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DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Part 400

[Docket No. 7988S]

General Administrative Regulations; Crop Insurance; Non-Standard Underwriting Classification System (NCS)

AGENCY: Federal Crop Insurance Corporation, USDA.

ACTION: Final rule.

SUMMARY: The Federal Crop Insurance Corporation (FCIC) adds a new subpart 0 to part 400 in chapter IV of title 7, Code of Federal Regulations to be known as the Non-Standard Underwriting Classification System Regulations (7 CFR part 400, subpart 0), effective for the 1991 and succeeding crop years. The intended effect of this rule is to set forth procedures and requirements for non-standard assigned yields and premium rates apart from yields and rates prescribed by standard actuarial tables.

EFFECTIVE DATE: August 10, 1990.

FOR FURTHER INFORMATION CONTACT: Peter F. Cole, Secretary, Federal Crop Insurance Corporation, U.S. Department of Agriculture, Washington, DC, 20250, telephone (202) 447-3325.

SUPPLEMENTARY INFORMATION: This action has been reviewed under USDA procedures established by Departmental Regulation 1512-1. This action constitutes a review as to the need, currency, clarity, and effectiveness of these regulations under those procedures. The sunset review date established for these regulations is December 1, 1994.

David W. Gabriel, Acting Manager, FCIC, (1) has determined that this action is not a major rule as defined by Executive Order 12291 because it will not result in: (a) An annual effect on the economy of $100 million or more; (b) major increases in costs or prices for consumers, individual industries, federal, State, or local governments, or a geographical region; or (c) significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises in domestic or export markets; and (2) certifies that this action will not increase the federal paperwork burden for individuals, small businesses, and other persons and will not have a significant impact on a substantial number of small entities.

This action is exempt from the provisions of the Regulatory Flexibility Act; therefore, no Regulatory Flexibility Analysis was prepared.

This program is listed in the Catalog of Federal Domestic Assistance under No. 10.450.

This program is not subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials. See the Notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115, June 24, 1983.

This action is not expected to have any significant impact on the quality of the human environment, health, and safety. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

County actuarial tables issued from year to year by the Corporation prescribe standard crop insurance premium rates and yields. An evaluation of the accuracy of those standard actuarial tables has identified a relatively small number of crop insurance contracts (about 6%) that have accounted for about 28% of losses.

While the occurrence of a small number of extraordinary losses is a statistically normal expectation, the Corporation recognizes the limitations standard actuarial tables have in prescribing accurate premium rates and assigned yields for such instances and the peril those limitations pose to overall program soundness.

FCIC herein establishes a Non-Standard Underwriting Classification System to address extraordinary situations. Requirements for Non-Standard Classification are prescribed including both frequency and degree of losses. Procedures for determining Non-Standard assigned yields and premium rates are included. Periodic reviews of Non-Standard determinations by the Corporation are required as are reviews at the request of affected persons. Appeal rights are reaffirmed and further clarified as they relate to these regulations.

On Tuesday, April 24, 1990, FCIC published a notice of proposed rulemaking in the **Federal Register** at 55 FR 17278, to set forth procedures and requirements for non-standard assigned yields and premium rates apart from yields and rates prescribed by standard actuarial tables. The public was given 30 days in which to submit written comments, data, and opinions on the rule. Comments on proposed rule were received from National Crop Insurance Services and American Association of Crop Insurers on behalf of their member companies. No other comments were received. Comments from both organizations covered issues that are summarized and discussed as follows:

1. The proposed rule will increase federal paperwork burden on farmers, insurance agents, and companies.

Response: The rule imposes no additional requirements for preparing, signing, or submission of forms, reports, certificates, etc. by farmers, insurance agents, or companies. The information necessary for implementation of this program is presently in our data base or is required for yield establishment.

2. Actuarial tables will be affected dramatically in size, accuracy, and timely issuance.

Response: The purpose of NCS is to address rate and coverage inaccuracies of a very small number of cases. The soybean insurance program with by far the greatest incidence of these cases will have only about 1½% incidence of NCS adjustment for 1991. A preliminary review in Arkansas, which will have the second highest rate of soybean NCS adjustments by state, identified cases for adjustment in about 27 of 74 counties representing around 7% of current business. The typical increase in actuarial table size in those counties will be about four pages or less of which one is an instructional cover page.

Some counties will have larger actuarial tables by necessity with the addition of NCS classification documents. That increase is well justified by expected program savings.

However, dramatic increases in actuarial table size is not evident from the number of individuals classified, from the number of counties where classifications are assigned, or, from the number of additional document pages in each county.

Operational standards for accuracy and timely issuance of actuarial tables will not be changed to accommodate NCS.

3. Determination and verification of the "substantial beneficial interest" concept will be very difficult.

Response: Present procedures require that the insurable interest of each policyholder be verified. Other persons sharing an interest with the policyholder must be identified on the acreage report. Those names may be readily checked against NCS classification documents.

4. It appears that proposed rule will require an additional data base and will be very costly and another burden upon farmers and data users.

Response: No additional data base is required. NCS relies on existing data bases and data collection processes. FCIC performs all calculations required by the proposed rule using its data processing capabilities.

5. What is the status of NCS classifications during reconsiderations and appeals?

Response: An insured affected by an NCS classification is so notified and allowed 45 days in which to file a request for reconsideration. If the review finds no reason for change, the NCS classification is assigned. Since the NCS classification is placed in the actuarial table, and since the actuarial table must be filed before the contract change date, the insured has several months (from the date of notification to the contract cancellation date) to cancel his contract should he not choose to accept the classification assigned. In addition, the insured has the right to appeal this determination under the provisions of Subpart J—Appeal Process. The NCS classification will not take effect until both reconsideration and appeal are completed. If an insured's appeal is still pending 15 days prior to the contract cancellation date, FCIC will defer NCS changes to the following crop year.

6. Draft regulations indicate nothing about how the NCS provision will be applied by an agent or company.

Response: Standard operating procedures regarding the application of NCS regulations by companies and agents are pending publication of the final rule. Procedures issued in advance of public comment and final rule would be speculative and inappropriate. However, NCS procedures will not vary substantially from those currently used for determining rates and coverages.

7. NCS rates and coverages may not be assigned correctly.

Response: NCS documents will be part of the Actuarial Document Book. These documents are currently in use. No new forms will be created within these documents. Since the NCS classification will be contained in the Actuarial Material and since that material is presently used to establish rates and coverages, no additional complexity is envisioned.

8. Several issues were raised concerning the NCS selection process, as follows:

a. *Comment:* The selection formula is not validated by statistical research.

Response: The comment is correct for the reason that adequate statistical data does not exist, nor, will such data exist in the foreseeable future given the nature of the crop insurance program. Nontheless, FCIC must be responsive to those individual instances experiencing frequent and extreme losses clearly beyond reasonable expectations. The purpose of NCS is to prescribe a standard for identifying and correcting adverse loss situations using existing data resources.

b. *Comment:* Policies with a number of units and for which insurance has been in effect for several years are highly likely to be selected.

Response: The insurance standard formula is based on the loss frequency and loss severity of an insured's insurance experience. It is more likely that an individual with several years of experience will have at least one loss. This is the reason the selection criteria includes a high frequency of loss years as part of the selection standard.

c. *Comment:* The formula is weighted to policies with insurance experience and does not predict high risk policies with little insurance experience.

Response: Since the selection standard is based on an insurance experience, this observation is correct. NCS is a loss control mechanism which uses specific underwriting adjustments to reduce future losses. NCS was not designed to predict potential high risk policies since no effective controls are possible with information currently collected during the sales process. We agree that mechanisms for identifying such high risk policies through pre-loss underwriting are needed, and we will welcome collaborative efforts to achieve this.

d. *Comment:* The formula may select a high percentage of policies as a result of catastrophic conditions (Montana Wheat).

Response: The selection standard does account for catastrophic conditions by comparing loss experience for the crop for individual policies to the loss experience for the crop within the state. This reduces the number of policies selected for NCS in a catastrophic area. In section 303(a)2. of the proposed rule, FCIC may vary the selection standard to accommodate occurrences of catastrophic loss in an area as small as a county. Such instances will be handled through overall adjustments affecting all producers and not through individual adjustments.

9. An effective tracking system would eliminate the need for NCS and enhance the enforcement of normal yield reductions.

Response: Insureds can change their farming operation and avoid yield reductions. Yield reductions are not responsive enough when dealing with the category of insureds NCS will address.

10. Insurance experience of a person used to classify land would unduly carry over from one producer to another.

Response: Whether an NCS classification is assigned to the person growing the insured crop or to the land on which the crop is grown is dependent on each individual circumstance. If previous adverse experience can be attributed to conditions associated with the land such as extremely eroded soil or frequent flooding then the NCS classification will be assigned to that land and future persons without affecting other land being farmed by those persons. If adverse insurance experience cannot be clearly associated with a land condition, then the experience is charged to the managerial ability of the person actively engaged in growing the crop and to whom the NCS classification will be assigned. Different persons producing the crop on the same land in future years will not be affected.

The intent of NCS in any event is to address remedial actions directly to the cause of previous adverse insurance experience. Annual reviews will maintain remedial actions of a current basis. Reconsideration and appeal rights provide an ongoing opportunity for input to the NCS process by those persons affected.

11. The NCS notice should be given by the policy writer in the case of private policies reinsured by FCIC.

Response: Insureds may change companies from year to year. Due to the lag year in the NCS base period, the person's insurance company is not definitely known. Since timely notification is essential, notice must be given to every person assigned a nonstandard classification, and to any company from which the person may attempt to purchase crop insurance.

12. The assertion by FCIC is challenged that major increases in costs or prices will not result.

Response: Increases in insurance rates will affect some insureds. The reference to increase in costs refers to the general public and in that sense the comment is not correct. As noted earlier, these classifications will be incorporated into existing documents. No new forms will be created, nor will there be need for agents or companies to contact a third party for sales and servicing. The comment ignores the potential savings of tax monies and insured farmers' premiums which otherwise will be spent on larger indemnities.

In addition to the comments above, a typographical error was discovered in § 404.303(c). In that paragraph "Insurable acreage" is correctly changed to read "insured acreage." Also, based on the comments received, a clarification of terms in § 400.300(c) will be made. The term "adjustment factor" will be assigned to yield factor. This change is needed to maintain consistency in terminology of the proposed rule. See § 400.305(a).

In implementing these rules it is necessary to provide insureds with an extensive period of time following notification of classification changes in order to allow for requests for reconsideration. On September 1, FCIC mails actuarial data books, containing information of reclassification of individual policyholders farmland, to the respective agents offices. However, before such mailing occurs, policyholders are advised of the reclassification of land, and if such reclassification is challenged, approximately 60 days are allowed in which the policyholder request a reconsideration. In addition, extra time must be allowed to complete mailing notices and processing request from policyholders. FCIC has determined that, in order to provide sufficient time for this lengthy process, and to provide ample time for policyholders to receive timely consideration before the 1991 crop year coverage is effective, good cause is shown for making this rule effective in less than 30 days. Therefore, with the exception of minor changes in language and format outlined above, the rule published at 55 FR 17278 is hereby adopted as a final rule to become effective upon publication in the Federal Register.

Final Rule

Accordingly, pursuant to the authority contained in the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 *et seq.*), the Federal Crop Insurance Corporation amends the General Administrative Regulations, effective for the 1991 and succeeding crop years, to add a new subpart O to part 400 of chapter IV of title 7 of the Code of Federal Regulations, to be known as 7 CFR part 400, General Administrative Regulations; Subpart O, Non-Standard Underwriting Classification System, to read as follows:

PART 400—GENERAL ADMINISTRATIVE REGULATIONS

Subpart O—Non-Standard Underwriting Classification System Regulations for the 1991 and Succeeding Crop Years

Sec.

Authority: 7 U.S.C. 1506, 1516.

Subpart O—Non-Standard Underwriting Classification System Regulations for the 1991 and Succeeding Crop Years

§ 400.301 Basis, purpose, and applicability.

The regulations contained in this subpart are issued pursuant to the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 *et seq.*) (the Act), to prescribe the procedures for nonstandard determinations and the assignment of assigned yields and/or premium rates in conformance with the intent of section 508 of the Act (7 U.S.C. 1508). These regulations are applicable to all policies of insurance insured or reinsured by the Corporation under the Act.

§ 400.302 Definitions.

(a) *Act*—means Federal Crop Insurance Act as amended (7 U.S.C. 1501 *et seq.*).

(b) *Actively engaged in farming*—means that a person in return for a share of profits and losses makes a contribution to the production of an insurable crop of capital, equipment, personal, labor, and/or personal management.

(c) *Actual Yield*—means total harvested production of a crop divided by the number of acres on which the crop was planted. For insured acres, actual yield is the total production to count as defined in the insurance policy, divided by insured acres.

(d) *Assigned yield*—means units of crop production per acre administratively assigned by the Corporation for the purpose of determining insurance coverage.

(e) *Base period*—means the 10 preceding crop years through the next to last crop year.

(f) *Corporation*—means the Federal Crop Insurance Corporation.

(g) *Cumulative earned premium rate*—is the total premium earned for all years in the base period, divided by the total liability for all years in the base period with the result expressed as a percentage.

(h) *Cumulative loss ratio*—means the ratio of total indemnities to total earned premiums during the base period expressed as a decimal.

(i) *Earned premium rate*—means premium earned divided by liability and expressed as a percentage.

(j) *Entity*—means a person as defined in this subpart other than an individual.

(k) *Insurance experience*—means premium earned, indemnities paid, and other data resulting from a crop insurance policy insured or reinsured by the Corporation.

(l) *Loss ratio*—means the ratio of indemnity to earned premium expressed as a decimal.

(m) *Person*—means an individual, partnership, association, corporation, estate, trust, or other legal entity, and whenever applicable, a State or a political subdivision, or agency of a state.

(n) *Substantial beneficial interest*—means an interest of 10 percent or more. In determining whether such an interest equals at least 10 percent, all interests which are owned directly or indirectly through such means as ownership of shares in a corporation which owns the interest will be taken into consideration.

§ 400.303 Initial selection criteria.

(a) Nonstandard Classification procedures in the subpart initially apply when both of the following insurance experience criteria have been met:

(1) Three (3) or more indemnified losses which exceed earned premium during the base period; and

(2) The natural logarithm of cumulative earned premium rate multiplied by the square root of the cumulative loss ratio equals 2.00 or greater. The minimum standard of 2.00

may be increased provided the increased standard applies to all insurance experience in the same county.

(b) Selection criteria may be applied on the basis of insurance experience of a person, insured acreage, or the combination of both.

(1) Insurance experience of a person will include:

(i) Insurance experience of the person;

(ii) Insurance experience of other insured entitites in which the person had substantial beneficial interest if the person was actively engaged in farming of the insured crop by virtue of the person's interest in those insured entities;

(iii) Insurance experience of a spouse and minor children if the person is an individual and the spouse and minor children are considered the same as the individual under § 400.306.

(2) Insurance experience of insured acreage includes all insurance experience during the base period resulting from the production of the insured crop on the acreage.

(3) Where insurance experience is based on a combination of person and insured acreage, the insurance experience will include the experience of the person as defined in paragraph (b) of this section (1) only on the specific insured acreage during the base period.

§ 400.304 Nonstandard Classification determinations.

(a) Nonstandard Classification determinations can affect a change in assigned yields, premium rates, or both from those otherwise prescribed by the insurance actuarial tables.

(b) Changes of assigned yields based on insurance experience of insured acreage (or of a person on specific insured acreage) will be based on the simple average of available actual yields from the insured acreage during the base period.

(c) Changes of assigned yields based on insurance experience of a person without regard to any specific insured acreage will be determined by an assigned yield factor calculated by multiplying excess loss cost ratio by loss frequency and subtracting that product from 1.00 where:

(1) Excess loss cost ratio is total indemnities divided by total liabilities for all years of insurance experience in the base period and the result of which is then reduced by the cumulative earned premium rate, expressed as a decimal, and

(2) Loss frequency is the number of crop years in which an indemnity was paid divided by the number of crop years in which premiums were earned during the base period.

(d) Changes of premium rates will be made to reflect premium rates that would have resulted in insurance experience during the base period with a loss ratio of 1.00 but:

(1) A higher loss ratio than 1.00 may be used for premium rate determinations provided that the higher loss ratio is applied uniformly in a county; and

(2) If a Nonstandard Classification change has been made to current assigned yields, insurance experience during the base period will be adjusted to reflect the affects of changed assigned yields before changes of premium rates are calculated based on that experience.

(e) Once selection criteria have been met in any year, Nonstandard Classification adjustments will be made from year to year until no further changes are necessary in assigned yields or premium rates under the conditions set forth in § 400.304(f). In determining whether further changes are necessary, the eligibility criteria will be recomputed each subsequent year using the premium rates and yields which would have been applicable had this part not been in effect.

(f) Nonstandard Classification changes will not be made that:

(1) Increase assigned yields or decrease premium rates from those otherwise assigned by the actuarial tables, or

(2) Result in less than a 10 percent decrease in assigned yields or less than a 10 percent increase in premium rates from those otherwise assigned by the actuarial tables.

§ 400.305 Assignment of Nonstandard Classifications.

(a) Assignment of a Nonstandard Classification of assigned yields, assigned yield factors, or premium rates shall be made on forms approved by the Corporation and included in the actuarial tables for the county.

(b) Nonstandard Classification assignment will be made each year for the year identified on the assignment forms and not subject to change under the provisions of this subpart by the Corporation for that year when included in the actuarial tables for the county except as a result of a request for reconsideration as provided in subsection § 400.309, or as the result of appeals under subpart J.

(c) Nonstandard Classifications may be assigned to identified insurable acreage; person; or, to a combination of person and identified acreage whereby:

(1) Classifications assigned to identified insurable acreage apply to all acres of the insured crop grown on the identified acreage;

(2) Classifications assigned to a person apply to all insurable acres of the insured crop on which the person and any entity in which the person has substantial beneficial interest is actively engaged in farming; and

(3) Classifications assigned to a combination of a person and identified insurable acreage will only apply to those acres of the insured crop grown on the identified acreage on which the named person is actively engaged in producing such crop.

§ 400.306 Spouses and minor children.

(a) The spouse and minor children of an individual are considered to be the same as the individual for purposes of this subpart except that:

(1) The spouse who was actively engaged in farming in a separate farming operation prior to their marriage will be a separate person with respect to that separate farming operation so long as that operation remains separate and distinct from any farming operation conducted by the other spouse;

(2) A minor child who is actively engaged in farming in a separate farming operation will be a separate person with respect to that separate farming operation if:

(i) The parent or other entity in which the parent has a substantial beneficial interest does not have any interest in the minor's separate farming operation or in any production from such operation;

(ii) The minor has established and maintains a separate household from the parent;

(iii) The minor personally carries out the farming activities with respect to the minor's farming operation; and

(iv) The minor establishes separate accounting and recordkeeping for the minor's farming operation.

(b) An individual shall be considered to be a minor until the age of 18 is reached. Court proceedings conferring majority on an individual under 18 years of age will not change such individual's status as a minor.

§ 400.307 Discontinuation of participation.

In the event that insurance participation is interrupted for one or more years following the assignment of a Nonstandard Classification, the most recent Nonstandard Classification assigned will be continued from year to year until participation has been renewed for at least one crop year and at least three years of insurance experience have occurred in the current base period.

§ 400.308 Notice of Nonstandard Classification.

(a) The Corporation will give written notice to all persons to whom a Nonstandard Classification will be assigned. The notice will give the Nonstandard Classification and the person's rights and responsibilities according to this subpart.

(b) The person, upon receiving notice from the Corporation, will be responsible for giving notice of the Nonstandard Classification to any other person with an insurable interest affected by the classification. The person will give notice to any other affected person:

(1) Prior to the sales closing date if the other affected person has an established insurable interest at the time the classified person is notified by the Corporation; or

(2) Prior to the Classified person's establishing an insurable interest of another person that will be affected by the classification.

§ 400.309 Requests for reconsideration.

(a) Any person to be assigned a Nonstandard Classification under this subpart will be notified of and allowed not less than 45 days from the date notice is received to request reconsideration before the Nonstandard Classification becomes effective. The request will be considered to have been made when received, in writing, by the Corporation.

(b) Upon receipt of a timely request for reconsideration from the person to whom the classification will be assigned, the Corporation will:

(1) Review all information supplied by, and respond to all questions raised by the individual, or

(2) In the absence of information and questions, review insurance experience and determinations for compliance with this subpart and report review results to the individual requesting reconsideration.

(c) Upon review of a request for reconsideration, the classification to be assigned will be corrected for:

(1) Errors and omissions in insurance experience;

(2) Incorrect calculations under procedures in this subpart, and

(3) Typographical errors.

(d) If the review finds no cause for change, the classification will be assigned and placed on file in the actuarial tables for the county.

(e) If a request for reconsideration has not been timely made by a person within the 45 days as prescribed by this section, appeal rights under regulations contained in 7 CFR part 400, subpart J, and subsequent regulations, will be considered to have been waived by that person with regard to the Nonstandard Classification.

(f) Any person not satisfied by a determination of the Corporation upon reconsideration may further appeal under the provisions of 7 CFR part 400, subpart J.

Done in Washington, DC, on July 16, 1990.

David W. Gabriel,

Acting Manager, Federal Crop Insurance Corporation.

[FR Doc. 90-18778 Filed 8-9-90; 8:45 am]

BILLING CODE 3410-08-M

Agricultural Marketing Service

7 CFR Part 989

[FV-90-150FR]

Raisins Produced From Grapes Grown in California, Changing the Definition of the Dipped Seedless Varietal Type

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This final rule revises the administrative rules and regulations of the marketing order regulating raisins produced from grapes grown in California. This action revises the definition of the Dipped Seedless varietal type to include only dehydrated seedless grapes that possess characteristics similar to the Thompson Seedless variety. This action is necessary because dehydrators have begun making raisins from other seedless varieties of grapes which do not have similar characteristics to the traditional Dipped Seedless raisin. This action was unanimously recommended by the Raisin Administrative Committee (Committee), which is responsible for local administration of the marketing order.

EFFECTIVE DATE: August 10, 1990.

FOR FURTHER INFORMATION CONTACT: Patricia A. Petrella, Marketing Specialist, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, room 2525-S, P.O. Box 96456, Washington, DC 20090-6456; telephone: (202) 475-3920.

SUPPLEMENTARY INFORMATION: This final rule is issued under marketing agreement and Order No. 989 (7 CFR part 989), both as amended, 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."

This final rule has been reviewed by the U.S. Department of Agriculture (Department) in accordance with Departmental Regulation 1512-1 and the criteria contained in Executive Order 12291 and has been determined to be a "non-major" rule.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Administrator of the Agricultural Marketing Service (AMS) has considered the economic impact of this action on small entities.

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, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 25 handlers of raisins who are subject to regulation under the raisin marketing order and approximately 5,000 producers in the regulated area. Small agricultural producers have been defined by the Small Business Administration (13 CFR 121.2) as those having annual receipts of less than $500,000, and small agricultural service firms are defined as those whose annual receipts are less than $3,500,000. The majority of producers and a minority of handlers of California raisins may be classified as small entities.

Section 989.10 of the marketing order provides that the Committee, with the approval of the Secretary, may change the list of varietal types. This action will amend § 989.110 of the rules and regulations by revising the definition of the Dipped Seedless varietal type.

Varietal type is defined in § 989.10 of the order to mean raisins generally recognized as possessing characteristics differing from other raisins in a degree sufficient to make necessary or desirable separate identification and classification. Therefore, a particular varietal type of raisin defined in the rules and regulations would include raisins with similar characteristics and market uses. Raisins are separated into varietal types for the purpose of applying the order's quality and volume regulations.

This action could also have an impact in connection with volume regulations. For example, more production could be reported in the Other Seedless and Monukka categories and less production in the Dipped Seedless categories once this change is made.