



This document is scheduled to be published in the Federal Register on 12/16/2013 and available online at <http://federalregister.gov/a/2013-29674>, and on [FDsys.gov](http://FDsys.gov)

**DEPARTMENT OF AGRICULTURE**

**Agricultural Marketing Service**

**7 CFR Part 923**

**[Doc. No. AMS-FV-13-0055; FV13-923-1 FIR]**

**Sweet Cherries Grown in Designated Counties in Washington;**

**Decreased Assessment Rate**

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

**ACTION:** Affirmation of interim rule as final rule.

**SUMMARY:** The Department of Agriculture is adopting, as a final rule, without change, an interim rule that decreased the assessment rate established for the Washington Cherry Marketing Committee (Committee) for the 2013-2014 and subsequent fiscal periods from \$0.18 to \$0.15 per ton of sweet cherries handled. The Committee locally administers the marketing order for sweet cherries grown in designated counties in Washington. The Committee's fiscal period begins on April 1, and ends March 31. The interim rule was necessary to allow the Committee to reduce its monetary reserve while still providing adequate funding to meet program expenses.

**DATES:** Effective [INSERT DATE 1 DAY AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Teresa Hutchinson, Marketing Specialist, or Gary Olson, Regional Director, Northwest Marketing Field Office, Marketing Order and Agreement Division, Fruit and Vegetable Program, AMS, USDA; Telephone: (503) 326-2724, Fax: (503) 326-7440, or E-mail: Teresa.Hutchinson@ams.usda.gov or GaryD.Olson@ams.usda.gov.

Small businesses may obtain information on complying with this and other marketing order regulations by viewing a guide at the following website:

<http://www.ams.usda.gov/MarketingOrdersSmallBusinessGuide>; or by contacting Jeffrey Smutny, Marketing Order and Agreement Division, Fruit and Vegetable Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250-0237; Telephone: (202) 720-2491, Fax: (202) 720-8938, or E-mail: Jeffrey.Smutny@ams.usda.gov.

**SUPPLEMENTARY INFORMATION:** This rule is issued under Marketing Order No. 923, as amended (7 CFR part 923), regulating the handling of sweet cherries grown in designated counties in Washington, 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 Orders 12866 and 13563.

Under the order, Washington sweet cherry handlers are subject to assessments which provide funds to administer the order. Assessment rates issued under the order are intended to be applicable to all assessable Washington sweet cherries for the entire fiscal period, and continue indefinitely until amended, suspended, or terminated. The Committee's fiscal period begins on April 1, and ends March 31.

In an interim rule published in the **Federal Register** on August 8, 2013, and effective on August 9, 2013, (78 FR 48283, Doc. No. AMS-FV-13-0055, FV13-923-1 IR), § 923.236 was amended by decreasing the assessment rate established for the Committee for the 2013-2014 and subsequent fiscal periods from \$0.18 to \$0.15 per ton of sweet cherries handled. The Committee recommended the lower assessment rate for the purpose of reducing its monetary reserve while still providing adequate funding to meet program expenses.

#### **Final Regulatory Flexibility Analysis**

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601-612), the Agricultural Marketing Service (AMS) has considered the economic impact

of this rule on small entities. Accordingly, AMS has prepared this final regulatory flexibility analysis.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf.

There are 53 handlers of Washington sweet cherries subject to regulation under the order and approximately 1,500 producers in the regulated production area. Small agricultural service firms are defined by the Small Business Administration (13 CFR 121.201) 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.

The National Agricultural Statistics Service has prepared a preliminary report for the 2012 shipping season showing that prices for the 210,000 tons of sweet cherries that entered the fresh market averaged \$2,140 per ton. Based on the number of producers in the production area (1,500), the average producer revenue from the sale of

sweet cherries in 2012 can therefore be estimated at approximately \$299,600 per year. In addition, the Committee reports that most of the industry's 53 handlers reported gross receipts of less than \$7,000,000 from the sale of fresh sweet cherries last season. Thus, the majority of producers and handlers of Washington sweet cherries may be classified as small entities.

This rule continues in effect the action that decreased the assessment rate established for the Committee for the 2013-2014 and subsequent fiscal periods from \$0.18 to \$0.15 per ton of sweet cherries. The Committee also unanimously recommended 2013-2014 fiscal period expenditures of \$65,900. The quantity of assessable sweet cherries for the 2013-2014 fiscal period is estimated by the Committee to be 160,000 tons. Thus, the \$0.15 per ton rate should provide \$24,000 in assessment income. Income derived from handler assessments, along with funds from the Committee's authorized reserve, should be adequate to cover budgeted expenses. The Committee recommended the assessment rate decrease to reduce its monetary reserve to a level that is less than approximately one fiscal period's operating expenses, the maximum permitted by the order.

This rule continues in effect the action that decreased 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 Washington sweet cherry industry. All interested persons were invited to attend the meeting and participate in Committee deliberations. Like all Committee meetings, the May 21, 2013, meeting was a public meeting and all entities, both large and small, were able to express their views on this issue.

In accordance with the Paperwork Reduction Act of 1995, (44 U.S.C. Chapter 35), the order's information collection requirements have been previously approved by the Office of Management and Budget (OMB) and assigned OMB No. 0581-0189, Generic Fruit Crops. No changes in those requirements as a result of this action are anticipated. Should any changes become necessary, they would be submitted to OMB for approval.

This action imposes no additional reporting or recordkeeping requirements on either small or large

Washington sweet cherry 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.

Comments on the interim rule were required to be received on or before October 7, 2013. No comments were received. Therefore, for reasons given in the interim rule, we are adopting the interim rule as a final rule, without change.

To view the interim rule, go to:

<http://www.regulations.gov/#!documentDetail;D=AMS-FV-13-0055-0001>.

This action also affirms information contained in the interim rule concerning Executive Orders 12866, 12988, and 13563; the Paperwork Reduction Act (44 U.S.C. Chapter 35); and the E-Gov Act (44 U.S.C. 101).

After consideration of all relevant material presented, it is found that finalizing the interim rule, without change, as published in the **Federal Register** (78 FR 48283, August 8, 2013) will tend to effectuate the declared policy of the Act.

**List of Subjects in 7 CFR Part 923**

Cherries, Marketing agreements, Reporting and recordkeeping requirements.

**PART 923 - SWEET CHERRIES GROWN IN DESIGNATED COUNTIES IN WASHINGTON**

Accordingly, the interim rule amending 7 CFR part 923, which was published at 78 FR 48283 on August 8, 2013, is adopted as a final rule, without change.

Dated: December 9, 2013.

Rex A. Barnes,  
Associate Administrator,  
Agricultural Marketing Service.

[FR Doc. 2013-29674 Filed 12/13/2013 at 8:45 am; Publication Date: 12/16/2013]