

includes the States of Wisconsin, Michigan and Minnesota. District 4 includes the States of Oregon and Washington.

Any cooperative marketing association that handles more than two-thirds of the total volume of cranberries produced during the fiscal period during which nominations are made, or affiliated growers, nominates 4 persons to serve as members and 4 persons to serve as alternate members. At least one nominee must be from Oregon or Washington (District 4). For growers not affiliated with the cooperative marketing association, the committee holds nomination meetings in Districts 1, 2 and 3 to select nominees for the remaining 3 positions. District 4 growers participate in the District 3 nomination procedure by mail ballot. Growers are entitled to cast one vote for the nominee in his or her respective district. USDA selects the members from the nominations made.

Five members constitute a quorum and any action of the Committee requires at least five concurring votes. If the public member is present and chooses to vote, six members constitute a quorum and any Committee actions require at least six concurring votes.

Section 929.27 sets forth that an alternate member shall act in the place and stead of his or her member. In the event both the member and alternate are absent, the Committee may designate any other alternate member to serve in the absent member and alternate's place. This provision also provides that no more than 4 cooperative members or alternates can serve as members at the same meeting and that the grower alternate cannot serve for a non-industry member.

For the 2002 selection process, no cooperative marketing association handled more than two-thirds of the volume of cranberries produced during the 2001–2002 year. The order does not specify how the Committee should be structured under this circumstance. The order provides that members and alternate members shall serve until their respective successors are selected and have been qualified. Therefore, the current cooperative members of the Committee representing the major cooperative, as previously selected, will remain seated until an amendment to the order, if any, is adopted to address this situation. Nominations and selections were made for the 3 independent member and alternate seats.

Increasing Committee Membership

The Committee proposed increasing Committee membership from 7 grower

members and 7 grower alternates to 13 grower members and 9 grower alternates. As in the current order, there would be 1 public member and alternate, but the public member position would be required. Six members would represent the cooperative and six members would represent independent growers. The remaining grower position would represent the group (either the cooperative or independents) that handled more than 50 percent of the volume of cranberries produced in the prior crop year.

The Committee's proposal retains 4 marketing order districts but recommends that they be reestablished to accommodate the expanded production area States.

District 1 would include Massachusetts, Rhode Island, Connecticut, New York and Maine. Currently, District 1 includes Massachusetts, Rhode Island and Connecticut. District 2 would include New Jersey and Delaware. Currently, District 2 includes New Jersey and Long Island in the State of New York. District 3 would remain unchanged and include Wisconsin, Michigan and Minnesota. District 4 would remain unchanged and include Oregon and Washington. The expansion of the production area is not being considered in this document. Therefore, for purposes of discussion, the existing districts and production area are being used in this decision.

Under the Committee's proposal, there would be 2 cooperative members (with 1 alternate member) and 2 independent members (with 1 alternate member) each for Districts 1 and 3. There would be 1 cooperative member and alternate member and 1 independent member and alternate member each for Districts 2 and 4. The member-at-large position would be selected from any of the marketing order districts.

Record evidence indicated that the additional representation in Districts 1 and 3 is based, in large part, on the percentage of the production these two districts represent. During the 2000 crop year, production in District 1 represented 35 percent, District 2 represented 9 percent, District 3 represented 46 percent and District 4 represented 10 percent of total cranberry production.

The Committee manager testified that increasing grower membership would provide more opportunities for a larger and more diverse group of growers to actively participate in the Committee process. He further testified that expansion of the membership is very important to ensuring that the industry

would benefit from new ideas, approaches, viewpoints, and perspectives brought to the complex environment facing the cranberry industry.

In support of increasing membership, a witness representing the major cooperative testified that the increased Committee size would allow for broader representation of growers from different producing areas while recognizing different volumes of cranberries being produced in different growing areas. He testified that without increasing the membership, it would be difficult to recognize the larger volume of cranberries produced in Wisconsin and Massachusetts without reducing representation from growing areas that produce lower volumes like New Jersey, Washington and Oregon.

The record revealed that the Committee appointed an amendment subcommittee in 1997 to deliberate on ways to improve the marketing order. On modifying Committee membership, many alternatives were discussed. Alternatives included leaving the membership at 8 and increasing the membership to 9, 11 or 13. The primary reason for agreeing on membership of 13 involved determining how to allocate membership among the districts. The subcommittee believed that it was important to recognize the larger growing areas by providing them with at least one additional member. Equally important was to provide opportunities for membership for smaller growing areas.

The subcommittee carefully considered increased costs. To compromise on this issue, the subcommittee recommended a lower number of alternates. In addition, discussions involved whether it was necessary for alternate members to attend every meeting. There were differing opinions on this, but most agreed that it was important for alternates to stay current with Committee activities so they are more prepared to serve as a member when needed.

Witnesses testified in opposition to the Committee's proposal. Two witnesses were opposed to the increase in Committee size. A Wisconsin grower/handler testified that the additional costs associated would be excessive. Another witness representing the views of the Wisconsin Cranberry Growers Association believed that increasing the number of Committee members could hinder the Committee's ability to make timely decisions and would increase program administrative costs, which are ultimately borne by the growers.