

the 1,452-foot elevation point, and continue south-southwesterly in a straight line approximately 0.3 mile to the intersection of two light-duty roads locally known as S. El Pomar Road and Homestead Road, Asuncion Land Grant; then

(9) Proceed west-southwesterly in a straight line approximately 1.1 miles to the point where an unnamed light-duty road locally known as Templeton Road intersects with an unnamed intermittent stream (where Templeton Road makes a 90 degree turn at its junction with two unnamed unimproved roads), Asuncion Land Grant; then

(10) Proceed westerly (downstream) along the unnamed intermittent stream approximately 0.5 mile to the stream's confluence with the Salinas River, Asuncion Land Grant; then

(11) Proceed westerly (downstream) along the Salinas River approximately 2.3 miles to the river's intersection with the boundary line of the Paso de Robles Land Grant; then

(12) Proceed southwesterly along the boundary line of the Paso de Robles Land Grant approximately 2.3 miles to the point where the boundary line turns sharply to the northwest; then

(13) Proceed northwesterly approximately 4.65 miles along the boundary line of the Paso de Robles Land Grant, crossing onto the York Mountain map, to the point where the boundary line turns due north (coincides with the southeast corner of section 32, T27S/R11E); then

(14) Proceed north and then north-northeasterly along the boundary line of the Paso de Robles Land Grant approximately 1.5 miles to the point where the boundary line turns sharply to the northwest (coincides with the eastern-most point of section 20, T27S/R11E); then

(15) Proceed northwesterly along the boundary line of the Paso de Robles Land Grant approximately 0.3 mile to the eastern-most fork of an unnamed three-fork tributary of the Jack Creek; then

(16) Proceed northerly (downstream) along the unnamed intermittent tributary of Jack Creek approximately 0.15 mile to the tributary's confluence with Jack Creek, Paso de Robles Land Grant; then

(17) Proceed southeasterly (downstream) along Jack Creek approximately 1.8 miles to the creek's intersection with an unnamed light-duty road locally known as Jack Creek Road (near BM 920), Paso de Robles Land Grant; then

(18) Proceed northeasterly and then east-southeasterly along Jack Creek Road

approximately 1 mile to the road's intersection with State Route 46; then

(19) Proceed east on State Route 46 approximately 0.15 mile to the road's intersection with an unnamed light-duty road locally known as Hidden Valley Road, Paso de Robles Land Grant; then

(20) Proceed southeasterly and then easterly on Hidden Valley Road approximately 2.2 miles, crossing onto the Templeton map, to the road's intersection with an unnamed light-duty road locally known as Vineyard Drive, Paso de Robles Land Grant; then

(21) Proceed east on Vineyard Drive approximately 0.85 mile to the road's intersection with an unnamed light-duty road locally known as S. Bethel Road, Paso de Robles Land Grant; then

(22) Proceed north-northeasterly on S. Bethel Road and then N. Bethel Road approximately 1.7 miles to the road's fifth intersection with an unnamed intermittent stream, Paso de Robles Land Grant; then

(23) Proceed westerly (upstream) along the unnamed intermittent stream and then the stream's middle branch approximately 1.1 miles to the marked end of the stream, and then continue due west in a straight line approximately 0.05 mile to State Route 46 (Cayucos Road), Paso de Robles Land Grant; then

(24) Proceed northeasterly on State Route 46 (Cayucos Road) approximately 0.8 mile to BM 924, Paso de Robles Land Grant; then

(25) Proceed due north in a straight line to the southeast corner of section 12, T27S/R11E, and continue north along the eastern boundary line of section 12, a total of approximately 1.1 miles, to the section boundary line's intersection with a light-duty road locally known as Live Oak Road; then

(26) Proceed easterly on Live Oak Road approximately 0.2 mile to the road's intersection with an unnamed intermittent stream, Paso de Robles Land Grant; then

(27) Proceed northwesterly (upstream) along the unnamed intermittent stream approximately 0.35 mile to the eastern boundary line of section 12, T27S/R11E; then

(28) Proceed north along the eastern boundary line of section 12, T27S/R11E, to the section's northeast corner, and then proceed east along the southern boundary line of section 6, T27S/R11E, a total of approximately 1.3 miles, to the intersection of the section 6 boundary line with an unnamed light-duty road locally known as Arbor Road; then

(29) Proceed south-southeasterly on Arbor Road approximately 0.35 mile to the road's first intersection with an

unnamed intermittent stream, Paso de Robles Land Grant; then

(30) Proceed southeasterly and then easterly (downstream) along the unnamed intermittent stream approximately 1.4 miles to the stream's intersection with an unnamed light-duty road known locally as S. Vine Street, just west of the U.S. 101/State Route 46 interchange, Paso de Robles Land Grant; then

(31) Proceed northerly along S. Vine Street (which generally parallels U.S. 101) approximately 1.8 miles to the street's intersection with the marked city of Paso Robles Corporate Boundary line (concurrent with the locally-known intersection of S. Vine and 1st Streets), Paso de Robles Land Grant; then

(32) Proceed east along the marked city of Paso Robles Corporate Boundary line (now very approximate to the alignment of 1st Street and then Niblick Road) approximately 0.5 mile, returning to the beginning point.

Signed: September 4, 2014.

John J. Manfreda,
Administrator.

Approved: September 9, 2014.

Timothy E. Skud,
Deputy Assistant Secretary (Tax, Trade, and Tariff Policy).

[FR Doc. 2014-24169 Filed 10-8-14; 8:45 am]

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DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[Docket No. TTB-2013-0004; T.D. TTB-124; Ref: Notice No. 135]

RIN 1513-AB96

Establishment of the Eagle Peak Mendocino County Viticultural Area and Realignment of the Mendocino and Redwood Valley Viticultural Areas

AGENCY: Alcohol and Tobacco Tax and Trade Bureau, Treasury.

ACTION: Final rule; Treasury decision.

SUMMARY: The Alcohol and Tobacco Tax and Trade Bureau (TTB) establishes the approximately 26,260-acre "Eagle Peak Mendocino County" viticultural area in Mendocino County, California. The viticultural area lies entirely within the multi-county North Coast viticultural area. TTB also modifies the boundaries of the Mendocino viticultural area and the Redwood Valley viticultural area to eliminate overlaps with the Eagle Peak Mendocino County viticultural area. TTB designates viticultural areas to

allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase.

DATES: This final rule is effective November 10, 2014.

FOR FURTHER INFORMATION CONTACT: Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005; phone 202-453-1039, ext. 175.

SUPPLEMENTARY INFORMATION:

Background on Viticultural Areas

TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels, and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated various authorities through Treasury Department Order 120-01 (Revised), dated December 10, 2013, to the TTB Administrator to perform the functions and duties in the administration and enforcement of this law.

Part 4 of the TTB regulations (27 CFR part 4) allows the establishment of definitive viticultural areas and the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of petitions for the establishment or modification of American viticultural areas (AVAs) and lists the approved AVAs.

Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features as described in part 9 of the regulations and a name and a delineated boundary as established in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to its geographic origin. The

establishment of AVAs allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of an AVA is neither an approval nor an endorsement by TTB of the wine produced in that area.

Requirements

Section 4.25(e)(2) of the TTB regulations outlines the procedure for proposing an AVA and provides that any interested party may petition TTB to establish a grape-growing region as an AVA. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes standards for petitions for the establishment of AVAs. Petitions to establish an AVA must include the following:

- Evidence that the area within the proposed AVA boundary is nationally or locally known by the AVA name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed AVA;
- A narrative description of the features of the proposed AVA that affect viticulture, such as climate, geology, soils, physical features, and elevation, that make the proposed AVA distinctive and distinguish it from adjacent areas outside the proposed AVA boundary;
- A copy of the appropriate United States Geological Survey (USGS) map(s) showing the location of the proposed AVA, with the boundary of the proposed AVA clearly drawn thereon; and
- A detailed narrative description of the proposed AVA boundary based on USGS map markings.

Eagle Peak Mendocino County Petition

TTB received three petitions on behalf of local grape growers from Ralph Jens Carter, one proposing the establishment of the “Eagle Peak Mendocino County” AVA and two separate companion petitions proposing the modification of the boundaries of the existing “Mendocino” AVA (27 CFR 9.93) and “Redwood Valley” AVA (27 CFR 9.153). The proposed AVA and the two existing AVAs lie entirely within Mendocino County and the multi-county North Coast AVA (27 CFR 9.30). The proposed Eagle Peak Mendocino County AVA contains approximately 26,260 acres, of which approximately 120 acres are dedicated to 16 commercially producing vineyards. The proposed AVA lies to the west of both the Redwood Valley AVA and the eastern portion of the V-shaped Mendocino AVA. According to the petition, the distinguishing features of the proposed Eagle Peak Mendocino

County AVA include its marine-influenced climate, strong breezes, mountainous topography, and shallow soils with low water-holding capabilities.

As originally proposed, a small portion of the Eagle Peak Mendocino County AVA would overlap portions of the Redwood Valley and Mendocino AVAs. To eliminate the potential overlaps, the petitioner later proposed modifying the boundaries of the Redwood Valley and Mendocino AVAs. The proposed boundary modifications would eliminate the potential overlaps and would remove the overlapped areas from the Redwood Valley and Mendocino AVAs. The proposed modifications would reduce the size of the 32,047-acre Redwood Valley AVA by approximately 1,430 acres and reduce the size of the 327,437-acre Mendocino AVA by approximately 1,900 acres. The overlapping areas would then become part of the Eagle Peak Mendocino County AVA.

Notice of Proposed Rulemaking and Comments Received

TTB published Notice No. 135 in the **Federal Register** on June 27, 2013 (78 FR 38613), proposing to establish the Eagle Peak Mendocino County AVA and modify the boundaries of the Redwood Valley and Mendocino AVAs. In the notice, TTB summarized the evidence from the petition regarding the name, boundary, and distinguishing features for the proposed viticultural area. The distinguishing features of the proposed viticultural area include climate, geology, topography, and soils. The notice also compared the distinguishing features of the proposed viticultural area to the surrounding areas. For a description of the evidence relating to the name, boundary, and distinguishing features of the proposed viticultural area, and for a comparison of the distinguishing features of the proposed viticultural area to the surrounding areas, see Notice No. 135.

In Notice No. 135, TTB solicited comments on the accuracy of the name, boundary, climatic, and other required information submitted in support of the petition. In addition, given the proposed AVA's location within the existing North Coast AVA, TTB solicited comments on whether the evidence submitted in the petition regarding the distinguishing features of the proposed AVA sufficiently differentiates the proposed viticultural area from the North Coast AVA. TTB also asked for comments on whether the geographical features of the proposed viticultural area are so distinguishable from the surrounding North Coast AVA that the

proposed Eagle Peak Mendocino County AVA should no longer be part of the existing viticultural area. Finally, TTB asked for comments on the proposed modification of the Redwood Valley and Mendocino AVAs and whether the evidence presented in the proposed Eagle Peak Mendocino County AVA petition sufficiently differentiated the overlapped regions from the established AVAs to warrant removing the overlapped regions from the two AVAs and including the overlapping regions entirely within the Eagle Peak Mendocino County AVA. The comment period on Notice No. 135 closed on August 26, 2013.

In response to Notice No. 135, TTB received a total of seven comments, six of which supported the establishment of the Eagle Peak Mendocino County viticultural area and the realignment of the Redwood Valley and Mendocino AVA boundaries. Commenters included local residents, vineyard owners, and winemakers, as well as a local winery organization. None of the comments received during the comment period addressed the question of whether the Eagle Peak Mendocino County AVA is so distinguishable from the North Coast AVA that it should no longer be part of the North Coast AVA. TTB received no comments in opposition of either the Eagle Peak Mendocino County AVA, as proposed, or the proposed boundary modifications.

Only one of the seven comments specifically addressed the proposed modification of the Redwood Valley and Mendocino AVAs' boundaries (comment 3). The commenter, who owns a vineyard that is within the proposed AVA but not within the proposed realignment area, supported the proposed boundary modifications because "[t]he Eagle Peak area is all upland, mountainous terrain with shallow soils, while Redwood Valley is mostly level with deep soils" and the Mendocino AVA "contains many different characteristics and is not limited to the upland area." TTB notes that there are two vineyards located within the proposed realignment area, and the petition included letters from both vineyard owners in support of the proposed boundary modifications.

The seventh comment (comment 7) requested an extension of the comment period so that the commenter could further review the proposed rule. The extension request was received too late for TTB to extend the original comment period. Therefore, TTB published Notice No. 135A in the **Federal Register** on August 28, 2013 (78 FR 53103), re-opening the comment period for an

additional 60 days, until October 28, 2013.

Comments Received During the Re-opened Comment Period

During the re-opened comment period, TTB received six additional comments regarding the proposed establishment of the Eagle Peak Mendocino County AVA and the realignment of the Redwood Valley and Mendocino AVAs. Two of the six comments specifically supported the proposed AVA (comments 9 and 10). One of the two comments was from a wine marketing and sales consultant, and the second comment was from the United States Representative from the district that includes the proposed Eagle Peak Mendocino County viticultural area. Comment 10 also specifically supported the proposed realignment of the Redwood Valley AVA boundary, stating that the proposed realignment area consists of mountainous and hillside terrain that is more consistent with the terrain of the proposed Eagle Peak Mendocino County AVA than the flatter, lower terrain found within the majority of the Redwood Valley AVA.

Two of the comments received during the re-opened comment period did not address the substance of the proposed rulemaking. One of those two commenters stated that he neither supported nor opposed establishment of the proposed AVA or the proposed boundary modifications, but rather requested that TTB remove the periods from the township and range designations in the proposed regulatory text of § 9.93 so as to conform to the style of the current regulatory text for that section (comment 8). TTB notes that the periods in the proposed regulatory text are consistent with the style of the current regulatory text of § 9.93, and the proposed amendment to the section will be adopted as final without change. The other comment (comment 11), which was addressed to the Department of Justice, called for stronger alcohol, tobacco, firearms, and explosives transfer regulations, topics which are outside the scope of the proposed rule. Accordingly, that topic will not be addressed in this rulemaking.

Comments Regarding Proposed AVA Name

The final two comments received during the re-opened comment period addressed the proposed AVA name. One comment was in the form of a letter from an attorney on behalf of his client, Fetzer Vineyards of Hopland, California (comment 12). Fetzer Vineyards is currently owned by Viña Concha y Toro

SA and is no longer associated with the Fetzer family, including Jacob and Ben Fetzer, who own Masut Vineyards, and John Fetzer, who owns Saracina Vineyards. Both Masut Vineyards and Saracina Vineyards are within the proposed Eagle Peak Mendocino County AVA, and Jacob, John, and Ben Fetzer are signatories to the petition to establish that AVA.

Comment 12 stated that Fetzer Vineyards does not object to the establishment of the proposed AVA but does object to the proposed Eagle Peak Mendocino County name. According to the comment, the petitioners failed to provide sufficient evidence to demonstrate both that the region of the proposed AVA is known as "Eagle Peak Mendocino County" and that the proposed name is associated with an area known for viticulture. Instead, the comment stated that the region is known as either "Forsythe Creek" or "Walker Valley." As evidence, the comment referenced USDA soil surveys from 1910 that were included in the original petition. In those soil surveys, the region of the proposed AVA is described as a "cohesive unit, referred to as Forsythe Creek Valley and Forsythe Creek Gap." The comment also noted that there is a large valley within the proposed AVA that is labeled on USGS maps as "Walker Valley."

Finally, comment 12 stated that if TTB established the proposed AVA with the name "Eagle Peak Mendocino County," the public would confuse the AVA name with the Fetzer Vineyards' "Eagle Peak Merlot" brand name. Furthermore, comment 12 claimed that Fetzer Vineyards would become legally barred from continuing the use of its brand name, since it would be unable to source enough grapes from within the proposed AVA or Mendocino County.

In response to comment 12, Jacob Fetzer, owner of Masut Vineyards, submitted a comment (comment 13) on behalf of the petitioners for the proposed Eagle Peak Mendocino County AVA. Comment 13 challenged the claim that the petition failed to provide adequate evidence that the proposed AVA is known as "Eagle Peak Mendocino County." The comment also disagreed with the claim that the proposed name would cause consumer confusion and force Fetzer Vineyards to abandon its "Eagle Peak Merlot" brand name.

After consideration of the petition and the two comments regarding the proposed name, TTB has determined that the petition to establish the Eagle Peak Mendocino County AVA contained sufficient evidence showing that the region of the proposed AVA is currently

known by that name. TTB finds that comment 12 did not provide evidence that the region of the proposed AVA is not known as Eagle Peak Mendocino County, nor did it provide any evidence that the region is currently known as either "Forsythe Creek" or "Walker Valley." Although old USDA soil surveys do refer to the area as "Forsythe Creek Valley" or "Forsythe Creek Gap," TTB regulations require the name evidence to show that the region of the proposed AVA is currently known by the proposed name.

With respect to the statement in comment 12 that the petition must provide evidence that the proposed AVA name has historical significance with regard to viticulture, TTB notes that its regulations (27 CFR 9.12(a)(1)) only require the petition to demonstrate that the proposed AVA name is "currently and directly associated with an area in which viticulture exists." The regulations do not require that the proposed name itself be associated with viticulture, only that viticulture must be taking place within the region known by the proposed AVA name. The petition to establish the Eagle Peak Mendocino County AVA provided the names of the commercial vineyards within the proposed AVA as evidence of current viticultural activity within the region known by the proposed name.

Finally, with respect to the claim that Fetzer Vineyards would be forced to abandon its "Eagle Peak Merlot" brand name if the proposed AVA is established with the name Eagle Peak Mendocino County, TTB notes that Notice No. 135 explicitly proposed that only the full name of the proposed AVA be designated as a term of viticultural significance. Furthermore, Notice No. 135 specifically stated, and this rulemaking re-confirms, that any wine bottlers using "Eagle Peak," standing alone, as a brand name on a wine label would be able to continue to use the brand name. The establishment of the proposed Eagle Peak Mendocino County AVA would not affect Fetzer Vineyards' ability to bottle wine under the "Eagle Peak Merlot" brand name, regardless of where the grapes used to make the wine were grown. TTB also believes that the proposed AVA name "Eagle Peak Mendocino County" is sufficiently distinct from the brand name "Eagle Peak Merlot" and is unlikely to cause consumer confusion.

TTB Determination

After careful review of the petition and all 13 of the comments received in response to Notice No. 135, TTB finds that the evidence provided by the petitioner supports the establishment of

the approximately 26,260-acre Eagle Peak Mendocino County AVA and the modification of the boundaries of the Redwood Valley and Mendocino AVAs. Accordingly, under the authority of the FAA Act, section 1111(d) of the Homeland Security Act of 2002, and part 4 of the TTB regulations, TTB establishes the "Eagle Peak Mendocino County" AVA in Mendocino County, California.

TTB has also determined that the land within the AVA will remain part of the larger North Coast AVA. The Eagle Peak Mendocino County AVA experiences the marine fog and breezes that are the primary features of the North Coast AVA. However, due to its much smaller size, the soil, terrain, and climate of the Eagle Peak Mendocino County AVA are more uniform than those of the large, multi-county North Coast AVA. The uniqueness of the soil, terrain, and climate of the Eagle Peak Mendocino County AVA also distinguish the AVA from the surrounding region. Therefore, TTB is recognizing the Eagle Peak Mendocino County area as a distinct AVA within the larger North Coast AVA.

Furthermore, TTB modifies the boundaries of the Redwood Valley and Mendocino AVAs as described in Notice No. 135. TTB has determined that the mountainous terrain, shallow soils, cool growing season temperatures, and gusty winds of the realignment area described in Notice No. 135 are more consistent with the features of the Eagle Peak Mendocino County AVA than with the low level valleys, deep alluvial soils, and warm temperatures of the Redwood Valley and Mendocino AVAs. Therefore, TTB is removing the realignment area from the Redwood Valley and Mendocino AVAs and placing it entirely within the Eagle Peak Mendocino County AVA. These changes are effective 30 days from the date of publication of this document.

Boundary Description

See the narrative boundary description of the Eagle Peak Mendocino County AVA and the modified boundaries of the Redwood Valley and Mendocino AVAs in the regulatory text published at the end of this final rule.

Maps

The petitioner provided the required maps, and they are listed below in the regulatory text.

Impact on Current Wine Labels

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than

the wine's true place of origin. With the establishment of this AVA, its name, "Eagle Peak Mendocino County," will be recognized as a name of viticultural significance under 27 CFR 4.39(i)(3). The text of the regulation clarifies this point. Once this final rule becomes effective, wine bottlers using the name "Eagle Peak Mendocino County" in a brand name, including a trademark, or in another label reference as to the origin of the wine, will have to ensure that the product is eligible to use the viticultural name as an appellation of origin.

The establishment of the Eagle Peak Mendocino County AVA will not affect any existing viticultural area, and any bottlers using "North Coast" as an appellation of origin or in a brand name for wines made from grapes grown within the North Coast viticultural areas will not be affected by the establishment of this new viticultural area. The establishment of the Eagle Peak Mendocino County AVA will allow vintners to use "Eagle Peak Mendocino County" and "North Coast" as appellations of origin for wines made from grapes grown within the Eagle Peak Mendocino County AVA if the wines meet the eligibility requirements for the appellation.

For a wine to be labeled with an AVA name or with a brand name that includes an AVA name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name, and the wine must meet the other conditions listed in 27 CFR 4.25(e)(3). If the wine is not eligible for labeling with an AVA name and that name appears in the brand name, then the label is not in compliance and the bottler must change the brand name and obtain approval of a new label. Similarly, if the AVA name appears in another reference on the label in a misleading manner, the bottler would have to obtain approval of a new label.

Different rules apply if a wine has a brand name containing an AVA name that was used as a brand name on a label approved before July 7, 1986. See 27 CFR 4.39(i)(2) for details.

Transition Period

Once this final rule to establish the Eagle Peak Mendocino County AVA and to modify the boundaries of the Redwood Valley and Mendocino AVAs becomes effective, a transition rule will apply to labels for wines produced from grapes grown in the areas that were formerly within the Redwood Valley and Mendocino AVAs. A label containing the words "Redwood Valley" or "Mendocino" (other than in the

phrase "Mendocino County" or "Eagle Peak Mendocino County") in the brand name or as an appellation of origin may be used on such wine bottled for up to two years from the effective date of this final rule, provided that such label was approved prior to the effective date of this final rule and that the wine conforms to the standards for use of the label set forth in 27 CFR 4.25 or 4.39(i) in effect prior to the final rule. At the end of this two-year transition period, if a wine is no longer eligible for labeling with the Redwood Valley or Mendocino AVA names (e.g., less than 85 percent of the wine is derived from grapes grown in the Redwood Valley or Mendocino AVAs, as modified in this final rule), then a label containing the words "Redwood Valley" or "Mendocino" (other than in the phrase "Mendocino County" or "Eagle Peak Mendocino County") in the brand name or as an appellation of origin would not be permitted on the bottle. TTB believes that the two-year period should provide affected label holders with adequate time to use up any existing labels. This transition period is described in the regulatory text for the Redwood Valley and Mendocino AVAs published at the end of this final rule. TTB notes that wine eligible for labeling with the Redwood Valley or Mendocino viticultural areas names under the new boundaries of the Redwood Valley and Mendocino AVAs will not be affected by this two-year transition period.

Regulatory Flexibility Act

TTB certifies that this regulation will not have a significant economic impact on a substantial number of small entities. The regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name would be the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

Executive Order 12866

It has been determined that this rule is not a significant regulatory action as defined by Executive Order 12866 of September 30, 1993. Therefore, no regulatory assessment is required.

Drafting Information

Karen A. Thornton of the Regulations and Rulings Division drafted this final rule.

List of Subjects in 27 CFR Part 9

Wine.

The Regulatory Amendment

For the reasons discussed in the preamble, TTB amends title 27, chapter I, part 9, Code of Federal Regulations, as follows:

PART 9—AMERICAN VITICULTURAL AREAS

■ 1. The authority citation for part 9 continues to read as follows:

Authority: 27 U.S.C. 205.

Subpart C—Approved American Viticultural Areas

■ 2. Amend § 9.93 by revising paragraph (c)(7), redesignating paragraphs (c)(8) through (19) as paragraphs (c)(16) through (27), and adding new paragraphs (c)(8) through (15), and adding paragraph (d) to read as follows:

§ 9.93 Mendocino.

* * * * *

(c) * * *

(7) Thence due west along the T.18N./T.17N. common line until the common line intersects with the R.13W./R.12W. common line;

(8) Thence in a straight line in a south-southwesterly direction, crossing onto the Willits map, to the intersection of the 1,600-foot contour line and Baker Creek (within McGee Canyon) along the west boundary line of Section 25, T.17N./R.13W.;

(9) Thence in a southeasterly direction (downstream) along Bakers Creek to where the creek intersects with the 1,400-foot contour line in Section 25, T.17N./R.13W.;

(10) Thence in a straight line in a southeasterly direction to the southeast corner of Section 36, T.17N./R.13W.;

(11) Thence in a straight line in a west-southwesterly direction to the intersection of U.S. Highway 101 and an unnamed road known locally as Reeves Canyon Road in Section 1, T.16N./R.13W.;

(12) Thence in a straight line in a southeasterly direction to the southeast corner of Section 1, T.16N./R.13W.;

(13) Thence in a straight line in a south-southwesterly direction to the intersection of an unnamed, unimproved road and an unnamed, intermittent stream, approximately 500 feet south of Seward Creek, in Section 12, T.16N./R.13W.;

(14) Thence in a straight line in a west-southwesterly direction to the southwest corner of Section 12, T.16N./R.13W.;

(15) Thence in a straight line in a southwesterly direction to the

southwest corner of Section 14, T.16N./R.13W.;

* * * * *

(d) *Transition period.* A label containing the word "Mendocino" in the brand name (other than in the phrase "Mendocino County" or "Eagle Peak Mendocino County") or as an appellation of origin approved prior to November 10, 2014 may be used on wine bottled before November 10, 2016 if the wine conforms to the standards for use of the label set forth in § 4.25 or § 4.39(i) of this chapter in effect prior to November 10, 2014.

■ 3. Amend § 9.153 by revising paragraphs (c)(1) through (9) and adding paragraphs (c)(10) through (12) and (d) to read as follows:

§ 9.153 Redwood Valley.

* * * * *

(c) * * *

(1) The beginning point is in the northeastern portion of the Ukiah map at the point where State Highway 20 crosses the R11W/R12W range line along the south bank of the East Fork of the Russian River, T16N/R12W. From the beginning point, proceed north along the R11W/R12W range line, crossing onto the Redwood Valley map, to the northeast corner of section 1, T16N/R12W; then

(2) Proceed west along the northern boundary of section 1 to the section's northwest corner, T16N/R12W; then

(3) Proceed north along the eastern boundary lines of sections 35, 26, 23, 14, 11, and 2 to the T17N/T18N common boundary line at the northeast corner of section 2, T17N/R12W; then

(4) Proceed west along the T17N/T18N common line to the northwest corner of section 6, T17N/R12W; then

(5) Proceed south-southwesterly in a straight line, crossing onto the Laughlin Range map, to the intersection of the 1,400-foot contour line and Bakers Creek within McGee Canyon, section 25, T17N/R13W; then

(6) Proceed southeasterly in a straight line approximately 1.5 miles, crossing onto the Redwood Valley map, to the southeast corner of section 36, T17N/R13W; then

(7) Proceed west-southwesterly in a straight line approximately 0.55 mile, crossing onto the Laughlin Range map, to the intersection of U.S. Highway 101 and an unnamed road known locally as Reeves Canyon Road, section 1, T16N/R13W; then

(8) Proceed southeasterly in a straight line approximately 0.9 mile, crossing onto the Redwood Valley map, to the southeast corner of section 1, T16N/R13W; then

(9) Proceed south-southwesterly in a straight line approximately 0.65 mile to the intersection of an unnamed, unimproved road and an unnamed, intermittent stream, approximately 500 feet south of Seward Creek, section 12, T16N/R13W; then

(10) Proceed west-southwesterly in a straight line approximately 0.9 mile, crossing onto the Laughlin Range map, to the southwest corner of section 12, T16N/R13W; then

(11) Proceed east-southeasterly in a straight line, crossing onto the far northeastern corner of the Orrs Springs map, then continuing onto the Ukiah map, to the intersection of State Highway 20 and a road known locally as North State Street (old U.S. Highway 101), north of Calpella, T16N/R12W; then

(12) Proceed easterly along State Highway 20, returning to the beginning point.

(d) *Transition period.* A label containing the words “Redwood Valley” in the brand name or as an appellation of origin approved prior to November 10, 2014 may be used on wine bottled before November 10, 2016 if the wine conforms to the standards for use of the label set forth in § 4.25 or § 4.39(i) of this chapter in effect prior to November 10, 2014.

■ 4. Add § 9.237 to read as follows:

§ 9.237 Eagle Peak Mendocino County.

(a) *Name.* The name of the viticultural area described in this section is “Eagle Peak Mendocino County”. For purposes of part 4 of this chapter, “Eagle Peak Mendocino County” is a term of viticultural significance.

(b) *Approved maps.* The four United States Geographical Survey (USGS) 1:24,000 scale topographic maps used to determine the boundary of the Eagle Peak Mendocino County viticultural area are titled:

(1) Laughlin Range, California, provisional edition 1991;

(2) Redwood Valley, Calif., 1960, photo revised 1975;

(3) Orrs Springs, California, provisional edition 1991; and

(4) Greenough Ridge, California, provisional edition 1991.

(c) *Boundary.* The Eagle Peak Mendocino County viticultural area is located in Mendocino County, California. The boundary of the Eagle Peak Mendocino County viticultural area is as follows:

(1) The beginning point is located on the Laughlin Range map within McGee Canyon at the point where the 1,600-foot contour line intersects with Bakers Creek near the western boundary of section 25, T17N/R13W. From the

beginning point, proceed southeasterly (downstream) approximately 0.2 mile along Bakers Creek to the creek’s intersection with the 1,400-foot contour line, section 25, T17N/R13W; then

(2) Proceed southeasterly in a straight line approximately 1.5 miles, crossing onto the Redwood Valley map, to the southeast corner of section 36, T17N/R13W; then

(3) Proceed west-southwesterly in a straight line approximately 0.55 mile, crossing onto the Laughlin Range map, to the intersection of U.S. Highway 101 and an unnamed road locally known as Reeves Canyon Road, section 1, T16N/R13W; then

(4) Proceed southeasterly in a straight line approximately 0.9 mile, crossing onto the Redwood Valley map, to the southeast corner of section 1, T16N/R13W; then

(5) Proceed south-southwesterly in a straight line approximately 0.65 mile to the intersection of an unnamed, unimproved road and an unnamed intermittent stream located approximately 500 feet south of Seward Creek, section 12, T16N/R13W; then

(6) Proceed west-southwesterly in a straight line approximately 0.9 mile, crossing onto the Laughlin Ridge map, to the southwest corner of section 12, T16N/R13W; then

(7) Proceed west-southwesterly in a straight line approximately 0.8 mile, crossing onto the Orrs Springs map, to the 1,883-foot elevation point in section 14, T16N/R13W; then

(8) Proceed west-southwesterly in a series of three straight lines (totaling approximately 3.15 miles in distance), first to the 1,836-foot elevation point in section 15, T16N/R13W; then to the 1,805-foot elevation point in section 16, T16N/R13W; and then to the 2,251-foot elevation point in section 20, T16W/R13W; then

(9) Proceed south-southwesterly in a straight line approximately 0.8 mile to the 2,562-foot elevation point, section 20, T16N/R13W; then

(10) Proceed north-northwesterly in a straight line approximately 0.8 mile to the 2,218-foot elevation point, section 19, T16N/R13W; then

(11) Proceed northeasterly in a straight line approximately 0.35 mile to the 2,112-foot elevation point in the southeast corner of section 18, T16N/R13W; then

(12) Proceed north-northeasterly in a straight line approximately 0.9 mile to the 2,344-foot elevation point, section 17, T16N/R13W; then

(13) Proceed northwesterly in a straight line approximately 1.8 miles, crossing onto the Laughlin Range map, to the intersection of the R13W/R14W

common boundary line and an unnamed, unimproved road east of Leonard Lake, section 1, T16N/R14W; then

(14) Proceed west-northwesterly along the unnamed, unimproved road to the road’s intersection with the 2,000 foot contour line between Leonard Lake and Mud Lake, section 1, T16N/R13W; then

(15) Proceed north-northwesterly in a straight line approximately 1.6 miles, crossing onto the Greenough Ridge map, to the 2,246-foot elevation point, section 26, T17N/R14W; then

(16) Proceed northerly in a straight line approximately 0.9 mile to the 2,214-foot elevation point, section 23, T17N/R14W; then

(17) Proceed northeasterly in a straight line approximately 1 mile, crossing onto the Laughlin Range map, to the peak of Impassable Rocks, section 24, T17N/R14W; then

(18) Proceed northwesterly in a straight line approximately 0.95 mile, crossing onto the Greenough Ridge map, to the 2,617-foot elevation point, section 14, T17N/R14W, and continue northwesterly in a straight line approximately 0.8 mile to the 2,836-foot elevation point of Irene Peak, section 11, T17N/R14W; then

(19) Proceed northerly in a straight line approximately 1 mile to the intersection of 3 unnamed unimproved roads approximately 0.3 mile west of the headwaters of Walker Creek (locally known as the intersection of Blackhawk Drive, Walker Lake Road, and Williams Ranch Road) section 2, T17N/R14W; then

(20) Proceed easterly along the unnamed improved road, locally known as Blackhawk Drive, approximately 1.35 miles, crossing onto the Laughlin range map, to the road’s intersection with the section 2 eastern boundary line, T17N/R14W; then

(21) Proceed east-northeasterly in a straight line approximately 0.75 mile, returning to the 2,213 elevation point near the northeast corner of section 1, T17N/R14W; then

(22) Proceed southeasterly in a straight line approximately 3.55 miles to BM 1893 (0.2 mile south of Ridge) in section 16, T17N/R13W, and then continue southeasterly in a straight line approximately 0.85 mile to a radio facility located at approximately 2,840 feet in elevation in the Laughlin Range, section 15, T17N/R13W; then

(23) Proceed easterly in a straight line approximately 0.85 mile to another radio facility located at approximately 3,320 feet in elevation in the Laughlin Range, section 14, T17N/R13W; then

(24) Proceed southerly in a straight line approximately 1.5 miles to the

2,452-foot elevation point in section 26, T17N/R13W; then

(25) Proceed southeasterly in a straight line approximately 0.4 mile to the intersection of the 1,800-foot contour line with Bakers Creek within McGee Canyon, section 26, T17N/R13W; then

(26) Proceed southeasterly (downstream) approximately 0.2 mile along Bakers Creek, returning to the beginning point.

Signed: August 25, 2014.

John J. Manfreda,
Administrator.

Approved: August 29, 2014.

Timothy E. Skud,
Deputy Assistant Secretary (Tax, Trade, and Tariff Policy).

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DEPARTMENT OF LABOR

Wage and Hour Division

29 CFR Part 552

RIN 1235-AA05

Application of the Fair Labor Standards Act to Domestic Service; Announcement of Time-Limited Non-Enforcement Policy

AGENCY: Wage and Hour Division, Department of Labor.

ACTION: Policy statement.

SUMMARY: The Department of Labor's (Department) October 1, 2013, Final Rule amending regulations regarding domestic service employment, which extends Fair Labor Standards Act (FLSA) protections to most home care workers will become effective on January 1, 2015. The Department is not changing this effective date. This document announces a time-limited non-enforcement policy. For six months, from January 1, 2015 to June 30, 2015, the Department will not bring enforcement actions against any employer as to violations of FLSA obligations resulting from the amended regulations. For the following six months, from July 1, 2015 to December 31, 2015, the Department will exercise prosecutorial discretion in determining whether to bring enforcement actions, with particular consideration given to the extent to which States and other entities have made good faith efforts to bring their home care programs into compliance with the FLSA since promulgation of the Final Rule. Throughout the 12-month duration of this policy, the Department will

continue extensive outreach and technical assistance efforts, in particular with States regarding publicly funded home care programs.

DATES: *Enforcement of the final rule published October 1, 2013, at 78 FR 60454:* From January 1, 2015, to June 30, 2015, the Department will not bring enforcement actions against any employer as to violations of FLSA obligations resulting from the amended regulations; from July 1, 2015, to December 31, 2015, the Department will exercise prosecutorial discretion in determining whether to bring enforcement actions.

FOR FURTHER INFORMATION CONTACT: Michael Hancock, Assistant Administrator, Office of Policy, U.S. Department of Labor, Wage and Hour Division, 200 Constitution Avenue NW., Room S-3502, FP Building, Washington, DC 20210; telephone: (202) 343-5940 (this is not a toll-free number), email: HomeCare@dol.gov. Copies of this document may be obtained in alternative formats (Large Print, Braille, Audio Tape, or Disc), upon request, by calling (202) 693-0675 (not a toll-free number). TTY/TTD callers may dial toll-free (877) 889-5627 to obtain information or request materials in alternative formats.

SUPPLEMENTARY INFORMATION:

I. Non-Enforcement Policy

On October 1, 2013, the Wage and Hour Division of the Department of Labor (Department) issued Application of the Fair Labor Standards Act to Domestic Service; Final Rule, 78 FR 60454 (Home Care Final Rule or Final Rule). The Final Rule amended the domestic service employment regulations under the Fair Labor Standards Act (FLSA or Act), 29 U.S.C. 201 *et seq.*, which are contained in 29 CFR Part 552. Among other changes, the Final Rule (1) modified the definition of "companionship services" and (2) prohibited third party employers (i.e., employers of domestic service employees other than the individuals receiving services or the individuals' families or households) from claiming either the companionship services exemption from the FLSA's minimum wage and overtime compensation requirements or the live-in domestic service employee exemption from the FLSA's overtime compensation requirement. See 78 FR 60463-73, 60480-83, 60557 (relevant regulatory changes to be codified at 29 CFR 552.6, 552.109).

The Department explained in the preamble to the Final Rule that the changes to the domestic service

employment regulations should go into effect as soon as practicable because they were intended to serve the important purpose of extending basic labor standards to home care workers, which in turn helps ensure that individuals and their families can rely on a professional, trained workforce to provide high-quality services. 78 FR 60455, 60495. The Department also acknowledged, however, that complex Federal and State systems fund a significant portion of the home care services provided across the country, and making adjustments to operations, programs, and budgets in order to comply with the FLSA could take time. *Id.* at 60494-95. Therefore, in response to comments received in the course of the rulemaking process, the Department set an effective date of January 1, 2015, an unprecedented 15 months after the publication of the Final Rule. *Id.*¹

Since promulgating the Final Rule, the Department has conducted extensive technical assistance for the regulated community. Specifically, the Department has directly reached thousands of people through over 100 webinars, conference calls, meetings, and presentations, engaging representatives from State governments, associations of State Medicaid and other relevant agencies, consumers, disability and senior citizens' advocates, veterans' organizations, worker representatives, and industry groups, among others. Furthermore, to help stakeholders learn more about the changes associated with the Final Rule, the Department created a home care Web page, which contains links to fact sheets, FAQs, webinar recordings, interactive web tools, and other materials, including two Administrator's Interpretations issued this year in response to stakeholder questions regarding the application of the FLSA to shared living arrangements and joint employment of home care workers by public entities in consumer-directed programs. See www.dol.gov/whd/homecare. Moreover, the Department has engaged in targeted outreach to the governments of all 50 States. Through this outreach, the Department has provided extensive technical assistance to States as they implement the Home Care Final Rule in publicly funded programs in an effort to encourage implementation of the Final Rule in a manner that expands wage protections for most home care workers

¹ Typically, employers subject to FLSA regulatory changes have 30 or 60 days to adjust before a rulemaking becomes effective. See 5 U.S.C. 553(d), 801(a)(3)(A). Prior to the Home Care Final Rule, the longest effective date delay for a Wage and Hour Division rule was 120 days. See 78 FR 60495 (citing 69 FR 22126 (Apr. 23, 2004)).