5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG–132634–14), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC, or sent electronically, via the Federal eRulemaking Portal at *www.regulations.gov* (IRS REG–132634–14). **FOR FURTHER INFORMATION CONTACT**: Caroline E. Hay at (202) 317–5279 (not a toll free number).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking (REG–132634–14) that is the subject of these corrections is under section 7704(d)(1)(E) of the Internal Revenue Code.

Need for Correction

As published in the **Federal Register** on Wednesday, May 6, 2015 (80 FR 25970), the notice of proposed rulemaking (REG–132634–14) contains errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the notice of proposed rulemaking (REG–132634–14), that was the subject of FR Doc. 2015–10592, is corrected as follows:

1. On page 25972, in the preamble, first column, under paragraph heading ''D. Processing or Refining'', sixteenth line from the bottom of the first paragraph, the language ''with Rev. Rul. 87–56 (1987–2 CB 27)'' is corrected to read ''with Rev. Proc. 87–56 (1987–2 CB 674)''.

§ 1.7704–4 [Corrected]

2. On Page 25975, first column, the fifteenth and sixteenth lines of paragraph (c)(5)(i), the language ''activity in accordance with Rev. Rul. 87–56, 1987–2 CB 27 (see'' is corrected to read ''activity in accordance with Rev. Proc. 87–56, 1987–2 CB 674 (see''.

Martin V. Franks,

Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration).

[FR Doc. 2015–14467 Filed 6–17–15; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[Docket No. TTB–2015–0009; Notice No. 153]

RIN 1513–AC20

Proposed Establishment of the Loess Hills District Viticultural Area

AGENCY: Alcohol and Tobacco Tax and Trade Bureau, Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Alcohol and Tobacco Tax and Trade Bureau (TTB) proposes to establish the 12,897-square mile (8,254,151-acre) ''Loess Hills District'' viticultural area in western Iowa and northwestern Missouri. The proposed viticultural area is not located within, nor does it contain, any other established viticultural area. TTB designates viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. TTB invites comments on this proposed addition to its regulations.

DATES: Comments must be received by August 17, 2015.

ADDRESSES: Please send your comments on this proposed rule to one of the following addresses (please note that TTB has a new address for comments submitted by U.S. mail):

- *Internet: http://www.regulations.gov* (via the online comment form for this proposed rule as posted within Docket No. TTB–2015–0009 at ''Regulations.gov,'' the Federal e-rulemaking portal);
- *U.S. Mail:* Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005; or
- *Hand delivery/courier in lieu of mail:* Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Suite 400, Washington, DC 20005.

See the Public Participation section of this proposed rule for specific instructions and requirements for submitting comments, and for information on how to request a public hearing or view or request copies of the petition and supporting materials.

FOR FURTHER INFORMATION CONTACT: Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005; phone 202–453–1039, ext. 175.

SUPPLEMENTARY INFORMATION:

Background on Viticultural Areas

TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated various authorities through Treasury Department Order 120–01), dated December 10, 2013, to the TTB Administrator to perform the functions and duties in the administration and enforcement of this law.

Part 4 of the TTB regulations (27 CFR part 4) authorizes the establishment of definitive viticultural areas and the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of petitions for the establishment or modification of American viticultural areas (AVAs) and lists the approved AVAs.

Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features, as described in part 9 of the regulations, and a name and a delineated boundary, as established in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to the wine's geographic origin. The establishment of AVAs allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of an AVA is neither an approval nor an endorsement by TTB of the wine produced in that area.

Requirements

Section 4.25(e)(2) of the TTB regulations (27 CFR 4.25(e)(2)) outlines the procedure for proposing an AVA and provides that any interested party

may petition TTB to establish a grape-growing region as an AVA. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes the standards for petitions for the establishment or modification of AVAs. Petitions to establish an AVA must include the following:

- Evidence that the area within the proposed AVA boundary is nationally or locally known by the AVA name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed AVA;
- A narrative description of the features of the proposed AVA affecting viticulture, such as climate, geology, soils, physical features, and elevation, that make the proposed AVA distinctive and distinguish it from adjacent areas outside the proposed AVA boundary;
- The appropriate United States Geological Survey (USGS) map(s) showing the location of the proposed AVA, with the boundary of the proposed AVA clearly drawn thereon; and
- A detailed narrative description of the proposed AVA boundary based on USGS map markings.

Loess Hills District Petition

TTB received a petition from Shirley Frederiksen, on behalf of the Golden Hills Resource Conservation and Development Inc. and the Western Iowa Grape Growers, proposing the establishment of the ''Loess Hills District'' AVA in western Iowa and northwestern Missouri. The proposed AVA includes all or portions of Fremont, Page, Mills, Montgomery, Pottawattamie, Cass, Harrison, Shelby, Audubon, Monoma, Crawford, Carroll, Woodbury, Ida, Sac, Plymouth, and Sioux Counties in Iowa, as well as portions of Atchison and Holt Counties in Missouri. The proposed AVA covers 12,897 square miles (approximately 8,254,151 acres) and has 66 commercial vineyards, which cover approximately 112 acres, distributed across the proposed AVA. The proposed AVA also has 13 bonded wineries.

According to the petition, the distinguishing features of the proposed Loess Hills District AVA include its soil, topography, and climate. Unless otherwise noted, all information and data pertaining to the proposed AVA contained in this proposed rule come from the petition for the proposed Loess Hills District AVA and its supporting exhibits.

Name Evidence

The proposed Loess Hills District AVA derives its name from the hills made of extremely thick layers of wind-deposited soil called ''loess'' that are characteristic of the region. Author Cornelia F. Mutel wrote a book about the natural history of the region titled *Fragile Giants: A Natural History of the Loess Hills,*[1] in which she referred to the hills as ''one of North America's gems, possessing natural features rarely duplicated elsewhere on the planet.'' In 1999, the State of Iowa designated 11,266 acres of land within the region of the proposed AVA as the Loess Hills State Forest, with the goal of protecting and preserving the unique landforms.

The names used by several Federal agencies to refer to the region of the proposed AVA contain the words ''loess hills.'' The U.S. Department of Agriculture's Natural Resources Conservation Service has designated the region as a Major Land Resource Area known as the ''Iowa and Missouri Deep Loess Hills.'' The U.S. Environmental Protection Agency describes the area of the proposed AVA as the ''Western Loess Hills'' eco-region. The U.S. Geological Survey describes the region as the ''Loess Hills Regional Landform.'' The Federal Highway Administration gave the name ''Loess Hills National Scenic Byway'' to a corridor of roads passing through the region of the proposed AVA. Finally, the National Park Service has designated 10,000 acres within the proposed AVA as the ''Loess Hills National Natural Landmark.''

Within the proposed Loess Hills District AVA are several businesses, organizations, and events that use the words ''loess hills'' in their names. Two annual events in Monona County, Iowa, are the Loess Hills Prairie Seminar, which teaches children and adults about the natural and cultural history of the region, and the Loess Hills Tractor Ride. The Loess Hills Wind Farm supplies energy to the town of Rock Port, Missouri, which is within the proposed AVA. Council Bluffs, Iowa, is the headquarters of the Loess Hills Preservation Society, which works to protect the natural resources of western Iowa and northwestern Missouri through education, land protection projects, sound land use planning, and land acquisition. The city also is served by a local chapter of the Red Cross, which is called the Loess Hills Red Cross. The Loess Hills Wood Turners, which meets in Glenwood, Iowa, is a club for woodworkers who live in southwestern Iowa. The Loess Hills Hideaway Cabins and Campground is located near Pisgah, Iowa. Finally, Loess Hills Miniatures is a miniature horse farm near Sioux City, Iowa.

Although the region of the proposed Loess Hills District AVA is commonly referred to as ''Loess Hills,'' the petitioner proposes adding ''District'' to the name in order to avoid potentially affecting current use of the phrase ''Loess Hills,'' standing alone, in brand names on wine labels. TTB agrees that the addition of the word ''District'' is an acceptable modification for this purpose.

Boundary Evidence

The proposed Loess Hills District AVA is described in the petition as a long, narrow region of loess-formed hills along the western banks of the Missouri and Big Sioux Rivers in western Iowa and northwestern Missouri. The proposed AVA stretches from the Iowa–South Dakota border south to Craig, Missouri, and east to Exira, Iowa. According to the petition, the proposed boundary encompasses the regions where the depth of the loess is greater than 20 feet, which allows for excellent water drainage and vine rooting depth.

The proposed western boundary follows U.S. Interstate 29 and the Big Sioux River and separates the loess-formed hills of the proposed AVA from the low, flat alluvial plains along the Missouri River. The proposed northern, eastern, and southern boundaries follow a series of roads to separate the steep slopes and deep loess of the proposed AVA from the more gently rolling landscapes and shallower loess depths of the surrounding regions.

Distinguishing Features

The distinguishing features of the proposed Loess Hills District AVA include soil, topography, and climate.

Soil

The primary distinguishing feature of the proposed Loess Hills District AVA is the deep loess soil. Loess is a loose, crumbly soil comprised of quartz, feldspar, mica, and other materials. During the Ice Age, glaciers ground the underlying rocks into a fine powder called ''glacial flour.'' When the glaciers melted, the water pushed the glacial flour down the Missouri River Valley. When the waters receded, the exposed silt dried and was picked up by the prevailing westerly winds and re-deposited over broad areas. This windborne silt is called ''loess.'' The heaviest, coarsest loess particles were deposited close to the Missouri River and formed the sharp, high bluffs of the proposed Loess Hills District AVA.

Loess is common throughout the United States, but the loess of the

[1] Cornelia F. Mutel, *Fragile Giants: A Natural History of the Loess Hills* (Iowa City: University of Iowa Press, 1989).

proposed AVA is unique because of its depth. Within portions of the proposed AVA, the loess reaches depths of 300 feet. According to the petition, the only place on Earth where deep loess layers are as extensive as those within the proposed AVA is Shaanxi, China. The deep loess of the proposed AVA enable roots to extend deep into the soil without being stopped by a restrictive barrier such as denser soils or bedrock. The lack of a restrictive barrier also allows water to drain away from the roots quickly, which reduces the risk of fungal diseases and rot.

The soil within the proposed Loess Hills District AVA typically has a high pH value, ranging from 6.9 to 7.3. According to the petition, grapes that are grown in soils with high pH levels show fewer leaf symptoms of nutrient imbalance and are better to withstand cold winters than similar grapes grown in soils with lower pH levels. The petition states the higher soil pH levels of the proposed AVA are the reason varieties such as Noiret, St. Vincent, Vignole, Traminnette, Chardonel, Chambourcin, Cayuga, and Norton are grown successfully within the proposed AVA but are not as common in the regions outside the proposed AVA. Additionally, grapes grown in soils with high pH levels produce must that has lower levels of potassium. Wines produced from grape must with high levels of potassium have lower, less desirable acidity levels and are more susceptible to microbial attacks than wines made from grape must with low levels of potassium.

To the north, east, and south of the proposed Loess Hills District AVA, the depth of loess is less than 20 feet. The soils to the north, east, and south of the proposed AVA also contain glacial till, which forms a restrictive barrier that prevents excess water from draining as rapidly and fully as within the proposed AVA. As a result, artificial drainage is more common in vineyards in these regions than inside the proposed AVA. To the immediate west of the proposed AVA, the soils are primarily formed from alluvium and are poorly drained and subject to flooding.

Topography

The topography of the proposed Loess Hills District AVA is characterized by rolling-to-steep hills. Elevations within the proposed AVA peak at approximately 1,500 feet on the highest ridgelines, though local relief averages approximately 100 feet. Ridge crests are primarily oriented in a north-south direction. Erosion by wind and water has sculpted the ridge crests into irregular shapes called ''peaks and saddles,'' and streams have carved steep-sided valleys. In places where the soil has become heavily saturated, the soil has slipped as a unit to form rows of staircase-like terraces called ''cat steps.'' According to the petition, the irregular terrain of the proposed AVA has created sheltered niches with warmer temperatures than are found outside the proposed AVA. As a result, certain plants are able to live hundreds of miles outside their normal ranges, including the yucca, which is native to the southwestern States, and the pawpaw tree, which is native to the southeastern States.

The hilly, often steep, landscape affects viticulture within the proposed Loess Hills District AVA. The hilly terrain allows cold night air to drain off the slopes and away from the vineyards, reducing the risk of frost in the late spring and early fall. The steep slopes also shed excess water more quickly and completely than surrounding regions with flatter terrain, reducing the risk of fungal diseases and rot. However, the steepness of the slopes, combined with the loose texture of the soil, increases the risk of erosion. To reduce erosion, many vineyard owners within the proposed AVA plant their vines in a north-south alignment, with a slightly eastward slant to optimize the amount of sunlight that reaches the vines. Finally, the same warm niches that allow plants such as yucca and pawpaw trees to grow in the proposed AVA also allow very late ripening grape varieties such as Norton, Chambourcin, and Noiret to grow successfully.

Outside of the proposed Loess Hills District AVA, the local topography is generally flatter and lower. To the north, the local relief is similar to that of the proposed AVA, but the hills are more broadly undulating, and wide, nearly level valley floors are common along the large rivers. To the east, the terrain is nearly level to gently rolling, and local relief is between 10 and 20 feet. To the south of the proposed AVA are rolling hills with broad ridge tops and major rivers with nearly level valleys, similar to the topography north of the proposed AVA. Local relief south of the proposed AVA is between 10 and 20 feet, which is lower than that of the proposed AVA. To the west of the proposed AVA, the terrain is marked by broad, undulating ridges and wide flood plains, and the local relief is between 5 and 30 feet.

Climate

The petition compared the temperature of the proposed Loess Hills District AVA to the surrounding region. The following table, compiled from data in the petition, summarizes the growing season length, first and last frost dates, and growing degree day (GDD) [2] averages for locations both within and outside of the proposed AVA.[3] The locations within the proposed AVA are listed from the northernmost location to the southernmost location, as are the locations outside the proposed AVA.

Location	Average date of last spring frost (base 30 degrees F)	Average date of first fall frost (base 30 degrees F)	Average length of growing season (in days)	Annual GDD averages
Within Proposed AVA				
Sioux City, IA	April 19	October 9	173	3,191
Oakland, IA	April 24	October 6	167	3,227
Atlantic, IA	April 27	October 6	158	3,174
Tarkio, MO	April 11	October 12	182	3,364

[2] In the Winkler climate classification system, annual heat accumulation during the growing season (April 1 through October 31), measured in annual growing degree days (GDDs), defines climatic regions. One GDD accumulates for each degree Fahrenheit that a day's mean temperature is above 50 degrees, the minimum temperature required for grapevine growth. See Albert J. Winkler, *General Viticulture* (Berkeley: University of California Press, 1974), pages 61–64.

[3] The climate date for Iowa and Missouri was gathered from climate normals available from the Midwest Regional Climate Center (*http://mrcc.isws.illinois.edu/climate_midwest/mwclimate_data_summaries.htm*). Climate normals are calculated every 10 years using 30 years of data. At the time the petition was submitted, the most recent climate normals available were from the period of 1971–2000. The climate data for Nebraska and South Dakota was gathered from the High Plains Regional Climate Center (HPRCC) (*http://www,hprcc.unl.edu/data/historical*). The period of the data collection on the HPRCC site varies from weather station to weather station.

Location	Average date of last spring frost (base 30 degrees F)	Average date of first fall frost (base 30 degrees F)	Average length of growing season (in days)	Annual GDD averages
Average			170	3,239
North of Proposed AVA				
Rock Rapids, IA	April 28	October 2	158	2,279
Sioux Falls, SD	May 2	September 28	139	2787
Average			149	2,533
East of Proposed AVA				
Sheldon, IA	May 1	October 2	155	2,729
Cherokee, IA	May 2	October 4	157	2,866
Rockwell City, IA	April 21	October 8	172	3,063
Guthrie Center, IA	April 28	October 4	162	3,013
Bedford, IA	April 19	October 10	175	3,430
Average			164	3,020
South of Proposed AVA				
Amity, MO	April 12	October 12	180	3,516
St. Joseph, MO	April 12	October 13	188	3,866
Average			184	3,691
West of Proposed AVA				
Wayne, NE	May 7	October 1	147	2,911
West Point, NE	May 1	October 9	160	3,337
Fremont, NE	April 30	October 1	162	3,517
Ashland, NE	April 27	October 5	161	3,566
Tecumseh, NE	May 3	October 6	155	3,613
Average			157	3,389

The proposed Loess Hills District AVA is well-suited for growing grape varieties that require a long time to mature. The early last-spring-frost date allows vines to emerge from their winter dormancy early without the risk of a late frost damaging the new growth or buds. The late first-fall-frost date ensures ample time for the grapes to remain on the vine and achieve full maturity and reach the desired levels of acids and sugars. Finally, the GDD average reflects warm growing season temperatures that encourage vine growth and fruit development.

To the north and east of the proposed AVA, the growing season is shorter and GDDs are fewer, so late-maturing varieties of grapes would not grow as successfully in these regions as they do within the proposed AVA. West of the proposed AVA, the GDD accumulations are higher, but a later last-spring-frost date increases the risk of frost damage to new vine growth and buds, and an earlier first-fall-frost date poses a risk for grapes that are still ripening late in the growing season. The region to the south has both a longer growing season and greater GDD accumulations than the proposed AVA, so late-maturing varieties may ripen too quickly and develop higher levels of sugars than desired.

The petition also included data on the average annual precipitation amounts for the proposed Loess Hills District AVA and the surrounding regions. The following table was compiled from data in the petition, and the data is from the same sources as the data in the previous table.

Location	Average annual precipitation amount (in Inches)
Within Proposed AVA	
Sioux City, IA	25.99
Oakland, IA	33.53
Atlantic, IA	34.77
Tarkio, MO	33.52
Average	31.95
North of Proposed AVA	
Rock Rapids, IA	27.40
Sioux Falls, SD	25.07
Average	26.23
East of Proposed AVA	
Sheldon, IA	29.46
Cherokee, IA	29.03
Rockwell City, IA	31.26
Guthrie Center, IA	34.71
Bedford, IA	36.35
Average	32.16
South of Proposed AVA	
Amity, MO	36.35
St. Joseph, MO	35.24
Average	35.79
West of Proposed AVA	
Wayne, NE	26.35
West Point, NE	29.18
Fremont, NE	29.29
Ashland, NE	28.50
Tecumseh, NE	31.79
Average	29.02

The average annual precipitation amounts within the proposed Loess Hills District AVA are higher than the regions to the north and west, and lower than the regions to the east and south. The rainfall amounts within the proposed AVA provide sufficient moisture for the vines, and irrigation is seldom necessary. However, the relatively high rainfall amounts increase the risk of erosion within the proposed AVA, due to the nature of the loess soils. As a result, vineyards on steep hillsides are often planted in a north-south orientation to help hold the soil in place and reduce erosion.

Summary of Distinguishing Features

In summary, the evidence provided in the petition indicates that the geographic and climatic features of the proposed Loess Hills District AVA distinguish it from the surrounding regions in each direction. To the north, east, and south of the proposed AVA, the topography is characterized by broadly undulating hills with shallower slopes, and the depth of the loess is less than 20 feet. The regions to the north and east also have shorter growing seasons with lower accumulations of GDDs. To the south of the proposed AVA, the growing season is longer and accumulates more GDDs, and precipitation levels are higher. The region to the west of the proposed AVA is characterized by wide flood plains, alluvial soils, less rainfall, and a shorter growing season with higher GDD accumulations.

TTB Determination

TTB concludes that the petition to establish the 12,897-square mile Loess Hills District AVA merits consideration and public comment, as invited in this proposed rule.

Boundary Description

See the narrative description of the boundary of the petitioned-for AVA in the proposed regulatory text published at the end of this proposed rule.

Maps

The petitioner provided the required maps, and they are listed below in the proposed regulatory text.

Impact on Current Wine Labels

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine's true place of origin. For a wine to be labeled with an AVA name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name, and the wine must meet the other conditions listed in § 4.25(e)(3) of the TTB regulations (27 CFR 4.25(e)(3)). If the wine is not eligible for labeling with an AVA name and that name appears in the brand name, then the label is not in compliance and the bottler must change the brand name and obtain approval of a new label. Similarly, if the AVA name appears in another reference on the label in a misleading manner, the bottler would have to obtain approval of a new label. Different rules apply if a wine has a brand name containing an AVA name that was used as a brand name on a label approved before July 7, 1986. See § 4.39(i)(2) of the TTB regulations (27 CFR 4.39(i)(2)) for details.

If TTB establishes this proposed AVA, its name, ''Loess Hills District,'' will be recognized as a name of viticultural significance under § 4.39(i)(3) of the TTB regulations (27 CFR 4.39(i)(3)). The text of the proposed regulation clarifies this point. Consequently, if this proposed rule is adopted as a final rule, wine bottlers using the name ''Loess Hills District'' in a brand name, including a trademark, or in another label reference as to the origin of the wine, would have to ensure that the product is eligible to use the AVA name as an appellation of origin. TTB is not proposing ''Loess Hills,'' standing alone, as a term of viticultural significance if the proposed AVA is established, in order to avoid a potential conflict with a current label holder. Accordingly, the proposed part 9 regulatory text set forth in this document specifies only the full name ''Loess Hills District'' as a term of viticultural significance for purposes of part 4 of the TTB regulations.

Public Participation

Comments Invited

TTB invites comments from interested members of the public on whether it should establish the proposed AVA. TTB is also interested in receiving comments on the sufficiency and accuracy of the name, boundary, soils, climate, and other required information submitted in support of the petition. Please provide any available specific information in support of your comments.

Because of the potential impact of the establishment of the proposed Loess Hills District AVA on wine labels that include the term ''Loess Hills District,'' as discussed above under Impact on Current Wine Labels, TTB is particularly interested in comments regarding whether there will be a conflict between the proposed area name and currently used brand names. If a commenter believes that a conflict will arise, the comment should describe the nature of that conflict, including any anticipated negative economic impact that approval of the proposed AVA will have on an existing viticultural enterprise. TTB is also interested in receiving suggestions for ways to avoid conflicts, for example, by adopting a modified or different name for the AVA.

Submitting Comments

You may submit comments on this proposed rule by using one of the following three methods (please note that TTB has a new address for comments submitted by U.S. Mail):

- *Federal e-Rulemaking Portal:* You may send comments via the online comment form posted with this proposed rule within Docket No. TTB–2015–0009 on ''Regulations.gov,'' the Federal e-rulemaking portal, at *http://www.regulations.gov.* A direct link to that docket is available under Notice No. 153 on the TTB Web site at *http://www.ttb.gov/wine/wine-rulemaking.shtml.* Supplemental files may be attached to comments submitted via Regulations.gov. For complete instructions on how to use Regulations.gov, visit the site and click on the ''Help'' tab.
- *U.S. Mail:* You may send comments via postal mail to the Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005.
- *Hand Delivery/Courier:* You may hand-carry your comments or have them hand-carried to the Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Suite 400, Washington, DC 20005.

Please submit your comments by the closing date shown above in this proposed rule. Your comments must reference Notice No. 153 and include your name and mailing address. Your comments also must be made in English, be legible, and be written in language acceptable for public disclosure. TTB does not acknowledge receipt of comments, and TTB considers all comments as originals.

In your comment, please clearly indicate if you are commenting on your own behalf or on behalf of an association, business, or other entity. If you are commenting on behalf of an entity, your comment must include the entity's name, as well as your name and position title. If you comment via Regulations.gov, please enter the entity's name in the ''Organization'' blank of the online comment form. If you comment via postal mail or hand delivery/courier, please submit your entity's comment on letterhead.

You may also write to the Administrator before the comment closing date to ask for a public hearing. The Administrator reserves the right to determine whether to hold a public hearing.

Confidentiality

All submitted comments and attachments are part of the public record and subject to disclosure. Do not enclose any material in your comments that you consider to be confidential or inappropriate for public disclosure.

Public Disclosure

TTB will post, and you may view, copies of this proposed rule, selected supporting materials, and any online or mailed comments received about this proposal within Docket No. TTB–2015–0009 on the Federal e-rulemaking portal, Regulations.gov, at *http://www.regulations.gov.* A direct link to that docket is available on the TTB Web site at *http://www.ttb.gov/wine/wine-rulemaking.shtml* under Notice No. 153. You may also reach the relevant docket through the Regulations.gov search page at *http://www.regulations.gov.* For information on how to use Regulations.gov, click on the site's ''Help'' tab.

All posted comments will display the commenter's name, organization (if any), city, and State, and, in the case of mailed comments, all address information, including email addresses. TTB may omit voluminous attachments or material that the Bureau considers unsuitable for posting.

You may also view copies of this proposed rule, all related petitions, maps and other supporting materials, and any electronic or mailed comments that TTB receives about this proposal by appointment at the TTB Information Resource Center, 1310 G Street NW., Washington, DC 20005. You may also obtain copies at 20 cents per 8.5- x 11-inch page. Please note that TTB is unable to provide copies of USGS maps or any similarly-sized documents that may be included as part of the AVA petition. Contact TTB's information specialist at the above address or by telephone at 202–453–2270 to schedule an appointment or to request copies of comments or other materials.

Regulatory Flexibility Act

TTB certifies that this proposed regulation, if adopted, would not have a significant economic impact on a substantial number of small entities. The proposed regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of an AVA name would be the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

Executive Order 12866

It has been determined that this proposed rule is not a significant regulatory action as defined by Executive Order 12866 of September 30, 1993. Therefore, no regulatory assessment is required.

Drafting Information

Karen A. Thornton of the Regulations and Rulings Division drafted this proposed rule.

List of Subjects in 27 CFR Part 9

Wine.

Proposed Regulatory Amendment

For the reasons discussed in the preamble, TTB proposes to amend title 27, chapter I, part 9, Code of Federal Regulations, as follows:

PART 9—AMERICAN VITICULTURAL AREAS

■ 1. The authority citation for part 9 continues to read as follows:

Authority: 27 U.S.C. 205.

Subpart C—Approved American Viticultural Areas

■ 2. Subpart C is amended by adding § 9.___ to read as follows:

§ 9.___ Loess Hills District.

(a) *Name.* The name of the viticultural area described in this section is ''Loess Hills District''. For purposes of part 4 of this chapter, ''Loess Hills District'' is a term of viticultural significance.

(b) *Approved maps.* The 13 United States Geological Survey (USGS) 1:100,000 scale topographic maps used to determine the boundary of the Loess Hills District viticultural area are titled:

(1) Rock Rapids, Iowa–South Dakota, 1985;

(2) Sioux City North, Iowa– South Dakota–Nebraska, 1986; photoinspected 1990;

(3) Storm Lake, Iowa, 1985; photoinspected 1990;

(4) Ida Grove, Iowa, 1985; photoinspected 1990;

(5) Carroll, Iowa, 1993;

(6) Guthrie Center, Iowa, 1993;

(7) Creston, Iowa, 1993;

(8) Omaha, Nebraska–Iowa, 1985; photoinspected, 1990;

(9) Nebraska City, Nebraska–Iowa–Missouri, 1993;

(10) Falls City, Nebraska–Missouri, 1986; photoinspected 1991;

(11) Harlan, Iowa–Nebraska, 1980;

(12) Blair, Nebraska–Iowa, 1986; photoinspected 1988; and

(13) Sioux City South, Iowa–Nebraska South Dakota, 1986; photoinspected 1990.

(c) *Boundary.* The Loess Hills District viticultural area is located in Fremont, Page, Mills, Montgomery, Pottawattamie, Cass, Harrison, Shelby, Audubon, Monona, Crawford, Carroll, Woodbury, Ida, Sac, Plymouth, and Sioux Counties in western Iowa and Atchison and Holt Counties in northwestern Missouri. The boundary of the Loess Hills District viticultural area is as described below:

(1) The beginning point is on the Rock Rapids, Iowa–South Dakota map, in Sioux County, Iowa, at the intersection of the Big Sioux River and an unnamed road known locally as County Road B30 (360th Street), east of Hudson, South Dakota. From the beginning point, proceed east on County Road B30 approximately 3 miles to a road known locally as County Road K22 (Coolidge Avenue); then

(2) Proceed south on County Road K22 approximately 3 miles to a road known locally as County Road B40 (390th Street); then

(3) Proceed east on County Road B40 approximately 4 miles to a road known locally as County Road K30 (Eagle Avenue); then

(4) Proceed south on County Road K30 approximately 13.1 miles, crossing onto the Sioux City North, Iowa–South Dakota–Nebraska map and continuing into Plymouth County, Iowa, to a road known locally as County Road C12 (110th Street), at Craig, Iowa; then

(5) Proceed east on County Road C12 approximately 2 miles to a road known locally as County Road K42 (Jade Avenue), at the marked 436-meter elevation point; then

(6) Proceed south on County Road K42 approximately 10 miles to a road known locally as County Road C38; then

(7) Proceed east on County Road C38 approximately 6.4 miles to a road known locally as County Road K49 (7th Avenue SE), approximately 2 miles south of La Mars, Iowa; then

(8) Proceed south on County Road K49 approximately 4 miles to a road known locally as County Road C44 (230th Street); then

(9) Proceed east on County Road C44 approximately 5 miles to a road known locally as County Road K64 (Oyens Avenue); then

(10) Proceed south on County Road K64 approximately 4.1 miles to a road known locally as County Road C60 (290th Street); then

(11) Proceed east on County Road C60 approximately 5 miles, crossing onto the Storm Lake, Iowa map, to State Highway 140; then

(12) Proceed south on State Highway 140 approximately 3.2 miles to a road known locally as County Road L14 (Knox Avenue) in Kingsley, Iowa; then

(13) Proceed south on County Road L14 approximately 2.7 miles, crossing into Woodbury County, Iowa, to a road known locally as County Road D12 (110th Street); then

(14) Proceed east on County Road D12 approximately 5 miles to a road known locally as County Road L25 (Minnesota Avenue) near Pierson, Iowa; then

(15) Proceed south on County Road L25 approximately 4.5 miles, crossing onto the Ida Grove, Iowa map, to U.S. Highway 20; then

(16) Proceed east on U.S. Highway 20 approximately 22.5 miles, crossing into Ida County, Iowa, to a road known locally as County Road M25 (Market Avenue); then

(17) Proceed south on County Road M25 approximately 9.8 miles to State Highway 175 east of Ida Grove, Iowa; then

(18) Proceed east on State Highway 175 approximately 4.1 miles to a road known locally as Country Highway M31 (Quail Avenue) near Arthur, Iowa; then

(19) Proceed south on Country Highway M31 approximately 4.4 miles to a road known locally as County Road D59 (300th Street); then

(20) Proceed east on County Road D59 approximately 13 miles, crossing into Sac County, Iowa, to a road known locally as County Road M64 (Needham Avenue/Center Street) at Wall Lake, Iowa; then

(21) Proceed south on County Road M64 approximately 6.2 miles to a road known locally as County Road E16 (120th Street); then

(22) Proceed east into Carroll County, Iowa, on County Road E16 approximately 6 miles, crossing onto the Carroll, Iowa map, to Breda, Iowa, and then continue east on State Highway 217 (East Main Street) approximately 5 miles to U.S. Highway 71; then

(23) Proceed south on U.S. Highway 71 approximately 3 miles to a road known locally as County Road E26 (140th Street); then

(24) Proceed east on County Road E26 approximately 5 miles to a road known locally as County Road N38 (Quail Avenue); then

(25) Proceed south on County Road N38 approximately 5 miles to U.S. Highway 30 (Lincoln Highway); then

(26) Proceed east on U.S. Highway 30 approximately 3 miles to a road known locally as County Road N44 (Colorado Street) in Glidden, Iowa; then

(27) Proceed south on County Road N44 approximately 8 miles, crossing onto the Guthrie Center, Iowa map, to a road known locally as County Road E57 (280th Street); then

(28) Proceed east on County Road E57 approximately 2 miles to a road known locally as County Road N44 (Velvet Avenue); then

(29) Proceed south on County Road N44 approximately 5.4 miles to State Highway 141 (330th Street) at Coon Rapids, Iowa; then

(30) Proceed west on State Highway 141 approximately 12 miles to U.S. Highway 71 at Lynx Avenue southeast of Templeton, Iowa; then

(31) Proceed south on U.S. Highway 71 approximately 35.9 miles, crossing into Audubon County, Iowa, and then Cass County, Iowa, and onto the Creston, Iowa map, to U.S. Highway 6/ State Highway 83 east of Atlantic, Iowa; then

(32) Proceed west, then southwest, then west on U.S. Highway 6 approximately 18.9 miles, crossing onto the Omaha, Nebraska–Iowa map and into Pottawattamie County, Iowa, to a road known locally as County Road M47 (500th Street) approximately 1 mile west of Walnut Creek; then

(33) Proceed south on County Road M47 approximately 12 miles, crossing into Montgomery County, Iowa to a road known locally as County Road H12 (110th Street); then

(34) Proceed west on County Road H12 approximately 8.9 miles, crossing into Mills County, Iowa, to U.S. Highway 59; then

(35) Proceed south on U.S. Highway 59 approximately 20.2 miles, crossing onto the Nebraska City, Nebraska–Iowa–Missouri map and into Page County, Iowa, to a road known locally as County Road J14 (130th Street); then

(36) Proceed east on County Road J14 approximately 4 miles to a road known locally as County Road M41 (D Avenue); then

(37) Proceed south on County Road M41 approximately 1.7 miles to State Highway 48 at Essex, Iowa; then

(38) Proceed northeast then east on State Highway 48 approximately 1.2 miles to a road known locally as County Road M41 (E Avenue); then

(39) Proceed south on County Road M41 approximately 7 miles to State Highway 2 (210th Street); then

(40) Proceed east on State Highway 2 approximately 8 miles to a road known locally as M Avenue; then

(41) Proceed south on M Avenue, then east on a road known locally as County Road M60 (Maple Avenue), approximately 6.4 total miles, to a road known locally as County Road J52 (270th Street); then

(42) Proceed south in a straight line approximately 3.5 miles to the intersection of 304th Street and Maple Avenue (approximately 1.2 mile southwest of College Springs, Iowa), and then continue south on Maple Avenue for 0.5 mile to a road known locally as County Road J64 (310th Street); then

(43) Proceed west on County Road J64 approximately 4.5 miles to a road known locally as County Road M48 (Hackberry Avenue); then

(44) Proceed south on County Road M48 approximately 1.2 miles to the Iowa-Missouri State line at Blanchard, Iowa, and, crossing into Atchison County, Missouri, where County Road M48 becomes State Road M, and continue generally south on State Road M approximately 11.2 miles, crossing onto the Falls City, Nebraska-Missouri map, to U.S. Highway 136; then

(45) Proceed west on U.S. Highway 136 approximately 1 mile to State Road N; then

(46) Proceed south on State Road N 15 miles, crossing into Holt County, Missouri, to State Road C; then

(47) Proceed west then south on State Road C approximately 3 miles to U.S. Highway 59; then

(48) Proceed northwest on U.S. Highway 59 approximately 2 miles to the highway's first intersection with Interstate Highway 29 near Craig, Missouri; then

(49) Proceed generally north along Interstate Highway 29, crossing into Atchison County, Missouri, and onto the Nebraska City, Nebraska-Iowa-Missouri map, and continuing into Freemont County and Mills County, Iowa, then crossing onto the Omaha, Nebraska-Iowa map and into Pottawattamie County, Iowa; then crossing onto the Harlan, Iowa-Nebraska map and into Harrison County, Iowa; then continuing onto the Blair, Nebraska-Iowa map and into Monona County, Iowa; then crossing onto the Sioux City South, Iowa-Nebraska-South Dakota Map and into Woodbury County for a total of approximately 185 miles, to the intersection of Interstate Highway 29 with the Big Sioux River at Sioux City, Iowa; then

(50) Proceed generally north (upstream) along the meandering Big Sioux River, crossing onto the Sioux City North, Iowa-South Dakota-Nebraska map and into Plymouth County and Sioux County, Iowa, and continuing onto the Rock Rapids, Iowa-South Dakota map for a total of approximately 50 miles, returning to the beginning point.

Signed: June 11, 2015.

John J. Manfreda,

Administrator.

[FR Doc. 2015–15037 Filed 6–17–15; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[Docket No. TTB–2015–0008; Notice No. 152]

RIN 1513–AC21

Proposed Expansion of the Willamette Valley Viticultural Area

AGENCY: Alcohol and Tobacco Tax and Trade Bureau, Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Alcohol and Tobacco Tax and Trade Bureau (TTB) proposes to expand the approximately 5,360-square mile ''Willamette Valley'' viticultural area in northwestern Oregon by approximately 29 square miles. The established Willamette Valley viticultural area and the proposed expansion area do not lie within any other viticultural area. TTB designates viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. TTB invites comments on this proposed addition to its regulations.

DATES: Comments must be received by August 17, 2015.

ADDRESSES: Please send your comments on this notice of proposed rulemaking to one of the following addresses:

- *Internet: http://www.regulations.gov* (via the online comment form for this notice of proposed rulemaking as posted within Docket No. TTB–2015–0008 at ''Regulations.gov,'' the Federal e-rulemaking portal);
- *U.S. Mail:* Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005; or
- *Hand delivery/courier in lieu of mail:* Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Suite 400, Washington, DC 20005.

See the Public Participation section of this notice of proposed rulemaking for specific instructions and requirements for submitting comments, and for information on how to request a public hearing or view or obtain copies of the petition and supporting materials.

FOR FURTHER INFORMATION CONTACT: Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005; phone 202–453–1039, ext. 175.

SUPPLEMENTARY INFORMATION:

Background on Viticultural Areas

TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated various authorities through Treasury Department Order 120–01, dated December 10, 2013, to the TTB Administrator to perform the functions and duties in the administration and enforcement of this law.

Part 4 of the TTB regulations (27 CFR part 4) authorizes TTB to establish definitive viticultural areas and regulate the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth the standards for the preparation and submission of petitions for the establishment or modification of American viticultural areas (AVAs) and lists the approved American viticultural areas.

Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features, as described in part 9 of the regulations, and a name and a delineated boundary, as established in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to the wine's geographic origin. The establishment of AVAs allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of an AVA is neither an approval nor an endorsement by TTB of the wine produced in that area.

Requirements

Section 4.25(e)(2) of the TTB regulations (27 CFR 4.25(e)(2)) outlines the procedure for proposing the establishment of an AVA and provides that any interested party may petition TTB to establish a grape-growing region as an AVA. Petitioners may use the same procedures to request changes involving existing AVAs. Section 9.12(c) of the TTB regulations (27 CFR 9.12(c)) prescribes standards for petitions for modifying established AVAs. Petitions to expand an established AVA must include the following:

- Evidence that the region within the proposed expansion area boundary is nationally or locally known by the name of the established AVA;
- An explanation of the basis for defining the boundary of the proposed expansion area;
- A narrative description of the features of the proposed expansion area affecting viticulture, including climate, geology, soils, physical features, and elevation, that make the proposed expansion area similar to the established AVA and distinguish it from adjacent areas outside the established AVA boundary;
- The appropriate United States Geological Survey (USGS) map(s) showing the location of the proposed expansion area, with the boundary of the proposed expansion area clearly drawn thereon; and
- A detailed narrative description of the proposed expansion area boundary based on USGS map markings.

Petition To Expand the Willamette Valley AVA

TTB received a petition from Steve Thomson, the executive vice president of King Estate Winery in Eugene, Oregon, proposing to expand the established ''Willamette Valley'' AVA in northwestern Oregon. The Willamette Valley AVA (27 CFR 9.90) was established by T.D. ATF–162, which published in the **Federal Register** on December 1, 1983 (48 FR 54221). The Willamette Valley AVA covers approximately 5,360 square miles in Benton, Lane, Linn, Clackamas, Lincoln, Marion, Multnomah, Polk, Tillamook, Washington, and Yamhill Counties. The Willamette Valley AVA is not located within any other AVA, but it does contain six smaller AVAs: Chehalem Mountains, Dundee Hills, Eola-Amity Hills, McMinnville, Ribbon Ridge, and Yamhill-Carlton.

The proposed expansion area is located in Lane County adjacent to the