

■ 2. In § 945.341, paragraph (g) is revised to read as follows:

**§ 945.341 Handling regulation.**

\* \* \* \* \*

(g) *Minimum quantity exemption.* Each handler may ship up to, but not to exceed, five hundredweight of potatoes any day without regard to the inspection and assessment requirements of this part, but this exception shall not apply to any shipment that exceeds five hundredweight of potatoes.

\* \* \* \* \*

Dated: May 17, 2006.

**Lloyd C. Day,**

*Administrator, Agricultural Marketing Service.*

[FR Doc. 06-4748 Filed 5-22-06; 8:45 am]

**BILLING CODE 3410-02-P**

## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 989

[Docket No. FV06-989-2 IFR]

#### **Raisins Produced From Grapes Grown in California; Final Free and Reserve Percentages for 2005-06 Crop Natural (Sun-Dried) Seedless Raisins**

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Interim final rule with request for comments.

**SUMMARY:** This rule establishes final volume regulation percentages for 2005-06 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 locally administered by the Raisin Administrative Committee (Committee). The volume regulation percentages are 82.50 percent free and 17.50 percent reserve. The percentages are intended to help stabilize raisin supplies and prices, and strengthen market conditions.

**DATES:** Effective August 1, 2005, through July 31, 2006. The volume regulation percentages apply to acquisitions of NS raisins from the 2005-06 crop until the reserve raisins from that crop are disposed of under the marketing order. Comments received by July 24, 2006, will be considered prior to issuance of a final rule.

**ADDRESSES:** Interested persons are invited to submit written comments concerning this rule. 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 E-mail:

*moab.docketclerk@usda.gov*, 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.ams.usda.gov/fv/moab.html*.

**FOR FURTHER INFORMATION CONTACT:** Kurt Kimmel, Officer-in-Charge, or Rose M. Aguayo, Marketing Specialist, California Marketing Field Office, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA; Telephone: (559) 487-5901; Fax: (559) 487-5906.

Small businesses may request information on complying with this regulation by contacting Jay Guerber, 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: *Jay.Guerber@usda.gov*.

**SUPPLEMENTARY INFORMATION:** This 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."

The Department of Agriculture (USDA) is issuing this rule in conformance with Executive Order 12866.

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. Under the order provisions now in effect, final free and reserve percentages may be established for raisins acquired by handlers during the crop year. This rule establishes final free and reserve percentages for NS raisins for the 2005-06 crop year, which began August 1, 2005, and ends July 31, 2006. This rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

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 rule establishes final volume regulation percentages for 2005-06 crop NS raisins covered under the order. The volume regulation percentages are 82.50 percent free and 17.50 percent reserve. Free tonnage raisins may be sold by handlers to any market. Reserve raisins must be held in a pool for the account of the Committee and are disposed of through various programs authorized under the order. For example, reserve raisins may be sold by the Committee to handlers for free use or to replace part of the free tonnage raisins they exported; used in diversion programs; carried over as a hedge against a short crop; or disposed of in other outlets not competitive with those for free tonnage raisins, such as government purchase, distilleries, or animal feed.

The volume regulation percentages are intended to help stabilize raisin supplies and prices, and strengthen market conditions. The Committee unanimously recommended final percentages on January 26, 2006, and further justified their recommendation on March 16, 2006.

#### **Computation of Trade Demands**

Section 989.54 of the order prescribes procedures and time frames to be followed in establishing volume regulation. This includes methodology used to calculate percentages. Pursuant to § 989.54(a) of the order, the Committee met on August 15, 2005, to review shipment and inventory data, and other matters relating to the supplies of raisins of all varietal types. The Committee computed a trade demand for each varietal type for which a free tonnage percentage might be recommended. Trade demand is computed using a formula specified in the order and, for each varietal type, is equal to 90 percent of the prior year's shipments of free tonnage and reserve tonnage raisins sold for free use into all market outlets, adjusted by subtracting the carryin on August 1 of the current crop year, and adding the desirable carryout at the end of that crop year. As specified in § 989.154(a), the desirable

carryout for NS raisins shall equal the total shipments of free tonnage during August and September for each of the past 5 crop years, converted to a natural condition basis, dropping the high and low figures, and dividing the remaining sum by three, or 60,000 natural condition tons, whichever is higher. For all other varietal types, the desirable carryout shall equal the total shipments of free tonnage during August, September and one-half of October for each of the past 5 crop years, converted to a natural condition basis, dropping the high and low figures, and dividing the remaining sum by three. In accordance with these provisions, the Committee computed and announced the 2005–06 trade demand for NS raisins at 232,985 tons as shown below.

**COMPUTED TRADE DEMANDS**  
[Natural condition tons]

	NS raisins
Prior year's shipments .....	319,752
Multiplied by 90 percent .....	0.90
Equals adjusted base .....	287,777
Minus carryin inventory .....	114,792
Plus desirable carryout .....	60,000
Equals computed NS trade Demand .....	232,985

**Computation of Preliminary Volume Regulation Percentages**

Section 989.54(b) of the order requires that the Committee announce, on or before October 5, preliminary crop estimates and determine whether volume regulation is warranted for the varietal types for which it computed a trade demand. That section allows the Committee to extend the October 5 date up to 5 business days if warranted by a late crop.

The Committee met on October 4, 2005, and announced a preliminary crop estimate for NS raisins of 266,227 tons, which is about 19 percent lower than the 10-year average of 328,088 tons. NS raisins are the major varietal type of California raisin. Adding the carryin inventory of 114,792 tons, plus the 266,227-ton crop estimate resulted in a total available supply of 381,019 tons, which was significantly higher (164 percent) than the 232,985-ton trade demand. Thus, the Committee determined that volume regulation for NS raisins was warranted. The Committee announced preliminary free and reserve percentages for NS raisins, which released 85 percent of the computed trade demand since a minimum field price (price paid by handlers to producers for their free tonnage raisins) had been established.

The preliminary percentages were 74 percent free and 26 percent reserve.

In addition, preliminary percentages were also announced for Dipped Seedless, Golden Seedless, Zante Currant, and Other Seedless raisins. It was ultimately determined that volume regulation was only warranted for NS raisins. As in past seasons, the Committee submitted its marketing policy to USDA for review.

**Computation of Final Volume Regulation Percentages**

Pursuant to § 989.54(c), at its January 26, 2006, meeting, the Committee announced interim percentages for NS raisins to release slightly less than the full trade demand. Based on a revised NS crop estimate of 283,000 tons (up from the October estimate of 266,227 tons), interim percentages for NS raisins were announced at 82.25 percent free and 17.75 percent reserve.

Pursuant to § 989.54(d), the Committee also recommended final percentages at its January 26, 2006, meeting to release the full trade demands for NS raisins. Final percentages were recommended at 82.50 percent free and 17.50 percent reserve. The Committee's calculations and determinations to arrive at final percentages for NS raisins are shown in the table below:

**FINAL VOLUME REGULATION PERCENTAGES**  
[Natural condition tons]

	NS raisins
Trade demand .....	232,985
Divided by crop estimate .....	283,000
Equals the free percentage .....	82.30
100 minus free percentage equals the reserve percentage .....	17.70

\* \* \* The Committee recommended rounding the free percentage to 82.50 percent and reducing the reserve percentage to 17.50 percent to compensate for the higher than normal processing shrinkage being experienced by handlers with the 2006 NS crop.

By the week ending February 11, 2006, data showed that deliveries of NS raisins exceeded the Committee's crop estimate of 283,000 tons. By that date, deliveries of NS raisins totaled 285,052 tons. Thus, at USDA's request, the RAC met again on March 16, 2006, and reviewed the current available data and the computations used in arriving at the recommended final percentages.

At the March meeting, the Committee continued to support a crop estimate of 283,000 tons, because of the higher than

normal processing shrinkage being experienced with the 2005 NS raisin crop. With a lower crop estimate, more free tonnage raisins will be made available to handlers for free tonnage use, but due to the above normal processing shrinkage, the Committee expects supplies to be in balance with market needs.

By the week ending April 5, 2006, data showed that deliveries of NS raisins were at 301,019 tons of NS raisins. Thus, it is likely that final deliveries may reach 311,493 tons by July 31, 2006—the end of the crop year. The Committee's recommendation will provide handlers with 7.5 percent more raisins than would be provided if a 311,493 ton estimate had been used, but the additional tonnage is not expected to cause disorderly marketing conditions.

In addition, USDA's "Guidelines for Fruit, Vegetable, and Specialty Crop Marketing Orders" (Guidelines) specify that 110 percent of recent years' sales should be made available to primary markets each season for marketing orders utilizing reserve pool authority. This goal will be met for NS raisins by the establishment of final percentages, which release 100 percent of the trade demand and the offer of additional reserve raisins for sale to handlers under the "10 plus 10 offers." As specified in § 989.54(g), the 10 plus 10 offers are two offers of reserve pool raisins which are made available to handlers during each season. For each such offer, a quantity of reserve raisins equal to 10 percent of the prior year's shipments is made available for free use. Handlers may sell their 10 plus 10 raisins to any market.

For NS raisins, the first 10 plus 10 offer was made in February 2006. A total of 31,975 tons was made available to raisin handlers; all of the raisins were purchased. The second 10 plus 10 offer of 31,975 tons will be made available to handlers by July 31, 2006. Adding the total figure of 63,950 tons of 10 plus 10 raisins to the 232,985 ton trade demand figure, plus 114,792 tons of 2004–05 carryin NS inventory equates to 411,727 tons of natural condition raisins, or 386,855 tons of packed raisins, that are available to handlers for free use or primary markets. This is about 130 percent of the quantity of NS raisins shipped during the 2004–05 crop year (317,998 natural condition tons or 300,435 packed tons).

In addition to the 10 plus 10 offers, § 989.67(j) of the order provides authority for sales of reserve raisins to handlers under certain conditions such as a national emergency, crop failure, change in economic or marketing conditions, or if free tonnage shipments

in the current crop year exceed shipments of a comparable period of the prior crop year. Such reserve raisins may be sold by handlers to any market. When implemented, the additional offers of reserve raisins make even more raisins available to primary markets, which is consistent with USDA's Guidelines.

#### 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, 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 20 handlers of California raisins who are subject to regulation under the order and approximately 4,500 raisin producers in the regulated area. Small agricultural firms are defined by the Small Business Administration (13 CFR 121.201) as those having annual receipts of less than \$6,500,000, and small agricultural producers are defined as those having annual receipts of less than \$750,000. Eleven of the 20 handlers subject to regulation have annual sales estimated to be at least \$6,500,000, and the remaining 9 handlers have sales less than \$6,500,000. No more than 9 handlers and a majority of producers of California raisins may be classified as small entities.

Since 1949, the California raisin industry has operated under a Federal marketing order. The order contains authority to, among other things, limit the portion of a given year's crop that can be marketed freely in any outlet by raisin handlers. This volume control mechanism is used to stabilize supplies and prices and strengthen market conditions.

Pursuant to § 989.54(d) of the order, this rule establishes final volume regulation percentages for 2005–06 crop NS raisins. The volume regulation percentages are 82.50 percent free and 17.50 percent reserve. Free tonnage raisins may be sold by handlers to any market. Reserve raisins must be held in a pool for the account of the Committee

and are disposed of through certain programs authorized under the order.

Volume regulation is warranted this season because the revised crop estimate of 283,000 tons combined with the carry-in inventory of 114,792 tons results in a total available supply of 397,792 tons, which is about 70 percent higher than the 232,985 ton trade demand.

The current volume regulation procedures have helped the industry address its marketing problems by keeping supplies in balance with domestic and export market needs, and strengthening market conditions. The current volume regulation procedures fully supply the domestic and export markets, provide for market expansion, and help reduce the burden of oversupplies in the domestic market.

Raisin grapes are a perennial crop, so production in any year is dependent upon plantings made in earlier years. The sun-drying method of producing raisins involves considerable risk because of variable weather patterns.

Even though the product and the industry are viewed as mature, the industry has experienced considerable change over the last several decades. Before the 1975–76 crop year, more than 50 percent of the raisins were packed and sold directly to consumers. Now, about 65 percent of raisins are sold in bulk. This means that raisins are now sold to consumers mostly as an ingredient in another product such as cereal and baked goods. In addition, for a few years in the early 1970's, over 50 percent of the raisin grapes were sold to the wine market for crushing. Since then, the percent of raisin-variety grapes sold to the wine industry has decreased.

California's grapes are classified into three groups—table grapes, wine grapes, and raisin-variety grapes. Raisin-variety grapes are the most versatile of the three types. They can be marketed as fresh grapes, crushed for juice in the production of wine or juice concentrate, or dried into raisins. Annual fluctuations in the fresh grape, wine, and concentrate markets, as well as weather-related factors, cause fluctuations in raisin supply. This type of situation introduces a certain amount of variability into the raisin market. Although the size of the crop for raisin-variety grapes may be known, the amount dried for raisins depends on the demand for crushing. This makes the marketing of raisins a more difficult task. These supply fluctuations can result in producer price instability and disorderly market conditions.

Volume regulation is helpful to the raisin industry because it lessens the impact of such fluctuations and

contributes to orderly marketing. For example, producer prices for NS raisins remained fairly steady between the 1993–94 through the 1997–98 seasons, although production varied. As shown in the table below, during those years, production varied from a low of 272,063 tons in 1996–97 to a high of 387,007 tons in 1993–94.

According to Committee data, the total producer return per ton during those years, which includes proceeds from both free tonnage plus reserve pool raisins, has varied from a low of \$904.60 in 1993–94 to a high of \$1,049 in 1996–97. Total producer prices for the 1998–99 and 1999–2000 seasons increased significantly due to back-to-back short crops during those years. Producer prices dropped dramatically for the 2000–01, 2001–02, and 2002–03 crop years due to record-size production, large carry-in inventories, and stagnant demand. However, the producer prices increased slightly with a shorter crop in 2003–04 and rebounded to pre-1998–99 prices during the 2004–05 crop years as noted below:

NATURAL SEEDLESS PRODUCER PRICES

Crop year	Deliveries (natural condition tons)	Producer prices (per ton)
2004–05 .....	265,262	<sup>2</sup> \$1210.00
2003–04 .....	296,864	<sup>1</sup> 567.00
2002–03 .....	388,010	<sup>1</sup> 491.20
2001–02 .....	377,328	650.94
2000–01 .....	432,616	603.36
1999–2000 .....	299,910	1,211.25
1998–99 .....	240,469	<sup>2</sup> 1,290.00
1997–98 .....	382,448	946.52
1996–97 .....	272,063	1,049.20
1995–96 .....	325,911	1,007.19
1994–95 .....	378,427	928.27
1993–94 .....	387,007	904.60

<sup>1</sup> Return-to-date, reserve pool still open.

<sup>2</sup> No volume regulation.

There are essentially two broad markets for raisins—domestic and export. In recent years, both domestic and export shipments have been increasing. Domestic shipments decreased from a high of 204,805 packed tons during the 1990–91 crop year to a low of 156,325 packed tons in 1999–2000. Since that time domestic shipments steadily increased from 174,117 packed tons during the 2000–01 crop year to 193,680 packed tons during the 2004–05 crop year. In addition, exports decreased from 114,576 packed tons in 1991–92 to a low of 91,600 packed tons in the 1999–2000 crop year. In recent years, export shipments have increased from a low of 101,537 tons during the 2002–03 crop year to 106,755

tons of raisins during the 2004–05 crop year.

Moreover, the per capita consumption of raisins has declined from 2.09 pounds in 1988 to 1.46 pounds in 2004. This decrease is consistent with the decrease in the per capita consumption of dried fruits in general, which is due to the increasing availability of most types of fresh fruit throughout the year.

While the overall demand for raisins has been increasing (as reflected in increased in commercial shipments), production has been decreasing. Deliveries of NS dried raisins from producers to handlers reached an all-time high of 432,616 tons in the 2000–01 crop year. This large crop was preceded by two short crop years; deliveries were 240,469 tons in 1998–99 and 299,910 tons in 1999–2000. Deliveries for the 2000–01 crop year soared to a record level because of increased bearing acreage and yields. Deliveries for the 2001–02 crop year were at 377,328 tons, 388,010 tons for the 2002–03 crop year, 296,864 for the 2003–04 crop year and 265,262 tons for the 2004–05 crop year. After three crop years of high production and a large 2001–02 carryin inventory, the industry diverted raisins or removed 41,000 acres in 2001; 27,000 acres in 2002; and 15,000 acres of vines in 2003 to reduce the industry's burdensome supply of raisins. These actions resulted in declining deliveries of 296,865 tons for the 2003–04 crop year and 265,262 tons for the 2004–05 crop year.

The order permits the industry to exercise supply control provisions, which allow for the establishment of free and reserve percentages, and establishment of a reserve pool. One of the primary purposes of establishing free and reserve percentages is to equilibrate supply and demand. If raisin markets are over-supplied with product, producer prices will decline.

Raisins are generally marketed at relatively lower price levels in the more elastic export market than in the more inelastic domestic market. This results in a larger volume of raisins being marketed and enhances producer returns. In addition, this system allows the U.S. raisin industry to be more competitive in export markets.

To assess the impact that volume control has on the prices producers receive for their product, an econometric model has been constructed. The model developed is for the purpose of estimating nominal prices under a number of scenarios using the volume control authority under the Federal marketing order. The price producers receive for the harvest and delivery of their crop is largely

determined by the level of production and the volume of carryin inventories. The Federal marketing order permits the industry to exercise supply control provisions, which allow for the establishment of reserve and free percentages for primary markets, and a reserve pool. The establishment of reserve percentages impacts the production that is marketed in the primary markets.

The reserve percentage limits what handlers can market as free tonnage. Assuming the 17.50 percent reserve limits the total free tonnage to 233,475 natural condition tons (.8250 x the 283,000-ton crop estimate) and carryin is 114,792 natural condition tons, and all of the 63,950 natural condition tons of reserve raisins offered for sale under the 10 plus 10 offers are purchased, then the total free supply is estimated at 412,217 natural condition tons. Data available as of April 5, 2006, shows that deliveries of NS raisins are at 301,019 tons. If the Committee used a 311,493 ton crop estimate, and assuming a 25.2 percent reserve limits the total free tonnage to 232,996 natural condition tons (.7480 x the 311,493-ton crop estimate) and carryin and 10+10 offers and purchases remained the same, then the total free supply would be estimated at 411,738 natural condition tons, a difference of 479 tons. The Committee believes that this additional tonnage will provide handlers with enough free tonnage to compensate for the above normal processing shrink being experienced with this season's crop.

The econometric model estimates prices to be \$63 per ton higher than under an unregulated scenario. This price increase is beneficial to all producers regardless of size and enhances producers' total revenues in comparison to no volume control. Establishing a reserve allows the industry to help stabilize supplies in both domestic and export markets, while improving returns to producers.

Free and reserve percentages are established by varietal type, and usually in years when the supply exceeds the trade demand by a large enough margin that the Committee believes volume regulation is necessary to maintain market stability. Accordingly, in assessing whether to apply volume regulation or, as an alternative, not to apply such regulation, it has been determined that volume regulation is warranted this season for only one of the nine raisin varietal types defined under the order.

The free and reserve percentages established by this rule release the full trade demand and apply uniformly to all handlers in the industry, regardless

of size. For NS raisins, with the exception of the 1998–99 and 2004–05 crop years, small and large raisin producers and handlers have been operating under volume regulation percentages every year since 1983–84. There are no known additional costs incurred by small handlers that are not incurred by large handlers. While the level of benefits of this rulemaking are difficult to quantify, the stabilizing effects of the volume regulations impact small and large handlers positively by helping them maintain and expand markets even though raisin supplies fluctuate widely from season to season. Likewise, price stability positively impacts small and large producers by allowing them to better anticipate the revenues their raisins will generate.

There are some reporting, recordkeeping and other compliance requirements under the order. The reporting and recordkeeping burdens are necessary for compliance purposes and for developing statistical data for maintenance of the program. The requirements are the same as those applied in past seasons. Thus, this action imposes no additional reporting or recordkeeping requirements on either small or large raisin handlers. The forms require information which is readily available from handler records and which can be provided without data processing equipment or trained statistical staff. The information collection and recordkeeping requirements have been previously approved by the Office of Management and Budget (OMB) under OMB Control No. 0581–0178. 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 compliance with the Government Paperwork Elimination Act (GPEA), which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible.

In addition, USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

Further, the Committee's meetings were widely publicized throughout the raisin industry and all interested persons were invited to attend the meetings and participate in the Committee's deliberations. Like all Committee meetings, the August 15, 2005, October 4, 2005, January 26, 2006, and March 16, 2006, meetings were public meetings and all entities, both

large and small, were able to express their views on this issue.

Also, the Committee has a number of appointed subcommittees to review certain issues and make recommendations to the Committee. The Committee's Reserve Sales and Marketing Subcommittee met on August 15, 2005, October 4, 2005, January 26, 2006, and March 16, 2006, and discussed these issues in detail. Those meetings were also public meetings and both large and small entities were able to participate and express their views. Finally, interested persons are invited to submit information on 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/fv/moab.html>. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

This rule invites comments on the establishment of final volume regulation percentages for 2005–06 crop NS raisins covered under the order. Any comments received will be considered prior to finalization of this rule.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

Pursuant to 5 U.S.C. 553, it is also found and determined upon good cause that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice prior to putting this rule into effect, and that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register** because: (1) The relevant provisions of this part require that the percentages designated herein for the 2005–06 crop year apply to all NS raisins acquired from the beginning of that crop year; (2) handlers are currently marketing their 2005–06 crop NS raisins and this action should be taken promptly to achieve the intended purpose of making the full trade demand available to handlers; (3) handlers are aware of this action, which was unanimously recommended at a public meeting, and need no additional time to comply with these percentages; and (4) this interim final rule provides a 60-day comment period, and all comments timely received will be considered prior to finalization of this rule.

#### 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 amended to read 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. Section 989.258 is added to Subpart—Supplementary Regulations to read as follows:

**Note:** This section will not appear in the annual Code of Federal Regulations.

#### **§ 989.258 Final free and reserve percentages for the 2005–06 crop year.**

The final percentages for standard Natural (sun-dried) Seedless raisins acquired by handlers during the crop year beginning on August 1, 2005, which shall be free tonnage and reserve tonnage, respectively, are designated as follows:

Varietal type	Free percentage	Reserve percentage
Natural (sun-Dried) Seedless .....	82.50	17.50

Dated: May 17, 2006.

**Lloyd C. Day,**

*Administrator, Agricultural Marketing Service.*

[FR Doc. 06–4747 Filed 5–22–06; 8:45 am]

**BILLING CODE 3410–02–P**

#### **DEPARTMENT OF HOMELAND SECURITY**

#### **U.S. Citizenship and Immigration Services**

#### **8 CFR Part 103**

[DHS Docket No. USCIS–2005–0038; CIS No. 2367–05]

**RIN 1615–AB40**

#### **Changes to the Procedures for Notifying the Public of Premium Processing Service Designations and Availability**

**AGENCY:** U.S. Citizenship and Immigration Services, DHS.

**ACTION:** Interim rule with request for comments.

**SUMMARY:** This interim rule amends Department of Homeland Security regulations to change the process whereby U.S. Citizenship and Immigration Services will notify the public of the dates and conditions for Premium Processing Service of designated employment-based petitions and applications. This interim rule also clarifies that notices announcing the designation of petitions and applications for Premium Processing Service will identify the individual classifications within each designated petition or application that will be eligible for premium processing.

**DATES:** *Effective date:* This interim rule is effective May 23, 2006.

*Comment date:* Written comments must be submitted on or before July 24, 2006.

**ADDRESSES:** You may submit comments, identified by DHS Docket No. USCIS 2005–0038, by one of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

- E-mail: You may submit comments directly to USCIS by e-mail at [rfs.regs@dhs.gov](mailto:rfs.regs@dhs.gov). Include DHS Docket No. USCIS–2005–0038 in the subject line of the message.

- Mail: The Director, Regulatory Management Division, U.S. Citizenship and Immigration Services, Department of Homeland Security, 111 Massachusetts Avenue, NW., 3rd Floor, Washington, DC 20529. To ensure proper handling, please reference DHS Docket No. USCIS–2005–0038 on your correspondence. This mailing address may also be used for paper, disk, or CD-ROM submissions.

- Hand Delivery/Courier: U.S. Citizenship and Immigration Services, Department of Homeland Security, 111 Massachusetts Avenue, NW., 3rd Floor, Washington, DC 20529. Contact Telephone Number is (202) 272–8377.

**FOR FURTHER INFORMATION CONTACT:** Kristina Carty-Pratt, Adjudications Officer, Office of Program and Regulations Development, U.S. Citizenship and Immigration Services, Department of Homeland Security, 111 Massachusetts Avenue, NW., Washington, DC 20536. Contact Telephone Number (202) 272–8400.

#### **SUPPLEMENTARY INFORMATION:**

#### **I. Public Participation**

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of the interim rule. Comments that will provide the most assistance to U.S. Citizenship and