presidential documents

Title 3—The President

Memorandum of October 23, 1975

Finding and Determination Under Section 103(d) (3) and (4) of the Agricultural Trade Development and Assistance Act of 1954, as Amended—Egypt

[Presidential Determination No. 76-5]

Memorandum for the Secretary of State, the Secretary of Agriculture

THE WHITE HOUSE,
Washington, October 23, 1975.

Pursuant to the authority vested in me under the Agricultural Trade Development and Assistance Act of 1954, as amended (hereinafter "the Act"), I hereby:

(a) Find, pursuant to Section 103(d)(3) of the Act, that the making of an agreement with the Government of Egypt for the sale, under Title I of the Act of 500 thousand metric tons of wheat/wheat flour (wheat grain equivalent) and 4,200 metric tons of tobacco and/or tobacco products is in the national interest of the United States; and

(b) Determine, pursuant to Section 103(d)(4) of the Act, that the sale to Egypt of wheat/wheat flour and tobacco and/or tobacco products in furtherance of such an agreement is in the national interest of the United States.

This Determination shall be published in the FEDERAL REGISTER.

Gerald R. Ford

STATEMENT OF REASONS THAT SALES UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED (PUBLIC LAW 480) TO EGYPT ARE IN THE NATIONAL INTEREST

Egypt continues to be central to our efforts to achieve a just and lasting peace in the Middle East. Our ultimate success will depend in part on Egyptian confidence in our intention to develop a broad and constructive bilateral relationship with that country. Continuation of a program for concessional sales of agricultural commodities to Egypt will constitute a tangible demonstration of our intended role.

In response to current Egyptian needs, it is proposed to export to that country 500 thousand metric tons of wheat/wheat flour (wheat grain equivalent) and 4,200 metric tons of tobacco and/or tobacco products financed under Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (P.L. 480). This amount is based on Egypt's needs for not more than one fiscal year.

In order to enter into an agreement with the Government of Egypt for such a sale under Title I, it is necessary that the President find and determine that such sales would be in the national interest of the United States. Section 103(d)(3) of P.L. 480 prohibits the sale of agricultural commodities under Title I of the Act to any nation which sells or furnishes or permits ships or aircraft under its registry to transport to or from Cuba or North Vietnam any equipment, materials, or commodities (so long as those countries are governed by Communist regimes). However, if such activities are limited to furnishing, selling, or selling and transporting to Cuba medical supplies, non-strategic agricultural or food commodities, sales agreements may be made if the President finds they are in the national interest of the United States. The Government of Egypt has informed us, and other information corroborates that Egyptian commerce with Cuba is so limited, and that Egypt does not trade with or transport goods to or from North Vietnam. Section 103(d)(4) also prohibits sales of commodities under Title I to Egypt unless the President determines such sales are in the national interest of the United States.

The considerations noted above make the proposed sale important to the national interest of the United States.

Section 410 of P.L. 480 prohibits sales under Title I of P.L. 480 to a country in violation of Section 620(e) of the Foreign Assistance Act of 1961, as amended, which concerns expropriation or nationalization of property of American nationals without taking appropriate steps to discharge its obligations under international law. Egypt agreed to the establishment of a Joint Committee to discuss compensation of American nationals and, on July 15, 1974 Secretary Kissinger determined that such an agreement constituted appropriate steps under Section 620(e). As a result of preliminary discussions held in Cairo in the period July 3–August 9, 1975, the Egyptian Government in a press release issued in Cairo on August 3, 1975 announced that agreement in principle had been reached concerning payment of compensation for the property of U.S. nationals. Further discussions are scheduled to take place in the near future. Therefore, no waiver of that provision is required to permit this sale of wheat/wheat flour and tobacco to Egypt under Title I of P.L. 480.

[FR Doc.75-31104 Filed 11-13-75;2:36 pm]

rules and regulations

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

Title 7—Agriculture

CHAPTER IX—AGRICULTURAL MARKETING SERVICE (MARKETING AGREEMENTS AND ORDERS; FRUITS, VEGETABLES, NUTS), DEPARTMENT OF AGRICULTURE

PART 971—LETTUCE GROWN IN LOWER RIO GRANDE VALLEY IN SOUTH TEXAS

Handling Regulation

This regulation, designed to promote the orderly marketing of lettuce grown in the Lower Rio Grande Valley in South Texas imposes pack, container and inspection requirements to standardize the pack of lettuce being shipped to consumers.

Notice of rule making on a proposed handling regulation, to be made effective under Marketing Agreement No. 144 and Order No. 971 (7 CFR Part 971) regulating the handling of lettuce grown in the Lower Rio Grande Valley in South Texas was published in the FEDERAL REGISTER October 22, 1975 (40 FR 49348). This program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

The notice afforded interested persons an opportunity to file written exceptions not later than November 6, 1975. None was filed.

After consideration of all relevant matters, including the proposal set forth in the notice, it is found that the handling regulation will tend to effectuate the declared policy of the act.

This regulation is in accord with the committee's recommendations and marketing policy and reflects its appraisal of the 1975–76 lettuce crop and marketing prospects for the season.

The South Texas lettuce industry as well as other lettuce shipping areas is accustomed to operating on a six day shipping week. The experience has been that a six day shipping week is adequate for five days distribution in terminal markets. Therefore, "packaging holidays" on Sundays and Christmas Day will promote more orderly marketing.

The pack and container requirements are in accord with the generally accepted commercial practices of the South Texas lettuce industry of packing specified numbers of heads of lettuce in specific sized containers limited to those found acceptable to the trade for safe transportation of the lettuce, and will prevent deceptive practices.

No purpose would be served by regulating the pack or requiring the inspection and assessment of insignificant quantities of lettuce. Therefore quantities up to two cartons of lettuce per day may be handled without regard to such requirements.

Provisions with respect to special purpose shipments, including export, are designed to meet the different requirements for other than commercial channels of domestic trade. Because of the production area's close proximity to the Mexican border, Mexican buyers have been accustomed to acquiring small lots of production area lettuce for their home market. These buyers can utilize lettuce which fails to meet the pack and container regulations. Inasmuch as such shipments have a negligible effect on the domestic market, they should be permitted provided certain safeguard requirements are met.

It is further found that good cause exists for not postponing the effective date of this section 30 days after its publication in the FEDERAL REGISTER (5 U.S.C. 553) in that (1) shipments of lettuce grown in the production area are expected to begin about the effective date specified herein, (2) to maximize benefits to producers, the effective period of this regulation should be set to cover as many shipments as possible during the shipping season, (3) information regarding the provisions of this regulation has been made available to producers and handlers in the production area, and (4) compliance with this regulation will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective date.

The regulation is as follows:

§ 971.316 Handling regulation.

During the period November 24, 1975, through March 31, 1976, no person shall handle any lot of lettuce grown in the production area unless such lettuce meets the requirements of paragraphs (a), (b), (c), and (d) of this section, or unless such lettuce is handled in accordance with paragraphs (e) or (f) of this section. Further, no person may package lettuce during the above period on any Sunday or on Christmas Day.

(a) (Reserved)

(b) *Pack.* (1) Lettuce heads, packed in container Nos. 7303, 7306, or 7313, if wrapped may be packed only 18, 20, 22, 24, or 30 heads per container; if not wrapped, only 18, 24, or 30 heads per container.

(2) Lettuce heads in container No. 85–40 may be packed only 24 or 30 heads per container.

(c) *Containers.* Containers may be only the following depth, width and length respectively;

(1) Cartons with inside dimensions of 10 inches x 14¼ inches x 21$\frac{5}{16}$ inches (designated as carrier container No. 7303), or

(2) Cartons with inside dimensions of 9¾ inches x 14 inches x 21 inches (designated as carrier container No. 7306), or

(3) Cartons with inside dimensions of 14 inches x 9¾ inches x 21 inches (designated as carrier container No. 7313), or

(4) Cartons with inside dimensions of 10¾ inches x 16⅛ inches x 21½ inches (designated as carrier container No. 85–40—flat pack).

(d) *Inspection.* (1) No handler shall handle lettuce unless such lettuce is inspected by the Texas-Federal Inspection Service and an appropriate inspection certificate has been issued with respect thereto, except when relieved of such requirement pursuant to paragraph (e) or (f) of this section.

(2) No handler may transport, or cause the transportation of, any shipment of lettuce by motor vehicle for which inspection is required unless each such shipment is accompanied by a copy of an appropriate inspection certificate or shipment release form (SPI–23) furnished by the inspection service verifying that such shipment meets the current grade, pack and container requirements of this section. A copy of such inspection certificate or shipment release form shall be available and surrendered upon request to authorities designated by the committee.

(3) For administration of this part, such inspection certificate or shipment release form required by the committee as evidence of inspection is valid for only 72 hours following completion of inspection, as shown on such certificate or form.

(e) *Minimum quantity.* Any person may handle up to, but not to exceed two cartons of lettuce a day without regard to inspection, assessment, grade, and pack requirements. This exception may not be applied to any shipment of over two cartons of lettuce.

(f) *Special purpose shipments.* The pack, container, and inspection requirements of this section shall not be applicable to shipments as follows:

(1) For relief, charity, experimental purpose, or export to Mexico, if, prior to handling, the handler pursuant to §§ 971.120–971.125 obtains a Certificate of Privilege applicable thereto and reports thereon; and

(2) For export to Mexico, if the handler of such lettuce loads and transports it only in a vehicle bearing Mexican registration (license).

(g) *Definitions.* (1) "Wrapped" heads of lettuce refers to those which are enclosed individually in parchment, plastic, or other commercial film and then packed in cartons or other containers.

(2) Other terms used in this section have the same meaning as when used in Marketing Agreement No. 144 and this part.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674).

Dated November 11, 1975 to become effective November 24, 1975.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.75–30895 Filed 11–14–75;8:45 am]

[Docket No. AO–205–A4]

PART 982—HANDLING OF FILBERTS GROWN IN OREGON AND WASHINGTON

Order Amending Order

Findings and determinations. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and each previously issued amendment thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon a proposed amendment of the marketing agreement, as amended, and Order No. 982, as amended (7 CFR Part 982), regulating the handling of filberts grown in Oregon and Washington.

Upon the basis of the record it is found that:

(1) The order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The order, as amended, and as hereby further amended, regulates the handling of filberts grown in the production area in the same manner as, and is applicable only to persons in the respective classes of commercial and industrial activity specified in, the marketing agreement and order upon which hearings have been held;

(3) The order, as amended, and as hereby further amended, is limited in its application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act, and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) There are no differences in the production and marketing of filberts grown in the production area which make necessary different terms and provisions applicable to different parts of such area; and

(5) All handling of filberts grown in the production area is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce.

(b) *Determinations.* It is hereby determined that:

(1) The "Marketing Agreement, as Further Amended, Regulating the Handling of Filberts Grown in Oregon and Washington" upon which the aforesaid public hearing was held has been signed by handlers (excluding cooperative associations of producers who are not engaged in processing, distributing, or shipping filberts covered by the said order, as amended, and as hereby further amended) who, during the period August 1, 1974 through July 31, 1975, handled not less than 50 percent of the volume of such filberts covered by the said order, as amended, and as hereby further amended; and

(2) The issuance of this amendatory order, amending the aforesaid order, as amended, is favored or approved by at least two-thirds of the producers who participated in a referendum on the question of its approval and who during the period August 1, 1974 through July 31, 1975 (which has been deemed to be a representative period), have been engaged within the States of Oregon and Washington, in the production of filberts for market, such producers having also produced for market at least two-thirds of the volume of such commodity represented in the referendum.

ORDER RELATIVE TO HANDLING

It is therefore ordered, That on and after the effective date hereof, the handling of filberts grown in Oregon and Washington, shall be in conformity to and in compliance with the terms and conditions of the said order, as amended, and as hereby further amended, as follows:

1. Section 982.16 is revised to read:

§ 982.16 Inshell trade demand.

"Inshell trade demand" means the quantity of inshell filberts acquired by the trade from all handlers during a marketing policy year for distribution in the continental United States.

2. Section 982.17 is revised to read:

§ 982.17 Fiscal year and marketing policy year.

(a) "Fiscal year" means 12 months from August 1 to the following July 31, both inclusive.

(b) "Marketing policy year" means the 12 months from August 1 to the following July 31, both inclusive, or such other period of time as may be recommended by the Board and established by the Secretary.

3. Section 982.40 is revised to read:

§ 982.40 Board's estimates and recommendations.

(a) For each marketing policy year, the Board shall hold a meeting for the purpose of recommending to the Secretary a marketing policy for that year. The recomendation shall include the following:

(1) *Inshell allocation.* (i) The Board's estimate of the quantity of merchantable filberts or available supply expected to be produced that year, taking into consideration an adjustment to protect against any error in estimation of that production. As soon as practicable after the official estimate of production is released in November, the Board shall, if necessary, meet to determine if a change should be made in the Board's estimate of the quantity of merchantable filberts or available supply expected to be produced.

(ii) The Board's estimate of the inshell handler carryover on the first day of the marketing policy year, segregated as to the quantity subject to regulation and not subject to regulation.

(iii) The Board's recommendation, if any, for handler carryover of inshell filberts on the last day of the marketing policy year, which may be available for handling as inshell filberts thereafter.

(iv) The Board's estimate of the trade demand for inshell filberts for that year, taking into consideration trade carryover at the beginning and end of the year, imports, prices, prospective shelled filbert market conditions and other factors affecting trade demand for inshell filberts during the year.

(v) The Board's recommendation as to a free percentage and a restricted percentage to be established for that year.

(2) *Grade and size regulations.* The Board shall review the grade and size regulations in effect and may recommend modifications thereof.

(b) *Revisions.* At any time prior to February 15 of any year, the Board, or two or more handlers who during the preceding marketing policy year (or fiscal year, when appropriate) handled at least 10 percent of all filberts handled, may recommend to the Secretary revision in the marketing policy for that year.

4. Section 982.41 is revised to read:

§ 982.41 Free and restricted percentages.

Whenever the Secretary finds, on the basis of the Board's recommendation or other information, that limiting the quantity of merchantable filberts which may be handled during a marketing policy year would tend to effectuate the declared policy of the act, he shall establish a free percentage or increase the free percentage, as applicable, to prescribe the portion of those filberts which may be handled as inshell filberts and a restricted percentage to prescribe the portion that must be withheld from such handling. In establishing such percentages the Secretary shall consider the ratio of (a) the sum of the estimated inshell trade demand and, when applicable, the inshell handler carryover at the end of the year, less that portion of the inshell handler carryover at the beginning of the marketing policy year not subject to regulation to (b) the estimated supply of merchantable filberts subject to regulation and other relevant factors. Until free and restricted percentages are established by the Secretary for a marketing policy year, the percentages in effect at the end of the previous year shall be applicable.

5. Section 982.46 is revised to read:

§ 982.46 Inspection and certification.

(a) Before or upon handling any filberts, or before any inshell or shelled filberts are credited (under §§ 982.50 or 982.51) in satisfaction of a restricted obligation, each handler shall, at his own expense, cause such filberts to be inspected and certified by the Federal-State Inspection Service as meeting the then effective grade and size regulations or, if inshell or shelled filberts are withheld under § 982.51, the applicable requirements specified in that section. The handler obtaining such inspection of filberts shall cause a copy of the certificate issued by such inspection service applicable to such filberts to be furnished to the Board.

(b) All filberts so inspected and certified shall be identified by seals, stamps, tags, or other identification prescribed by the Board. Such identification shall be affixed to the filbert containers by the handler under direction and supervision of the Board or the Federal-State Inspection Service, and shall not be removed or altered by any person except as directed by the Board.

(c) Whenever the Board determines that the length of time in storage and conditions of storage of any lot of certified merchantable filberts have been or are such as to normally cause deterioration, it may require that such lot of filberts be reinspected at the handler's expense prior to handling.

6. Section 982.50 is revised to read:

§ 982.50 Restricted obligation.

(a) No handler shall handle inshell filberts unless prior to or upon shipment thereof, he: (1) Has withheld from handling a quantity, by weight, or certified merchantable filberts determined by dividing the quantity handled, or to be handled, by the free percentage and multiplying the quotient by the restricted percentage; (2) has withheld from handling an equivalent quantity of creditable ungraded inshell filberts under § 982.51 (a); or (3) has under § 982.51(b), declared in lieu of a quantity of certified merchantable filberts, under subparagraph (1) of this paragraph, the equivalent quantity, by weight as determined under that section, of shelled filberts certified as meeting the standards in effect for Oregon No. 1 grade for shelled filberts as contained in Oregon Grade Standards for Filbert (Hazelnut) Kernels or such other standards as may be recommended by the Board and established by the Secretary. Any handler who intends to withhold shelled filberts in satisfaction of a restricted obligation must make such declaration to the Board prior to shelling any such filberts. Withholding may be temporarily deferred under the bonding provisions in § 982.54. The quantity of filberts required to be withheld shall be the restricted obligation. Certified merchantable filberts handled in accordance with this subpart shall be deemed to be the handler's quota fixed by the Secretary within the meaning of section 8a(5) of the Act.

(b) Inshell filberts withheld by a handler in satisfaction of his restricted obligation shall not be handled and shall be held by him subject to examination by and accounting control of, the Board until disposed of pursuant to this part.

(c) A handler having certified merchantable filberts which have not been handled at the end of a marketing policy year may elect to have those filberts bear the restricted and assessment obligations of that year or of the marketing policy year in which handled. The Board shall establish such procedures as are necessary to facilitate the administration of this option among handlers.

(d) Whenever the restricted percentage for a marketing policy year is reduced, each handler's restricted obligation shall be reduced to conform with the new restricted percentage. Any handler who, upon such reduction, is withholding restricted filberts in excess of his new restricted obligation may have the excess freed from withholding by complying with such procedures as the Board may require to insure identification of the remaining filberts withheld

7. Section 982.51 is revised to read:

§ 982.51 Restricted credit for ungraded inshell filberts and for shelled filberts.

(a) A handler may withhold ungraded inshell filberts in lieu of certified merchantable filberts in satisfaction of his restricted obligation, and the weight on which credit may be received shall be the total weight less the cumulative total percentage, by weight, of (1) all internal defects, (2) all external defects in excess of 10 percent and (3) all small-sized filberts in excess of 5 percent (as defined in the Oregon Grade Standards Filberts In Shell). Any lot of ungraded filberts having a creditable weight of less than 50 percent of its total weight, or not meeting the moisture requirements for certified merchantable filberts shall not be eligible for credit. All determination as to defects and small-sized filberts shall be made by the Federal-State Inspection Service at the handler's expense. Filberts so withheld shall be subject to the applicable requirements of § 982.50. The provisions of this section may be modified by the Secretary on the basis of a recommendation of the Board or other information.

(b) A handler may withhold, in accordance with § 982.50(a) shelled filberts in lieu of merchantable filberts in satisfaction of his restricted obligation subject to such terms and conditions as are recommended by the Board and established by the Secretary. The inshell equivalent of any such filberts shall be determined by multiplying the weight of the shelled filberts by 250 percent. This percent may be changed upon recommendation of the Board and approval of the Secretary.

8. Section 982.52 is revised to read:

§ 982.52 Disposition of restricted filberts.

Filberts withheld from handling as inshell filberts pursuant to §§ 982.50 and 982.51 may be disposed of as follows:

(a) *Shelling.* Any handler may dispose of such filberts by shelling them under the direction or supervision of the Board or by delivering them to an authorized sheller. Any person who desires to become an authorized sheller in any marketing policy year may submit written application during such year to the Board. Such application shall be granted only upon condition that the applicant agrees:

(1) To use such restricted filberts as he may receive for no purpose other than shelling;

(2) To dispose of or deliver such restricted filberts, as inshell filberts, to no one other than another authorized sheller:

(3) To comply fully with all laws and regulations applicable to shelling of filberts; and

(4) To make such reports, certified to the Board and to the Secretary as to their correctness, as the Board may require.

(b) *Export.* Sales of certified merchantable restricted filberts for shipment or export to destinations outside the continental United States shall be made only by the Board. Any handler desiring to export any part or all of his certified merchantable restricted filberts shall deliver to the Board the certified merchantable restricted filberts to be exported, but the Board shall be obligated to sell in export only such quantities for which it may be able to find satisfactory export outlets. Any filberts so delivered for export which the Board is unable to export shall be returned to the handler delivering them. Sales for export shall be made by the Board only on execution of an agreement to prevent reimportation into the continental United States. A handler may be permitted to act as agent of the Board, upon such terms and conditions as the Board may specify, in negotiating export sales, and when so acting shall be entitled to receive a selling commission of five percent of the export sales price, f.o.b. area of production. The proceeds of all export sales after deducting all expenses actually and necessarily incurred, shall be paid to the handler whose certified merchantable restricted filberts are so sold by the Board.

(c) *Other outlets.* In addition to the dispositions authorized in paragraphs (a) and (b) of this section, the Board may designate such other outlets into which such filberts may be disposed which it determines are noncompetitive with normal market outlets for inshell filberts. Such dispositions shall be made under the direction or supervision of the Board.

(d) *Restricted credits.* During any marketing policy year, handlers who dispose of a quantity of certified merchantable filberts, in restricted outlets, in excess of their restricted obligation, may transfer such excess credits to another handler or handlers. Upon a handler's written request to the Board during a marketing policy year, the Board shall transfer any or all of such excess restricted credits to such other handler or handlers as he may designate. The Board, with the approval of the Secretary, shall establish rules and regulations for the transfer of excess restricted credits.

9. Section 982.54 is revised to read:

§ 982.54 Deferment of restricted obligation.

(a) *Bonding.* Compliance by any handler with the requirements of § 982.50 as to the time when restricted filberts shall be withheld shall be temporarily deferred to any date desired by the handler, but not later than April 30 of the marketing policy year, upon the voluntary execution and delivery by such handler to the Board, before he handles any merchantable filberts of such marketing policy year, of a written undertaking, secured by a bond or bonds with a surety or sureties acceptable to the Board, that on or prior to such date he will have fully satisfied his restricted obligation required by § 982.50.

(b) *Bonding requirement.* Such bond or bonds shall, at all times during their effective period, be in such amounts that the aggregate thereof shall be no less than the total bonding value of the handler's deferred restricted obligation. The bonding value shall be the deferred restricted obligation poundage bearing the lowest bonding rate or rates, which could have been selected from the packs handled or certified for handling, multiplied by the applicable bonding rate. The cost of such bond or bonds shall be borne by the handler filing same.

(c) *Bonding rate.* Said bonding rate for each pack shall be an amount per pound representing the season's domestic price for such pack net to handler f.o.b. shipping point which shall be computed at the opening price for such pack announced by the handler or handlers who during the preceding marketing policy year handled more than 50 percent of the merchantable filberts handled by all handlers. Such handler or handlers shall be selected in the order of volume handled in the preceding marketing policy year (or fiscal year, if applicable) using the minimum number of handlers to represent a volume of more than 50 percent of the total volume handled. If such opening prices involve different prices announced by two or more handlers for respective packs, the price so announced shall be averaged on the basis of the quantity of such packs handled during the preceding marketing policy year (or fiscal year, if applicable) by each such handler. Until bonding rates for a marketing policy year are fixed, the rates in effect for the preceding marketing policy year (or fiscal year, if applicable) shall continue in effect and when such new rates are fixed, necessary adjustments should be made.

(d) *Filbert purchases.* Any sums collected through default of a handler on his bond shall be used by the Board to purchase from handlers, as provided in this paragraph, a quantity of certified merchantable filberts on which the restricted obligation has been met, not to exceed the total quantity represented by the sums collected. The Board shall at all times purchase the lowest priced packs offered, and the purchases shall be made from the various handlers as nearly as practicable in proportion to the quantity of their respective offerings of the pack or packs to be purchased.

(e) *Unexpended sums.* Any unexpended sums, which have been collected by the Board through default of a handler on his bond, remaining in the possession of the Board at the end of a marketing policy year shall be used to reimburse the Board for its expenses, including administrative and other costs incurred in the collection of such sums, and in the purchase of filberts as provided in paragraph (d) of this section. Any balance remaining after reimbursement of such expenses shall be distributed among all handlers in proportion of the quantity of certified merchantable filberts handled by them during the marketing policy year in which the default occurred.

(f) *Transfer of filbert purchases.* Filberts purchased as provided in this section shall be turned over to those handlers who have defaulted on their bonds for disposal by them as restricted filberts. The quantity delivered to each handler shall be that quantity represented by the sums collected through default, and the different grades, if any, shall be apportioned among the various handlers on the basis of the ratio of the quantity of filberts to be delivered to each handler to the total quantity purchased by the Board with bonding funds.

(g) *Collection upon bonds.* Collection upon any defaulted bond shall be deemed a satisfaction of the restricted obligation represented by the collection.

10. Section 982.65 is revised to read:

§ 982.65 Carryover reports.

On or before January 15 and August 5, of each year and within 10 days following the end of a marketing policy year, respectively, each handler shall report to the Board his inventory of inshell and shelled filberts as of January 1, August 1, and the first day of the marketing policy year, respectively. Such reports shall be certified to the Board and the Secretary as to their accuracy and completeness and shall show, among other items, the following: (a) Certified merchantable filberts on which the restricted obligation has been met; (b) merchantable filberts on which the restricted obligation has not been met; (c) the merchantable equivalent of any filberts intended for handling as inshell filberts; and (d) restricted filberts withheld.

11. Section 982.71 is revised to read:

§ 982.71 Records.

Each handler shall maintain such records of filberts received, held and disposed of by him as may be prescribed by the Board in order to perform its function under this part. Such records shall be retained and be available for examination by authorized representatives of the Board or the Secretary for a period of two years after the end of the marketing policy year in which the transactions occurred.

12. Paragraph (b) (3) of § 982.80 is revised to read:

§ 982.80 Effective time, termination or suspension.

* * * * *

(b) * * *

(3) The Secretary shall terminate the provisions of this subpart at the end of any marketing policy year whenever he finds that such termination is favored by a majority of the producers of filberts who during the preceding marketing policy year (or fiscal year, if applicable) have been engaged in the production for marketing of filberts in the States of Oregon and Washington: *Provided,* That, such majority have during such period produced for market more than 50 percent of the volume of such filberts produced for market within said States; but such termination shall be effected only if announced 30 days or more before the end of the then current marketing policy year.

* * * * *

(Secs. 1-19, 48 Stat. 31, as amended; (7 U.S.C. 601-674))

Effective date: January 2, 1976.

Signed at Washington, D.C., on November 12, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75-30988 Filed 11-14-75;8:45 am]

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Preliminary Free and Reserve Percentages for the 1975-76 Crop Year

Notice was published in the October 21, 1975, issue of the FEDERAL REGISTER (40 FR 49097) of a proposal to designate for natural Thompson Seedless and Dipped Seedless raisins for the 1975-76 crop year, beginning September 1, 1975, preliminary free tonnage percentages of 52 percent and 53 percent, respectively, and preliminary reserve tonnage percentages of 48 percent and 47 percent, respectively. These designations would be under § 989.55 of the marketing agreement, as amended, and Order No. 989, as amended (7 CFR Part 989), regulating the handling of raisins produced from grapes grown in California. It was also proposed that § 989.224 (40 FR 46299) be revised to delete the designation of a desirable