In addition, the recommended late charge and interest rate were considered reasonable by industry members who participated in the discussion of this issue. Since the proposed late payment charge and interest rate are percentages of amounts due, the costs, when applicable, are proportionate and would not place an extra burden on small entities as compared to large entities. In addition, the industry overall would benefit if handler reports and assessments were collected on time and the Committee’s compliance costs were reduced regardless of entity size.

The Committee discussed alternatives to this change, including not making a change to the delinquent assessment requirements. However, a number of members commented that if some handlers were not paying on time, a change was necessary. The Committee also considered increasing the interest rate accrual to daily rather than monthly, but this option could result in an interest charge that was disproportionately large and was considered to be beyond the scope of what is reasonable and customary under marketing order programs. Thus, these alternatives were rejected.

The proposed action would not impose any additional reporting or recordkeeping requirements on either small or large Vidalia 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.

AMS is committed to complying with the E–Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes. USDA has not identified any relevant Federal rules that duplicate, overlap or conflict with this proposed rule.

In addition, the Committee’s meeting was widely publicized throughout the Vidalia 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 February 17, 2011, meeting was a public meeting and all entities, both large and small, were able to express views on this issue. Finally, interested persons are invited to submit comments on this proposed rule, including the regulatory and informational impacts 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/MarketingOrdersSmallBusinessGuide. Any questions about the compliance guide should be sent to Laurel May at the previously mentioned address in the FOR FURTHER INFORMATION CONTACT section.

A 15-day comment period is provided to allow interested persons to respond to this proposal. Fifteen days is deemed appropriate because this rule would need to be in place as soon as possible as the Committee’s fiscal period began in January 2011 and handlers began shipping onions in April. Further, handlers are aware of the action, which was unanimously recommended by the Committee at a public meeting on February 17, 2011. All written comments timely received will be considered before a final determination is made on this matter.

List of Subjects in 7 CFR Part 955

Marketing agreements, Onions, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 955 is proposed to be amended as follows:

PART 955—VIDALIA ONIONS GROWN IN GEORGIA

1. The authority citation for 7 CFR part 955 continues to read as follows:


2. Section 955.142 is amended by designating the first paragraph as (a) and the second, (b), and revising newly designated paragraph (b) to read as follows:

§ 955.142 Delinquent assessments.

(b) Each handler shall pay interest of 1.5 percent per month on any assessments levied pursuant to § 955.42 and on any accrued unpaid interest beginning the day immediately after the date the monthly assessments were due, until the delinquent handler’s assessments, plus applicable interest, have been paid in full. In addition to the interest charge, the Committee shall impose a late payment charge on any handler whose assessment payment has not been received within 10 days of the due date. The late payment charge shall be 10 percent of the late assessments.

Dated: May 9, 2011.

Ellen King,

Acting Administrator, Agricultural Marketing Service.

[FR Doc. 2011–11711 Filed 5–12–11; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 989

[Docket No. AMS–FV–11–0013; FV11–989–1 PR]

Raisins Produced From Grapes Grown in California; Increase in Desirable Carryout Used To Compute Trade Demand

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This rule would increase the desirable carryout used to compute the yearly trade demand for Natural (sundried) Seedless (NS) raisins 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 administered locally by the Raisin Administrative Committee (committee). This rule would increase the amount of tonnage available early in the season when volume regulation is implemented, and is expected to help the industry meet its market needs.

DATES: Comments must be received by June 13, 2011.

ADDRESSES: Interested persons are invited to submit written comments concerning this rule. Comments must be sent to the Docket Clerk, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue, SW., STOP 0237, Washington, DC 20250–0237; Fax: (202) 720–8938; or Internet: http://www.regulations.gov. All comments submitted in response to this rule will be included in the record and will be made available to the public. Please be advised that the identity of the individuals or entities submitting the comments will be made public on the Internet at the address provided above.

FOR FURTHER INFORMATION CONTACT:

Terry Vawter, Senior Marketing Specialist, or Kurt J. Kimmel, Regional Manager, California Marketing Field Office, Fruit and Vegetable Programs, AMS, USDA, 2202 Monterey Street, Suite 102B, Fresno, California 93721; Telephone: (559) 487–5901, Fax: (559) 487–5906; or E-mail: Terry.Vawter@ams.usda.gov or Kurt.Kimmel@ams.usda.gov.

Small businesses may request information on complying with this regulation by contacting Laurel May, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue, SW., STOP 0237, Washington,
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. This rule is not intended to have retroactive effect. 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. A 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 in equity 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 would increase the desirable carryout used to compute the yearly trade demand for NS raisins regulated under the order. "Trade demand" is computed based on a formula specified in the order, and is used to determine volume regulation percentages for each crop year, if necessary. "Desirable carryout," one component of this formula, is the amount of tonnage carried in from the prior crop year which is considered necessary to meet market needs, before raisins from the new crop year are available.

Currently, the desirable carryout for NS raisins is defined as: the total shipments of free tonnage during August 1 and September of each of the past 5 crop years, converted to a natural condition basis, dropping the high and low figures, and dividing the remaining sum by three, or 60,000 natural condition tons, whichever is higher. This rule would increase the desirable carryout to 85,000 natural condition tons, with no further calculations required. This action was unanimously recommended by the committee at a meeting held on February 23, 2011.

It should be noted that the desirable carryout for raisin varieties other than NS are not impacted by this proposal. The order provides authority for volume regulation designed to promote orderly marketing conditions, stabilize prices and supplies, and improve producer returns. When volume regulation is in effect, a certain percentage of the California raisin crop may be sold by handlers to any market (free tonnage) while the remaining percentage must be held by handlers in a reserve pool (reserve) for the account of the committee. Reserve raisins are disposed of through certain programs authorized under the order. For instance, 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 the following year; or disposed of in other outlets not competitive with those for free tonnage raisins, such as government purchase, distilleries, or animal feed. Funds generated from sales of reserve raisins are also used to support handler sales to export markets. Net proceeds from sales of reserve raisins are ultimately distributed to the reserve pool’s equity holders, primarily producers.

Section 989.54 of the order prescribes procedures to be followed in establishing volume regulation and includes methodology used to calculate volume regulation percentages. Trade demand is based on a computed formula specified in this section, and is also part of the formula used to determine volume regulation percentages. Trade demand is equal to 90 percent of the prior year’s shipments, adjusted by the carryin and desirable carryout inventories.

At one time, § 989.54(a) also specified actual tonnages for desirable carryout for each varietal type regulated. However, in 1989, these tonnages were suspended from the order, and flexibility was added so that the committee could adopt other methods for arriving at a desirable carryout in the order’s rules and regulations. The current formula has allowed the committee to periodically adjust the desirable carryout to better reflect changes in marketing conditions, as they have since 1989, most recently in 2000 and 2002.

The formula for desirable carryout has been specified since 1989 in § 989.154. Initially, the formula was established so that desirable carryout was based on shipments for the first 3 months of the prior crop year—August, September, and October (the crop year runs from August 1 through July 31). The formula has been changed over the years because the committee believed that an excessive supply of raisins was available early in a new crop year, which contributed to unstable market conditions.

However, given recent worldwide shortages of NS raisins, a favorable monetary exchange rate, and the extremely low inventory carried in by the industry at the beginning of the 2010–11 crop year, the committee determined that the current trade demand formula would not provide enough raisins to meet market demands when volume regulation is implemented, especially in the early part of the crop year when supplies can be tight. Thus, the committee recommended increasing the desirable carryout component of the formula. This change would also allow desirable carryout of NS raisins to more accurately reflect the amount of NS raisins that handlers actually hold in inventory at the end of a crop year, or about 100,000 tons.

The Committee’s Recommendation

At a meeting on February 23, 2011, the committee reviewed the desirable carryout level. Most committee members believe that the supply of free tonnage raisins on the market has become tight, and the carryout balance has resulted in market shortages and missed marketing opportunities in the early part of the season. The following table illustrates handler inventories for NS raisins that handlers actually hold in inventory at the end of a crop year, or about 100,000 tons.

### CARRYOUT INVENTORY OVER PAST 6 YEARS

<table>
<thead>
<tr>
<th>Crop year</th>
<th>NS carryout inventory (natural condition tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010–11</td>
<td>83,143</td>
</tr>
<tr>
<td>2009–10</td>
<td>126,824</td>
</tr>
<tr>
<td>2008–09</td>
<td>106,249</td>
</tr>
<tr>
<td>2007–08</td>
<td>105,430</td>
</tr>
<tr>
<td>2006–07</td>
<td>111,444</td>
</tr>
<tr>
<td>2005–06</td>
<td>114,792</td>
</tr>
</tbody>
</table>

Committee staff estimated that this change to the desirable carryout level...
would increase the 2011–12 trade demand for NS raisins by 15,000 tons. Increasing the trade demand will increase the free tonnage percentage, making more free tonnage available to handlers for immediate use. The effect of increased free tonnage would be to decrease any reserve pool which might be established.

NS raisins are the major commercial varietal type of raisin produced in California. With the exception of the 1998–99, 2003–04, and 2010–11 crop years, volume regulation has been implemented for NS raisins every year since 1983.

Initial Regulatory Flexibility Act

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 28 handlers of California raisins who are subject to regulation under the order and approximately 3,000 raisin producers in the regulated area. The Small Business Administration (13 CFR 121.201) defines small agricultural service firms as those having annual receipts of less than $7,000,000, and small agricultural producers are defined as those having annual receipts of less than $750,000.

Based upon shipment data and other information provided by the committee, it may be concluded that a majority of producers and approximately 18 handlers of California raisins may be classified as small entities.

This rule would increase the desirable carryout used to compute the yearly trade demand for raisins regulated under the order. “Trade demand” is computed based on a formula specified under § 989.54(a) of the order. It is also part of another formula used to determine volume regulation percentages for each crop year, if necessary. “Desirable carryout,” one component of this formula, is the amount of tonnage from the prior crop year needed to be the first part of the next crop year to meet market needs, before new crop raisins are available. Currently, the desirable carryout for Natural (sun-dried) Seedless (NS) raisins is defined as: the total shipments of free tonnage during August and September of each of the past 5 crop years, converted to a natural condition basis, dropping the high and low figures, and dividing the remaining sum by three, or 60,000 natural condition tons, whichever is higher.

This rule would increase the desirable carryout to 85,000 natural condition tons, with no calculations required. This action was unanimously recommended by the committee at a meeting held on February 23, 2011.

The desirable carryout level applies uniformly to all handlers in the industry, whether small or large, and there are no known additional costs incurred by small handlers. As previously mentioned, increasing the desirable carryout will increase the trade demand and free tonnage percentage, thus making more raisins available to handlers early in the season. This action is needed to provide more raisins at the beginning of each crop year to meet early demand, thereby improving market conditions at a time period when optimum shipments are advantageous—in time for the holidays. Holiday shipments begin in August, before new-crop raisins are available, and continue through October, and have traditionally been the highest shipment period, as buyers prepare for increased holiday sales of raisins and goods containing raisins.

The committee has an appointed subcommittee, the Administrative Issues Subcommittee (subcommittee), which periodically holds public meetings to discuss changes to the order and other issues. The subcommittee met on February 1, 2011, and discussed desirable carryout, considering a number of alternative levels of desirable carryout. While there was no opposition to increasing the desirable carryout, some industry members supported making the NS desirable carryout 90,000 natural condition tons, while some suggested that 80,000 natural condition tons was a good alternative. Still others suggested that the ideal number might be closer to 100,000 natural condition tons, in keeping with the average of the last several years’ actual inventory carried in at the beginning of the crop year, 106,000 natural condition tons. The 85,000 natural condition tons ultimately recommended was a compromise reached during subcommittee deliberations of the alternatives.

On February 23, 2011, the subcommittee met again and further discussed desirable carryout before recommending to the full committee that the desirable carryout be increased for NS raisins from the current formula or 60,000 natural condition tons, whichever is greater, to simply 85,000 natural condition tons. Ultimately, the full committee adopted the subcommittee’s recommendation, and unanimously recommended the change to USDA.

This proposed rule would impose no additional reporting or recordkeeping requirements on either small or large raisin 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. USDA has not identified any relevant Federal rules that duplicate, overlap or conflict with this rule.

AMS is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

In addition, the subcommittee’s meetings on February 1, 2011, and February 23, 2011; and the committee’s meeting on February 23, 2011, were public meetings, widely publicized throughout the raisin industry. All interested persons were invited to attend the meetings and encouraged to participate in the industry’s deliberations. Finally, all interested persons are invited to submit information on the regulatory and informational impacts 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 the following web site:


Any questions about the compliance guide should be sent to Antoinette Carter at the previously mentioned address in the FOR FURTHER INFORMATION CONTACT section.

A 30-day comment period is provided to allow interested persons to comment on this rule. Thirty days is deemed appropriate because the committee must meet to compute trade demand on or before August 15, and desirable carryout is one component needed for the trade demand formula.

This rule invites comments on increasing the desirable carryout level specified under the order’s regulations. All written comments timely received will be considered before a final determination is made on this matter.
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 proposed to be amended as follows:

PART 989—RAISINS PRODUCED FROM GRAPESON GROWN IN CALIFORNIA

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


2. In §989.154, the first sentence of paragraph (a) is revised to read as follows:

§989.154 Marketing policy computations.

(a) * * * The desirable carryout level to be used in computing and announcing a crop year’s marketing policy for Natural (sun-dried) Seedless raisins shall be 85,000 natural condition tons. * * *

Dated: May 9, 2011.
Ellen King,
Acting Administrator, Agricultural Marketing Service.

FOR FURTHER INFORMATION CONTACT:


SUPPLEMENTARY INFORMATION:
The NRC is issuing for public comment a draft guide in the agency’s “Regulatory Guide” series. This series was developed to describe and make available to the public such information as methods that are acceptable to the NRC staff for implementing specific parts of the NRC’s regulations, techniques that the staff uses in evaluating specific problems or postulated accidents, and data that the staff needs in its review of applications for permits and licenses.

The draft regulatory guide is temporarily identified by its task number, DG–1250, which should be mentioned in all related correspondence. The DG–1250 is proposed Revision 1 of Regulatory Guide 1.215, dated October 2010. This guide describes a method that the staff of the NRC considers acceptable for use in satisfying the requirements for documenting the completion of ITAAC. Since the ITAAC process has yet to be used for a combined license review under Title 10 of the Code of Federal Regulations (10 CFR) Part 52, this revision includes refinements in the ITAAC process as the NRC develops experience with expected practices by licensees. Further changes may be recommended following additional experience with this process. In general, this revision provides clarifying information sufficient to endorse the methodologies described in the industry guidance document, Nuclear Energy Institute (NEI) 08–01,