

submitting a maximum of 12 responses per year, with an estimated average reporting burden of 15 minutes per response;

(3) *A refund application form for persons who desire a refund of their assessments.* The estimated number of respondents completing this application is five, each submitting two responses per year, with an estimated average reporting burden of 15 minutes per response;

(4) *An importer reimbursement application for persons who import less than 200,000 pounds annually and desire to be reimbursed for assessments collected by the U.S. Customs Service.* The estimated number of respondents completing this application is 20, each submitting one response per year, with an estimated average reporting burden of 15 minutes per response;

(5) *An exemption application for persons who produce or import less than 200,000 pounds annually for fresh market to be exempt from assessments and recordkeeping requirements.* The estimated number of respondents completing this application is 600, each submitting one response per year, with an estimated average burden of 15 minutes per response;

(6) *A referendum ballot to be used not later than 30 months after assessments begin under the amended Order and periodically thereafter to indicate whether producers and importers favor continuance of the Order.* The estimated number of respondents completing this ballot is 85, each submitting one response approximately every five years, or an annual average of 10 respondents, with an estimated average reporting burden of 15 minutes per response;

(7) *A nominee background statement form for Board member and alternate positions.* Two nominees will be nominated for each open position on the Board. The estimated number of respondents completing this form is 28 during the first year of Order operations, and approximately eight per year thereafter, with an estimated average reporting burden of 30 minutes per response; and

(8) *A requirement to maintain records sufficient to verify reports submitted under the Order.* The estimated number of persons required to comply with this requirement is 70, each of whom will have an estimated annual burden of seven minutes.

#### Background

The 1990 Act was enacted on November 28, 1990, for the purpose of establishing an orderly procedure for the development and financing of an

effective and coordinated program of research, promotion, and consumer information to strengthen the domestic and foreign markets for limes. The Order required by the 1990 Act became effective on January 27, 1992 [57 FR 2985], after notice and comment rulemaking.

In March 1992 the Department conducted nomination meetings to nominate lime producers and importers for appointment to the Board. The Board members were appointed by the Secretary in September 1992, and the Board conducted its first meeting at the Department in Washington, DC in October 1992. During the course of this meeting, the Board and the Department concluded that a technical amendment was needed to cover seedless rather than seeded limes. Consequently, full implementation of the Order was delayed until the enactment of such technical amendment.

The 1993 Act contained the necessary technical amendment to cover seedless limes (*citrus latifolia*) rather than seeded limes (*citrus aurantifolia*) under the Order. The 1993 Act also provided for increasing the exemption level from less than 35,000 pounds annually to less than 200,000; terminating the initial Board; changing the size and composition of the Board; and delaying the initial referendum date.

A proposed rule published in the April 7, 1994, issue of the **Federal Register** [58 FR 3446] invited comments on amending the Order to reflect the provisions of the 1993 Act. The Act, as amended, revises the definition of the term "lime" from *citrus aurantifolia* to *citrus latifolia*; increases the exemption level from less than 35,000 pounds annually to less than 200,000; alters the size, composition, and term of office of the Board; and makes conforming changes.

The Department received one comment on the April 7 proposed rule. This comment was received from the California Association of Limegrowers. The commenter requested clarification on whether producers and importers subject to the Order will be required to pay an assessment on their total annual production or importation, or on the portion of their volume surpassing the exemption level of less than 200,000 pounds annually. In response to this comment, producers and importers of 200,000 pounds or more of limes annually will be required to pay assessments on their total annual production or importation.

This rule changes the definition of "lime" from *citrus aurantifolia* (seeded lime) to *citrus latifolia* (seedless lime) in § 1212.5 of the Order. Although the

intent of the Act was to cover seedless limes, the definition of "lime" in § 1953(6) of the 1990 Act applied only to seeded limes.

This rule increases the producer and importer exemption level from less than 35,000 pounds annually to less than 200,000 pounds annually. This revised exemption level was reached through industry consensus. Therefore, this rule changes references to 35,000 pounds in §§ 1212.65, 1212.68, and 1212.69 of the Order to 200,000 pounds. In addition, a new paragraph (d) has been added to § 1212.68 of the Order whereby exempt importers may obtain a refund of assessments collected by the U.S. Customs Service.

Moreover, this rule changes the size of the Board from 11 members to seven. The Board, prior to this action, was composed of seven producer members, three importer members, and their alternates. The public member position was vacant. This action decreases the number of producer members from seven to three, which more fairly reflects the current structure of the lime industry. Therefore, §§ 1212.30, 1212.32, and 1212.34 of the Order have been either amended or revised to make these changes in the Board's composition.

This rule also changes the Board's composition in § 1212.30(b) relative to representation of producer and importer members within the two districts established under the Order. District 1 includes the States east of the Mississippi River, Puerto Rico, and the District of Columbia. District 2 includes the States west of the Mississippi River. Prior to this action, the Order provided for six producer members and one importer member and their alternates from District 1, and one producer member and two importer members and their alternates from District 2. This action reduces the number of producer members from District 1 from six to two by amending and revising § 1212.30 of the Order.

Further, as a result of this allocation of Board membership, the realignment of districts or reapportionment of membership between Districts 1 and 2 on the basis of changes in production and importation is no longer necessary. Such realignment or reapportionment is inconsistent with the 1993 Act. Therefore, any references to such realignment or reapportionment have been removed from §§ 1212.18, 1212.30, and 1212.40 of the Order.

Reducing the size of the Board affects the requirements for a quorum and the number of trustees which will be designated if the program were to be terminated. Therefore, this action