

proposal would be decreased by not having to travel to hold meetings within the marketing order districts. There was no opposition testimony on authorizing mail balloting.

It is determined that adoption of this proposal would have a positive impact by allowing more producers greater opportunity to participate in Committee activities. It should also provide for greater participation in the voting process as well as reduce costs associated with holding nomination meetings. Therefore, this proposal is recommended for adoption.

Selection

The Committee proposed modifying this section to conform to the proposed increase in Committee structure. This section authorizes USDA to select the members and alternates on the Committee based on the nominees appointed in accordance with § 929.22. This section has been modified to correspond with the nomination procedures as discussed previously.

Using Tax Identification Numbers

The Committee proposed that a grower's tax identification number be used in the independent voting process to ensure that only eligible independent growers qualify for nomination and voting procedures. The Committee testified that using the tax identification number would assure that only eligible, independent producers qualify to nominate, be nominated and cast ballots in the independent nomination process.

Currently, the Committee uses a "grower identification number" or "farm unit." The unit is based on growers' acreage and ownership of the property as reported to the Committee. Although this method has been mostly efficient, there are incidences where growers subdivide their acreage so they can track production from each bog/marsh. In these instances, growers are qualified to obtain separate grower numbers for each subdivided parcel and thereby, would have one vote for each grower number assigned.

A grower/handler testified in opposition to this proposal because he believes it provides incentives for abuse. He advised that using tax identification numbers would make it possible for his company to break up its properties and receive 100 tax identification numbers. The witness supports the current method of identifying properties as farm units.

In its brief, the Committee stated that if the proposal to authorize mail balloting is approved, a mechanism should be in place to discourage growers to subdivide their acreage in

order to gain the ability to cast multiple ballots on behalf of a nominee. The Committee believes that growers who subdivide their bogs/marshes do so for a variety of reasons unrelated to the nomination process.

Requiring one tax identification number for one nomination vote more appropriately clarifies the voting procedure. Growers may have reasons other than nomination voting to apply for multiple tax identification numbers as well as for subdividing their properties. However, tax identification numbers are considered more cumbersome to obtain than grower identification numbers and it would be less likely that growers would do so merely to obtain multiple votes in the nomination procedures.

One grower testified that it would be unlikely that she would get another tax identification number because it would be too cumbersome. She supported the use of tax identification numbers as being a consistent way to keep track of properties. It is agreed that this would be a more efficient method of ensuring that growers are eligible to be nominated and vote in Committee member elections. Therefore, it is recommended that the order be amended to authorize the use of tax identification numbers in the voting process for growers that represent other than the major cooperative.

Alternates Authorized To Fill Member Positions

The Committee proposal would also clarify which alternates could be seated in place of absent members. This change is needed to conform to the proposed change in Committee structure. The current language in this section states that not more than 4 members from each group can serve as members at the same meeting. Since there would be a minimum of 6 members from each group in the proposed Committee, this language must be changed to reflect the change in Committee structure. This proposal would also be beneficial for clarity because the proposed change in Committee structure would have only 9 alternates selected to accommodate 14 members.

As proposed, alternate members representing cooperative marketing organizations cannot be seated to serve in the place of either an independent or public member. Alternates representing independents cannot be seated to serve in the place of either cooperative marketing organizations or the public member, and the alternate public member cannot be seated to serve in the place of either the cooperative marketing organizations or independent

members. There was no opposition testimony on this proposal.

The Committee's proposal designates the groups of representatives on the Committee as cooperatives and independents. This decision modifies those designations as growers representing the major cooperative and growers representing other than the major cooperative. Because of this change, it is necessary to modify the language in the proposal to conform to this proposed amendment.

Therefore, the amendatory text is being modified to provide that an alternate member representing the major cooperative cannot serve for a member representing other than the major cooperative or the public member. Likewise, an alternate member representing other than the major cooperative cannot serve for a member representing the major cooperative or the public member. The public alternate member cannot serve in place of any industry members.

This proposed change is necessary to reflect the proposed change in Committee structure. In addition, because the proposal would provide fewer alternates than members, this clarification would be beneficial as it more specifically designates which member seat each alternate can replace in the member's absence. Therefore, record evidence herein supports amending § 929.27, with modifications.

The record supports these proposed amendments to §§ 929.20, 929.21, 929.22, 929.23, 929.27 and 929.32, with modifications.

Material Issue Number 2

Section 929.20 should be amended to require Committee industry member and alternate member nominees' disclosure of non-regulated cranberry production. Currently, nominees for member and alternate member positions on the Committee are required to complete a qualification form providing information on the nominee's relation to the cranberry industry. This information includes how long the grower has been in the cranberry business, its associated handler, and involvement in cranberry associations. The information collected is used to determine whether nominees are eligible to serve in the positions for which they were nominated. Currently, there is no reporting requirement for members or alternate members regarding non-regulated production.

A proposal was made by an attorney representing a cranberry handler and recommended that Committee members also be required to submit information regarding their interest in foreign cranberry production. He testified that