than 50 percent of the raisins were packed and sold directly to consumers. Now, over 60 percent of raisins are sold in bulk. This means the raisins are now sold to consumers mostly as an ingredient in another product such as cereal and baked goods. In addition, for a few years in the early 1970's, over 50 percent of the raisin grapes were sold to the wine market for crushing. Since then, the percent of raisin-variety grapes sold to the wine industry has decreased.

California's grapes are classified into three groups—table grapes, wine grapes, and raisin-variety grapes. Raisin-variety grapes are the most versatile of the three types. They can be marketed as fresh grapes, crushed for juice in the production of wine or juice concentrate, or dried into raisins. Annual fluctuations in the fresh grape, wine, and concentrate markets, as well as weather-related factors, cause fluctuations in raisin supply. This type of situation introduces a certain amount of variability into the raisin market. Although the size of the crop for raisin-variety grapes may be known, the amount dried for raisins depends on the demand for crushing. This makes the marketing of raisins a more difficult task. These supply fluctuations can result in producer price instability and disorderly market conditions.

Volume regulation is helpful to the raisin industry because it lessens the impact of such fluctuations and contributes to orderly marketing. For example, producer prices for Naturals have remained fairly steady between the 1992–93 through the 1997–98 seasons, although production has varied. As shown in the table below, during those years, production varied from a low of 272,063 tons in 1996–97 to a high of 387,007 tons in 1993–94, or about 42 percent. According to Committee data, the total producer return per ton during those years, which includes proceeds from both free tonnage plus reserve pool raisins, has varied from a low of \$901 in 1992–93 to a high of \$1,049 in 1996–97, or 16 percent. Total producer prices for the past two seasons, 1998–99 and 1999–2000, increased significantly due to back-to-back short crops during those years.

#### NATURAL SEEDLESS PRODUCER PRICES

Crop year	Production (natural condition tons)	Producer prices
1999–2000 .....	299,910	<sup>1</sup> \$1,211.25
1998–99 .....	240,469	<sup>2</sup> 1,290.00
1997–98 .....	382,448	946.52
1996–97 .....	272,063	1,049.20
1995–96 .....	325,911	1,007.19
1994–95 .....	378,427	928.27
1993–94 .....	387,007	904.60
1992–93 .....	371,516	901.41

<sup>1</sup> Return to date, reserve pool still open.

<sup>2</sup> No volume regulation.

There are essentially two broad markets for raisins—domestic and export. In recent years, both export and domestic shipments have been

decreasing. Domestic shipments decreased from a high of 204,805 packed tons during the 1990–91 crop year to a low of 156,325 packed tons in

1999–2000. In addition, exports decreased from 114,576 packed tons in 1991–92 to 91,599 packed tons in the 1999–2000 crop year.

In addition, the per capita consumption of raisins has declined from 2.07 pounds in 1988 to 1.62 pounds in 1999. This decrease is consistent with the prices in the per capita consumption of dried fruits in general, which is due to the increasing availability of most types of fresh fruit through out the year.

While the overall demand for raisins has been decreasing (as reflected in decline in commercial shipments), production has been increasing. The production of dried raisins reached an all-time high of an estimated 440,000 tons in the 2000–01 crop year. This large crop was preceded by two short crop years; production was 240,469 tons in 1998–99 and 299,910 tons in 1999–2000. Production for the 2000–01 crop year soared to a record level because of increased bearing acreage and yields.

The order permits the industry to exercise supply control provisions, which allow for the establishment of free and reserve percentages, and establishment of a reserve pool. One of the primary purposes of establishing free and reserve percentages is to equilibrate supply and demand. If raisin markets are over-supplied with product, grower prices will decline.

Raisins are generally marketed at relatively lower price levels in the more elastic export market than in the more inelastic domestic market. This results in a larger volume of raisins being marketed and enhances grower returns.

In addition, this system allows the U.S. raisin industry to be more competitive in export markets.

To assess the impact that volume control has on the prices growers receive for their product, an econometric model has been constructed. The model developed is for the purpose of estimating nominal prices under a number of scenarios using the volume control authority under the Federal marketing order. The price growers receive for the harvest and delivery of their crop is largely determined by the level of production and the volume of carryin inventories. The Federal marketing order permits the industry to exercise supply control provisions, which allow for the establishment of reserve and free percentages for primary markets, and a reserve pool. The establishment of reserve percentages impacts the production that is marketed in the primary markets.

The reserve percentage limits what handlers can market as free tonnage. Assuming the 47 percent reserve limits the total free tonnage to 233,200 natural condition tons (.53 x 440,000 tons) and carryin is 97,109 natural condition tons, and purchases from reserve total 55,000 natural condition tons (which includes anticipated reserve raisins released through the export program and other purchases), then the total free supply is estimated at 385,309 natural condition

tons. The econometric model estimates prices to be \$240 per ton higher than under an unregulated scenario. This price increase is beneficial to all growers regardless of size and enhances growers' total revenues in comparison to no volume control. Establishing a reserve allows the industry to help stabilize supplies in both domestic and export markets, while improving returns to producers.

Regarding Zantes, Zante production is much smaller than that of Naturals. Volume regulation has been implemented for Zantes during the 1994–95, 1995–96, 1997–98, 1998–99, 1999–2000, and 2000–01 seasons. Various programs to utilize reserve pool Zantes were implemented during those years. As shown in the table below, although production varied during those years, volume regulation helped to reduce inventories, and helped to strengthen total producer prices (free tonnage plus reserve Zantes) from \$412.56 per ton in 1994–95 to a high of \$1,034.03 per ton in 1998–99. The Committee is implementing an export program for Zantes, in addition to Naturals. Through this program, the Committee plans to continue to manage its Zante supply, build and maintain export markets, and ultimately improve producer returns. Volume regulation helps the industry not only to manage oversupplies of raisins, but also maintain market stability.

#### ZANTE CURRANT INVENTORIES AND PRODUCER PRICES DURING YEARS OF VOLUME REGULATION

[Natural condition tons]

Crop year	Production	Inventory		Total season average producer price (per ton)
		Desirable	Physical	
1999–2000 .....	3,683	573	1,906	<sup>1</sup> \$612.00
1998–99 .....	3,880	694	1,188	\$1,034.03
1997–98 .....	4,826	788	1,679	\$710.08
1996–97 .....	4,491	987	549	<sup>2</sup> \$1,150.00
1995–96 .....	3,294	782	2,890	\$711.32
1994–95 .....	5,377	837	4,364	\$412.56

<sup>1</sup> Return to date, reserve pool open.

<sup>2</sup> No volume regulation.

Free and reserve percentages are established by varietal type, and usually in years when the supply exceeds the trade demand by a large enough margin that the Committee believes volume regulation is necessary to maintain market stability. Accordingly, in assessing whether to apply volume regulation or, as an alternative, not to apply such regulation, the Committee recommended only two of the nine raisin varietal types defined under the order for volume regulation this season.

The free and reserve percentages established by this rule release the full trade demands and apply uniformly to all handlers in the industry, regardless of size. For Naturals, with the exception of the 1998–99 crop year, small and large raisin producers and handlers have been operating under volume regulation percentages every year since 1983–84. There are no known additional costs incurred by small handlers that are not incurred by large handlers. While the level of benefits of this rulemaking

are difficult to quantify, the stabilizing effects of the volume regulations impact small and large handlers positively by helping them maintain and expand markets even though raisin supplies fluctuate widely from season to season. Likewise, price stability positively impacts small and large producers by allowing them to better anticipate the revenues their raisins will generate.

There are some reporting, recordkeeping and other compliance requirements under the order. The

reporting and recordkeeping burdens are necessary for compliance purposes and for developing statistical data for maintenance of the program. The requirements are the same as those applied in past seasons. Thus, this action will not impose any additional reporting or recordkeeping burdens on either small or large handlers. The forms require information which is readily available from handler records and which can be provided without data processing equipment or trained statistical staff. The information collection and recordkeeping requirements have been previously approved by the Office of Management and Budget (OMB) under OMB Control No. 0581-0178. As with other similar marketing order programs, reports and forms are periodically studied to reduce or eliminate duplicate information collection burdens by industry and public sector agencies. In addition, the Department has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule. Finally, interested persons are invited to submit information on the regulatory and informational impact of this action on small businesses.

Further, Committee and subcommittee meetings are widely publicized in advance and are held in a location central to the production area. The meetings are open to all industry members, including small business entities, and other interested persons who are encouraged to participate in the deliberations and voice their opinions on topics under discussion.

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.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee 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.

This rule invites comments for a 30-day period on the establishment of final volume regulation percentages for 2000-01 crop Natural and Zante raisins covered under the order. Thirty days is deemed appropriate because handlers are currently marketing their 2000-01 crop Natural and Zante raisins and this action should be taken promptly to achieve the intended purpose of making the full trade demands available to handlers. All comments received within the comment period will be considered prior to finalization of this rule.

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) The relevant provisions of this part require that the percentages designated herein for the 2000-01 crop year apply to all Natural and Zante raisins acquired from the beginning of that crop year; (2) handlers are currently marketing their 2000-01 crop Natural

and Zante raisins and this action should be taken promptly to achieve the intended purpose of making the full trade demands available to handlers; (3) handlers are aware of this action, which was unanimously recommended at a public meeting, and need no additional time to comply with these percentages; and (4) this interim final rule provides a 30-day comment period, 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 to read as follows:

**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 989.254 is added to Subpart—Supplementary Regulations to read as follows:

**Note:** This section will not appear in the annual Code of Federal Regulations.

**§ 989.254 Final free and reserve percentages for the 2000-01 crop year.**

The final percentages for standard Natural (sun-dried) Seedless and Zante Currant raisins acquired by handlers during the crop year beginning on August 1, 2000, which shall be free tonnage and reserve tonnage, respectively, are designated as follows:

Varietal type	Free percentage	Reserve percentage
Natural (sun-dried) Seedless .....	53	47
Zante Currant .....	83	17

Dated: July 27, 2001.  
**Barry L. Carpenter,**  
*Acting Administrator, Agricultural Marketing Service.*  
[FR Doc. 01-19263 Filed 7-30-01; 10:06 am]  
**BILLING CODE 3410-02-M**

**DEPARTMENT OF AGRICULTURE**  
**Animal and Plant Health Inspection Service**  
**9 CFR Part 130**  
**[Docket No. 99-060-2]**  
**Veterinary Services User Fees; Fees for Permit Applications**  
**AGENCY:** Animal and Plant Health Inspection Service, USDA.  
**ACTION:** Final rule.  
**SUMMARY:** We are amending the user fees for processing applications for

permits to import and transport certain animal products, organisms, vectors, and germ plasm. We are also establishing new user fees that would pay the cost of processing applications to import live animals. We are taking this action in order to ensure that we recover our costs.  
**EFFECTIVE DATE:** August 31, 2001.  
**FOR FURTHER INFORMATION CONTACT:** For information concerning program operations for Veterinary Services, contact Ms. Inez Hockaday, Acting Director, Management Support Staff, VS, APHIS, 4700 River Road Unit 44,