

### Proposal 3 – Definition of to Handle – Frank Guerra

#### Greeting

- My name is Frank Guerra (FRANK GUERRA)
- I am the principal of Guerra Nut Shelling a family owned and operated producer and processor of walnuts in Hollister, CA.
- I am testifying as a small handler.
- I serve on the California Walnut Board in the capacity of Member and sit on the Executive, Market Development, and Grades & Standards Committees.

Today I would like to discuss several justification points regarding the proposal to revise quality control and inspection. I will be addressing section 984.13.

It is the intent of the amendment to insert the word “receive” into the definition of § 984.13 “to handle”. This modification to the definition of handle is necessary and results from the elimination of the regulations pursuant to § 984.51 (inspection and certification of inshell and shelled walnuts) and § 984.52 (Processing of shelled walnuts), which previously required a certificate of inspection as the basis for assessment. This proposal aligns with other proposed changes, including a new mechanism for assessment collection (§984.69) that is based on walnuts received by a handler. If implemented, the proposal will enable alignment of changes in the amendment.

To handle will now include to **receive**, pack, sell, consign, transport, or ship. This does not include sales and deliveries within the area of production between handlers. These are considered interhandler transfers.

In making the aforementioned changes to the order, the scope of “to handle” must be expanded. In order to implement the new method, receipts must be added to the scope of the definition to enable the industry to use CWB Form #1 (Crop Acquisition Report) as the basis for assessment.

Handlers will benefit from this change, as the new proposed language will allow for an alternate mechanism of assessment outside of certification. Using an already existing handler form (CWB Form #1) for assessments will not increase handler burden.

The proposal will be implemented through the existing Order authority parameters and requirements.