

Budgeted expenses for these items in 2002–03 were \$810,500, \$179,000, \$107,845, and \$74,777, respectively.

The Committee's fiscal period begins August 1. There are no citrus shipments out of the production area during the months of August, September, and part of October. Some shippers begin shipping during the latter part of October, but shipments are light until late November when heavier shipments begin. On October 31, 2003, the Committee's reserve totaled \$16,230. The Committee will need to make significant advertising and promotion expenditures (about \$60,000) during November.

The Committee believes that assessment billings at the lower \$0.11 per  $\frac{7}{10}$ -bushel carton rate may not be sufficient to cover all of its expenses. Assessing at the higher \$0.14 rate sooner would enable the Committee to maintain its reserves at a satisfactory level and ensure that all of its obligations are met.

The assessment rate recommended by the Committee was derived by dividing anticipated expenses by expected shipments of Texas oranges and grapefruit. Texas orange and grapefruit shipments for the fiscal period are estimated at 9 million  $\frac{7}{10}$ -bushel cartons or equivalents, which should provide \$1,260,000 in assessment income. Income derived from handler assessments, along with interest income and funds from the Committee's authorized reserve, will be adequate to cover budgeted expenses.

In arriving at this budget, the Committee considered information from various sources, including the Committee's Executive Committee. Alternative expenditure levels were discussed based upon the relative need of the Mexican Fruit Fly program to the Texas citrus industry.

The proposed assessment rate of \$0.14 per  $\frac{7}{10}$ -bushel carton of assessable orange and grapefruit was then determined by dividing the total recommended budget by the 9 million  $\frac{7}{10}$ -bushel cartons of oranges and grapefruit estimated for the 2003–04 fiscal period. The \$0.14 rate will provide \$1,260,000 in assessment income. The additional \$62,506 to fund the Committee's estimated expenses will come from the Committee's reserve and interest income.

A review of historical information (October 1999 through May 2003) and preliminary information pertaining to the upcoming fiscal period indicates that the packinghouse door price for the

2003–04 fiscal period could range, monthly, from \$0.26 to \$6.41 per  $\frac{7}{10}$ -bushel carton of Texas oranges and from \$1.30 to \$7.30 for Texas grapefruit, depending upon the fruit variety, size, and quality. Therefore, the estimated assessment revenue for the 2003–04 fiscal period as a percentage of total grower (packinghouse door) revenue could range between 2.2 and 53.8 percent for oranges and 1.9 to 10.8 percent for grapefruit.

This action increases the assessment obligation imposed on handlers. While assessments impose some additional costs on handlers, the costs are minimal and uniform on all handlers. Some of the additional costs may be passed on to producers. However, these costs are offset by the benefits derived by the operation of the marketing order. In addition, the Committee's meetings were widely publicized throughout the Texas orange and grapefruit industry and all interested persons were invited to attend the meetings and participate in Committee deliberations on all issues. Like all Committee meetings, the May 29 and October 8, 2003, meetings were public meetings and all entities, both large and small, were able to express views on this issue. Finally, interested persons are invited to submit information on the regulatory and informational impacts of this action on small businesses.

This action imposes no additional reporting or recordkeeping requirements on either small or large Texas orange and grapefruit handlers. 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.

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

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.

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 2003–04 fiscal period began on August 1, 2003, and the marketing order requires that the rate of assessment for each fiscal period apply to all assessable oranges and grapefruit handled during such fiscal period; (2) the Texas citrus industry must have funding available to implement, as necessary, a more comprehensive Mexican Fruit Fly program; (3) the Committee needs to have sufficient funds to pay its expenses which are incurred on a continuous basis; (4) handlers are aware of this action which was unanimously recommended by the Committee at a public meeting and is similar to other assessment rate actions issued in past years; and (5) 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 906

Grapefruit, Marketing agreements, Oranges, Reporting and recordkeeping requirements.

■ For the reasons set forth in the preamble, 7 CFR part 906 is amended as follows:

#### PART 906—ORANGES AND GRAPEFRUIT GROWN IN LOWER RIO GRANDE VALLEY IN TEXAS

■ 1. The authority citation for 7 CFR part 906 continues to read as follows:

**Authority:** 7 U.S.C. 601–674.

■ 2. Section 906.235 is revised to read as follows:

#### § 906.235 Assessment rate.

On and after August 1, 2003, an assessment rate of \$0.14 per  $\frac{7}{10}$ -bushel carton or equivalent is established for oranges and grapefruit grown in the Lower Rio Grande Valley in Texas.

Dated: November 19, 2003.

**Kenneth C. Clayton,**  
*Acting Administrator, Agricultural Marketing Service.*

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