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funds shall be returned pro rata to the persons from whom such funds were collected.

[23 FR 5709, July 30, 1958. Redesignated at 26 FR 12751, Dec. 30, 1961, and amended at 53 FR 3189, Feb. 4, 1988]

REGULATIONS

§ 945.50 Marketing policy.

(a) *Preparation.* Prior to or at the same time as recommendations are made pursuant to § 945.51, the committee shall consider, and prepare, a proposed policy for the marketing of potatoes. In developing its marketing policy the committee shall investigate relevant supply and demand conditions for potatoes. In such investigations the committee shall give appropriate consideration to the following:

(1) Market prices for potatoes, including prices by grade, size, and quality, in different packs, and in different containers;

(2) Supplies of potatoes by grade, size, and quality in the production area and in other potato producing areas;

(3) The trend and level of consumer income;

(4) Establishing and maintaining orderly marketing conditions for potatoes;

(5) Orderly marketing of potatoes as will be in the public interest; and

(6) Other relevant factors.

(b) *Reports.* (1) The committee shall promptly submit a report to the Secretary setting forth the aforesaid marketing policy and shall notify producers and handlers of the contents of such report.

(2) In the event it becomes advisable to deviate from such marketing policy because of changed supply and demand conditions, the committee shall formulate a new or revised marketing policy in the manner set forth in this section. The committee shall promptly submit a report thereon to the Secretary and notify producers and handlers of the contents of such report on the new or revised marketing policy.

§ 945.51 Recommendation for regulations.

Whenever the committee deems it advisable that the handling of potatoes be regulated pursuant to § 945.52, or

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§ 945.53, or both, it shall recommend to the Secretary grade, size, quality, or maturity regulation, or any combination thereof, or amendment thereto, or modification, suspension, or termination thereof, whenever it finds that such regulation, as provided in such sections, will tend to effectuate the declared policy of the act.

§ 945.52 Issuance of regulations.

(a) The Secretary shall limit the handling of potatoes whenever he finds from the recommendations and information submitted by the committee, or from other available information, that such regulation will tend to effectuate the declared policy of the act. Such limitation may:

(1) Regulate in any or all portions of the production area, the handling of particular grades, sizes, qualities, or maturities, or any combination thereof, of any or all varieties of potatoes during any period; or

(2) Regulate the shipment of particular grades, sizes, qualities, or maturities of potatoes differently, for different varieties, for different portions of the production area, for different packs, for different containers, or for any combination of the foregoing, during any period; or

(3) Fix the size, capacity, weight, dimensions, pack, labeling or marking of the container, or containers, which may be used in the packaging or handling of potatoes, or both; or

(4) Regulate the shipment of potatoes by establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity.

(b) [Reserved]

[23 FR 5709, July 30, 1958. Redesignated at 26 FR 12751, Dec. 30, 1961. Amended at 60 FR 29727, June 5, 1995]

§ 945.53 Shipments for specified purposes.

Whenever the Secretary finds, upon the basis of the recommendations and information submitted by the committee, or from other available information, that it will tend to effectuate the declared policy of the act, he shall modify, suspend, or terminate regulations under or pursuant to § 945.42, § 945.52, or § 945.65, or any combination

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thereof in order to facilitate shipments of potatoes for the following purposes:

- (a) Export;
- (b) Relief or charity;
- (c) Livestock feed;
- (d) Certified seed potatoes;
- (e) Processing into specified products; and
- (f) Such other purposes which may be specified by the Committee, with the approval of the Secretary.

§ 945.54 Minimum quantity exemption.

The committee, with the approval of the Secretary, may establish, for any or all portions of the production area, minimum quantities below which shipments will be free from regulations issued or in effect pursuant to §§ 945.40 to 945.65, inclusive, or any combination thereof.

§ 945.55 Notification of regulation.

The Secretary shall notify the committee of any regulations issued or of any modifications, suspension, or termination thereof. The committee shall give reasonable notice thereof to handlers.

§ 945.56 Safeguards.

(a) The committee, with the approval of the Secretary, may prescribe adequate safeguards to prevent shipments pursuant to § 945.53 from entering channels of trade and other outlets for other than the specific purpose authorized therefor.

(b) Safeguards, provided by this section, may include, but shall not be limited to, requirements that handlers:

(1) Shall obtain the inspection required by § 945.65 or pay the assessment provided by § 945.42, or both, in connection with the potato shipments effected in accordance with § 945.53; and

(2) Shall obtain Certificates of Privilege from the committee for shipments of potatoes effected or to be effected under provisions of § 945.53.

(c) The committee, with the approval of the Secretary, shall prescribe rules governing the issuance and the contents of Certificates of Privilege.

(d) The committee may rescind, or deny to any handler, Certificates of Privilege if proof satisfactory to the committee is obtained that potatoes shipped by him for the purposes stated

in § 945.53 were handled contrary to the provisions of this section.

(e) The committee shall make reports to the Secretary, as requested, showing the number of applications for such certificates, the quantity of potatoes covered by such applications for such certificates, the number of such applications denied and certificates granted, the quantity of potatoes shipped under duly issued certificates, and such other information as may be requested by the Secretary.

INSPECTION AND CERTIFICATION

§ 945.65 Inspection and certification.

(a) During any period in which regulations are in effect pursuant to § 945.42, § 945.52, or § 945.53, or any combination thereof, no handler shall handle potatoes unless such potatoes are inspected by an authorized representative of the Federal-State Inspection Service, and are covered by a valid inspection certificate, except when relieved from such requirements pursuant to recommendations by the committee and approved by the Secretary.

(b) Regrading, resorting, or repacking any lot of potatoes shall invalidate any prior inspection certificates covering such potatoes insofar as the requirements of this section are concerned. During any period in which shipments of potatoes are regulated, as aforesaid, no handler shall handle potatoes after they have been regraded, resorted, repacked, or in any way further prepared for market, unless such potatoes are inspected and covered by a valid inspection certificate as required in paragraph (a) of this section.

(c) Insofar as the requirements of this section are concerned, the length of time for which an inspection certificate shall be valid may be established by the committee with the approval of the Secretary; and such length of time may be different for shipments for different purposes.

(d) When potatoes are inspected in accordance with the requirements of this section, a copy of each inspection certificate issued shall be made available promptly to the committee by the inspection service.