

## Justification of Change Worksheet

### **OMB No. 0581-0178**

#### Vegetable and Specialty Crops

Marketing Order for California Raisins (7 CFR 989)

Marketing Order for California Walnuts (7 CFR 984)

Marketing Order for Almonds Grown in California (7 CFR 981)

October 2024

This Justification for Change seeks OMB's approval on updates to various forms used in the specialty crop industry.

First, this Justification for Change seeks OMB's approval on corrections to twenty-three forms that are part of OMB No. 0581-0178, raisins grown in California, Marketing Order No. 989 (7 CFR part 989). The Raisin Administrative Committee (Committee) uses these forms to locally administer the Federal marketing order for California raisins under the Agricultural Marketing Service's oversight.

The following twenty-three forms currently contain the penalty violation amount of "\$3,147" which reflects an outdated, incorrect value. During a recent compliance audit on the Committee performed by the Market Development Division's Compliance and Enforcement Branch (CEB), CEB recommended that the Committee update the penalty violation amount listed on these forms to the correct amount of \$3,501. Making this change from \$3,147 to \$3,501 will provide form users the correct penalty violation amount and will not affect the burden hours for the processors and handlers completing these forms.

In addition to the penalty violation update in each of the twenty-three forms, nine of these forms also required an update to the cross-references of sections in the Code of Federal Regulations listed in the footnotes of these forms. This update requires the addition of "7 CFR 989.73" to a footnote in each of these nine forms. Making this change to add the correct CFR reference will clarify to users of these forms the regulatory location of the authority granted by the Agricultural Marketing and Agreement Act of 1937. This update will not affect the burden hours for the processors and handlers completing these forms.

In addition to the penalty violation update, and the clarification of the nine forms regulatory authority, there is one form titled, "Monthly Organic Exports by Country of Destination, RAC-21 CO (§§ 989.73, 989.173(g)(3))" which requires a separate update to a reference to the Code of Federal Regulations that grants its authority. The current form references "7 CFR 989.173 (g)(3)" as the authority, however, this is a clerical error discovered during a routine audit of files. The correct section to be referenced is "7 CFR 989.173 (f)(3)". Making this change will clarify to users of this form the correct regulatory location of the authority granted by the Agricultural Marketing and Agreement Act of 1937. This update will not affect the burden hours for the processors and handlers completing these forms.

- 1) **Weekly Report of Standard Raisin Acquisitions**, RAC-1 (§§ 989.73, 989.173(b)(2)): Handlers file this form with the Committee to certify the weekly quantities of standard raisins acquired.
- 2) **Weekly Report of Standard Organic Raisin Acquisitions**, RAC-1 CO (§§ 989.73, 989.173(f)(2)): Handlers file this form with the Committee to certify the weekly quantities of standard organic raisins acquired.
- 3) **Inter-Handler Transfer of Raisins**, RAC-6 (§§ 989.73, 989.173(d)(1)): Handlers file this form with the Committee to certify inter-handler transfer of raisins.
- 4) **Inter-Handler Transfer of Organic Raisins**, RAC-6 CO (§§ 989.73, 989.173(d)(1)): Handlers file this form with the Committee to certify inter-handler transfer of organic raisins.
- 5) **Application for Exemption of Experimental and Specialty Packs From Outgoing Inspection Requirements**, RAC-8 (§§ 989.159(f)(2), 989.173(e)): Handlers complete this application to apply to the Committee for experimental or specialty packs.
- 6) **Monthly Report of Raisin Disposition**, RAC-20 (§§ 989.73, 989.173(c)(1)): Handlers file this form with the Committee to certify the monthly quantities of raisins that were shipped or disposed.
- 7) **Monthly Report of Organic Raisin Disposition**, RAC-20 CO (§§ 989.73, 989.173(f)(3)): Handlers file this form with the Committee to certify the monthly quantities of organic raisins that were shipped or disposed.
- 8) **Monthly Exports by Country of Destination**, RAC-21 (§§ 989.173, 989.173(c)(1)(iv)): Handlers file this form with the Committee to certify the monthly quantities of raisins exports by country of destination.
- 9) **Monthly Organic Exports by Country of Destination**, RAC-21 CO (§§ 989.73, 989.173(g)(3)): Handlers file this form with the Committee to certify the monthly quantities of organic raisins exports by country of destination.
- 10) **Monthly Report of Disposition of Off-Grade Raisins, Other Failing Raisins, and Raisin Material**, RAC-32 (§ 989.173(c)(2)): Handlers file this form with the Committee to certify the monthly quantities of off-grade raisins, other failing raisins, and raisin material, that were disposed.
- 11) **Weekly Report of Disposition of Standard Raisins Recovered From Reconditioning of Off-Grade Raisins**, RAC-33 (§§ 989.73, 989.173(b)(5)): Handlers file this form with the Committee to certify the weekly quantities of standard grade raisins recovered from reconditioning of off grade-grade raisins that disposed.
- 12) **Application for Sale, Shipment, or Disposition of Raisins or Raisin Residual Material**, RAC-35 (§ 989.159(g)(2)(i)(e)): Handlers complete this application to apply to the Committee for the sale or disposition of the raisins or raisin residual material.
- 13) **Raisins and Raisin Residual Sales Provisions**, RAC-36 (§ 989.159(g)(2)): This form establishes sales provisions between buyers and sellers of raisins and raisin residual material.
- 14) **Inventory of Standard Quality Raisins**, RAC-50 (§ 989.173(a)): Handlers file this form with the Committee to certify the inventory of standard quality raisins on hand.
- 15) **Inventory of Standard Quality Organic Raisins**, RAC-50 CO (§§ 989.73(a), 989.173(f)(1)): Handlers file this form with the Committee to certify the inventory of standard quality organic raisins on hand.
- 16) **Inventory of Off-Grade Raisins**, RAC-51 (§ 989.173(a)): Handlers file this form with

- the Committee to certify the inventory of off-grade raisins on hand.
- 17) **Inventory of Off-Grade Organic Raisins**, RAC-51 CO (§§ 983.73, 989.159(g)(1)(iii)): Handlers file this form with the Committee to certify the inventory of off-grade organic raisins on hand.
  - 18) **Application and Agreement for Dehydrator On-Premise Inspection Service**, RAC-69 (§ 989.158(e)(1)): Dehydrators complete this application to apply to the Committee for the approval of on-premise inspection services for natural condition raisins produced at the Dehydrator’s plant(s).
  - 19) **Agreement for Voluntary Participation in the RAC Export Programs**, RAC-70 (§ 989.53(5)): Handlers file this agreement with the Committee to voluntarily participate in RAC export programs.
  - 20) **Application and Agreement for Cooperative Bargaining Association On-Premise Inspection Service**, RAC-88 (§ 989.158(f)(1)): A Cooperative Bargaining Association completes this application to apply to the Committee for the approval of on-premise inspection services for natural condition raisins.
  - 21) **Notice to Designate a Portion of Inspection Point Off-Limits**, RAC-99 (§ 989.158): Handlers file this form with the Committee to declare a portion of its inspection point off-limits for a designated period.
  - 22) **Monthly Report of Receipt of Raisins Produced Outside of the Production Area**, RAC-500 (§ 989.173(b)(7)): Handlers file this form with the Committee to certify the monthly quantity of raisins produced from grapes grown outside the “area” that were received.
  - 23) **Monthly Report of Disposition of Raisins Outside of the Production Area**, RAC-501 (§ 989.173(c)(3)): Handlers file this form with the Committee to certify the monthly quantity of raisins produced from grapes grown outside the “area” that were shipped or disposed.

Second, this Justification for Change seeks OMB’s approval on corrections to thirteen forms that are part of OMB No. 0581-0178, walnuts grown in California, Marketing Order No. 984 (7 CFR part 984). The California Walnut Board (Board) uses these forms to locally administer the Federal marketing order for California walnuts under the Agricultural Marketing Service’s oversight.

The following thirteen forms currently contain an outdated office address. The California Walnut Board relocated to a different office address in 2024 and now requires all forms to be updated to ensure all correspondence is sent to the correct address. Making this change to update the office address will provide form users the correct location to mail all correspondence and will not affect the burden hours for the processors and handlers completing these forms.

In addition to the updated office address, the form titled “Inventory Report” also requires a separate update. The form will be updated to reflect a new reporting method adopted by the Board. The instructions will now state “Report inventory on an on-hand basis. Inshell pounds on hand should be reported as inshell pounds. Shelled pounds on hand should be reported as shelled pounds”. On the previous version of this form, the instructions directed handlers to report their inventory as it was planned to be sold. If product was in the inshell form, but were to be sold shelled, handlers would be required to use their own shellout rate (the rate to convert

inshell pounds to shelled pounds). This resulted in an inconsistent inventory number across the industry, as each handler uses a different shellout rate. Making this change would provide needed clarification to the existing instructions and result in greater consistency in inventory calculations for the Board. This change will not noticeably affect the burden hours for the processors and handlers completing these forms.

- 1) **Crop Acquisition Report, by County and Variety**, CWB Form 1: Growers complete this form to report all crop acquisitions based on the locality and variety of walnut.
- 2) **Inventory Report**, CWB Form 4 & 5: Handlers complete this form to report an accurate inventory based on the style and growing method for walnuts owned.
- 3) **Report of Merchantable Walnuts Received, Committed, and Shipped**, CWB Form 6: Handlers complete this form to report walnuts received, committed to purchase, and shipped.
- 4) **Quarterly Report of Receipt of Walnuts Produced Outside California or the USA**, CWB Form 7: This form is completed by handlers to report all shelled/inshell walnuts that were imported from foreign sources and requires that all data be submitted quarterly.
- 5) **Report of Interhandler Transfers of Walnuts**, CWB Form 8: This form is to report any transfers of walnuts from one handler to another.
- 6) **Report of Substandard Walnuts Delivered**, CWB Form 20: Handlers complete this form to report the weights and size of substandard walnuts delivered to a processing facility.
- 7) **Application to be an Approved User of Substandard Walnuts**, CWB Form 24-05: This form is used by individuals to apply for permission to use substandard walnuts for the purposes of the production of oil or livestock feed.
- 8) **Report of Substandard Walnuts Received**, CWB 24-15: Form used to report weights of substandard walnuts delivered by a handler to an Approved Substandard User.
- 9) **Ballot for Handler Members and Alternates**, Ballot used in the election of Handler Members and Alternates to a specified district for the California Walnut Board.
- 10) **Ballot for California Walnut Board Election of Producer Members and Alternates**, Ballot used in the election of Producer Members and Alternates to a specified district for the California Walnut Board.
- 11) **At Large Walnut Grower's Petition for Proposing Names to be Included on the California Walnut Board Nomination Ballot**, Form used in nominating to the ballot the name of an eligible person as candidate to the California Walnut Board signed by growers.
- 12) **District 1 Walnut Grower's Petition for Proposing Names to be Included on the California Walnut Board Nomination Ballot**, Form used in nominating to the ballot the name of an eligible person as candidate to serve District 1 on the California Walnut Board signed by growers.
- 13) **District 2 Walnut Grower's Petition for Proposing Names to be Included on the California Walnut Board Nomination Ballot**, Form used in nominating to the ballot the name of an eligible person as candidate to serve District 2 on the California Walnut Board signed by growers.

Third, this Justification of Change seeks OMB approval on a revision to Form ABC-15, that is a part of OMB No. 0581-0178: almonds grown in California Marketing Order No. 981 (7 CFR Part 981) The Almond Board of California (Board) uses these forms to locally administer the

Federal marketing order for California almonds under the Agricultural Marketing Service's oversight.

The following form includes a section for growers to sign their name and provide their title for election ballots submitted to the Board. The Board has noted that it can sometimes be difficult to identify a grower based solely on their signature. To address this, they have requested that an additional line be added to the form for growers to print their name alongside their signature. Making these change would enhance the integrity of the election process and would enable the Board to use the revised form for their 2025 Board of Directors election, which is scheduled to begin in April 2025.

- 1) **Almond Board of California Ballot for Independent Growers**, ABC-15: Ballot used in the election of Independent Grower Members and Alternates for the Almond Board of California.