surrounding upland areas in that they are the result of the advance and withdrawal of the Vashon glaciation. This most recent glaciation (10,000 years ago) coincided at its limits with the eastern, southern, and southwestern boundaries of the viticultural area. The resultant soils are primarily silty to sandy topsoils with scattered small to moderate rounded stones. This is typical of post glacial soils in lowland areas. Areas outside the viticultural area to the west, south and east, were not covered by ice during the Vashon glaciation. Consequently, soils in surrounding areas have entirely different origins and genesis. The primary impact on viticultural conditions by the glaciation of the Puget Sound viticultural area was the development of a semi-permeable cemented subsoil at depths generally from one to ten feet. This subsoil was created by the pressure of one to three thousand feet of overlying ice. The subsoil acts as a storage vehicle for winter rains and allows deep rooted vines to survive the late-summer soil water deficit without irrigation. The surrounding areas which were not glaciated do not share this comparative advantage. The semi-permeable cemented subsoil is the most significant soil factor relative to viticulture in the area.

Topography and Geographical Features

The Puget Sound basin is a large lowland surrounding bodies of salt water called in government reports "Puget Sound" or "Puget Sound and Adjacent Waters." These waters comprise Puget Sound, a long, wide ocean inlet. The basin is cut by many rivers flowing into the Sound. Low rolling hills formed by the deposit and erosion of advancing and retreating glaciers are cut by ravines and stream channels. The dominating natural features are the sound itself and the surrounding mountains. The Olympic mountain range forms the western boundary of the Puget Sound basin. These mountains intercept moist maritime Pacific air and account for the relatively low annual precipitation. The Cascade mountain range forms the eastern boundary of the Puget Sound basin. These mountains protect the basin from the extremely cold winters and hot summers of eastern Washington. Elevations in the basin are primarily between sea-level and 1,000 feet. Isolated hills of up to 4,000 feet occur primarily in the northeast but none of the existing vineyards is above 600 feet in elevation.

Viticulture

The petitioners state that neither vinifera nor labrusca vines are native to the area; however, they are now grown throughout the basin. In 1872, Lambert Evans established a vineyard on Stretch Island in southern Puget Sound. He sold the fruit in Seattle. In the 1890's a viticulturalist from the east coast named Adam Eckert brought new grape varieties and planted more vineyards on the island. The first bonded winery in Washington State was established there in 1933 by Charles Somers. Known as the St. Charles Winery, it reached a capacity of 100,000 gallons. Viticulture spread throughout the Puget Sound basin as evidenced by the annual reports of the Washington State Department of Agriculture. These primarily labrusca plantings were gradually supplanted in most of the basin by vinifera plantings from the 1950's to the present. The Washington State Department of Agriculture report entitled, "Washington Agriculture," 1960, reported 2 small areas of grape cultivation outside of Yakima Valley; one of them being "in western Washington in Kitsap county. There along the shores of Puget Sound, grapes have grown satisfactorily for many years." The 1993 publication, "Touring the Washington Wine Country," which is published by the Washington Wine Commission states that, "Small vineyards flourish on Puget Sound's islands * * *" There are now over 50 acres of vineyards in the basin and 25 bonded wineries.

Boundaries

The boundaries of the Puget Sound viticultural area may be found on four 1:250,000 scale U.S.G.S. maps titled: Hoquiam, Washington (1974); Seattle, Washington (1974); Wenatchee, Washington (1971); Victoria, B.C., Can., Wash., U.S. (1974); one 1:25,000 scale map titled: Auburn, Washington (1983); and three 1:24,000 scale maps titled: Buckley, Washington (1993); Cumberland, Washington (1993); and Enumclaw, Washington (1993).

Paperwork Reduction Act

The provisions of the Paperwork Reduction Act of 1980, Public Law 96– 511, 44 U.S.C. Chapter 35, and its implementing regulations, 5 CFR Part 1320, do not apply to this rule because no requirement to collect information is proposed.

Regulatory Flexibility Act

It is hereby certified that this regulation will not have a significant impact on a substantial number of small entities. The establishment of a

viticultural area is neither an endorsement nor approval by ATF of the quality of wine produced in the area, but rather an identification of an area that is distinct from surrounding areas. ATF believes that the establishment of viticultural areas merely allows wineries to more accurately describe the origin of their wines to consumers, and helps consumers identify the wines they purchase. Thus, any benefit derived from the use of a viticultural area name is the result of the proprietor's own efforts and consumer acceptance of wines from that region.

Accordingly, a regulatory flexibility analysis is not required because this final rule is not expected (1) to have significant secondary, or incidental effects on a substantial number of small entities; or (2) to impose, or otherwise cause a significant increase in the reporting, recordkeeping, or other compliance burdens on a substantial number of small entities.

Executive Order 12866

It has been determined that this regulation is not a significant regulatory action because:

(1) It will not have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities;

(2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impact of entitlements, grants, user fees or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in Executive Order 12866.

Drafting Information

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List of Subjects in 27 CFR Part 9

Administrative practices and procedures, Consumer protection, Viticultural areas, and Wine

Authority and Issuance

Title 27, Code of Federal Regulations, Part 9, American Viticultural Areas, is to be amended as follows: