requirements and regulations applicable to handling of onions in special outlets and requiring such certificates, a Certificate or Certificates of Privilege issued such handler may be rescinded and subsequent certificates denied. Such disqualification shall apply to, and not exceed, a reasonable period of time as determined by the committee, but in no event shall it extend beyond the date of the succeeding fiscal period. Any handler who has a Certificate rescinded or denied may appeal to the committee in writing for reconsideration of his disqualification.

§ 959.126 Handling of culls.

(a) The handling of culls, i.e., onions which fail to meet the grade, size and quality requirements established under §959.52(b) of this part, is prohibited, unless such onions are:

(1) Mechanically mutilated at the packing shed rendering them unsuitable for fresh market;

(2) Handled for special purpose outlets approved under §959.53 of this part; or

(3) Handled for canning or freezing.

(b) As a safeguard against culls entering fresh market channels each handler of culls under paragraphs (a) (2) or (3) of this section shall apply for and obtain a certificate from the committee which shall require the handler to furnish such reports or other information as the committee may request.

Subpart—Assessment Rates

§ 959.237 Assessment rate.

On and after August 1, 2012, an assessment rate of $0.03 per 50-pound equivalent is established for South Texas onions.

Subpart—Handling Regulations

§ 959.322 Handling regulation.

During the period beginning March 1 and ending June 4, no handler shall handle any onions, including onions for peeling, chopping, and slicing, unless they comply with paragraphs (a) through (c) or (d) or (e) of this section; except that onions handled during the period June 5 through July 15 shall comply with paragraphs (c) or (d) or (e) of this section.

(a) Grade requirements. Not to exceed 20 percent defects of U.S. No. 1 grade. In percentage grade lots, tolerances for serious damage shall not exceed 10 percent including not more than 2 percent decay. Double the lot tolerance shall be permitted in individual packages in percentage grade lots. Application of tolerances in U.S. onion standards shall apply to in-grade lots.

(b) Size requirements. (1) “Small”—1 to 2¼ inches in diameter, and limited to whites only;

(2) “Repacker”—1¼ to 3 inches in diameter, with 60 percent or more 2 inches in diameter or larger;

(3) “Medium”—2 to 3½ inches in diameter; or

(4) “Jumbo” or “Large”—3 inches or larger in diameter; or

(5) “Colossal”—3½ inches or larger in diameter.

(6) Tolerances for size in the U.S. onion standards shall apply except that for “repacker” and “medium” sizes not more than 20 percent, by weight, of onions in any lot may be larger than the maximum diameter specified. Application of tolerances in the U.S. onion standards shall apply.

(c) Inspection. (1) No handler may handle any onions regulated hereunder, except pursuant to paragraphs (d), (e)(1), or (e)(2) of this section unless an inspection certificate has been issued by the Federal or Federal-State Inspection Service, Texas Cooperative Inspection Program, covering them and the certificate is valid at the time of shipment. City destinations shall be listed on inspection certificates and release forms.

(2) No handler may transport by motor vehicle or cause such transportation of any shipment of onions for which an inspection certificate is required unless each such shipment is accompanied by a copy of the inspection certificate applicable to the shipment or the shipment release form furnished by the inspection service identifying truck lots to which a valid inspection certificate is applicable. A copy of such inspection certificate or shipment release form shall be surrendered upon