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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 989

[Doc. No. AMS–SC–23–0062]

Raisins Produced From Grapes Grown in California; Temporary Relaxation of Substandard and Maturity Dockage Requirements

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Affirmation of interim final rule as final rule.

SUMMARY: This final rule adopts, without change, an interim final rule that temporarily changes the substandard and maturity dockage requirements for raisins covered under the Federal marketing order for raisins produced from grapes grown in California (Order). For the 2023–2024 crop year, the minimum requirements for substandard and maturity dockage in the marketing order's handling regulations are relaxed to accommodate raisins adversely impacted by severe weather conditions.

DATES: Effective July 25, 2024.

FOR FURTHER INFORMATION CONTACT: Jeremy Sasselli, Marketing Specialist, or Barry Broadbent, Branch Chief, West Region Branch, Market Development Division, Specialty Crops Program, AMS, USDA; Telephone: (559) 487–5901 or Email: *Jeremy.Sasselli@usda.gov* or *Barry.Broadbent@usda.gov.*

Small businesses may request information on complying with this regulation by contacting Richard Lower, Assistant to the Director, Market Development Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250–0237; Telephone: (202) 720–8085, or Email: *Richard.Lower@usda.gov.*

SUPPLEMENTARY INFORMATION: This action, pursuant to 5 U.S.C. 553, temporarily amends regulations issued to carry out a marketing order as defined in 7 CFR 900.2(j). This final rule is issued under Marketing Agreement and Order No. 989, both as amended (7 CFR part 989), hereinafter referred to as the ''Order,'' and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), hereinafter referred to as the ''Act.'' The Raisin Administrative Committee (Committee) locally administers the Order and is comprised of growers and handlers of raisins operating within the area of production, and a public member.

The Agricultural Marketing Service (AMS) is issuing this final rule in conformance with Executive Orders 12866, 13563, and 14094. Executive Orders 12866, 13563, and 14094 direct agencies to assess costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. Executive Order 14094 reaffirms, supplements, and updates Executive Order 12866 and further directs agencies to solicit and consider input from a wide range of affected and interested parties through a variety of means. This action falls within a category of regulatory actions that the Office of Management and Budget (OMB) exempted from Executive Order 12866 review.

This final rule has been reviewed under Executive Order 13175—Consultation and Coordination with Indian Tribal Governments, which requires agencies to consider whether their rulemaking actions would have Tribal implications. AMS has determined that this rule is unlikely to have substantial direct effects on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule is not intended to have a retroactive effect.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with the United States Department of Agriculture (USDA) a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and request a modification of the order or to be exempted therefrom. Such handler is afforded the opportunity for a hearing on the petition. After the hearing, USDA would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction to review USDA's ruling on the petition, provided an action is filed no later than 20 days after the date of the entry of the ruling.

This final rule affirming the interim final rule temporarily relaxes the substandard and maturity dockage minimum requirements for incoming raisins covered under the Order for the 2023–2024 crop year. Section 989.58 requires natural condition raisins that do not meet the minimum requirements must be returned by handlers to producers, reconditioned by handlers at the producers' expense, or disposed of in a non-normal outlet such as animal feed at a much-reduced producer price. Provided, however, handlers may acquire natural condition raisins which exceed the tolerance established for maturity under a weight dockage system. Under the Order, handlers acquire raisins from producers under a weight dockage system and adjust the creditable fruit weight acquired according to the percentage of substandard raisins in the lot and/or the percentage of raisins that fall below certain levels of maturity in the lot. Handler payments to producers, and the payment of handler assessments, are based on the creditable weight of raisins acquired by handlers. Due to unusual crop conditions created by extreme weather events which adversely affected the growing conditions of California raisin grape vines, producers and handlers in the industry are seeing a relatively high percentage of the 2023–2024 crop year deliveries of raisins fall outside the minimum requirements of the substandard and maturity dockage system. The situation is the result of unforeseen environmental factors that are showing effects on raisin grapes after harvest and drying. The temporary relaxation of the substandard and maturity requirements effectuated by this final rule is expected to mitigate the disruption of the marketing of California raisins caused by adverse environmental conditions on the California raisin industry and provide a cost savings for producers by reducing reconditioning and reinspection costs.

Prior to the 2022–2023 winter, the raisin-growing region in California suffered multiple years of extreme drought, which had long-term detrimental effects on California grape vineyards. Further, over the course of the 2022–2023 winter, temperatures across California were colder than average, rainfall in the San Joaquin Valley exceeded normal levels, and snowfall in the Sierra Nevada greatly exceeded normal levels, leading to one of the largest snowpacks on record. Additionally, in 2023 a series of intense storms brought rain onto the record snowpack, causing rapid snowmelt which had disastrous flooding effects in parts of the San Joaquin Valley, including the historic filling of the Tulare Lake Basin. However, the full effect of such severe weather conditions on raisin grape production only became apparent to producers when dehydrators began their grape dehydrating activities in mid to late August 2023.

During its October 5, 2023, meeting, the Committee determined that rain and cold temperatures into late spring and early summer delayed crop maturity and that record rain and snowmelt created exceptionally high humidity levels throughout the production area, causing some bunch rot and mildew issues. In addition, hurricane Hillary perpetuated these conditions at the end of August 2023 by bringing unseasonal and substantial rainfall throughout the raisin growing region. The crop was also late by at least three weeks, and temperatures in September and into October were below average, which extended the raisin drying period and has delayed deliveries to handlers. Thus, raisins delivered to handlers by producers failed to meet the Order's minimum requirements. This was evident by incoming inspections reported to the Committee since the beginning of the 2023–2024 crop year (August 1) having shown an increase of approximately 160 percent in off-grade natural condition raisins over the average of the past 4 years (29.1 percent versus 11.2 percent). All other varieties of raisins have also shown a 155 percent increase in off-grade over the previous 4-year average (26.0 percent versus 10.2 percent). Relaxing the limits for the 2023–2024 crop year reduces the number of failing lots of raisins that must be returned by handlers to producers, reconditioned by handlers at the producers' expense, or disposed of through non-normal outlets. This final rule provides cost savings to producers by minimizing reconditioning and reinspection costs and avoid further delays affecting producer deliveries in the 2023–2024 crop year. The Committee unanimously recommended this action during its October 5, 2023, meeting.

Section 989.58(a) of the Order provides authority for the establishment of incoming grade, quality, and condition requirements for natural condition raisins that are delivered from producers to handlers. This section also contains authority for handlers to acquire natural condition raisins which fall outside the tolerance established for maturity, which includes substandard raisins, under a weight dockage system.

Section 989.701 of the Order establishes the minimum grade and condition standards for natural condition raisins. Product that does not meet those requirements is considered substandard. Handlers may acquire product that is determined to be substandard under a weight dockage system. The regulations delineating the Order's weight dockage system are contained in §§ 989.212 and 989.213. Under those provisions, handler acquisitions of raisins, and payments to producers for such raisins, are adjusted according to the percentage of substandard raisins in each lot and/or the percentage of raisins that fall below certain levels of maturity of each lot. Product that does not meet the minimum requirements under the weight dockage system is considered off-grade and must be returned to producers, reconditioned, or disposed of in an eligible non-normal market outlet that does not compete with standard raisins.

Tolerances for Substandard Raisins

Section 989.701 of the Order's regulations specifies the minimum quality requirements for natural condition raisins. Lots of raisins may contain a maximum percentage, depending on varietal type, of substandard raisins (raisins that show development less than that characteristic of raisins prepared from fairly well-matured grapes). Specifically, lots of Natural (sun-dried) Seedless, Monukka, Other Seedless, Dipped Seedless, Oleate and Related Seedless, Other Seedless-Sulfured, and Golden Seedless raisins may contain no more than 5 percent, by weight, of substandard raisins. Lots of Muscat, Sultana, and Zante Currant raisins may contain no more than 12 percent, by weight, of substandard raisins.

Dockage System for Substandard Raisins

Section 989.212 provides that handlers may acquire, under an agreement with a producer, raisins that fall outside the tolerance for substandard raisins specified in § 989.701. Specifically, handlers may acquire any lot of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless—Sulfured raisins which contain from 5.1 through 17.0 percent, by weight, of substandard raisins under a weight dockage system. A handler may also acquire, subject to prior agreement, any lot of Muscat (including other raisins with seeds), Sultana, and Zante Currant raisins containing from 12.1 through 20.0 percent, by weight, of substandard raisins under a weight dockage system. The creditable weight of each lot of raisins acquired by handlers under the substandard dockage system is obtained by multiplying the applicable net weight of the lot of raisins by the applicable dockage factor from the tables in § 989.212. The dockage factor reduces the weight of the raisin lot by an amount approximating the weight of the raisins needed to be removed for the remainder of the lot to meet minimum grade requirements after processing and packing. The weight determined in this manner represents the creditable weight of the raisins which is used as a basis for applicable handler assessments and handler payments to producers for product received. However, those raisins failing to meet the established substandard tolerance levels (17.0 or 20.0 percent, depending on varietal type) must be returned to the producer or reconditioned by the handler (at the producer's expense) to bring the lot up to acceptable quality standards or disposed of in an eligible non-normal market outlet that does not compete with standard raisins.

Because of the adverse crop conditions described above, the industry producers and handlers are dealing with a relatively high percentage of the 2023 crop (marketed over the 2023–2024 crop year) that is falling outside the limits of the substandard dockage systems when delivered to handlers. Further, the Committee has reported that, to date, approximately 29.1 percent of natural condition raisins delivered to handlers, and approximately 26.0 percent of all other varieties of raisins, have been off-grade, requiring reworking or disposition into non-normal market outlets. In comparison, the average percentages for off-grade deliveries for the 4 years prior to the 2023–2024 crop year shows approximately 11.2 percent and 10.2 percent, respectively.

The Committee recommended that the allowable maximum percentage of substandard raisins in producer deliveries that can be acquired under the dockage system be increased, from 17.0 to 21.0 percent for Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins, and from 20.0 to 25.0 percent for Muscat (including other raisins with seeds), Sultana, and Zante Currant raisins. Lots containing more than 21.0 or 25.0 percent, depending on varietal type, of substandard raisins are considered off-grade and require reconditioning before they can be acquired by handlers. This rule makes appropriate changes to § 989.212 to incorporate the Committee's recommendations. The changes apply for the 2023–2024 crop year only.

Increasing the percentage allowed for substandard raisins in incoming fruit is expected to reduce the number of failed lots of raisins returned by handlers to producers or reconditioned by handers at the producers' expense or disposed of in a non-normal outlet such as animal feed at a much-reduced producer price. Under the relaxation, handlers are able to acquire more lots of raisins upon first inspection and not experience the potential delay of waiting for failing lots to be reconditioned. The ability to acquire more raisins upon first inspection helps handlers better meet the needs of the market and save producers the cost of reconditioning and reinspecting failed fruit that would otherwise have passed incoming inspections and be received by handlers.

Tolerance for Maturity

Section 989.701 of the Order's regulations specifies that lots of certain varietal types of natural condition raisins must contain a minimum percentage of raisins that are well-matured or reasonably well-matured. Specifically, lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins must contain at least 50 percent, by weight, of raisins that are well-matured or reasonably well-matured, or what is commonly referred to by the industry as the ''B or better'' maturity standard.

Dockage System for Maturity

Section 989.213 provides that handlers may acquire, under an agreement with a producer, raisins falling outside the tolerance for maturity specified in § 989.701. Specifically, handlers may acquire any lot of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, Other Seedless-Sulfured raisins which contain from 35.0 to 49.9 percent, by weight, of well-matured or reasonably well matured raisins under a weight dockage system. The dockage system is applied similarly to the substandard dockage system previously described. The creditable weight of each lot of raisins acquired by handlers under the maturity dockage system is obtained by multiplying the applicable net weight of the lot of raisins by the applicable dockage factor in the tables in § 989.213. The dockage factor reduces the weight of the raisins needed to be removed for the remainder of the lot to meet minimum maturity requirements after processing and packing. The weight determined in this manner represents the creditable weight of the raisins which is used as a basis for payment of handler assessments and handler payments to producers for product received. Those raisins failing to meet the maturity tolerance level of 35.0 percent are returned to the producer or reconditioned by the handler (at the producer's expense) to bring the lot up to acceptable quality standards. If a lot of raisins is subject to both a maturity and substandard dockage factor, only the highest of the two dockage factors is applied, as stated in § 989.210(d).

In addition, the maturity dockage system is divided into three categories depending on the percentage of well-matured or reasonably well-matured raisins in the lot. The creditable fruit weight of raisins delivered by producers to handlers in the first category, which includes lots containing between 45.0 to 49.9 percent well-matured or reasonably well-matured raisins, is reduced .05 percent for each 0.1 percent the lot is below 50.0 percent down to 45.0 percent. The creditable fruit weight of raisins delivered by producers to handlers in the second category, which includes lots containing between 40.0 to 44.9 percent well-matured or reasonably well-matured raisins, is reduced 0.1 percent for each 0.1 percent the lot is below 44.9 percent down to 40.0 percent. The creditable fruit weight of raisins delivered by producers to handlers in the third category, which includes lots containing between 35.0 to 39.9 percent well-matured or reasonably well-matured raisins is reduced 0.15 percent for each 0.1 percent the lot is below 39.9 percent down to 35.0 percent. Applicable handler assessments and producer payments for product received are reduced accordingly. Because of the adverse crop conditions described above, the industry predicts that a relatively high percentage of the 2023 crop will fall below the 35.0 percent tolerance level for maturity when product is delivered to handlers. So far this crop year, approximately 29.1 percent of natural condition raisins have been off-grade and require reconditioning to enter the market. In addition, approximately 26.0 percent of all other varieties have been off-grade.

The Committee recommended that the minimum allowable level for maturity of raisins delivered by producers that can be acquired under the dockage system be reduced, for the 2023–2024 crop year only, from 35.0 to 30.0 percent under a fourth category in the regulation. The Committee also recommended that the creditable fruit weight of raisin deliveries in this fourth category created for the 2023–2024 crop year, or lots containing between 30.0 to 34.9 percent well-matured or reasonably well-matured raisins, be reduced by 0.2 percent for each 0.1 percent the lot is below 34.9 percent down to 30.0 percent. Applicable handler assessments and producer payments for product received are to be reduced accordingly. Lots containing 29.9 percent or less raisins which are well-matured or reasonably well-matured raisins are considered off-grade and require reconditioning before they can be acquired by handlers. A new paragraph (e) is added to § 989.213 for this fourth category and applies only to product handled during the 2023–2024 crop year.

Similar to relaxing the requirements under the substandard dockage system, reducing the minimum allowable level for maturity for the 2023–2024 crop year is expected to reduce the number of failed lots of raisins returned by handlers to producers or reconditioned by handlers at the producers' expense or disposed of in non-normal outlets. Under this relaxation, handlers are able to acquire more lots of raisins upon first inspection and not continue to experience further delay waiting for failed lots to be reconditioned and reinspected. The ability to acquire more raisins upon first inspection helps handlers better meet the needs of the market and save producers the cost of reconditioning failed fruit that would otherwise have been acquired by handlers under the weight dockage system. In addition, the industry has indicated that there is strong market demand for raisins and requiring a large percentage of the crop to be reconditioned and reinspected would have hindered the handlers' ability to fulfill that demand, disrupting the orderly marketing of California raisins. Further, the cost of reconditioning and reinspection is expected to be passed on to the consumer. This rule allows better movement of product through market channels and is expected to reduce costs for producers, handlers, and possibly consumers.

Final Regulatory Flexibility Analysis

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601–612), AMS has considered the economic impact of this final rule on small entities. Accordingly, AMS has prepared this final regulatory flexibility analysis.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions in order that small businesses are not unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf.

There are approximately 1,700 producers of California raisins and approximately 17 handlers subject to regulation under the Order. Small agricultural producers of raisins are defined by the Small Business Administration (SBA) as those having annual receipts equal to or less than $4.0 million (NAICS code 111332, Grape Vineyards) and small agricultural service firms are defined as those whose annual receipts are equal to or less than $34.0 million (NAICS code 115114, Postharvest Crop Activities) (13 CFR 121.201).

Using USDA National Agricultural Statistics Service (NASS) data, the 2022 season average value of utilized production of California processed raisin-type grapes (most of which are dried into raisins) is $376.6 million. Dividing that figure by 1,700 producers yields an annual average revenue per producer of $221,530, well below the SBA large farm size threshold of $4.0 million. Therefore, in terms of average annual sales of processed raisin-type grapes, the majority of California raisin producers may be classified as small entities.

To make a similar computation for handlers, the first step is to estimate a representative handler price received per pound for packaged raisins. Recent USDA purchases under the Commodity Procurement Program provide such an estimate. For the most recent raisin crop year used by the RAC (August 2022–July 2023) the average price paid for packaged raisins purchased by the USDA for feeding programs was $1.56 per pound. For that time period, the RAC provided a list of quantities delivered by handlers. When multiplied by the $1.56 price per pound, the results showed that 5 handlers had annual raisin receipts greater than $34.0 million, the SBA threshold level for a large handler. The remaining 12 handlers out of 17 are small handlers, using the SBA criterion.

This final rule relaxes the substandard and maturity dockage requirements specified in §§ 989.212 and 989.213, respectively, of the Order's handling regulations for the 2023–2024 crop year. These sections allow handlers to acquire raisins from producers that do not meet the Order's minimum quality requirements under a weight dockage system. Under the system, handlers adjust their payments to producers for product received, and the payment of Order assessments, according to the percentage of substandard raisins in the lot and/or the percentage of raisins falling below certain levels of maturity. Because of extreme weather issues which adversely affected the growing conditions of the raisin grape vines for the 2023 crop, the industry predicts that a high percentage of the 2023–2024 crop year raisins delivered by producers to handlers will continue to fall outside the current limits of the dockage systems in the handling regulations. Temporarily relaxing the minimum requirements under the dockage systems for the 2023–2024 crop year is expected to reduce the number of lots of raisins returned by handlers to producers or reconditioned by handlers at the producers' expense or disposed of in a non-normal outlet such as animal feed at a much-reduced producer price.

Relaxing the dockage limits for the 2023–2024 crop year allows handlers to acquire more lots of raisins that would otherwise fail specified tolerances for substandard raisins and maturity. Thus, fewer lots are expected to be returned to producers for reconditioning. Under the revised requirements, transportation costs for hauling raisins to and from the handler's premises for reconditioning and reinspection, estimated at $24 per ton one way, may be eliminated. Producers are also expected to save on reconditioning costs. Producer costs for reconditioning raisins falling below certain maturity levels (usually a ''wash and dry'' process) are estimated at $275–$300 per ton. Producers may also save on reinspection costs at $15.50 per ton because more of their raisins will meet the relaxed incoming substandard and maturity requirements upon first inspection. In addition, producers whose lots of raisins fall into the extended dockage limits for substandard raisins will not have to incur $60 per ton in costs for ''dry reconditioning'' expenses.

Relaxing the dockage limits may cause handlers to incur some additional costs; however, such costs are minimal when considering the alternative, that is to receive significantly less product for the 2023–2024 crop year and to not be able to meet market demand. Thus, the benefits of this rule outweigh such costs. While the incoming quality requirements are relaxed, the outgoing quality requirements under the Order will remain unchanged. The burden of removing substandard raisins or raisins falling below certain levels of maturity will be shifted from producers to handlers. However, although handlers will have to undertake the additional burden of cleaning up the fruit, handlers are better prepared than producers to manage the lower quality raisins efficiently and economically because they already have the processing equipment designed to remove the undesirable fruit. Moreover, without this rule, handlers would likely have less fruit available to meet market needs.

The Committee considered several alternatives to the recommended action. An Administrative Subcommittee (Subcommittee) convened on October 3, 2023, to discuss the current crop situation and to submit remediation recommendations to the full Committee. At the meeting, the Subcommittee discussed increasing the allowable amount of substandard fruit from 17.0 to 25.0 percent for Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured. However, many industry members felt that the 25.0 percent was too high for the current conditions in the market, and ultimately the Subcommittee approved recommending a maximum 21.0 percent allowable tolerance for those varieties of substandard incoming fruit. The Subcommittee also considered whether to maintain the dockage for maturity for percentages between 30 and 35 percent at 0.15 percent or to increase it. There were also discussions regarding revising the tolerance for mold under the quality requirements. The majority of the Subcommittee did not favor any changes for mold tolerances. Ultimately, the Subcommittee voted to recommend to the Committee the changes as contained herein, and the full Committee subsequently voted unanimously to recommend this action to AMS.

The Committee's meetings were widely publicized throughout the production area. The raisin industry and all interested persons were invited to attend the meetings and participate in Committee deliberations on all issues. The Subcommittee meeting on October 3, 2023, and subsequent full Committee meeting on October 5, 2023, were each open to the public where any interested parties was able to express views on this issue. In addition, interested persons were invited to submit comments on this final rule, including the regulatory and information collection impacts of this action on small businesses.

An interim final rule concerning this action was published in the **Federal Register** on December 11, 2023 (88 FR 85819). The interim final rule was effective on December 12, 2023. Copies of the interim rule were mailed or sent via email to California raisin handlers. A copy of the interim rule was made available through the internet by AMS via *https://www.regulations.gov.* AMS provided a 60-day comment period ending February 9, 2024, to give interested persons to respond to the interim final rule. No comments were received. Accordingly, no changes have been made to the rule as published.

This final rule continues in effect temporary changes to the minimum requirements for substandard and maturity dockage under the Order's handling regulations for the 2023–2024 crop year. The minimum requirements have been temporarily relaxed to accommodate raisins adversely impacted by severe weather conditions. Producers and handlers are aware of this action as it continues in effect the interim final rule effective on December 12, 2023, and need no preparation time to comply. Accordingly, pursuant to 5 U.S.C. 553(d), AMS finds that good cause exists for not postponing the effective date of this final rule until 30 days after publication in the **Federal Register**. The relaxation of the minimum requirements expires at the end of the 2023–2024 crop year on July 31, 2024.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Order's information collection requirements have been previously approved by OMB and assigned OMB No. 0581–0178, Vegetable and Specialty Crops. No changes in those requirements are necessary as a result of this action. Should any changes become necessary, they would be submitted to OMB for approval.

This final rule would not impose any additional reporting or recordkeeping requirements on either small or large California raisin handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

AMS is committed to complying with the E-Government Act, to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

AMS has not identified any relevant Federal rules that duplicate, overlap, or conflict with this final rule.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: *https://www.ams.usda.gov/rulesregulations/moa/small-businesses.* Any questions about the compliance guide should be sent to Richard Lower at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

After consideration of all relevant material presented, including the information and recommendations submitted by the Committee and other available information, AMS has determined that finalizing the interim rule, without change, as published in the **Federal Register** of December 11, 2023 (88 FR 85819), is consistent with and will tend to effectuate the purposes of the Act.

List of Subjects in 7 CFR Part 989

Grapes, Marketing agreements, Raisins, Reporting and recordkeeping requirements.

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

■ Accordingly, the interim final rule amending 7 CFR part 989, which was published at 88 FR 85819 on December 11, 2023, is adopted as a final rule without change.

Erin Morris,

Associate Administrator, Agricultural Marketing Service.

[FR Doc. 2024–16173 Filed 7–23–24; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Rural Housing Service

7 CFR Parts 3555

[Docket No. RHS–24–SFH–0025]

Single Family Housing Guaranteed Housing Payment Supplement Account Demonstration Program

AGENCY: Rural Housing Service, USDA.

ACTION: Notification.

SUMMARY: The Rural Housing Service (RHS or the Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), is issuing this document for a demonstration program that will establish a new loss mitigation retention option, referred to as the Payment Supplement Account (PSA). The Agency's intention of this demonstration program is to assist borrowers who have experienced a documented hardship that led to an involuntary inability to pay their mortgage obligation, require payment reduction to resume making a monthly payment, and currently have a below market interest rate. This document briefly discusses a special servicing option for servicers to utilize to continue assisting struggling borrowers who seek loss mitigation alternatives, regardless of the nature of their hardship.

DATES: The effective date of this demonstration program is July 24, 2024. The duration of the demonstration program is anticipated to continue until July 24, 2026, at which time the RHS may extend the demonstration program (with or without modifications) or terminate it depending on the workload and resources needed to administer the program, feedback from the public, and the effectiveness of the program. RHS will notify the public whether the demonstration program has been extended or terminated.

FOR FURTHER INFORMATION CONTACT: Stephanie Freeman, Finance and Loan Analyst, Policy, Analysis, and Communications Branch, Single Family Housing Guaranteed Loan Division, Rural Development, U.S. Department of Agriculture, Email: *stephanie.freeman@usda.gov;* Phone: (314) 457–6413.

If you are interested in participating in this demonstration program or if you have any questions, please contact the Loan Servicing Branch at *SFHGLPServicing@usda.gov.*

SUPPLEMENTARY INFORMATION: