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other than those prescribed pursuant to § 993.515(c).

Subpart F—Grade Requirements

§ 993.601 More restrictive grade regulation.

(a) *Incoming and outgoing regulation.* Whenever the estimated season average price to producers for prunes does not exceed the parity level specified in section 2(1) of the act, the minimum standards which handlers' receipts of natural condition prunes are required to meet pursuant to § 993.49(a) shall be the standards specified in §§ 993.49(a) and 993.97(I), and the minimum standards which handlers' shipments or other final dispositions of prunes are required to meet pursuant to § 993.50(a) shall be the applicable standards set forth in § 993.97 *Exhibit A*; *minimum standards*, except that the following revised tolerance allowances shall apply in lieu of the tolerance allowances prescribed in paragraphs I C(2), II C(3), I C(5) and II C(6) of § 993.97 as follows:

(1) The combined tolerance allowance for off-color, inferior meat condition, end cracks, fermentation, skin or flesh damage, scab, burned, mold, imbedded dirt, insect infestation, and decay shall not exceed fifteen percent (15%), except that the first eight percent (8%) of end cracks shall be given one-half value and any additional percentage of end cracks shall be given full value.

(2) The combined tolerance allowance for mold, brown rot, imbedded dirt, insect infestation, and decay shall not exceed five percent (5%), and, within such tolerance, brown rot shall not exceed three percent (3%).

(b) *Above parity situations.* Whenever the estimated season average price to producers for prunes exceeds the parity level specified in section 2(1) of the act, the minimum standards set forth in § 993.97 shall apply in their entirety.

[27 FR 7540, Aug. 1, 1962, as amended at 59 FR 38113, July 27, 1994]

§ 993.602 Maximum tolerances.

In lieu of the provision prescribed in I C of § 993.97 that the tolerance allowances prescribed therein shall be on a weight basis, the tolerance allowance percentage for each defect or group of defects in I C of § 993.97 shall be derived by dividing the number of prunes in the applicable sample affected with the applicable defect(s) by the total number of prunes in such sample.

[39 FR 30344, Aug. 22, 1974]

PART 996—MINIMUM QUALITY AND HANDLING STANDARDS FOR DOMESTIC AND IMPORTED PEANUTS MARKETED IN THE UNITED STATES

DEFINITIONS

Sec.
996.1 Act and scope.
996.2 Conditionally released.
996.3 Crop year.
996.4 Handle.
996.5 Handler.
996.6 Importation.
996.7 Importer.
996.8 Incoming inspection.
996.9 Inshell peanuts.
996.10 Inspection Service.
996.11 Negative aflatoxin content.
996.12 Outgoing inspection.
996.13 Peanuts.
996.14 Person.
996.15 Positive lot identification.
996.16 Producer.
996.17 [Reserved]
996.18 Secretary.
996.19 Shelled peanuts.
996.20 USDA.
996.21 USDA laboratory.
996.22 USDA-approved laboratory.

QUALITY AND HANDLING STANDARDS

996.30 Incoming quality standards.
996.31 Outgoing quality standards.
996.40 Handling standards.
996.50 Reconditioning failing quality peanuts.
996.60 Safeguard procedures for imported peanuts.

REPORTS AND RECORDS

996.71 Reports and recordkeeping.
996.72 Confidential information.
996.73 Verification of reports.
996.74 Compliance.
996.75 Effective time.

AUTHORITY: 7 U.S.C. 7958.

SOURCE: 67 FR 57140, Sept. 9, 2002, unless otherwise noted.

DEFINITIONS

§ 996.1 Act and scope.

Act means Public Law 107–171, or the Farm Security and Rural Investment

Act of 2002, enacted May 13, 2002. None of the definitions or provisions of this part shall apply to any other part or program (including, but not limited to, any program providing for payments or loans to peanut producers or other persons interested in peanuts or peanut quotas) unless explicitly adopted in such other part or program.

§ 996.2 Conditional release.

Conditional release means release from U.S. Customs Service custody to the importer for purposes of handling and USDA required sampling, inspection and chemical analysis.

[68 FR 1157, Jan. 9, 2003]

§ 996.3 Crop year.

Crop year means the calendar year in which the peanuts were planted as documented by the applicant for inspection.

[81 FR 50287, Aug. 1, 2016]

§ 996.4 Handle.

Handle means to engage in the receiving or acquiring, cleaning and shelling, cleaning inshell, or crushing of domestic or imported peanuts and in the shipment (except as a common or contract carrier of peanuts owned by another) or sale of cleaned-inshell or shelled peanuts or other activity causing peanuts to enter into human consumption channels of commerce: *Provided*, That this term does not include sales or deliveries of peanuts by a producer to a handler or to an intermediary person engaged in delivering peanuts to handler(s): *And provided further*, That this term does not include sales or deliveries of peanuts by such intermediary person(s) to a handler.

§ 996.5 Handler.

Handler means any person who handles peanuts, in a capacity other than that of a custom cleaner or dryer, an assembler, a warehouseman or other intermediary between the producer and the person handling peanuts.

§ 996.6 Importation.

Importation means the arrival of foreign produced peanuts at a port-of-entry with the intent to enter the peanuts into channels of commerce of the United States.

§ 996.7 Importer.

Importer means a person who engages in the importation of foreign produced peanuts into the United States.

[68 FR 1157, Jan. 9, 2003]

§ 996.8 Incoming inspection.

Incoming inspection means the sampling, inspection, and certification of farmers stock peanuts to determine segregation and grade quality.

§ 996.9 Inshell peanuts.

Inshell peanuts means peanuts, the kernel or edible portions of which are contained in the shell in their raw or natural state which are milled but unshelled.

[81 FR 50288, Aug. 1, 2016]

§ 996.10 Inspection Service.

Inspection Service means the Federal Inspection Service, Specialty Crops Program, Agricultural Marketing Service, USDA, or the Federal-State Inspection Service.

[81 FR 50288, Aug. 1, 2016]

§ 996.11 Negative aflatoxin content.

Negative aflatoxin content means 15 parts per billion (ppb) or less for peanuts that have been certified as meeting edible quality grade standards.

§ 996.12 Outgoing inspection.

Outgoing inspection means the sampling, inspection, and certification of either: shelled peanuts which have been cleaned, sorted, sized, and otherwise prepared for further processing; or inshell peanuts which have been cleaned, sorted, and otherwise prepared for further processing.

[81 FR 50288, Aug. 1, 2016]

§ 996.13 Peanuts.

Peanuts means the seeds of the legume *Arachis hypogaea* and includes both inshell and shelled peanuts produced in the United States or imported from foreign countries and intended for further processing prior to consumption by humans or animals, other than those intended for wildlife or those in

green form for consumption as boiled peanuts.

(a) *Farmers Stock.* ''Farmers stock peanuts'' means picked and threshed peanuts which have not been shelled, crushed, cleaned or otherwise changed (except for removal of foreign material, loose shelled kernels, and excess moisture) from the form in which customarily marketed by producers.

(b) *Segregation 1.* ''Segregation 1 peanuts'' means farmers stock peanuts with not more than 3.49 percent damaged kernels nor more than 1.00 percent concealed damage caused by rancidity, mold, or decay and which are free from visible *Aspergillus flavus*.

(c) *Segregation 2.* ''Segregation 2 peanuts'' means farmers stock peanuts with more than 3.49 percent damaged kernels or more than 1.00 percent concealed damage caused by rancidity, mold, or decay and which are free from visible *Aspergillus flavus*.

(d) *Segregation 3.* ''Segregation 3 peanuts'' means farmers stock peanuts with visible *Aspergillus flavus*.

[67 FR 57140, Sept. 9, 2002, as amended at 81 FR 50288, Aug. 1, 2016; 82 FR 48758, Oct. 20, 2017]

§ 996.14 Person.

Person means an individual, partnership, corporation, association, any other business unit or legal entity.

§ 996.15 Positive lot identification.

Positive lot identification is a means of identifying those peanuts meeting outgoing quality regulations as defined in § 996.31 and relating the inspection certificate issued by the Inspection Service, as defined in § 996.10, to the lot covered so that there is no doubt that the peanuts in the lot are the same peanuts described on the inspection certificate.

[81 FR 50288, Aug. 1, 2016]

§ 996.16 Producer.

Producer means any person in the United States engaged in a proprietary capacity in the production of peanuts for market.

§ 996.17 [Reserved]

§ 996.18 Secretary.

Secretary means the Secretary of Agriculture of the United States or any officer, employee, or agent of the United States Department of Agriculture who is, or who may hereafter be authorized to act in the Secretary's stead.

§ 996.19 Shelled peanuts.

Shelled peanuts means the kernels or portions of kernels of peanuts in their raw or natural state after the shells are removed.

[81 FR 50288, Aug. 1, 2016]

§ 996.20 USDA.

USDA means the United States Department of Agriculture, including any officer, employee, service, program, or branch of the Department of Agriculture, or any other person acting as the Secretary's agent or representative in connection with any provisions of this part.

§ 996.21 USDA laboratory.

USDA laboratory means laboratories of the Science and Technology Programs, Agricultural Marketing Service, USDA, which chemically analyze peanuts for aflatoxin content.

§ 996.22 USDA-approved laboratory.

USDA-approved laboratory means laboratories approved by the Science and Technology Programs, Agricultural Marketing Service, USDA, that chemically analyze peanuts for aflatoxin content.

QUALITY AND HANDLING STANDARDS

§ 996.30 Incoming quality standards.

(a) All farmers stock peanuts received or acquired by a handler shall be officially inspected by the Inspection Service, and certified as to segregation, moisture content, and foreign material.

(b) *Moisture.* Domestic and imported peanuts shall be dried to 18 percent or less prior to inspection and to 10.49 percent or less prior to storing or milling: *Provided,* That Virginia-type peanuts

used for seed shall be dried to 18 percent or less prior to inspection and to 11.49 percent or less prior to storing or milling.

[67 FR 57140, Sept. 9, 2002, as amended at 68 FR 1157, Jan. 9, 2003; 70 FR 44046, Aug. 1, 2005; 81 FR 50288, Aug. 1, 2016]

§ 996.31 Outgoing quality standards.

(a) *Shelled peanuts:* No handler or importer shall ship or otherwise dispose of shelled peanuts for human consumption unless such peanuts are positive lot identified, chemically analyzed by a USDA laboratory or USDA-approved laboratory and certified ''negative'' as to aflatoxin, and certified by the Inspection Service as meeting the following quality standards:

MINIMUM QUALITY STANDARDS—PEANUTS FOR HUMAN CONSUMPTION

[Whole kernels and splits: Maximum limitations]

Type and grade category	Unshelled peanuts and damaged kernels and minor defects (percent)	Total fall through sound whole kernels and/or sound split and broken kernels	Foreign materials (percent)	Moisture (percent)
Excluding Lots of ''splits''				
Runner	3.50	6.00%; 17/64 inch round screen.	.20	9.00
Virginia (except No. 2)	3.50	6.00%; 17/64 inch round screen.	.20	9.00
Spanish and Valencia	3.50	6.00%; 16/64 inch round screen.	.20	9.00
No. 2 Virginia	3.50	6.00%; 17/64 inch round screen.	.20	9.00
Runner with splits (not more than 15% sound splits).	3.50	6.00%; 17/64 inch round screen.	.20	9.00
Virginia with splits (not more than 15% sound splits).	3.50	6.00%; 17/64 inch round screen.	.20	9.00
Spanish and Valencia with splits (not more than 15% sound splits).	3.50	6.00%; 16/64 inch round screen.	.20	9.00
Lots of ''splits''				
Runner (not less than 90% splits)	3.50	6.00%; 17/64 inch round screen.	.20	9.00
Virginia (not less than 90% splits)	3.50	6.00%; 17/64 inch round screen.	.20	9.00
Spanish and Valencia (not less than 90% splits)	3.50	6.00%; 16/64 inch round screen.	.20	9.00

(b) *Cleaned-inshell peanuts:* No handler or importer shall ship or otherwise dispose of cleaned-inshell peanuts for human consumption unless such peanuts are Positive lot identified and are determined by the Inspection Service to contain:

(1) Not more than 1.00 percent kernels with mold unless a sample of such peanuts, drawn by an inspector of the Inspection Service, is analyzed chemically by a USDA laboratory or a USDA-approved laboratory and certified ''negative'' as to aflatoxin;

(2) Not more than 3.50 percent peanuts with damaged or defective kernels;

(3) Not more than 10.00 percent moisture; or

(4) Not more than 0.50 percent foreign material.

[67 FR 57140, Sept. 9, 2002; 67 FR 63503, Oct. 11, 2002, as amended at 68 FR 46924, Aug. 7, 2003; 68 FR 53490, Sept. 11, 2003; 81 FR 50288, Aug. 1, 2016]

§ 996.40 Handling standards.

(a) *Identification:* Each lot of shelled or cleaned- inshell peanuts intended for human consumption shall be identified by positive lot identification prior to being shipped or otherwise disposed of. Positive lot identification (PLI) methods are tailored to the size and

containerization of the lot, by warehouse storage or space requirements, or by necessary further movement of the lot prior to certification. Positive lot identification is established by the Inspection Service and includes the following methods of identification. For domestic lots and repackaged import lots, PLI includes PLI stickers, tags or seals applied to each individual package or container in such a manner that is acceptable to the Inspection Service and maintains the identity of the lot. For imported lots, PLI tape may be used to wrap bags or boxes on pallets, PLI stickers may be used to cover the shrink-wrap overlap, doors may be sealed to isolate the lot, bags or boxes may be stenciled with a lot number, or any other means that is acceptable to the Inspection Service. The crop year means the calendar year in which the peanuts were planted as documented by the applicant. All lots of shelled and cleaned-inshell peanuts shall be shipped under positive lot identification procedures. However, peanut lots failing to meet quality requirements may be moved from a handler's facility to another facility owned by the same handler or another handler without PLI so long as such handler maintains a satisfactory records system for traceability purposes as defined in § 996.73.

(b) *Sampling and testing shelled peanuts for outgoing Inspection:* Prior to shipment, the following sampling and inspection procedures shall be conducted on each lot of shelled peanuts intended for human consumption. The lot size of shelled or cleaned-inshell peanuts presented for outgoing inspection in bags or bulk shall not exceed 200,000 pounds.

(1) Each handler or importer shall cause appropriate samples, based on a sampling plan approved by the Inspection Service, of each lot of shelled peanuts intended for human consumption to be drawn by the Inspection Service. The gross amount of peanuts drawn shall be large enough to provide for a grade analysis, for a grading check-sample, and for three 48-pound samples for aflatoxin chemical analysis. The three 48-pound samples shall be designated by the Inspection Service as ''Sample 1,'' ''Sample 2,'' and ''Sample 3'' and each sample shall be placed in a suitable container and positive lot identified by means acceptable to the Inspection Service. Sample 1 may be prepared for immediate testing or Sample 1, Sample 2, and Sample 3 may be returned to the handler or importer for testing at a later date. Imported peanuts shall be labeled ''Sample 1IMP,'' ''Sample 2IMP,'' and ''Sample 3IMP'' and handled accordingly.

(2) Before shipment of a lot of shelled peanuts to a buyer, the handler or importer shall cause Sample 1 to be ground by the Inspection Service, a USDA laboratory or a USDA-approved laboratory, in a ''subsampling mill.'' The resultant ground subsample from Sample 1 shall be of a size specified by the Inspection Service and shall be designated as ''Subsample 1–AB'' and at the handler's, importer's or buyer's option, a second subsample may also be extracted from Sample 1. It shall be designated as ''Subsample 1–CD.'' Subsample 1–CD may be sent as requested by the handler or buyer, for aflatoxin assay, to a USDA laboratory or USDA-approved laboratory that can provide analyses results on such samples in 36 hours. The cost of sampling and testing Subsample 1–CD shall be for the account of the applicant. Subsample 1–AB shall be analyzed only in a USDA laboratory or USDA-approved laboratory. Both Subsamples 1–AB and 1–CD shall be accompanied by a notice of sampling or grade certificate, signed by the inspector, containing, at least, identifying information as to the handler or importer, and the positive lot identification of the shelled peanuts.

(3) The samples designated as Sample 2 and Sample 3 shall be held as aflatoxin check-samples by the Inspection Service or the handler or importer and shall not be included in the shipment to the buyer until the analyses results from Sample 1 are known.

(4) Upon call from the laboratory, the handler or importer shall cause Sample 2 to be ground by the Inspection Service, USDA or USDA-approved laboratory in a ''subsampling mill.'' The resultant ground subsample from Sample 2 shall be of a size specified by the Inspection Service and it shall be designated as ''Subsample 2–AB.'' Upon call from the laboratory, the handler

shall cause Sample 3 to be ground by the Inspection Service, USDA or USDA-approved laboratory in a ''subsampling mill.'' The resultant ground subsample from Sample 3 shall be of a size specified by Inspection Service and shall be designated as ''Subsample 3–AB.'' ''Subsamples 2–AB and 3–AB'' shall be analyzed only in a USDA laboratory or a USDA-approved laboratory and each shall be accompanied by a notice of sampling. The results of each assay shall be reported by the laboratory to the handler and to USDA.

(5) Handlers and importers may make arrangements for required inspection and certification by contacting the Inspection Service office closest to where the peanuts will be made available for sampling. For questions regarding inspection services, a list of Federal or Federal-State Inspection Service offices, or for further assistance, handlers and importers may contact: Specialty Crops Inspection Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW., Room 1536–S, (STOP 0240), Washington, DC, 20250–0240; Telephone: (202) 720–5870; Fax: (202) 720–0393.

(6) Handlers and importers may make arrangements for required chemical analysis for aflatoxin content at the nearest USDA or USDA-approved laboratory. For further information concerning chemical analysis and a list of laboratories authorized to conduct such analysis contact: Science and Technology Program, AMS, USDA, 1400 Independence Avenue SW., STOP 0270, Washington, DC 20250–0270; Telephone (202) 690–0621; Fax (202) 720–4631.

(c) *Appeal inspections.* Any ''holder of the title'' to any lot of peanuts may request an appeal inspection if it is believed that the original aflatoxin test results were in error. Appeal inspections would be conducted in accordance with Federal or Federal-State inspection procedures for milled peanuts. The aflatoxin appeal sample would be drawn by Federal or Federal-State Inspection Service officials and the appeal analysis would be conducted by USDA or USDA-approved laboratories. Any financially interested person may request an appeal inspection if it is believed that the original quality inspection is in error. Quality appeals would be conducted by Federal or Federal-State Inspection Service inspectors in accordance with the Federal or Federal-State inspection procedures for milled peanuts. The person requesting the appeal inspection would pay the cost of such appeals. The appeal inspection results shall be issued to the person requesting the appeal inspection and a copy shall be mailed to USDA or its agent.

[67 FR 57140, Sept. 9, 2002, as amended at 68 FR 1157, Jan. 9, 2003; 68 FR 46924, Aug. 7, 2003; 81 FR 50289, Aug. 1, 2016]

§ 996.50 Reconditioning failing quality peanuts.

(a) Lots of peanuts which have not been certified as meeting the requirements for disposition to human consumption outlets may be disposed for non-human consumption uses: *Provided*, That each such lot is positive lot identified using red tags, identified using a traceability system as defined in § 996.73, or other methods acceptable to the Inspection Service, and certified as to aflatoxin content (actual numerical count), unless they are designated for crushing. However, on the shipping papers covering the disposition of each such lot, the handler or importer shall cause the following statement to be shown: ''The peanuts covered by this bill of lading (or invoice, etc.) are not to be used for human consumption.''

(b)(1) Sheller oil stock residuals shall be positive lot identified using red tags, identified using a traceability system as defined in § 996.73, or other methods acceptable to the Inspection Service, and may be disposed of domestically or to the export market in bulk or bags or other suitable containers. Disposition to crushing may be to approved crushers. However, sheller oil stock residuals may be moved from a handler's facility to another facility owned by the same handler or another handler without PLI so long as such handler maintains a satisfactory records system for traceability purposes as defined in § 996.73.

(2) If such peanuts are not tested and certified as to aflatoxin content, pursuant to paragraph (a) of this section, the handler or importer shall cause the following statement to be shown on the shipping papers: ''The peanuts covered

by this bill of lading (or invoice, etc.) are limited to crushing only and may contain aflatoxin.''

(c) *Remilling*. Handlers and importers may remill, or cause to have remilled, lots of shelled or cleaned-inshell peanuts failing to meet the applicable outgoing quality standards in the table in § 996.31(a). If, after remilling, such peanut lot meets the applicable quality standards in § 996.31, the lot may be moved for human consumption under positive lot identification procedures and accompanied by applicable grade and aflatoxin certificates.

(d) *Blanching*. Handlers and importers may blanch, or cause to have blanched, shelled peanuts failing to meet the outgoing quality standards specified in the table in § 996.31(a). If after blanching, such peanut lot meets the quality standards in § 996.31(a), the lot may be moved for human consumption under positive lot identification procedures and accompanied by applicable grade and aflatoxin certificates. Peanut lots certified as meeting the fall through standard or the damaged kernels and minor defects standard as specified in § 996.31(a), prior to blanching shall be exempt from fall through, damaged kernels and minor defects standards after blanching.

(e) Lots of shelled peanuts moved for remilling or blanching shall be positive lot identified and accompanied by valid grade inspection certificate, *Except* That, a handler's shelled peanuts may be moved without PLI and grade inspection to the handler's blanching facility that blanches only the handler's peanuts. Lots of shelled peanuts may be moved for remilling or blanching to another handler without PLI if the handler uses a traceability system as defined in § 996.73, *Except* That, any grade inspection certificates associated with these lots would no longer be valid. The title of such peanuts shall be retained by the handler or importer until the peanuts have been certified by the Inspection Service as meeting the outgoing quality standards specified in the table in § 996.31(a). Remilling or blanching under the provisions of this paragraph shall be performed only by those remillers and blanchers approved by USDA. Such approved entities must agree to comply with the handling standards in this part and to report dispositions of all failing peanuts and residual peanuts to USDA, unless they are designated for crushing.

(f) Residual peanuts resulting from remilling or blanching of peanuts shall be red tagged, identified using a traceability system as defined in § 996.73, or identified by other means acceptable to the Inspection Service, and returned directly to the handler for further disposition or, in the alternative, such residual peanuts shall be positive lot identified by the Inspection Service and shall be disposed of to handlers who are crushers, or to approved crushers, *Except* That, a handler may move the residual peanuts without PLI to a facility for crushing owned by the handler. Handlers who are crushers and crushers approved by USDA must agree to comply with the terms and conditions of this part.

(g) *Re-inspection*. Whenever USDA has reason to believe that domestic or imported peanuts may have been damaged or deteriorated while in storage, USDA may reject the then effective inspection certificate and may require the owner of the peanuts to have a re-inspection to establish whether or not such peanuts may be disposed of for human consumption.

(h) The cost of transportation, sampling, inspection, certification, chemical analysis, and identification, as well as remilling and blanching, and further inspection of remilled and blanched lots, and disposition of failing peanuts, shall be borne by the applicant. Whenever peanuts are presented for inspection, the handler or importer shall furnish any labor and pay any costs incurred in moving, opening containers, and shipping samples as may be necessary for proper sampling and inspection. The Inspection Service shall bill the applicant or other responsible entity separately for applicable fees covering sampling and inspection, delivering aflatoxin samples to laboratories, positive lot identification measures, and other certifications as may be necessary to certify edible quality or non-edible disposition. The USDA and USDA-approved laboratories shall bill the applicant or other responsible

entity separately for applicable fees for aflatoxin assays.

[67 FR 57140, Sept. 9, 2002, as amended at 68 FR 46924, Aug. 7, 2003]

§ 996.60 Safeguard procedures for imported peanuts.

(a) Prior to arrival of a foreign-produced peanut lot at a port-of-entry, the importer, or customs broker acting on behalf of the importer, shall submit information electronically to the United States Customs and Border Protection, which includes the following: The Customs Service entry number; the container number(s) or other identification of the lot(s); the volume of the peanuts in each lot being entered; the inland shipment destination where the lot will be made available for inspection; and a contact name or telephone number at the destination.

(b) *Additional standards.* (1) Nothing contained in this section shall preclude any importer from milling or reconditioning, prior to importation, any shipment of peanuts for the purpose of making such lot eligible for importation into the United States. However, all peanuts entered for human consumption use must be certified as meeting the quality standards specified in § 996.31(a) prior to such disposition. Failure to fully comply with quality and handling standards as required under this section, will result enforcement action by USDA.

(2) Imported peanut lots sampled and inspected at the port-of-entry, or at other locations, shall meet the quality standards of this part in effect on the date of inspection.

(3) A foreign-produced peanut lot entered for consumption or for warehouse may be transferred or sold to another person: *Provided*, That the original importer shall be the importer of record unless the new owner applies for bond and files Customs Service documents pursuant to 19 CFR 141.113 and 141.20: *And provided further*, That such peanuts must be certified and reported to USDA pursuant to § 996.71 of this part.

(4) The provisions of this section do not supersede any restrictions or prohibitions on peanuts under the Federal Plant Quarantine Act of 1912, the Federal Food, Drug and Cosmetic Act, any other applicable laws, or regulations of other Federal agencies, including import regulations and procedures of the Customs Service.

[67 FR 57140, Sept. 9, 2002, as amended at 68 FR 1158, Jan. 9, 2003; 81 FR 50289, Aug. 1, 2016]

REPORTS AND RECORDS

§ 996.71 Reports and recordkeeping.

(a) Each handler and importer shall maintain a satisfactory records system for traceability purposes as defined in § 996.73.

(b) USDA shall maintain copies of grade and aflatoxin certificates on all peanut lots inspected and chemically tested. USDA and USDA-approved laboratories shall file copies of all aflatoxin certificates completed by such laboratories with the Southeast Region Branch, Market Development Division, Specialty Crops Program, AMS, USDA, 1124 1st Street South, Winter Haven, Florida 33880; Telephone (863) 324–3375, Fax: (863) 291–8614, or other address as determined by USDA.

[67 FR 57140, Sept. 9, 2002, as amended at 81 FR 50289, Aug. 1, 2016; 88 FR 82236, Nov. 24, 2023]

§ 996.72 Confidential information.

All reports and records furnished or submitted by handlers and importers to USDA which include data or information constituting a trade secret or disclosing a trade position, financial condition, or business operations of the particular handlers or their customers shall be received by, and at all times kept in the custody and control of one or more employees of USDA, and, except as provided in § 996.74 or otherwise provided by law, such information shall not be disclosed to any person outside USDA.

§ 996.73 Verification of reports.

(a) For the purpose of checking and verifying reports kept by handlers and importers and the operation of handlers and importers under the provisions of this Part, the officers, employees or duly authorized agents of USDA shall have access to any premises where peanuts may be held at any time during reasonable business hours and

shall be permitted to inspect any peanuts that meet outgoing quality regulations, so held by such handler or importer and any and all records of such handler with respect to the acquisition, holding, or disposition of all peanuts meeting outgoing quality regulations, which may be held or which may have been disposed by handler.

(b) Reports shall be maintained by the handler for nonconforming products to assure traceability throughout the supply chain. The traceability system must include documented records, which enable a full product history to be produced in a timely manner and must ensure product can be traced forward (raw material to distribution) and backwards from distribution to the warehouse feeding the shelling plant, and ensure that all associated tests and all relevant records have been completed. The traceability system shall include identification of all raw materials, process parameters (for specific lot), packaging and final disposition. The handler shall be able to identify the warehouse in which the peanuts were stored immediately prior to shelling. Traceability must be maintained throughout production runs with specific lot codes, and there shall be complete linkage from raw material receipt through final disposition.

[81 FR 50290, Aug. 1, 2016]

§ 996.74 Compliance.

(a) A handler or importer shall be subject to withdrawal of inspection services, for a period of time to be determined by USDA, if the handler or importer:

(1) Fails to obtain outgoing inspection on shelled or cleaned-inshell peanuts, pursuant to § 996.31, and ships such peanuts for human consumption use;

(2) Ships failing quality peanuts, pursuant to § 996.31, for human consumption use;

(3) Commingles failing quality peanuts with certified edible quality peanuts and ships the commingled lot for human consumption use without meeting outgoing quality regulations;

(4) Fails to maintain positive lot identification, pursuant to § 996.40(a), on peanut lots certified for human consumption use;

(5) Fails to maintain and provide access to records, pursuant to § 996.71, and the standards for traceability and nonconforming product disposition pursuant to § 996.73, on the reconditioning or disposition of peanuts acquired by such handler or importer; and on lots that meet outgoing quality standards; or

(6) Otherwise violates any provision of section 1308 of the Act or any provision of this part.

(b) Any peanut lot shipped which fails to meet the outgoing quality standards specified in § 996.31, and is not reconditioned to meet such standards, or is not disposed to non-human consumption outlets as specified in § 996.50, shall be reported by USDA to the Food and Drug Administration and listed on an Agricultural Marketing Service Web site.

[67 FR 57140, Sept. 9, 2002, as amended at 81 FR 50290, Aug. 1, 2016]

§ 996.75 Effective time.

The provisions of this part, as well as any amendments, shall apply to current crop year peanuts, subsequent crop year peanuts, and prior crop year peanuts not yet inspected, or failing peanut lots that have not met disposition standards, and shall continue in force and effect until modified, suspended, or terminated.

[81 FR 50290, Aug. 1, 2016]

PART 999—SPECIALTY CROPS; IMPORT REGULATIONS

Sec.

999.1 Regulation governing the importation of dates.
999.100 Regulation governing imports of walnuts.
999.200 Regulation governing the importation of prunes.
999.300 Regulation governing importation of raisins.
999.400 Regulation governing the importation of filberts.
999.500 Safeguard procedures for walnuts, dates, pistachios, and raisins exempt from grade, size, quality, and maturity requirements.
999.600 Regulation governing the importation of pistachios.

AUTHORITY: 7 U.S.C. 601–674.