

benefit. Thus, both the RFA and the Act are compatible with respect to small entities.

Small agricultural producers have been defined by the Small Business Administration (SBA) (13 CFR 121.201) as those having annual receipts of less than \$750,000. Small agricultural service firms, which include handlers regulated under the order, are defined as those with annual receipts of less than \$5,000,000.

Interested persons were invited to present evidence at the hearing on the probable regulatory and informational impact of the proposed amendments on small businesses. The record indicates that these amendments would not result in additional regulatory requirements being imposed on some cranberry growers and handlers.

There are about 20 handlers currently regulated under Marketing Order No. 929. In addition, the record indicates that there are about 1,250 producers of cranberries in the current production area.

Based on recent years' price and sales levels, AMS finds that nearly all of the cranberry producers and some of the handlers are considered small under the SBA definition. In 2001, a total of 34,300 acres were harvested with an average U.S. yield per acre of 156.2 barrels. Grower prices in 2001 averaged \$22.90 per barrel. Average total annual grower receipts for 2001 are estimated at \$153,375 per grower. However, there are some growers whose estimated sales would exceed the \$750,000 threshold. Thus, these proposed amendments will apply almost exclusively to small entities.

Five handlers handle over 97 percent of the cranberry crop. Using Committee data on volumes handled, AMS has determined that none of these handlers qualify as small businesses under SBA's definition. The remainder of the crop is marketed by about a dozen grower-handlers who handle their own crops. Dividing the remaining 3 percent of the crop by these grower-handlers, all would be considered small businesses.

This decision proposes that the order be amended: (1) To increase Committee membership to 13 members, 1 public member, 9 grower alternate members, 1 public alternate member; to incorporate a "swing" position whereby the entity (either the major cooperative or the group representing other than the major cooperative) which handles more than 50 percent of the total volume of cranberries produced is assigned an additional seat; incorporate nomination and selection procedures to reflect the change in Committee membership; establish districts to reflect the change

in Committee membership and to include additional States; allow the Committee to request tax identification numbers for voting purposes and authorize mail nominations for independent members; revise and clarify the provisions for alternates to reflect the change in Committee structure; and (2) require Committee member disclosure of non-regulated cranberry production.

The proposed amendment to increase Committee membership to 13 members, 1 public member, 9 grower alternate members, 1 public alternate member would increase the Committee's size by 6 members and 1 alternate member. This would likely increase costs to the Committee with the additional members attending meetings. If alternate members are not required to attend all meetings, costs could be reduced. However, the record evidence supports increasing the Committee. The benefits of broadening the membership of the Committee and equitably allocating seats would outweigh increased costs. Since the implementation of volume regulations, more growers are expressing interest in being a part of the Committee's processes. Expansion of the Committee would allow more growers the opportunity to be involved in the process. The Committee's recommendation to not have one alternate for each member would 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, regional representation would be maintained and additional representation to the largest growing regions would be provided.

The proposal to include a member-at-large position on the Committee to the entity (either the major cooperative or the group representing other than the major cooperative) that handles more than 50 percent of the total volume of cranberries produced would provide an additional member and alternate to the dominant group. This allows for recognition that the scale of the impact increases with the volume of cranberries produced and regulated.

The proposed amendment to reset term limitations for the current members would help maintain the experience and expertise needed so that the Committee can continue its operations with a minimum of disruptions.

The proposed amendment to allow nominations to be conducted by mail would allow more growers greater opportunity to participate on the Committee and provide for greater participation in the voting process.

Administrative Committee costs associated with holding nomination meetings would decrease.

The proposed amendment to use growers' tax identification numbers in the voting process for the group representing other than the major cooperative would help ensure that only eligible growers qualify for nomination and the voting process.

The proposed amendment to revise and clarify which alternates can be seated in place of absent members is necessary to conform to the proposed change in Committee structure. In addition, it would be beneficial as it more specifically designates which member seats each alternate can replace in the member's absence.

The proposed amendment to require Committee member disclosure of non-regulated cranberry production would ensure that growers are informed of this information prior to casting their vote to nominate a representative on the Committee.

All of these changes are designed to enhance the administration and functioning of the marketing agreement and order to the benefit of the industry. Accordingly, it is determined that the benefits of implementing the proposed revisions of the order would outweigh any associated costs. Costs are not anticipated to be significant.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), this notice announces that AMS is seeking approval from the Office of Management and Budget (OMB) for a new information collection request for Cranberries grown in 10 States, Marketing Order No. 929.

Title: Cranberries grown in the States of Massachusetts, *et al.*, Marketing Order No. 929.

OMB Number: 0581-NEW.

Type of Request: New collection.

Abstract: The information collection requirements in this request are essential to carry out the intent of the Act, to provide the respondents the type of service they request, and to administer the cranberry marketing order program, which has been operating since 1962.

Specifically, if the membership on the Committee is increased, the overall burden of completion of Committee generated forms and reports relative to Committee membership would increase due to additional membership. In addition, if the proposed amendment to require Committee member disclosure of non-regulated production is authorized, the qualification statement would have to be modified to include