

made in writing and must be signed (in a verifiable manner, *e.g.*, wet or digital signature) or attested to by the claimant or the claimant's representative. Relevant information may be submitted to OPM at any time following the initial submission of a claim to OPM and prior to OPM's decision on the claim. The claim must include the following:

(1) The identity of the claimant (see § 551.706(a)(2) regarding requesting confidentiality) and any designated representative, the agency employing the claimant during the claim period, the position (job title, series, and grade, or equivalent level) occupied by the claimant during the claim period, the current mailing address, email address, and telephone number of the claimant and any designated representative;

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(5) Evidence available to the claimant or the claimant's designated representative which supports the claim, including the identity, telephone number, and location of other individuals who may be able to provide information relating to the claim;

* * * * *

■ 4. Revise § 551.710 to read as follows:

§ 551.710 Procedures for submitting an FLSA claim.

(a) *Filing a claim.* An employee, or his or her authorized representative designated under § 551.704, seeking to file a claim or a request to reopen and reconsider under this part must use the eFile system available at <https://opmefile.opm.gov/hc/en-us>. Absent an approved exemption under paragraph (b)(7), OPM will not accept the filing of a claim, a request to reopen and reconsider evidence, or other supporting documents via electronic mail or postal mail.

(b) *Electronic filing (eFile) procedures.* (1) Each party and its representative(s) to a claim or request to reopen and reconsider must register as instructed by OPM on its website using a unique email address.

(2) Registration as an eFiler constitutes consent to accept electronic service of all documents, records, notices, and decisions filed by the agency, claimant, or issued by OPM. No party may electronically file any document with OPM or access a claim or a request to reopen and reconsider a claim unless registered as an eFiler.

(3) All notices, decisions, and other documents issued by OPM, as well as all documents filed by parties, will be made available for viewing and downloading at OPM's eFile system. Access to documents is limited to the parties and their representatives who

are registered eFilers in the cases in which they were filed.

(4) All parties and their representatives must follow the instructions on OPM's website for properly filing all claims, evidence, and other documents. OPM may strike a document where an eFiler repeatedly fails to follow these instructions following receipt of a show cause order.

(5) Each eFiler must promptly update his or her profile in OPM's eFile system. The eFile system will alert OPM and other parties of any change made to an address, telephone number, or email address in each pending case with which they are associated. eFilers are also responsible for monitoring case activity regularly in OPM's eFile system to ensure that they have received all case-related documents and updates.

(6) A party or representative may withdraw registration as an eFiler pursuant to the instructions posted on OPM's website. Withdrawing registration in OPM's eFile system means that, effective upon OPM's processing of a proper withdrawal, all filings, evidence, orders, and other documents filed by a party or party's representative and OPM will no longer be available to that person electronically and that person will no longer have electronic access to case records through OPM's eFile system. OPM may still process a claim or request to reopen and reconsider after a party or a party's representative withdraws as an eFiler. Withdrawal as a party or party's representative will not be considered good cause for staying a case.

(7) OPM, in its sole and exclusive discretion, may exempt a party or representative from registering as an eFiler. A party or representative must promptly contact OPM as instructed on OPM's website to request an exemption from the eFiling requirements in this part. OPM will not find good cause for failing to file a claim timely or seek to request to reopen and reconsider a decision if the party or representative fails to contact OPM to request an exemption before any deadline to file a claim or seek to request to reopen and reconsider.

(8) Documents filed in OPM's eFile system are deemed received on the date of the electronic submission. The party submitting the claim or any documents will receive acknowledgment of receipt of the claim and submission of any documents to support the claim.

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 82

[Doc. No. AMS-SC-26-0496]

RIN 0581-AE58

Clingstone Peach Diversion Program; Amendment of Program Regulations

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Interim final rule with request for comments.

SUMMARY: This interim final rule amends the regulatory requirements for the Clingstone Peach Diversion Program (Program). The Program is voluntary, consists of payments for peach tree removal, and is implemented under clause (3) of section 32 of the Agricultural Adjustment Act Amendment of 1935, as amended. The Program is expected to reestablish the purchasing power of clingstone peach growers by making payments to such growers to facilitate reductions in peach production capacity. This action will help to align the domestic supply of clingstone peaches with the market demand for those peaches and thus mitigate the economic effects of systemic oversupply. The parameters established herein will ensure that diversion under this Program is not part of a normal tree replacement cycle for orchard rejuvenation. This rule also announces the Agricultural Marketing Service's intention to request approval by the Office of Management and Budget of new information collection requirements necessary to implement the Program.

DATES: Effective August 3, 2026. Comments received by September 29, 2026 will be considered prior to issuance of a final rule.

ADDRESSES: Interested persons are invited to submit written comments concerning this rule. Comments can be sent to the Docket Clerk, Market Development Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250-0237. Comments can also be sent to the Docket Clerk electronically by email: MarketingOrderComment@usda.gov or via the internet at: <https://www.regulations.gov>. Comments should reference the document number and the date and page number of this issue of the **Federal Register**. Comments submitted in response to this rule will be included in the record, will be made available to the public, and can be

viewed at: <https://www.regulations.gov>. Please be advised that comments are posted to [regulations.gov](https://www.regulations.gov) without change.

FOR FURTHER INFORMATION CONTACT: Joshua Wilde, Marketing Specialist, or Barry Broadbent, Chief, Northwest Region Branch, Market Development Division, Specialty Crops Program, AMS, USDA; telephone: (503) 326-2724; or email: Joshua.R.Wilde@usda.gov or Barry.Broadbent@usda.gov.

SUPPLEMENTARY INFORMATION: This action, pursuant to 5 U.S.C. 553, amends the regulatory provisions under the Clingstone Peach Diversion Program (7 CFR part 82). This rule is issued under the Agricultural Adjustment Act Amendment of 1935, as amended (Act) (7 U.S.C. 612c). This action has been determined to be non-significant and therefore was not reviewed by the Office of Management and Budget (OMB) under the review process required by Executive Order 12866. The annual effect of this rule on the economy will be below the \$100 million threshold for mandatory review established in the Executive Order. Additionally, this action is exempt from the requirements of Executive Order 14192, "Unleashing Prosperity Through Deregulation," as, pursuant to section (1), this interim rule amends an existing regulation and does not promulgate any new regulation. Further, the amended regulation will be voluntary, and the prospective regulated parties will be free to determine if, and to what extent, they wish to participate, thus aligning with the intent of the Executive Order.

This rule has been reviewed under Executive Order 13175, "Consultation and Coordination with Indian Tribal Governments," which requires Federal agencies to consider whether their rulemaking actions would have Tribal implications. The Agricultural Marketing Service (AMS) has determined 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 rule has been reviewed under Executive Order 12988, "Civil Justice Reform." This rule is not intended to have a retroactive effect.

Authority for a Diversion Program

Programs to reestablish the purchasing power of U.S. farmers are authorized by clause (3) of section 32 of the Act, hereinafter referred to as "Section 32." (7 U.S.C. 612c). Section 32 authorizes USDA to reestablish

farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. Section 32 also authorizes USDA to use funds at such times, and in such manner, and in such amounts, as USDA finds will effectuate substantial accomplishments of any one or more of the purposes of the section. USDA's determinations as to what constitutes normal production for domestic consumption shall be final.

The diversion Program as reestablished herein is expected to incentivize clingstone peach growers to voluntarily reduce excess production capacity through the removal of clingstone peach trees. The Program is intended to reestablish the purchasing power of California clingstone peach growers who have suffered from systemic overproduction and low commodity prices. Those negative economic conditions are the result of declining demand for canned peaches over the past two decades and increasing competition in the domestic market from imported canned peaches. Economic conditions in the domestic clingstone peach industry were further challenged in 2025 by the closure of a canned fruit processing facility in California, leaving only one cooperatively owned peach canning company, operating two processing facilities, in the state.

Need for a Diversion Program

Domestic production of clingstone peaches is concentrated in California. Although there are more than 200 peach varieties, there are just two basic types: clingstone and freestone. Clingstone peaches—so named because their flesh "clings" to the stone, or pit—are almost exclusively canned due to their ability to retain flavor and textural consistency. Other relatively minor uses include frozen peaches, baby food, and fruit concentrate for juice. Freestone peaches—so named because their flesh is readily removed from the stone—are primarily produced for the fresh market, with secondary outlets including the frozen and dried fruit market.

Peaches are grown commercially in more than 20 states. The National Agricultural Statistics Service (NASS) reported that, in 2024, California produced about 75 percent of all types of peaches (clingstone and freestone) grown in the U.S. Other significant peach producing states, including South Carolina, Georgia, Pennsylvania, New Jersey, and Colorado, had a combined production of a little more than 24 percent of the U.S. total. NASS reports that U.S. production of processed

clingstone peaches totaled approximately 312,650 tons in 2024. Of this total, 299,170 tons, or 96 percent, were produced in California.

Globally, China and Greece are the world's top producers of canned peaches and have been the largest exporters to the U.S. According to the Foreign Agricultural Service (FAS), the U.S. has imported an average of approximately 53,000 tons of canned peaches from Greece per year over the last three years, followed closely by China with an average of 50,000 tons. Thailand, Chile, Spain, and South Africa are other top exporters to the U.S., each averaging between 2,500 tons to 5,500 tons of canned peaches per year since 2023.

Since the 1990s, domestic canned peach production has been declining, with NASS reporting that California clingstone peach production has fallen from 530,000 tons in 2004 to 228,250 tons in 2025. Once a net exporter of canned peaches, the U.S. has been a net importer for the past several decades as production has increasingly moved offshore. This increased reliance on imports is due to several factors, including high domestic labor and other input costs, subsidized over-production in competing countries, unfavorable exchange rates, and unfair, non-reciprocal trade practices. Labor costs, which account for more than two-thirds of a grower's direct production costs, as well as the costs of energy, chemicals, fertilizer, and equipment have climbed dramatically over the last few years. Producer prices have not kept pace with these increased costs.

The increased consumption of imported canned peaches has contributed to a significant consolidation of the domestic canned peach industry in California. Between 2005 and 2022, the number of growers declined from about 700 to approximately 450, according to the latest figures published by NASS. In addition, many of California's domestic fruit canning operations were permanently closed over that period. In the 1980s, there were 11 processors of canned peaches across the state. In 2000, the largest processor of clingstone peaches at the time, Tri-Valley Growers, declared bankruptcy and closed its eight canning facilities. The industry saw additional consolidation in the 2010s with the closure of Del Monte Foods' Kingsburg, CA plant in 2012 and Seneca Foods' Modesto, CA plant in 2018. Most recently, on July 1, 2025, Del Monte Foods declared bankruptcy and announced plans to close its sole remaining California cannery, leaving only a single processor entity, Pacific

Coast Producers (PCP), operating two processing facilities in the state.

As a result of these conditions, bearing acres of clingstone peaches in California have declined from an estimated 19,900 acres in 2014 to an estimated 13,300 acres in 2025. However, due in large part to 20-year peach contracts being offered by Del Monte Foods pre-bankruptcy, farmers planted more than 4,300 new acres of clingstone peach trees between 2023 and 2025. While some of this new acreage has been offset with concurrent acreage reductions elsewhere, the California Canning Peach Association (CCPA) estimates that, without extraordinary measures, bearing acres may increase to about 15,500 acres by 2028. The recent closure of the Del Monte Foods processing plant in Modesto, CA has greatly impaired the industry's ability to process all of the established clingstone peach production, leaving many growers without a market for their excess supply.

Once planted, clingstone peach trees take three years to produce fruit in commercial quantities. Once a peach grower has committed funds to the planting and maintenance of an orchard, it is difficult to reverse those decisions and recoup the costs. Because supply is slow to adjust to changing market conditions, without some remedial action the industry anticipates many years of canning peach production outpacing the demand for canned peaches, resulting in a continuation, if not a worsening, of disruptive market conditions.

As such, CCPA requested a diversion program on behalf of the clingstone peach growers to bring the supply and demand balance back to the industry. Established in 1922, CCPA is a nonprofit cooperative bargaining association, owned and directed by its member growers. CCPA negotiates an annual grower price and otherwise acts on behalf of its roughly 300 grower members, who collectively produce approximately 85 percent of the clingstone peaches grown in California.

Industry Self-Help Initiatives

The California clingstone peach industry has taken several steps to deal with its oversupply issues. The industry sponsored a diversion program in the spring of 2005, resulting in the removal of trees from approximately 2,000 acres. CCPA has also initiated and helped fund other efforts to aid the industry, including: research projects aimed at reducing the cost of production, export incentive programs to increase the volume of peach exports, and

encouraging its growers to limit new plantings to better align supply with demand. However, despite the industry's efforts to mitigate its systemic supply and demand imbalance, production of clingstone peaches continues to be well in excess of normal market needs.

Following the bankruptcy of Del Monte Foods, the company formally rejected all CCPA peach contracts for 2026 and future years, leaving over 5,600 acres of peaches—many recently planted—without a processor contract and without any viable alternative market outlets. The Program, wholly consisting of a reduction in peach production capacity through the removal of peach trees, will provide relief to the peach growers who have been harmed by the contraction of the domestic peach canning industry and will assist the industry in achieving a more balanced supply-demand situation in both the short- and long-term.

Tree Diversion Program

On January 13, 2026, the California clingstone peach industry requested \$9 million in Federal funds, inclusive of administrative costs, to reestablish the Clingstone Peach Diversion Program—a voluntary tree removal program initially implemented in 2005 (70 FR 67306, November 4, 2005). CCPA has pledged an additional \$1.5 million of their funds to augment the Federal funds when the Program is effectuated.

Under the parameters of the Program, the industry expects that at least 3,000 bearing acres of clingstone peach trees will be removed, or approximately 22 percent of the 13,900 acres currently in production. To be eligible for the Program, growers must have had verifiable commercial production under a processor contract for deliveries during the 2025 crop year, with some exceptions for young trees. Non-bearing acres and orchards that have been abandoned, previously removed, or which the land is slated to be sold for commercial purposes—such as shopping centers or housing developments—will not be eligible for participation, except under certain conditions. Orchards which were contracted with a processor for crop year 2025, but which were removed on or after October 1, 2025, following the termination or rejection of such contracts due to the bankruptcy of the processor, may be eligible for reimbursement, provided that both production and tree removal can be verified and the applicant meets all other Program terms and conditions. However, growers who delivered their 2025 clingstone peach crop to a

cooperative processor, and subsequently divested their cooperative processor membership rights, will not be eligible to participate in the Program or receive compensation for removal of their clingstone peach trees.

The Program will be jointly administered by AMS and CCPA under a cooperative agreement. Any California clingstone peach grower wishing to participate in the Program will be required to file an application with CCPA on a form, "Application for Clingstone Peach Diversion Program," approved by OMB. The application period will begin on Monday, August 3, 2026, following publication of this rule announcing the terms and conditions of the Program. Applications will be accepted for 30 days on a rolling basis and will be approved in the order of receipt on a first-come, first-served basis, until either the 30-day period has elapsed or the \$9 million of AMS funds are fully allocated.

Each applicant will be required to provide the information needed by AMS and CCPA to administer the Program, including, but not limited to, the location of the orchard from which trees will be removed, the total acreage to be removed, and the tonnage that was harvested from the applicable acreage in 2025. Following OMB approval, the necessary information will be collected on an application form titled, "Application for Clingstone Peach Diversion Program." Applicants must provide a Tax Identification Number (TIN) or Social Security Number (SSN), as well as a System for Award Management Unique Entity Identifier number (SAM UEI), to be eligible to participate or receive a diversion payment under the Program. SAM UEI numbers are assigned to growers after registering with the Federal Government via the [SAM.gov](https://www.sam.gov) website. Applicants will also certify that no tonnage has been, or will be, harvested in the 2026 crop year, that all equity holders in the participating acreage consent to the filing of the application, and that the land has not been, and will not be, sold for commercial development. Further, the applicant must agree not to replant clingstone peach trees on the same acreage for 10 years after the trees are removed, with consequences for non-compliance. CCPA will review each application for completeness and make every reasonable effort to contact growers to obtain any missing information prior to administrative rejection of the application.

Each approved applicant will be notified of their eligibility by CCPA on another form, "Notification of Clingstone Peach Tree Removal," a form

also to be approved by OMB. Once tree removal is completed, the approved grower will be required to fill out a portion of the "Notification" form, certifying to CCPA and AMS that they removed the clingstone peach trees as agreed and the date of such removal, and verifying the correct grower contact and identification information (TIN or SSN, as well as SAM UEI). The remainder of the form will be completed by a CCPA staff member. The staff member will verify that the approved block of clingstone peach trees has been removed, list the equivalent 2025 tonnage removed from production, and indicate the total amount of money due to the grower. The AMS-funded payment to growers will be made via a Federal Government payment system. Growers will need to register their business entity (or entities) with the Federal Government as directed on the application form to receive payment. There will not be an alternative mechanism to pay growers outside of the designated payment system.

Under the Program, growers will be paid \$175 per ton (\$150 per ton from AMS and \$25 per ton pledged from CCPA) based on their verifiable 2025 peach production from the acreage committed to the tree diversion program, provided that payments will not exceed \$4,000 per acre (AMS and CCPA total). In addition, payments under the Program will not be less than \$1,500 per acre (AMS and CCPA total), allowing some compensation for trees removed from acreage that have not yet achieved full production but otherwise meet all of the other Program conditions.

AMS will pay growers \$150 per verifiable ton, subject to the aforementioned minimum and maximum amounts, via a Federal Government payment system. CCPA has pledged to pay growers an additional \$25 per verifiable ton. All CCPA payments to growers will be made independent of the Government payment system. AMS has no authority to mandate or effectuate the CCPA pledge, and payments to growers, if made, will be made directly from CCPA to the growers, under such terms and methods as CCPA establishes.

To be eligible for the Program, trees must currently be bearing or be young trees of pre-bearing age that were planted under a contract. Dead trees, or previously abandoned orchards, will not be eligible to participate. Trees will have to be removed no later than 60 days following the date of approval by CCPA.

Growers who participate in the Program and subsequently replant

clingstone peach trees in the same location within the 10-year period following removal of the trees will be required to refund all payments received to USDA, plus interest, on the replanted acreage. Because it takes new trees at least three years to be commercially productive, this provision will effectively remove the acreage covered under the Program from the commercial production of clingstone peaches for at least 13 years.

As previously stated, the Program is expected to reduce California clingstone peach acreage by at least 3,000 acres. Based on the most recent 3-year industry average annual clingstone peach yield of 16.6 tons per acre, removal of trees from 3,000 acres could reduce annual canned peach production by approximately 50,000 tons. The decrease in production from this one-time diversion program will help align supply of clingstone peaches with demand into the future while still ensuring that the market is adequately supplied. In addition, the Program will provide the clingstone peach industry with the economic opportunity to concentrate its efforts on rebuilding canned peach demand instead of coping with issues related to oversupply.

As noted earlier, AMS will provide \$9 million to fund the Program, inclusive of administrative costs, with CCPA pledging an additional \$1.5 million to be administered separately by CCPA. Applications will be approved until the allocated AMS and CCPA funds have been committed, or the 30-day application period has elapsed, whichever comes first. Each participating grower will have no more than 60 days following the date of approval by CCPA.

Based on the provisions of the Program, total payments to growers (both AMS and CCPA commitments) will range from \$1,500 to \$4,000 per acre, which is expected to cover most of the costs of removing the trees, as well as preparing the land for other uses. Under the Program parameters, even if a grower had a yield greater than 22.9 tons per acre on the acreage committed for removal, the payment to the grower will not exceed the maximum of \$4,000 per acre (\$3,429 from AMS funds and up to \$571 from CCPA) as provided by this rule. Conversely, if a selected block of land had a 2025 yield of 8.6 tons per acre or less, or the acreage had not achieved maturity (young trees less than four years old which did not produce enough fruit to warrant harvesting), the grower will receive the minimum of \$1,500 per acre (\$1,286 from AMS funds and up to \$214 from CCPA). The \$175 per ton payment, as well as the upper

and lower limits to the amount paid per acre, are considered necessary to help ensure that enough growers participate in the Program to achieve the stated goals. The costs of tree removal relative to participating in the Program may vary depending on the number of acres removed. Some cost savings may accrue to growers when larger blocks of acreage are removed under the Program.

According to CCPA, the estimated cost of tree removal, inclusive of the removal of roots and associated debris, field leveling and tilling, fumigation applications, and weed suppression management, are estimated to be approximately \$2,800 per acre. As such, the \$1,500–\$4,000 per acre total payment authorized under the Program is expected to offset a significant portion of the cost associated with tree removal for a qualified grower participant. A participating grower's ability to plant alternative crops on the cleared acreage is considered an additional option that may help offset the cost of the Program. Grafting another type of tree, other than a clingstone peach tree, onto the remaining rootstock after the removal of the clingstone peach tree trunks will also be allowed under the Program, further expanding the commercial options for participating growers.

The current economic conditions within the industry, specifically weak demand, reduced per capita consumption of peaches, stagnant domestic shipments and exports, increasing low-priced imports, and declining grower prices and revenues are expected to limit the incentives for replanting acreage to clingstone peach trees in the near future, thus contributing to the justification of this Program.

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 rule on small entities. Accordingly, AMS has prepared this initial regulatory flexibility analysis. The purpose of the RFA is to fit regulatory actions to the scale of business subject to actions in order that small businesses will not be unduly or disproportionately burdened.

At the time this analysis was prepared, the Small Business Administration (SBA) defined small agricultural producers of clingstone peaches as those having annual receipts equal to or less than \$3,500,000 (NAICS code 111339, Other Noncitrus Fruit Farming). Meanwhile, small agricultural service firms are defined as those having annual receipts of equal to or less than \$34,000,000 (NAICS code 115114,

Postharvest Crop Activities) (13 CFR 121.201).

In the 2022 Census of Agriculture, NASS reported a total of 468 clingstone peach producing farm operations in California, with 14,142 total acres. To calculate the number of small growers that meet the SBA definition of annual receipts equal to or less than \$3.5 million, the amount of acreage required to produce the volume of peaches at an average price to reach \$3.5 million must be estimated. For that purpose, NASS price and yield data for 2024 is the most recent available.

For 2024, the average California price for clingstone peaches was \$0.314 per pound (\$628 per ton) and clingstone peach average yield was reported at 33,200 pounds (16.6 tons) per acre. These figures are utilized to estimate the amount of acreage required to produce the volume of clingstone peaches to reach the SBA threshold of \$3.5 million. To generate \$3.5 million in annual receipts, at an average grower price of \$0.314 per pound, a grower would need to produce 11,146,497 pounds of clingstone peaches (\$3.5 million divided by \$0.314 per pound equals 11,146,497 pounds). Given an average production of 33,200 pounds per acre, approximately 336 acres would be required for a clingstone peach grower to achieve \$3.5 million in annual receipts (11,146,497 pounds divided by 33,200 pounds per acre equals 335.74 acres).

According to the 2022 Census, the number of clingstone peach acres harvested in California was 14,142 acres. Dividing the number of clingstone peach acres (14,142) by the estimated number of clingstone peach growers (468) yields average acres per farm of approximately 30.2 acres, which is considerably below the estimated 336 acres required per grower to generate \$3.5 million in sales. Thus, the majority of the 468 clingstone peach farms counted in California by the 2022 Census may be considered small entities by the SBA standard.

NASS data also show the total value of utilized clingstone peach production was \$144.3 million in 2024. Given that there were only two clingstone peach processing entities in operation in California in 2024, and that only one entity is currently in operation in the state, a reasonable assumption would be that the one remaining clingstone peach processor would be considered a large entity based on the SBA definition of having annual receipts of equal to or less than \$34 million.

This rule reestablishes provisions under the clingstone peach diversion program (7 CFR 82) for the 2026 to 2036

period. Authority for the Program is provided in clause (3) of section 32 of the Act. Participation in the Program is voluntary, so individual growers, both large and small, can weigh the benefits and costs of the Program before deciding whether to participate.

Economic Assessment of the Diversion Program

To assess the potential impact that the Program could have on prices growers receive for their product, two potential options were considered: Abandonment, and continued production. Projected grower prices and inventories were calculated assuming the implementation of the Program and comparisons were then drawn between the potential economic benefits and costs of this implementation and the status quo alternative were no such Program implemented.

The analysis assumes that approximately 3,000 acres of clingstone peach orchards will be removed through the Program. Considering all factors, this is expected to result in the reduction of bearing acreage from 13,261 in 2025 to approximately 11,000 acres by 2028. That estimate is derived by taking the 2025 crop year bearing acreage of 13,261, subtracting the Program acreage (3,000 acres), adding in recently established acreage that was previously under contract and is expected to begin bearing fruit in crop year 2028 (2,000 acres), and removing additional acreage that is expected to be taken out of production by growers outside of the Program (1,261 acres) (13,261 current acres minus 3,000 tree pull acres plus 2,000 acres of new bearing trees minus 1,261 acres removed outside of the Program equals approximately 11,000 acres of bearing clingstone peaches in crop year 2028).

Under the Program provisions reestablished herein, acreage is estimated to be reduced to 11,000 acres in 2028. It is assumed that there will be no economic incentive to plant clingstone peach trees outside of the Program, given the expected market outlook, that might add to that acreage estimate. Further, demand for clingstone peaches is estimated to be equal to what can be produced on 11,000 acres moving forward, potentially creating supply and demand equilibrium.

Prior to its bankruptcy filing in July 2025, Del Monte Foods had contracted 4,650 acres of clingstone peaches for canning. Using 2024 yield data from NASS of 16.6 tons per acre, and \$628 price per ton, the total value of production delivered to Del Monte may be estimated at \$48,475,320 (4,650 acres times 16.6 tons per acres times \$628 per

ton equals \$48,475,320 total value of production).

In 2017, the University of California, Davis (UC Davis) published a cost of production study for clingstone peaches. UC Davis is currently working on an updated study considering the recent increase in cost of inputs, however, that study is not yet available as of the publication of this rule. Based on the 2017 UC Davis study, the cost of production per acre of clingstone peaches is \$8,825. Using this per acre cost of production estimate, the cost of production for the 4,650 acres contracted by Del Monte Foods may be estimated at \$41,036,250 (\$8,825 per acre times 4,650 acres equals \$41,036,250). Using the estimated total value of production (\$48,475,320) and estimated total cost of production (\$41,036,250), total calculated returns to growers using that data would have been approximately \$7,439,070 (\$48,475,320 minus \$41,036,250), or nearly \$1,600 per acre (\$7,439,070 total returns divided by 4,650 acres equals \$1,599.80 return per acre).

The bankruptcy of Del Monte Foods leaves only one buyer of California clingstone peaches for canning, Pacific Coast Producers (PCP), which is cooperatively owned by growers. CCPA reports that PCP has contracted 10,400 acres of clingstone peaches for 2026 from both its members and independent growers. The 10,400 contracted acres is the maximum that PCP can process through its two canning facilities. Based on CCPA estimated total number of acres at the beginning of 2026, that will leave approximately 3,500 acres of clingstone peach production with no buyers without intervention (13,900 total acres of clingstone peaches minus 10,400 PCP contracted acres equals 3,500 acres).

Prior to its bankruptcy, Del Monte Foods had contracted with growers to plant additional acreage of clingstone peaches in the hopes of expanding production. CCPA has indicated that there are an additional 1,400 acres of clingstone peaches that have not reached full production to date. Total acreage of clingstone peaches incurring costs but without contracts is estimated to be 4,900 acres (3,500 acres in production plus 1,400 acres planted not in production equals 4,900 acres).

Clingstone peach growers without a contract may face difficulty finding a buyer for their peaches. According to NASS, the 2022–2024 three-year average of the total production of clingstone peaches sold in the fresh market was less than one percent. With so many clingstone peach acres without a processor contract for 2026, prices are

expected to decrease significantly for any alternative market outlet for such peaches due to oversaturation of the market.

Additionally, in October 2025, California's Assembly Bill 732 (AB 732) became effective, which authorizes county agricultural commissioners to penalize owners of neglected or abandoned orchards that become public nuisances, such as breeding environments for pests or diseases. Under AB 732, if landowners are found to have neglected or abandoned their orchards, landowners can face fines of \$500 to \$1,000 per acre.

In considering the potential economic environment for clingstone peaches without a tree pull program, AMS reviewed two possible options that growers without contracts may consider for the 2026 crop year; (1) abandonment of peach orchards, and (2) producing clingstone peaches without a processor contract. Analysis of the two options follows:

Option 1: Abandonment

Growers decide to abandon their clingstone peach orchards. Abandonment would result in the smallest economic cost/loss to the growers as growers would not incur any variable production costs, but there would still be fixed costs and fees associated with owning the land such as taxes and insurance. UC Davis estimates those fixed costs at \$298 per acre. Factoring in that AB 732 can fine growers \$500 to \$1,000 per acre for neglecting or abandoning their orchards, growers may incur a loss of between \$798 to \$1,298 per acre (\$275 property tax plus \$23 property insurance equals \$298 cost per acre; add \$500 AB 732 fine equals \$798 total cost per acre or \$1,000 AB 732 fine equals \$1,298 total cost per acre).

Therefore, the total industry cost/loss of Option 1 could range from a lower bound estimate of \$3,910,200 (\$798 total cost per acre times 4,900 acres equals \$3,910,200 total loss) to \$6,360,200 (\$1,298 total cost per acre times 4,900 acres equals \$6,360,200 total loss).

Option 2: Continued Production

Growers decide to continue to produce clingstone peaches. This option would most likely result in the largest loss to the growers. Growers would incur the full cost of production (\$8,825 per acre) with limited market options. That cost could be reduced if the fruit was produced but not subsequently harvested (reduced by the \$1,627 harvest cost). Assuming insignificant returns from possible sales, and most fruit abandoned, Option 2 could have

the potential for a total industry loss of \$35,270,200 (\$8,825 cost of production per acre minus \$1,627 cost of harvest equals \$7,198 cost of non-producing acres times 4,900 acres equals \$35,270,200 total industry loss).

The economic effect of the Program, on a per acre basis, is expected to dramatically reduce losses and bring grower returns closer to a break-even level. With the level of imports anticipated to continue to increase, and with the level of exports and domestic demand anticipated to continue to decrease, it is assumed that there will not be an economic incentive to expand production after implementation of the Program. It will remain up to the growers to control costs and to expand demand to ensure their longer-term economic stability.

In addition to the direct impact a tree removal program is expected to have on grower price and revenue, there are other indirect impacts. By design, a tree pull program assists an over-supplied industry by decreasing the volume of fruit that is produced. Without a tree removal program, large quantities of clingstone peaches could continue to be produced, and even harvested, but may not be utilized by processors. Growers would have to cover the total cost of production, harvest, and transportation, but would likely only receive payments on fruit that is actually canned. Further, in an attempt to sell the excessive inventories, packers might reduce wholesale prices, which in turn leads to market share battles and lower prices being passed back to growers. A more balanced supply and demand situation will allow growers and packers to jointly continue developing markets in ways that benefit the entire industry.

Costs and Benefits of the Program

CCPA projects the cost of removing a clingstone peach tree is \$20, or approximately \$2,800 per acre. The cost estimate excludes the establishment of a new irrigation system (if necessary for alternative crops) and the cost of establishing an alternative crop. The projected cost to remove 3,000 acres of clingstone peaches is \$8.4 million (3,000 acres times \$2,800 removal cost per acre equals \$8.4 million).

Economic assessment of the Program indicates that it is expected to benefit growers (particularly small, under-capitalized growers), processors, and others associated with the clingstone peach industry. The Program is expected to remove 3,000 or more acres of clingstone peach production. At that level, CCPA projects that growers will be paid approximately \$8,715,000 in total (3,000 acres times 16.6 yield per

ton times \$175 per ton equals \$8,715,000), which should cover the majority of the growers' tree removal expense.

Administrative Cost of the Program

The major direct cost of the Program will be the payment to growers for removing their clingstone peach trees. A total of \$9 million, less the costs associated with local administration of the Program by CCPA, will be made available by AMS for the Program. Administrative costs for reviewing applications and verifying tree removal are expected to be about \$125,000. Major expense categories for administration of the Program include costs for salaries and benefits, vehicle rental and maintenance, and insurance, overhead, and supplies.

Total grower costs associated with the completion of the Program applications, payment requests, and record maintenance for the period specified after tree removal are expected to be about \$2,327.

Overall Assessment of the Program

Payments made under this Program will help California clingstone peach growers by addressing the oversupply problem that is adversely impacting their industry. Reestablishing the peach tree diversion Program is expected to reduce excess supply more quickly than if the industry relied on market forces alone. While market forces could also result in supplies being reduced, such an adjustment may occur more slowly, with resultant economic hardships for growers and processors. In addition, the Program may be beneficial in reducing the risk of loan default for lenders that financed clingstone peach growers and could also help small, under-capitalized growers stay in business. Such small growers are often efficient, but do not have adequate resources to continue to operate given the current depressed conditions within their industry.

The total cost for the Program will be \$10.5 million (\$9 million provided by AMS and \$1.5 million pledged by the industry) with the bulk of those funds to be paid to growers, and a small amount going to CCPA for reimbursement of administrative costs. Additionally, the aggregate total cost to all growers is an estimated \$2,327 for compliance with the application and record-keeping requirements of the program.

The estimated average benefit to growers available under the Program to compensate for tree removal is a total of \$2,607 per acre. This is calculated by determining the difference between the Program payment per acre and the

growers fixed cost per acre (\$175 per ton times 16.6 yield per ton equals \$2,905 per acre Program payment; \$275 property tax per acre plus \$23 property insurance per acre equals \$298 grower fixed costs per acre) (\$2,905 minus \$298 equals \$2,607). The Program is expected to result in a benefit for the growers who participate in the program, assuming no additional variable costs are incurred, and help offset the costs associated with tree removal. While the Program is not expected to generate positive net returns for growers in the short run, the long-term viability of the industry will be strengthened under the Program.

This cost calculation assumes that the acreage on which trees are removed remains idle, and that growers will therefore absorb all fixed costs on that acreage. To the extent that the land is put to other productive uses, growers will not be absorbing all fixed costs of producing clingstone peaches, and grower benefits will be higher. If growers could earn more income from alternative crops, it follows that processors would be forced to pay more to obtain the peaches from the growers. These higher costs could be passed on to consumers through higher retail prices or could be absorbed as reduced operating margins for processors, wholesalers, or retailers. Adjustments in retail prices, as well as retailer and processor margins, are anticipated to change with or without the Program.

Another cost of the Program is the reduced economic activity due to the growers purchasing fewer inputs (labor, chemicals, etc.) because of the reduction in the number of clingstone peach acres managed and harvested. Farm laborers and agricultural supply firms such as chemical manufacturers and distributors could realize less revenue because of the reduced need for their services and goods. To the extent that acreage removed may be replanted to alternative crops, the costs associated with removal could be offset by purchases of labor and supplies to produce such alternative crops. However, the total cost of the Program is difficult to quantify and is not included in this analysis.

Conclusion

Based on all available information, USDA has determined that there is a systemic surplus of clingstone peaches in the market, there is excess clingstone peach production capacity, and reestablishment of growers' purchasing power will be encouraged by using section 32 funds to reduce clingstone peach production capacity under this Program. USDA has further determined that the Program, as reestablished

herein, will be a long-term solution to the perpetual oversupply situation that exists in the clingstone peach industry and will provide financial relief to growers.

Each grower participating in the Program will be required to agree to not replant clingstone peaches on the land from which the trees were removed for 10 years following the date the trees are removed. The grower's commitment to not replant peach trees on the Program approved land is a guarantee by the participant that no one (and not just the participant) will replant the land to clingstone peaches for the agreement period. Only those persons who are current owners of the land, and have not contracted to sell the land, will be eligible to participate in the Program. Participating growers must guarantee that they have not made prior arrangements to sell the land, or to remove the trees from the land but retain ownership for non-agricultural commercial purposes like shopping centers, housing developments, or similar purposes. Inclusion of such non-agricultural land in the Program will not serve the expressed purposes of the Program.

A 60-day comment period is provided to allow interested persons the opportunity to respond to this interim rule, including any regulatory and informational impacts of this action on small businesses. This interim rule will have immediate effect so that those clingstone peach growers who choose to participate in the Program can implement individual tree removal plans in a timely manner and can plant alternative crops, if they so choose, on the acreage where peach trees are to be removed within the 2026 crop year. The Program is voluntary in nature and there is not any regulatory burden associated with this rule. All written comments received within the comment period will be considered before a final determination is made on this matter.

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 interim rule.

After consideration of all relevant material presented, including the information and recommendations submitted and other available information, AMS has determined that this interim rule is consistent with, and will tend to effectuate the purposes of, the Act.

Good Cause Analysis

Pursuant to 5 U.S.C. 553, it is also found and determined upon good cause that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice prior to putting this rule into effect and that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register**. This rule makes funds available to producers that will facilitate the removal of clingstone peach trees to reduce canning peach production. Participation in the Program is voluntary, has no regulatory effect, and was re-established following a request from the clingstone peach industry.

It is necessary for this rule to be immediately effective due to the peach growing season. Clingstone peach growers, who are under severe downward economic pressure due to chronic oversupply, are currently making decisions regarding their peach production and alternative cropping plans. The availability of this diversion program will materially influence those decisions. The cropping season in the production area has already started, and any delay in implementing the Program could limit the options that producers have at their disposal and may negatively impact economic outcomes, as has already been evidenced by the series of cannery closures over the last fifteen years. Further, clingstone peach growers are not only aware of this action but have requested it and are anticipating its enactment. Finally, this rule provides a 60-day comment period and any comments received will be considered prior to finalization of this rule.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), AMS will request OMB approval of the collection of information under the USDA Generic Solution for Solicitation for Funding Opportunity Announcements—OMB form number 0503–0028. This information collection is a generic collection used by USDA for one time funding opportunity announcements. Since the agency does not need to collect new information, such as progress reports, beyond the expiration of this generic information collection, set to expire October 2027, there is no need to submit a regular generic information package.

List of Subjects in 7 CFR Part 82

Administrative practice and procedures, Agriculture, Peaches, Reporting and record keeping

requirements, Surplus agricultural commodities.

For the reasons set forth in the preamble, AMS amends 7 CFR part 82 as follows:

PART 82—CLINGSTONE PEACH DIVERSION PROGRAM

■ 1. The authority citation for part 82 continues to read as follows:

Authority: 7 U.S.C. 612c.

■ 2. Revise and republish § 82.2 to read as follows:

§ 82.2 Administration.

The Clingstone Peach Diversion Program will be administered under the general direction and supervision of the Deputy Administrator, Specialty Crops Program, Agricultural Marketing Service, United States Department of Agriculture, and will be implemented in cooperation with the California Canning Peach Association (CCPA). CCPA, or its authorized representative, does not have authority to modify or waive any of the provisions of this subpart. The Administrator or delegatee, in the Administrator's or delegatee's sole discretion, may modify deadlines to serve the goals of the Program. In all cases, payments under this part are subject to the availability of funds.

■ 3. Amend § 82.3 by:

■ a. Removing the paragraph designations;

■ b. Revising the definition of "Application";

■ c. Removing the definition of "Calendar year";

■ d. Revising the definition of "Diversion" and "Grower";

■ e. Adding definitions for "Notification" and "Program" in alphabetical order;

■ f. Revising the definition "Removal or removed"; and

■ g. Adding a definition for "USDA" in alphabetical order.

The additions and revisions read as follows:

§ 82.3 Definitions.

For the purpose of this part, the terms shall have the following meaning:

* * * * *

Application means the "Application for Clingstone Peach Diversion Program" form as approved by the Office of Management and Budget (OMB).

* * * * *

Diversion means the removal of clingstone peach trees in accordance with Program parameters as defined by this part.

Grower means an individual, partnership, association, or corporation

who grows clingstone peaches for canning.

Notification means the "Notification of Clingstone Peach Tree Removal" form approved by OMB.

Program means the Clingstone Peach Diversion Program as authorized by section 32 of the Agricultural Adjustment Act Amendment of 1935, as amended, and as established by this part.

Removal or removed means that the clingstone peach trees are no longer standing and capable of producing a clingstone peach crop. The grower can accomplish removal by any means the grower desires. Grafting another type of tree, other than a clingstone peach variety, to the rootstock remaining after the clingstone peach tree trunk has been removed will qualify as removal under this Program.

USDA means the United States Department of Agriculture.

■ 4. Revise § 82.4 to read as follows:

§ 82.4 Length of Program.

This Program is effective August 3, 2026, through May 31, 2036. Grower applications to participate in the Program will begin being accepted August 3, 2026, and will continue to be accepted until September 1, 2026. A grower diverting clingstone peaches by removing peach trees must complete the diversion no later than 60 days after the grower has been notified they are approved to participate in the Program.

■ 5. Revise § 82.5 to read as follows:

§ 82.5 General requirements.

(a) To be eligible for the Program, the trees to be removed must be clingstone peach type and be fruit-bearing, or non-bearing, immature trees that were planted under contract prior to July 1, 2025.

(b) Orchards that were not under contract with a processor for the 2025 crop, abandoned orchards, and dead trees will not qualify for participation.

(c) Growers who delivered their 2025 clingstone peach crop to a cooperative processor as a member of the cooperative, and subsequently divested their cooperative membership rights, will not be eligible to participate in the Program or receive compensation for removal of their clingstone peach trees.

(d) The block of trees considered for removal under the Program must be easily definable by separations from other blocks of similar but non-participating trees and contain at least 1,000 eligible trees or an entire orchard.

(e) Except as otherwise provided in paragraph (f) of this section, clingstone peach tree removal shall not take place until the grower has been informed, in

writing, that the grower's application has been approved. Growers will have 60 days after the notification date of Program approval to complete the diversion.

(f) Trees removed by a grower after October 1, 2025, but prior to the effective date of the Program, may be eligible for participation under the Program provided that:

(1) The orchard was contracted with a processor for delivery of clingstone peaches for crop year 2025;

(2) Such contract was subsequently rejected for 2026 and future crop year deliveries;

(3) 2025 crop year production can be verified;

(4) Tree removal can be verified; and

(5) The applicant meets all other Program terms and conditions.

(g) Non-bearing, immature orchards previously under contract with a processor may be eligible for the minimum payment under § 82.6(a) provided that:

(1) Trees were planted under a contractual agreement prior to July 1, 2025;

(2) Tree removal can be verified; and

(3) The applicant meets all other Program terms and conditions.

(h) Any grower participating in the Program must agree not to replant clingstone peach trees on the land cleared under the Program through May 31, 2036. Participants bear responsibility for ensuring that trees are not replanted, whether by themselves, by successors to the land, or by any other person, until after May 31, 2036. If trees are replanted before May 31, 2036, by any person or persons, participants must refund all USDA payments, with interest, made in connection with such participation in the Program.

(i) Any grower participating in the Program must certify that no 2026 crop year peach production has been, or will be, harvested or marketed from the acreage approved for participation in the Program.

■ 6. Revise § 82.6 to read as follows:

§ 82.6 Rate of payment; total payments.

(a) Applications to participate in the Program will be processed on a first-come, first-served basis. Approved growers will be paid \$150 per ton by AMS based on their verifiable 2025 crop year production of clingstone peaches from the block of clingstone peach trees removed under the Program, up to a maximum of \$3,429 per acre (up to \$4,000 per acre total including CCPA pledged funds). Regardless of verifiable 2025 production, approved growers will receive a minimum of \$1,286 per acre

from (up to \$1,500 per acre total including CCPA pledged funds).

(b) Grower payments, as described in paragraph (a) of this section, are limited to payments that will be made by AMS. Payments made to growers by AMS are exclusive of any amounts that may or may not be pledged to be paid, or are actually paid, by CCPA to growers who participate in the Program. AMS will not guarantee any payments that CCPA has pledged to pay to approved growers for clingstone peach tree removal in conjunction with the Program and will not be held liable for any non-performance of such promises made by CCPA.

(c) Payment under paragraph (a) of this section will only be made after tree removal has been verified by the CCPA staff.

(d) AMS payments to growers under the Program are intended to compensate such growers for the costs of tree removal. AMS will not make any other payments or concessions with respect to such removals other than the amount(s) stipulated in paragraph (a) of this section. The grower will be solely responsible for arranging, contracting, executing, and/or paying for the tree removal on the approved acreage.

(e) Total available funding under the Program is limited to \$9,000,000 of AMS funds. No additional expenditures shall be made unless the Administrator or delegatee, in their sole and exclusive discretion, shall, in writing, declare otherwise.

■ 7. Revise and republish § 82.7 to read as follows:

§ 82.7 Eligibility for payment.

(a) If total applications for payment do not exceed \$9,000,000, less the costs of administration, grower payments, as set forth in § 82.6, will be made under the Program to any grower of clingstone peaches who complies with the requirements in § 82.8 and all other terms and conditions in this part.

(b) If applications for participation in the Program authorized by this part exceed \$9,000,000, less administration costs, CCPA will approve the applications (subject to the requirements in § 82.8) in the order in which the completed applications are received in the CCPA office to the extent that funds are available. Applications received after total outlays exceed the amount of money available will be denied.

■ 8. Amend § 82.8 by revising paragraphs (b) through (e) to read as follows:

§ 82.8 Application and approval for participation.

* * * * *

(b) Applications for participation in the Program can be obtained from the CCPA office at 2600 River Plaza Drive, Suite 200, Sacramento, CA 95833; telephone: (916) 925-9131; email: treepull@calpeach.com.

(c) Any grower desiring to participate in the Program must file an application with CCPA prior to September 1, 2026. The application shall be accompanied by a copy of any two of the following four documents: Plot Map from the County Assessor Office; Irrigation Tax Bill; County Property Tax Bill; or any other documents containing an Assessor's Parcel Number. Such application shall include at least the following information:

(1) The name, address, telephone number, tax identification number or Social Security number of the grower, and System for Award Management Unique Entity Identifier Number (SAM UEI);

(2) The location and total acreage, or number of trees, to be diverted;

(3) The net acreage to be diverted;

(4) The 2025 clingstone peach production from the trees (not required for eligible immature, non-bearing trees);

(5) If the land with respect to which the clingstone peach trees will be removed is subject to a mortgage, statutory lien, or other equity interest, the grower must obtain from the holder of such interest a written statement that such party agrees to the enrollment of such land in the Program to the extent determined necessary by AMS. Obtaining such assent shall be the responsibility of the applicant who shall alone bear any responsibilities which may extend to such third parties;

(6) A statement that the applicant agrees to comply with all of the regulations established for the Program;

(7) The applicant shall sign the application certifying that the information contained in the application is true and correct; and

(8) The names of the processor(s) who were contracted to receive the clingstone peaches from the grower in 2025.

(d) CCPA shall review each application received by the deadline to determine whether all the required information has been provided and that the information is correct.

(e) After application reviews and confirmation of eligible trees are completed, CCPA shall notify each applicant, in writing, as to whether or not their application has been approved and the tonnage approved for payment

after removal. If an application is not approved, the notification shall specify the reason(s) for disapproval.

* * * * *

■ 9. Revise § 82.9 to read as follows:

§ 82.9 Inspection and certification of diversion.

Removal of clingstone peach trees under the Program must be completed within 60 days of receipt of the Notification of Clingstone Peach Tree Removal form. When the removal of the clingstone peach trees is complete, the grower will notify CCPA on the Notification of Clingstone Peach Tree Removal form provided by CCPA. CCPA will certify that the trees approved for removal from the acreage have been removed and notify AMS to release payment.

■ 10. Revise and republish § 82.10 to read as follows:

§ 82.10 Claim for payment.

To obtain payment for the trees removed, the grower must submit to CCPA by December 31, 2026, a completed Notification of Clingstone Peach Tree Removal form provided by CCPA. Such form shall include CCPA's certification that the qualifying trees from the acreage have been removed. AMS will then issue payment authorization to the grower in the amount of \$150 per eligible ton removed, or the amount consistent with the minimum and maximum payment per acre as specified in § 82.6. AMS has no authority over the issuance of payments made to growers by CCPA under the Program.

■ 11. Revise the introductory text of § 82.11 to read as follows:

§ 82.11 Compliance with Program provisions.

If AMS or CCPA determines that any provision(s) of this part have not been complied with by the grower, the grower will not be entitled to diversion payments in connection with tree removal. If a grower does not comply with all the terms of this part, including the requirement specified in § 82.5(h), the grower must refund any payment made in connection with the Program, and will also be liable for any other damages incurred as a result of such failure. AMS may deny any grower the right to participate in the Program or the right to receive payments in connection with any diversion previously made under the Program, or both, if AMS determines that:

* * * * *

■ 12. Revise and republish § 82.15 to read as follows:

§ 82.15 Appeals.

Any grower who is dissatisfied with a determination made pursuant to this part may make a request for reconsideration or appeal of such determination. The Deputy Administrator of the Specialty Crop Program shall establish the procedure for such appeals.

■ 13. Amend § 82.16 by:

■ a. Removing paragraph (e);

■ b. Redesignating paragraphs (f) and (g) as paragraphs (e) and (f), respectively; and

■ c. Revising and republishing newly redesignated paragraph (f).

The revision and republication read as follows:

§ 82.16 Refunds; joint and several liability.

* * * * *

(f) In the event that a benefit under this part was provided as the result of erroneous information provided by the grower, or was erroneously or improperly paid for any other reason, the benefit must be repaid with any applicable interest, subject to paragraphs (c) and (d) of this section.

Erin Morris,

Administrator, Agricultural Marketing Service.

[FR Doc. 2026–15525 Filed 7–30–26; 8:45 am]

BILLING CODE P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 71**

[Docket No. FAA–2026–2905; Airspace Docket No. 25–ANM–164]

RIN 2120–AA66

Amendment of United States Area Navigation Routes (RNAV) T–285 and T–286 in the Vicinity of Thedford, NE

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action amends the published coordinates of the Thedford, NE, Very High Frequency Omnidirectional Range/Distance Measuring Equipment (VOR/DME) in the legal descriptions of Area Navigation (RNAV) routes T–285 and T–286 in the vicinity of Thedford, NE. The FAA is taking this action due to discovering that the published coordinates were incorrect by a distance of 344 feet.

DATES: Effective date 0901 UTC, October 29, 2026. The Director of the Federal

Register approves this incorporation by reference action under 1 CFR part 51, subject to the annual revision of FAA Order JO 7400.11 and publication of conforming amendments.

ADDRESSES: A copy of this final rule and all background material may be viewed online at www.regulations.gov using the FAA Docket number. Electronic retrieval help and guidelines are available on the website. It is available 24 hours each day, 365 days each year. An electronic copy of this document may also be downloaded from www.federalregister.gov.

FAA Order JO 7400.11K, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at www.faa.gov/air_traffic/publications/. For further information, you can contact the Rules and Regulations Group, Federal Aviation Administration, 600 Independence Avenue SW, Washington, DC 20597; telephone: (202) 267–8783.

FOR FURTHER INFORMATION CONTACT: Steven Roff, Rules and Regulations Group, Office of Policy, Federal Aviation Administration, 600 Independence Avenue SW, Washington, DC 20597; telephone: (202) 267–8783.

SUPPLEMENTARY INFORMATION:**Authority for This Rulemaking**

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of the airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it updates the route structure as necessary to preserve the safe and efficient flow of air traffic within the National Airspace System (NAS).

History

A third-party survey of the location of the Thedford, NE, VOR/DME discovered that the published coordinates were incorrect. There was a discrepancy of 344 feet between the former coordinates and the correct coordinates. The Thedford VOR/DME is listed in the legal descriptions of RNAV Routes T–285 and T–286. This rule corrects the coordinates for the Thedford VOR/DME in the descriptions of these two routes.

Incorporation by Reference

United States Area Navigation Routes areas are published in paragraph 6011 of FAA Order JO 7400.11, Airspace Designations and Reporting Points, which is incorporated by reference in 14 CFR 71.1 on an annual basis. This document amends the current version of that order, FAA Order JO 7400.11K, dated August 4, 2025, and effective September 15, 2025. These amendments will be published in the next update to FAA Order JO 7400.11. FAA Order JO 7400.11K, which lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points, is publicly available as listed in the **ADDRESSES** section of this document.

The Rule

This action amends 14 CFR part 71 by updating the geographical coordinates of the Thedford, NE, VOR/DME in the legal descriptions of RNAV Routes T–285 and T–286 in the vicinity of Thedford, NE. Specifically, the geographic coordinates for the Thedford VOR/DME are updated from “lat. 41°58'53.99” N, long. 100°43'08.55” W” to “lat. 41°58'54.04” N, long. 100°43'13.08” W”

Good Cause for Bypassing and Comment

The Administrative Procedure Act (APA) authorizes agencies to dispense with ordinary notice and comment requirements for rules when the agency for “good cause” finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” 5 U.S.C. 553(b)(B). This rule updates the geographical coordinates of the Thedford, NE, VOR/DME in the legal descriptions of RNAV Routes T–285 and T–286. This action will not impose any additional substantive restrictions or requirements on the persons affected by these regulations as it only updates the coordinates of an already established Navigational Aid. The action constitutes “a routine determination, insignificant in nature and impact, and inconsequential to the industry and to the public.” *Mack Trucks, Inc. v. EPA*, 682 F.3d 87, 94 (D.C. Cir. 2012). Therefore, the FAA finds good cause that notice and public procedure under 5 U.S.C. 553(b) is unnecessary.

Regulatory Notices and Analyses

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore: (1) is not a “significant regulatory action” under