# Rules and Regulations

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## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

### 7 CFR Part 989

**[Docket No. AMS–FV–07–0130; FV08–989–1 FIR]**

## Raisins Produced From Grapes Grown in California; Final Free and Reserve Percentages for 2007–08 Crop Natural (Sun-Dried) Seedless Raisins

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

**ACTION:** Final rule.

**SUMMARY:** The Department of Agriculture (USDA) is adopting, as a final rule, without change, an interim final rule that established final volume regulation percentages for the 2007–08 crop of 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 85 percent free and 15 percent reserve. The percentages are intended to help stabilize raisin supplies and prices, and strengthen market conditions.

**DATES:** *Effective Date:* August 6, 2008. The volume regulation percentages apply to acquisitions of NS raisins from the 2007–08 crop until the reserve raisins from that crop are disposed of under the marketing order.

**FOR FURTHER INFORMATION CONTACT:** Rose M. Aguayo, Marketing Specialist, or Kurt J. Kimmel, Regional Manager, California Marketing Field Office, Marketing Order Administration Branch, Fruit and Vegetable Programs, AMS, USDA; Telephone: (559) 487–5901; Fax: (559) 487–5906; or E-mail: *Rose.Aguayo@usda.gov* or *Kurt.Kimmel@usda.gov*.

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, both as amended (7 CFR part 989), 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.''

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 continues in effect the action that established final free and reserve percentages for NS raisins for the 2007–08 crop year, which began August 1, 2007, and ends July 31, 2008. 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 continues in effect the action that established final volume regulation percentages for 2007–08 crop NS raisins covered under the order. The volume regulation percentages are 85 percent free and 15 percent reserve and were established through an interim final rule published on February 19, 2008 (73 FR 9005). 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 for NS raisins on October 4, 2007, and October 11, 2007.

### Computation of Trade Demand

Section 989.54 of the order prescribes procedures and time frames to be followed in establishing volume regulation. This includes methodology used to calculate free and reserve percentages. Pursuant to § 989.54(a) of the order, the Committee met on August 14, 2007, 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 2007–08 trade demand for NS raisins at 232,822 tons as shown below.

COMPUTED TRADE DEMAND

[Natural condition tons]

| | NS Raisins |
|---|---|
| Prior year's shipments | 309,169 |
| Multiplied by 90 percent | 0.90 |
| Equals adjusted base | 278,252 |
| Minus carryin inventory | 105,430 |
| Plus desirable carryout | 60,000 |
| Equals computed NS trade demand | 232,822 |

**Computation of Volume Regulation Percentages**

Section 989.54(b) of the order requires that the Committee announce crop estimates and determine whether volume regulation is warranted for the varietal types for which it computed a trade demand. If the Committee determines that volume regulation is warranted, it must also compute and announce preliminary free and reserve percentages. Section 989.54(c) provides that the Committee may modify the preliminary free and reserve percentages prior to February 15 by announcing interim percentages which release less than the trade demand. Section 989.54(d) requires the Committee to recommend final percentages no later than February 15 which will tend to release the full trade demand. Final percentages are established by USDA through informal rulemaking.

The Committee met on October 4 and October 11, 2007, and announced a 2007–08 crop estimate of 273,908 tons for NS raisins pursuant to § 989.54(b). NS raisins are the major varietal type of California raisin. The crop estimate of 273,908 tons was significantly higher than the computed trade demand of 232,822 tons. Thus, the Committee determined that volume regulation for NS raisins was warranted. The Committee therefore announced preliminary volume regulation percentages of 72 percent free and 28 percent reserve for NS raisins, which released 85 percent of the computed trade demand, as required by the order, since a field price had been established. Field price is the price paid by handlers to producers for the free tonnage portion of their crop. The field price for 2007–08 NS raisins is $1,210 per ton. The Committee also announced interim volume regulation percentages of 84.75 percent free and 15.25 percent reserve, and recommended final volume regulation percentages of 85 percent free and 15 percent reserve pursuant to § 989.54(d).

The Committee has historically recommended interim and final volume regulation percentages later in the season. However, the Committee determined it was in the best interest of producers and handlers to establish interim and final percentages as soon as possible for the 2007–08 crop year. Rains during the harvest period this season while grapes were lying on the ground to dry caused a problem with embedded sand particles on a portion of the crop. To remedy this situation, growers subjected the raisins to a process known as reconditioning to remove the sand in order for the raisins to be acceptable for acquisition by handlers. This process resulted in additional costs to growers. Establishing interim and final percentages early in the season allowed growers to be paid on a higher percentage of their crop earlier in the season. This helped growers meet the costs of reconditioning, and the reconditioned product was then suitable for acquisition and processing by handlers.

Pursuant to § 989.54(d), 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 | 232,822 |
| Divided by crop estimate | 273,908 |
| Equals the free percentage | 85.00 |
| 100 minus free percentage equals the reserve percentage | 15.00 |

By the week ending May 17, 2008, deliveries of NS raisins totaled 322,458 tons of NS raisins. Thus, the committee's recommendation provided handlers with an additional 41,267 tons over the computed trade demand (322,458 tons × 85 percent = 274,089 tons; 274,089 tons − 232,822 tons = 41,267 tons). This additional tonnage is not expected to cause disorderly marketing conditions, as California export shipments are up about 30 percent due to other countries' declining export shipments.

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 was met for NS raisins for the 2007–08 crop year. Application of the final percentages made 232,822 tons of raisins available to handlers when the crop estimate was realized. In addition, handlers are offered additional reserve raisins for sale 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 to handlers for free use. Handlers may sell their 10 plus 10 raisins to any market.

Based on 2006–07 NS shipments of 309,169 natural condition tons, 30,916.9 tons should have been made available in each of the 10 plus 10 offers. However, this amount was not available in reserve.

The first 10 plus 10 offer was made in February 2008. A total of 6,065.2 tons of remaining 2006–07 reserve raisins and 24,851.7 tons of 2007–08 reserve raisins (a total of 30,916.9 tons) were made available to raisin handlers and all available tonnage was purchased and released to handlers during the 2007–08 crop year.

The second 10 plus 10 offer (a balance of about 24,000 tons remaining in the reserve pool) will be made available to handlers by July 31, 2008. Thus, all available reserve pool raisins should be offered to handlers for free use through the 10 plus 10 offers by the end of the crop year.

In addition to the second anticipated 10 plus 10 purchase, 14,793 tons of 2006–07 reserve raisins were sold to handlers through 10 plus 10 offers in July 2007 and released to handlers in the 2007–08 crop year (August 2007). Finally, 105,430 tons of free tonnage raisins were carried into the 2007–08 crop year in handler's inventories. Combining all the raisins available to handlers for use as free tonnage for the 2007–08 crop year (including the 232,822-ton trade demand) results in a total supply of 404,962 tons of natural condition raisins, or 380,674 packed tons. This equates to 131 percent of the 2006–07 shipments of 309,169 natural condition tons or 290,628 packed tons. (Additionally, at least another 41,000 tons of raisins are available to handlers for free use with the Committee's underestimation of the crop.)

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 during 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.

**Final 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 final 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.

There are approximately 21 handlers of California raisins who are subject to regulation under the order and approximately 3,000 raisin producers in the regulated area. Small agricultural firms are defined by the Small Business Administration (SBA) (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. No more than 8 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 regulation mechanism is used to stabilize supplies and prices and strengthen market conditions. If the primary market (the normal domestic market) is over-supplied with raisins, grower prices decline substantially.

Pursuant to § 989.54(d) of the order, this rule continues in effect the action that established final volume regulation percentages for 2007–08 crop NS raisins. The volume regulation percentages are 85 percent free and 15 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 was warranted this season because the Committee's October crop estimate of 273,908 tons was significantly higher than the 232,822 ton trade demand. As mentioned previously, by the week ending May 17, 2008, acquisitions were at 322,458 tons.

The 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 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 62 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 from 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 $1,049.20 in 1996–97. Producer prices for the 1998–99 and 1999–2000 seasons increased significantly due to back-to-back short crops during those years. Record large crops followed and producer prices dropped dramatically for the 2000–01 through 2003–04 crop years, as inventories grew while demand stagnated. However, producer prices were higher for the 2004–05, 2005–06, and 2006–07 crop years.

The chart below shows data regarding NS raisin deliveries, field prices, and producer prices over the past several years:

NATURAL SEEDLESS (NATURAL CONDITION) DELIVERIES, FIELD PRICES AND PRODUCER PRICES

| Crop year | Deliveries (tons) | Field prices (per ton) [1] | Producer prices (per ton) |
|---|---|---|---|
| 2006–07 | 282,999 | $1,210.00 | [2] $1,089.00 |
| 2005–06 | 319,126 | 1,210.00 | [2] 998.25 |
| 2004–05 | 265,262 | 1,210.00 | [3] 1,210.00 |
| 2003–04 | 296,864 | 810.00 | 567.00 |
| 2002–03 | 388,010 | 745.00 | 491.20 |

NATURAL SEEDLESS (NATURAL CONDITION) DELIVERIES, FIELD PRICES AND PRODUCER PRICES—Continued

| Crop year | Deliveries (tons) | Field prices (per ton) [1] | Producer prices (per ton) |
|---|---|---|---|
| 2001–02 | 377,328 | 880.00 | 650.94 |
| 2000–01 | 432,616 | 877.50 | 603.36 |
| 1999–2000 | 299,910 | 1,425.00 | 1,211.25 |
| 1998–99 | 240,469 | 1,290.00 | [3] 1,290.00 |
| 1997–98 | 382,448 | 1,250.00 | 946.52 |
| 1996–97 | 272,063 | 1,220.00 | 1,049.20 |
| 1995–96 | 325,911 | 1,160.00 | 1,007.19 |
| 1994–95 | 378,427 | 1,160.00 | 928.27 |
| 1993–94 | 387,007 | 1,155.00 | 904.60 |

[1] Field prices for NS raisins are established by the Raisin Bargaining Association, and are also referred to in the industry as the free tonnage price for raisins.
[2] Return-to-date, reserve pool still open.
[3] No volume regulation.

There are essentially two broad markets for raisins—domestic and export. Domestic shipments have been generally increasing in recent years. Although 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, they increased from 174,117 packed tons during the 2000–01 crop year to 188,944 tons during the 2006–07 crop year. Export shipments ranged from a high of 107,931 packed tons in 1991–92 to a low of 91,599 packed tons in the 1999–2000 crop year. Export shipments increased to 106,755 tons of raisins during the 2004–05 crop year, but fell to 101,684 tons in 2006–07. For the 2007–08 crop year, exports are up about 30 percent due to a short crop from Turkey.

The per capita consumption of raisins has declined from 2.07 pounds in 1988 to 1.44 pounds in 2005. 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 increased in three of the last four years (as reflected in increased 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 raisin production to other uses or removed bearing vines. Diversions/removals totaled 38,000 acres in 2001; 27,000 acres in 2002; and 8,000 acres of vines in 2003. These actions resulted in declining deliveries of 296,864 tons for the 2003–04 crop year and 265,262 tons for the 2004–05 crop year. Although deliveries increased in 2005–06 to 319,126 tons, this may have been because fewer growers opted to contract with wineries, as raisin variety grapes crushed in 2005–06 decreased by 161,000 green tons, the equivalent of over 40,000 tons of raisins. In 2006–07, raisin deliveries were again less than 300,000 tons, at 282,999 tons. Deliveries have increased for the 2007–08 crop year, and were at 322,458 for the week ending May 17, 2008.

The order permits the industry to exercise volume regulation 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.

The reserve percentage limits what handlers can market as free tonnage. Data available as of May 17, 2008, showed that deliveries of NS raisins were at 322,458 tons. The 15 percent reserve limited the total free tonnage to 274,089 natural condition tons (.85 × 322,458 ton crop). Adding the 274,089 ton figure with the carryin of 105,430 tons, plus 45,710 tons of 10 plus 10 reserve raisins that were released to handlers during the 2007–08 crop year (14,793 tons in August 2007 and 30,917 tons in February 2008) made the total free supply equal to 425,229 natural condition tons. Including the anticipated 24,000 tons or reserve raisins that likely will be offered in the second 10 plus 10 offer to be held prior to July 31, 2008, the end of the crop year, should make the total free supply 449,229 natural condition tons.

With volume regulation, producer prices are expected to be higher than without volume regulation. This price increase is beneficial to all producers regardless of size and enhances producers' total revenues in comparison to no volume regulation. 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 was determined that volume regulation was warranted for the 2007–08 season for only one of the nine raisin varietal types defined under the order.

The free and reserve percentages continue in effect the release of 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.

AMS is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

There are some reporting, recordkeeping and other compliance requirements under the order. The reporting and recordkeeping requirements 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 No. 0581–0178, Vegetable and Specialty Crops. 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. In addition, as noted in the initial regulatory flexibility analysis, 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 14, 2007, October 4, 2007, and October 11, 2007, 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 14, 2007, and October 4, 2007, 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.

An interim final rule concerning this action was published in the **Federal Register** on February 19, 2008. Copies of the rule were mailed by the Committee's staff to all Committee members and alternates and raisin handlers. In addition, the rule was made available through the Internet by USDA and the Office of the Federal Register. That rule provided a 60-day comment period which ended April 21, 2008. No comments were received during the comment period.

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/AMSv1.0/ams.fetchTemplateData.do?template=TemplateN&page=MarketingOrdersSmallBusinessGuide*. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

After consideration of all relevant material presented, including the Committee's recommendation, and other information, it is found that finalizing the interim final rule, without change, as published in the **Federal Register** (73 FR 9005, February 19, 2008) will tend to effectuate the declared policy of the Act.

**List of Subjects in 7 CFR Part 989**

Grapes, Marketing agreements, Raisins, Reporting and recordkeeping requirements.

## PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

■ Accordingly, the interim final rule amending 7 CFR part 989 which was published at 73 FR 9005 on February 19, 2008, is adopted as a final rule without change.

Dated: July 1, 2008.

**Lloyd C. Day,**

*Administrator, Agricultural Marketing Service.*

[FR Doc. E8–15293 Filed 7–3–08; 8:45 am]

BILLING CODE 3410–02–P

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. FAA–2008–0740; Directorate Identifier 2008–NM–077–AD; Amendment 39–15605; AD 2008–14–10]**

**RIN 2120–AA64**

## Airworthiness Directives; Lockheed Model 382, 382B, 382E, 382F, 382G, and 382J Series Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule; request for comments.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for all Lockheed Model 382, 382B, 382E, 382F, 382G, and 382J series airplanes. This AD requires, among other actions, an inspection to determine whether a certain upper engine mount bolt is installed, and replacement of any discrepant upper engine mount bolt with a new one. This AD results from a report indicating that several upper engine mount bolts manufactured by a certain supplier broke during installation. We are issuing this AD to prevent failure of the upper engine mount bolts, which could result in reduced structural capability of an engine mount, and possible separation of a strut and engine from the airplane during flight.

**DATES:** This AD is effective July 22, 2008.

We must receive comments on this AD by September 5, 2008.

**ADDRESSES:** You may send comments by any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov*. Follow the instructions for submitting comments.
- *Fax:* 202–493–2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590.
- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**Examining the AD Docket**

You may examine the AD docket on the Internet at *http://www.regulations.gov*; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through