

§ 932.53

this paragraph are in addition to and not in substitution of the requirements of § 932.51(a)(5).

(2) Each handler shall, under the supervision of the Processed Products Branch, USDA, or the Federal or Federal-State Inspection Service, dispose of limited use size olives into limited use or into noncanning use: *Provided*, That whenever a handler's use of limited use size olives is restricted pursuant to § 932.52(a)(4), such handler shall dispose of into noncanning use that quantity of such limited use size olives which is in excess of the quantity permitted for limited use.

(3) Notwithstanding the provisions of paragraph (b)(2) of this section, a handler may meet any deficit in his obligation to dispose of limited use size olives into noncanning use pursuant to this paragraph by disposing of, under supervision of the inspection service, an equivalent quantity of olives of a size larger than the limited use size and of a quality better than culls.

(4) Each handler shall hold at all times a quantity of olives eligible to meet the disposition requirements of this paragraph less any quantity previously disposed of as specified in paragraphs (b) (2) and (3) of this section.

[36 FR 20357, Oct. 21, 1971, as amended at 47 FR 32910, July 30, 1982]

EFFECTIVE DATE NOTE: At 56 FR 49669, Oct. 1, 1991, in § 932.52, in paragraph (a)(3) introductory text and paragraphs (a)(3)(i) through (a)(3)(iv) the words "but any such limited use size olives so used shall be not smaller than the following applicable minimum size: *Provided further*, That each such minimum size may also include a size tolerance (specified as a percent) as recommended by the committee and approved by the Secretary" were suspended indefinitely.

§ 932.53 Inspection and certification.

(a) Each handler shall have the olives such handler handles inspected and certified as for conformance with all applicable requirements pursuant to §§ 932.51 and 932.52 with respect to such handling. Inspection and certification for conformance with the requirements of § 932.51 shall be by the Federal or Federal-State Inspection Service, including certification as to size, and inspection for conformance with the requirements of § 932.52 shall be by the Processed Products Branch, USDA, ex-

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cept that the disposition of olives, other than as canned ripe olives, in accordance with the requirements of § 932.51(a)(3) may be under the supervision of any of such inspection services. A copy of each certification by the said inspection services, pursuant to the provisions of this section, shall be furnished to the committee.

(b) The committee may enter into an agreement with either or both of said inspection services with respect to the costs of the inspection required by this section and may collect from handlers their respective pro rata share of such costs.

[30 FR 12629, Oct. 2, 1965, as amended at 47 FR 32910, July 30, 1982]

§ 932.54 Transfers.

Transfers within the area of olives from one handler to another for further handling within the area are permitted. Whenever such a transfer of olives is made, the transferring handler shall comply with all applicable regulations up to the time of such transfer, and the receiving handler shall comply with all applicable regulations subsequent to such transfer: *Provided*, That the disposition obligations referable to transferred natural condition olives pursuant to § 932.51(a)(3) may be transferred along with the olives, in which event the receiving handler shall comply with the disposition obligations. Transfers of olives from within the area to any point outside the area shall be subject to such requirements with respect to inspection, holding, disposition, and reporting as may be established by the Secretary on the basis of recommendations by the committee or other available information.

[33 FR 11267, Aug. 8, 1968, as amended at 36 FR 20357, Oct. 21, 1971; 47 FR 32910, July 30, 1982]

§ 932.55 Exemption.

(a) The provisions of this subpart shall not be applicable to processed olives on hand on the effective date of this subpart but only if the identity of such olives is maintained and such olives are not commingled with olives processed after such effective date in the production of packaged olives.