

Other witnesses testified in opposition to the allocation of membership under the Committee's proposal. A Wisconsin grower/handler testified that this allocation was inequitable to independent growers in Wisconsin. He testified that membership should consistently be based on the volume of cranberries produced. This witness was primarily concerned that under the Committee's proposal, the State of Wisconsin would be grossly underrepresented on the Committee while other States would be significantly overrepresented. He offered alternatives that would provide the Wisconsin district with an additional seat by transferring a seat from one of the other districts.

Another alternative discussed suggested that the number of growers should also be considered in allocating membership. Under this scenario, the State of Massachusetts would be allocated an additional seat.

A witness representing the Wisconsin Cranberry Grower's Association, also agreed that membership should be modified to be proportional to production. He suggested 3 districts be established providing seats based on volume of cranberries produced and by association with independent and cooperative growers.

Another Wisconsin grower proposed retaining the current 8 member Committee. She proposed having 3 districts—East coast, Midwest and West coast. There would be no allocation between cooperative and independent growers. Two members would be allocated for each district, with 1 swing vote for the growers affiliated with the handler who handled more than 50 percent of the crop.

Record evidence supports modifying the Committee structure as proposed by the Committee. Increasing membership on the Committee should allow more growers to participate in the decision-making processes of the Committee. The benefits of increasing membership outweigh associated increased costs by providing more growers opportunities to have a voice on decisions that impact their livelihood. In addition, increasing membership will allow for more diverse membership and new and different ideas on the direction the Committee should follow in the future. Testimony indicated that a larger Committee would enable a larger number of growers to better understand how the marketing order works and the rationale behind the decisions. More growers becoming familiar with these complicated regulatory issues can only help to further disseminate information to even more industry members. Allowing more

opportunities for growers to actively participate in this process will benefit the progress of the Committee.

Increasing membership will also allow larger representation of growing areas that produce the majority of the volume of cranberries and still recognize the importance of all producing areas, regardless of size.

Allocating the membership equally between the largest cooperative and the rest of the industry will provide an appropriate balance between representatives in the industry who may have different ideas on Committee determinations based on their affiliation. With this allocation, no group can impose their will on the other. Committee recommendations will need to have more than the votes of one group to pass. In addition, the member-at-large position will allow for the dominant group to be recognized by providing that group with an additional seat.

Having 2 members from the districts that represent Wisconsin and Massachusetts reasonably recognizes the fact that those districts have a great economic interest at stake when more significant actions, such as volume regulation, are considered by the Committee. It is important to take into account the significance of the smaller growing regions, while recognizing that the potential scale of the impact increases with the volume of cranberries produced and regulated. In this regard, the Committee's proposal improves the current structure of the Committee.

Allowing the smaller volume districts to have 1 member recognizes their significance to the industry. Using volume alone as a means of determining Committee membership does not take into consideration smaller growing regions. Although volume is certainly one criterion to be considered, opportunities must be provided for input by all segments of the industry.

The proponents of providing District 3 an additional independent member based on the State of Wisconsin's comparative volume produced based their opinion solely on volume of production. However, USDA concludes, based on the reasons mentioned above, that providing an additional seat for District 3 at the exclusion of membership from Districts 2 or 4 is not desirable.

Similar concerns would result with regard to the alternative proposed at the hearing to have 3 districts and no differentiation of membership based on cooperative or independent members. The proponent of this alternative was not concerned that it would be possible for the largest handler's growers to win

all the seats. The chances for that happening would be real under this scenario and must be considered. Although the approach is simple and keeps the membership at its current level, this alternative could result in the undesirable result of one entity having every seat.

The increase in Committee membership will likely increase costs to the Committee with the additional members attending meetings. Currently, 16 representatives generally attend meetings, as all alternates are entitled to attend each meeting. With a 14 member Committee and 9 alternates, there is the potential that costs will increase to send an additional 7 persons to meetings if all alternates attend. However, the benefits of broadening the membership of the Committee and equitably allocating seats would outweigh these increased costs. Since the implementation of volume regulations, more growers are expressing interest in being a part of the Committee's recommendations. Expansion of the Committee will allow more growers the opportunity to be involved in the process. The Committee's recommendation to reduce the number of alternates will provide appropriate district coverage for members that cannot attend meetings, while taking costs into account.

By increasing the membership to 14 and establishing 4 districts as proposed by the Committee, regional representation will be maintained and additional representation to the largest growing districts will be provided. Committee and subcommittee deliberations on this issue were extensive and many alternatives were discussed. The Committee recommended the most equitable number and allocation of Committee membership while considering associated costs.

Regarding the public member and alternate position, the Committee proposed requiring that position to be a part of the administrative body as opposed to the current structure where that position is not required. There was no opposition testimony on this, and the record evidence is that the public member's views are an important aspect of the Committee's decision making and should therefore be required.

For the above reasons, it is recommended that § 929.20 be amended to increase Committee membership to 13 grower members, 1 public member, 9 grower alternates and 1 public alternate and to reestablish districts to accommodate the additional members. Included in the 13 grower members will be one member-at-large position (who