



1400 Independence Ave., SW
Room 1406-S, Mail Stop 0237
Washington, DC 20250-0237

JUL 16 2015

Mr. Monte Schutz
Chairman
Raisin Administrative Committee
2445 Capitol Street
Fresno, California 93721-2236

Dear Mr. Schutz:

The U.S. Supreme Court recently ruled in *Horne, et al. v. USDA*, 2015 WL 2473384 (June 22, 2015) that the raisin reserve program constitutes a taking under the Fifth Amendment for which the government must provide just compensation. We realize the Court's decision may cause a number of questions to be raised by members of the Raisin Administrative Committee (RAC) regarding the administration of the raisin marketing order. We are committed to the continued efficient and effective operation of the raisin marketing order, and hope that the following information answers some of the questions that may arise.

The decision by the Court applies specifically to the reserve program of the raisin marketing order. Other authorities under the marketing order are only affected to the extent they may reference, or are linked to, the reserve provisions of the order. Otherwise, the non-reserve program related provisions under the order remain unaffected. The RAC Staff should continue to administer all non-reserve related programs under the marketing order based on appropriate analysis and direction by the RAC and its leadership.

In light of the *Horne* decision, the U.S. Department of Agriculture (USDA) has decided not to authorize the reserve program of the Federal marketing order for California raisins for the foreseeable future, effective immediately. The Agricultural Marketing Service will schedule formal rulemaking hearings in the near future to consider proposals to amend provisions in the marketing order related to the reserve program, along with any other changes recommended by the RAC or proposed by USDA.

USDA continues to support all Federal marketing order programs, including the raisin marketing order and the operations of the RAC. We look forward to working with the RAC in seeking improvements to the marketing order to help ensure that it meets the needs of the California raisin industry.

Sincerely,

For

Michael V. Durando
Director
Marketing Order and Agreement Division

cc: Debbie Powell

45
Ex