advertising pursuant to \$966.48. Furthermore, such contributions shall be free from any encumbrances by the donor and the committee shall retain complete control of their use. The committee is prohibited from accepting contributions from handlers subject to the order, or any person whose contributions would constitute a conflict of interest.

[51 FR 30474, Aug. 27, 1986]

### RESEARCH AND DEVELOPMENT

#### § 966.48 Research and promotion.

The committee may, with the approval of the Secretary, establish, or provide for the establishment of projects including production research, marketing research and development projects, and marketing promotion including paid advertising, designed to assist, improve or promote the marketing, distribution and consumption or efficient production of tomatoes. The expenses of such projects shall be paid by funds collected pursuant to §§ 966.42 and 966.45. Upon conclusion of each project, but at least annually, the committee shall summarize the program status and accomplishments, to its members and the Secretary. A similar report to the committee shall be required of any contracting party on any project carried out under this section. Also, for each project the contracting party shall be required to maintain records of money received and expenditures and such shall be available to the committee and the Secretary.

[51 FR 30474, Aug. 27, 1986]

## REGULATION

### § 966.50 Marketing policy.

Prior to or at the same time as initial recommendations are made pursuant to §966.51, the committee shall submit to the Secretary a report setting forth the marketing policy it deems desirable for the industry to follow in shipping tomatoes from the production area during the ensuring season. Additional reports shall be submitted from time to time if it is deemed advisable by the committee to adopt a new or modified marketing policy because of changes in the demand and supply situation with respect to tomatoes. The

committee shall publicly announce the submission of each such marketing policy report and copies thereof shall be available at the committee's office for inspection by any producer or any handler. In determining each such marketing policy the committee shall give due consideration to the following:

- (a) Market prices of tomatoes, including prices by grades, sizes, and quality in different packs, and such prices by foreign competing areas;
- (b) Supply of tomatoes, by grade, size, and quality in the production area, and in other production areas, including foreign competing production areas:
- (c) Trend and level of consumer income;
- (d) Marketing conditions affecting tomato prices; and
  - (e) Other relevant factors.

# § 966.51 Recommendations for regulations.

The committee, upon complying with the requirements of §966.50, may recommend regulations to the Secretary whenever it finds that such regulations, as are provided for in this subpart, will tend to effectuate the declared policies of the act.

## § 966.52 Issuance of regulations.

The Secretary shall limit the handling of tomatoes whenever he finds from the recommendation and information submitted by the Committee, or from other available information, that such regulation would tend to effectuate the declared policy of the act. Such regulation may:

- (a) Limit, in any or all portions of the production area, the handling of particular grades, sizes, qualities (including maturity as a factor of grade or quality), or packs of any or all varieties of tomatoes, during any period; or
- (b) Limit the handling of particular grades, sizes, qualities, or packs of tomatoes differently, from different varieties, for different stages of maturity, for different portions of the production area, for different containers, for different markets, for different purposes specified in § 966.54, or any combination of the foregoing, during any period; or
- (c) Limit the handling of tomatoes by establishing, in terms of grades, sizes,