



DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1210

[Document Number AMS-SC-16-0097]

**Watermelon Research and Promotion Plan; Redistricting and
Importer Representation**

AGENCY: Agricultural Marketing Service.

ACTION: Proposed rule.

SUMMARY: This proposal invites comments on realigning the production districts under the Watermelon Research and Promotion Plan (Plan) for producer and handler membership on the National Watermelon Promotion Board (Board), and adding four importer seats to the Board. The Board administers the Plan with oversight by the U.S. Department of Agriculture (USDA). These changes were recommended by the Board after a review of the production volume in each district as well as assessments paid by importers. This action is necessary to provide for the equitable representation of producers, handlers and importers on the Board. The Plan requires that such a review be conducted every 5 years. This action would increase the number of importer seats from 8 to 12, thereby increasing the number of

Board members from 37 to a total of 41: 14 producers, 14 handlers, 12 importers, and one public member.

DATES: Comments must be received by [INSERT DATE 30 DAYS AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Interested persons are invited to submit written comments concerning this proposal. Comments may be submitted on the internet at: <http://www.regulations.gov> or to the Promotion and Economics Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue, SW., Room 1406-S, Stop 0244, Washington, DC 20250-0244; facsimile: (202) 205-2800. All comments should reference the document number and the date and page number of this issue of the **Federal Register** and will be made available for public inspection, including name and address, if provided, in the above office during regular business hours or it can be viewed at <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Stacy Jones King, Agricultural Marketing Specialist, Promotion and Economics Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue, SW., Room 1406-S, Stop 0244, Washington, DC 20250-0244; telephone: (202) 731-2117; facsimile: (202) 205-2800; or electronic mail: Stacy.JonesKing@ams.usda.gov.

SUPPLEMENTARY INFORMATION:

This proposed rule is issued under the Plan (7 CFR part 1210). The Plan is authorized under the Watermelon Research and Promotion Act (Act) (7 U.S.C. 4901-4916).

Executive Order 12866 and Executive Order 13563

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules and promoting flexibility. This action falls within a category of regulatory actions that the Office of Management and Budget (OMB) exempted from Executive Order 12866 review. Additionally, because this proposed rule does not meet the definition of a significant regulatory action it does not trigger the requirements contained in Executive Order 13771. See OMB's Memorandum titled "Interim Guidance Implementing Section 2 of the Executive Order of January 30, 2017, titled 'Reducing Regulation and Controlling Regulatory Costs'" (February 2, 2017).

Executive Order 13175

This action has been reviewed in accordance with the requirements of Executive Order 13175, Consultation and Coordination with Indian Tribal Governments. The review reveals that this regulation would not have substantial and direct effects on Tribal governments and would not have significant Tribal implications.

Executive Order 12988

In addition, this proposal has been reviewed under Executive Order 12988, Civil Justice Reform. It is not intended to have retroactive effect. The Act provides that it shall not affect or preempt any other State or Federal law authorizing promotion or research relating to an agricultural commodity.

Under section 1650 of the Act (7 U.S.C. 4909), a person may file a written petition with USDA if they believe that the Plan, any provision of the Plan, or any obligation imposed in connection with the Plan, is not in accordance with the law. In any petition, the person may request a modification of the Plan or an exemption from the Plan. The petitioner will have the opportunity for a hearing on the petition. Afterwards, an Administrative Law Judge (ALJ) will issue a decision. If the petitioner disagrees with the ALJ's ruling, the petitioner has 30 days to appeal to the Judicial Officer, who will issue a

ruling on behalf of USDA. If the petitioner disagrees with USDA's ruling, the petitioner may file, within 20 days, an appeal in the U.S. District Court for the district where the petitioner resides or conducts business.

Background

Under the Plan, the Board administers a nationally coordinated program of research, development, advertising and promotion designed to strengthen the watermelon's position in the market place and to establish, maintain, and expand markets for watermelons. The program is financed by assessments on producers growing 10 acres or more of watermelons, handlers of watermelons, and importers of 150,000 pounds of watermelons or more per year. The Plan specifies that handlers are responsible for collecting and submitting both the producer and handler assessments to the Board, reporting their handling of watermelons, and maintaining records necessary to verify their reporting(s). Importers are responsible for payment of assessments to the Board on watermelons imported into the United States through U.S. Customs and Border Protection (Customs).

This proposal invites comments on realigning the production districts under the Plan for producer and handler membership on

the Board, and adding four importer seats to the Board. The Board administers the Plan with oversight by USDA. These changes were recommended by the Board after a review of the production volume in each district as well as the assessments paid by importers. The Plan requires that such a review be conducted every 5 years. This action is necessary to provide for the equitable representation of producers, handlers and importers on the Board.

Section 1210.320(a) of the Plan specifies that the Board shall be composed of producers, handlers, importers and one public representative appointed by the Secretary. Under the Plan, pursuant to section 1210.320(b), the United States is divided into seven districts of comparable production volumes of watermelons, and each district is allocated two producer members and two handler members. Section 1210.320(d) specifies that importer representation on the Board shall be proportionate to the percentage of assessments paid by importers to the Board, except that at least one representative of importers shall serve on the Board.

The current Board is composed of 37 members - 14 producers (one from each district), 14 handlers (one from each district), 8 importers and one public member.

Review of U.S. Districts

Section 1210.320(c) requires the Board, at least every 5 years, to review the districts to determine whether realignment is necessary. In conducting the review, the Board must consider: (1) The most recent 3 years of USDA production reports or Board assessment reports if USDA production reports are not available; (2) shifts and trends in quantities of watermelon produced, and (3) other relevant factors. As a result of the review, the Board may recommend to USDA that the districts be realigned.

Pursuant to section 1210.501 of the Plan's rules and regulations, the seven current districts are as follows:

District 1 - The Florida counties of Brevard, Broward, Charlotte, Collier, Dade, Desoto, Glades, Hardee, Hendry, Highlands, Hillsborough, Indian River, Lake, Lee, Manatee, Martin, Monroe, Okeechobee, Orange, Osceola, Palm Beach, Pasco, Pinellas, Polk, Sarasota, Seminole, St. Lucie, and Volusia;

District 2 - The Florida counties of Alachua, Baker, Bay, Bradford, Calhoun, Citrus, Clay, Columbia, Dixie, Duval, Escambia, Flagler, Franklin, Gadsden, Gilchrist, Gulf, Hamilton, Hernando, Holmes, Jackson, Jefferson, Lafayette, Leon, Levy, Liberty, Madison, Marion, Nassau, Okaloosa, Putnam, Santa Rosa,

St. Johns, Sumter, Suwannee, Taylor, Union, Wakulla, Walton, and Washington, and the States of North Carolina and South Carolina;

District 3 - The State of Georgia;

District 4 - The States of Alabama, Connecticut, Delaware, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Tennessee, Virginia, Vermont, Wisconsin, West Virginia, and Washington, DC;

District 5 - The State of California;

District 6 - The State of Texas; and

District 7 - The States of Alaska, Arkansas, Arizona, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming.

The districts listed above were recommended by the Board in 2010 and established through rulemaking by USDA in 2011 (76 FR 42009; July 18, 2011).

The Board appointed a subcommittee in 2016 to conduct a review of the seven U.S. watermelon production districts to determine whether realignment was necessary. The subcommittee held a teleconference on July 27, 2016, and reviewed production

data for 2013, 2014 and 2015 from USDA's National Agricultural Statistics Service's (NASS) Vegetables Annual Summary for 2015.¹

The data is shown in Table 1 below.

Table 1. U.S. Watermelon Production Figures from 2013-2015

State	Hundredweight			3-Year Average	% of U.S. 3-Year Average
	2013 A	2014 B	2015 C		
Alabama	377,000	456,000	420,000	417,667	1.2%
Arizona	1,800,000	1,334,000	1,584,000	1,572,667	4.5%
Arkansas	336,000	320,000	338,000	331,333	1.0%
California	5,800,000	6,384,000	5,512,000	5,898,667	16.9%
Delaware	864,000	833,000	761,000	819,333	2.4%
Florida	6,262,000	4,827,000	5,880,000	5,656,333	16.2%
Georgia	5,580,000	5,130,000	5,510,000	5,406,667	15.5%
Indiana	2,414,000	2,964,000	2,415,000	2,597,667	7.5%
Maryland	1,056,000	1,089,000	1,040,000	1,061,667	3.0%
Mississippi	400,000	378,000	315,000	364,333	1.0%
Missouri	843,000	837,000	572,000	750,667	2.2%
North Carolina	1,710,000	1,155,000	1,798,000	1,554,333	4.5%
Oklahoma	242,000	364,000	540,000	382,000	1.1%
South Carolina	2,734,000	1,862,000	2,736,000	2,444,000	7.0%
Texas	5,520,000	5,200,000	5,520,000	5,413,333	15.5%
Virginia	164,000	130,000	163,000	152,333	0.4%
United States	36,102,000	33,263,000	35,104,000	34,823,000	

¹Vegetables 2015 Summary, February 2016, USDA, National Agricultural Statistics Service, p. 44. <http://usda.mannlib.cornell.edu/usda/nass/VegeSumm//2010s/2016/VegeSumm-02-04-2016.pdf>. NASS lists watermelon data for 16 producing States.

Column D equals the sum of (Columns A, B and C), divided by 3.
Column E equals Column D divided by 34,823,000 pounds (the total for the U.S.),
multiplied by 100.

The subcommittee considered three scenarios in realigning the districts. All three scenarios would consolidate the State of Florida into District 1 and would make no changes to Districts 3 (Georgia), 5 (California), and 6 (Texas). Two of the scenarios would have moved the States of North and South Carolina into one district - District 2. Ultimately the subcommittee proposed the following changes: (1) Consolidating the State of Florida into one district by moving the Florida counties of Alachua, Baker, Bay, Bradford, Calhoun, Citrus, Clay, Columbia, Dixie, Duval, Escambia, Flagler, Franklin, Gadsden, Gilchrist, Gulf, Hamilton, Hernando, Holmes, Jackson, Jefferson, Lafayette, Leon, Levy, Liberty, Madison, Marion, Nassau, Okaloosa, Putnam, Santa Rosa, St. Johns, Sumter, Suwannee, Taylor, Union, Wakulla, Walton, and Washington from District 2 to District 1; (2) moving the States of Kentucky, Tennessee, Virginia and West Virginia from District 4 to District 2; and (3) moving the State of Alabama from District 4 to District 7. As shown in Table 2, under the realignment, each district would represent, on average, 14 percent of the total

U.S. production based on NASS data, with a range of 11 to 17 percent.

Table 2. Proposed Percent of U.S. Production by District²

Districts	% of U.S. Production
1	16%
2	12%
3	16%
4	13%
5	17%
6	16%
7	11%

Upon review, the Board subsequently recommended through a mail ballot vote in late July 2016 that four of the seven production districts be realigned. The proposed districts would be as follows:

District 1 - The State of Florida;

District 2 - The States of Kentucky, North Carolina, South Carolina, Tennessee, Virginia and West Virginia;

District 3 - The State of Georgia (no change);

District 4 - The States of Connecticut, Delaware, Illinois, Indiana, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Wisconsin, and Washington, DC;

District 5 - The State of California (no change);

² Table values were rounded to the nearest percent.

District 6 - The State of Texas (no change); and

District 7 - The States of Alabama, Alaska, Arizona, Arkansas, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming.

Additionally, USDA has reviewed the NASS report that was issued in February 2017.³ The data is shown in Table 3 below. While the data is in a slightly different format (consolidating some of the smaller producing states), the data is consistent with the Board's recommendation.

Table 3. U.S. Watermelon Production Figures 2016

State	Hundredweight	% of Total U.S.
Alabama	*N/A	
Arizona	2,448,000	6%
Arkansas	N/A	
California	6,750,000	17%
Delaware	838,000	2%
Florida	7,659,000	19%
Georgia	6,076,000	15%
Indiana	3,010,000	8%
Maryland	1,070,000	3%
Mississippi	N/A	
Missouri	**D	
North Carolina	D	
Oklahoma	N/A	
South Carolina	2,592,000	6%
Texas	7,250,000	18%
Virginia	N/A	
Other States	2,432,000	7%
United States	40,125,000	

*N/A means not available; the estimates were discontinued in 2016.

**D means that the data is withheld to avoid disclosing data for individual operations.

3 Vegetables 2016 Summary, February 2017, USDA, National Agricultural Statistics Service, p. 103-104;
http://usda.mannlib.cornell.edu/usda/current/VegeSumm/VegeSumm-02-22-2017_revision.pdf.

Section 1210.501 of the Plan's rules and regulations would be revised accordingly.

Review of Imports

Section 1210.320(e) of the Plan requires USDA to evaluate the average annual percentage of assessments paid by importers during the 3-year period preceding the date of the evaluation and adjust, to the extent practicable, the number of importer representatives on the Board.

Table 4 below shows domestic and import assessment data for watermelons for the years 2013, 2014 and 2015. The data is from the Board's financial audits for 2013, 2014⁴ and 2015.⁵

Table 4. U.S. and Import Assessment Data for 2013-2015

Year	Domestic (U.S.) Assessments	Import Assessments	Total
2013	\$1,829,446	\$952,484	\$2,781,930
2014	\$2,009,528	\$1,033,797	\$3,043,325
2015	\$2,133,552	\$1,100,810	\$3,234,362
3-Year Average	\$1,990,842	\$1,029,030	\$3,019,872
Percent of Total	66 percent	34 percent	

Based on this data, the three-year average annual import assessments for watermelons for 2013-2015 totaled \$1,029,030, approximately 34 percent of the Board's assessment income.

4 National Watermelon Promotion Board, Financial Statements and Supplementary Information, Years Ending March 31, 2015, and 2014, Cross, Fernandez & Riley, LLP, Accountants and Consultants, July 7, 2014, p. 6.

5 National Watermelon Promotion Board, Financial Statements and Supplementary Information, Years Ending March 31, 2016, and 2015, BDO USA, LLP, July 25, 2016, p. 8.

Thus, increasing the number of importers on the Board from 8 to 14 members would reflect that almost 34 percent of the assessments were paid by importers over the 3-year period. However, due to the difficulty the Board has had in finding individuals that are both eligible and willing to serve in the current eight importer seats, it will likely be very challenging to fill six additional importer seats. Furthermore, under the nomination rules of the Plan, the Board would need to recommend to the Secretary at least two importers for each open seat, which would mean that 12 eligible and willing importers would have to be secured. For these reasons, the Board recommended only adding four importer seats (representing 30 percent of the total industry members) to ensure that it would have a sufficient number of potential nominees. The Board subsequently recommended through the July 2016 mail vote increasing the number of importer seats from 8 to 12, thereby increasing the number of Board members from 37 to a total of 41: 14 producers, 14 handlers, 12 importers, and one public member. Importers would represent 30 percent of the Board's 40 industry members. (Importers (8) represent about 22 percent of the current Board's 36 industry members.)

Section 1210.502 of the Plan's rules and regulations would be revised accordingly.

If this proposed rule becomes final, nominations would be held as soon as possible to fill the four new importer seats.

Initial Regulatory Flexibility Act Analysis

In accordance with the Regulatory Flexibility Act (5 U.S.C. 601-612), AMS is required to examine the economic impact of this proposed rule on the small entities. Accordingly, AMS has considered the economic impact of this action on such entities.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions so that small businesses will not be disproportionately burdened. The Small Business Administration defines, in 13 CFR part 121, small agricultural producers as those having annual receipts of no more than \$750,000 and small agricultural service firms (handlers and importers) as those having annual receipts of no more than \$7.5 million.

According to the Board, there are 1,251 producers, 147 handlers, and 365 importers who are required to pay assessments under the program. NASS data for the 2016 crop year estimated about 354 hundredweight (cwt.) of watermelons were produced per acre in the United States, and the 2016 grower price was \$14.40

per cwt.⁶ Thus, the value of watermelon production per acre in 2016 averaged about \$5,098 (354 cwt. x \$14.40). At that average price, a producer would have to farm over 147 acres to receive an annual income from watermelons of \$750,000 (\$750,000 divided by \$5,098 per acre equals approximately 147 acres). Using 2012 USDA Census of Agriculture data, a maximum of 321 farms had watermelon acreage greater than or equal to 100 acres, and 12,675 out of a total of 12,996 farms producing watermelons reported less than 100 acres of watermelon on their farms.⁷ Therefore, assuming watermelon producers operate no more than one farm, a majority (97.5 percent) of all U.S. watermelon farms would be classified as small businesses. Using Board assessment data, 930 of the 1,251 (roughly 74 percent) of U.S. watermelon producers currently paying assessments to the Board would be classified as small businesses.

Also based on the Board's data, using an average freight on board (f.o.b.) price of \$0.186 per pound and the number of pounds handled annually, none of the watermelon handlers have

⁶ *Vegetables 2016 Summary*, February 2017, USDA, National Agricultural Statistics Service, p. 102-104. http://usda.mannlib.cornell.edu/usda/current/VegeSumm/VegeSumm-02-22-2017_revision.pdf.

⁷ *2012 Census of Agriculture*, May 2014, USDA, National Agricultural Statistics Service, p. 36; https://www.agcensus.usda.gov/Publications/2012/Full_Report/Volume_1,_Chapter_1_US/usv1.pdf.

receipts over the \$7.5 million threshold.⁸ Therefore, the watermelon handlers would all be considered small businesses. A handler would have to ship over 40 million pounds of watermelons to be considered large (40,322,580 x \$.0186 f.o.b. equals approximately \$7,500,000).

Based on 2016 Customs data, over 90 percent of watermelon importers shipped under \$7.5 million worth of watermelons. Based on the foregoing, the majority of the producers, handlers and importers that would be affected by this proposed rule would be classified as small entities.

Regarding the value of the commodity, based on 2016 NASS data, the value of the U.S. watermelon crop was about \$578 million.⁹ According to Customs data, the value of 2016 imports was about \$356 million.

This proposal invites comments on revising sections 1210.501 and 1210.502 of the Plan's rules and regulations, respectively, to change the boundaries of four of the seven U.S. production districts and to add four importers to the Board, increasing the size of the Board from 37 to 41 members. The Board administers the Plan with oversight by USDA.

⁸ National Watermelon Promotion Board assessment records, 2013-2015.

⁹ Vegetables, 2016 Summary, February 2017, USDA, p. 104.

Under the Plan, the United States is divided into seven districts of comparable production volumes of watermelons, and each district is allocated two producer members and two handler members. Further, importer representation on the Board must be, to the extent practicable, proportionate to the percentage of assessments paid by importers, except there must be at least one importer on the Board.

Every 5 years, the Board is required to evaluate, based on the preceding 3-year period, the average production in each production district and the average annual percentage of assessments paid by importers. The Board conducted this review in 2016 and recommended changing the boundaries of four of the seven districts and increasing the importer membership by four members. Authority for these changes is provided in section 1210.320 of the Plan.

Regarding the economic impact of the proposed rule on affected entities, neither the realignment of production districts nor the expansion of Board membership imposes additional costs on industry members. Eligible importers interested in serving on the Board would have to complete a background questionnaire. Those requirements are addressed in the section titled Reporting and Recordkeeping Requirements.

The recommended changes are necessary to provide for the equitable representation of producers, handlers and importers.

Regarding alternatives, the Board considered three scenarios in realigning the districts. All three scenarios would consolidate the State of Florida in District 1 and would make no changes to Districts 3 (Georgia), 5 (California), and 6 (Texas). Two of the scenarios would have moved the States of North and South Carolina into one district - District 2. Ultimately the Board recommended consolidating the State of Florida into one district (District 1), moving the States of Kentucky, Tennessee, Virginia and West Virginia from District 4 to District 2; and moving the State of Alabama from District 4 to District 7. The Board recommended the alignment scenario described in this proposed rule because it: (1) would provide for a proportional geographical representation on the Board for producers and handlers; (2) would not create any producer or handler vacancies on the Board; and (3) would streamline the nomination process for District 1 by condensing all the Florida counties into a single district. The Board's recommendation is consistent with the 2011 realignment that kept States (except Florida) together.

Regarding alternatives for importer representation, as stated previously, the three-year average annual imports for watermelon totals \$1,029,030. This represents almost 34 percent of the total assessments paid to the Board. One alternative would be to add five or six importer seats (representing 33 and 35 percent, respectively, of the Board's 40 industry members), so that importer representation would be proportionate to the percentage of importer assessments paid. However, due to the difficulty the Board has had in finding individuals that are both eligible and willing to serve in the current eight importer seats, it will likely be very challenging to fill six additional importer seats. Furthermore, under the nomination rules of the Plan, the Board would need to recommend to the Secretary at least two importers for each open seat, which would mean that 12 eligible and willing importers would have to be secured. For these reasons, the Board recommended only adding four importer seats (representing 30 percent of the total industry members) to ensure that it would have a sufficient number of potential nominees. This is consistent with section 1210.320(e) of the Plan which prescribes that the number of importer seats should be adjusted, to the extent practicable. The addition of four importers would allow for more importer representation in the

Board's decision making and also potentially provide an opportunity to increase diversity on the Board.

Reporting and Recordkeeping Requirements

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the background form, which represents the information collection and recordkeeping requirements that are imposed by the Plan, have been approved previously under OMB number 0581-0093. The Plan requires that two nominees be submitted for each vacant position. With regard to information collection requirements, adding four importers to the Board means that eight additional importers would be required to submit background forms (Form AD-755) to USDA in order to verify their eligibility for appointment to the Board. However, serving on the Board is optional, and the burden of submitting the background form would be offset by the benefits of serving on the Board. The estimated annual cost of the eight importers providing the required information would be \$66 or \$8.25 per importer. The additional minimal burden would be included in the existing information collection package under OMB number 0581-0093.

As with all Federal promotion programs, reports and forms are periodically reviewed to reduce information requirements and

duplication by industry and public sector agencies. Finally, USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this proposed 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.

Regarding outreach efforts, the Board formed a subcommittee to review the production, assessment and import data to assess whether changes to the district boundaries and number of importers on the Board was warranted. The subcommittee held a teleconference on July 27, 2016. All Board and subcommittee meetings, including meetings held via teleconference, are open to the public and interested persons are invited to participate and express their views.

We have performed this initial RFA analysis regarding the impact of these changes to the Plan on small entities and we invite comments concerning potential effects of this action.

USDA has determined that this proposed rule is consistent with and would effectuate the purposes of the Act.

A 30-day comment period is provided to allow interested persons to respond to this proposal. Thirty days is deemed appropriate so that the proposed changes, if adopted, may be implemented as soon as possible to allow for nominations to be conducted to fill the four new importer seats. All written comments received in response to this proposed rule by the date specified would be considered prior to finalizing this action.

List of Subjects in 7 CFR Part 1210

Administrative practice and procedure, Advertising, Consumer information, Marketing agreements, Reporting and recordkeeping requirements, Watermelon promotion.

For the reasons set forth in the preamble, 7 CFR part 1210 is proposed to be amended as follows:

PART 1210—WATERMELON RESEARCH AND PROMOTION PLAN

1. The authority citation for 7 CFR part 1210 continues to read as follows:

Authority: 7 U.S.C. 4901-4916 and 7 U.S.C. 7401.

Subpart C - Rules and Regulations

2. In § 1210.501, revise the introductory text and paragraphs (a), (b), (d) and (g) to read as follows:

§ 1210.501 Realignment of districts.

Pursuant to § 1210.320(c) of the Plan, the districts shall be as follows:

(a) District 1 - The State of Florida.

(b) District 2 - The States of Kentucky, North Carolina, South Carolina, Tennessee, Virginia and West Virginia.

* * * * *

(d) District 4 - The States of Connecticut, Delaware, Illinois, Indiana, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Wisconsin, and Washington, DC.

* * * * *

(g) District 7 - The States of Alabama, Alaska, Arizona, Arkansas, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming.

3. Section 1210.502 is revised to read as follows:

§ 1210.502 Importer members.

Pursuant to § 1210.320(d) of the Plan, there are twelve importer representatives on the Board based on the proportionate percentage of assessments paid by importers to the Board.

Dated: September 21, 2017

Bruce Summers
Acting Administrator

BILLING CODE 3410-02 P

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