

industry production levels prior to establishment of the order and effectively restricted new growers from entering the industry. USDA terminated the order in 1985. According to the proponent committee, this proposal is different from the previous order as provisions have been included that allow for new base allotments in each year of expanding demand to both existing and new growers.

The proposal submitted by the committee has not received approval by USDA.

To assist in its review of the proposal, USDA issued a press release seeking comments from interested parties on the proposed order. Over 75 comments were received expressing a variety of views. There were no specific additional proposals or modifications to the committee's proposals submitted.

USDA was concerned that the methodology for establishing initial base quantities set forth in the proposal was inconsistent with the statutory requirement that the salable quantity be allocated equitably among all growers. USDA issued a press release requesting alternatives to the proposal before proceeding to hearing. The proponents submitted a modification to their proposal addressing USDA concerns. An alternative to the establishment of initial base quantities, as well as other alternatives to the proposal, were submitted by Lenseigne Farms, Inc. The alternatives submitted are being included in this notice. Eight other comments were received during the period for receiving alternatives. However, these comments did not set forth alternatives.

After reviewing the modified proposed program and all comments and alternatives received from the public, USDA has determined that the proposed marketing agreement and order potentially meets the objectives of the Act and has scheduled a public hearing.

Testimony is invited at the hearing on the proposed marketing agreement and order (hereinafter referred to as the order) and all of its provisions, as well as any appropriate modifications or alternatives.

The public hearing is held for the purpose of:

(a) Receiving evidence about the economic and marketing conditions that relate to the proposed order and to appropriate modifications thereof;

(b) Determining whether the handling of hops produced in the production area is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce;

(c) Determining whether there is a need for a marketing order for hops;

(d) Determining the economic impact of the proposed order on the industry in the proposed production area and on the public affected by such program; and

(e) Determining whether the proposed order or any appropriate modification thereof would tend to effectuate the declared policy of the Act.

All persons wishing to submit written material as evidence at the hearing should be prepared to submit four copies of such material at the hearing and should have prepared testimony available for presentation at the hearing.

From the time the notice of hearing is issued and until the issuance of a final decision in this proceeding, USDA employees involved in the decisional process are prohibited from discussing the merits of the hearing issues on an ex-parte basis with any person having an interest in the proceeding. The prohibition applies to employees in the following organizational units: Office of the Secretary of Agriculture; Office of the Administrator, AMS; Office of the General Counsel; and the Fruit and Vegetable Programs, AMS.

Procedural matters are not subject to the above prohibition and may be discussed at any time.

Provisions of the proposed marketing agreement and order follow. USDA modified the committee's proposed § 991.78(b) to be consistent with the authority of the Act. The Act specifies that the Secretary shall terminate any marketing order when termination is favored by a majority of the producers, provided they have produced more than 50 percent of the volume of the commodity. There is no authority under the Act to modify these criteria. Therefore, the proposed section has been changed to be consistent with the Act. USDA has also added three provisions to the committee's proposal that are common to and relate to marketing agreements now operating. These provisions are necessary to effectuate the provisions of the marketing agreement, if ratified. These sections are identified with an asterisk (*).

List of Subjects in Proposed 7 CFR Part 991

Hops, Marketing agreements, Reporting and recordkeeping requirements.

Proposal Number 1

The marketing agreement and order proposed by the Hop Marketing Order Proponent Committee would add a new part 991 to read as follows:

PART 991—HOPS PRODUCED IN WASHINGTON, OREGON, IDAHO AND CALIFORNIA

Subpart—Order Regulating Handling

Definitions

Sec.	
991.01	Secretary
991.02	Act
991.03	Person
991.04	Hops and Hop Products
991.05	Production Area
991.06	Producer
991.07	Handler
991.08	Handle
991.09	Marketing year
991.10	Crop
991.11	Salable Quantity
991.12	Annual Allotment
991.13	New Producer

Administrative Committee

991.15	Establishment and membership
991.16	Eligibility
991.17	Term of Office
991.18	Nominations
991.19	Selection
991.20	Alternate Members
991.21	Vacancies
991.22	Powers
991.23	Duties
991.24	Committee Expenses and Compensation
991.25	Procedure
991.26	Research and Development Projects

Expenses and Assessments

991.30	Expenses
991.31	Assessments

Volume Limitations

991.50	Marketing Policy
991.51	Recommendations for Volume Regulation
991.52	Issuance of Volume Regulation
991.53	Allotment Base
991.54	Issuance of Annual Allotments
991.55	Identification
991.56	Excess Alpha Acid
991.57	Reserve Pool Requirements
991.58	Transfers

Reports and Records

991.60	Reports
991.61	Records
991.62	Verification of Reports and Records
991.63	Confidential Information

Miscellaneous Provisions

991.70	Compliance
991.71	Rights of the Secretary
991.72	Derogation
991.73	Agents
991.74	Personal Liability
991.75	Duration of Immunities
991.76	Separability
991.77	Effective Time
991.78	Termination
991.79	Continuance
991.80	Proceedings after Termination
991.81	Effect of Termination or Amendment

Authority: 7 U.S.C. 601–674.