Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 989

[Doc. No. AMS–FV–10–0044; FV10–989–2 PR]

Raisins Produced From Grapes Grown In California; Use of Estimated Trade Demand to Compute Volume Regulation Percentages

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This proposed rule invites comments on using an estimated trade demand figure to compute volume regulation percentages for 2010–11 crop Natural (sun-dried) 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 proposed rule would provide parameters for implementing volume regulation, if necessary, for 2010–11 crop NS raisins for the purposes of maintaining a portion of the industry's export markets and stabilizing the domestic market.

DATES: Comments must be received by August 23, 2010.

ADDRESSES: Interested persons are invited to submit written comments concerning this proposal. Comments must be sent to the Docket Clerk, Marketing Order Administration Branch, 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 should reference the docket number and the date and page number of this issue of the **Federal Register** and will be made available for public inspection in the Office of the Docket Clerk during regular business hours, or can be viewed at: *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, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA; 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 proposed regulation by contacting Antoinette Carter, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA, 1400 Independence Avenue, SW., STOP 0237, Washington, DC 20250–0237; Telephone: (202) 720–2491, Fax: (202) 720–8938, or E-mail: *Antoinette.Carter@ams.usda.gov.*

SUPPLEMENTARY INFORMATION: This proposal is issued under Marketing Agreement and Order No. 989, both as amended, (7 CFR part 989), 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 proposal has been reviewed under Executive Order 12988, Civil Justice Reform. This rule is not intended to have retroactive effect.

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 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 proposal invites comments on using an estimated trade demand figure, rather than a computed trade demand figure, to calculate volume regulation percentages, if necessary, for 2010–11 crop NS raisins covered under the order. This proposed rule would provide parameters for implementing volume regulation, if necessary, for 2010–11 crop NS raisins for the purposes of maintaining a portion of the industry's export markets and stabilizing the domestic market. This action was unanimously recommended by the committee at a meeting on May 13, 2010.

Volume Regulation Authority

The order provides authority for volume regulation, which is designed to promote orderly marketing conditions, stabilize prices and supplies, and improve producer returns. When volume regulation is in effect, a 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 various programs authorized under the order, consistent with § 989.67(b), which specifies that reserve raisins shall be disposed of by the committee: (1) By sale to handlers for sale in specified outlets or for resale to exporters for sale in export outlets; (2) By direct sale to any agency of the U.S. government for noncompetitive use; (3) By direct sale to foreign government agencies or foreign importers in approved countries; (4) by gift; and (5) By any other means consistent with the provisions of this section, and in outlets noncompetitive with those for free tonnage raisins. The reserve pool's equity holders (primarily producers) are the beneficiaries of reserve raisin sales.

Section 989.54 of the order prescribes procedures and time frames to be followed in establishing volume regulation for each crop year, which runs from August 1 through July 31. The committee must meet on or before

August 15 to review data regarding raisin supplies. At that time, the committee computes a trade demand for each varietal type of raisins for which a free tonnage percentage might be recommended. This is referred to as the "computed trade demand," and is defined in the order as 90 percent of the prior year's domestic and export shipments, minus the carry-in inventory from the prior year, plus the desirable carry-out inventory for the end of the current year.

Paragraph (e) of § 989.54 contains a list of factors that the committee must consider when computing volume regulation percentages. Subparagraph 4 of § 989.54(e) specifies that the committee shall consider the estimated trade demand for raisins in free tonnage outlets, if the estimated trade demand is different than the computed trade demand. Further, section 989.154(b) of the order's rules and regulations currently provides parameters for use of an estimated trade demand for the 2007–08 crop year.

Establishing Volume Regulation

On or before October 5, the committee must announce preliminary crop estimates and determine whether volume regulation is warranted for the various varietal types for which it computed trade demand. Preliminary volume regulation percentages are then computed to release 85 percent of the computed trade demand, if a field price for raisins has been established; or 65 percent of the trade demand, if no field price for raisins has been established. The field price, also known as the "free tonnage price" for raisins is the price that handlers pay producers for the free tonnage portion of their crop.

On or before February 15 of the following year, the committee must recommend final free and reserve percentages that will tend to release the full trade demand.

10 Plus 10 Offers

When volume regulation is in effect, the order also requires that two offers of reserve raisins be made to handlers for free use. These offers are known as the "10 plus 10" offers. Each offer consists of a quantity of reserve raisins equal to 10 percent of the prior year's shipments. The order also specifies that 10 plus 10 raisins must be sold to handlers at the current field price plus a 3 percent surcharge and committee costs, which has historically added $100 to the field price cost of reserve raisins on a 10 plus 10 sale.

Development of Export Markets

Volume regulation has been utilized for NS raisins in all but 11 crop years since the order's inception in 1949. The procedures for determining volume regulation percentages have been modified over the years to address the changing needs of the industry. Volume regulation has historically been an effective tool for managing an oversupply of raisins. Further, the use of reserve pool raisins and their related industry promotional activities has assisted the industry in the development of the demand for California raisins in export markets.

TABLE 1—NATURAL SEEDLESS DELIVERIES, FIELD PRICES, AND DOMESTIC AND EXPORT SHIPMENTS IN NATURAL CONDITION TONS

Crop year	Deliveries	Field prices	Domestic shipments	Export shipments	Percent export
2009–10*	297,467	$1,323	157,278	127,793	45
2008–09	364,268	1,310	200,775	131,587	40
2007–08	329,288	1,210	201,355	148,243	42
2006–07	282,999	1,210	203,889	109,727	35
2005–06	319,126	1,210	195,822	102,632	34
2004–05	265,262	1,210	205,002	112,996	36
2003–04	296,864	810	191,376	112,860	37
2002–03	388,010	745	189,160	108,480	36
2001–02	377,328	880	186,361	112,272	38
2000–01	432,616	877	185,429	109,598	37
1999–00	299,910	1,425	166,127	97,342	37
1998–99	240,469	1,290	181,666	115,234	39
1997–98	382,448	1,250	185,745	124,349	40
1996–97	272,063	1,220	198,167	117,719	37
1995–96	325,911	1,160	198,517	116,653	37
1994–95	378,427	1,160	199,760	119,968	38
1993–94	387,007	1,155	214,852	122,085	36

* 2009–10 data is for a partial crop year, from August 1, 2009, through May 2010.

The raisin industry uses various terms to describe the weight of raisins in a container. The term, "natural condition tons," as used in Table 1, is synonymous with "sweatbox tons," while "packed tons" consists of natural condition tons converted to a packed weight. "Packed tons" can be 5 to 10 percent lighter (5.188 percent has been established by the committee as appropriate for the 2009–10 crop year), due to the inherent loss of moisture, the removal of stems, branches, etc., as raisins move from the field to the packed box. This reduction in weight is referred to as "shrink." For convenience and consistency, tonnage is provided as "natural condition tons," unless specified as "packed tons."

In addition, data from the 1985–86 crop year through the 1992–93 crop year indicates that exports of California NS raisins averaged about 34 percent of the industry's total NS raisin shipments per year, excluding government purchases. Thus, according to the historical data and information from the sixteen years in the above table, the percentage of export shipments compared to total shipments has continued to increase overall, demonstrating the importance of the export market to the California raisin industry.

Export Replacement Offer

One market development program operated through reserve pools, the Export Replacement Offer (ERO), helps U.S. raisins to be price competitive in export markets. Prices in export markets are generally lower than in the domestic market. The ERO began in the early 1980's as a "raisin-back" program whereby handlers who exported California raisins could purchase, at a reduced price, reserve raisins for free use. This effectively blended down the cost of the raisins that were exported, seeking to equate the cost of acquired free tonnage raisins with the reduced value of raisins in the export market. During the 1994–95 crop year, the NS raisin ERO was half raisin-back and half cash-back and changed in 1996 to a "cash-back" program, whereby exporting handlers could qualify for cash reimbursements from the reserve pool for their export shipments.

The ERO has been a cash-back program in all years since then, except for 2000, 2001, and a portion of 2002, 2008, and 2009. During 2000 and 2001 a raisin-back program was used and during 2002, 2008, and 2009 both "cash-back" and "raisin-back" programs were implemented. Assets for financing the cash-back program largely accrue from the 10 plus 10 sales of reserve raisins. Since 2005, an average of $60.6 million of reserve pool assets (cash and raisins) have been used to support exports of about 115,000 packed tons of NS raisins annually in both cash-back and raisin-back programs.

Current Industry Situation

Export shipments of California raisins have been extraordinarily high during the 2009–10 crop year due to light worldwide production of raisins, a weak U.S. dollar, and successful industry marketing efforts. These significantly-higher shipments will result in an unusually high computed trade demand for the 2010–11 crop year.

The committee is also concerned that the 2010–11 crop may be reduced because of a continuing trend of grapevine removals since 2004, at a rate of approximately 7,000 acres per year; unseasonable rain and cool temperatures this spring; and the potential for higher prices in the wine and juice markets, which compete for grapes with the raisin industry. In addition, the European Grape Vine Moth has recently been found in the Central Valley of California, a major and highly-concentrated growing area. This pest has the potential for significant grape losses, should it become established. Even without significant damage in the short-run, a 96-square-mile quarantine area has already been established, which currently restricts the movement of the grape crop out of those areas. The industry does not yet know the effects this or subsequent quarantines may have on raisins.

Thus, with the potential for a higher computed trade demand and a smaller crop, volume regulation may not be warranted for 2010–11 NS raisins, based on the order's computed trade demand formula, mandated in § 989.54(a).

The effective marketing of California raisins requires strategies and approaches which address both the domestic and the export markets. If a 2010–11 reserve pool is not established, the industry would not be able to continue the ERO program and support its export sales. The committee is concerned that the industry could lose one-third or more of its export market without an ERO program. Further, handlers who could not sell their raisins into the export market would likely sell their raisins into the domestic market. Annual domestic shipments of NS raisins for the past sixteen years have averaged about 194,000 tons. The committee is concerned that raisins necessarily diverted from the export market into the domestic market could create instability in the short term.

Implementing Volume Regulation To Maintain the ERO Under Adverse Trade Demand or Supply Situations

Based on the above-described considerations, the committee unanimously recommended using an estimated trade demand for the 2010–11 crop NS raisins to compute volume regulation percentages, creating a reserve if the crop estimate is equal to, less than, or no more than 10 percent greater than the computed trade demand; provided that the final reserve percentage computed using such estimated trade demand shall be no more than 10 percent, and no reserve shall be established if the final 2010–11 NS raisin crop estimate is less than 110 percent of the previous crop year's domestic shipments. At that level, the needs of the domestic market would be met, as would a portion of the export market, when combined with the available carry-in of raisins from the 2009–10 crop.

To illustrate how this would work, the committee would compute a trade demand for NS raisins on or before August 15. At that time, the committee would also announce its intention to use an estimated trade demand to compute volume regulation percentages, if the 2010–11 NS raisin crop estimate is at least 110 percent of the previous year's domestic shipments, but no more than 10 percent greater than the computed trade demand. An estimated trade demand would allow for the establishment of no more than a 10 percent reserve which would be used to fund the Export Replacement Offer (ERO) program.

Crop Estimate Is Less Than 110 Percent of the Previous Year's Domestic Shipments—No Regulation

Under the committee's proposal, if the 2010–11 crop estimate is less than 110 percent of the previous year's domestic shipments, no volume regulation would be recommended. With a crop estimate of 215,000 tons, for example, and an average of about 80,000 tons of NS raisins estimated to be carried forward from the 2009–10 crop year, a supply of approximately 295,000 tons of raisins could be available for the 2010–11 crop year. This is lower than the average annual NS raisin shipments from Table 1 of approximately 310,000 tons, excluding government purchases. With such an available supply, the committee believes that the industry's first priority would be to satisfy the needs of the domestic market, which absorbs an annual average of about 195,000 tons. Assuming that 195,000 tons were shipped domestically, there would be 100,000 tons available to ship into the export market.

Crop Estimate Equal to 110 Percent of the Previous Year's Domestic Shipments and No More Than 10 Percent Above the Computed Trade Demand—Volume Regulation

If the October 2010–11 crop estimate for NS raisins is 110 percent or more of the previous year's domestic shipments and no more than 10 percent above the computed trade demand, the committee would use an estimated trade demand figure to compute preliminary free and reserve percentages for the 2010–11 crop.

The committee would compute final free and reserve percentages no later than February 15. Under this proposal, if an estimated trade demand figure is used to compute those percentages, the final reserve percentage would not exceed 10 percent of the estimated crop. Producers would ultimately be paid the prevailing free-tonnage price for raisins on 90 percent of their crop—the free tonnage portion.

The reserve would be offered for sale to handlers in the 10 plus 10 offers. However, since the order specifies that each offer consists of a quantity of reserve raisins equal to 10 percent of the prior year's shipments, under this situation, the available limited volume would not meet this requirement. In that instance, all of the raisins held in reserve would be made available to handlers for free use through the 10 plus 10 offers, nonetheless.

Under any other situations than those described herein, the committee would rely on the computed trade demand to calculate volume regulation percentages.

Summary of the Proposed Regulation

It is anticipated that allowing the committee to use an estimated trade demand to compute volume regulation percentages for 2010–11 crop year NS raisins under adverse trade demand or supply situations would enable the industry to supply the domestic market and maintain a limited export program. The committee proposed the following criteria for establishing volume regulation for the 2010–11 crop year:

(1) If the crop estimate is below 110 percent of the previous year's domestic shipments, no volume regulation would be implemented. If this occurs, it is probable that the needs of the domestic market would be met first, but demand in the export markets would likely not be satisfied;

(2) If the crop is equal to 110 percent of the previous year's domestic shipments and no more than 10 percent above the computed trade demand, a small reserve pool could be established to allow the industry to not only satisfy the needs of the domestic market, but also maintain a portion of its export sales. By maintaining an ERO program, even at a reduced level, exporting raisin handlers could continue to be price competitive, sell their raisins abroad, and endeavor to maintain the export market on a long-term basis. The domestic marketing would remain stable because raisin supplies would be consistent, but not flooded with raisins that would normally be exported; and

(3) Under any other circumstances, the committee would utilize the computed trade demand.

Initial Regulatory Flexibility Analysis

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, order, and 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 approximately 26 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 as those having annual receipts of less than $750,000. Based upon shipment data and a recent survey conducted by the committee, approximately 18 handlers and a majority of producers of California raisins may be classified as small entities.

This rule would revise § 989.154(b) of the order's administrative rules and regulations by establishing the parameters for using an estimated trade demand figure specified in § 989.54(e)(4) of the order to compute volume regulation percentages for the 2010–11 crop NS raisins. Section 989.154(b) would provide guidelines for the use of estimated trade demand in lieu of computed trade demand in certain situations for the purposes of maintaining a portion of the industry's export markets and stabilizing the domestic market.

Regarding the impact of the action on producers and handlers, under the committee's proposal, if an estimated trade demand figure were used to compute volume regulation percentages, the final reserve percentage would compute to no more than 10 percent. Producers would thus be paid the free tonnage price for raisins for at least 90 percent of their crop. No more than 10 percent of their crop would go into a reserve pool. The free tonnage price for NS raisins for the past 17 years depicted on Table 1 has averaged $1,144 per ton.

Handlers, in turn, would purchase 90 percent of their raisins directly from producers at the free tonnage price for raisins, but would have to buy remaining raisins out of the committee's reserve pool at a higher price (field price plus 3 percent and committee costs). The 10 plus 10 price of NS reserve raisins has averaged about $100 higher than the free tonnage price for raisins for the past 5 years, or $1,353 per ton. Proceeds from the 10 plus 10 sales are used to support export sales.

While there may be some initial costs for both producers and handlers under the above scenario, the long-term benefits of this action are expected to outweigh the costs. The committee believes that with no reserve pool, and hence, no ERO program, export sales would decline. With no export program, handlers would necessarily divert raisins normally destined for export markets into the domestic market, which typically absorbs about 194,000 tons annually. Additional NS raisins sold into the domestic market could destabilize the industry's primary market in the short run.

Committee members have commented that once the industry's export markets are lost, it is difficult and costly to recover those sales in the short run. As noted previously, export shipments have increased over the past sixteen years to over 45 percent of all shipments.

Raisins are generally used as an ingredient in baked goods, cereals, and snacks. Typically, buyers prefer reliable and consistent supplies from year to year and from product to product. Once buyers lose their regular supplies and switch to different ingredients and/or sources, they may not switch back readily. Thus, the loss of a portion of the export markets could compound into greater losses long term.

Export markets for raisins are highly competitive. The U.S. and Turkey are the world's leading producers of raisins. Turkey exports approximately 76 percent of its total production, and represents an alternative source for raisin buyers. During the 2009–10 crop year, Turkish raisin production was 280,000 tons, down from 310,000 for the 2008–09 crop year. Exports of California NS raisins during the 2009–10 crop year were extraordinarily high due to marketing efforts by the handlers and the RAC, low worldwide production in other dried grape growing regions, the value of the dollar, and the high quality of California raisins.

Maintaining the industry's export markets would help the industry maximize its 2010–11 total shipments of NS raisins, and reduce the possibility of carrying forward large quantities of inventory into the 2011–12 crop year. If the industry is unable to maximize its 2010–11 shipments of NS raisins, carry-in inventory could be high. Reduced shipments and high carry-in would result in a lower computed trade demand figure for the 2011–12 crop year; and, ultimately, a lower free tonnage percentage. Since NS raisin producers benefit more from those raisins which are free tonnage, a lower free tonnage percentage would result in reduced returns to producers. If 2010–11 returns to producers are reduced, this, coupled with the risks of rain, labor shortages during harvest, and the unknown effects of the European Grape Vine Moth, may influence producers to sell their raisin-variety fresh grapes to alternate market outlets: fresh, wine, or juice concentrate markets. Additional supplies to those alternate market outlets have the potential to reduce returns, as well.

Alternatives to This Proposed Rule

The committee discussed alternatives to this change. One option considered was using one of the three prior year's domestic shipments to compute trade demand, pursuant to § 989.54(a) of the order. However, the order permits this only if the prior year's domestic shipments were limited due to crop conditions. Since 2009–10 shipments have increased, the committee concluded this option was not viable.

Another alternative considered was utilizing the computed trade demand formula in the order and using all available funds to support the ERO. However, the committee estimates that the funds remaining from the 2009–10 reserve pool would only support the ERO through August 2010, which would leave the industry without assets to support an ERO for eleven months of the season.

A third alternative considered was to maintain the existing language from § 989.154(b) and making it applicable to the 2010–11 crop year. (Section 989.154(b) currently authorizes the committee to use an estimated trade demand for the 2008–09 season only.) However, merely making a recommendation to change the applicable crop year did not address the potential needs of the industry. The existing language limited the committee by mandating that no reserve would be established if the 2010–11 crop estimate were less than 215,000 natural condition tons. After a series of discussions from two subcommittees, the committee determined that a more appropriate lower threshold for utilizing estimated trade demand would be 110 percent of the prior year's domestic shipments rather than a fixed quantity of 215,000 tons.

This proposed rule provides parameters for implementing volume regulation, if necessary, for 2010–11 crop NS raisins for the purposes of stabilizing the domestic market and maintaining a portion of the industry's export markets.

Accordingly, this action would not impose any 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.

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 Rulemaking Work Group and the Administrative Issues Subcommittee each deliberated this issue at their meetings on May 11 and May 13, 2010, respectively, prior to the committee's meeting on May 13, 2010. All three meetings were widely publicized throughout the raisin industry, and all interested persons were invited to attend the meetings and encouraged to participate in subcommittee and committee deliberations on all issues. Like all subcommittee and committee meetings, the May 11 and 13, 2010, meetings were public meetings; and all entities, both large and small, were able to express their 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/MarketingOrdersSmallBuinessGuide.*

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 15-day comment period is provided to allow interested persons to respond to this proposal. Fifteen days is deemed appropriate because this action, if adopted, should be in place by the beginning of the 2010–11 crop year, August 1. 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 GRAPES GROWN IN CALIFORNIA

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

Authority: 7 U.S.C. 601–674.

2. In § 989.154, paragraph (b) is revised to read as follows:

§ 989.154 Marketing policy computations.

* * * * *

(b) *Estimated trade demand.* Pursuant to § 989.54(e)(4), estimated trade demand is a figure different than the trade demand computed according to the formula in § 989.54(a). The Committee shall use an estimated trade demand to compute preliminary and interim free and reserve percentages, or determine such final percentages for recommendation to the Secretary for the 2010–11 crop year of Natural (sun-dried) Seedless (NS) raisins if the crop estimate is equal to, less than, or no more than 10 percent greater than the computed trade demand: *Provided,* That the final reserve percentage computed using such estimated trade demand shall be no more than 10 percent, and no reserve shall be established if the final 2010–11 NS raisin crop estimate is less than 110 percent of the previous crop year's domestic shipments.

Dated: August 2, 2010.

David R. Shipman,

Acting Administrator, Agricultural Marketing Service.

[FR Doc. 2010–19369 Filed 8–5–10; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

10 CFR Part 37

[NRC–2010–0194]

RIN 3150–AI12

Implementation Guidance for Physical Protection of Byproduct Material; Category 1 and Category 2 Quantities of Radioactive Material; Meeting

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of meeting.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is proposing to amend its regulations to establish security requirements for the use and transport of category 1 and category 2 quantities of radioactive material. The NRC has prepared draft guidance to address implementation of the proposed regulations. The notice of availability for the guidance was published July 14, 2010. The public comment period on the guidance ends November 12, 2010. As part of the public comment process on the guidance, the NRC plans to hold two transcribed public meetings to solicit comments on the draft implementation guidance. The meetings are open to the public and all interested parties may attend. The first meeting