

respond to the proposal. AMS received nine comments during the comment period. Of the nine comments received, six expressed support for the proposal. One of the six supporting comments also proposed that cherries imported into the production area should also be required to meet the same requirements as cherries produced in the production area. However, because the Order does not regulate cherries imported into the production area, this recommendation is not permissible under the Order and, accordingly, no changes have been made to the rule as proposed.

Of the three remaining comments, one did not address the merits of the proposal and two expressed neither support nor opposition for the proposal but instead provided additional recommendations. One of those two comments recommended further increasing the minimum size requirement by removing up to and including the 11-row count/row size designation from the Order's pack requirements. As previously noted, the Committee had considered increasing the minimum row count/row size designation to 11-row, thereby eliminating both the 12 and 11½-row count/row size designations from the pack requirements. Ultimately, however, the Committee determined that the 11½-row minimum size and minimum row count/row size designation, as established by this final rule, would be in the best interest of the growers, handlers, and consumers of Washington sweet cherries because 11½ and 11-row sweet cherries remain marketable. Accordingly, AMS made no changes to the rule as proposed based on this recommendation.

The second comment recommended that AMS establish an effective date of January 1, 2027, so as not to disrupt the industry with mid-season handling regulation changes and to provide industry adequate time to prepare, implement, and support compliance with the final rule. AMS agrees with this request to minimize mid-season disruptions to industry and has established an effective date of January 1, 2027 for this final rule.

After consideration of all relevant material presented, including the information and recommendations submitted by the Committee, public comments, and all other available information, AMS has determined that this final rule is consistent with and effectuates the purposes of the Act.

List of Subjects in 7 CFR Part 923

Cherries, Fruits, Marketing agreements, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, AMS amends 7 CFR part 923 as follows:

PART 923—SWEET CHERRIES GROWN IN DESIGNATED COUNTIES IN WASHINGTON

■ 1. The authority citation for part 923 continues to read as follows:

Authority: 7 U.S.C. 601–674.

■ 2. Amend § 923.322 by revising paragraph (b)(2), and by in paragraph (d)(1) revising the title of the table and the table itself to read as follows:

§ 923.322 Washington cherry handling regulation.

* * * * *

(b) * * *

(2) For all other varieties, at least 90 percent, by count, of the cherries in any lot shall measure not less than 57/64 inch in diameter and not more than 5 percent, by count, may be less than 54/64 inch in diameter.

* * * * *

(d) * * *

(1) * * *

TABLE 1 TO PARAGRAPH (d)(1)

Column 1, row count/row size	Column 2 diameter (inches)
7	92/64
7½	88/64
8	84/64
8½	79/64
9	75/64
9½	71/64
10	67/64
10½	64/64
11	61/64
11½	57/64

* * * * *

Erin Morris,
Administrator, Agricultural Marketing Service.
[FR Doc. 2026–17510 Filed 8–26–26; 8:45 am]
BILLING CODE 3410–02–P

DEPARTMENT OF AGRICULTURE
Agricultural Marketing Service

7 CFR Part 930
[Doc. No. AMS–SC–24–0061]

Tart Cherries Grown in the States of Michigan, et al.; Free and Restricted Percentages for the 2024–2025 Crop Year

AGENCY: Agricultural Marketing Service, USDA.
ACTION: Final rule.

SUMMARY: This final rule implements a recommendation from the Cherry Industry Administrative Board (Board) to establish free market tonnage percentages (free percentages) and restricted percentages for the 2024–2025 crop year under the Federal marketing order for tart cherries grown in the states of Michigan, New York, Pennsylvania, Oregon, Utah, Washington, and Wisconsin. This action establishes the proportion of tart cherries from the 2024–2025 crop which may be handled in commercial outlets. This action should stabilize marketing conditions by adjusting supply to meet market demand and help improve grower returns.

DATES: Effective September 28, 2026.
FOR FURTHER INFORMATION CONTACT: Steven W. Kauffman, Marketing Specialist, or Christian D. Nissen, Chief, Southeast Region Branch, Market Development Division, Specialty Crops Program, AMS, USDA; telephone: (863) 324–3375, or email: Steven.Kauffman@usda.gov or Christian.Nissen@usda.gov.

SUPPLEMENTARY INFORMATION: This action, pursuant to 5 U.S.C. 553, amends regulations issued to carry out a marketing order as defined in 7 CFR 900.2(j). This final rule is issued under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674) (the Act), amending Marketing Order No. 930 (7 CFR part 930; the Order), regulating tart cherries grown in the states of Michigan, New York, Pennsylvania, Oregon, Utah, Washington, and Wisconsin. The Board locally administers the Order and is comprised of growers and handlers of tart cherries operating within the production area, and a public member.

This action is exempt from the Office of Management and Budget (OMB) review process required by Executive Order 12866. This rule amends existing Marketing Order No 930, as amended (7 CFR part 930), Tart Cherries Grown in the States of Michigan, New York, Pennsylvania, Oregon, Utah, Washington, and Wisconsin, and is necessary for the continued operation of Marketing Order No. 930. Additionally, this action is exempt from the requirements of Executive Order 14192, “Unleashing Prosperity Through Deregulation,” pursuant to section 5(c).

This final 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 final 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.” Under the Order now in effect, free and restricted percentages may be established for tart cherries for the 2024–2025 crop year. This action establishes free and restricted percentages for the 2024–2025 crop year, beginning July 1, 2024, through June 30, 2025.

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 U.S. 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 not later than 20 days after the date of the entry of the ruling.

This final rule establishes the proportion of tart cherries from the 2024–2025 crop year which may be handled at 81 percent free and 19 percent restricted. The Secretary of Agriculture (Secretary) has determined that designating free and restricted percentages of tart cherries for the 2024–2025 crop year effectuates the declared policy of the Act to stabilize marketing conditions by adjusting supply to meet market demand and help improve grower returns. These recommendations were made by the Board at a public meeting on September 12, 2024.

Section 930.51(a) of the Order provides the Secretary authority to regulate volume by designating free and restricted percentages for any tart cherries acquired by handlers in a given crop year. Section 930.50 prescribes procedures for computing an optimum supply based on sales history and for calculating these free and restricted percentages. Free percentage volume may be shipped to any market, while restricted percentage volume must be held by handlers in a primary or

secondary reserve, be diverted, or used for exempt purposes as prescribed in §§ 930.159 and 930.162. Exempt purposes include, in part, the development of new products, sales into new markets, the development of export markets, and charitable contributions. Sections 930.55 through 930.57 prescribe procedures for inventory reserves. For tart cherries held in reserve, handlers would be responsible for storage and would retain title of the tart cherries.

Under § 930.52, only districts in which the average annual production of cherries over the prior three years has exceeded six million pounds are subject to volume regulation, and any district producing a crop that is less than 50 percent of its annual average processed production in the previous five years would be exempt from any volume regulation. The regulated districts for the 2024–2025 crop year are: District 1—Northern Michigan; District 2—Central Michigan; District 3—Southern Michigan; District 4—New York; District 7—Utah; District 8—Washington; and District 9—Wisconsin. Districts 5 and 6 (Oregon and Pennsylvania, respectively) are not regulated for the 2024–2025 season.

Demand for tart cherries and tart cherry products tends to be relatively stable despite the variance in production volume that the industry may experience from year to year. Additionally, once processed, tart cherries can be stored and carried over from crop year to crop year, further impacting supply. The Board is aware of this economic relationship and focuses on using the volume control provisions in the marketing order to balance supply and demand to stabilize industry returns.

Pursuant to § 930.50, the Board meets on or about July 1 of each crop year to review sales data, inventory data, current crop forecasts, and market conditions for the upcoming season and, if necessary, to recommend preliminary free and restricted percentages if anticipated supply would exceed demand. After harvest is complete, but no later than September 15 of each crop year, the Board meets again to update its calculations using actual production data, consider any necessary adjustments to the preliminary percentages, and determine if final free and restricted percentages should be recommended to the Secretary.

The Board uses sales history, inventory, and production data to determine whether a surplus exists and how much volume should be restricted to maintain optimum supply. The optimum supply represents the

desirable volume of tart cherries that should be available for sale in the coming crop year. The optimum supply value is calculated by determining the average free sales of the prior three years, reduced by average sales that represent dispositions of exempt cherries and restricted percentage cherries qualifying for diversion credit for the same three years, plus desirable carry-out inventory. Desirable carry-out is the amount of fruit needed by the industry to be carried into the succeeding crop year to meet market demand until the new crop is available. Desirable carry-out is recommended by the Board after considering market circumstances and needs. Section 930.151 specifies that desirable carry-out can range from zero to a maximum of 100 million pounds.

In addition, § 930.50(g) specifies that in years when restricted percentages are established, the Board shall make available tonnage equivalent to an additional 10 percent of the average sales of the prior three years for market expansion. This requirement conforms with the USDA’s “Guidelines for Fruit, Vegetable, and Specialty Crop Marketing Orders” (<http://www.ams.usda.gov/publications/content/1982-guidelines-fruit-vegetable-marketing-orders>, pg. 12) which specifies that 110 percent of recent years’ sales should be made available to primary markets each season before recommendations for volume regulation are approved.

After the Board determines the optimum supply, desirable carry-out, and market expansion factor, it must examine the current year’s available volume to determine whether an oversupply might occur. Available volume includes carry-in inventory (any inventory available at the beginning of the season) along with that season’s production. If production plus the carry-in inventory is greater than the optimum supply (3-year sales average plus the targeted carry-out), then the difference is considered surplus. The 10 percent market expansion factor and any economic adjustments recommended by the Board are then subtracted from this surplus number to arrive at an adjusted surplus. This adjusted surplus tonnage is divided by the sum of production in the regulated districts to reach a restricted percentage. This percentage must be held in reserve or used for approved diversion activities, such as exports, new products, or new market activities.

The Board met on June 20, 2024, to discuss whether supply would exceed demand for the 2024–2025 crop year. After some discussion, the Board

unanimously supported an estimated crop of 247.3 million pounds for the 2024–2025 season. Next, the Board computed an optimum supply of 268.3 million pounds for the 2024–2025 crop year using the three-year average of free sales (191.6 million pounds) plus a recommended desirable carry-out of 76.7 million pounds.

In determining the carry-out figure, the Board members discussed the findings of the committee established by the Board to review the way volume control is calculated, including carry-out. The committee looked at the five-year average movement for June (18.8 million pounds), July (19.3 million pounds), August (19.3 million pounds), and September (19.3 million pounds) for an average carry-out of 76.7 million pounds. It was also reported that the numbers were consistent from year to year, and based on the historical data, would be reflective of what would be needed for carry-out for the 2024–2025 season. One member questioned whether the industry really needed four months of inventory or if three or three and half months would be a better indicator of needed carry-out. Other members voiced concerns about how reflective these numbers were of the different market segments.

The Board also considered setting the 2024–2025 season’s carry-out volume the same as the previous year at 85 million pounds. Several members expressed that 85 million pounds was too large for the 2024–2025 season’s carry-out since the carry-in inventory was above 90 million pounds from last season. After considering a range of alternatives between 75 to 85 million pounds, the Board unanimously recommended a carry-out of 76.7 million pounds.

To calculate the production quantity needed from the 2024–2025 crop to meet optimum supply, the Board subtracted the carry-in inventory available on June 1, 2024, of 93.1 million pounds from the optimum supply (268.3 million pounds). This number, 175.2 million pounds, was then subtracted from the Board’s estimated

2024–2025 total production of 247.3 million pounds (from regulated and unregulated districts) to calculate a surplus of 72.1 million pounds of tart cherries.

The Board then discussed whether this calculation would supply enough cherries to grow sales, account for the 2024–2025 season’s economic demands, and fulfill orders that had not yet shipped. The Board discussed making an economic adjustment based on some fruit quality concerns from the weather in Michigan and reports of European crops being short this year which could increase demand for domestic fruit. After discussing multiple motions for an economic adjustment ranging from 0 to 10 million pounds, the Board recommended a preliminary economic adjustment of 5 million pounds at the June meeting.

The Board also complied with the market expansion factor requirement by removing 19.2 million pounds (average sales for the prior three years of 191.6 million times 10 percent) from the 72.1 million pounds of surplus. The adjusted surplus of 47.9 million pounds (72.1 million pounds – 19.2 million pounds – 5 million pounds for the economic adjustment) was then divided by the expected production in the regulated districts (245.5 million pounds) to reach a preliminary restricted percentage of 19.5 percent for the 2024–2025 crop year.

The Board met again on September 12, 2024, to consider final volume regulation percentages for the 2024–2025 season. The final percentages are based on the Board’s reported production figures and the supply and demand information available in September.

The total production for the 2024–2025 season reported at the September meeting was 261.7 million pounds. This exceeded the Board’s June production estimate by 14.5 million pounds. In addition, growers diverted 11.02 million pounds in the orchard, lowering the available production for market. As a result, 250.67 million pounds of production would be available to the

market, 249.3 million pounds of which are in the seven districts subject to volume regulation.

At the September meeting, the Board revisited the recommended 5-million-pound economic adjustment to the optimum supply calculation made in June. The Board discussed that the yields from processing were lower than normal by approximately 10 percent due to poor fruit quantity throughout the industry. To address this issue, the Board recommended increasing the economic adjustment by 15 million pounds for a total economic adjustment of 20 million pounds. The Board agreed this increase should ensure sufficient inventory is available to meet demand.

The Board then recalculated the restricted percentage using the revised economic adjustment and the actual production numbers. The carry-in figure considered at the June meeting of 93.1 million pounds was subtracted from the optimum supply of 268.3 million pounds to determine 175.2 million pounds of 2024–2025 production would be necessary to reach optimum supply. The 175.2 million pounds were then subtracted from the actual production of 261.7 million pounds, resulting in a surplus of 86.5 million pounds of tart cherries.

The calculated surplus of 86.5 million pounds was reduced by subtracting the economic adjustment of 20 million pounds and the market expansion factor of 19.2 million pounds, resulting in an adjusted surplus of 47.3 million pounds. The Board then divided the adjusted surplus by the available production of 249.3 million pounds in the regulated districts (261.7 million pounds minus 11.02 million pounds of in-orchard diversion minus 1.33 million pounds from unregulated districts) to calculate a restricted percentage of 19 percent (47.3 million pounds) with a corresponding free percentage of 81 percent (202 million pounds) in the regulated districts for the 2024–2025 crop year, as outlined in the following table:

	Millions of pounds
September Calculations:	
(1) Average sales of the prior three years	191.6
(2) Desirable carry-out	76.7
(3) Optimum supply calculated by the Board (item 1 plus item 2)	268.3
(4) Carry-in as of July 1, 2023	93.1
(5) Adjusted optimum supply (item 3 minus item 4)	175.2
(6) Board reported production	261.7
(7) Surplus (item 6 minus item 5)	86.5
(8) Total economic adjustments	20
(9) Market growth factor	19.2
(10) Adjusted Surplus (item 7 minus items 8 and 9)	47.3

	Millions of pounds
(11) Production in regulated districts	260.4
(12) In-Orchard Diversion	11.02
(13) Production minus in-orchard diversion	249.3
Final Percentages:	Percent
Restricted (item 10 divided by item 13 $\times$ 100)	19
Free (100 minus restricted percentage)	81

The final restriction of 19 percent is lower than the preliminary restriction percentage of 19.5 percent. The change is due to the increase in the economic adjustment at the September meeting. While actual production increased by a total of 14.5 million pounds over the June estimate, the economic adjustment increased from the 5 million pounds recommended in June to 20 million pounds at the September meeting. The economic adjustment roughly balanced out the additional production, keeping the final restriction close to the number estimated in June.

Establishing free and restricted percentages is an attempt to bring supply and demand into balance. Historically, if the primary market is oversupplied with cherries, grower prices decline substantially. Restricted percentages have benefited grower returns and helped stabilize the market as compared to those seasons prior to the implementation of the Order. The Board, based on its discussion of this issue and the result of the above calculations, believes the available information indicates that a restricted percentage should be established for the 2024–2025 crop year to avoid oversupplying the market with tart cherries.

Consequently, the Board recommended final percentages of 81 percent free, and 19 percent restricted by a vote of 17 in favor, and 1 opposed on September 12, 2024. The Board could meet during the crop year, and if conditions so warranted, recommend the release of additional volume. The Secretary finds, from the recommendation and supporting information supplied by the Board, that designating final percentages of 81 percent free and 19 percent restricted tends to effectuate the declared policy of the Act, and so designates these percentages.

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 action in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act are unique in that they are brought about through group action of typically small entities acting on their own behalf.

There are approximately 330 growers of tart cherries in the regulated area and approximately 30 handlers of tart cherries who are subject to regulation under the Order. At the time this analysis was prepared, the Small Business Administration (SBA) defined small agricultural growers of tart cherries as those having annual receipts equal to or less than \$3.5 million (North American Industry Classification System (NAICS) code 111339, Other Noncitrus Fruit Farming). Small agricultural service firms, including handlers, are defined as those whose annual receipts are equal to or less than \$34 million (NAICS code 115114, Postharvest Crop Activities) (13 CFR 121.201).

According to data from the National Agricultural Statistics Service (NASS), the 2023–2024 season average grower price for tart cherries utilized for processing was approximately \$0.1922 per pound. With total utilization for processing at 196.5 million pounds for the 2023–2024 season, the total 2023–2024 value of the crop utilized for processing is estimated at \$37.7 million. Dividing the crop value by the estimated number of growers (330) yields an estimated average annual receipts per grower of approximately \$114,240. This is well below the \$3.5 million SBA threshold for small growers.

An estimate of the season average price per pound received by handlers for processed tart cherries was derived from USDA's purchases of dried tart cherries for feeding programs in 2023 and 2024, which had an average price of \$4.72 per pound. The dried cherry price was converted to a raw product equivalent price of \$0.94 per pound at an industry recognized ratio of five to

one. Based on utilization, this price represents a good estimate of the price for processed cherries. Multiplying the raw product equivalent price above by the total processed utilization of 196.5 million pounds results in an estimated handler-level tart cherry value of \$184.7 million. Dividing this figure by the number of handlers (\$184.7 million divided by 30 handlers) yields estimated average annual receipts per handler of approximately \$6.2 million, which is well below the SBA threshold of \$34 million for small agricultural service firms. Assuming normal distributions, the majority of growers and handlers of tart cherries may be classified as small entities.

The tart cherry industry in the United States is characterized by wide annual fluctuations in production. According to NASS, the pounds of tart cherry production utilized for processing for the years 2021 through 2023 were 170.1 million, 239.0 million, and 196.5 million, respectively. Because of these fluctuations, supply and demand for tart cherries are rarely in balance.

Demand for tart cherries is inelastic, meaning changes in price have a minimal effect on total sales volume. However, prices are very sensitive to changes in supply, and grower prices vary widely in response to the large swings in annual supply. Grower prices per pound for processed utilization have ranged from a low of \$0.07 in 1987 to a high of \$0.59 per pound in 2012 when a weather event substantially reduced supply. Grower prices per pound for processed utilization over the most recent three years (2021 through 2023) were \$0.50, \$0.22, and \$0.19, respectively.

Because of this relationship between supply and price, oversupplying the market with tart cherries would have a sharp negative effect on prices, driving down grower returns. Aware of this economic relationship, the Board focuses on using the volume control authority in the Order to align supply with demand and stabilize industry returns. This authority allows the industry to set free and restricted percentages to bring supply and demand

into balance. Free percentage cherries can be marketed by handlers to any outlet, while restricted percentage volume must be held by handlers in reserve, diverted, or used for exempted purposes.

This final rule establishes 2024–2025 crop year percentages of 81 percent free and 19 percent restricted. These percentages should stabilize marketing conditions by adjusting supply to meet market demand and help improve grower returns. The action regulates tart cherries handled in Michigan, Utah, Washington, Wisconsin, and New York. The authorities for this action are provided in §§ 930.50, 930.51(a), and 930.52. The Board recommended this action at its meeting on September 12, 2024.

This final rule results in some fruit being diverted from the primary domestic markets as authorized in the Order's marketing policy in § 930.50. However, as mentioned earlier, the USDA's "Guidelines for Fruit, Vegetable, and Specialty Crop Marketing Orders" (<https://www.ams.usda.gov/publications/content/1982-guidelines-fruit-vegetable-marketing-orders>) specify that 110 percent of recent years' sales should be made available to primary markets each crop year per § 930.50(g), before recommendations for volume regulation are approved. Under this rule, the available quantity of 296.4 million pounds (free production of 202 million plus a carry-in of 93.1 million plus 1.33 million pounds unregulated) is 155 percent of the average sales for the last three years (191.6 million pounds).

In addition, there are secondary uses available for restricted fruit, including the development of new products, sales into new markets, the development of export markets, and being placed in reserve. While these alternatives may provide different levels of return than the sales to primary markets, they play an important role for the industry. The areas of new products, new markets, and the development of export markets utilize restricted fruit to develop and expand the markets for tart cherries.

Placing tart cherries into reserves is also a key part of balancing supply and demand. Although handlers bear the handling and storage costs for fruit in reserve, reserves stored in large crop years can be used to supplement supplies in short crop years. The reserves help the industry mitigate the impact of oversupply in large crop years, while allowing the industry to supply markets in years when production falls below demand. During the 2020–2021 season, the Board voted

to release all fruit in the reserve into the primary market to increase supply.

In considering the establishment of free and restricted percentages, the Board recommended a carry-out of 76.7 million pounds to help ensure sufficient product is available to meet demand until the following year's crop is harvested and processed. The Board also recommended an economic adjustment of 20 million pounds. These numbers, along with carry-in, production in the unregulated districts, and free tonnage from the regulated districts, would make 296.4 million pounds of fruit available for the domestic market, which is nearly 105 million pounds more than the previous three years' average sales. Even with the recommended 19 percent restriction, the domestic market will have an ample supply of tart cherries. Further, should marketing conditions change, and market demand exceed existing supplies, the Board could meet and recommend the release of additional reserves up to 50-million-pounds of tart cherries. Consequently, it is not anticipated that this action will unduly burden growers or handlers.

While this action could result in some additional costs for the industry, these costs would be outweighed by the benefits. The purpose of setting restricted percentages is to attempt to bring supply and demand into balance. If the primary market (domestic) is oversupplied with cherries, grower prices decline substantially. Without volume control, the primary market would likely be oversupplied, resulting in lower grower prices.

An AMS econometric model used to assess the impact volume control has on the price growers receive for their product estimates volume control should have a positive impact on grower returns for this crop year. With volume control, grower prices are estimated to be about three cents per pound higher than without a restriction. In addition, absent volume control, the industry could start to build large amounts of unwanted inventories, which in turn could have a depressing effect on grower prices.

Retail demand is assumed to be inelastic, which indicates changes in price do not result in significant changes in the quantity demanded. Consumer prices largely do not reflect fluctuations in cherry supplies. Therefore, this action should have little or no effect on consumer prices and should not result in a reduction in retail sales.

The free and restricted percentages established by this final rule provide the market with optimum supply and apply

uniformly to all regulated handlers in the industry, regardless of size. As the restriction represents a percentage of a handler's volume, the costs, when applicable, are proportionate and should not place an extra burden on small entities as compared to large entities.

The stabilizing effects of this rule benefit all handlers by helping them maintain and expand markets, despite seasonal supply fluctuations. Likewise, price stability positively impacts all growers and handlers by allowing them to better anticipate the revenues their tart cherries will generate. Growers and handlers, regardless of size, will benefit from the stabilizing effects of the volume restriction.

As noted earlier, the Board discussed several carry-out inventory alternatives, ranging from 75 million pounds to 85 million pounds. The Board noted if the carry-out number was too large, it could add to the unsold free inventory and have a negative impact on grower returns, and if it was too small, it could negatively impact the supply processors need in the months prior to next season's harvest. Therefore, after consideration of the alternatives, the Board recommended a carry-out of 76.7 million pounds.

The Board also weighed alternatives when discussing the economic adjustment. At its June meeting, the Board recommended a 5-million-pound economic adjustment based on fruit quality concerns and a short crop in Europe, after considering making no economic adjustment or an economic adjustment of 10 million pounds. In September, the Board discussed that fruit quality throughout the industry was resulting in lower processing yields. Consequently, the Board recommended increasing the economic adjustment by 15 million pounds for an economic adjustment of 20 million pounds for the 2024–2025 season.

The Board considered recommendations that would result in a smaller restriction. However, after considering the larger than expected harvest and carry-in inventory, the industry recommended a 19 percent restriction for the 2024–2025 crop. Thus, the alternatives were rejected.

The Board's meetings are widely publicized throughout the tart cherry industry and all interested persons are invited to attend the meetings and participate in Board deliberations on all issues. Like all Board meetings, the June 20 and September 12, 2024, meetings were public meetings and all entities, both large and small, were able to express views on this issue. Finally, interested persons were invited to

submit comments on this rule, including the regulatory and informational impacts of this action on small businesses.

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. 0581–0177, Tart Cherries Grown in the States of Michigan, New York, Pennsylvania, Oregon, Utah, Washington, and Wisconsin. No changes to those requirements would be necessary as a result of this final rule. Should any changes become necessary, they would be submitted to OMB for approval.

This final rule will not impose any additional reporting or recordkeeping requirements on either small or large tart cherry 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 proposed rule concerning this action was published in the **Federal Register** on November 18, 2025 (90 FR 51572). Copies of the proposed rule were provided to all tart cherry handlers. In addition, the proposal was made available through the internet by AMS and the Office of the Federal Register via <https://www.regulations.gov>. A 30-day comment period ending December 18, 2025, was provided for interested persons to respond to the proposal. AMS received two comments during the comment period. One comment supported the proposal and one comment challenged the procedural sufficiency of the rulemaking, asserting that AMS did not adhere to the requirements of the Administrative Procedure Act, Paperwork Reduction Act, Executive Order 12866, and the Regulatory Flexibility Act.

Specifically, the commenter claimed that AMS procedurally bypassed notice and comment or waived the 30-day delayed effective date without adequate good cause and failed to present a clear analysis of the impacts on small businesses, and that the rule did not provide information regarding the reporting burden on handlers.

Contrary to the commenter's assertions on the Administrative Procedures Act, AMS did not bypass notice and comment or invoke good cause. Interested persons had numerous opportunities to review pertinent information, present their views, and participate in the rulemaking process. As noted above, AMS published a proposed rule in the **Federal Register** on November 18, 2025, not an interim final rule as the commenter suggests. The proposed rule included a 30-day comment period for interested persons, ending December 18, 2025. The proposed rulemaking also included an Initial Regulatory Flexibility Analysis, pursuant to requirements set forth in the Regulatory Flexibility Act, that considered and detailed for the public's review, the economic impact of this final rule on small entities. AMS has provided adequate opportunity for interested persons to consider the proposal and provide comments and included the regulatory and informational impacts of this action on small businesses. As noted above in the Final Regulatory Flexibility Analysis, growers and handlers, regardless of size, benefit from the stabilizing effects of the volume restriction.

In response to the commenter's request for clarification on the Paperwork Reduction Act, the proposed rulemaking and this final rule address the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35) and related compliance. AMS reiterates that in accordance with the Paperwork Reduction Act, the Order's information collection requirements have been previously approved by OMB and assigned OMB No. 0581–0177, Tart Cherries Grown in the States of Michigan, New York, Pennsylvania, Oregon, Utah, Washington, and Wisconsin, and that no changes to those requirements would be necessary based on this action.

Lastly, and contrary to the commenter's assertion that AMS did not adhere to Executive Order 12866, AMS reiterates that this rule falls within a category of regulatory actions that OMB exempted from Executive Order 12866 review. After review of the comment, AMS determined that all the statutory and procedural requirements for rulemaking have been met regarding this action. Accordingly, AMS made no changes to the rule as proposed.

After consideration of all relevant material presented, including the information and recommendations submitted by the Board and other available information, AMS has determined that this final rule is

consistent with and effectuates the purposes of the Act.

List of Subjects in 7 CFR Part 930

Tart cherries, Marketing agreements, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 930 is amended as follows:

PART 930—TART CHERRIES GROWN IN THE STATES OF MICHIGAN, NEW YORK, PENNSYLVANIA, OREGON, UTAH, WASHINGTON, AND WISCONSIN

■ 1. The authority citation for part 930 continues to read as follows:

Authority: 7 U.S.C. 601–674.

■ 2. Revise § 930.256 to read as follows:

§ 930.256 Free and restricted percentages for the 2024–2025 crop year.

The percentages for tart cherries handled by handlers during the crop year beginning on July 1, 2024, which shall be free and restricted, respectively, are designated as follows: Free percentage, 81 percent and restricted percentage, 19 percent.

Erin Morris,

Administrator, Agricultural Marketing Service.

[FR Doc. 2026–17512 Filed 8–26–26; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 932

[Doc. No. AMS–SC–25–0002]

Olives Grown in California; Decreased Assessment Rate

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This final rule implements a recommendation from the California Olive Committee (Committee) to decrease the assessment rate established for the 2025 and subsequent fiscal years from \$28 to \$24 per ton of assessable olives grown in California. The assessment rate will remain in effect indefinitely unless modified, suspended, or terminated.

DATES: Effective September 28, 2026.

FOR FURTHER INFORMATION CONTACT: Jeffery Rymer, Marketing Specialist, or Abigail Maharaj, Chief, West Region Branch, Market Development Division, Specialty Crops Program, AMS, USDA;