THE NATIONAL ARCHIVES
LITTERA SCRIPTA MANET

FEDERAL REGISTER

OF THE UNITED STATES
1934

VOLUME 14 NUMBER 139

Washington, Thursday, July 21, 1949

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Loans, Purchases, and Other Operations

[1949 CCC Wheat Bulletin 1, Suppl. 1]

PART 671—WHEAT

SUBPART—1949 CROP WHEAT LOAN AND PURCHASE AGREEMENT PROGRAM

1949—CROP WHEAT PRICE SUPPORT PROGRAM BULLETIN

The regulations issued by Commodity Credit Corporation and the Production and Marketing Administration published in 14 F. R. 3733, governing the making of loans and containing the requirements of the purchase agreement program on wheat produced in 1949 are hereby supplemented as follows:

§ 671.124 *Support rates*—(a) *Support rate at terminal markets.* Support rates for No. 1 dark hard winter, No. 1 hard winter, No. 1 yellow hard winter, No. 1 red winter, No. 1 western red, No. 1 soft white, No. 1 white club, No. 1 western white, No. 1 hard white, No. 1 heavy dark northern spring, No. 1 heavy northern spring, No. 1 heavy red spring, No. 1 hard amber durum, No. 1 amber durum, No. 1 durum, stored in eligible warehouse storage at the following terminal markets, shall be as follows:

Terminal market	*Rate per bushel*
Terminal markets used for determining county support rates:	
Portland, Oreg., and Seattle, Wash	$2.16
Kansas City, Mo., Kansas City, Kans., Omaha, Nebr., San Francisco, and Los Angeles, Calif	2.21
Minneapolis and Duluth, Minn	2.23
Chicago, Ill., St. Louis, Mo., and Memphis, Tenn	2.26
Louisville, Ky., and Cincinnati, Ohio	2.28
New Orleans, La., and Galveston, Tex	2.31
Philadelphia, Pa	2.37
Terminal market rates determined for storage only:	
Astoria, Oreg., Vancouver, Tacoma, and Longview, Wash	2.16
St. Joseph, Mo., Council Bluffs, Sioux City, Iowa, and Stockton and Oakland, Calif	2.21
St. Paul, Minn., and Superior, Wis	2.23
Terminal market rates determined for storage only—Continued	
Milwaukee, Wis., and East St. Louis, Ill	$2.26
Cairo, Ill	2.27
Evansville, Ind	2.28
Buffalo, N. Y., and Houston, Tex	2.31
Baltimore, Md., and Norfolk, Va. (except as provided in paragraph B (2) of this section)	2.37
Albany, N. Y	2.38

For the full support rate shown in the above schedule, the wheat must have been shipped on a domestic interstate freight rate basis. The rate at the designated terminal market will be reduced by the difference between the freight paid and the domestic freight rate on any wheat shipped at other than the domestic freight rate.

The foregoing schedule of rates applies to wheat delivered to any designated terminal market in carload lots which has been shipped by rail from a country shipping point to one of the designated terminal markets, as evidenced by paid freight bills duly registered for transit privileges: *Provided,* That in the event the amount of paid-in freight is insufficient to guarantee minimum proportional freight rates from the terminal market, there shall be deducted from the applicable terminal rate, the difference between the amount of freight actually paid in and the amount required to be paid in to guarantee outbound movement at the minimum proportional freight rate. The warehouse receipts must be accompanied by registered freight bills, or by (1) a statement as indicated below signed by the warehouseman, (2) a certificate of the warehouseman containing such information, or, (3) such forms as may hereafter be approved by CCC.

FREIGHT CERTIFICATE FOR TERMINALS

The wheat represented by attached warehouse receipt No. ______ was received by rail freight from __________ __________ __________
(Town) (County) (State)
point of origin, as evidenced by freight bill described as follows:

Way bill, date ______________________
No. ______________________
Car No. ______________________
Initial ______________________
Freight bill, date ______________________

(Continued on next page)

CONTENTS

FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Division of the Federal Register, the National Archives, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for $1.50 per month or $15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

CONTENTS—Continued

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

No. ____________
Carrier ____________
Transit weight ____________
Freight rate in ____________
Amount collected ____________
Number unused transit stops ____________

The above-described paid freight bill has been officially registered for transit and will be held in accordance with the provisions of paragraph 19 of the Uniform Grain Storage Agreement.

____
(Warehouseman's signature)

____
(Address)

____
(Date of signature)

Wheat stored at a designated terminal market (including trucked-in wheat) for which neither registered freight bills nor such freight certificates are presented shall have a support rate equal to the county rate for the county in which the wheat is stored, except that the support rate for wheat stored in Baltimore, Maryland, shall be the support rate established for Baltimore City, and the support rate for wheat stored in St. Louis, Missouri, shall be the support rate established for St. Louis County, Missouri.

(b) *Support rates at other than designated terminal markets.* (1) For States and counties other than those designated in subparagraph 2 of this paragraph, the support rate for wheat in storage on the farm or in country warehouses shall be determined by deducting from the designated terminal rate an amount equal to (i) the receiving and loading-out charges computed in accordance with the applicable schedule of rates of the Uniform Grain Storage Agreement (CCC Form H, revised) for the 1949-crop plus (ii) the average all-rail interstate freight rate (plus tax) from representative shipping points (other than sub-terminal markets) in each county to the appropriate terminal market.

Upon request by the county committee, the PMA commodity office will determine the rate for wheat stored in approved warehouses (other than those situated in the designated terminal markets) which is shipped by rail from other shipping points by deducting from the appropriate designated terminal market rate an amount equal to the transit balance of the through-freight rate from point of origin for such wheat to such terminal market plus freight tax on such transit balance: *Provided,* That in the case of wheat stored at any railroad transit point, taking a penalty by reason of out-of-line movement, or for any other reason, to the appropriate designated market, there shall be added to such transit balance an amount equal to any out-of-line costs or other costs incurred in storing wheat in such position.

The warehouse receipts, in addition to other required documents, must be accompanied by the original paid freight bills duly registered for transit privileges or by a statement of the warehouseman in the following form or a warehouseman's supplemental certificate containing such information:

FREIGHT CERTIFICATE FOR OTHER THAN TERMINAL POINTS

The wheat represented by attached warehouse receipt No. ______ was received by rail freight from ______________________________
(Town)

__________________ __________________
(County) (State)

point of origin, as evidenced by freight bill described as follows:

Way bill, date ______________________________
No. ______________________________
Car No. ______________________________
Initial ______________________________
Freight bill, date ______________________________
No. ______________________________
Carrier ______________________________
Transit weight ______________________________
Freight rate in ______________________________
Amount collected ______________________________
Transit balance, if any, of through freight rate to ____________ of ____________ per 100 pounds.
Number unused transit stops ______________

The above-described paid freight bill has been officially registered for transit and will be held in accordance with the provisions of paragraph 19 of the Uniform Grain Storage Agreement.

____
(Warehouseman's signature)

____
(Address)

____
(Date of signature)

(2) Schedules of rates for wheat at other than designated terminal markets and for certain wheat at Norfolk, Virginia will be issued with respect to the following States: Delaware, Kentucky, Maryland, New York, New Jersey, North Carolina, Tennessee, Virginia and West Virginia.

The rate for wheat stored in approved warehouses (except those situated at designated terminal markets and for wheat stored in the Norfolk terminal elevator of the Norfolk and Western Railroad) in the foregoing States, which was shipped by rail in the movement of natural market direction as approved by CCC, shall be determined by adding to the county rate shown on such separate schedule for the county from which the wheat was shipped, an amount per bushel equal to the receiving and loading-out charges computed in accordance with the applicable rates of the Uniform Grain Storage Agreement (CCC Form H, Revised) for the 1949 crop and an amount equal to the transit value of the freight paid (plus tax) from points of origin to markets designated by CCC. In each instance the transit value must be verified by the PMA commodity office serving the area. The warehouse receipts must be accompanied by the original paid freight bills or certificates of the warehouseman and other required documents as set forth in subparagraph (1) of this paragraph. If the wheat is stored in approved warehouses located at transit points, taking a penalty by reason of back haul, or out-of-line of natural market movement, such penalty or other costs by reason of such movement, as determined by CCC, shall be deducted from the support rates as determined above.

The rate for wheat originating in the counties of Cecil, Kent, Queen Anne, Caroline, Talbot, Dorchester, Wicomico, Somerset, and Worcester in Maryland; all counties in Delaware; and Accomac and Northampton counties in Virginia, which is shipped to Norfolk, Virginia, and stored in the Norfolk terminal elevator of the Norfolk and Western Railroad, shall be the rate shown on such separate schedule for the county from which the wheat is shipped plus the amount of freight per bushel paid, plus 5½ cents per bushel.

(c) *County support rates.* Support rates per bushel on No. 1 dark hard winter, No. 1 hard winter, No. 1 yellow hard winter, No. 1 red winter, No. 1 western red, No. 1 soft white, No. 1 white club, No. 1 western white, No. 1 hard white, No. 1 heavy dark northern spring, No. 1 heavy northern spring, No. 1 heavy red spring, No. 1 hard amber durum, No. 1 amber durum, and No. 1 durum, shall be as follows:

ALABAMA

County	*Rate per bushel*
All counties	$2.16

ARIZONA

County	*Rate per bushel*	*County*	*Rate per bushel*
Cochise	$1.74	Pima	$1.90
Graham	1.70	Pinal	1.96
Greenlee	1.71	Yavapai	1.75
Maricopa	1.96	Yuma	1.95
Navajo	1.64		

ARKANSAS

Conway	$1.96	Johnson	$1.92
Crawford	1.92	Lawrence	2.00
Faulkner	1.97	Logan	1.91
Independence	1.97	Pope	1.93
Jackson	2.00	Washington	1.92

CALIFORNIA

Alameda	$2.10	Nevada	$2.01
Alpine	1.85	Orange	2.07
Amador	2.00	Placer	2.03
Butte	2.02	Riverside	2.05
Colusa	2.03	Sacramento	2.06
Contra Costa	2.10	San Benito	2.06
El Dorado	2.01	San Bernardino	2.05
Fresno	2.03	San Diego	2.04
Glenn	2.02	San Joaquin	2.07
Humboldt	1.89	San Luis Obispo	2.02
Imperial	2.01	Santa Barbara	2.03
Inyo	1.88	Santa Clara	2.09
Kern	2.03	Shasta	1.97
Kings	2.03	Siskiyou	1.91
Lake	2.04	Solano	2.08
Lassen	1.92	Stanislaus	2.06
Los Angeles	2.08	Sutter	2.04
Madera	2.05	Tehama	2.01
Mariposa	2.05	Trinity	1.97
Mendocino	2.02	Tulare	2.03
Merced	2.06	Ventura	2.08
Modoc	1.83	Yolo	2.06
Mono	1.82	Yuba	2.05
Monterey	2.04		
Napa	2.08		

COLORADO

Adams	$1.90	Las Animas	$1.90
Alamosa	1.81	Lincoln	1.90
Arapahoe	1.90	Logan	1.90
Archuleta	1.76	Mesa	1.76
Baca	1.91	Moffat	1.76
Bent	1.90	Montezuma	1.64
Boulder	1.90	Montrose	1.76
Cheyenne	1.92	Morgan	1.90
Conejos	1.81	Otero	1.90
Crowley	1.90	Ouray	1.76
Custer	1.83	Phillips	1.92
Delta	1.76	Pitkin	1.76
Douglas	1.90	Rio Blanco	1.76
Elbert	1.90	Rio Grande	1.81
El Paso	1.90	Routt	1.76
Fremont	1.88	Saguache	1.81
Garfield	1.76	San Miguel	1.72
Huerfano	1.89	Sedgwick	1.92
Jefferson	1.90	Washington	1.90
Kiowa	1.91	Weld	1.90
Kit Carson	1.90	Yuma	1.92
La Plata	1.74	Prowers	1.92
Larimer	1.90		

DELAWARE

All counties	$2.16

GEORGIA

All counties	$2.19

IDAHO

Ada	$1.79	Butte	$1.73
Adams	1.79	Camas	1.72
Bannock	1.74	Canyon	1.79
Bear Lake	1.75	Caribou	1.74
Benewah	1.87	Cassia	1.74
Bingham	1.73	Clark	1.73
Blaine	1.72	Clearwater	1.87
Boise	1.79	Custer	1.73
Bonner	1.85	Elmore	1.75
Bonneville	1.73	Franklin	1.74
Boundary	1.83	Fremont	1.73

IDAHO—Continued

County	Rate per bushel	County	Rate per bushel
Gem	$1.80	Minidoka	$1.73
Gooding	1.75	Nez Perce	1.87
Idaho	1.85	Oneida	1.74
Jefferson	1.73	Owyhee	1.78
Jerome	1.74	Payette	1.80
Kootenai	1.86	Power	1.74
Latah	1.87	Shoshone	1.84
Lemhi	1.70	Teton	1.72
Lewis	1.86	Twin Falls	1.76
Lincoln	1.73	Valley	1.78
Madison	1.73	Washington	1.81

ILLINOIS

County	Rate per bushel	County	Rate per bushel
Adams	$2.05	Lee	$2.08
Alexander	2.07	Livingston	2.08
Bond	2.09	Logan	2.08
Boone	2.09	McDonough	2.06
Brown	2.05	McHenry	2.10
Bureau	2.07	McLean	2.08
Calhoun	2.11	Macon	2.08
Carroll	2.07	Macoupin	2.09
Cass	2.08	Madison	2.10
Champaign	2.08	Marion	2.08
Christian	2.08	Marshall	2.08
Clark	2.07	Mason	2.08
Clay	2.07	Massac	2.07
Clinton	2.10	Menard	2.08
Coles	2.08	Mercer	2.05
Cook	2.11	Monroe	2.09
Crawford	2.07	Montgomery	2.08
Cumberland	2.08	Morgan	2.08
De Kalb	2.10	Moultrie	2.08
De Witt	2.08	Ogle	2.08
Douglas	2.08	Peoria	2.08
Du Page	2.11	Perry	2.08
Edgar	2.08	Piatt	2.08
Edwards	2.08	Pike	2.07
Effingham	2.07	Pope	2.06
Fayette	2.08	Pulaski	2.07
Ford	2.08	Putnam	2.08
Franklin	2.07	Randolph	2.08
Fulton	2.07	Richland	2.06
Gallatin	2.04	Rock Island	2.06
Greene	2.09	St. Clair	2.10
Grundy	2.10	Saline	2.05
Hamilton	2.06	Sangamon	2.08
Hancock	2.05	Schuyler	2.06
Hardin	2.04	Scott	2.08
Henderson	2.05	Shelby	2.08
Henry	2.06	Stark	2.07
Iroquois	2.09	Stephenson	2.07
Jackson	2.08	Tazewell	2.08
Jasper	2.07	Union	2.08
Jefferson	2.08	Vermilion	2.08
Jersey	2.10	Wabash	2.06
Jo Daviess	2.06	Warren	2.06
Johnson	2.02	Washington	2.08
Kane	2.10	Wayne	2.06
Kankakee	2.11	White	2.05
Kendall	2.10	Whiteside	2.07
Knox	2.06	Will	2.11
Lake	2.11	Williamson	2.06
La Salle	2.09	Winnebago	2.08
Lawrence	2.07	Woodford	2.08

INDIANA

County	Rate per bushel	County	Rate per bushel
Adams	$2.06	Fountain	$2.05
Allen	2.04	Franklin	2.10
Bartholomew	2.10	Fulton	2.06
Benton	2.07	Gibson	2.06
Blackford	2.06	Grant	2.07
Boone	2.07	Greene	2.06
Brown	2.09	Hamilton	2.06
Carroll	2.07	Hancock	2.08
Cass	2.06	Harrison	2.09
Clark	2.12	Hendricks	2.07
Clay	2.08	Henry	2.08
Clinton	2.06	Howard	2.06
Crawford	2.09	Huntington	2.04
Daviess	2.05	Jackson	2.10
Dearborn	2.11	Jasper	2.09
Decatur	2.10	Jay	2.07
De Kalb	2.03	Jefferson	2.09
Delaware	2.07	Jennings	2.10
Dubois	2.08	Johnson	2.08
Elkhart	2.05	Knox	2.05
Fayette	2.10	Kosciusko	2.05
Floyd	2.13	Lagrange	2.04

INDIANA—Continued

County	Rate per bushel	County	Rate per bushel
Lake	$2.10	Ripley	$2.11
La Porte	2.09	Rush	2.09
Lawrence	2.10	St. Joseph	2.06
Madison	2.07	Scott	2.11
Marion	2.07	Shelby	2.08
Marshall	2.06	Spencer	2.07
Martin	2.07	Starke	2.09
Miami	2.06	Steuben	2.03
Monroe	2.08	Sullivan	2.08
Montgomery	2.06	Switzerland	2.10
Morgan	2.05	Tippecanoe	2.07
Newton	2.09	Tipton	2.06
Noble	2.04	Union	2.11
Ohio	2.11	Vanderburgh	2.05
Orange	2.12	Vermillion	2.07
Owen	2.06	Vigo	2.06
Parke	2.06	Wabash	2.05
Perry	2.07	Warren	2.03
Pike	2.06	Warrick	2.06
Porter	2.10	Washington	2.11
Posey	2.07	Wayne	2.09
Pulaski	2.08	Wells	2.04
Putnam	2.07	White	2.09
Randolph	2.08	Whitley	2.04

IOWA

County	Rate per bushel	County	Rate per bushel
Adair	$2.02	Mahaska	$2.01
Adams	2.04	Marion	2.00
Appanoose	2.03	Marshall	2.01
Butler	2.01	Mills	2.06
Cass	2.04	Monona	2.05
Cedar	2.04	Monroe	2.02
Chickasaw	2.02	Montgomery	2.05
Clarke	2.01	Muscatine	2.04
Crawford	2.04	Page	2.04
Dallas	2.01	Polk	2.01
Davis	2.03	Pottawattamie	2.07
Decatur	2.00	Poweshiek	2.01
Des Moines	2.04	Ringgold	2.02
Fremont	2.06	Scott	2.05
Greene	2.02	Shelby	2.05
Guthrie	2.02	Story	2.01
Harrison	2.06	Tama	2.02
Henry	2.03	Taylor	2.02
Jasper	2.00	Union	2.02
Jefferson	2.02	Van Buren	2.03
Keokuk	2.02	Wapello	2.02
Lee	2.04	Warren	2.01
Linn	2.04	Washington	2.03
Louisa	2.04	Wayne	2.01
Madison	2.01	Woodbury	2.04

KANSAS

County	Rate per bushel	County	Rate per bushel
Allen	$2.02	Greeley	$1.93
Anderson	2.04	Greenwood	2.01
Atchison	2.05	Hamilton	1.93
Barber	1.97	Harper	1.98
Barton	1.97	Harvey	1.99
Bourbon	2.03	Haskell	1.94
Brown	2.03	Hodgeman	1.96
Butler	1.99	Jackson	2.03
Chase	2.01	Jefferson	2.05
Chautauqua	2.01	Jewell	1.99
Cherokee	2.02	Johnson	2.06
Cheyenne	1.93	Kearny	1.94
Clark	1.95	Kingman	1.98
Clay	2.00	Kiowa	1.97
Cloud	2.00	Labette	2.02
Coffey	2.03	Lane	1.95
Comanche	1.96	Leavenworth	2.06
Cowley	1.99	Lincoln	1.98
Crawford	2.03	Linn	2.03
Decatur	1.95	Logan	1.94
Dickinson	1.99	Lyon	2.02
Doniphan	2.03	McPherson	1.98
Douglas	2.05	Marion	1.99
Edwards	1.97	Marshall	2.02
Elk	2.01	Meade	1.94
Ellis	1.97	Miami	2.05
Ellsworth	1.98	Mitchell	1.99
Finney	1.95	Montgomery	2.02
Ford	1.96	Morris	2.00
Franklin	2.05	Morton	1.92
Geary	2.01	Nemaha	2.02
Gove	1.95	Neosho	2.02
Graham	1.97	Ness	1.96
Grant	1.93	Norton	1.97
Gray	1.95	Osage	2.03

KANSAS—Continued

County	Rate per bushel	County	Rate per bushel
Osborne	$1.98	Shawnee	$2.03
Ottawa	1.99	Sheridan	1.95
Pawnee	1.97	Sherman	1.94
Phillips	1.97	Smith	1.98
Pottawatomie	2.02	Stafford	1.97
Pratt	1.97	Stanton	1.93
Rawlins	1.94	Stevens	1.93
Reno	1.98	Sumner	1.99
Republic	2.00	Thomas	1.94
Rice	1.98	Trego	1.97
Riley	2.02	Wabaunsee	2.02
Rooks	1.97	Wallace	1.93
Rush	1.97	Washington	2.00
Russell	1.97	Wichita	1.93
Saline	1.99	Wilson	2.02
Scott	1.94	Woodson	2.02
Sedgwick	1.99	Wyandotte	2.07
Seward	1.94		

KENTUCKY

County	Rate per bushel	County	Rate per bushel
Adair	$2.13	Kenton	$2.10
Allen	2.13	Knox	2.15
Anderson	2.13	Larue	2.11
Ballard	2.09	Laurel	2.15
Barren	2.12	Lawrence	2.10
Bath	2.12	Lewis	2.10
Boone	2.10	Lincoln	2.15
Bourbon	2.13	Livingston	2.10
Boyd	2.10	Logan	2.11
Boyle	2.13	Lyon	2.10
Bracken	2.10	McCracken	2.09
Breckinridge	2.10	McLean	2.10
Bullitt	2.12	Madison	2.13
Butler	2.11	Magoffin	2.12
Caldwell	2.10	Marion	2.12
Calloway	2.10	Marshall	2.10
Campbell	2.10	Mason	2.10
Carlisle	2.10	Meade	2.10
Carroll	2.10	Menifee	2.13
Carter	2.12	Mercer	2.13
Casey	2.14	Metcalfe	2.12
Christian	2.11	Monroe	2.13
Clark	2.13	Montgomery	2.13
Clay	2.15	Morgan	2.13
Clinton	2.13	Muhlenberg	2.10
Crittenden	2.09	Nelson	2.11
Cumberland	2.13	Nicholas	2.13
Daviess	2.09	Ohio	2.10
Edmonson	2.12	Oldham	2.11
Elliott	2.12	Owen	2.13
Fayette	2.13	Owsley	2.14
Fleming	2.11	Pendleton	2.11
Franklin	2.13	Pulaski	2.15
Fulton	2.10	Robertson	2.11
Gallatin	2.10	Rockcastle	2.15
Garrard	2.14	Rowan	2.12
Grant	2.11	Russell	2.14
Graves	2.10	Scott	2.13
Grayson	2.10	Shelby	2.11
Green	2.13	Simpson	2.12
Greenup	2.10	Spencer	2.13
Hancock	2.09	Taylor	2.13
Hardin	2.11	Todd	2.11
Harrison	2.13	Trigg	2.11
Hart	2.11	Trimble	2.11
Henderson	2.09	Union	2.09
Henry	2.11	Warren	2.12
Hickman	2.10	Washington	2.11
Hopkins	2.10	Wayne	2.15
Jackson	2.15	Webster	2.10
Jefferson	2.11	Whitley	2.15
Jessamine	2.13	Wolfe	2.13
Johnson	2.12	Woodford	2.13

MAINE

All counties $2.11

MARYLAND

County	Rate per bushel	County	Rate per bushel
Allegany	$2.12	Frederick	$2.15
Anne Arundel	2.14	Garrett	2.11
Baltimore	2.16	Harford	2.15
Baltimore City	2.27	Howard	2.16
Calvert	2.14	Kent	2.16
Caroline	2.16	Montgomery	2.16
Carroll	2.15	Prince Georges	2.14
Cecil	2.16	Queen Annes	2.16
Charles	2.14	St. Marys	2.14
Dorchester	2.16	Somerset	2.14

MARYLAND—Continued

County	Rate per bushel	County	Rate per bushel
Talbot	$2.16	Wicomico	$2.14
Washington	2.14	Worcester	2.14

MICHIGAN

County	Rate per bushel	County	Rate per bushel
Alcona	$1.95	Lapeer	$2.02
Allegan	2.02	Lenawee	2.04
Alpena	1.95	Livingston	2.02
Antrim	1.94	Luce	1.92
Arenac	1.96	Mackinac	1.92
Barry	2.02	Macomb	2.05
Bay	2.00	Manistee	1.96
Benzie	1.95	Mason	1.98
Berrien	2.05	Mecosta	1.98
Branch	2.03	Midland	2.01
Calhoun	2.03	Missaukee	1.96
Cass	2.05	Monroe	2.05
Charlevoix	1.93	Montcalm	2.00
Chippewa	1.92	Montmorency	1.93
Clare	1.98	Muskegon	2.00
Clinton	2.01	Newaygo	1.99
Eaton	2.02	Oakland	2.03
Genesee	2.02	Oceana	1.98
Gladwin	1.98	Osceola	1.97
Grand Traverse	1.95	Ottawa	2.02
		Presque Isle	1.93
Gratiot	2.01	Roscommon	1.96
Hillsdale	2.03	Saginaw	2.01
Huron	2.00	St. Clair	2.03
Ingham	2.02	St. Joseph	2.03
Ionia	2.02	Sanilac	2.02
Iosco	1.96	Shiawassee	2.01
Isabella	2.00	Tuscola	2.01
Jackson	2.03	Van Buren	2.03
Kalamazoo	2.05	Washtenaw	2.04
Kent	2.02	Wayne	2.05
Lake	1.97		

MINNESOTA

County	Rate per bushel	County	Rate per bushel
Aitkin	$2.07	Marshall	$2.00
Anoka	2.09	Martin	2.04
Becker	2.02	Meeker	2.07
Beltrami	2.02	Mille Lacs	2.06
Benton	2.06	Morrison	2.05
Big Stone	2.03	Mower	2.05
Blue Earth	2.06	Murray	2.02
Brown	2.06	Nicollet	2.07
Carlton	2.03	Nobles	2.03
Carver	2.09	Norman	2.01
Cass	2.05	Olmsted	2.06
Chippewa	2.05	Otter Tail	2.04
Chisago	2.08	Pennington	2.01
Clay	2.02	Pine	2.07
Clearwater	2.02	Pipestone	2.03
Cottonwood	2.05	Polk	2.01
Crow Wing	2.05	Pope	2.05
Dakota	2.09	Red Lake	2.01
Dodge	2.06	Redwood	2.05
Douglas	2.05	Renville	2.08
Faribault	2.04	Rice	2.08
Fillmore	2.04	Rock	2.02
Freeborn	2.05	Roseau	1.99
Goodhue	2.07	St. Louis	2.06
Grant	2.04	Scott	2.09
Hennepin	2.10	Sherburne	2.08
Houston	2.03	Sibley	2.07
Hubbard	2.03	Stearns	2.06
Isanti	2.08	Steele	2.06
Itasca	2.04	Stevens	2.04
Jackson	2.03	Swift	2.05
Kanabec	2.07	Todd	2.05
Kandiyohi	2.06	Traverse	2.03
Kittson	1.98	Wabasha	2.07
Koochiching	2.00	Wadena	2.04
Lac qui Parle	2.03	Waseca	2.06
Lake	2.08	Washington	2.09
Lake of the Woods	2.00	Watonwan	2.05
Le Sueur	2.08	Wilkin	2.02
Lincoln	2.03	Winona	2.05
Lyon	2.04	Wright	2.08
McLeod	2.07	Yellow Medicine	2.04
Mahnomen	2.01		

MISSISSIPPI

County	Rate per bushel	County	Rate per bushel
Bolivar	$2.05	Sunflower	$2.05
Coahoma	2.05	Tunica	2.05
LeFlore	2.05	Washington	2.05
Quitman	2.05		

MISSOURI

County	Rate per bushel	County	Rate per bushel
Adair	$2.04	Linn	$2.03
Andrew	2.04	Livingston	2.04
Atchison	2.01	McDonald	2.01
Audrain	2.06	Macon	2.05
Barry	2.00	Madison	2.07
Barton	2.02	Maries	2.06
Bates	2.04	Marion	2.06
Benton	2.03	Mercer	2.01
Bollinger	2.05	Miller	2.05
Buchanan	2.05	Mississippi	2.05
Butler	2.04	Moniteau	2.05
Caldwell	2.04	Monroe	2.06
Callaway	2.06	Montgomery	2.08
Camden	2.04	Morgan	2.03
Cape Girardeau	2.06	New Madrid	2.03
		Newton	2.01
Carroll	2.04	Nodaway	2.02
Cass	2.05	Oregon	1.98
Cedar	2.02	Osage	2.06
Chariton	2.04	Pemiscot	2.03
Christian	2.00	Pettis	2.03
Clark	2.05	Phelps	2.06
Clay	2.05	Pike	2.07
Clinton	2.04	Platte	2.06
Cole	2.05	Polk	2.01
Cooper	2.04	Pulaski	2.05
Crawford	2.07	Putnam	2.01
Dade	2.02	Ralls	2.06
Dallas	2.01	Randolph	2.06
Daviess	2.04	Ray	2.05
De Kalb	2.04	Ripley	2.04
Dent	2.06	St. Charles	2.12
Douglas	1.99	St. Clair	2.04
Dunklin	2.02	St. Francois	2.08
Franklin	2.10	St. Louis	2.13
Gasconade	2.07	Ste. Genevieve	2.08
Gentry	2.03		
Greene	2.01	Saline	2.04
Grundy	2.03	Schuyler	2.03
Harrison	2.02	Scotland	2.05
Henry	2.04	Scott	2.05
Hickory	2.02	Shannon	1.98
Holt	2.03	Shelby	2.06
Howard	2.05	Stoddard	2.05
Howell	1.98	Stone	2.00
Iron	2.06	Sullivan	2.03
Jackson	2.06	Taney	1.99
Jasper	2.02	Texas	1.98
Jefferson	2.11	Vernon	2.03
Johnson	2.04	Warren	2.10
Knox	2.05	Washington	2.08
Laclede	2.04	Wayne	2.05
Lafayette	2.05	Webster	2.02
Lawrence	2.01	Worth	2.02
Lewis	2.06	Wright	2.01
Lincoln	2.10		

MONTANA

County	Rate per bushel	County	Rate per bushel
Beaverhead	$1.71	Madison	$1.75
Big Horn	1.79	Meagher	1.78
Blaine	1.80	Mineral	1.77
Broadwater	1.76	Missoula	1.75
Carbon	1.77	Musselshell	1.80
Cascade	1.78	Park	1.78
Chouteau	1.78	Petroleum	1.78
Custer	1.85	Phillips	1.82
Daniels	1.83	Pondera	1.76
Dawson	1.87	Powell	1.74
Deer Lodge	1.74	Prairie	1.86
Fallon	1.87	Ravalli	1.74
Fergus	1.78	Richland	1.87
Flathead	1.77	Roosevelt	1.87
Gallatin	1.78	Rosebud	1.83
Glacier	1.78	Sanders	1.79
Golden Valley	1.78	Sheridan	1.86
		Silver Bow	1.75
Granite	1.74	Stillwater	1.78
Hill	1.78	Sweet Grass	1.78
Jefferson	1.75	Teton	1.78
Judith Basin	1.78	Toole	1.78
Lake	1.77	Treasure	1.81
Lewis and Clark	1.77	Valley	1.83
		Wheatland	1.78
Liberty	1.78	Wibaux	1.88
Lincoln	1.79	Yellowstone	1.79
McCone	1.86		

NEBRASKA

County	Rate per bushel	County	Rate per bushel
Adams	$2.00	Jefferson	$2.02
Antelope	2.01	Johnson	2.04
Arthur	1.94	Kearney	1.99
Banner	1.93	Keith	1.94
Blaine	1.97	Keya Paha	1.98
Boone	2.02	Kimball	1.90
Box Butte	1.93	Knox	2.00
Boyd	1.99	Lancaster	2.06
Brown	1.97	Lincoln	1.98
Buffalo	2.00	Logan	1.97
Burt	2.05	Loup	1.99
Butler	2.05	McPherson	1.96
Cass	2.06	Madison	2.02
Cedar	2.01	Merrick	2.02
Chase	1.93	Morrill	1.92
Cherry	1.96	Nance	2.03
Cheyenne	1.90	Nemaha	2.04
Clay	2.01	Nuckolls	2.01
Colfax	2.05	Otoe	2.05
Cuming	2.04	Pawnee	2.03
Custer	1.99	Perkins	1.94
Dakota	2.03	Phelps	1.99
Dawes	1.91	Pierce	2.02
Dawson	1.99	Platte	2.03
Deuel	1.93	Polk	2.03
Dixon	2.02	Redwillow	1.96
Dodge	2.05	Richardson	2.03
Douglas	2.06	Rock	1.98
Dundy	1.93	Saline	2.04
Fillmore	2.02	Sarpy	2.07
Franklin	1.99	Saunders	2.06
Frontier	1.97	Scotts Bluff	1.91
Furnas	1.97	Seward	2.04
Gage	2.04	Sheridan	1.93
Garden	1.93	Sherman	2.00
Garfield	2.00	Sioux	1.90
Gosper	1.98	Stanton	2.03
Grant	1.94	Thayer	2.02
Greeley	2.01	Thomas	1.96
Hall	2.01	Thurston	2.04
Hamilton	2.02	Valley	2.00
Harlan	1.98	Washington	2.06
Hayes	1.95	Wayne	2.01
Hitchcock	1.95	Webster	2.00
Holt	2.00	Wheeler	2.01
Hooker	1.95	York	2.03
Howard	2.01		

NEVADA

Churchill	$1.88	Lyon	$1.64
Clark	1.77	Mineral	1.64
Douglas	1.85	Nye	1.64
Elko	1.76	Ormsby	1.85
Esmeralda	1.64	Pershing	1.89
Eureka	1.76	Storey	1.92
Humboldt	1.83	Washoe	1.90
Lander	1.76	White Pine	1.47
Lincoln	1.76		

NEW JERSEY

All counties $2.12

NEW MEXICO

Bernalillo	$1.83	Mora	$1.83
Chaves	1.83	Quay	1.90
Colfax	1.84	Roosevelt	1.90
Curry	1.91	Sandoval	1.83
DeBaca	1.86	San Juan	1.59
Eddy	1.86	San Miguel	1.83
Grant	1.72	Santa Fe	1.82
Guadalupe	1.86	Socorro	1.83
Harding	1.80	Torrance	1.85
Lea	1.86	Union	1.86
McKinley	1.72	Valencia	1.77

NEW YORK

All counties $2.11

NORTH CAROLINA

All counties $2.19

NORTH DAKOTA

Adams	$1.91	Burleigh	$1.95
Barnes	1.99	Cass	2.00
Benson	1.96	Cavalier	1.96
Billings	1.91	Dickey	1.98
Bottineau	1.93	Divide	1.90
Bowman	1.91	Dunn	1.91
Burke	1.92	Eddy	1.97

NORTH DAKOTA—Continued

County	Rate per bushel	County	Rate per bushel
Emmons	$1.95	Pierce	$1.95
Foster	1.98	Ramsey	1.96
Golden Valley	1.89	Ransom	1.99
Grand Forks	1.99	Renville	1.92
Grant	1.92	Richland	2.01
Griggs	1.98	Rolette	1.95
Hettinger	1.92	Sargent	2.00
Kidder	1.96	Sheridan	1.95
La Moure	1.97	Sioux	1.93
Logan	1.96	Slope	1.91
McHenry	1.94	Stark	1.92
McIntosh	1.96	Steele	1.99
McKenzie	1.89	Stutsman	1.98
McLean	1.94	Towner	1.95
Mercer	1.92	Traill	1.99
Morton	1.93	Walsh	1.98
Mountrail	1.92	Ward	1.92
Nelson	1.97	Wells	1.96
Oliver	1.94	Williams	1.91
Pembina	1.97		

OHIO

County	Rate per bushel	County	Rate per bushel
Adams	$2.08	Licking	$2.06
Allen	2.08	Logan	2.08
Ashland	2.06	Lorain	2.06
Ashtabula	2.09	Lucas	2.06
Athens	2.05	Madison	2.08
Auglaize	2.08	Mahoning	2.08
Belmont	2.07	Marion	2.08
Brown	2.08	Medina	2.06
Butler	2.11	Meigs	2.04
Carroll	2.06	Mercer	2.07
Champaign	2.09	Miami	2.09
Clark	2.09	Monroe	2.07
Clermont	2.09	Montgomery	2.09
Clinton	2.09	Morgan	2.06
Columbiana	2.07	Morrow	2.07
Coshocton	2.06	Muskingum	2.06
Crawford	2.07	Noble	2.06
Cuyahoga	2.06	Ottawa	2.06
Darke	2.09	Paulding	2.06
Defiance	2.03	Perry	2.06
Delaware	2.07	Pickaway	2.05
Erie	2.06	Pike	2.07
Fairfield	2.06	Portage	2.06
Fayette	2.08	Preble	2.10
Franklin	2.07	Putnam	2.06
Fulton	2.04	Richland	2.06
Gallia	2.04	Ross	2.08
Geauga	2.08	Sandusky	2.06
Greene	2.09	Scioto	2.04
Guernsey	2.06	Seneca	2.07
Hamilton	2.12	Shelby	2.08
Hancock	2.07	Stark	2.06
Hardin	2.08	Summit	2.06
Harrison	2.06	Trumbull	2.09
Henry	2.04	Tuscarawas	2.06
Highland	2.08	Union	2.08
Hocking	2.06	Van Wert	2.07
Holmes	2.06	Vinton	2.06
Huron	2.06	Warren	2.10
Jackson	2.04	Washington	2.06
Jefferson	2.06	Wayne	2.06
Knox	2.06	Williams	2.04
Lake	2.08	Wood	2.07
Lawrence	2.04	Wyandot	2.07

OKLAHOMA

County	Rate per bushel	County	Rate per bushel
Adair	$1.96	Cotton	$1.92
Alfalfa	1.95	Craig	2.00
Atoka	1.92	Creek	1.96
Beaver	1.90	Custer	1.92
Beckham	1.92	Delaware	1.99
Blaine	1.92	Dewey	1.91
Bryan	1.92	Ellis	1.90
Caddo	1.92	Garfield	1.95
Canadian	1.92	Garvin	1.92
Carter	1.92	Grady	1.92
Cherokee	1.97	Grant	1.96
Choctaw	1.92	Greer	1.92
Cimarron	1.87	Harmon	1.92
Cleveland	1.92	Harper	1.92
Coal	1.92	Haskell	1.95
Comanche	1.92	Hughes	1.92

OKLAHOMA—Continued

County	Rate per bushel	County	Rate per bushel
Jackson	$1.92	Okfuskee	$1.93
Jefferson	1.92	Oklahoma	1.92
Johnston	1.92	Okmulgee	1.96
Kay	1.96	Osage	1.97
Kingfisher	1.92	Ottawa	2.00
Kiowa	1.92	Pawnee	1.96
Latimer	1.92	Payne	1.93
Le Flore	1.93	Pottawatomie	1.92
Lincoln	1.92	Roger Mills	1.91
Logan	1.93	Rogers	1.99
Love	1.92	Stephens	1.92
McClain	1.92	Texas	1.90
Major	1.93	Tillman	1.92
Marshall	1.92	Tulsa	1.98
Mayes	1.99	Wagoner	1.98
Murray	1.92	Washington	2.00
Muskogee	1.96	Washita	1.92
Noble	1.96	Woods	1.95
Nowata	2.01	Woodward	1.91

OREGON

County	Rate per bushel	County	Rate per bushel
Baker	$1.85	Lane	$1.97
Benton	2.00	Linn	1.99
Clackamas	2.02	Malheur	1.80
Crook	1.94	Marion	2.01
Deschutes	1.94	Polk	2.01
Douglas	1.93	Sherman	2.00
Gilliam	1.99	Umatilla	1.93
Harney	1.75	Union	1.86
Jackson	1.88	Wallowa	1.85
Jefferson	1.95	Wasco	2.01
Josephine	1.88	Washington	2.03
Klamath	1.88	Yamhill	2.02
Lake	1.84	Morrow	1.98

PENNSYLVANIA

County	Rate per bushel	County	Rate per bushel
Adams	$2.13	Lackawanna	$2.11
Alleghany	2.09	Lancaster	2.14
Armstrong	2.09	Lawrence	2.09
Beaver	2.09	Lebanon	2.13
Bedford	2.10	Lehigh	2.13
Berks	2.14	Luzerne	2.11
Blair	2.10	Lycoming	2.11
Bradford	2.11	McKean	2.10
Bucks	2.15	Mercer	2.09
Butler	2.09	Mifflin	2.10
Cambria	2.09	Monroe	2.11
Cameron	2.10	Montgomery	2.15
Carbon	2.11	Montour	2.11
Centre	2.10	Northampton	2.12
Chester	2.15	Northumberland	2.11
Clarion	2.09	Perry	2.10
Clearfield	2.09	Pike	2.11
Clinton	2.10	Potter	2.10
Columbia	2.11	Schuylkill	2.12
Crawford	2.09	Snyder	2.10
Cumberland	2.12	Somerset	2.09
Dauphin	2.11	Sullivan	2.11
Delaware	2.15	Susquehanna	2.11
Elk	2.10	Tioga	2.11
Erie	2.10	Union	2.10
Fayette	2.09	Venango	2.09
Forest	2.09	Warren	2.10
Franklin	2.12	Washington	2.09
Fulton	2.10	Wayne	2.11
Greene	2.09	Westmoreland	2.09
Huntington	2.10	Wyoming	2.11
Indiana	2.09	York	2.14
Jefferson	2.09		
Juanita	2.10		

SOUTH CAROLINA

All counties $2.19

SOUTH DAKOTA

County	Rate per bushel	County	Rate per bushel
Aurora	$1.98	Charles Mix	$1.98
Beadle	1.99	Clark	2.01
Bon Homme	2.00	Clay	2.02
Brookings	2.01	Codington	2.01
Brown	1.99	Corson	1.94
Brule	1.97	Custer	1.89
Buffalo	1.97	Davison	1.99
Butte	1.88	Day	2.00
Campbell	1.96	Deuel	2.02

SOUTH DAKOTA—Continued

County	Rate per bushel	County	Rate per bushel
Dewey	$1.93	McPherson	$1.97
Douglas	1.98	Marshall	1.99
Edmunds	1.98	Meade	1.89
Fall River	1.90	Mellette	1.94
Faulk	1.98	Miner	2.00
Grant	2.01	Minnehaha	2.00
Gregory	1.99	Moody	2.01
Haakon	1.91	Pennington	1.89
Hamlin	2.01	Perkins	1.91
Hand	1.99	Potter	1.96
Hanson	1.99	Roberts	2.01
Harding	1.90	Sanborn	1.99
Hughes	1.96	Shannon	1.93
Hutchinson	2.00	Spink	1.93
Hyde	1.97	Stanley	1.94
Jackson	1.91	Sully	1.96
Jerauld	1.99	Todd	1.97
Jones	1.92	Tripp	1.97
Kingsbury	2.01	Turner	2.01
Lake	2.01	Union	2.02
Lawrence	1.88	Walworth	1.96
Lincoln	2.01	Washabaugh	1.91
Lyman	1.95	Yankton	2.01
McCook	2.00	Ziebach	1.99

TENNESSEE

County	Rate per bushel	County	Rate per bushel
Anderson	$2.18	Lake	$1.93
Bedford	2.13	Lauderdale	2.09
Benton	2.11	Lawrence	2.13
Bledsoe	2.16	Lewis	2.12
Blount	2.22	Lincoln	2.13
Bradley	2.18	Loudon	2.20
Campbell	2.17	McMinn	2.19
Cannon	2.13	Macon	2.13
Carroll	2.10	Madison	2.10
Carter	2.21	Marion	2.15
Cheatham	2.13	Marshall	2.13
Chester	2.11	Maury	2.13
Claiborne	2.17	Meigs	2.18
Clay	2.14	Monroe	2.20
Cocke	2.20	Montgomery	2.11
Coffee	2.13	Moore	2.14
Crockett	2.09	Morgan	2.17
Cumberland	2.17	Obion	2.09
Davidson	2.13	Overton	2.14
Decatur	2.10	Pickett	2.15
De Kalk	2.14	Polk	2.19
Dickson	2.13	Putnam	2.13
Dyer	2.09	Rhea	2.17
Fayette	2.10	Roane	2.18
Fentress	2.15	Robertson	2.11
Franklin	2.14	Rutherford	2.13
Gibson	2.10	Sequatchie	2.16
Giles	2.13	Sevier	2.21
Granger	2.20	Shelby	2.10
Greene	2.22	Smith	2.13
Grundy	2.15	Stewart	2.11
Hamblen	2.20	Sullivan	2.24
Hamilton	2.17	Sumner	2.12
Hancock	2.19	Tipton	2.10
Hardeman	2.10	Trousdale	2.13
Hawkins	2.21	Unicoi	2.21
Haywood	2.09	Union	2.19
Henderson	2.11	Van Buren	2.14
Henry	2.10	Warren	2.14
Hickman	2.12	Washington	2.21
Houston	2.11	Wayne	2.13
Humphreys	2.12	Weakley	2.10
Jackson	2.13	White	2.14
Jefferson	2.20	Williamson	2.13
Johnson	2.21	Wilson	2.13
Knox	2.21		

TEXAS

County	Rate per bushel	County	Rate per bushel
Archer	$1.92	Briscoe	$1.92
Armstrong	1.92	Brown	1.93
Bailey	1.92	Burnet	2.00
Baylor	1.92	Callahan	1.92
Bell	2.02	Carson	1.92
Bexar	2.00	Castro	1.92
Borden	1.92	Childress	1.92
Bosque	2.00	Clay	1.92
Brazos	2.05	Cochran	1.92

TEXAS—Continued

County	Rate per bushel	County	Rate per bushel
Coke	$1.92	Knox	$1.92
Coleman	1.92	Lamb	1.92
Collin	1.97	Lampasas	2.00
Collingsworth	1.92	Lipscomb	1.89
Comanche	1.95	Lubbock	1.92
Concho	1.92	Lynn	1.92
Cooke	1.92	McCulloch	1.92
Coryell	2.01	McLennan	2.01
Cottle	1.92	Mills	1.98
Crosby	1.92	Mitchell	1.92
Dallam	1.88	Montague	1.92
Dallas	1.98	Moore	1.89
Dawson	1.92	Motley	1.92
Deaf Smith	1.92	Nolan	1.92
Denton	1.97	Ochiltree	1.90
Dickens	1.92	Oldham	1.92
Donley	1.92	Palo Pinto	1.92
Eastland	1.92	Parker	1.96
Ellis	2.00	Parmer	1.91
Erath	1.97	Potter	1.92
Falls	2.02	Randall	1.92
Fannin	1.92	Reeves	1.86
Fisher	1.92	Roberts	1.90
Floyd	1.92	Rockwall	1.98
Foard	1.92	Runnels	1.92
Gaines	1.92	San Saba	1.98
Garza	1.92	Schleicher	1.91
Gillespie	1.97	Scurry	1.92
Gray	1.91	Shackelford	1.92
Grayson	1.95	Sherman	1.88
Hale	1.92	Stephens	1.92
Hall	1.92	Sterling	1.90
Hamilton	1.98	Stonewall	1.92
Hansford	1.88	Swisher	1.92
Hardeman	1.92	Tarrant	1.98
Hartley	1.89	Taylor	1.92
Haskell	1.92	Terry	1.92
Hemphill	1.91	Throckmorton	1.93
Hill	2.00	Tom Green	1.92
Hockley	1.92	Wheeler	1.91
Howard	1.92	Wichita	1.92
Hunt	1.97	Wilbarger	1.92
Hutchinson	1.90	Williamson	2.01
Jack	1.93	Wise	1.97
Johnson	1.99	Young	1.93
Jones	1.92	Zavala	1.87
Kent	1.92		
King	1.92		

UTAH

County	Rate per bushel	County	Rate per bushel
Beaver	$1.80	Piute	$1.70
Box Elder	1.74	Rich	1.76
Cache	1.74	Salt Lake	1.76
Carbon	1.76	San Juan	1.76
Daggett	1.76	Sanpete	1.73
Davis	1.76	Sevier	1.70
Duchesne	1.76	Summit	1.76
Emery	1.76	Tooele	1.75
Garfield	1.70	Uintah	1.76
Grand	1.76	Utah	1.76
Iron	1.78	Wasatch	1.76
Juab	1.74	Washington	1.77
Kane	1.70	Wayne	1.70
Millard	1.76	Weber	1.76
Morgan	1.76		

VIRGINIA

County	Rate per bushel	County	Rate per bushel
Accomac	$2.14	Charlotte	$2.19
Albemarle	2.18	Chesterfield	2.19
Alleghany	2.18	Clarke	2.16
Amelia	2.18	Craig	2.16
Amherst	2.19	Culpeper	2.16
Appomattox	2.19	Cumberland	2.18
Augusta	2.19	Dickenson	2.17
Bath	2.15	Dinwiddie	2.18
Bedford	2.19	Essex	2.18
Bland	2.19	Fairfax	2.17
Botetourt	2.19	Fauquier	2.18
Brunswick	2.19	Floyd	2.19
Buchanan	2.16	Fluvanna	2.18
Buckingham	2.18	Franklin	2.20
Campbell	2.19	Frederick	2.16
Caroline	2.21	Giles	2.17
Carroll	2.19	Gloucester	2.17
Charles City	2.19	Goochland	2.18

VIRGINIA—Continued

County	Rate per bushel	County	Rate per bushel
Grayson	$2.20	Patrick	$2.19
Greene	2.17	Pittsylvania	2.20
Greensville	2.17	Powhatan	2.18
Halifax	2.20	Prince Edward	2.19
Hanover	2.21	Prince George	2.18
Henrico	2.21	Prince William	2.17
Henry	2.19	Princess Anne	2.17
Highland	2.15	Pulaski	2.20
Isle of Wight	2.17	Rappahannock	2.16
James City	2.19	Richmond	2.18
King and Queen	2.18	Roanoke	2.21
King George	2.19	Rockbridge	2.19
King William	2.19	Rockingham	2.18
Lancaster	2.17	Russell	2.21
Lee	2.20	Scott	2.24
Loudoun	2.16	Shenandoah	2.18
Louisa	2.18	Smyth	2.22
Lunenburg	2.19	Southampton	2.17
Madison	2.17	Spotsylvania	2.19
Mathews	2.16	Stafford	2.20
Mecklenberg	2.19	Surry	2.17
Middlesex	2.17	Sussex	2.17
Montgomery	2.19	Tazewell	2.17
Nansemond	2.17	Warren	2.16
Nelson	2.18	Washington	2.24
New Kent	2.19	Westmoreland	2.18
Norfolk	2.19	Wise	2.17
Northampton	2.15	Wythe	2.21
Northumberland	2.17		
Nottoway	2.19		
Orange	2.17		
Page	2.17		

WASHINGTON

County	Rate per bushel	County	Rate per bushel
Adams	$1.89	Lewis	$2.01
Asotin	1.89	Lincoln	1.88
Benton	1.93	Okanogan	1.88
Chelan	1.92	Pend Oreille	1.85
Columbia	1.92	San Juan	1.95
Douglas	1.87	Snohomish	1.99
Ferry	1.84	Spokane	1.87
Franklin	1.90	Stevens	1.86
Garfield	1.91	Walla Walla	1.92
Grant	1.88	Whitman	1.88
Kittitas	1.94	Yakima	1.93
Klickitat	2.00		

WEST VIRGINIA

County	Rate per bushel	County	Rate per bushel
Barbour	$2.13	Mineral	$2.13
Berkeley	2.14	Monongalia	2.11
Boone	2.12	Monroe	2.15
Braxton	2.14	Morgan	2.14
Brooke	2.10	Nicholas	2.14
Cabell	2.10	Ohio	2.10
Calhoun	2.13	Pendleton	2.15
Clay	2.13	Pleasants	2.10
Doddridge	2.12	Pocahontas	2.14
Fayette	2.14	Preston	2.11
Gilmer	2.13	Putnam	2.11
Grant	2.13	Raleigh	2.14
Greenbrier	2.15	Randolph	2.14
Hampshire	2.14	Ritchie	2.12
Hancock	2.09	Roane	2.12
Hardy	2.14	Summers	2.14
Harrison	2.12	Taylor	2.12
Jackson	2.11	Tucker	2.13
Jefferson	2.14	Tyler	2.10
Kanawha	2.12	Upshur	2.13
Lewis	2.13	Wayne	2.12
Lincoln	2.12	Webster	2.14
Marion	2.11	Wetzel	2.11
Marshall	2.10	Wirt	2.12
Mason	2.10	Wood	2.11
Mercer	2.14		

WISCONSIN

County	Rate per bushel	County	Rate per bushel
Adams	$2.04	Burnett	$2.06
Ashland	2.02	Calumet	2.05
Barron	2.05	Chippewa	2.05
Bayfield	2.05	Clark	2.02
Brown	2.00	Columbia	2.05
Buffalo	2.04	Crawford	2.03

WISCONSIN—Continued

County	Rate per bushel	County	Rate per bushel
Dane	$2.07	Oneida	$2.00
Dodge	2.06	Outagamie	2.05
Door	2.02	Ozaukee	2.07
Douglas	2.09	Pepin	2.05
Dunn	2.05	Pierce	2.08
Eau Claire	2.05	Polk	2.07
Florence	1.99	Portage	2.04
Fond du Lac	2.06	Price	2.02
Forest	2.01	Racine	2.12
Grant	2.04	Richland	2.04
Green	2.07	Rock	2.03
Green Lake	2.06	Rusk	2.04
Iowa	2.04	St. Croix	2.08
Iron	2.00	Sauk	2.04
Jackson	2.04	Sawyer	2.05
Jefferson	2.07	Shawano	1.99
Juneau	2.04	Sheboygan	2.06
Kenosha	2.12	Taylor	2.02
Kewaunee	2.03	Trempealeau	2.03
La Crosse	2.03	Vernon	2.03
Lafayette	2.04	Vilas	1.99
Langlade	2.02	Walworth	2.08
Lincoln	2.01	Washburn	2.05
Manitowoc	2.05	Washington	2.07
Marathon	2.03	Waukesha	2.08
Marinette	2.02	Waupaca	2.04
Marquette	2.04	Waushara	2.04
Milwaukee	2.12	Winnebago	2.06
Monroe	2.04	Wood	2.03
Oconto	2.03		

WYOMING

County	Rate per bushel	County	Rate per bushel
Albany	$1.78	Natrona	$1.80
Big Horn	1.73	Niobrara	1.86
Campbell	1.84	Park	1.74
Carbon	1.76	Platte	1.88
Converse	1.83	Sheridan	1.81
Crook	1.86	Sublette	1.76
Fremont	1.74	Sweetwater	1.76
Goshen	1.90	Teton	1.74
Hot Springs	1.73	Uinta	1.76
Johnson	1.82	Washakie	1.73
Laramie	1.90	Weston	1.87
Lincoln	1.76		

In the case of loans, whether farm-storage or country warehouse storage, the support rate will be the rate established for the county in which the wheat is stored.

(d) *Warehouse charges.* The warehouse receipt and the wheat represented thereby may be subject to liens for warehouse charges only from May 15, 1949, or the date of the warehouse receipt, whichever is later.

(e) *Discounts and premiums*—(1) *Classification discounts.* The support rate for other No. 1 wheat shall be determined by subtracting the following discounts from the applicable support rates:

Classification	Cents per bushel
No. 1 red durum	$0.15
No. 1 mixed wheat (containing less than 5 percent of wheats of the classes durum and/or red durum)	.02
No. 1 mixed wheat (containing 5 percent or more but less than 10 percent of wheats of the classes durum and/or red durum)	.06
No. 1 mixed wheat (containing in excess of 10 percent of wheats of the class durum and/or red durum)	.15
No. 1 mixed wheat grading amber mixed durum	.05
No. 1 mixed wheat grading mixed durum	.10
Wheat otherwise eligible but grading No. 4 or 5 because it contains wheat of the classes durum and/or red durum	.06

(2) *Grade discounts.* Rates for other eligible grades and subclasses shall be determined as follows:

DISCOUNTS

	No. 1 heavy dark northern spring, No. 1 heavy northern spring, No. 1 heavy red spring	No. 1 dark hard winter, No. 1 hard winter, No. 1 yellow hard winter, No. 1 red winter, No. 1 western red, No. 1 hard white, No. 1 soft white, No. 1 white club, No. 1 western white, No. 1 hard amber durum, No. 1 amber durum, No. 1 durum, No. 1 amber mixed durum, No. 1 mixed durum, No. 1 red durum, No. 1 mixed wheat.
	Cents per bushel	*Cents per bushel*
No. 1 (not heavy)	1	0
No. 2	2	1
No. 3	4	3
No. 4	6	6
No. 5	9	9
Smut-degree basis		
Light smutty	2	2
Smutty	6	6
Smut-percentage basis		
½ of 1%	2	2
1% or over	4	4
Garlic-degree basis		
Light garlicky	2	2
Garlicky	6	6

(3) *Protein premiums.* Protein premiums shall be determined in accordance with the following schedule:

Protein content (percent)	Minneapolis, St. Paul, Duluth, Minn., Milwaukee, Superior, Wis., Kansas City, St. Joseph, Mo., Kansas City, Kans., Omaha, Nebr., Council Bluffs, Iowa, Chicago, East St. Louis, Ill., St. Louis, Mo., Galveston, Houston, Tex., New Orleans, La., Philadelphia, Pa., Baltimore, Md., Albany, N. Y.		Portland, Oreg., Seattle, Vancouver, Longview, Tacoma, Wash., San Francisco, Los Angeles, Stockton, Oakland, Calif.	
	Hard red spring	Hard red winter; hard white wheat	Hard red spring	Hard red winter; hard white wheat
	Cents per bushel	*Cents per bushel*	*Cents per bushel*	*Cents per bushel*
10.0–10.9	0	0	1	1
11.0–11.9	0	0	2	2
12.0–12.9	0	0	3	3
13.0–13.9	1	1	4	4
14.0–14.4	2	1½	5	4½
14.5–14.9	3	2	6	5
15.0–15.4	4	2½	7	5½
15.5–15.9	5	3	8	6
16.0–16.4	6	3½	9	6½
16.5–16.9	7	4	10	7
17.0–17.4	8	4½	11	7½
Over 17.4	(1)	(2)	(3)	(4)

[1] 1 cent for each ½ percent of protein over 17.4 percent.
[2] ½ cent for each ½ percent of protein over 17.4 percent.
[3] 1 cent for each ½ percent of protein over 17.4 percent.
[4] ½ cent for each ½ percent of protein over 17.4 percent.

§ 671.125 *Settlement*—(a) *Farm-storage loans.* Settlement on wheat delivered to CCC under the loan program will be made at the support rate established in § 671.124, for the location where the wheat was stored and for the grade and/or quality for the total quantity delivered.

Irrespective of the provisions of the mortgage supplement, if the wheat, when delivered, is of a grade and/or quality for which no support rate has been established, the settlement value shall be the support rate established for the grade and/or quality of the wheat placed under loan, less the difference, if any, at the time of delivery, between the market price for the grade and/or quality placed under loan and the market price of the wheat delivered, as determined by CCC.

(b) *Purchase agreements.* Wheat delivered to CCC under a purchase agreement must meet the requirements of wheat eligible for loan. The purchase rate per bushel of eligible wheat will be the support rate established for the approved point of delivery.

§ 671.126 *Storage allowance and track-loading payment*—(a) *Warehouse-storage loans.* CCC will assume accrued warehouse storage charges on wheat which is not redeemed by the producer.

(b) *Farm-storage loans.* A farm-storage payment of 7¢ per bushel will be made to the producer (1) on wheat delivered to CCC on or after the maturity date for loans, or (2) on wheat delivered to CCC prior to the maturity date, pursuant to demand by CCC for repayment of the loan. If delivery is made prior to April 30, 1950, upon request by the producer and with the approval of CCC, or in the case of loss assumed by CCC under the loan program, the storage payment will be as follows:

6 cents per bushel if delivered or loss occurs during the month of April 1950.
5 cents per bushel if delivered or loss occurs during the month of March 1950.
4 cents per bushel if delivered or loss occurs during the month of February 1950.
3 cents per bushel if delivered or loss occurs during the month of January 1950.
2 cents per bushel if delivered or loss occurs during the month of December 1949.

Earned storage shall be computed as of the date of completion of the delivery or as of the date of loss assumed by CCC. No storage payment will be made if delivery of wheat is made or the loss occurs prior to December 1949.

No storage payment will be made on wheat delivered to CCC prior to April 30, 1950, pursuant to demand by CCC for the repayment of a loan, if such demand for repayment is due to any fraudulent representation on the part of the producer, or the fact that the wheat was damaged, threatened with damage, abandoned, or otherwise impaired.

(c) *Purchase agreement.* CCC will assume accrued warehouse charges on wheat in eligible warehouse storage delivered to CCC: *Provided,* That CCC will not assume any charges in excess of those provided under the Uniform Grain Storage Agreement (CCC Form H, Revised) for the 1949 crop, or make a payment of 7¢ per bushel to the producer on wheat in approved warehouse storage if it is shown that all warehouse charges, except receiving charges, have been paid by the producer through April 30, 1950. A payment of 7¢ per bushel will be made to the producer on wheat delivered from other than approved warehouse storage pursuant to delivery instructions issued by the county committee.

(d) *Track-loading.* A track-loading payment of 2¢ per bushel will be made to the producer on wheat delivered to CCC on track at a country point.

(Sec. 5 (a), Pub. Law 806, 80th Cong., sec. 1 (d) Pub. Law 897, 80th Cong.; 62 Stat. 1072, 1247)

Issued this 18th day of July 1949.

[SEAL] HAROLD K. HILL,
Acting Manager, Commodity Credit Corporation.

Approved:

RALPH S. TRIGG,
President, Commodity Credit Corporation.

[F. R. Doc. 49-5987; Filed, July 20, 1949; 8:51 a. m.]

TITLE 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation, Department of Agriculture

PART 415—FLAX CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1950 AND SUCCEEDING CROP YEARS

The Federal Crop Insurance Program is part of the general program of the United States Department of Agriculture administered for the benefit of agriculture.

By virtue of the authority contained in the Federal Crop Insurance Act, as amended, the "Regulations for Continuous Contracts for the 1949 and Succeeding Crop Years," as amended (13 F. R. 5142, 5631, 7 CFR 415.1 et seq.; 14 F. R. 1393), which shall continue in full force and effect for the 1949 crop year, are hereby amended for the 1950 and succeeding crop years to read as set forth below. The provisions of this subpart shall, until amended or superseded, apply to all continuous flax contracts as they relate to the 1950 and succeeding crop years.

AUTHORITY: §§ 415.1 to 415.17, issued under secs. 506 (e), 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506 (e), 1516 (b). Interpret or apply secs. 507 (c), 508, 509, 52 Stat. 73, 74, 75, as amended; 7 U. S. C. and Sup., 1507 (c), 1508, 1509.

§ 415.1 *Availability of flax crop insurance.* (a) Flax crop insurance under continuous contracts will be provided only in accordance with this subpart in not to exceed the number of counties prescribed by the Federal Crop Insurance Act, as amended. A list of these counties will be published annually by amendment to this section.

(b) Insurance will not be provided with respect to applications for flax insurance filed in a county in accordance with this subpart unless such written applications, together with flax crop insurance contracts in force for the ensuing crop year, cover the minimum number of farms prescribed by the Federal Crop Insurance Act, as amended. For this purpose an insurance unit shall be counted as one farm.

§ 415.2 *Coverages per acre.* The Corporation shall establish coverages per acre by areas which shall not be in excess of the maximum limitations prescribed in the Federal Crop Insurance Act, as amended. Coverages so established shall be shown on the county actuarial table and shall be on file in the county office and may be revised from year to year as the Corporation may elect. The coverage per acre for any specific acreage shall be the coverage (for the applicable farming practice, if any) approved by the Corporation for the coverage and rate area in which the acreage is located.

§ 415.3 *Premium rates.* The Corporation shall establish premium rates per acre by areas for all acreage for which coverages are established and such rates shall be those deemed adequate to cover claims for flax crop losses and to provide a reasonable reserve against unforeseen losses. Premium rates so established shall be shown on the county actuarial table and shall be on file in the county office and may be revised from year to year as the Corporation may elect. The premium rate per acre for any specific acreage shall be the premium rate (for the applicable farming practice, if any) approved by the Corporation for the coverage and rate area in which the acreage is located.

§ 415.4 *Application for insurance.* Application for insurance on a form entitled "Application for Flax Crop Insurance" may be made by any person to cover his interest as landlord, owner-operator, or tenant, in a flax crop. For any crop year applications shall be submitted to the county office on or before March 15 for Kansas and March 31 for all other states, preceding such crop year.

§ 415.5 *The contract.* Upon acceptance of an application for insurance by a duly authorized representative of the Corporation, the contract shall be in effect and will consist of the application and the policy issued by the Corporation.

§ 415.6 *Reduction of premium based on good experience.* The insured's annual premium for any year may be reduced 25 percent if he has had seven consecutively insured flax crops (preceding the current crop year) without a loss for which an indemnity was paid. If the insured is not eligible for the above premium reduction, his annual premium for any year may be reduced not to exceed 25 percent if it is determined by the Corporation that the accumulated balance, expressed in bushels, of premiums over indemnities on consecutively insured flax crops (ending with the current crop year) exceeds his total coverage (computed on a harvested acreage basis). As used in this section, "consecutively insured crops" means the flax crops insured in consecutive years during which insurance was available. Failure to apply for insurance in any year when insurance is offered in the county in which the insured's farm is located shall break the insured's continuity of consecutively insured crops prior to such year, even though insurance may not be provided in the county during such year because of failure to meet the minimum participation requirement: *Provided, however,* That failure to apply for insurance for any year will not break the insured's continuity of consecutively insured crops, if (a) the failure to apply for insurance was due to service in active military or naval service of the United States, or (b) the insured establishes to the satisfaction of the Corporation, that failure to apply for insurance for any crop year was due to the fact that flax was not seeded in that year. Nothing in this section shall create in the insured any right to a reduced premium.

§ 415.7 *Person to whom indemnity shall be paid.* (a) Any indemnity payable under a contract shall be paid to the insured or such other person as may be entitled to the benefits of the contract under the provisions of this subpart, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, equity, or bankruptcy directed against the insured or such other person, or against any indemnity alleged to be due to such person; nor shall the Corporation or any officer, employee, or representative thereof, be a proper party to any suit or action with reference to such indemnity, nor be bound by any judgment, order, or decree rendered, or entered therein. No officer, agent, or employee of the Corporation shall, because of any such process, order, or decree, pay or cause to be paid to any person other than the insured or other person entitled to the benefits of the contract, any indemnity payable in accordance with the provisions of the contract. Nothing herein contained shall excuse any person entitled to the benefits of the contract from full compliance with, or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

(b) The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which indemnity payment may be made and of the person(s) to whom such payment will be made shall be final and conclusive and payment of an indemnity to such person(s) shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid and settled and shall be a bar to recovery by any other person.

§ 415.8 *Public notice of indemnities paid.* The Corporation shall provide for the posting annually in each county at the county courthouse of a list of indemnities paid for losses on farms in such county.

§ 415.9 *Death, incompetence, or disappearance of insured.* (a) If the insured dies, is judicially declared incompetent, or disappears after seeding the flax crop in any year but before the time of loss, and his insured interest in the flax crop is a part of his estate at such time, or if the insured dies, is judicially declared incompetent, or disappears subsequent to such time, the indemnity, if any, shall be paid to the legal representative of his estate, if one is appointed or is duly qualified. If no such representative is or will be so qualified the indemnity shall be paid to the persons beneficially entitled to share in the insured interest in the crop or to any one or more of such persons on behalf of all such persons: *Provided, however,* That if the indemnity exceeds $500, the Corporation may withhold the payment of the indemnity until a legal representative of the insured's estate is duly qualified to receive such payment.

(b) If the insured dies, is judicially declared incompetent or disappears after the seeding of the flax crop in any year but before the time of loss, and his interest in the crop is not a part of his estate at such time, the indemnity, if any, shall be paid to the person(s) who succeeded to his interest in the crop in the manner provided for in the flax crop insurance policy.

(c) If an applicant for insurance or the insured, as the case may be, dies, is judicially declared incompetent, or disappears less than 15 days before the applicable calendar closing date for the filing of applications for insurance in any year, and before the beginning of seeding of the flax crop in such year, whoever succeeds him on the farm with the right to seed the flax crop as his heir or heirs, administrator, executor, guardian, committee or conservator, shall be substituted for the original applicant or the insured upon filing with the county office within 15 days (unless such period is extended by the Corporation) after the date of such death, judicial declaration, or termination of the period which establishes disappearance within the meaning of this subpart, or before the date of the beginning of seeding of the flax crop, whichever is earlier, a statement in writing in the form and manner prescribed by the Corporation, requesting such substitution and agreeing to assume the obligations of the original applicant or the insured arising out of such applicant or the contract: *Provided, however,* That any substitution made pursuant to this paragraph shall be effective only with respect to the flax crop to be seeded in the ensuing crop year, and the contract shall terminate at the end of such year. If no such statement is filed, as required by this paragraph, the original application or contract shall be void.

(d) In case of death of the insured after the seeding of flax is begun for any crop year, any additional acreage which is seeded for the insured's estate for that crop year shall be covered by the contract.

(e) Subject to the provisions of paragraph (c) of this section, the contract shall terminate upon death, judicial declaration of incompetence, or disappearance of the insured, except that if such death, judicial declaration of incompetence, or disappearance occurs after the seeding of the flax crop in any crop year but before the end of the insurance period for such year, the contract shall terminate at the end of such insurance period.

(f) The insured shall be deemed to have disappeared within the meaning of this subpart if he fails to file with the county office written notice of his new mailing address within 180 calendar days after any communication by or on behalf of the Corporation is returned undeliverable at the last known address of the insured.

§ 415.10 *Fiduciaries.* Any indemnity payable under a contract entered into in the name of a fiduciary who is no longer acting in such capacity at the time for the payment of indemnity will be made to the succeeding fiduciary upon appropriate application and proof satisfactory to the Corporation of his incumbency. If there is no succeeding fiduciary, payment of the indemnity shall be made to the persons beneficially entitled under this subpart to the insured interest in the crop, to the extent of their respective interests, upon proper application and proof of the facts: *Provided, however,* That the settlement may be made with any one or more of the persons in behalf of all the persons so entitled, whether or not the person to whom payment is made has been authorized by the other interested persons to receive such payment.

§ 415.11 *Assignment or transfer of claims for refunds of excess note payments not permitted.* No claim for a refund of an excess note payment or any part thereof, or any interest therein, shall be assignable or transferable, notwithstanding any assignment of the contract or any transfer of interest in any flax crop covered by the contract. Refund of any excess note payment will be made only to the person who made such payment, except as provided in § 415.12.

§ 415.12 *Refund of excess note payments in case of death, incompetence, or disappearance.* In any case where a person who is entitled to a refund of an excess note payment has died, has been judicially declared incompetent, or has disappeared, the provisions of § 415.9 with reference to the payment of indemnities in any such case shall be applicable with respect to the making of any such refund.

§ 415.13 *Creditors.* An interest (including an involuntary transfer) in an insured flax crop because of the existence of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or other process shall not entitle any holder of any such interest to any benefits under the contract.

§ 415.14 *Changes from partial insurance protection.* Where the contract provides for partial insurance protection, the premium and any indemnity shall be 65 percent of the amount otherwise computed in accordance with the contract. An insured with a continuous contract in effect in 1949 which provided for 65 percent of maximum protection may continue with such partial protection or change to maximum protection. Request for such change shall be made on a form entitled "Agreement" filed with the Corporation on or before the applicable cancellation date of any year. Upon acceptance by the Corporation of such form the change shall become effective beginning with flax seeded for harvest in the calendar year following the cancellation date.

§ 415.15 *Rounding of fractional units.* The premium shall be rounded to tenths of bushels and the total coverage to whole bushels. Total production shall be rounded to whole bushels. Fractions of acres shall be rounded to tenths of acres. Computations shall be carried one digit beyond the digit that is to be rounded. If the last digit is 1, 2, 3, or 4, the rounding shall be downward. If the last digit is 5, 6, 7, 8, or 9, the rounding shall be upward.

§ 415.16 *Changes in continuous contracts covering the 1949 and succeeding crop years.* The insurance policies issued for 1949 and succeeding crop years shall be amended for 1950 and succeeding crop years by rider so that the terms and conditions of such policies will conform to the terms and conditions of the policy set forth herein, except with respect to partial insurance protection which shall conform to the provisions of § 415.14.

§ 415.17 *The policy.* The provisions of the policy for 1950 and succeeding crop years are as follows:

In consideration of the representations and provisions in the application upon which this policy is issued, which application is made a part of the contract, and subject to the terms and conditions set forth or referred to herein, the Federal Crop Insurance Corporation (hereinafter designated as the Corporation) does hereby insure

----
(Name)

(Policy)

(Address)

---------------- ----------------
(County) (State)

(hereinafter designated as the insured) against unavoidable loss of production on his flax crop due to drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. In witness whereof, the Federal Crop Insurance Corporation has caused this policy to be issued this ______ day of ____________, 19____.

FEDERAL CROP INSURANCE CORPORATION,

By ----------------------------------
State crop insurance director

TERMS AND CONDITIONS

1. *Insured flax.* The flax to be insured shall be flax seeded for harvest as seed but does not include (1) volunteer or self-seeded flax, (2) flax seeded with any other crop except perennial grasses or legumes other than vetch, and (3) flax seeded for purposes other than for harvest as seed.

2. *Insurable acreage.* For each crop year of the contract, any acreage is insurable only if a coverage is shown therefor on the county actuarial table (including maps and related forms) on the closing date for filing applications for that crop year, and the farming practice followed on such acreage is one for which a coverage was established.

3. *Responsibility of insured to report acreage and interest.* (a) Promptly after seeding flax each year, the insured shall submit to the Corporation, on a form entitled "Flax Crop Insurance Acreage Report," a report over his signature of all acreage in the county seeded to flax in which he has an interest at the time of seeding. This report shall show the acreage of flax for each insurance unit and his interest in each at the time of seeding. If the insured does not have an insurable interest in flax seeded in any year, the acreage report shall nevertheless be submitted promptly after the seeding of flax is generally completed in the county. Any acre-

age report submitted by the insured shall be considered final and not subject to change by the insured.

(b) The Corporation may elect to determine that the insured acreage is "zero" if the insured fails to file an acreage report within 30 days after seeding of flax is generally completed in the county, as determined by the Corporation.

(c) Failure of the county office to request submission of such report or to send a personal representative to obtain the report shall not relieve the insured of the responsibility to make such report.

4. *Insured acreage.* The insured acreage with respect to each insurance unit shall be the acreage of flax seeded for harvest as seed as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect, except that insurance shall not attach with respect to (a) any acreage seeded to flax which is destroyed or substantially destroyed (as defined in section 15) and on which it is practical to reseed to flax, as determined by the Corporation, and such acreage is not reseeded to flax and (b) any acreage initially seeded to flax too late to expect to produce a normal crop, as determined by the Corporation. The Corporation reserves the right to limit the insured acreage on any farm to the flax allotment or permitted acreage established under any act of Congress including the Agricultural Adjustment Act of 1938, as amended.

5. *Insured interest.* The insured interest in the flax crop covered by the contract shall be the interest of the insured at the time of seeding as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect. For the purpose of determining the amount of loss the insured interest shall not exceed the insured's actual interest at the time of loss or the beginning of harvest whichever occurs first.

6. *Coverage per acre.* The coverage per acre shall be the applicable number of bushels of flax established for the area in which the insured acreage is located, and shall be shown by practice(s) on the county actuarial table on file in the county office. The coverage per acre is progressive depending upon whether the acreage is (a) released and seeded to a substitute crop, (b) not harvested and not seeded to a substitute crop, or (c) harvested.

7. *Fixed price.* The fixed price per bushel for any crop year shall be the higher of the loan rate per bushel for flax seed or the support price per bushel for flax seed, as established by the U. S. Department of Agriculture for the crop year, with differentials as determined by the Corporation for the location of the insurance unit. However, if neither a loan rate nor a support price per bushel is established by the U. S. Department of Agriculture for any year by January 15 of that year, the fixed price for such year shall be determined by the Corporation. The fixed price is used in determining the cash equivalent of premiums and indemnities. This price shall be on file in the county office.

8. *Insurance period.* Insurance with respect to any insured acreage shall attach at the time the flax is seeded. Insurance shall cease with respect to any portion of the flax crop covered by the contract upon threshing or removal from the field, but in no event shall the insurance remain in effect later than October 31 of each year, unless such time is extended in writing by the Corporation.

9. *Life of contract, cancelation thereof.* (a) Subject to the provisions of paragraph (d) of this section, the contract shall be in effect for the first crop year specified on the application and shall continue in effect for each succeeding crop year until either party gives to the other party, on or before December 31 of any year, written notice of cancelation effective beginning with flax seeded for harvest in the next calendar year. Any notice of cancelation given by the insured to the Corporation shall be submitted in writing to the county office.

(b) If the insured cancels the contract, he shall not be eligible for crop insurance on flax to be seeded in the county for harvest in the next calendar year unless he subsequently files an application for insurance on or before December 31 preceding such year.

(c) If for two consecutive crop years no flax in which the insured has an insurable interest is seeded in the county, the contract shall terminate.

(d) If the minimum participation requirement as established by the Corporation is not met for any year the contract shall continue in force only to the end of the crop year for which such requirement is not met, except that if the minimum participation requirement is met on or before the next succeeding closing date the contract shall continue to be in force.

10. *Changes in contract.* The Corporation reserves the right to change the premium rate(s), insurance coverage(s) and other terms and provisions of the contract from year to year. Notice of such changes shall be mailed to the insured at least 15 days prior to December 31. Failure of the insured to cancel the contract as provided in section 9 shall constitute his acceptance of any such changes. If no notice is mailed to the insured, the terms and provisions of the contract for the prior year shall continue in force.

11. *Causes of loss not insured against.* The contract shall not cover loss of production caused by: (a) Failure to follow recognized good farming practices; (b) poor farming practices, including but not limited to the use of defective or unadapted seed, failure to plant a sufficient quantity of seed, failure properly to prepare the land for seeding or properly to seed, care for or harvest and thresh the insured crop (including unreasonable delay thereof); (c) following different fertilizer or farming practices than those considered in establishing the coverage per acre; (d) seeding flax on land which is generally not considered capable of producing a flax crop comparable to that produced on the land considered in establishing the coverage per acre; (e) seeding excessive acreage under abnormal conditions; (f) seeding perennial or biennial legumes or perennial grasses with the flax or in the growing flax crop; (g) seeding flax under conditions of immediate hazard; (h) inability to obtain labor, seed, fertilizer, machinery, repairs or insect poison; (i) breakdown of machinery, or failure of equipment due to mechanical defects; (j) neglect or malfeasance of the insured or of any person in his household or employment or connected with the farm as tenant or wage hand; (k) domestic animals or poultry; or (l) theft.

12. *Amount of annual premium.* (a) The premium rate per acre will be the applicable number of bushels of flax established by the Corporation for the coverage and rate area in which the insured acreage is located and will be shown by practices on the county actuarial table on file in the county office. The annual premium for each insurance unit under the contract will be based upon (1) the insured acreage of flax, (2) the applicable premium rate(s), (3) the insured interest in the crop at the time of seeding, and (4) the fixed price. There will be a reduction in the annual premium for each insurance unit of one percent in cases where the insured acreage on the insurance unit is as much as 25 acres and does not exceed 74.9 acres, and an additional one percent reduction for each additional 50 acres or fraction thereof on the insurance unit. However, the total reduction shall not exceed 20 percent. The annual premium for the contract shall be the total of the premiums computed for the insured for all insurance units covered by the contract. The annual premium with respect to any insured acreage shall be regarded as earned when the flax crop on such acreage is seeded.

(b) The insured's annual premium may be reduced in any year 25 percent if he has had seven consecutively insured flax crops without a loss for which an indemnity was paid. If the insured is not eligible for the above premium reduction, his annual premium may be reduced in any year not to exceed 25 percent if it is determined by the Corporation that the accumulated balance (expressed in bushels) of premiums over indemnities on consecutively insured flax crops exceeds his total coverage (computed on a harvested acreage basis). Nothing in this paragraph (b) shall create in the insured any right to a reduced premium.

13. *Manner of payment of premium.* (a) The applicant executes a premium note by signing the application for flax crop insurance. This note represents a promise to pay to the Corporation annually during the life of the contract, on or before July 31 of each year the premium for all insurance units covered by the contract.

(b) A discount of five percent shall be allowed on any earned annual premium which is paid in full on or before June 30 if the insured has submitted to the Corporation at the county office his flax acreage report promptly after seeding but not later than June 30 of such crop year.

(c) Any premium note not paid at maturity shall bear interest computed not on a per annum basis but as follows: Three percent on the principal amount not paid on or before October 31 following the maturity date and an additional one percent on the principal amount owing at the end of each two calendar month period thereafter.

(d) Payment on any annual premium shall be made by means of cash or by check, money order, postal note, or bank draft payable to the order of the Treasurer of the United States. All checks and drafts will be accepted subject to collection and payments tendered shall not be regarded as paid unless collection is made.

(e) Any unpaid amount of any annual premium plus any interest due may be deducted (either before or after the date of maturity) from any indemnity payable by the Corporation, from the proceeds of any commodity loan to the insured, and from any payment made to the insured under the Soil Conservation and Domestic Allotment Act, as amended, or any other act of Congress or program administered by the United States Department of Agriculture. There shall be no refund of any annual premium overpayment of less than $1.00 unless written request for such refund is received by the Corporation within one year after the payment thereof.

14. *Notice of loss or damage.* (a) Unless otherwise provided by the Corporation, if a loss under the contract is probable, notice in writing shall be given the Corporation at the county office immediately after any material damage to the insured crop. The crop shall not be harvested, removed, or any other use made of it until it has been inspected by the Corporation.

(b) Unless otherwise provided by the Corporation, if, at the completion of threshing of the insured flax crop, a loss under the contract has been sustained, or is probable, notice in writing shall be given immediately to the Corporation at the county office. If such notice is not given within 15 days after threshing is completed, the Corporation reserves the right to reject any claim for indemnity. This notice is in addition to any notice required by paragraph (a) of this section.

15. *Released acreage.* Any insured acreage on which the flax crop has been destroyed or

substantially destroyed may be released by the Corporation for planting to a substitute crop or to be put to another use. The flax crop shall be deemed to have been substantially destroyed if the Corporation determines that it has been so badly damaged that farmers generally in the area where the land is located and on whose farms similar damage occurred would not further care for the crop or harvest any portion thereof. No insured acreage may be planted to a substitute crop or put to another use until the Corporation releases such acreage. On any acreage where the flax has been partially destroyed but not released by the Corporation, proper measures shall be taken to protect the crop from further damage. There shall be no abandonment of any crop or portion thereof to the Corporation.

16. *Time of loss.* Any loss shall be deemed to have occurred at the end of the insurance period, unless the entire flax crop on the insurance unit was destroyed or substantially destroyed earlier, in which event the loss shall be deemed to have occurred on the date of such damage, as determined by the Corporation.

17. *Proof of loss.* If a loss is claimed, the insured shall submit to the Corporation a form entitled "Statement in Proof of Loss," containing such information regarding the manner and extent of the loss as may be required by the Corporation. The statement in proof of loss shall be submitted not later than sixty days after the time of loss, unless the time for submitting the claim is extended in writing by the Corporation. It shall be a condition precedent to any liability under the contract that the insured establish the actual production of flax on the insurance unit, the amount of any loss for which claim is made, and that such loss has been directly caused by one or more of the hazards insured against by the contract during the insurance period for the crop year for which the loss is claimed, and that the insured further establish that the loss has not arisen from or been caused by, either directly or indirectly, any of the causes of loss not insured against by the contract. If a loss is claimed, any flax acreage which is not to be harvested shall be left intact until the Corporation makes an inspection.

18. *Insurance unit.* Losses shall be determined separately for each insurance unit except as provided in section 19 (b). An insurance unit consists of (a) all the insurable acreage of flax in the county in which the insured has 100 percent interest in the crop at the time of seeding, or (b) all the insurable acreage of flax in the county owned by one person which is operated by the insured as a share tenant, or (c) all the insurable acreage of flax in the county which is owned by the insured and is rented to one share tenant at the time of seeding. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee. For any crop year of the contract acreage shall be considered to be located in the county if a coverage is shown therefor on the county actuarial table.

19. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by multiplying the seeded acreage (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre and subtracting therefrom the total production for the seeded acreage and multiplying the remainder by the insured interest. However, if the seeded acreage on the insurance unit exceeds the insured acreage on the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the insured acreage to the seeded acreage, or if the premium computed for the acreage and interest shown on the acreage report is less than the premium computed for the seeded acreage, the amount of loss determined for the seeded acreage may be reduced on the basis of the ratio of the premium computed for the insured acreage shown on the acreage report to the premium computed for the seeded acreage, if the Corporation so elects. The total production for an insurance unit shall include all production determined in accordance with the following schedule:

SCHEDULE

Acreage classification	*Total production in bushels*
1. Acreage on which flax is threshed (exclusive of any acreage shown in item 2 below).	1. Actual production of flax which is threshed.
2. Acreage on which the Corporation determines that the threshed flax (i) is not eligible for a Commodity Credit Corporation loan because of the quality of the flax and would not meet these loan requirements if properly handled, and (ii) has a value per bushel which is less than the lower of the fixed price or the county loan rate for the lowest grade flax eligible for loan.	2. The number of bushels obtained by (i) multiplying the actual production by the value per bushel as determined by the Corporation, and (ii) dividing the result thus obtained by the lower of the fixed price or the county loan rate for the lowest grade flax eligible for loan.
3. Acreage released by the Corporation and planted to a substitute crop.	3. That portion of the appraised production which is in excess of the coverage.
4. Acreage not harvested and not seeded to a substitute crop.	4. That portion of the appraised production which is in excess of the number of bushels determined by subtracting (i) the coverage for such acreage from (ii) the coverage for such acreage if it were harvested.
5. Acreage put to another use without being released by the Corporation.	5. Appraised production but not less than the product of (i) such acreage and (ii) the coverage per acre.
6. Acreage with reduced yield due solely to any cause(s) not insured against.	6. Appraised number of bushels by which production has been reduced but not less than the product of (i) such acreage and (ii) the coverage per acre, minus any flax harvested.
7. Acreage with reduced yield due partially to a cause(s) not insured against and partially to a cause(s) insured against.	7. Appraised number of bushels by which production has been reduced because of any cause(s) not insured against.

(b) If the production from two or more insurance units is commingled and the insured fails to establish and maintain records satisfactory to the Corporation of acreage or the production from each, the insurance with respect to such units may be voided by the Corporation for the crop year and the premium forfeited by the insured. However, if all the component parts are insured the total coverage for the component parts may be considered as the total coverage for the combination, if the Corporation so elects, in which case any loss for such combination shall be determined as outlined in paragraph (a) of this section. Where the insured fails to establish and maintain separate records, satisfactory to the Corporation, of uninsured acreage and production therefrom and for one or more insurance units or portions thereof, any production from such acreage which is commingled with production from the insured acreage shall be considered to have been produced on the insured acreage, or the insurance with respect to such unit(s) under the contract may be voided by the Corporation for the crop year and the premium forfeited by the insured.

(c) The cash amount of the indemnity shall be determined by multiplying the amount of the loss in bushels by the fixed price.

20. *Payment of indemnity.* (a) Indemnities shall be paid only by check. The amount of indemnity for which the Corporation may be liable will be payable within thirty days after satisfactory proof of loss is approved by the Corporation, but if payment is delayed for any reason, the Corporation shall not be liable for interest or damages on account of such delay.

(b) Indemnities shall be subject to all provisions of the contract, including the right of the Corporation to deduct from any indemnity the unpaid amount of any earned premium plus any interest due or any other obligation of the insured to the Corporation.

(c) Any indemnity payable under a contract shall be paid to the insured or such other person as may be entitled to the benefits under the provisions of the contract, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, equity, or bankruptcy, directed against the insured or such other person, or against any indemnity alleged to be due to such person; nor shall the Corporation or any officer, employee, or representative thereof, be a proper party to any suit or action with reference to such indemnity, nor be bound by any judgment, order, or decree, rendered or entered therein. Nothing herein contained shall excuse any person entitled to the benefits of the contract from full compliance with, or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

(d) If a check issued in payment of an indemnity is returned undeliverable at the last known address of the payee, and if such payee or other person entitled to the indemnity makes no claim for payment within two years after the issuance of the check, such claim shall not thereafter be payable, except with the consent of the Corporation.

21. *Payment to transferee.* (a) If the insured transfers all or a part of his insured interest in a flax crop before the beginning of harvest or the time of loss, whichever occurs first, he shall immediately notify the Corporation thereof in writing at the county office. The transferee under such a transfer will be entitled to the benefits of the contract with respect to the interest so transferred, provided the transferee immediately following the transfer makes suitable arrangements with the Corporation for the payment of any premium with respect to the interest so transferred, whereupon the transferee and the transferor shall be jointly and severally liable for the amount of such premium. Any transfer shall be subject to any collateral assignment made by the original insured in accordance with section 25. However, the Corporation shall not be liable for a greater amount of indemnity in connection with the insured crop than would have been paid if the transfer had not taken place.

(b) An involuntary transfer of an insured interest in a flax crop solely because of the existence of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or other process shall not entitle any holder of any such interest to any benefits under the contract.

(c) Any deduction to be made from an indemnity payable to the transferee shall not exceed the annual premium (plus any interest) due on the land involved in the transfer for the crop year in which the transfer is made, plus the unpaid amount of any other obligation of the transferee to the Corporation.

(d) If, as a result of any transfer, diverse interests appear with respect to any insurance unit, any indemnity payable with respect to such unit may be paid jointly to all persons having the insured interest in the crop at the time harvest is commenced or the time of loss, whichever occurs first, or to one of such persons on behalf of all such persons, and payment in any such manner shall constitute a complete discharge of the Corporation's liability with respect to such unit under the contract.

(e) If a transfer is effected in accordance with paragraph (a) above, the contract of the transferor shall cover the interest so transferred only to the end of the insurance period for the crop year during which the transfer is made.

22. *Determination of person to whom indemnity shall be paid.* In any case where the insured has transferred his interest in all or a part of the flax crop on any insurance unit, or has ceased to act as a fiduciary, or has died, has been judicially declared incompetent or has disappeared, payment in accordance with the provisions of the contract will be made only after the facts have been established to the satisfaction of the Corporation. The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which payment may be made and of the person(s) to whom such payment will be made shall be final and conclusive. Payment of an indemnity under this section shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid and settled and shall be a bar to recovery by any other person.

23. *Other insurance.* (a) If the insured has or acquires any other insurance against substantially all the risks that are insured against by the Corporation under the contract, regardless of whether such other insurance is valid or collectible, the liability of the Corporation shall not be greater than its share would be if the amount of its obligation were divided equally between the Corporation and such other insurer.

(b) In any case where an indemnity is paid to the insured by another Government agency because of damage to the flax crop, the Corporation reserves the right to determine its liability under the contract taking into consideration the amount paid by such other agency.

24. *Subrogration.* The Corporation may require from the insured an assignment of all rights of recovery against any person(s) for loss or damage to the extent that payment therefor is made by the Corporation, and the insured shall execute all papers required and shall do everything that may be necessary to secure such rights.

25. *Collateral assignment.* The original insured may assign his right to an indemnity under the contract by executing a form entitled "Collateral Assignment" and upon approval thereof by the Corporation the interest of the assignee will be recognized, including the right of the assignee to submit a "Statement in Proof of Loss" if the insured refuses to submit or disappears without having submitted such statement.

26. *Records and access to farm.* For the purpose of enabling the Corporation to determine any loss that may have occurred under the contract, the insured shall keep, or cause to be kept, for one year after the time of loss, records of the harvesting, storage, shipment, sale, or other disposition, of all flax produced on each insurance unit covered by the contract, and on any uninsured acreage in the county in which he has an interest. Such records shall be made available for examination by the Corporation, and as often as may be reasonably required, any person(s) designated by the Corporation shall have access to the farm(s).

27. *Voidance of contract.* The contract may be voided and the premium forfeited to the Corporation without the Corporation's waiving any right or remedy, including its right to collect the amount of the note executed by the insured, whether before or after maturity, if (a) at any time the insured has concealed any material fact or made any false or fraudulent statements relating to the contract, the subject thereof, or his interest in the flax crop covered thereby, or (b) the insured shall neglect to use all reasonable means to produce, care for or save the flax crop covered thereby, whether before or after damage has occurred, or (c) the insured fails to give any notice, or otherwise fails to comply with the terms of the contract, including the note, at the time and in the manner prescribed.

28. *Modification of contract.* No notice to any representative of the Corporation or the knowledge possessed by any such representative or by any other person shall be held to effect a waiver of or change in any part of the contract, or to estop the Corporation from asserting any right or power under such contract, nor shall the terms of such contract be waived or changed except as authorized in writing by a duly authorized officer or representative of the Corporation, nor shall any provision or condition of the contract or any forfeiture be held to be waived by any delay or omission by the Corporation in exercising its rights and powers thereunder or by any requirement, act, or proceeding on the part of the Corporation or of its representatives relating to appraisal or to any examination herein provided for.

29. *General.* (a) In addition to the terms and provisions in the application and policy, the Flax Crop Insurance Regulations for Continuous Contracts in effect for the crop year involved shall govern with respect to (1) death, incompetence, or disappearance of the insured, (2) fiduciaries, (3) prohibition against assignment or transfer of claims for refunds, (4) rounding of fractional units, (5) creditors, (6) minimum participation requirements, and (7) reduction of premium based on good experience.

(b) Copies of the regulations and forms referred to in this policy are available at the county office.

30. *Meaning of terms.* For the purpose of the flax crop insurance program, the terms:

(a) "Contract" means the accepted application for insurance and this policy.

(b) "County Actuarial Table" means the form and related material (including the crop insurance maps) approved by the Corporation for listing the coverages per acre and the premium rates per acre applicable in the county.

(c) "County office" means the office of the county agricultural conservation association in the county or other office specified by the Corporation.

(d) "Crop year" means the period within which the flax crop is seeded and normally harvested, and shall be designated by reference to the calendar year in which the crop is normally harvested.

(e) "Harvest" means any mechanical severance from the land of matured flax for threshing where the flax crop has not been destroyed or substantially destroyed.

(f) "Person" means an individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity, and wherever applicable, a state, a political subdivision of a state, or any agency thereof.

(g) "Substitute crop" means any crop, except biennial and perennial legumes and perennial grasses, planted on released acreage before harvest of flax becomes general in the county as determined by the Corporation. Biennial and perennial legumes and perennial grasses seeded with the flax or in the growing flax crop shall not be considered a substitute crop.

(h) "Tenant" means a person who rents land from another person for a share of the flax crop or proceeds therefrom produced on such land.

31. *Maturity date.* For each year of the contract the maturity date for the payment of annual premiums shall be July 31.

NOTE: The record keeping requirements of these regulations have been approved by, and subsequent reporting requirements will be subject to the approval of, the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Adopted by the Board of Directors on July 14, 1949.

[SEAL] E. D. BERKAW,
Secretary,
Federal Crop Insurance Corporation.

Approved: July 15, 1949.

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 49-5967; Filed, July 20, 1949; 8:48 a. m.]

[Amdt. 1]

PART 416—CORN CROP INSURANCE

SUBPART—REGULATIONS FOR CONTINUOUS CONTRACTS FOR THE 1949 AND SUCCEEDING CROP YEARS

The Corn Crop Insurance Regulations for Continuous Contracts for the 1949 and Succeeding Crop Years (7 CFR 416.1 et seq.; 13 F. R. 6467, 6623) are amended as follows:

1. Section 416.1 is changed to read as follows:

§ 416.1 *Availability of corn crop insurance.* (a) Corn crop insurance under continuous contracts for the 1949 and succeeding crop years will be provided only in accordance with this subpart in the following counties and under the plan of insurance specified:

State and county	*Plan of insurance*
Illinois:	
Carroll	Monetary.
Livingston	Monetary.
McDonough	Monetary.
Montgomery	Commodity.
Tazewell	Monetary.
Whiteside	Monetary.
Indiana:	
Clinton	Monetary.
Decatur	Monetary.
De Kalb	Monetary.
Miami	Commodity.
Iowa:	
Buena Vista	Monetary.
Cerro Gordo	Monetary.
Floyd	Monetary.
Madison	Monetary.
Osceola	Monetary.
Story	Monetary.
Union	Monetary.
Washington	Monetary.
West Pottawattamie	Monetary.
Kansas:	
Jackson	Monetary.
Marshall	Monetary.
Maryland:	
Kent	Monetary.
Michigan:	
Hillsdale	Commodity.
Monroe	Monetary.

State and county	Plan of insurance
Minnesota:	
Blue Earth	Monetary.
Martin	Monetary.
Redwood	Monetary.
Wabasha	Monetary.
Missouri:	
Johnson	Monetary.
Marion	Monetary.
Nodaway	Monetary.
Pike	Monetary.
Nebraska:	
Boone	Monetary.
Richardson	Monetary.
Saunders	Monetary.
Ohio:	
Champaign	Monetary.
Hancock	Monetary.
Preble	Monetary.
Seneca	Monetary.
Pennsylvania:	
Chester	Monetary.
South Dakota:	
Clay	Monetary.
Minnehaha	Monetary.
Wisconsin:	
Columbia	Monetary.
Lafayette	Monetary.
Sauk	Monetary.

(b) Insurance will not be provided with respect to applications for corn insurance filed in a county in accordance with this part unless such written applications, together with corn crop insurance contracts in force for the ensuing crop year, cover at least 200 farms in the county or one-third of the farms normally producing corn. For this purpose an insurance unit shall be counted as one farm.

Adopted by the Board of Directors on July 14, 1949.

(Secs. 506 (e), 1516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506 (e), 1516 (b). Interpret or apply secs. 507 (c), 508, 509, 52 Stat. 73, 74, 75, as amended; 7 U. S. C. and Sup., 1507 (c), 1508, 1509)

[SEAL] E. D. BERKAW,
Secretary,
Federal Crop Insurance Corporation.

Approved: July 15, 1949.

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 49-5966; Filed, July 20, 1949; 8:48 a. m.]

[Amdt. 1]

PART 418—WHEAT CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1950 AND SUCCEEDING CROP YEARS

The above-identified regulations (14 F. R. 1455) are hereby amended as of March 29, as follows:

1. Section 418.156 is amended to read as follows:

§ 418.156 *Deduction of premium based on good experience.* The insured's annual premium for any year may be reduced 25 percent in the case of either commodity coverage insurance or monetary coverage insurance if he has had seven consecutively insured wheat crops (preceding the current crop year) without a loss for which an indemnity was paid. Whether or not the insured is eligible for the above premium reduction, his annual premium for any year may be reduced in lieu of the above as follows: (a) Not to exceed 50 percent for commodity coverage insurance if it is determined by the Corporation that the accumulated balance, expressed in bushels, of premiums over indemnities on consecutively insured wheat crops (ending with the current crop year) exceeds his total coverage (computed on a harvested acreage basis), or (b) not to exceed 25 percent for monetary coverage insurance if it is determined by the Corporation that the cash equivalent (based on the predetermined price for that crop year) of the accumulated balance, expressed in bushels, of premiums over indemnities on consecutively insured wheat crops (ending with the current crop year) exceeds his total coverage (computed on a harvested acreage basis).

As used in this section "consecutively insured crops" means the wheat crops insured in consecutive years during which insurance was available but excluding the 1945 crop if no application for insurance was submitted. Failure to apply for insurance in any year, except 1945, when insurance is offered in the county in which the insured's farm is located, shall break the insured's continuity of consecutively insured corps prior to such year, even though insurance may not be provided in the county during such year because of failure to meet the minimum participation requirement: *Provided, however,* That failure to apply for insurance for any year will not break the continuity of consecutively insured crops, if (a) the failure to apply for insurance was due to service in the active military or naval service of the United States, or (b) the insured establishes to the satisfaction of the Corporation that failure to apply for insurance for any crop year was due to the fact that wheat was not seeded in that year. Nothing in this section shall create in the insured any right to a reduced premium.

2. Section 12 (b) of § 418.167 is amended to read as follows:

(b) The insured's annual premium for any year may be reduced 25 percent if he has had seven consecutively insured wheat crops without a loss for which an indemnity was paid. Whether or not the insured is eligible for the above premium reduction, his annual premium may be reduced in lieu of the above in any year not to exceed 50 percent if it is determined by the Corporation that the accumulated balance (expressed in bushels) of premiums over indemnities on consecutively insured wheat crops exceeds his total coverage (computed on a harvested acreage basis). Nothing in this paragraph shall create in the insured any right to a reduced premium.

3. Section 12 of § 418.168 is amended to read as follows:

12. *Amount of annual premium.* (a) The premium rate per acre will be the applicable number of dollars established by the Corporation for the coverage and rate area in which the insured acreage is located and will be shown by practices on the county actuarial table on file in the county office. The annual premium for each insurance unit under the contract will be based upon (1) the insured acreage of wheat, (2) the applicable premium rate(s) and (3) the insured interest in the crop at the time of seeding. There will be a reduction in the annual premium for each insurance unit of one percent in cases where the insured acreage on the insurance unit is as much as 25 acres and does not exceed 74.9 acres, and an additional one percent reduction for each additional 50 acres or fraction thereof on the insurance unit. However, the total reduction shall not exceed 20 percent. The annual premium for the contract shall be the total of the premiums computed for the insured for all insurance units covered by the contract. The annual premium with respect to any insured acreage shall be regarded as earned when the wheat crop on such acreage is seeded.

(b) The insured's annual premium for any year may be reduced 25 percent if he has had seven consecutively insured wheat crops without a loss for which an indemnity was paid. Whether or not the insured is eligible for the above premium reduction his annual premium may be reduced in lieu of the above in any year not to exceed 25 percent if it is determined by the Corporation that the cash equivalent (based on the predetermined price for that crop year) of the accumulated balance, expressed in bushels, of premiums over indemnities on consecutively insured wheat crops exceeds his total coverage (computed on a harvested acreage basis). Nothing in this paragraph (b) shall create in the insured any right to a reduced premium.

Adopted by the Board of Directors on July 14, 1949.

(Secs. 506 (e), 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506 (e), 1516 (b). Interpret or apply secs. 507 (c), 508, 509, 52 Stat. 73, 74, 75 as amended; 7 U. S. C. and Sup., 1507 (c), 1508, 1509)

[SEAL] E. D. BERKAW,
Secretary,
Federal Crop Insurance Corporation.

Approved July 15, 1949.

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 49-5968; Filed, July 20, 1949; 8:48 a. m.]

[Amdt. No 4]

PART 419—COTTON CROP INSURANCE

SUBPART—REGULATIONS FOR CONTINUOUS CONTRACTS FOR THE 1949 AND SUCCEEDING CROP YEARS

The Cotton Crop Insurance Regulations for Continuous Contracts for the 1949 and Succeeding Crop Years, as amended (13 F. R. 5261, 6475, 6904, 7 CFR 419.1 et seq.; 14 F. R. 1393), are amended as follows:

1. Section 419.1 is changed to read as follows:

§ 419.1 *Availability of cotton crop insurance.* (a) Cotton crop insurance under continuous contracts for the 1949 and succeeding crop years will be provided only in accordance with this subpart in the following counties and under the plan of insurance specified:

State and county	Plan of insurance
Alabama:	
Chilton	Monetary.
DeKalb	Commodity.
Houston	Commodity.
Limestone	Commodity.
Madison	Commodity.
Tuscaloosa	Commodity.
Arizona:	
Pinal	Commodity.

State and county	Plan of insurance
Arkansas:	
Chicot	Commodity.
Crittenden	Monetary.
Desha	Monetary.
Faulkner	Commodity.
Hempstead	Commodity.
Lawrence	Monetary.
Lincoln	Monetary.
California:	
Tulare	Commodity.
Georgia:	
Burke	Commodity.
Carroll	Monetary.
Dooly	Commodity.
Jackson	Commodity.
Louisiana:	
Bienville	Commodity.
Caddo	Commodity.
Natchitoches	Commodity.
Richland	Commodity.
Mississippi:	
Covington	Commodity.
Holmes	Commodity.
Lee	Commodity.
Quitman	Commodity.
Sharkey	Monetary.
Tallachatchie	Monetary.
Walthall	Commodity.
Washington	Commodity.
New Mexico:	
Chaves	Commodity.
North Carolina:	
Cleveland	Monetary.
Mecklenburg	Monetary.
Oklahoma:	
Bryan	Commodity.
Hughes	Commodity.
South Carolina:	
Anderson	Commodity.
Greenville	Commodity.
Orangeburg	Commodity.
Tennessee:	
Lauderdale	Commodity.
McNairy	Monetary.
Texas:	
Bell	Commodity.
Collin	Commodity.
Ellis	Commodity.
Fannin	Monetary.
Grayson	Monetary.
Hill	Commodity.
Lubbock	Monetary.
McLennon	Monetary.
Navarro	Monetary.
Red River	Commodity.
Williamson	Commodity.

(b) Insurance will not be provided with respect to applications for cotton insurance filed in a county in accordance with this subpart unless such written applications, together with cotton crop insurance contracts in force for the ensuing crop year, cover at least 200 farms in the county or one-third of the farms normally producing cotton. For this purpose an insurance unit shall be counted as one farm.

2. Section 419.17, the monetary coverage policy, is amended to change paragraph (a) of section 31, Irrigated Acreage, to read as follows:

(a) In addition to the provisions of section 3, where insurance is written on an irrigated basis the following provisions shall apply:

1. In areas where a part of the cotton is normally irrigated and a part is not normally irrigated, the acreage of cotton which shall be insured on an irrigated basis in any year shall not exceed (i) that acreage which could be irrigated in a normal year with the facilities available, or (ii) that acreage on which one preplanting irrigation of at least three-acre inches is carried out if there is a deficiency of soil moisture at planting time.

2. Insurance shall not attach with respect to acreage planted to cotton the first year after being leveled.

Adopted by the Board of Directors on July 14, 1949.

(Secs. 506 (e), 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506 (e), 1516 (b). Interpret or apply secs. 507 (c), 508, 509, 52 Stat. 73, 74, 75, as amended; 7 U. S. C. and Sup., 1507 (c), 1508, 1509)

[SEAL] E. D. BERKAW,
Secretary,
Federal Crop Insurance Corporation.

Approved: July 15, 1949.

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 49-5965; Filed, July 20, 1949; 8:47 a. m.]

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

PART 981—IRISH POTATOES GROWN IN SOUTHEASTERN STATES

LIMITATION OF SHIPMENTS

§ 981.305 *Limitation of shipments*—(a) *Findings.* (1) Pursuant to Marketing Agreement No. 104 and Order No. 81 (7 CFR 981.1 et seq.) regulating the handling of Irish potatoes grown in the Southeastern States production area, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 61 Stat. 202, 707), and upon the basis of the recommendations and information submitted by the Southeastern Potato Committee, established under said marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of such potatoes as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this order until 30 days after publication thereof in the FEDERAL REGISTER (5 U. S. C. 1001 et seq.) in that (i) the time intervening between the date when the committee made the recommendations, also when the information upon which this order is based became available, and the time when this order must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient to give notice; (ii) compliance with this order will not require any preparation on the part of handlers which cannot be completed by the effective date hereof; and (iii) this order is a relaxation of regulations imposed on potato shipments from the Southeastern States production area pursuant to the provisions of § 981.304 (14 F. R. 2229) which are hereinafter terminated.

(b) *Order.* (1) The provisions of § 981.304 (14 F. R. 2229) limiting potato shipments to U. S. No. 1 grade or better grades are hereby terminated as of the effective date of this section.

(2) During the period beginning July 19, 1949, and ending July 31, 1949, no handler shall ship potatoes grown in the Southeastern States production area which do not meet the requirements of U. S. No. 2 grade or better grades, 1½ inches minimum diameter, as such grade and size are defined in the U. S. Standards for Potatoes (14 F. R. 1955), or amendments thereto: *Provided*, That pursuant to § 981.6 (c), the aforesaid limitation shall not be applicable to shipments of potatoes for export; shipments of potatoes to washers at points within the production area for the purpose of having such potatoes washed and graded prior to final shipment to market; shipments of potatoes purchased by the Commodity Credit Corporation under the price support program for distribution by the Federal government, except that (i) shipments of potatoes for export shall be subject to the provisions of § 981.102 *Export shipments* (13 F. R. 3455); and (ii) shipments of potatoes to washers at points within the production area, and shipments of potatoes purchased by the Commodity Credit Corporation shall be subject to the provisions of § 981.104 and such safeguards as may be issued pursuant to § 981.6 (c) of the aforesaid marketing agreement and order.

(3) The terms used herein shall have the same meaning as when used in Marketing Agreement No. 104 and Order No. 81 (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.).

Done at Washington, D. C., this 19th day of July 1949.

[SEAL] S. R. SMITH,
Director,
Fruit and Vegetable Branch.

[F. R. Doc. 49-6031; Filed, July 20, 1949; 9:25 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 52269]

PART 11—PACKING AND STAMPING; MARKING; TRADE-MARKS AND TRADE NAMES; COPYRIGHTS

IMPORTATION OF COPYRIGHTED BOOKS OR PERIODICALS OF FOREIGN ORIGIN

In view of the amendment of Title 17, United States Code, section 16, by the act approved June 3, 1949 (Public Law 84—81st Congress), permitting the importation of up to 1,500 copies of a copyrighted book or periodical of foreign origin in the English language within 5 years after first publication in a foreign state or nation, Part 11, Customs Regulations of 1943 (19 CFR, Cum. Supp., Part 11) is hereby amended by adding a new section at the end thereof reading as follows:

§ 11.21 *Importation of copyrighted books or periodicals of foreign origin.* Books or periodicals of foreign origin in the English language covered by ad interim copyright imported pursuant to the quantitative exception in the first proviso to section 16, Title 17, United States Code, as amended by the act of

June 3, 1949 (Public Law No. 84, 81st Cong.),[24] may be released upon compliance with usual customs requirements if there is presented in connection with the entry an "Import Statement" issued by the Register of Copyrights on Copyright Office Form C-100, and the books or periodicals are otherwise admissible. The reverse side of the statement shall be completely filled in by the customs officer concerned and mailed at once to the Register of Copyrights as directed in the form.

[24] "Of the printed book or periodical specified in section 5, subsections (a) and (b), of this title, * * * the text of all copies accorded protection under this title, except as below provided, shall be printed from type set within the limits of the United States, either by hand or by the aid of any kind of typesetting machine, or from plates made within the limits of the United States from type set therein, or, if the text be produced by lithographic process, or photoengraving process, then by a process wholly performed within the limits of the United States, and the printing of the text and binding of the said book shall be performed within the limits of the United States; which requirements shall extend also to the illustrations within a book consisting of printed text and illustrations produced by litho graphic process, or photoengraving process, and also to separate lithographs or photoengravings, except where in either case the subjects represented are located in a foreign country and illustrate a scientific work or reproduce a work of art: *Provided, however,* That said requirements shall not apply to * * * copies of books or periodicals, of foreign origin, in the English language, imported into the United States within five years after first publication in a foreign state or nation up to the number of fifteen hundred copies of each such book or periodical if said copies shall contain notice of copyright in accordance with sections 10, 19, and 20 of this title and if ad interim copyright in said work shall have been obtained pursuant to section 22 of this title prior to the importation into the United States of any copy except those permitted by the provisions of section 107 of this title: *Provided further,* That the provisions of this section shall not affect the right of importation under the provisions of section 107 of this title, nor the extension of time within which to comply with conditions and formalities granted by Presidential proclamation No. 2608, of March 4, 1944." (17 U. S. C. 16, sec. 1, Pub. Law No. 84, 81st Cong.)

(R. S. 161; 5 U. S. C. 22)

[SEAL] FRANK DOW,
Commissioner of Customs.

Approved: July 15, 1949.

JOHN S. GRAHAM,
Acting Secretary of the Treasury.

[F. R. Doc. 49-5971; Filed, July 20, 1949; 8:49 a. m.]

TITLE 22—FOREIGN RELATIONS

Chapter II—Economic Cooperation Administration

[ECA Reg. 1, as Amended May 3, 1949, Amended Order 3]

PART 201 — PROCEDURES FOR FURNISHING ASSISTANCE TO PARTICIPATING COUNTRIES

PROCUREMENT AUTHORIZATION NUMBERS AND DELIVERY DATES

Order 3 (F. R. Doc. 49-5769; 14 F. R. 3916) is amended to read as follows:

Pursuant to the powers reserved in § 201.24 of ECA Regulation 1, the Administrator hereby waives the provisions of the Regulation in the following respect:

Notwithstanding the provisions of §§ 201.3, 201.5 and 201.12, of ECA Regulation 1, as amended May 3, 1949, the following procedures relating to Procurement Authorizations issued by ECA to participating countries will be followed in addition to the procedures therein contained:

1. *Serial number procurement authorizations.* ECA will issue Procurement Authorizations bearing a Procurement Authorization number which will indicate the participating country to which the Procurement Authorization is issued, the commodity code number as listed in the Commodity Code Book dated June 15, 1949, the source from which the materials are to be obtained, and a serial number. An example of such a Procurement Authorization number is as follows:

38	010	00	3001
Participating country	Commodity code	Source	Serial number
France	Bread grains	U. S.	

Except when issued to cover ocean transportation, the following provisions will be applicable to Serial Number Procurement Authorizations:

(a) Procurement Authorizations will not be amended after issuance to provide for value increases, except for minor adjustments and additional payments against individual contracts previously partially financed. If a participating country desires authorization to procure an increased amount of commodities or services, ECA will, in appropriate cases, issue a new Procurement Authorization bearing a different serial number to authorize the increase.

(b) Each Procurement Authorization will bear a terminal date for deliveries, and may be used to cover only contracts made on or after the date of issuance, and deliveries made on or after the date of issuance through the terminal date specified.

2. *Delivery Quarter Procurement Authorizations.* Deliveries of commodities and services under Delivery Quarter Procurement Authorizations heretofore or hereafter issued in accordance with § 201.3 need not be promised within the calendar quarter indicated on the Procurement Authorization, and, except when otherwise specified in the Procurement Authorization, may be made at any time after the date of issuance or 60 days prior to the beginning of the quarter, whichever date is earlier, up to and including 90 days subsequent to the last day of the quarter.

3. *Responsibilities of Banking Institutions.* The responsibilities of banking institutions in the United States financing transactions under Procurement Authorizations issued in accordance with the procedures, or subject to the limitations, contained in this amended Order 3 will be as set forth in § 201.23 of ECA Regulation 1, as amended May 3, 1949.

(Sec. 104 (f), Pub. Law 472, 80th Cong., as amended by Pub. Law 47, 81st Cong.)

PAUL G. HOFFMAN,
Administrator for Economic Cooperation.

[F. R. Doc. 49-5990; Filed, July 20, 1949; 8:52 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter I—Home Loan Bank Board, Housing and Home Finance Agency

Subchapter C—Federal Savings and Loan System

[No. 1869]

GENERAL REVISION OF REGULATIONS

Correction

The following changes are made in Federal Register Document 49-5856, appearing at page 3980 of the issue for Saturday, July 16, 1949:

1. In the last line of § 143.6 (a) the reference to § 144.6 should read "§ 144.5."
2. The last line of the introductory text of § 144.1 should read: "Loan Act of 1933, as amended."
3. In Charter N, appearing in § 144.1, on page 3984, the second line of the middle column, reading "after the date specified as the redemption", should be inserted as the fourth line of the third column, immediately following the line which reads "such account shall cease to accrue from and".
4. In the last line of § 145.8 (b) (2) the reference to § 145.6 (f) should read "§ 145.6-6."

Chapter VIII—Office of Housing Expediter

[Controlled Housing Rent Reg.,[1] Amdt. 131]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

KANSAS, MASSACHUSETTS, PENNSYLVANIA AND TEXAS

The Controlled Housing Rent Regulation (§§ 825.1 to 825.12) is amended in the following respects:

1. Schedule A, Item 117, is amended to read as follows:

(117) [Revoked and decontrolled.]

This decontrols from §§ 825.1 to 825.12 the entire Hutchinson, Kansas, Defense-Rental Area, consisting of Reno County, on the Housing Expediter's own initiative in accordance with section 204 (c) of the Housing and Rent Act of 1947, as amended.

[1] 13 F. R. 5706, 5783, 5789, 5877, 5937, 6246, 6283, 6411, 6556, 6881, 6910, 7299, 7671, 7801, 7862, 8217, 8218, 8327, 8386; 14 F. R. 17, 93, 143, 271, 337, 456, 627, 682, 695, 856, 918, 979, 1005, 1033, 1345, 1394, 1519, 1570, 1571, 1587, 1666, 1667, 1733, 1760, 1823, 1868, 1932, 2059, 2060, 2084, 2176, 2233, 2412, 2441, 2545, 2605, 2607, 2608, 2695, 2746, 2761, 2796, 2897, 3079, 3120, 3152, 3200, 3234, 3280, 3311, 3353, 3399, 3451, 3467, 3494, 3556, 3617, 3672, 3673, 3704, 3705, 3745, 3773, 3813, 3848.

2. Schedule A, Item 143, is amended to describe the counties in the Defense-Rental Area as follows:

Barnstable; Bristol; Middlesex; Norfolk; Suffolk; and Plymouth, except the Towns of Lakeville, Carver, Marion and Rochester.

This decontrols from §§ 825.1 to 825.12 the Towns of Lakeville, Carver, Marion and Rochester, all located in Plymouth County, Massachusetts, a portion of the Eastern Massachusetts, Defense-Rental Area, on the Housing Expediter's own initiative in accordance with section 204 (c) of the Housing and Rent Act of 1947, as amended.

3. Schedule A, Item 262, is amended to describe the counties in the Defense-Rental Area as follows:

Cumberland; Dauphin; Lebanon; and in Perry County, the Townships of Rye, Penn, and Wheatfield, and the municipalities of Marysville, Perdix and Duncannon.
Franklin.

This decontrols from §§ 825.1 to 825.12 Perry County, Pennsylvania, except the Townships of Rye, Penn, and Wheatfield and the municipalities of Marysville, Perdix and Duncannon, all being a portion of the Harrisburg, Pennsylvania, Defense-Rental Area, on the Housing Expediter's own initiative in accordance with section 204 (c) of the Housing and Rent Act of 1947, as amended.

4. Schedule A, Item 305, is amended to read as follows:

(305) [Revoked and decontrolled]

This decontrols from §§ 825.1 to 825.12 the entire Borger, Texas, Defense-Rental Area, consisting of Hutchinson County, Texas, on the Housing Expediter's own initiative in accordance with section 204 (c) of the Housing and Rent Act of 1947, as amended.

(Sec. 204 (d), 61 Stat. 197, as amended by 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894 (d). Applies sec. 204, 61 Stat. 197, as amended by 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894)

This amendment shall become effective July 18, 1949.

Issued this 18th day of July 1949.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 49-5972; Filed July 20, 1949; 8:49 a. m.]

[Controlled Housing Rent Reg.,[1] Amdt. 132]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

PENNSYLVANIA

The Controlled Housing Rent Regulation (§§ 825.1 to 825.12) is amended in the following respects:

[1] 13 F. R. 5706, 5788, 5789, 5877, 5937, 6246, 6283, 6411, 6556, 6881, 6910, 7299, 7671, 7801, 7862, 8217, 8218, 8327, 8336; 14 F. R. 17, 93, 143, 271, 337, 456, 627, 682, 695, 856, 918, 979, 1005, 1083, 1345, 1394, 1519, 1570, 1571, 1587, 1666, 1667, 1733, 1769, 1823, 1868, 1932, 2059, 2060, 2084, 2176, 2233, 2412, 2441, 2545, 2605, 2607, 2608, 2695, 2746, 2761, 2796, 2897, 3079, 3120, 3152, 3200, 3234, 3280, 3311, 3353, 3399, 3451, 3467, 3494, 3556, 3617, 3672, 3673, 3704, 3705, 3745, 3773, 3813, 3848, 3992.

1. Schedule A, Item 258, is amended to describe the counties in the Defense-Rental Area as follows:

Blair; Cambria; and in Somerset County, the Townships of Black, Conemough, Jenner, Lincoln, Ogle, Paint, Shade, Somerset, Summit and Quemahoning, and the Boroughs of Benson, Boswell, Central City, Hooversville, Garrett, Jennerstown, Meyersdale, Paint, Rockwood, Somerset, Stoyestown, and Windber.

This recontrols under §§ 825.1 to 825.12 Black Township and the Borough of Rockwood in Somerset County, as a portion of the Altoona-Johnstown, Pennsylvania, Defense-Rental Area, said Township and Borough having been heretofore decontrolled as of April 8, 1949.

2. A new Item 54 is hereby incorporated in Schedule B to read as follows:

54. Provisions relating to Black Township and the Borough of Rockwood in Somerset County, Pennsylvania, a portion of the Altoona-Johnstown, Pennsylvania, Defense-Rental Area.

Recontrol of Black Township and the Borough of Rockwood, in Somerset County, Pennsylvania, a portion of the Altoona-Johnstown, Pennsylvania, Defense-Rental Area. Except as modified by the following provisions, the provisions of §§ 825.1 to 825.12 shall apply, effective July 18, 1949, to housing accommodations in Black Township and the Borough of Rockwood in Somerset County, Pennsylvania, a portion of the Altoona-Johnstown, Pennsylvania, Defense-Rental Area, said Township and Borough having been heretofore decontrolled as of April 8, 1949:

a. All orders in effect on April 7, 1949, in accordance with §§ 825.1 to 825.12 shall be of full force and effect.

b. If on July 18, 1949, there was a ground for adjustment under § 825.5 (a) for which no order had previously been issued, and a petition for adjustment is filed on or before August 18, 1949, the adjustment shall be effective as of July 18, 1949.

c. If on July 18, 1949, the services provided with any housing accommodations are less than the minimum services provided by § 825.3, the landlord shall either restore and maintain such minimum services or file a petition on or before August 18, 1949, requesting approval of the decreased services. If on July 18, 1949, the furniture, furnishings or equipment with any housing accommodations are less than the minimum required by § 825.3, the landlord shall file, on or before August 17, 1949, a written report showing the decrease in furniture, furnishings or equipment. Except as modified by this paragraph "c", the provisions of § 825.5 (b) shall be applicable to all such cases.

d. In the case of any action which, on July 18, 1949, was required or authorized by §§ 825.1 to 825.12 to be taken within a specified period of time, the same time period shall be applicable, but such time period shall be counted from July 18, 1949.

(Sec. 204 (d), 61 Stat. 197, as amended, 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894 (d). Applies sec. 204 (i), 61 Stat. 197, as amended, 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894 (i))

This amendment shall become effective July 18, 1949.

Issued this 18th day of July 1949.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 49-5974; Filed, July 20, 1949; 8:49 a. m.]

[Controlled Rooms in Rooming Houses and Other Establishments Rent Reg.,[1] Amdt. 126]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

KANSAS, MASSACHUSETTS, PENNSYLVANIA, AND TEXAS

The Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments (§§ 825.81 to 825.92) is hereby amended in the following respects:

1. Schedule A, Item 117, is amended to read as follows:

(117) [Revoked and decontrolled.]

This decontrols from §§ 825.81 to 825.92 the entire Hutchinson, Kansas, Defense-Rental Area, consisting of Reno County, on the Housing Expediter's own initiative in accordance with section 204 (c) of the Housing and Rent Act of 1947, as amended.

2. Schedule A, Item 143, is amended to describe the counties in the Defense-Rental Area as follows:

Barnstable; Bristol; Middlesex; Norfolk; Suffolk; and Plymouth, except the Towns of Lakeville, Carver, Marion and Rochester.

This decontrols from §§ 825.81 to 825.92 the Towns of Lakeville, Carver, Marion and Rochester, all located in Plymouth County, a portion of the Eastern Massachusetts, Defense-Rental Area, on the Housing Expediter's own initiative in accordance with section 204 (c) of the Housing and Rent Act of 1947, as amended.

3. Schedule A, Item 262, is amended to describe the counties in the Defense-Rental Area as follows:

Cumberland; Dauphin; Lebanon; and in Perry County, the Townships of Rye, Penn, and Wheatfield, and the municipalities of Marysville, Perdix, and Duncannon.
Franklin.

This decontrols from §§ 825.81 to 825.92 Perry County, Pennsylvania, except the Townships of Rye, Penn, and Wheatfield and the municipalities of Marysville, Perdix and Duncannon, all being a portion of the Harrisburg, Pennsylvania, Defense-Rental Area, on the Housing Expediter's own initiative in accordance with section 204 (c) of the Housing and Rent Act of 1947, as amended.

[1] 13 F. R. 5750, 5789, 5875, 5937, 5938, 6247, 6283, 6411, 6556, 6882, 6911, 7299, 7672, 7801, 7862, 8218, 8219, 8328, 8388; 14 F. R. 18, 272, 337, 457, 627, 682, 695, 857, 918, 978, 1083, 1345, 1520, 1570, 1582, 1587, 1669, 1670, 1734, 1759, 1869, 1932, 2061, 2062, 2085, 2176, 2237, 2413, 2440, 2441, 2545, 2607, 2608, 2695, 2746, 2761, 2796, 3079, 3121, 3153, 3201, 3234, 3280, 3311, 3353, 3400, 3451 3468, 3494, 3555, 3617, 3675, 3705, 3746, 3772, 3811, 3812, 3849.

4. Schedule A, Item 305, is amended to read as follows:

(305) [Revoked and decontrolled.]

This decontrols from §§ 825.81 to 825.92 the entire Borger, Texas, Defense-Rental Area, consisting of Hutchinson County, Texas, on the Housing Expediter's own initiative in accordance with section 204 (c) of the Housing and Rent Act of 1947, as amended.

(Sec. 204 (d), 61 Stat. 197, as amended by 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894 (d). Applies sec. 204, 61 Stat. 197, as amended by 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894)

This amendment shall become effective July 18, 1949.

Issued this 18th day of July 1949.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 49-5973; Filed, July 20, 1949; 8:49 a. m.]

[Controlled Rooms in Rooming Houses and other Establishments Rent Reg.[1], Amdt. 127]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

PENNSYLVANIA

The Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments (§§ 825.81 to 825.92) is hereby amended in the following respects:

1. Schedule A, Item 258, is amended to describe the counties in the Defense-Rental Area as follows:

Blair; Cambria; and in Somerset County, the Townships of Black, Conemough, Jenner, Lincoln, Ogle, Paint, Shade, Somerset, Summit and Quemahoning, and the Boroughs of Benson, Boswell, Central City, Hooversville, Garrett, Jennerstown, Meyersdale, Paint, Rockwood, Somerset, Stoyestown, and Windber.

This recontrols under §§ 825.81 to 825.92 Black Township and the Borough of Rockwood in Somerset County, as a portion of the Altoona-Johnstown, Pennsylvania, Defense-Rental Area, said Township and Borough having been heretofore decontrolled as of April 8, 1949.

2. A new Item 54 is hereby incorporated in Schedule B to read as follows:

54. Provisions relating to Black Township and the Borough of Rockwood in Somerset County, Pennsylvania, a portion of the Altoona-Johnstown, Pennsylvania, Defense-Rental Area.

Recontrol of Black Township and the Borough of Rockwood, in Somerset County, Pennsylvania, a portion of the Altoona-Johnstown, Pennsylvania, Defense-Rental Area. Except as modified by the following provisions, the provisions of §§ 825.81 to 825.92 shall apply, effective July 18, 1949, to housing accommodations in Black Township and the Borough of Rockwood in Somerset County, Pennsylvania, a portion of the Altoona-Johnston, Pennsylvania, Defense-Rental Area, said Township and Borough having been heretofore decontrolled as of April 8, 1949:

a. All orders in effect on April 7, 1949, in accordance with §§ 825.81 to 825.92 shall be of full force and effect.

b. If on July 18, 1949, there was a ground for adjustment under § 825.5 (a) for which no order had previously been issued, and a petition for adjustment is filed on or before August 18, 1949, the adjustment shall be effective as of July 18, 1949.

c. If on July 18, 1949, the services provided with any housing accommodations are less than the minimum services provided by § 825.3, the landlord shall either restore and maintain such minimum services or file a petition on or before August 18, 1949, requesting approval of the decreased services. If on July 18, 1949, the furniture, furnishings or equipment provided with any housing accommodations are less than the minimum required by § 825.3, the landlord shall file, on or before August 18, 1949, a written report showing the decrease in furniture, furnishings or equipment. Except as modified by this paragraph "c", the provisions of § 825.5 (b) shall be applicable to all such cases.

d. In the case of any action which, on July 18, 1949, was required or authorized by §§ 825.81 to 825.92 to be taken within a specified period of time, the same time period shall be applicable, but such time period shall be counted from July 18, 1949.

(Sec. 204 (d), 61 Stat. 197, as amended, 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894 (d). Applies sec. 204 (i), 61 Stat. 197, as amended, 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894 (i))

This amendment shall become effective July 18, 1949.

Issued this 18th day of July 1949.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 49-5975; Filed, July 20, 1949; 8:50 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 204—DANGER ZONE REGULATIONS

MISCELLANEOUS AMENDMENTS

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1), and Chapter XIX of the Army Appropriation Act of July 9, 1918 (40 Stat. 892; 33 U. S. C. 3), §§ 204.22 and 204.91a are hereby revoked, § 204.91a-1 (a) is hereby amended, and §§ 204.118 and 204.125 are hereby prescribed, § 204.118 to be in full force and effect on and after the date of its publication in the FEDERAL REGISTER due to the urgent need on the part of the United States Navy for commencing operations in the restricted area established by this section at the earliest practicable date, as follows:

§ 204.22 *Waters of the Atlantic Ocean, Delaware Bay and Jarvis Sound, N. J.; Naval Air Station aerial gunnery and bombing areas, Cape May, N. J.* [Revoked]

§ 204.91a *Waters of Gulf of Mexico between Southwest Pass and Caminada Pass, Aerial Gunnery Range, New Orleans Air Base.* [Revoked]

§ 204.91a-1 *Mississippi Sound; machine gun firing range, Merchant Marine Cadet Basic School, Henderson Point, Miss.*—(a) *The danger zone.* The waters within a triangular area bounded on the northwest by a line bearing 227° true from the water tank on Henderson Point a distance of 5.7 nautical miles; on the east by a line bearing 172°30′ true from the water tank on Henderson Point a distance of 4.5 nautical miles; and on the south by a line approximately 4.8 nautical miles long connecting the southern ends of the northwest and east boundary lines.

* * * * *

§ 204.118 *Hood Canal, Wash.; temporary naval restricted area for deep-water aircraft torpedo drops*—(a) *The danger zone.* All waters of Hood Canal between latitude 47°46′00″ and latitude 47°41′35″, exclusive of a navigation lane one-fourth nautical mile wide along the west shore.

(b) *The regulations.* (1) Operations will be conducted within the danger zone between 9:00 a. m. and 2:00 p. m., Pacific standard time, on all days other than Saturdays and Sundays, from July 11, 1949, to August 31, 1949, inclusive. No vessel shall enter or remain in the danger zone during these periods.

(2) During naval operations, which will be confined so far as practicable to the easterly portion of the waterway, surface and air patrol will be maintained at all times in the danger zone and an escort will be provided for vessels using the navigation lane along the west shore.

(3) This section shall be in full force and effect on and after the date of its publication in the FEDERAL REGISTER, and shall be enforced by the Commandant, Thirteenth Naval District, and such agencies as he may designate.

§ 204.125 *Atlantic Ocean and Caribbean Sea in vicinity of Puerto Rico; practice firing areas, United States Army Forces Antilles*—(a) *The danger zones*—(1) *Camp Tortuguero artillery and small-arms range.* Waters of the Atlantic Ocean off the north coast of Puerto Rico 20 miles west of San Juan Harbor, within the quadrant of a circle bounded by radii bearing 315° and 45°, respectively, 20,000 yards, from latitude 18°28′31″, longitude 66°25′37″, and the included arc.

NOTE: All bearings in this section are referred to true meridian.

(2) *Punta Salinas small-arms range.* The waters of the Atlantic Ocean off the north coast of Puerto Rico, five miles west of San Juan Harbor, within the sector of a circle bounded by radii bear-

---

[1] 13 F. R. 5750, 5789, 5875, 5937, 5938, 6247, 6283, 6411, 6556, 6882, 6911, 7299, 7672, 7801, 7862, 8218, 8219, 8328, 8388; 14 F. R. 18, 272, 337, 457, 627, 682, 695, 857, 918, 978, 1083, 1345, 1520, 1570, 1582, 1587, 1669, 1670, 1734, 1759, 1869, 1932, 2061, 2062, 2085, 2176, 2237, 2413, 2440, 2441, 2545, 2607, 2608, 2695, 2746, 2761, 2796, 3079, 3121, 3153, 3201, 3234, 3280, 3311, 3353, 3400, 3451, 3468, 1494, 3555, 3617, 3675, 3705, 3746, 3772, 3811, 3812, 3849, 3993.

ing 338° and 8°, respectively, 7,600 yards, from latitude 18°28′01″, longitude 66°11′41″, and the included arc.

(3) *Punta Pastillo small-arms range.* The waters of the Caribbean Sea off the south coast of Puerto Rico, eight miles east of Ponce Harbor, within the sector of a circle bounded by radii bearing 154° and 184°, respectively, 7,600 yards, from latitude 17°59′45″, longitude 66°29′48″, and the included arc.

NOTE: The outer boundaries of the danger zones will not be marked, but signs will be posted along shore to warn against trespassing in the firing areas.

(b) *The regulations.* (1) The danger zones shall be open to navigation at all times except when practice firing is being conducted. At such times no vessel or other craft except those engaged in towing targets or patrolling the areas shall enter or remain within the danger zones: *Provided*, That any vessel propelled by mechanical power at a speed greater than five knots may proceed through the Camp Tortuguero range at any time to and from points beyond (but not from one point to another in the danger zone) between latitudes 18°31′ and 18°32′ at a regular rate of speed, without stopping or altering its course, except when notified to the contrary. During practice firing, all vessels desiring to pass the Punta Salinas range shall do so north of latitude 18°32′, and all vessels desiring to pass the Punta Pastillo range shall do so south of Berberia and Muertos Islands.

(2) The fact that practice firing is to take place over the designated area will be advertised to the public through the usual media for the dissemination of such information. Factual information as to the dates, time, and characteristics of the firing will be advertised in advance of each session of firing but in no case less than one week nor more than four weeks before such firing is scheduled to take place.

(3) Prior to conducting each practice firing, the entire danger zone will be patrolled by aircraft or surface vessels to insure that no watercraft are within the danger zone. Any watercraft in the vicinity will be warned that practice firing is about to take place. Any such watercraft shall, upon being so warned, leave the danger zone immediately and shall not return until such practice shall have been terminated and notification to that effect shall have been given by the patrol craft, except that vessels proceeding on a regular course through the area will be allowed to proceed out of the area without warning, and firing will not commence until such vessels are clear of the area.

(4) The regulations in this section shall be enforced by the Commanding General, United States Army Forces Antilles, and such agencies as he may designate.

[Regs. July 15, 1949, 800.2121—ENGWR] (40 Stat. 266, 892; 33 U. S. C. 1, 3)

[SEAL] EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 49-5962; Filed, July 20, 1949; 8:47 a. m.]

TITLE 34—NATIONAL MILITARY ESTABLISHMENT

Chapter V—Department of the Army

Subchapter B—Claims and Accounts

PART 533—GRATUITY UPON DEATH

MISCELLANEOUS AMENDMENTS

Paragraph (c) of § 533.3 is revised, and a new § 533.8 is added, as follows:

§ 533.3 *Payment.* * * *

(c) *By whom payment made*—(1) *Beneficiary residing within the continental limits of the United States exclusive of Alaska.* Payment of the 6 months' gratuity pay to a beneficiary residing within the continental limits of the United States, exclusive of Alaska, will be made by the Finance Officer, Military Pay Division, Army Finance Center, OCF, Building 204, St. Louis 20, Missouri.

(2) *Beneficiary residing in Alaska or outside continental limits of United States.* Payment of the 6 months' gratuity pay to a beneficiary residing in Alaska or outside the continental limits of the United States will be made by a disbursing officer designated in each case by the Chief of Finance, United States Army, or the Director of Finance, Comptroller, United States Air Force. Such disbursing officer, upon making payment of the gratuity, immediately will notify the Finance Officer, Military Pay Division, Army Finance Center, OCF, by letter, of the fact that such payment has been made, the amount thereof, and proper voucher reference.

§ 533.8 *Special determinations*—(a) *Absent without leave.* When a person dies during an absence without leave, no pay or allowances accrue to him. Accordingly, payment of the 6 months' death gratuity at the rate of pay received by such person at the date of his death is not authorized. See MS. Comp. Gen. B 29310, October 16, 1942, and B 29725, October 28, 1942.

(b) *Flying requirements not met when on flying status.* If a person dies while assigned to flying duty and has not made any flights during the 3 months succeeding the quarter in which he last met the flight requirements, his rate of pay for the payment of the 6 months' gratuity includes the increased pay for flying, although no flying pay had accrued to him on the date of his death. See 7 Comp. Gen. 476.

(c) *Advanced in grade after date of death.* Section 2 of the act of March 7, 1942, as amended, which entitles any person in active service officially reported as missing, missing in action, interned in a neutral country, captured by an enemy, beleaguered or besieged, to continue to receive or have credited to his account, the pay and allowances to which he was then or thereafter became entitled, does not authorize computation of the 6 months' death gratuity payment on the basis of pay for a grade to which a person was advanced after being officially reported missing where it was later determined that the person had died prior to such advancement in grade. See 22 Comp. Gen. 395.

(d) *Declared dead after missing.* In the case of a person who was officially carried in a missing status and subsequently declared dead as of a certain date, the death gratuity in an amount equal to 6 months' pay at the rate received at the date of death should be computed on the pay rate to which the person was entitled on the date on which he was declared dead, rather than on the rate he was receiving at the beginning of the missing status. See Comp. Gen. 1053.

[C1, AR 35-1370, July 5, 1949] (41 Stat. 367, 766, 42 Stat. 1385, 55 Stat. 796, 57 Stat. 599; 10 U. S. C. 456, 903)

[SEAL] EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 49-5961; Filed, July 20, 1949; 8:47 a. m.]

Chapter VII—Department of the Air Force

PART 833—GRATUITY UPON DEATH

MISCELLANEOUS AMENDMENTS

CROSS REFERENCE: For amendments of regulations with respect to gratuity upon death, see Part 533 of Chapter V, *supra*, which was made applicable to the Department of the Air Force at 13 F. R. 8751.

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 21—VOCATIONAL REHABILITATION AND EDUCATION

MISCELLANEOUS AMENDMENTS

1. A new centerhead and §§ 21.208 and 21.209 are added as follows:

STATUS OF PART VII, VETERANS' REGULATION 1 (a), AS AMENDED (38 U. S. C. ch. 12), VETERANS PRIOR TO INDUCTION INTO TRAINING

§ 21.208 *Status "induction pending."* Following the signing of VA Form 7-1902f, Certificate B, by the authorized official of the education and training section and the receipt of the veteran's records by that section, the veteran shall be regarded as in status "induction pending" until any one of the following occurs:

(a) The veteran is inducted into training.

(b) The veteran declines induction into training (see § 21.209).

(c) The veteran's case is referred back to the advisement and guidance section for some reason such as (1) reconsideration of the employment objective or (2) reconsideration of medical feasibility.

(d) It becomes established that the determination of eligibility or need for vocational rehabilitation is based on fraud, error of law, confusion of names, or misfiling of papers; or that the veteran never had a service-connected disability; or that fraud was practiced in any application for training or for subsistence allowance; or that the veteran's rights to vocational rehabilitation under Part VII are otherwise forfeited.

(e) The veteran's disability rating is reduced to a noncompensable degree.

(f) The veteran dies.

(g) The nine year statutory period has expired.

§ 21.209 *Status "training declined."* (a) A veteran in status "induction pending" will be changed to status "training declined" when, after being properly notified that training in a suitable facility is available for him and instructed as to the next step he should take:

(1) The veteran fails to respond, or

(2) The veteran declines or refuses induction into training, or

(3) The veteran defers induction into training for a period exceeding 30 days beyond the scheduled date of induction, except where such deferment is due to physical incapacity or other conditions of personal and compelling nature, or

(4) The instruction given the veteran includes notice to report at a designated place and time to commence training, and the veteran fails to report or fails to furnish the Veterans' Administration satisfactory reasons for not reporting.

(b) The veteran who is changed from status "induction pending" to status "training declined" under paragraph (a) (1), (2), (3), or (4) of this section will be informed that the entire question of need for vocational rehabilitation will be reconsidered at such time as he reapplies for induction into training. The veteran should also be informed of the possibility that his disability rating may be reduced to less than compensable degree with attendant loss of entitlement for training, except in those cases where the disability is of such a nature that reduction of the degree of disability to less than 10 percent is very improbable—as for example, amputation of a limb, complete loss of sight, etc.

2. Section 21.236 is amended and new §§ 21.236a and 21.236b are added as follows:

§ 21.236 *Authority to furnish supplies to trainees in training on the job.* Under the authority set forth in § 21.232 and subject to the limitations contained in §§ 21.230 through 21.242, inclusive, the regional manager may furnish a veteran pursuing a course of vocational rehabilitation on the job with necessary supplies under one of the following conditions:

(a) When the items needed appear on an approved list in vocational rehabilitation and education procedures for the trade or occupation for which the trainee is pursuing training. If an item required by the training establishment is not on the approved list, the regional office may substitute that item for a corresponding item on the approved list provided the item substituted will serve the same general purpose and the cost is less than or approximates the usual cost of the item for which substitution is made. Items not on the approved list for the trade or occupation for which the trainee is pursuing training or items which may not be substituted for items on the approved list in accord with the preceding sentence shall not be furnished.

(b) When there is no approved list for the trade or occupation for which the trainee is pursuing training and the aggregate cost of supplies is not in excess of $100.

§ 21.236a *Furnishing supplies to Part VII trainees in institutional on-farm training.* Before a veteran may be inducted into institutional on-farm training under Part VII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), the farm on which he is to pursue the on-farm part of his course must be equipped with the kinds and amounts of supplies and equipment which are necessary to enable the trainee to pursue successfully that portion of the course. Accordingly, under no circumstances will the Veterans' Administration furnish any equipment or supplies which may be required to operate the farm. The Veterans Administration will furnish only those books and incidental expendable supplies required by the school to be personally owned by all students in the school portion of the course; *Provided,* That such special equipment as may be authorized under § 21.241 (b) incident to the character of the veteran's disability, may be furnished.

§ 21.236b *Furnishing magazines and other periodicals.* (a) Magazines and other periodicals for Part VII, Veterans' Regulation 1 (a), as amended (38 U. S. C. ch. 12), trainees may be furnished by the Veterans' Administration under the authority set forth in § 21.232 only where such items are required by the training institution as text material and where, in addition to the limitations and restrictions set forth in § 21.234, both the following conditions are met:

(1) The utilization of the periodicals definitely is arranged for on the basis of regular assignments, the completion of which by the trainee is checked and evaluated by the instructor.

(2) The quantity of periodicals to be furnished is limited to the requirements of the particular unit course or unit subject in which each periodical is to be used. (Arrangements should be made whereby such publications will not continue to be furnished to the veteran after he has completed such unit course or unit subject.)

(b) Magazines and other periodicals for use by enrollees in school courses will not be furnished directly to the veteran by the Veterans' Administration except where the school has not agreed to furnish the required books, supplies, and equipment to veterans enrolled therein.

3. In § 21.239, paragraph (c) is amended to read as follows:

§ 21.239 *Furnishing tools.* * * *

(c) With particular reference to that training which consists of or includes training in an establishment owned or controlled by the veteran, it is to be noted that the veteran's establishment, in order to be acceptable as a place of training must be equipped to give the training as well as otherwise qualified. Accordingly, any supplies furnished in such cases will be limited to classes of items which are furnished veterans pursuing courses at any other training on-the-job establishment. This will limit the supplies to be furnished to those hand tools and instruments which are required for the teaching of special skills and will preclude furnishing supplies which are commonly on hand as specialized equipment for particular activities.

4. In § 21.241, paragraph (b) is amended to read as follows:

§ 21.241 *Furnishing special items.* * * *

(b) Special equipment such as fountain pens, desk sets, reading lamps, brief cases, typewriters, etc., ordinarily will not be furnished. Braille writers and recording machines for blinded veterans ordinarily will be furnished under Public Law 309, 78th Congress. Under exceptional circumstances, however, such items over and above those required by the training institution to be owned personally by all students pursuing the same course may be furnished to trainees under Part VII, subject to the prior approval of central office when a bona fide need is established because of a permanent physical disability of such a character that the equipment is necessary to enable the trainee to undertake and pursue successfully a course of vocational rehabilitation. Requests for approval to furnish special equipment will be submitted to central office accompanied by a detailed statement of all facts which necessitate furnishing the special equipment, including at least the following:

(1) The name, C-number, and address of the veteran needing the special equipment.

(2) The veteran's employment objective and code.

(3) Length of prescribed course and percentage of course already completed.

(4) Description of each item needed.

(5) The particular conditions which prevent or interfere with the disabled veteran's entering or pursuing training.

(6) A showing of how the requested articles will overcome the conditions described under subparagraph (5) of this paragraph, including sufficient facts to establish that the furnishing of the special equipment is necessary because of the nature of the disability and the demands of the training course, and that the trainee has sufficient physical and mental ability to make adequate use of the requested equipment in the course of training.

(7) Definite evidence that such equipment or its equivalent has not been furnished previously to the veteran by the Veterans' Administration or otherwise.

(8) Recommendation of the special rehabilitation procedures supervisor.

When any item is furnished a veteran under the provisions of this paragraph, a complete record of each such item will be placed in the veteran's claims folder, also in the training subfolder, as a basis for avoiding the furnishing, in the future, of items which have already been supplied. The record of each item will include identifying data such as name of article, type, model, serial number, size, name of manufacturer, etc. Items not required for training purposes but necessary to overcome the handicap of blindness from a general viewpoint should be requisitioned under Public Law 309, 78th Congress.

5. In § 21.281, paragraph (c) is amended and a new paragraph (d) is added as follows:

§ 21.281 *Status "rehabilitated."* * * *

(c) When a trainee discontinues training under § 21.283 (a) (1), (2) or (3), and investigation later discloses that the trainee has accepted employment in the occupation for which he was being trained and medical or other acceptable evidence indicates that the employment is of a kind which to pursue full-time would be not incompatible with the trainee's disability, the trainee will be placed in status "rehabilitated" effective on the last date of instruction for purposes of the office record. In such cases, the veteran shall not receive written notice of rehabilitation and shall not be paid the subsistence allowance ordinarily paid for 2 months following the determination of employability. As indicated, this action is for record purposes only, and the veteran's re-entrance into training under the conditions provided for in § 21.286 will not be jeopardized by this recording.

(d) When a veteran whose training has been interrupted for the reason set forth in § 21.282 (d) has been re-entered into training under § 21.287 and has taken the required examination for license to practice the occupation for which he was trained, the veteran will be declared rehabilitated the day following completion of the examination. If it later develops that the veteran did not pass the examination his case may be given consideration under §§ 21.285 and 21.286 for purpose of re-entering the veteran into training to pursue or repeat a review course as provided for in § 21.207 in order to prepare him for the next examination for license.

6. Sections 21.282 and 21.316 are amended to read as follows:

§ 21.282 *Status "interrupted."* A veteran once inducted into training under Part VII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), will be expected to pursue his training program to completion without interruption insofar as it is possible for him to do so. Wherever possible, continuous training shall be provided for all trainees, including training during the summer except where, because of the veteran's physical condition or other equally compelling circumstance in the veteran's case, it would not be to the veteran's best interest to require him to pursue training during the summer. A trainee will be placed in status "interrupted," effective on the day following the last day of attendance, or, if the trainee has applied for leave of absence, the day following the last day of approved leave, when training is interrupted by the Veterans' Administration for one of the following reasons:

(a) Training at the present institution or otherwise is temporarily not available, as for example, during vacation periods chargeable to leave under §§ 21.260 through 21.265, "shut down" periods in a training establishment, etc.

(b) Extended personal illness when all leave which may be granted to the trainee under leave regulations has been exhausted and there is every expectation that the trainee will resume training.

(c) Any other absences from training approved by the Veterans' Administration where it is clearly indicated that the trainee will return to training and there is no basis for discontinuance under § 21.283.

(d) The veteran completes the prescribed course of vocational rehabilitation for an occupation the practice of which requires passing of an examination for license and such examination is not given on or before the day following the completion of the course or on or before the day following the last day of approved leave. In such cases, re-entrance into training will be effected under § 21.287 for the time required to take the examination, but not for the time required to receive the report of results of the examination.

§ 21.316 *Authority to furnish supplies to trainees in training on-the-job.* Under the authority set forth in § 21.312 and subject to the limitations contained in §§ 21.310 through 21.325, inclusive, the regional manager may furnish a veteran pursuing a course of training on-the-job with necessary supplies under one of the following conditions:

(a) When the items needed appear on an approved list in vocational rehabilitation and education procedures for the trade or occupation for which a trainee is pursuing training. If an item required by the training establishment is not on the approved list, the regional office may substitute that item for a corresponding item on the approved list provided that the item substituted will serve the same general purpose and the cost is less than or approximates the usual cost of the item for which substitution is made. Items not on the approved list for the trade or occupation for which the trainee is pursuing training or items which may not be substituted for items on the approved list in accord with the preceding sentence shall not be furnished.

(b) When there is no approved list for the occupation for which the trainee is pursuing training and the aggregate cost of supplies is not in excess of $100.

7. In § 21.320, paragraph (c) is amended to read as follows:

§ 21.320 *Furnishing tools.* * * *

(c) With particular reference to that training which consists of or includes training in the veteran's establishment owned or controlled by the veteran, it is to be noted that the veteran's establishment, in order to be acceptable as a place of training must be equipped to give the training as well as otherwise qualified. Accordingly, any supplies furnished in such cases will be limited to classes of items which are furnished veterans pursuing courses at any other training on-the-job establishment. This will limit the supplies to be furnished to those hand tools and instruments which are required for the teaching of special skills and will preclude furnishing supplies which are commonly on hand as specialized equipment for particular activities.

8. New §§ 21.323a and 21.324a are added as follows:

§ 21.323a *Furnishing supplies after expiration of entitlement.* Supplies which have been approved for a veteran pursuing a course of education or training, but which could not be furnished prior to expiration of his entitlement due to the inability to obtain delivery, may be furnished after expiration of the veteran's entitlement: *Provided,* That there is clear indication that action was taken early in the veteran's pursuit of the course to obtain the supplies and that the supplies are limited to those which were necessary for pursuit of that portion of the course which the veteran completed prior to expiration of his entitlement: and *Provided further,* That the veteran is pursuing the uncompleted portion of his course or is pursuing employment in the occupation for which he was being trained.

§ 21.324a *Furnishing magazines and other periodicals.* (a) Magazines and other periodicals for Part VIII, Veterans' Regulation 1 (a) as amended (38 U. S. C. ch. 12), enrollees may be furnished by the Veterans Administration under the authority set forth in § 21.312 only where such items are required by the training institution as text material, and where, in addition to the limitations and restrictions set forth in § 21.314, both the following conditions are met:

(1) The utilization of the periodicals definitely is arranged for on the basis of regular assignments, the completion of which by the trainee is checked and evaluated by the instructor.

(2) The quantity of periodicals to be furnished is limited to the requirements of the particular unit course or unit subject in which each periodical is to be used. (Arrangements should be made whereby such publications will not continue to be furnished to the veteran after he has completed such unit course or unit subject.)

(b) Magazines and other periodicals for use by enrollees in school courses will not be furnished directly to the veteran by the Veterans' Administration except where the school has not agreed to furnish the required books, supplies, and equipment to veterans enrolled therein.

9. Sections 21.340 through 21.344, 21.346, 21.347, and 21.350 through 21.355 are hereby canceled.

(Secs. 1, 2, 46 Stat. 1016, 57 Stat. 43, secs. 300, 1500, 1501, 1502, 1503, Title II, 58 Stat. 286, 287, 291, 300, 301, secs. 5, 6, 7, 10, 11 (a), 59 Stat. 542, 624, 626, 631, secs. 1, 2, 3, 60 Stat. 124, 934, 61 Stat. 180, 451, 739, 791; 38 U. S. C. 11, 11a, 693g, 697, 697a, b, c, f, g, 701 ch. 12 notes, secs. 1, 3, Pub. Law 411, 80th Cong., Pub. Law 512, 80th Cong.)

[SEAL] O. W. CLARK,
Deputy Administrator of Veterans Affairs.

[F. R. Doc. 49-5969; Filed, July 20, 1949; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 946]

HANDLING OF MILK IN THE LOUISVILLE, KY., MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS THERETO WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER AMENDING ORDER, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE LOUISVILLE, KY., MARKETING AREA

Pursuant to the rules of practice and procedure, as amended governing proceedings to formulate marketing agreements and orders (7 CFR 900.1 et seq.), notice is hereby given of the filing with the Hearing Clerk of a recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to a proposed marketing agreement and a proposed order amending the order, as amended, regulating the handling of milk in the Louisville, Kentucky, marketing area, to be made effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.).

Interested parties may file exceptions to this recommended decision with the Hearing Clerk, Room 1353, South Building, United States Department of Agriculture, Washington 25, D. C., not later than the 10th day after the publication of this recommended decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. A public hearing, on the record of which the proposed marketing agreement and the proposed order amending the order, as amended, have been formulated, was called by the Production and Marketing Administration, United States Department of Agriculture, following receipt of proposed amendments filed by the Falls Cities Cooperative Milk Producers' Association, Inc. Additional proposals for consideration were submitted by certain handlers in the Louisville, Kentucky, marketing area; the Louisville Milk Dealers Association; and the Dairy Branch, Production and Marketing Administration, United States Department of Agriculture. The public hearing was held at Louisville, Kentucky, on March 23 to 25, 1949, both dates inclusive, pursuant to a notice issued on March 11, 1949 (14 F. R. 1196).

The material issues presented on the record were whether:

(1) Receiving stations should participate in the market-wide pool if such stations do not furnish a substantial portion of their receipts of milk from producers to the marketing area as fluid milk or fluid cream during the delivery periods of September through March;

(2) The provisions relating to the classification of milk should be clarified;

(3) The level of prices for Class I milk and Class II milk should be revised;

(4) A provision should be incorporated to prevent contraseasonal movements of prices for Class I milk and Class II milk during the delivery periods of April through June and September through November;

(5) The price to be paid to producers by handlers for Class I milk disposed of outside of the marketing area during the delivery periods of December through August should be the Class II price;

(6) The provisions of the order which provide for a price credit to handlers on a limited quantity of butterfat from producer milk used to produce butter during the delivery periods of April, May, and June should be revised to provide for such credit on unlimited quantities of butterfat from producer milk used to produce butter during all delivery periods;

(7) The rate of deductions made in computing the uniform price for the months of April, May, and June to be paid to producers during the months of September, October, and November as a fall production incentive premium should be revised;

(8) The deductions made by handlers in making payments to producers, who are not members of a qualified cooperative, should be increased to provide sufficient funds to the market administrator for the performance of marketing services to such producers; and

(9) The pro rata assessment against each handler should be increased to provide sufficient funds to the market administrator for the administration of the order.

Rulings on proposed findings and conclusions. Briefs were filed on behalf of the Falls Cities Cooperative Milk Producers' Association, Inc., and various handlers who would be subject to the proposed marketing agreement and the proposed order amending the order, as amended. The briefs contained statements in the nature of suggested findings of fact, conclusions, and arguments with respect to the proposals discussed at the hearing. Every point covered in the briefs was carefully considered, along with the evidence in the record, in making the findings and reaching the conclusions set forth herein. To the extent that any suggested finding and conclusion contained in the briefs is inconsistent with the findings and conclusions contained therein, the request to make such finding or to reach such conclusion is denied on the basis of the facts found and stated in connection with the conclusions in this decision.

Findings and conclusions. The following findings and conclusions on the material issues decided herein are hereby made upon the basis of the record of the hearing:

(1) The proposal which would provide for the disqualification as participants in the market-wide pool of receiving stations which did not furnish a substantial portion of their receipts to the marketing area as fluid milk or fluid cream during the delivery periods of September through March should not be adopted.

Producers proposed that milk receiving stations which do not ship to the marketing area as fluid milk or fluid cream at least 95 percent of their receipts from producers during the period October through February and 25 percent of such receipts during September and March should be excluded from the pooling provisions of the order. During the hearing handlers suggested that shipments of 60 percent instead of 95 percent of receipts from producers during the fall and winter months should be sufficient for pool plant qualification.

According to proponents, the need for this kind of provision arises from the danger that dealers or processors of milk engaged primarily in manufacturing might attempt to become qualified as handlers under the order and obtain the benefits of pooling their purchases of milk from producers with the general supply of the market without assuming the responsibility for serving the market with Class I and Class II milk. Such a condition would have the tendency to reduce returns to producers regularly supplying the market and might result in an oversupply of milk for the market and this, it was stated, would be detrimental to the general stability of prices and dependability of supply in the market.

Although the danger which the proponents described might arise at some future time in this market, the record of this hearing does not disclose an immediate need for such provision. Moreover, there are alternative means of dealing with the problem. These alternatives, however, were not explored at the hearing and it was not evident whether the method proposed would be the best of the available alternatives. No discussion was had for instance of the efficacy of location differentials, the institution of an individual handler pool, or adjustment of surplus prices in dealing with this matter.

As the amendment was proposed it would apply only to receiving stations. The evidence did not disclose whether this restriction to one class of handlers would result in unequal effects as against other groups of handlers. Any proposal for dealing with matters of this kind must apply equally to all handlers in similar circumstances. Finally, it is difficult to ascertain from the evidence whether a specific figure—either 95 percent as proposed by the producers or 60 percent as proposed by handlers—would meet the varying needs of the market for milk. During the past there have been times when the market's needs were so great that 95 percent of all the milk received from all qualified producers was needed for Class I and Class II sales. At other times, however, the market's needs for Class I and Class II uses have been considerably less than 95 percent of the receipts of producer milk. It would be uneconomical, unnecessary, and disruptive to require handlers under penalty of losing their pool status to ship to the marketing area for Class I or Class II needs more milk than can be sold in these uses.

While it appears neither necessary nor desirable to deal with this problem at this time, the possibility of the occurrence of difficulties described by proponents makes it desirable for further study to be given to this matter and if the problem becomes more immediate in character further consideration may be given to it at a future hearing.

(2) *Classification of skim milk and butterfat.* The provisions of the order, as amended, relating to the classification of skim milk and butterfat should be clarified.

(i) Under the present order, skim milk and butterfat disposed of in fluid form as milk, skim milk, buttermilk, and milk drinks (plain or flavored), and skim milk and butterfat the utilization of which is not accounted for as having been used or disposed of as Class II or Class III milk has been classified as Class I milk. Skim milk and butterfat disposed of in fluid form as fluid cream (including sour cream), eggnog and cereal mix has been classified as Class II milk. Skim milk and butterfat used to produce ice cream, ice cream mix, frozen cream, butter, cheese, condensed and evaporated milk, and all other manufactured uses of milk have been classified as Class III milk. Skim milk and butterfat disposed of in any form for livestock feed, and milk, skim milk, cream, and other milk products disposed of to soda fountains, restaurants, bakeries, candy and soup manufacturers, and retail food establishments which, under the applicable health regulations, are permitted to receive ungraded milk, skim milk, and cream for nonfluid purposes, have been classified as Class III milk if used or disposed of by such establishment in nonfluid form.

The classification scheme as interpreted in the past has resulted in milk and those products (except eggnog), which are required by the health authorities in the marketing area to be derived from milk produced under the sanitary standards, being placed in Class I and Class II milk. Such products as ice cream, ice cream mix, frozen cream, butter, cheese, condensed and evaporated milk, and other milk products, which need not be made from graded milk and which are made from such milk only at times when a handler's supply of graded milk is in excess of his needs for graded milk, have been placed in Class III milk.

Handlers argued that eggnog, which is not required by the health authorities in the marketing area to be derived from inspected milk, should be placed in Class III milk. In view of the health regulations applicable to the sale of eggnog in the marketing area, it is concluded that eggnog should be placed in Class III milk. Furthermore, it is concluded that the provisions of the order should be revised so as to more clearly set forth the classification scheme discussed herein.

(ii) The provisions relating to the computation of plant shrinkage applicable to receipts of producer milk and other source milk should be revised to clarify the basis upon which shrinkage is to be prorated between such sources. In so doing it is not proposed that the intent or interpretation of the present provision be altered. However, it might be argued that the present language—"if milk from producers is utilized as milk, skim milk, or cream in conjunction with other source milk, the shrinkage * * *"—would require that shrinkage be prorated only when milk was commingled. Under the system of accounting generally followed in fluid milk plants, it is virtually impossible to maintain separate accounting on the utilization of the two types of milk in a particular plant even in cases where there is no commingling of the milk.

In order that there will be no confusion as to the intent of the language in the order, it should be revised to provide that shrinkage will be prorated whenever producer milk and other source milk are "received" in lieu of the present "utilized in conjunction with."

The provisions relating to the computation of plant shrinkage should also be clarified with respect to transfers of milk, skim milk, or cream from a handler's approved plant to an unapproved plant of such handler. The present language—"if milk from producers is transferred * * *"—should be revised to read "if skim milk and butterfat is transferred * * *" because it is generally not possible to determine the source from which such transfers were obtained, i. e., producer milk or other source milk. Therefore, shrinkage on such transfers in the unapproved plant should be computed on a pro rata basis with all receipts of milk, skim milk, and cream at such plant and added to the shrinkage of producers' milk and other source milk received in the approved plant.

The revision of this provision does not change its intent or the manner in which the provision is presently being interpreted.

(iii) The provisions relating to the reclassification of skim milk and butterfat which have been classified in one class but are later used or reused by such handler or by another handler in another class should be clarified. In order to compute a current delivery period price, it is necessary to place inventories in some class temporarily. In the case of frozen cream, condensed skim milk, and other condensed milk products, such inventories may not be ultimately used for several months. Obviously, if such products are later used in another class, appropriate adjustment in the price to the handler should be made. Such a principle should also apply to milk and milk products transferred to another handler, if he disposes of them in a class other than the class in which they were temporarily placed. However, it is impracticable in some instances for the market administrator to follow the movement of such products until they are ultimately used. The order should require the market administrator to reclassify milk and milk products whenever there is insufficient milk in the class in which it was originally classified to contain the use claimed by the handler.

(3) The proposal to revise the level of prices of Class I and Class II milk should not be adopted.

Under the present pricing provisions of the order the price for Class I and Class II milk is determined by adding specified differentials to a basic formula price which consists of the higher of 4 computed values of milk for manufacturing uses. These differentials for Class I and Class II milk are \$1.25 and \$0.70, respectively, during the months of September through March, and \$1.05 and \$0.50, respectively, during the months of April through August.

At the hearing, producers proposed that the differentials for the months of July and August should be the same as those for the fall and winter months of September through March. This would mean an increase of 20 cents per hundredweight in the Class I and Class II price differentials during July and August.

The proposal was not supported by evidence establishing either that present differentials on an annual average basis were proving insufficient to induce an adequate supply of milk in relation to market sales, or that the months of July or August specifically were affected by an inadequate production to supply market needs. In this respect, record data on sales and receipts of milk indicate these months bear a closer resemblance to months of flush production than to the months of the fall and winter period.

The proponents argued that the months of July and August were closely akin to the months of September through March in that they are months of retarded supply because of arid pastures and high temperatures during this season of the year. Furthermore, it was stated that milk production each year in the past has established its course downward by July making it necessary that production programs be geared to include and carry through these transition months.

No evidence in addition to these allegations was introduced which would indicate the scope and extent to which production practices in the Louisville market in the months of July and August were to be distinguished from the months of heaviest production or which would indicate the additional elements of cost involved in July and August.

(4) The proposal to incorporate a provision which would prevent a contra-seasonal movement of prices for Class I and Class II milk during the months of April through June and September through November should not be adopted at this time.

Producers proposed that the price for Class I and Class II milk during the months of April through June should not be more than the March price for such milk and the price for Class I and Class II milk during the months of September through November should not be less than the August price for such milk. In support of this proposal, it was stated that the provision is needed to prevent a repetition of the drastic decline of prices which took place in the fall of 1948.

It is recognized that drastic fall price declines might arise at some future time in this market, however, the record of this hearing does not disclose an immediate need for such provision. In this connection the announced milk and butterfat support programs of the Department of Agriculture make it extremely unlikely that a contraseasonal decline will occur in the price of Class I and Class II milk during the fall of 1949. In the meantime, further study should be given to this matter with respect to the extent and the time that adjustments should be made in the relationship of the price for Class I and Class II milk to general level of milk prices.

(5) The proposal that the order provisions be amended to permit handlers to pay the Class II price for Class I milk disposed of on wholesale and retail routes outside of the marketing area during the delivery period of December through August should not be adopted. Under the present order provisions handlers are required to pay the same price for Class I milk disposed of outside of the marketing area as they pay for Class I milk disposed of within the marketing area.

Milk so disposed of by Louisville handlers is the same quality milk as disposed of within the marketing area and is subject to the same transportation costs in moving from the farm to the handler's plant. Furthermore, these out-of-area sales represent a continuing and regular demand throughout the year and have no aspects of an outlet for seasonal surpluses of producer milk. For these reasons it is inappropriate to provide for a lower price for Class I milk disposed of outside the area.

As an alternate to the proposal for a special price provision, it was proposed that the marketing area should be extended to include Washington, Scott, and Clark Counties in Indiana. Persons who would be thus subject to regulation were not notified that such a proposal would be discussed and were not present to testify on the proposal. Therefore, the alternate proposal cannot be considered at this time.

(6) The provisions of the order which provide for a price credit to handlers on a limited quantity of butterfat from producer milk used to produce butter during the delivery periods of April, May, and June should not be revised to provide for such credit on unlimited quantities of butterfat from producer milk used to produce butter during all delivery periods.

The present provisions of the order provide that if a handler uses producer butterfat received during April, May, and June to produce butter, a price credit shall be given such handler equivalent to 0.10 times the average daily wholesale price per pound of 92-score butter in the Chicago market on such butterfat so used which is not in excess of 10 percent of such handler's disposition of Class I butterfat. Handlers proposed that this price credit be extended to cover all producer butterfat used in the production of butter during all months of the year.

In support of their proposal handlers argued that an unlimited butter class was needed because of burdensome surpluses. While it is true that receipts of producer milk have increased, it was not shown that such receipts were in excess of the market's requirements for fluid milk, fluid cream, ice cream, condensed milk and other higher valued uses than butter. Furthermore, there is no evidence to indicate that any producer has been unable to find a market for his milk in the marketing area. On the contrary, the record shows that handlers have been active in encouraging additional graded producers to enter the market.

(7) The rate of deductions made in computing the uniform price for the months of April, May, and June to be paid back to producers during the months of September, October, and November as a fall production incentive premium should be revised to relate such deductions to the level of the basic formula prices.

The fall-premium plan became operative in the Louisville market in April 1944—15 cents per hundredweight being deducted from the uniform price during April, May, and June. Incorporated in the plan was a graduated scheme whereby this rate was increased 5 cents per hundredweight each year resulting in a deduction of 35 cents per hundredweight in the spring of 1948. Such rate for April, May, and June of 1949 and subsequent years in accordance with the provisions of the order would have been 40 cents per hundredweight. However, on April 1, 1949, a suspension order was issued fixing such rate of deduction at 30 cents per hundredweight for April, May, and June of 1949.

Producers argued at the hearing that such rate of deduction should be related to the level of producer prices. During the period of stepping-up such rate of deductions the level of prices to producers was increasing. However, prices to producers are now at a lower level. The evidence indicates that the specified deduction rate of 40 cents per hundredweight during the year 1950 and the years thereafter would be too severe and rigid in view of lower producer prices. Furthermore, it is believed that the deduction rate should be related to the level of milk prices prevailing in the market. It is, therefore, concluded that the deduction rate should be an amount representing 8 percent of the average of the announced basic formula prices for the 12 months of the previous calendar year. This would give producers advance notice of the rate to be deducted and would effect changes in such deductions from year to year in line with changes in the general level of prices paid to producers. For convenience this deduction should be rounded to the nearest full cent.

(8) The deductions to be made by handlers in making payments to producers, who are not members of a qualified cooperative pursuant to § 946.9 (b), should be increased from 4 cents to 5 cents per hundredweight in order to provide sufficient funds to the market administrator for the performance of marketing services to such producers. The present 4 cent deduction is insufficient to defray current expenses in performing marketing services to such nonmembers. The increase of 1 cent per hundredweight in these deductions will provide the market administrator with the additional funds annually which are necessary to verify weights, samples, and tests of milk received from such producers and to provide them with market information. In the event the volume of milk received from these producers increases or the cost of performing these services decreases to the extent that a lesser deduction would prove to be sufficient, provision is made which would enable the Secretary to reduce the rate of deductions accordingly.

(9) The pro rata assessment against each handler should be increased from 2 cents to 2.5 cents per hundredweight on all producer milk received by such handler and all other source milk classified as Class I and Class II pursuant to § 946.3 (e) in order to provide the funds necessary for the maintenance and functioning of the market administrator in the administration of the order. The present income has been insufficient to cover current expenses incurred by the market administrator and the market administrator has been able to finance the administration of the order currently only through the use of reserve funds. However, this reserve has been reduced below the level that should be maintained to meet contingencies which may arise. Both producers and handlers recognize that the market administrator should have the necessary funds to enable him to administer properly the terms of the order. The record indicates that an assessment rate of 2.5 cents per hundredweight on the present volume of producer milk and all other source milk classified as Class I and Class II pursuant to § 946.3 (e) should provide the funds necessary for the maintenance and functioning of the market administrator in the administration of the order. In the event the volume of such milk increases or such expenses of the market administrator decrease to the extent that a lesser rate would provide such necessary funds, provision is made which would enable the Secretary to reduce the rate accordingly.

(10) *General.* (a) The proposed marketing agreement and the proposed order amending the order, as amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(b) The proposed marketing agreement and the proposed order amending the order, as amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in the said tentatively approved marketing agreement upon which hearings have been held; and

(c) The prices calculated to give milk produced for sale in the said marketing area a purchasing power equivalent to the purchasing power of such milk as determined pursuant to sections 2 and 8e of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply of and demand for such milk, and the minimum prices specified in the proposed marketing agreement and the proposed order amending the order, as amended, are such as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest.

Recommended marketing agreement and order amending the order, as amended. The following order amending the order, as amended, is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The proposed marketing agreement is not included in this recommended decision because the regulatory provisions thereof would be the same as those contained in the proposed order amending the order, as amended.

Proposed Order Amending the Order, as Amended

1. Delete subparagraphs (1), (2), and (3) of § 946.3 (b) and substitute therefor the following:

(1) Class I milk shall be all skim milk and butterfat (i) disposed of in fluid form as milk, skim milk, buttermilk, and milk drinks, whether plain or flavored, except skim milk and butterfat disposed of in fluid form for livestock feed, and (ii) not specifically accounted for as Class II milk or Class III milk.

(2) Class II milk shall be all skim milk and butterfat disposed of as fluid cream (including sour cream), and any cream product disposed of in fluid form which is required by the appropriate health authority in the marketing area to be made from approved milk or cream.

(3) Class III milk shall be all skim milk and butterfat (i) used to produce a product other than those specified in Class I milk and Class II milk, including skim milk and butterfat disposed of for livestock feed, (ii) in actual plant shrinkage of skim milk and butterfat in milk received from producers, but not to exceed 2 percent of such receipts of skim milk and butterfat, respectively, and (iii) in actual plant shrinkage of skim milk and butterfat in other source milk: *Provided*, That if milk is diverted by a handler to a plant of another handler without first having been received for purpose of weighing and testing in the diverting handler's plant, the respective quantities of skim milk and butterfat contained in such milk shall be included in the receipts of skim milk and butterfat, respectively, of the second handler in computing his plant shrinkage and shall be excluded from the receipts of skim milk and butterfat, respectively, of the diverting handler in the latter's plant shrinkage computation: *And provided further*, That (*a*) if milk from producers and other source milk are received by a handler during the delivery period at a plant, described under subparagraphs (1) or (2) of § 946.1 (e), the shrinkage of skim milk and butterfat, respectively, allocated to milk received from producers and other source milk shall be computed pro rata according to the proportions of the volumes of skim milk and butterfat, respectively, received from such sources to their total, and (*b*) if skim milk and butterfat is transferred as milk, skim milk, or cream by a handler from a plant described under subparagraphs (1) or (2) of § 946.1 (e) to any other plant of such handler, under supporting transfer records satisfactory to the market administrator, the shrinkage of skim milk and butterfat, respectively, on the aforesaid transferred portion shall be computed on a pro rata basis with the skim milk and butterfat, respectively, contained in all fluid milk, skim milk, and cream received in the latter plant and added to the shrinkage of skim milk and butterfat in milk of producers and other source milk received by such handler in the plants described under subparagraphs (1) and (2) of § 946.1 (e).

2. Delete subparagraphs (2) and (3) of § 946.3 (c) and substitute therefor the following:

(2) All skim milk and butterfat disposed of in the form of any item specified in paragraph (b) (1) of this section from a handler's plant to soda fountains, restaurants, bakeries, candy and soup manufacturers, and retail food establishments shall be Class I milk, and all skim milk and butterfat so disposed of in the form of any item specified in paragraph (b) (2) of this section shall be Class II milk: *Provided*, That skim milk and butterfat disposed of in any form in bulk from a handler's plant to any such establishment which, under the applicable health regulations, is permitted to receive milk, skim milk, and cream of other than Grade A quality for nonfluid purposes shall be classified as Class III milk if used or disposed of by such establishment in nonfluid form, provided such use or disposition is made subject to verification by the market administrator.

3. Renumber § 946.3 (c) (4) as § 946.3 (c) (3).

4. Amend subparagraphs (1) (i), (1) (ii), and (4) of § 946.3 (c) by substituting the words "fluid cream" for the word "cream" wherever it appears.

5. Delete § 946.3 (d) (3) (i) and substitute therefor the following:

(i) Converting to quarts the quantity of milk, skim milk, and cream disposed of in fluid form as milk, skim milk, buttermilk, and milk drinks, whether plain or flavored, except skim milk and butterfat disposed of in fluid form for livestock feed, and multiply by 2.15;

6. Delete the second sentence of § 946.5 (d) (2) and substitute therefor the following: "If, in the verification of the reports of any handler made pursuant to paragraph (a) of this section, the market administrator finds that any skim milk or butterfat was used or reused by such handler or by another handler in a class other than that in which it was first classified such skim milk or butterfat shall be reclassified accordingly and the adjustments necessary to reflect the reclassified value of such skim milk or butterfat shall be made in the billing computed for such handler for the delivery period following such reclassification."

7. Delete § 946.7 (b) (3) and substitute therefor the following:

(3) Subtract for each of the delivery periods of April, May, and June an amount representing 8 percent of the average of the announced basic formula prices for the 12 months of the previous calendar year and rounded to the nearest cent.

8. Delete § 946.9 (a) and substitute therefor the following:

(a) *Deductions for marketing services.* Except as set forth in paragraph (b) of this section, each handler, in making payments to producers pursuant to § 946.8 (a), shall deduct 5 cents per hundredweight, or such amount not in excess thereof as the Secretary may prescribe, with respect to all milk received by such handler from producers (excluding such handler's own farm production) during the delivery period and shall pay such deductions to the market administrator on or before the 15th day after the end of such delivery period. Such moneys shall be used by the market administrator to verify weights, samples, and tests of milk received by handlers from such producers and to provide such producers with market information. Such services shall be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

9. Delete § 946.10 and substitute therefor the following:

§ 946.10 *Expense of administration.* As his pro rata share of the expense of administration hereof, each handler shall pay to the market administrator, on or before the 15th day after the end of the delivery period, 2.5 cents per hundredweight, or such amount not in excess thereof as the Secretary may prescribe, with respect to all receipts by such handler, during the delivery period, of (a) milk from producers (including such handler's own production), and (b) other source milk classified as Class I milk and Class II milk pursuant to § 946.3 (e). Each cooperative association which is a handler shall pay such pro rata share of expense on only that milk of producers caused to be delivered by such cooperative association to a plant from which no milk is disposed of in the marketing area and milk received from producers at a plant of such association.

Issued at Washington, D. C., this 15th day of July 1949.

[SEAL] JOHN I. THOMPSON,
Assistant Administrator.

[F. R. Doc. 49-5989; Filed, July 20, 1949; 8:52 a. m.]

[7 CFR, Part 994]

[Docket No. AO-202]

HANDLING OF PECANS GROWN IN GEORGIA, ALABAMA, FLORIDA, MISSISSIPPI, AND SOUTH CAROLINA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND ORDER

Pursuant to the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 910), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to a proposed marketing agreement and order regulating the handling of pecans grown in Georgia, Alabama, Florida, Mississippi, and South Carolina. Such marketing agreement and order would be effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. and Sup. 1 601 et seq.). Interested parties may file exceptions to this recommended decision with the Hearing Clerk, United States Department of Agriculture, Room 1846, South Building, Washington 25, D. C., not later than the close of business on the 10th day after publication of this recommended decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. A public hearing, on the record of which the proposed marketing agreement and order are formulated, was held at Mobile, Alabama, beginning on May 31, 1949, and at Albany, Georgia, beginning on June 3, 1949. In accordance with the applicable provisions of the aforesaid amended rules of practice and procedure, the hearing was held pursuant to notice thereof published in the FEDERAL REGISTER (14 F. R. 2547, 2590). It was initiated by the Production and Marketing Administration at the request of the Southeastern Pecan Growers Association and the Pecan Distributors Association for a hearing on a proposed marketing agreement and order regulating the handling of pecans grown in Georgia, Alabama, Florida, Mississippi, and South Carolina. The Southeastern Pecan Growers Association is a nonmarketing association of pecan growers in the Southeastern States and the Pecan Distributors Association is a trade association of pecan handlers in such States.

Material issues. The material issues presented on the record of the hearing are as follows:

(1) The existence of the right to exercise Federal jurisdiction in this instance.

(2) The need for the proposed regulatory program to effectuate the declared purpose of the Agricultural Marketing Agreement Act of 1937, as amended.

(3) The provisions which should be incorporated in the proposed marketing agreement and order, such as:

(a) Defining of such terms as "Secretary," "act," "person," "pecans," "unshelled pecans," "handle," "handler," "grower," "shell," "process," "fiscal period," "committee," "council," "production area" or "area," "district," and each of the nine numbered districts proposed in the marketing agreement and order;

(b) Establishing and maintaining a Committee to administer the program operations, the granting of powers and prescribing of duties to such Committee, and the providing for its manner of conducting business;

(c) Establishing and maintaining a Handlers Advisory Council to serve in that capacity to the Committee, assigning duties to such council, and providing for its manner of conducting business;

(d) Providing for operational expenses, and assessments to be imposed for defraying such expenses;

(e) Requiring the Committee to submit pecan marketing situation reports to the Secretary with its recommendations for regulation of the handling of unshelled pecans by grades, sizes, or minimum standards of quality;

(f) Requiring compliance with all provisions of the marketing agreement and order and with regulations issued pursuant thereto;

(g) Providing for the books and records which handlers should keep and the reports which they should furnish; and

(h) Providing for certain additional provisions, as set forth in §§ 994.7 to 994.17, both inclusive, as published in the FEDERAL REGISTER (14 F. R. 2547, 2590) which are common to the marketing agreement and order, namely, those relating to: amendments, agents, personal liability, separability, derogation, duration of immunities, effective time and termination, and effect of termination or amendment; and additional provisions which are in the marketing agreement only, namely, those relating to: counterparts, additional parties, and request for order.

Findings and conclusions. The findings and conclusions on the aforementioned material issues, all of which are based on the evidence adduced at the hearing and the record thereof, are as follows:

(1) It is intended that the handling of unshelled pecans in the current of interstate or foreign commerce from points within the five State area of Georgia, Alabama, Florida, Mississippi, and South Carolina to points outside thereof be subject to regulation.

Pecans are classified as improved varieties and seedlings. The improved varieties are generally larger than the seedlings and comprise the major part of the pecans which are distributed in the unshelled form to consumers. However, some of the production of improved varieties is shelled commercially and some of the larger sizes of seedlings are distributed unshelled. The five States of Georgia, Alabama, Florida, Mississippi, and South Carolina, in the period 1944–48 produced about 80 percent of all improved pecans produced in the United States. This five State area is the chief source of pecans for distribution in the unshelled form. Of all pecans produced in this area about 77 percent were improved varieties. Considerable quantities of pecans produced in the area are distributed both in the unshelled and the shelled form for consumption in the area.

According to testimony at the hearing, approximately 39 percent of the 75 million pounds of pecans produced in the area in 1948 moved into channels for unshelled distribution outside the area and the balance will be consumed within the area or moved into the shelled outlet. This indicates that approximately 29 million pounds of pecans from the area represent distribution as unshelled pecans outside the area. Most of the unshelled pecans shipped from the area are consumed in the United States, but minor quantities are exported.

Pecans for distribution in the unshelled form are prepared for market in different ways. Many growers sell their pecans on an "orchard-run" basis, or as harvested, to buyers for processing locally. Such processing usually consists of sizing, cleaning, and sorting by machinery and by hand, and packing pecans in containers for shipment to market. Some of the good quality pecans of the larger sizes, as well as those of smaller sizes, and the culls are usually shelled commercially. A large part of the pecans produced in the area are processed and shelled there, however, substantial quantities are shipped from the area for processing and shelling. Some growers ship their own unshelled pecans to markets either outside or in the production area. Truckers buy considerable quantities of unshelled pecans from growers, assemblers, and processors, and move them to points inside or outside the area. The quantity of unshelled pecans distributed as such for consumption within the area is relatively small and has relatively little effect on returns to growers as compared with unshelled pecans handled for distribution outside the area. Due to this fact and to the complexity of the marketing practices and movements of unshelled pecans within the area, it is deemed impracticable, at this time, to regulate the handling of such pecans in intrastate or interstate movement within the area.

The handling of unshelled pecans produced within the area of Georgia, Alabama, Florida, Mississippi, and South Carolina to points outside thereof is in the current of interstate or foreign commerce, and subject to Federal jurisdiction.

(2) Marketing difficulties have been a major factor in the low returns often received by producers, and this was well illustrated in the 1948 marketing season. The 1948 crop was the largest of record and below average in quality. The nature of the product precludes ready knowledge of either the condition or extent of the kernel content, and, due to the unorganized marketing structure of the industry, many unshelled pecans of poor quality were moved into the hands of distributors and sold to consumers. Distributors who customarily handled only pecans of good quality found it necessary to obtain unshelled pecans of poor quality in order to meet competitors' prices. The market for the better grades was thus demoralized through the inability of retailers to dispose of these pecans at prices which would enable them to continue to handle the good quality product. Testimony of all groups attending the public hearing, growers, processors, shellers, and distributors indicated a unanimity of opinion that efforts should be made to correct the disorderly and uneconomic system which permitted the movement of very low quality pecans and threatened the industry with loss of consumer acceptance of unshelled pecans. The smaller sizes of pecans, such as comprise the major part of the seedling production and a small part of the production of improved varieties, are not generally acceptable for unshelled distribution.

By proper grading and sizing of unshelled pecans for distribution as such, the volume available for market in the unshelled form would be limited to the better qualities and larger sizes. Distributor and consumer confidence in unshelled pecans would be restored and maintained, demand would increase and tend to result in higher prices to growers.

Since 1929 the farm price of all pecans produced in the area including both improved varieties and seedlings has neither equalled nor exceeded parity. Preliminary indications are that for the 1948 marketing season, the farm price for pecans grown in the area will average in the neighborhood of 25 percent of the parity price. The 1948 farm price is estimated at 12.9 cents per pound for all types of pecans, as compared with 26.9 cents in the 1947 season and an average of 10.8 cents in the 1935–39 pre-war period. In other words, despite the generally high level of prices and incomes, the combination of large supply, lower than average quality, and disorderly marketing conditions resulted in the 1948 farm price declining to practically the pre-war level.

The pecans distributed in the unshelled form are principally of the improved varieties. In the five-State area, average annual production of improved pecans has increased from approximately 12.5 million pounds in the period 1929–33 to 43 million pounds in the 1944–48 period. During this same twenty-year period, the production from wild or seedling pecans, within the area, has increased from a 1929–33 average of 4.5 million pounds to a 1944–48 average of 12.8 million pounds. The total production is expected to continue upward as many of the improved pecan orchards have not as yet reached full bearing age. In addition, the production trend of other domestic tree nuts—walnuts, almonds, and filberts—is also expected to continue upward; and tree nut imports are arriving in greater than pre-war volume. The marketing problem, therefore, of the pecan industry in the area can be expected to become more acute in the future; and corrective action to improve marketing conditions is needed.

Most of the pecans produced outside of the proposed area are seedlings and are used primarily for shelling. Also, most of the improved varieties that are produced outside the area are consumed within the State of production. In any event, at the present time the quantity of such pecans is not large enough to affect seriously the operation of the proposed program. If other States were included, however, the enforcement and inspection problems would be materially increased. A large percentage of the pecans marketed in the unshelled form are grown in the five State area. If this area were further restricted the proposed program would not accomplish its purpose. While at the present time, commercial production in the area is concentrated in certain segments of the five States, production is scattered throughout the area and such production may shift in concentration. The exclusion of a part of the proposed area from the regulatory program would be unfair to persons in parts of the area in which unshelled pecans are regulated. It is concluded, therefore, that the five States should be considered as a unit and constitute the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act.

Public law 305, 80th Congress (61 Stat. 707), approved August 1, 1947, permits minimum standards of quality to be established and maintained in effect, even though the seasonal average price of the regulated commodity is above parity, if such action will effectuate orderly marketing in the public interest. The shipment of very inferior quality unshelled pecans during any period when the seasonal average price is in excess of the parity price, would tend to destroy much of the confidence that may have been built up during periods of grade and size regulation when prices were not in excess of parity. The factors which should be considered in connection with establishing minimum standards of quality governing the handling of unshelled pecans are hereinafter discussed in paragraph (3) (e).

Grade and size regulations during seasons when the average farm price is not above the parity price, and regulation on the basis of minimum standards of quality when the average farm price is above the parity price, are necessary and would tend to effectuate the purpose of the act with respect to pecans grown in the five State area. Such regulations would tend to remedy the foregoing marketing situations; and the proposed marketing agreement and order should contain provisions therefor.

(3) (a) Certain terms, applying to specific individuals, agencies, legislation, concepts, or things, are used throughout the proposed marketing agreement and order. Those terms should be defined for the purpose of designating specifically their applicability, and establishing appropriate limitations of their respective meanings wherever they are used, and to preclude the necessity of defining them whenever they are used.

The definition of "Secretary" should include not only the Secretary of Agriculture of the United States, the official charged by law with the responsibility for programs of this nature, but also, in order to recognize the fact that it is physically impossible for him to perform personally all functions and duties imposed upon him by law, any other officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to act in his stead. The definition of "act" merely gives the correct legal citation for the statute pursuant to which the proposed regulatory program is to be operative and shortens the reference thereto wherever it is used subsequently. The definition of "person" follows closely the definition of that term as set forth in the act.

"Pecans" should be defined as the nuts of the pecan tree *Carya illinoensis*. This identifies the kind of nuts referred to in the proposed marketing agreement and order, as distinguished from other kinds of nuts. Department pecan statistics and general usage do not limit this term to the production of pecans in the five State area; and to so limit the term by definition would be not only confusing but would be inconsistent therewith. Since the proposed regulatory program is to be applicable to pecans grown in the production area and handled in the unshelled form, the limitation "grown in the production area" should be included under the definition of the commodity to be regulated.

"Unshelled pecans" should be defined as meaning pecans from which the shells have not been removed, and which were grown in the production area. While it is generally understood that nuts from which the shells have not been removed are referred to as "unshelled," nevertheless the term "unshelled pecans" should be defined as set forth to insure that such meaning is intended wherever the term is used. This is the classification of pecans to which the regulatory program should apply, and the regulation should be limited to pecans grown in the five State area. The requisite descriptive language should be included in the definition.

The term "handle" should be defined to mean: to sell, ship, transport (except as a common or contract carrier of unshelled pecans owned by another person), or in any other way to place unshelled pecans in the current of commerce from the production area to any point outside thereof. Only unshelled pecans are to be regulated and for reasons previously given with respect to material issue (1), regulation should be restricted to the acts set forth under the definition of "handle" when such acts result in placing unshelled pecans in the current of commerce from the area to any point outside thereof. These are the acts that generally result in the moving of pecans from the area to points outside of the area. The definition should also cover any other way in which such movement can be accomplished. Movement by common or contract carriers of unshelled pecans owned by another person should be excluded from coverage since such agencies are engaged in the business of transportation and are not responsible for marketing operations.

The term "handler" should be defined to include any person who, either personally or through another person, handles unshelled pecans. It should include any person performing any act within the definition of handle. The term should identify those persons to whom the marketing agreement and order provisions will apply. A grower, as well as a processor, trucker, or other person, who performs any handling function as herein defined, should be considered as a handler with respect to such functions.

The term "grower" should be synonymous with "producer" and should be defined so as to include all persons who are engaged in the growing of unshelled pecans for market, and who have a proprietary interest in such pecans. It is intended to include not only the person who produces a crop for himself on his own land but also a person otherwise engaged in the production of unshelled pecans for market and who has a share in such pecans.

The term "shell" should be defined to mean: to crack pecans and remove, sort and otherwise prepare the kernels for market. This definition includes the operations performed by a commercial sheller, and excludes consumers who may shell pecans for their own use.

The term "process" should be defined to mean: to bleach, clean, grade, size, pack, or otherwise prepare pecans for distribution in the unshelled form. This definition would cover the operations performed by persons generally known in the pecan industry as processors.

Verb forms of "shell" and "process," namely, "shelling" and "processing," are used in the proposed marketing agreement and order particularly in respect to unshelled pecans which are shipped out of the area to be shelled or processed there. Therefore, the definitions of "shell" and "process" should be included in the marketing agreement and order.

The term "fiscal period" should be defined to mean the period beginning on October 1 of any year and ending on September 30 of the following year, both dates inclusive, except that the period beginning with the effective date of the program and ending September 30, 1950 should be considered as a fiscal period. The notice of hearing proposed the period September 1 through the following August 31 as the fiscal period. The proponents proposed at the hearing that the term be redefined as indicated. Usually, a considerable part of the carryover of unshelled pecans is shipped in September for the early fall trade. The harvest of the new crop usually does not begin until in October, and it is reasonable and desirable, in order to facilitate administration and regulation, that the fiscal period begin on the first of the month in which harvest commences. It is not desirable to have a new fiscal period begin at a time when considerable quantities of the preceding year's crop remain to be handled. Under the proposal, the rate of assessment is applicable to an entire fiscal period and such period should coincide as nearly as practicable with a crop marketing season.

The terms "wholesale pack" and "consumer pack" should be deleted from the list of terms which should be defined as included in the notice of hearing. The proponents intended that authorization for different grade and size regulations for "wholesale packs" and "consumer packs" be included in the marketing agreement and order. The record fails to justify such authorization and there is no need to define the terms.

The term "Committee" should be defined to mean the Pecan Administrative Committee. The term "Council" should be defined to mean the Handlers Advisory Council. Both would be established pursuant to the proposed marketing agreement and order and the use of these terms will shorten subsequent references to them.

The term "production area" should be synonymous with "area" and should be defined to mean the States of Georgia, Alabama, Florida, Mississippi, and South Carolina. It is contemplated that handling of pecans grown in these States only shall be subject to the regulation under the proposed marketing agreement and order.

The term "District" and each of the nine districts should be defined as indicated in the proposal. To facilitate the operation of the program, the area has been divided into nine geographical divisions, or districts. The marketing agreement and order provided that one representative on the Committee and, if available, one on the Council be selected from each district. This is intended to give all parts of the area adequate representation in the administration of the proposed program. The principal factors used in determining the territory to be contained in each of the districts include the volume of production of pecans and geographical and administrative considerations. The nine districts as proposed would provide fair and equitable basis for representation on the Committee and Council.

(b) It is necessary to establish an agency to act in administering the proposed marketing agreement and order under and pursuant to the act. The term "Pecan Administrative Committee" is a proper identification of the agency and reflects the administrative character thereof. It should be comprised of nine members, one from each district, in order to represent the area satisfactorily. There should be an alternate member for each member of the Committee who should have the same qualifications as the member. This will tend to insure full representation at Committee meetings. In order to eliminate the necessity of using the term "alternate" in conjunction with the term "member", wherever it is used, it should be stated in the marketing agreement and order that all provisions applicable to the member should also be applicable to the alternate. Growers are qualified to administer the provisions of the program because of their experience and familiarity with pecan production and marketing problems; and it is fair and equitable that the Committee be composed entirely of growers. Handlers will serve on the Handlers Advisory Council and thereby will have an opportunity to present their views and advice to the Committee. A provision should be included to permit an officer, employee, or agent of a grower to serve on the Committee since his interests would be, in the main, those of the grower. His knowledge of pecan production and marketing problems would be, for all practical purposes, the same as that of the grower and he therefore would be qualified to represent grower interests. Some growers also handle, process, or shell pecans; however, if such activities are with respect to pecans of their own production only, they should not for that reason be precluded from membership on the Committee. This would not be inconsistent with the grower interests represented by the Committee.

The initial members of the Committee should be selected by the Secretary and should serve through June 30, 1950. This date represents a change from the one proposed in the notice of hearing and conforms with a change recommended by the proponents during the course of the hearing, for the term of office of Committee members. June 30, 1950, should be the end of the term of office of the initial members, because it would be at a time when the marketing of the 1949 crop would be about completed, except for carry-over, and yet be sufficiently in advance of the 1950 crop marketing season to permit the organization of successor members, and to enable them to become familiar with their duties in administering the marketing agreement and order, prior to the time that the new crop shipments begin.

If a successor to any such member is not selected and has not qualified by June 30, 1950, such initial member should continue to serve until his successor is selected and has qualified. This will permit a continuation of Committee activities even though some of the new members had not been selected or had not yet indicated that they will serve.

It is necessary to make special provision for the nomination of initial members since there will not be sufficient time between the effective date, if any, of the marketing agreement and order and the beginning of operations for the 1949 crop marketing season, to permit the procedure for selecting successor members to be applicable. It will be necessary to have the Committee appointed and organized for action as soon as practicable after the aforesaid effective date, which should be not later than September 1, 1949. Therefore, it should be provided that nominations for a member from each district may be made to the Secretary, not later than the effective date of the marketing agreement and order, by any grower or group of growers in each such district, and that such nominees may be designated at elections.

Before April 30 of each year, the Secretary of Agriculture should hold, or cause to be held, a meeting or meetings of growers in each district for the purpose of designating nominees for successor members of the Committee. Since, as hereinafter indicated, the term of office of a successor member will begin on July 1, if the selected member has qualified by that date, such meetings should be held sufficiently in advance of that date to permit elections to be conducted. Therefore, the June 30 date contained in the notice of hearing should be April 30. It is not necessary to prescribe in the marketing agreement and order that the Secretary designate a chairman for the meetings, since the Secretary will hold the meeting or cause it to be held and would therefore make necessary arrangements for conducting the meeting. Supervision by the Secretary of election of nominees for successor members is the most practical means of insuring that prompt and impartial action will be taken in respect to the nominations. All growers in each of the districts in the area should, of course, be given a reasonable opportunity to vote.

Minutes of each meeting should be kept. For each member position on the Committee, it should be provided that the names of not less than two growers should be placed in nomination and voted on in arriving at a nominee. This provision would insure free expression of grower views as to nominees. If a provision of this kind is not included, many growers may be reluctant to make a nomination or to have their names placed in nomination against an incumbent who desires the nominee designation. It should also be provided that each grower in the district in which an election is held shall be entitled to cast only one vote on behalf of himself, his agents, affiliates, subsidiaries, and representatives in such district for the member position. One vote cast in behalf of a grower is considered fair and democratic and is the most practical means of assuring equitable representation of all growers. For the information of the voters at such meeting, the name of each person for whom a vote was cast should be announced and the number of votes received by each person should be recorded in the minutes. This provision does not prevent the announcement at such meeting of the number of votes received by each person and the name of the person receiving the highest number of votes. In order to assure that elections are conducted in the proper manner, the Secretary may prescribe additional rules and regulations, not inconsistent with the provisions hereof, relative to the election of nominees for members of the Committee. The Committee should be permitted to recommend such rules and regulations to the Secretary.

The proponents recommended at the hearing that the term of office of successor members begin on July 1 instead of September 1, and this change should be made. In order to allow the Secretary sufficient time to select members of the Committee, after the district elections of nominees which are required to be held prior to April 30, nominations should be available to the Secretary by May 15. This should insure the selection and qualification of members prior to July 1. If for any reason a nomination for a member for any district is not available by May 15, the Secretary should not be precluded from selecting a member to fill such position, so that full membership will be insured.

The term of office of each such member should begin July 1 and end on June 30 of the following year. If a member's successor has not been selected and has not qualified by June 30, such member's services shall extend until a successor has been selected and has qualified. July 1 is desirable as a beginning date of the term of office of Committee members as it will allow time for them to study their duties prior to the actual beginning of the harvest season in October. It would make possible an organizational meeting between June 30 and October 1 at which actions could be taken in regard to such matters as inspection and personnel arrangements. This would familiarize the Committee with its meeting procedures prior to the important meeting early in October at which the policy report, grade and size recommendations, and budget recommendation would be prepared. A one year term of office would be most equitable and practicable. A term of less than one year for successor members would require elections that are unnecessary and too frequent and would not permit Committee members to use gained experience most effectively. A longer period would make it difficult for the industry to adequately reflect its desires for changes in membership. A member should be eligible for selection for a succeeding term. Further, each member should continue to serve until his successor has been selected and has qualified. This would permit the uninterrupted operation of the Committee, and would not leave a district unrepresented while waiting for the successor member to be selected and to qualify.

The procedure to be followed in filling vacancies on the Committee should be the same as used in nominating and appointing the initial members except that nominations should be submitted to the Secretary within 20 days after the beginning of the vacancy. It is desirable to take prompt action in filling vacancies and 20 days is sufficient time to allow for the making of nominations.

Each person selected by the Secretary as a member on the Committee should be required to file a written acceptance of appointment within 15 days after being notified of his selection. Without such provision, the Secretary would not know which appointees were willing to serve. An appointee who does not have sufficient interest in the program to accept promptly may not have sufficient interest to serve as a member.

Provision should be made whereby a qualified person is ready to serve on the Committee in the place of a member who is unable to serve. Inasmuch as such person will be a substitute for the member in case the member is not able to serve, he should have the same qualifications as the member. It is desirable that a qualified person be available so that if it becomes necessary to act in the place of the active member, the alternate may take over the duties at once and be able to carry them out properly. This provision will facilitate full membership attendance at Committee meetings. Therefore, an alternate should be selected for each member.

Members of the Committee should serve without compensation, but should be reimbursed for reasonable expenses necessarily incurred in the performance of their duties as prescribed in the marketing agreement and order. Members of the Committee should not be considered as salaried employees. They are representatives serving the industry and, in most cases, are recommended by the industry. Although they are charged with and have accepted the duties and responsibilities specified in the marketing agreement and order, they should not be required to defray out of their own funds such reasonable expenses as may necessarily be incurred by them in the discharge of their duties and responsibilities. The prohibition against compensation should extend only to the services of a member in his capacity as such.

The Committee should be given those specific powers which are set forth in the act as those which may be granted an administrative agency of the proposed nature.

The Committee should be given, among others, certain specific duties. First, it should act as intermediary between the Secretary and growers and handlers. It is logical that the Committee, composed of growers and working closely with the Handlers Advisory Council should be an intermediary between growers and handlers, and the Secretary. It is not intended, however, that the Committee be an exclusive channel of communication between the Secretary and the industry.

The Committee should keep minutes, books, and other records which will clearly reflect all of its acts and transactions, and which should be subject at any time to examination by the Secretary. This is necessary for assurance of the maintenance of proper records.

The Committee should cause its books and other records to be audited by one or more competent accountants for each fiscal period and at such other times as it may deem necessary or as the Secretary may request, and to file with the Secretary a copy of each audit report made. This is necessary and desirable for the information of the Committee and the Secretary, and is in accordance with sound business practice. If necessary for any reason, an audit should be made at any time. It is proper and necessary that the Secretary receive a copy of all audit reports, as he would be responsible for the administration of the program.

Subject to prior approval by the Secretary, the Committee should be permitted to provide for, and engage in, such research and service activities relating to the handling of pecans as are appropriate in connection with the administration of the provisions hereof. It is contemplated that such research would be limited to subjects having direct concern with the administration of the marketing agreement and order. Funds collected under the assessment provisions of the marketing agreement and order should not be used for research or service activities which are not directly related to the operation of the marketing agreement and order.

The Committee should investigate and assemble such data relative to the growing, harvesting, and marketing conditions and utilization of pecans, as may be appropriate in connection with the administration of the provisions of the marketing agreement and order. In order that the Committee may be properly informed on conditions of supply and demand, upon yields and acreages, and related information, which would be useful in preparation of its policy report, it must necessarily have these data.

The Committee should furnish to the Secretary, information as to all of its activities, including a copy of the minutes of each meeting and a copy of all the recommendations received from the Council, and such other information as he may request. The specific information required should be furnished to the Secretary by the Committee in the regular performance of its duties. The Committee should also furnish to the Secretary such other available information as it, or he, may deem appropriate. Minutes of each meeting should be furnished to the Secretary for his information and for his use in checking on Committee deliberations. Further information which the Committee may possess may be desired by the Secretary. In which event, it should be furnished at his request.

The Committee should supervise the regulation of the handling of pecans pursuant to the marketing agreement and order. It is necessary for an agency in the area to give close supervision to the operation of a program of this kind under the general direction of the Secretary, and this is a proper function for the Committee.

The Committee should be authorized to recommend to the Secretary that any district be redefined and that the representation on the Committee from any district be changed in any equitable manner whenever it is deemed advisable, except that it should be provided that no State shall have less than one representative on the Committee. The number of the districts, as well as the territory covered by any district, should be subject to change in any equitable manner. If the quantity of pecans produced, or number of growers, in any district should materially change in relation to the other districts, naturally there would be a basis for considering changes in district boundaries or the representation from such district. The Committee should be given the authority to recommend to the Secretary that such changes be made if the need should arise. In this manner it will be possible to redistrict the area equitably and without an amendment to the marketing agreement and order. For administrative and economic reasons, there should always be at least one representative on the Committee from each State.

The Committee should employ a Managing Agent who should serve as the secretary of the Committee and as the secretary of the Council, and should have such other duties as may be specified in the marketing agreement and order and by the Committee for such agent. The Committee should be authorized to employ such other persons as it may deem necessary and determine the salaries and define the duties of such employees. It is necessary that some person be selected to operate and have direct charge of administering the program. For identification purposes, he should be called the Managing Agent. Since the Managing Agent would have occasion to keep and use the minutes of the Committee and Handlers Advisory Council meetings, it is considered proper that he be made secretary of each. In this manner he will be informed of their deliberations. As the Committee has the responsibility of administering the provisions of the marketing agreement and order, it is logical to give it the authority to employ such persons as it deems advisable, and further, to specify the duties of such employees, and to fix their compensation.

The Committee should require adequate bonds for such of its employees and members as are responsible for the receipt, custody, or disbursement of funds collected pursuant to the provisions of the marketing agreement and order. It is a sound business practice to require bonds of all persons handling funds for which the Committee will be responsible.

It should also be provided that the Committee may, upon the selection and qualification of six of its members, organize and commence to function. Since time will be of the essence, it is reasonable that as soon as sufficient members are selected and have qualified so as to constitute a quorum, the Committee should be permitted to begin functioning. The Secretary should be authorized to call the first meeting so that, if the Committee does not organize on its own initiative, a meeting may be called. The Committee should be authorized to hold meetings after due notice to its members. The Committee should adopt rules, not inconsistent with the provisions of the marketing agreement and order, relative to the method of conducting its business and appropriate for carrying out its duties and responsibilities under the program.

The Committee should select a chairman from its membership, and such other officers as it deems advisable. Since the Committee is to be charged with the responsibility for the administration of the program, it is reasonable and logical that it should select such officers as it believes advisable, and, of course, may make such selection from among its membership. The secretary of the Committee should, as already indicated, be the Managing Agent, who, will probably be an employee who is thoroughly familiar with the continuous operations of the program, and thus well equipped to act as secretary of the Committee. A provision should be included to the effect that all communications from the Secretary should be addressed to the chairman or the Managing Agent of the Committee at such addresses as may, from time to time, be filed with the Secretary. This should be included to indicate where official communications may be sent.

The Secretary should be given the same notice of the meetings of the Committee as is given to the members of the Committee; and in regard to meetings at which attendance of Council members is desired by the Committee, such notice should be given to Council members. This assures the Secretary or his representative and Council members opportunity to attend Committee meetings and be familiar with its deliberations.

It should be provided that a quorum shall consist of six members, including alternate members then serving in the place and stead of any members, in attendance at the meeting; and all decisions of the Committee should require not less than five concurring votes of the members who are present at such meeting. It should be further provided that the quorum and the requirement as to number of concurring votes may be changed by the Secretary and that this action may be made upon recommendation of the Committee. The quorum of six members or two-thirds of the total membership, is a fair and reasonable proportion of the membership, and prevents action from being taken when there is a very small attendance. The requirement that all decisions of the Committee should be made by not less than five affirmative votes assures that a majority of the entire Committee favors any action taken.

It may not always be practicable or economically feasible to convene the Committee when matters are to be handled expeditiously. In such an instance, mail and telegraph voting should be provided. However, it is intended that such voting would not be used generally when the matter under consideration could be held for a regular meeting. Due notice should be given to all members when this method is used. The Committee may use this method of voting to facilitate timely action on matters of an emergency nature or routine administrative matters. If it should be necessary to obtain the views of the Committee quickly and it is impracticable to assemble the Committee, the Managing Agent or the chairman should explain in detail the proposition when requesting mail or telegraph vote. It is not intended that such detailed deliberations as those relating to a policy report or recommendations as to grade and size regulations would be conducted by this method, as in such instances action should be taken at an assembled meeting. If any member dissents in a mail or telegraph vote, the proposition voted upon should not be approved. Any member who does not favor or understand a proposition which is being voted on by mail or telegraph, could by voting negatively prevent its adoption until considered at an assembled meeting. When there is an assembled meeting, absent members should not be allowed to vote by mail or telegraph. In such instances absent members would not have the benefit of the discussions which those present have. In order that all persons voting on an issue have before them the same basic considerations and arguments, it is essential that only members present be allowed to vote at an assembled meeting.

It should be provided that each member and alternate member of the Committee, and each agent and employee appointed or employed by the Committee, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination, and other act of the Committee should be subject to the continuing right of the Secretary to disapprove the same at any time; and, upon such disapproval should be deemed null and void except as to acts done in reliance thereon or in compliance therewith. Congress delegated the administration of programs, which might become effective under the act, to the Secretary. In order for the Secretary to be able to perform his duties and responsibilities efficiently, it is necessary that he have the indicated powers. If the Secretary did not have the rights vested in these regards, it would be possible for actions to be taken by the Committee that would, under the circumstances, be improper. It would also be possible for undesirable and inefficient persons to be placed in positions of authority in administering the program.

(c) Provision should be made for the establishment of an advisory group to assist the Committee in administering the proposed marketing agreement and order. Such advisory group should be composed of handlers because the technical knowledge and experience of persons handling pecans would be of assistance to the Committee. Since problems, such as those relating to grading, sizing, and enforcement, may not always be the same in all of the different districts, handlers from the different districts should serve on the advisory group. This group should be designated as the "Handlers Advisory Council". Nine members, one from each district, if available, in order to represent the various districts and the area satisfactory should serve on the Council. This would give the same numerical representation as the growers have on the the Committee, adequate opportunity for counsel, advice to, and, collaboration with the Committee on matters relating to the program. There should be an alternate member for each member of the Council who should have the same qualifications as the member. In order to eliminate the necessity of repeating the term "alternate" whenever the term "member" is used, all provisions of the marketing agreement and order applicable to the member should also be applicable to the alternate.

It is intended that a handler who is also a grower may serve on the Advisory Council. However, since the primary purpose of the Council is to furnish technical advice in regard to handling and general marketing problems, only handlers who handle at least some unshelled pecans, other than those of their own production, should be eligible to serve on the Council. This will result in a Council composed of handlers who are qualified to furnish counsel and advice.

It is appropriate that the initial members be selected by the Secretary. They should serve through June 30, 1950. This date is changed from that in the notice of hearing, to conform to a change recommended for the term of office, and it should be made for reasons as hereinbefore stated in respect to the same change in dates applicable to the Committee members.

If a successor to any such member is not selected and has not qualified by June 30, 1950, such initial member should continue to serve until his successor is selected and has qualified. This will permit a continuation of Council activities on a full membership basis even though some of the member positions have not been filled for the new period. For the consideration of the Secretary in making such initial selections, the most practicable way to obtain nominations would be to permit handlers in the respective districts, either individually or as a result of elections conducted by groups of handlers, to submit the names of nominees from their districts. Since it is important for the Council to begin functioning soon after the marketing agreement and order are effective, nominations should be made to the Secretary not later than the effective date of the marketing agreement and order. Such nominations would be only for the consideration of the Secretary and he should make the selections from nominees or other eligible persons at his discretion. It is necessary to make special provisions for the nominations of the initial members since, if the program is made effective, there will not be sufficient time between the effective date thereof and the beginning of operations of the 1949 crop marketing season to permit the procedure for selecting successor members to be followed. It will be necessary to have the Council appointed and organized for action very soon after the effective date of the program. It was indicated at the hearing that there may be difficulty, at times, in finding handlers eligible and willing to serve on the Council from all districts. In order to insure a full Council membership, the Secretary should be authorized to select a Council member from other districts in lieu of a member from a district in which no handler is nominated or is found who is eligible and willing to serve. A full Council membership of nine is desirable, as a change in membership number from term to term would necessitate change in voting and other procedural rules. It is equitable that handlers should have as many representatives on the Council as growers have on the Committee.

Before April 30 of each year, after the marketing agreement and order are put into effect, the Secretary should hold, or cause to be held, a meeting or meetings of handlers in each district for the purpose of designating nominees for successor members of the Council. The date stated in the notice of hearing should be changed from June 30 to April 30 to allow sufficient time between the date on which the elections are held and the date on which the selections are made by the Secretary. References to the Secretary's designating a chairman should be eliminated since a representative of the Secretary will hold the meeting or cause the meeting to be held. Supervision by the Secretary of elections of nominees for successor members is the most practical means of insuring prompt and impartial action in obtaining these nominations. All handlers in the area covered by the proposed marketing agreement and order should be given a reasonable opportunity to vote. The Secretary should give adequate notice of each meeting in the respective districts. Minutes of each meeting should be kept. For the member position on the Council, it should be provided that the names of not less than two handlers shall be placed in nomination at each meeting and shall be voted on in arriving at a nominee. This will tend to assure that all eligible handlers will have an opportunity to be nominated. If this provision were not included, some handlers might be reluctant to permit their names to be placed in nomination if an incumbent wished to be renominated. It should also be provided that each handler in the district in which an election is held shall be entitled to cast only one vote on behalf of himself, his agents, affiliates, subsidiaries, and representatives in such district for the position which is to be filled. In most districts there are a number of handlers whose operations are only of small or medium size, but who are qualified to serve on the Council. The election of Council nominees based on the one vote per handler plan is the most practical means of assuring equitable representation. The person receiving the highest number of votes should be the nominee. For the information of the voters at each meeting, the name of each person for whom a vote was cast should be announced. The number of votes received by each person should be recorded in the minutes. This provision should not prevent the announcement at such meeting of the number of votes received by each person and the name of the person receiving the highest number of votes. In order to assure that elections are conducted in the proper manner, the Secretary should be permitted to prescribe additional rules and regulations, not inconsistent with the provisions of the marketing agreement and order, relative to the election of nominees for members of the Council. The Committee should be permitted to recommend such rules and regulations to the Secretary. It should consider any recommendations of the Council in this connection.

It was recommended at the hearing that in order to conform to the proposed change in the term of office of Council members, that the date September 1, 1950, as the beginning date of the terms of successor members, be changed to July 1, 1950, and that July 31 as the date by which nominations be available to the Secretary be changed to May 15. As stated herein, it is desirable to have the terms of successor members begin July 1 instead of September 1. The change from July 31 to May 15 is necessary to permit the Secretary to have sufficient time to make such investigation as he might wish to make prior to selection of the members whose terms begin July 1. If for any reason nominations are not available, the Secretary should not be precluded from selecting members from among eligible handlers to fill the positions. It was indicated at the hearing that there may be difficulty, at times, in finding handlers eligible and willing to serve on the Council from all districts. In order to insure a full Council membership, the Secretary should be authorized to select a Council member from other districts in lieu of a member from a district in which no handler is nominated or is found who is eligible and willing to serve. A full Council membership of nine is desirable, as a change in membership number from term to term would necessitate change in voting and other procedural rules. It is equitable that handlers should have as many representatives on the Council as growers have on the Committee.

The term of office of members should be changed as recommended by the proponents. This would provide that the terms begin July 1 and end on June 30 of the following year. If a successor for any member has not qualified, such member should continue to serve until a successor has qualified. It is desirable to make this change in order that the Council may organize and be ready to perform its duties prior to the actual beginning of the harvest season.

A one year term of office would be most equitable and practicable. A term of less than one year for successor members would require elections that are unnecessary and too frequent and would not permit members to use gained experience most effectively. A longer period would make it difficult for the industry to adequately reflect its desires for changes in membership. Further, each member should continue to serve until his successor has been selected and has qualified. This would permit the uninterrupted operation of the Council.

The procedure to be followed in filling vacancies on the Council should be as in nominating and selecting the initial members except that nominations should be made within 20 days after the beginning of the vacancy. It is desirable that vacancies be filled as promptly as possible and 20 days is a practicable period to allow for making nominations. The Secretary should be authorized to make the selection regardless of nominations if such are not submitted within the 20-day period.

Each person selected by the Secretary as a member on the Council should be required to file a written acceptance of appointment within 15 days after being notified of his selection. Without such provision, the Secretary would not know which appointees were willing to serve. An appointee who does not have sufficient interest in the program to accept promptly may not have sufficient interest to serve as member.

A qualified person should be prepared and ready to serve as an alternate on the Council in the place of a member who is unable to serve. Inasmuch as such person will be a substitute for the member in case the member is not able to serve, he should have the same qualifications as the member. It is desirable that a qualified person be available so that if it becomes necessary to act in the place of the member, the alternate may take over the duties at once and be able to carry them out properly. This provision will facilitate full membership attendance at Council meetings.

Members of the Council should serve without compensation, but should be reimbursed for reasonable expenses necessarily incurred in the performance of their prescribed duties. Members of the Council should not be considered as salaried employees. They are representatives serving the industry and in most cases, are recommended by the handlers in the industry. Although they are charged with and have accepted the duties and responsibilities specified in the marketing agreement and order, they should not be required to defray out of their own funds such reasonable expenses as may necessarily be incurred by them in the discharge of their duties and responsibilities. If the Committee authorizes meetings of the Council or attendance at Committee meetings, attendance at such meetings would be considered a duty of the Council members and would entitle them to reimbursement for expenses. The prohibition against compensation for a member of the Council should extend only to the services of the member in his capacity as such.

The purpose of the Council is to act in an advisory capacity to the Committee, concerning the administration of the provisions of the marketing agreement and order, and in general to perform such ministerial functions as the Committee from time to time may specify. The Council should have such duties as are specified in the marketing agreement and order for it and such other duties as may be incident thereto. The Council should supply the Committee with information and estimates needed in preparation of the Committee's policy report including recommendations with respect to grade and size requirements and minimum standards of quality. It should furnish information and recommendations to the Committee in regard to the budget of expenses and the assessment rate and in regard to other matters as is deemed advisable by it or the Committee, or as requested by the Secretary. The Council, because of the qualifications of its membership, would be capable of supplying sound advice to the Committee on these and other matters. It is contemplated that the Council will act independently of the Committee in formulating many of its recommendations, but for administrative purposes it should be under the control of the Committee. Recommendations of the handlers would be of great assistance to the Committee in performing its functions. Certain of the more important items of the Committee duties depend, for completeness and accuracy, upon the Council's recommendations.

The Council should select from its membership a chairman and such other officers, other than the secretary of the Council, as it may deem advisable. It is reasonable and fair that it should select such officers as it believes advisable from its own membership. The secretary of the Council should be the Managing Agent who in such capacity will be fully informed on Council activities. He will also be able to render valuable assistance to the Council, as for example, in acquainting it with proper administrative procedure. Proper records of all meetings should be kept. The Council should be authorized to hold meetings, after notice to its members, and following authorization by the Committee.

(d) All funds received by the Committee pursuant to the provisions of the proposed marketing agreement and order should be used for the purposes authorized therein. The funds should be collected specifically for use in administration of the marketing agreement and order, and should be used only for this purpose. The Committee should be authorized to incur such expenses as the Secretary may find are reasonable and likely to be incurred by it during the then current fiscal period for its maintenance and functioning and for such purposes as the Secretary may, pursuant to the provisions of the proposed marketing agreement and order determine to be appropriate. This, in effect, provides that the Secretary approve a budget and authorize the Committee to incur expenses shown in the budget. A budget is generally a statement of reasonable expenses likely to be incurred. Under this provision, if the Committee submits a budget, and the Secretary finds that the expenses set forth in the budget are reasonable and likely to be incurred, he should authorize the Committe to incur such expenses during the fiscal period for which the budget was submitted. The Secretary is, under the act, responsible for the proper administration of a program of this kind and should therefore approve Committee expenses for each fiscal period early in such period.

The provision should also state that, in addition to expenses for maintenance and functioning of the Committee, it may incur expenses for such other purposes as the Secretary may, pursuant to the provisions of the proposed marketing agreement and order, determine to be appropriate. A 45-day period from the effective date of the marketing agreement and order, in which to submit the initial budget would afford ample time for the preparation of a budget, and in succeeding fiscal periods, the Committee should have a good idea as to what its expenses will be by October 10. It should be provided, therefore, that the recommendation of the Committee as to its expenses for the initial fiscal period, together with all data supporting such recommendation, should be submitted to the Secretary within 45 days from the effective date of the marketing agreement and order. In succeeding fiscal periods, such recommendation should be submitted on or before October 10 of the fiscal period to which it applies. October 10 should be designated as recommended by the proponents instead of October 15 as stated in the notice of hearing, in order to conform to the date by which the marketing policy report must be submitted. It is contemplated that both recommendations would be prepared at the same meeting. The funds to cover expenses authorized in the budget should be acquired by levying assessments upon handlers. As authorized by the act funds to defray Committee expenses should be raised by levying assessments on handlers. Since, under the provisions of the proposed marketing agreement and order, the same lot of unshelled pecans may be handled by different handlers, it is equitable that first handlers only be assessed on the basis of the quantity handled. Handlers should be assessed in proportion to the number of pounds of unshelled pecans which they first handle during a fiscal period, compared to the total quantity of unshelled pecans handled by all handlers as the first handlers thereof, during the same fiscal period. Unshelled pecans which are exempt from assessments under the provisions of § 994.4 (d) (2) and (e) should be excluded in computing assessments. Assessments for each month's operation should be paid to the Committee by the 10th day of the following month, or at such other times as the Committee may specify, for all assessable unshelled pecans first handled. In the event a grower handles his own unshelled pecans and thereby by-passes the normal first handler, e. g., a dealer or processor, he should be considered a handler with respect to the transaction and a first handler for paying the assessment. This is considered to be fair and equitable and should facilitate collection of assessments in the most practicable manner. Handlers should be permitted to make advance payments of assessments in order to enable the Committee to carry out its functions. This provision should be included because the Committee will need funds to set up offices, employ personnel, and start upon the performance of its functions immediately after the effective date of the marketing agreement and order and before sufficient funds have become available from assessments.

This provision should not require any handler to make an advance payment. The Committee should merely be authorized to accept advance payments if handlers wish to make them. Since many handlers have indicated that they favor the proposed program, it is probable that advance payments of anticipated assessment that may be levied against such handlers will be made. Any such advance payment by a handler should, of course, be credited to his account.

The Secretary should determine the rate of assessment per pound of assessable unshelled pecans handled after consideration of the Committee's recommendation as to such rate. The Secretary should be authorized to increase the rate of assessment at any time during a fiscal period in order to secure sufficient funds to cover any later finding by him relative to the expenses of the Committee. Any such increase in the rate of assessment should be applicable to all assessable unshelled pecans handled, during said fiscal period. The Committee's recommendation as to the rate of assessment will depend on the estimated quantity to be handled and on estimated expenses of the Committee during the fiscal period. An initial rate of assessment may be too low or it may be higher than is necessary. The approximate amount of expenses will also be known. A large part of the unshelled pecans handled during any fiscal period will generally be handled in the first six months of such period. However, considerable quantities are usually carried in cold storage for handling during the remainder of the period. Prior to the close of any fiscal period, it should be possible to estimate the approximate total assessments at the rate determined. It should be possible to ascertain whether an increase in the assessment rate is needed, so as to result in the collection of an amount sufficient to cover the operation of such period. If an increased rate is ordered by the Secretary, the assessment should be collected on each pound of assessable unshelled pecans first handled during the entire fiscal period in order to treat all handlers equitably in respect to the payment of assessments for that period. If the rate of assessment was set at a level that resulted in the Committee's receipt of funds in excess of that required during the fiscal period, it will not be necessary for the Secretary to reduce the rate during the fiscal period since provision is made in the proposed program for refunds after the end of the period.

If an excess of funds accrues from assessment payments for any fiscal period above the Committee's expenses for such period, it is equitable that the excess be refunded to handlers on a pro rata basis in respect to their equities in such excess. It may require considerable time to complete an audit of program operations after the close of any fiscal period to ascertain whether any excess exists and, if so, the amount due each handler therefrom. Before completing an audit for any fiscal period, all expenses of the Committee pertaining to such fiscal period must be ascertained. A review of the records of some handlers may be necessary to determine whether the correct amount of assessments has been paid to the Committee. It should be provided, therefore, that funds from excess assessments collected for any fiscal period, shall, as soon as practicable after the end of a fiscal period be credited as advance payments—for that is the nature of the credit—to the accounts of the respective handlers in accordance with their equities in such excess funds and thereafter refunded to them upon request.

It should be provided that the Committee may, with the approval of the Secretary, maintain in its own name, or in the names of its members, legal action against any handler for the collection of such handler's pro rata share of expenses. The authority granted by this provision is contained in the act. The Committee should be permitted to initiate a suit for collecton of assessments but only wth the approval of the Secretary. In some instances it may be more feasible and effective for the Secretary to bring such action, in which case he should withhold approval of action by the Committee.

It should be provided that the Secretary may at any time require the Committee, its members, and all other persons to account for all receipts and disbursements for which they are responsible. Whenever any person ceases to be a member of the Committee, he should account to his successor or to the Committee for all receipts, disbursements, funds and property (including, but not being limited to, books and other records), pertaining to the Committee's activities for which he is responsible, and should execute such assignments and other instruments as may be necessary or appropriate to vest in such successor or the Committee the right to all of such property and funds and all claims vested in such person. This would insure that the successor will be promptly and properly vested with the right to all property, funds, or claims vested in such prior member.

(e) Prior to October 10 of each fiscal period, the Committee should prepare and submit to the Secretary a report setting forth its findings in regard to the marketing situation and outlook for unshelled pecans, and also its recommendations in regard to regulation on the basis of grades or sizes or minimum standards of quality. In the event it becomes advisable to revise such a report and recommendations, the Committee should submit a revised report and recommendations to the Secretary. While the proposal as printed in the notice of hearing stated that the report should be submitted to the Secretary prior to October 20 of each year, testimony shows that it should be submitted considerably in advance of that time. It would only be in very exceptional years when harvest was very late that the Committee could wait until October 20 to submit its report and recommendation as to grade and size or minimum standards of quality, and allow sufficient time for the Secretary to issue appropriate regulations before handling begins. October 10 should be specified as the latest date on which the report may be submitted. The policy report should encourage members of the Committee to be thinking about their marketing problems and to be in a position to make sound recommendations to the Secretary in regard to grade and size regulations or minimum standards of quality and other matters pertinent to the marketing agreement and order. The preparation of this report will necessitate each year a thorough investigation and discussion by the Committee of the factors affecting the marketing of unshelled pecans. Along with its report the Committee should submit to the Secretary its recommendations in regard to regulations on the basis of grades, sizes or minimum standards of quality; and, later in the fiscal period, it should be required to revise the report and recommendations if deemed advisable.

For the Secretary's consideration prior to the issuance of regulations, the Committee should furnish to him the data upon which its recommendations were based. In order to evaluate the Committee's recommendations and their effect on the marketing of unshelled pecans, the Secretary should have available the statistics and other basic information pertaining to production, quality, and marketing outlook for the current year's crop. In the event of a short crop, it may be deemed advisable to change such regulations as were in effect for the preceding year so that a sufficient quantity of good quality unshelled pecans will be available for market to satisfy the demand. On the other hand, when a surplus production or low prices are indicated, it may be advisable to tighten the regulations, thus raising the average quality of unshelled pecans handled, but at the same time assuring an adequate supply. The Committee should, on the basis of information obtained from the Council and other sources, prepare the marketing policy report setting forth certain facts. First it should furnish an estimate of the supply of unshelled pecans in the area as follows: estimated production of improved varieties for the then current year; estimated production of seedlings for the then current year; estimated carryover of improved varieties as of October 1; estimated carryover of seedlings as of October 1. Since a much larger proportion of improved varieties than seedlings is normally distributed as unshelled pecans, it is essential to have this information reported separately by the two classifications. The Committee will be aided in its estimate of the prospective production by the Department estimates of production which will be available about the 10th of September. In order to estimate the total available supply for the fiscal period, it will be necessary to add to the production the estimated carryover as of the beginning of the fiscal period. This information relating to carryover should be by improved varieties and seedlings so that estimates of the total supply of each classification will be available. It is necessary to have this segregation to assist in making the estimate required for the proportion of the supply which will meet the recommended regulation. This second item of information in the report is the estimated quantity of such unshelled pecans as will meet the regulation, and a separate estimate as to the portion of such quantity that will be handled for distribution as unshelled pecans. The third item should be estimates of the respective quantities of unshelled pecans which, during the period beginning on October 1 of the preceding year and ending on September 30 of the current year, moved outside the area for distribution as such and for commercial shelling. It is intended that regulation mentioned under the second item of information refer to the regulation in effect at the time the report is made. It is necessary to have the information required as to the total prospective supply which will meet the regulation in effect, and, based on this, the quantity which it is estimated will be moved out of the area for distribution as unshelled pecans. Then by comparing this quantity with the quantity which moved out of the area for distribution as unshelled pecans during the fiscal period just ended, it will be ascertained whether the supply for the fiscal period just beginning is greater or less than the supply for the preceding fiscal period. This will be a guide to the Committee in making its recommendations as to the kind of regulation to be in effect for the new fiscal period and will be useful to the Secretary in deciding whether or not to issue the recommended regulation. Complete background information will not be available to the Committee in making its first report. Grade and size regulations or minimum standards of quality which may be issued must be made effective before the date when handling begins. In making plans for inspection and other phases of operation of the program, it is necessary for the Committee to obtain a reliable estimate of the beginning dates of harvest. This information, as well as the other pertinent data and statistics used by the Committe in preparing its recommendation, should be included in the Committee report. For example, these other statistics and data may relate to such factors as supplies of competing nuts and general demand conditions. Price statistics and outlook including prices to growers and prices received by handlers would be pertinent and necessary in preparing a complete report as a basis for sound recommendations for regulations on the basis of grade, size, or minimum standards of quality.

The Committee should furnish the Secretary with a detailed statement of the discussions at all meetings at which the report and recommendations were prepared. This is desirable so that the Secretary will have full information on industry views, including both majority and minority opinions. The report submitted to the Secretary should include the Committee's recommendations in regard to the proposed grade and size regulations or minimum standards of quality, as the case may be, and such other matters relating to pecan marketing as are affected by the provisions of the marketing agreement and order. Such recommendations should be based in large part on the factors herein discussed but it is not intended to preclude use of other information in arriving at its recommendation.

The Secretary should issue regulations on the basis of grades, sizes, or minimum standards of quality for unshelled pecans that may be handled pursuant to the marketing agreement and order, whenever he finds from the recommendations and information submitted by the Committee or from other available information that to do so would tend to effectuate the declared policy of the act. The Secretary should not be limited in his source of information to that of the Committee. Such regulations should continue in effect until superseded by other regulations issued by the Secretary. The Secretary should notify the Committee of each such regulation and the Committee should give reasonable notice thereof to growers and handlers. In order to limit the quantity of unshelled pecans handled for distribution outside the area in the unshelled form to those of certain grades and sizes, so as to tend to increase prices to growers to a level not in excess of the parity level or maintain prices at such level, it is desirable to have grade and size regulations made effective in fiscal periods in which prices do not exceed parity. Such regulations, except as to unshelled pecans specifically exempt under the provisions of the proposed marketing agreement and order, should be applicable to all unshelled pecans handled for unshelled distribution and to such pecans which may be handled for processing or shelling outside the area and subsequently distributed as unshelled pecans. Through these regulations unshelled pecans which are below the specified grade or below the specified size would not be permitted to be handled and distributed as unshelled pecans.

Compliance with the grade and size regulations should improve the average grade and size of unshelled pecans in the markets and thus tend to increase the acceptability of unshelled pecans with distributors and consumers. The distributive trade will gain confidence in such pecans and they will become more popular with consumers. The demand for unshelled pecans should thus be stimulated and will tend to effectuate the declared policy of the act. The marketing agreement and order should contain a provision that regulations on the basis of grades, sizes, or minimum standards of quality should continue in effect until superseded by other regulations issued by the Secretary. It is not likely that there will be frequent changes necessary in regard to the grade and size regulations; regulations once established should not be changed unless production and marketing conditions change materially. The proponents proposed authorization for the regulation of grade and size of unshelled pecans in consumer packs on a different basis than in wholesale packs when prices are at or below parity. The intended meaning of consumer packs was closed containers of less than 25 pounds of unshelled pecans; and the intended meaning of wholesale packs was closed containers of 25 pounds or more. Higher grade and size requirements for consumer packs, the proponents contended, may in some seasons be desirable and of benefit to growers. It was contended by the proponents that the use of consumer packs is increasing and unshelled pecans so packed are generally of better quality than those in wholesale packs, and can usually be moved at premium prices. Prospective greater returns to growers for pecans in consumer packs indicates a need to uphold the quality of such packs, according to some testimony. It was contended by opponents of this plan that a person receiving shipments outside the area may place unshelled pecans from wholesale packs into consumer packs and sell them in competition with consumer packs shipped directly from the area. This would tend to minimize whatever benefits may accrue from grade and size regulation for consumer packs, shipped from the area. There was considerable doubt expressed at the hearing as to the need and practicability for authorization to regulate grades and sizes of unshelled pecans in consumer packs on a different basis than for wholesale packs. It is concluded that such authorization is unnecessary and impracticable at this time; and reference to wholesale packs and consumer packs should, therefore, not be included in the marketing agreement and order.

In discussing the need for the proposed regulatory program, which was listed as a material issue under (2) hereof, it was stated that regulation of unshelled pecans on the basis of minimum standards of quality when prices are above parity is necessary and would tend to effectuate the declared policy of the act. Such minimum standards of quality are represented approximately by the quality of pecans that meet the U. S. Commercial grade requirements (as described in the United States Standards for unshelled pecans, 14 F. R. 2543, 2608) with respect to the absence of internal defects and without the requirement that at least 65 percent of the pecans contain kernels which are of U. S. No. 1 grade. Pecans for unshelled distribution which are not at least of the indicated minimum quality are culls, offgrade, unmerchantable and should not be handled regardless of whether prices are above parity. It is desirable that all persons affected be kept informed in regard to grade and size, or minimum standards of quality, regulations which may be issued under the program. The Secretary should, therefore, notify the Committee of each such regulation issued and the Committee should be required to give reasonable notice to handlers and growers.

Beginning at such time after the effective date of the marketing agreement and order as the Secretary may specify and continuing until superseded by other regulations issued by the Secretary, no person should be permitted to handle unshelled pecans (1) unless they meet the requirements of the U. S. Commercial grade (14 F. R. 2543, 2608) and (2) unless they have a count, per pound, of less than 91 nuts and the 10 smallest nuts in a representative 100-nut sample weight at least 1.5 ounces. It is desirable that the sampling procedure to be employed in determining size be the same as that used in determining grade under Federal-State inspection service and Federal inspection service procedure. It is customary in inspection procedure of these services to use the same sampling method in size determinations as in grade determinations. If the program is made effective, time will be short between the effective date and the beginning of the 1949 harvesting and marketing season, and may not be sufficient for full consideration of grade and size regulations by the Committee and the Council after they have been selected and have qualified following the date on which the marketing agreement and order are made effective. The aforesaid initial grade and size regulations were fully discussed at the hearing and they should be prescribed as such; and they should remain in effect until superseded by other regulations issued by the Secretary. A requirement of the program is that unshelled pecans which do not comply with the regulations issued by the Secretary, including the initial grade and size requirements, should not be handled. A specific prohibition in that regard should, therefore, be included. Because large quantities of very poor quality unshelled pecans have in past years, and particularly in the 1948 marketing season, been distributed through wholesale and retail channels to consumers, the popularity and acceptability of unshelled pecans have been decreased. Also, very small nuts have been marketed; and because of the larger percentage of shell to whole nut in pecans of such size than in nuts of a larger size, and the greater difficulty in shalling and removing kernels by the consumer, such small nuts are not generally acceptable.

Unshelled pecans below U. S. Commercial grade are generally unsatisfactory to consumers; and initially their handling should be prohibited. Lots of unshelled pecans containing more than 90 nuts per pound are generally considered as unsuitable for distribution to consumers. A lot of unshelled pecans having an average count per pound of not over 90 nuts, may still be undesirable for distribution in the unshelled form, if it should contain a considerable proportion of small nuts counting more than 90 per pound. It should be provided initially that unshelled pecans shall not be handled for distribution in the unshelled form unless they have a count per pound of less than 91 nuts, and the 10 smallest nuts in a representative 100 nut sample weigh at least 1.5 ounces. Ten nuts which weigh 1.5 ounces are of an average size which will require about 107 per pound and are too small for consumer acceptability. But, it appears reasonable to permit not more than 10 percent, by count, of the nuts handled to be of such minimum size. Evidence at the hearing indicates that certain varieties, such as Moore and Curtis, often have a count per pound of between 80 and 90. Some segments of the industry feared that size regulations may be put into effect which would prevent handling of some of these and other small varieties. Unshelled pecans which count less than 91 per pound and do not contain a large proportion of very small size pecans are generally considered desirable for distribution as unshelled pecans, provided that the quality is satisfactory. The proponents recommended a provision that no size regulation be issued which would prevent handling of unshelled pecans of a larger size than specified in the initial size regulation in the proposed marketing agreement and order. This would accomplish the purpose intended and provision therefor should be made.

Each handler should, prior to handling unshelled pecans, have such pecans inspected and should obtain an inspection certificate thereon. Such inspection and certification should be obtained from the Federal-State or the Federal inspection service by the handler, and should be obtained within 20 days prior to handling, except that from November 1 through the following February this period should be 30 days. In order to insure that unshelled pecans handled meet the then current regulations, it is necessary to have the nuts inspected. The Federal-State inspection service and the Federal inspection service are neutral established agencies qualified to perform this service. The Federal-State inspection service has been operating in each of the five States in the area over a period of years. It is a service operating under a cooperative arrangement between the United States Department of Agriculture and State agencies in the respective States. The Federal inspection service has offices in leading cities in the area and throughout the United States, and can perform the service in such places where the Federal-State service may not be readily available. Inspection should be required on all unshelled pecans handled except those which are specifically exempted under the program. Such exemptions would include lots of not more than 200 pounds of unshelled pecans handled to any one person during any one day. Unshelled pecans for shelling or processing outside the area should also be permitted to be handled without the prior inspection and certification if satisfactory arrangements are made by handlers with the Committee to insure that such pecans will not be placed in distributive channels as unshelled nuts unless they meet the then effective grade and size regulations and are inspected and certified before distribution as unshelled pecans. It would be difficult to obtain inspection on all lots of unshelled pecans immediately prior to handling. Provision should, therefore, be made for inspection within some period prior to handling. Since the condition of pecans may change over a period of time, the inspection should be made not more than 20 days prior to handling, except that during the active shipping season, and while the weather is relatively cool, the time should be 30 days. This 30-day period would apply during the months November of one year through February of the following year. Certificates should be obtained from the inspection services by handlers indicating the unshelled pecans meet the then current requirements applicable to unshelled pecans handled pursuant to the marketing agreement and order. The reports should show the name and address of the person obtaining the inspection, who will usually be the handler. This is necessary for administrative purposes. Assessments for administrative operation will be made against handlers and the identity of the handlers is necessary in connection with collection of assessments. The identity of the lot as labeled by the handler or as described by the inspector should be shown on the certificate. This will be helpful in case any occasion arises to review the inspection or check on the assessments to be levied. The date of inspection should be shown on the certificate. This and the identity of the lot are necessary to effectuate compliance with the provision that inspection must be made within a certain period prior to handling. The number and size of each type of container should be stated in order to properly identify the lot and to give information from which the total number of pounds in the lot can be computed. This is necessary in connection with collection of assessments and affords the Committee a means of checking on the quantity handled. If the pecans covered by an inspection certificate meet the then current regulations prescribed in or pursuant to the proposed marketing agreement and order, a statement to that effect should be stamped, or included, in some manner on the certificate. A copy of the certificate should be furnished by the handler to the Committee promptly after the inspection is made.

Since in many instances pecans will not be loaded and shipped immediately after inspection, it is essential that each container inspected should be properly identified by a seal, tag, or stamp, so that the unshelled pecans may not be removed and others substituted in the containers after inspection has been made. The seals, stamps, or tags will provide a means through which enforcement personnel will be able to determine readily if the unshelled pecans being handled were inspected and met the applicable regulations. Such identification should be placed on each container by the handler under the supervision of the inspector or an employee of the Committee. Provision should be made, with respect to the use of master containers, that the stamp, seal, or tag may be placed on the master container instead of on the individual containers, as this will adequately insure against substitution of uninspected nuts in the containers. The identifying of containers in this way would not be unduly burdensome to handlers.

Unshelled pecans handled in quantities that do not total more than 200 pounds to any one person during any one day should be exempt from the provisions in the marketing agreement and order in regard to inspection and certification and should also be exempt from assessments. It should be provided, however, that such exemptions may be changed by the Secretary on the basis of recommendation of the Committee or other available information. It is customary for pecan growers and others in the producing area to ship small quantities of unshelled pecans as gifts or sales to consumers or others. Most of these small shipments are customarily of good quality and satisfactory size, and would meet the grade, size, or minimum standards of quality requirements. Inspection on such shipments would be expensive and inconvenient to the handlers in many instances. It would be very difficult for the Committee to obtain full information with respect to such shipments, in checking on compliance with the program provisions. The total volume of these small shipments is relatively unimportant as compared with total unshelled pecans handled. Therefore, such shipments should be exempt from inspection, certification, and assessments. However, they should not be exempt from meeting the regulations, with respect to grade, size or minimum standards of quality.

It is customary for considerable quantities of unshelled pecans to be shipped from the area for shelling or processing at points outside the area. Most of such shipments are for shelling but some of the improved varieties and the larger seedlings are usually processed outside of the area for unshelled distribution. It should be provided that unshelled pecans for shelling or processing outside the area may be handled without regard to grade and size regulations and without compliance with the prior inspection and certification requirements in order to interfere as little as possible with normal operating procedure of such handlers. To require inspection and certification or payment of assessments on such shipments, which are mostly for shelling, would be treating handlers of such shipments inequitably as compared with shippers of unshelled pecans for shelling or processing in the area. To require inspection and certification in the area of shipments for shelling or processing outside thereof, would not insure that such shipments, which may be below grade and size requirements, would not be placed in the channels of unshelled distribution after they leave the area. If a handler of unshelled pecans for shelling or processing outside the area assures to the satisfaction of the Committee that his handling of such pecans will not be in violation of the marketing agreement and order, he should be permitted so to handle the pecans. The handler who moves such pecans out of the area should be responsible for any violations with respect thereto and for the requisite inspection and certification and the payment of assessments on such of the pecans as are later distributed in the unshelled form. It is anticipated that the Committee will prescribe the requirements and conditions which such handlers must meet to assure it that such handlers will comply with the conjunctional prerequisites of the marketing agreement and order relating to the handling of unshelled pecans for shelling or processing outside the area. If pecans are shipped out of the area for shelling or processing, the handler should be required to show the disposition. If such pecans, or a portion thereof, is subsequently sold for distribution as unshelled pecans, an inspection and certification should be required showing that the then current grade and size regulations have been met, and assessments should be paid thereon.

(f) It should be specifically and clearly stated that each handler should be required to comply with all provisions of the marketing agreement and order and all regulations duly effective thereunder. The marketing agreement and order, to be effective in accomplishing the purposes of the act, should regulate all handlers. Nothing contained in the proposal, however, should be construed to prevent any grower or other person from selling or delivering pecans for processing, shelling, or use within the production area, and this should be stated definitely to avoid misunderstanding by growers or others.

(g) Each handler and each subsidiary and affiliate thereof should keep books and other records which will clearly show the details of the respective person's handling of unshelled pecans, and which should be available for examination by the Secretary for a period of two years after such transactions are completed. It is customary in the pecan industry to maintain most of the books and records which would be required; hence it would not be a burden on the handlers. Keeping such books and records and making them subject to inspection by the Secretary will insure better compliance with the provisions of the marketing agreement and order. Books and records setting forth the details of each handler's operations under the proposed marketing agreement and order are useful and necessary in the preparation of required reports to the Managing Agent and to the Secretary. Such books and records should be available for examination by the Secretary. Alleged violations of the provisions of the marketing agreement and order may be made after the close of any fiscal period; also, the Secretary may wish to check, within a reasonable period of time, the reports of handlers. It should, therefore, be required that the books and records be retained by handlers for a period of two years after the transactions are completed, which is a reasonable period for this purpose.

Information required of handlers to enable the Committee to perform its functions is mostly confidential or of such a nature that the handlers may not wish to have it disclosed to members of the Committee, to members of the Council or to others. For example, handlers generally do not wish to make known to their competitors or to growers such information as the quantity which they handle in a certain period, the destinations to which they ship, or prices paid and prices received. To guard against required information from handlers being made known to the Committee or others in a manner which would show its source, it should be provided that the required reports be made only to the Managing Agent or to the Secretary. Handlers testified that they would prefer to report required price information to the Secretary, and this should be provided. Information required of handlers should be held confidential and should not be disclosed to any person (including members of the Committee and other persons) except that provision should be made that reports to the Managing Agent may be disclosed to the Secretary. Since the Managing Agent may not be able personally to tabulate all of the reports from handlers relating to shipments, it should be provided that certain employees of the Committee working under the direction of and responsible to the Managing Agent may have access to such reports. Information supplied by handlers, such as that on prices, volume handled, and destinations, if made available promptly in summary form, would tend to promote orderly marketing in the public interest, as well as be useful to the Committee. All of the information required is primarily for the purpose of enabling the Committee to perform its functions efficiently. In certain instances, the Managing Agent in discussing the operation of the program with the Committee may find it necessary to refer to an individual transaction reported to him by handlers. An example of this would be a situation in which a handler reported sales to a trucker who had a truck with a license tag of a State other than any of the production area States, but who reported some city in the area as his destination.

The Managing Agent may suspect, or find on checking, that there had been a violation of the regulatory provision of the program. It would be helpful if the Managing Agent in discussing a case of this kind with the Committee, should give details as to the handler, date, quantity and reported destination. Notwithstanding the provision that information furnished should be confidential, it should be provided that information furnished to the Managing Agent in regard to specific shipments and which is needed by the Committee in performing its functions could be disclosed to the Committee. The reports from handlers should include information on each shipment of unshelled pecans, including shipments both to points in the area and outside thereof. These reports should include, for each shipment, the date, quantity, reported destination, the State of registration and license number of the truck in respect to shipments by truck, car number and initials for shipments by car, the number of the inspection certificate, if any, covering each shipment, and the handler's lot number or other identification of the shipment. This information is necessary so that the Managing Agent will have information from each handler as to the quantity, and identification, of unshelled pecans shipped out of the area and within the area, and the dates of such movement. Since each quantity shipped out of the area is handled, each such shipment should be covered by an inspection certificate, unless handled pursuant to the marketing agreement and order, for shelling or processing outside the area or within the 200-pound exemption. The number of each required inspection certificate issued on lots handled should be reported so that the certificate covering the shipment can be referred to by the Managing Agent. Assessments are to be paid on all unshelled pecans handled except as exempted; and handlers' reports would be useful for checking in regard to payment of assessments. The detailed reports from handlers as to quantity shipped, destination of shipment, date, and identification, should be made at such times as requested by the Committee, which should be daily unless otherwise specified by the Committee, with the approval of the Secretary. Such reports will enable the

Managing Agent to check in regard to complaints of violation and to supply information to the Secretary which will be useful in checking on such complaints.

Handlers should be required to report to the Secretary prices paid to growers for orchard-run pecans. These reports should be on varieties, and in the manner, specified by the Committee. It is contemplated that the required reports would cover only a few leading varieties, and also blends or mixture of varieties, and would relate to unshelled pecans on the basis of quality or specified grades. It would not be necessary to have the reports for all the large number of varieties of pecans since many of these varieties are not generally grown. Ordinarily prices to growers for a few leading varieties or for mixtures of varieties as indicated will give a good picture of the grower price situation. It should be left to the Committee to specify exactly what items are to be covered in reports on prices paid to growers. The reports from handlers on prices paid to growers are necessary so that when combined and made available to the Committee, it will know currently the approximate average price growers are receiving and its relation to parity. There is no Department of Agriculture Market News Service on pecans covering either prices to growers or prices received by handlers. The Committee and the Secretary would be greatly handicapped in operating the program so as to effectuate the declared policy of the act without current information on prices to growers. The Committee will, as hereinbefore stated, be required to make marketing policy reports and recommendations to the Secretary in respect to regulations as to grade and size or minimum standards of quality. Information in regard to prices paid to growers by varieties as well as other information required of handlers, will be useful to the Committee in preparing such reports. The reports when compiled by States, districts, or for the area as a whole and released weekly during the heavy shipping season would tend to foster orderly marketing in the public interest.

It is also essential for the Committee to have available summarized reports on prices received by handlers. These reports should be on an f. o. b. basis or on a delivered at destination basis as the Committee may request based on prevail selling practices. Such reports, as is customary in price reporting on other commodities in the fruit and vegetable field, should be by grade, size, and pack. This is necessary to give full meaning to the reports. The Committee in preparing its report and recommendations in regard to grade and size regulations is required to estimate the quantity of unshelled pecans which will meet the grade and size regulations then in effect and which will be handled for distribution as unshelled pecans in the fiscal period then beginning. To make a reliable estimate of such quantity it is necessary that a comparison be made with the quantity handled in the preceding period, taking into account the prices received by handlers. Price information of the kind required will supply a statistical background which will become increasingly useful over a period of years. If f. o. b. or destination price information should not be required of handlers, the report to the Secretary by the Committee would be much less reliable and its recommendations as to grade and size regulations would be less useful to the Secretary. In regard to the duties of the Committee as hereinbefore discussed, it is provided, that subject to the approval of the Secretary, the Committee may provide for and engage in such research and service activities relating to the handling of pecans as are appropriate in connection with the administration of the provisions of the marketing agreement and order. In case such research should be authorized by the Secretary, it is highly desirable that price, grade and size, and distribution data, such as provided for in the proposed reports from handlers, be available in summary form.

The majority of pecans for unshelled distribution are shipped during the period October 15 through January 31 and reports on prices should be made weekly during this period. It is also desirable that reports by handlers in regard to prices received should be made for the period August 15 through September 30 each year since during this period, it is customary to make sales of storage stocks held in the area for early fall distribution. This price information for a period just prior to the start of the new fiscal period would be valuable to the Committee in taking stock of the situation and in evaluating the marketing outlook, at the time it prepares its report and recommendations to the Secretary. Reports on prices should be made on Friday covering information of the then current week. It is contemplated that the reports on prices would be made to the Secretary for summarization and prompt release. The reports on quantity, destination, date of shipments and other shipment data, should be made at times as requested in accordance with the provisions of the marketing agreement and order. The reports in regard to shipments as hereinbefore described would be made to the Managing Agent. It is probable that such reports, in order to be of maximum value in effecting compliance with the marketing agreement and order, may be required daily. It is possible that other information which handlers could supply will be found to be necessary or very desirable for use in efficiently operating the program. It should therefore be provided that in addition to the information described, handlers may be required to furnish other information as may be prescribed by the Committee and approved by the Secretary.

(h) The provisions of §§ 994.7 through 994.14, as hereinafter set forth, are provisions similar to those which are included in other marketing agreements and orders now operating. The provisions of §§ 994.15 through 994.17, as hereinafter set forth, are also included in other marketing agreements now operating. All such provisions are incidental to, and not inconsistent with the act, are necessary to effectuate the other provisions of the proposed regulatory program, and are necessary to effectuate the declared purposes of the act. Testimony at the hearing supports the inclusion of each of such provisions as hereinafter set forth. Testimony does, however, show that minor changes should be made in the proposal as printed in the notice of hearing. Section 994.13 of the notice should be modified to authorize suspension of the program as well as termination. Proponents of the marketing agreement and order recommended this addition. The proponents recommended at the hearing that a provision be included, under § 994.13, to require that a referendum among growers be held during April through June of the third fiscal period, if the program is made effective and is in operation at that time. The referendum would be for the purpose of determining whether growers favor the termination of the program by the Secretary at the end of the third fiscal period. A provision of this kind should be included, as it is reasonable and assures growers that the program will not be continued if growers wish to have it terminated. The Secretary should terminate the provisions of the marketing agreement and order at the end of any fiscal period whenever he finds by referendum or otherwise that such termination is favored by more than 50 percent of producers who, during the preceding calendar year, were engaged in the area in the production of pecans for market. Such majority should have, during such preceding calendar year, produced for market more than 50 percent of the quantity of pecans produced during such period. In the event a referendum is conducted to ascertain producer approval of termination, the aforesaid percentages should be based upon the number of producers voting in the referendum and the volume of production represented therein. Such termination should be effective only if announced prior to September 1 of the then current fiscal period.

The provisions, which are applicable to both the proposed marketing agreement and order, identified by both section numbers and titles, are as follows: § 994.7 *Amendments;* § 994.8 *Agents;* § 994.9 *Personal liability;* § 994.10 *Separability;* § 994.11 *Derogation;* § 994.12 *Duration of immunities;* § 994.13 *Effective time and termination;* and § 994.14 *Effect of termination or amendment.*

The provisions which are applicable to the proposed marketing agreement only, identified by both section numbers and titles, are as follows: § 994.15 *Counterparts;* § 994.16 *Additional parties;* and § 994.17 *Request for order.*

It is hereby found and proclaimed that: (1) The purchasing power of pecans grown in Georgia, Alabama, Florida, Mississippi, and South Carolina cannot be satisfactorily determined from available statistics of the Department of Agriculture with respect to the period August 1909–July 1914; (2) the purchasing power of such pecans can be satisfactorily determined from available statistics of the Department of Agriculture with respect to the period August 1919–July 1929; and (3) the period August 1919–July 1929, inclusive, is the base period for determining the purchasing power of such pecans.

Average prices paid to producers of pecans grown in Georgia, Alabama, Florida, Mississippi, and South Carolina during seasons since 1929–30 to the present time have neither equaled nor exceded parity. Such price for the 1948–49 season was approximately 25 percent of the April 1949 parity. It can reasonably be anticipated that pecan prices to producers in Georgia, Alabama, Florida, Mississippi, and South Carolina will continue to be below parity for the next few seasons.

General. The proposed marketing agreement and order, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act with respect to pecans grown in Georgia, Alabama, Florida, Mississippi, and South Carolina by establishing and maintaining such orderly marketing conditions therefor as will tend to establish prices to the producers thereof at a level that will give such pecans a purchasing power with respect to the articles that the producers thereof buy equivalent to the purchasing power of such pecans in the August 1919–July 1929 base period, and protect the interests of consumers by (1) approaching the level of prices which it is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand, (2) by authorizing no action which has for its purpose the maintenance of prices to the producers of such pecans above the level which it is declared in the act to be the policy to establish, and (3) by providing for the establishing and maintenance in effect of minimum standards of quality as will effectuate such orderly marketing of such pecans as will be in the public interest.

Rulings on proposed findings and conclusions. The period ending June 24, 1949, was set by the presiding officer at the hearing as the date by which briefs, proposed findings and proposed conclusions must be filed by interested parties with respect to the evidence adduced at the hearing. No briefs, or proposed findings or conclusions have been filed, and therefore, no ruling is necessary.

Recommended marketing agreement and order. The proposed marketing agreement and order hereinafter set forth are recommended as the detailed means by which the aforesaid conclusions may be carried out. The provisions identified with an asterisk (*) apply only to the proposed marketing agreement and not to the proposed order.

§ 994.1 *Definitions.* As used herein, the following terms have the following meanings:

(a) "Secretary" means the Secretary of Agriculture of the United States or any other officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to act in his stead.

(b) "Act" means the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. and Sup. I 601 et seq.).

(c) "Person" means any individual, partnership, corporation, association, or any other business unit.

(d) "Pecans" means the nuts of the pecan tree Carya illinoensis.

(e) "Unshelled pecans" means pecans from which the shells have not been removed, and which were grown in the production area.

(f) "Handle" means to sell, ship, transport (except as a common or contract carrier of unshelled pecans owned by another person), or in any other way to place unshelled pecans in the current of commerce from the production area to any point outside thereof.

(g) "Handler" means any person who, either personally or through another person, handles unshelled pecans.

(h) "Grower" is synonymous with "producer" and means any person who is engaged in the growing of unshelled pecans for market, and who has a proprietary interest therein.

(i) "Shell" means to crack pecans, and remove, sort, and otherwise prepare the kernels for market.

(j) "Process" means to bleach, clean, grade, size, pack, or otherwise prepare pecans for distribution as unshelled pecans.

(k) "Fiscal period" means the period beginning on October 1 of any year and ending on September 30 of the following year, both dates inclusive, except that the fiscal period ending September 30, 1950, shall begin on the effective date hereof.

(l) "Committee" means the Pecan Administrative Committee, established pursuant to § 994.2.

(m) "Council" means the Handlers Advisory Council, established pursuant to § 994.2.

(n) "Production area" or "area" means the States of Georgia, Alabama, Florida, Mississippi, and South Carolina.

(o) "District" means any one of the following: District No. 1 (South Central Georgia); District No. 2 (Southwest Georgia); District No. 3 (Southeast Georgia); District No. 4 (North Georgia); District No. 5 (Florida); District No. 6 (Mississippi); District No. 7 (West Alabama); District No. 8 (East Alabama); and District No. 9 (South Carolina).

(p) "District No. 1 (South Central Georgia)" means that part of the State of Georgia consisting of the counties of Stewart, Webster, Sumter, Crisp, Wilcox, Ben Hill, Irwin, Turner, Tift, Worth, Lee, Dougherty, Terrell, Calhoun, Randolph, Quitman, and Clay.

(q) "District No. 2 (Southwest Georgia)" means that part of the State of Georgia consisting of the counties of Early, Baker, Mitchell, Colquitt, Cook, Berrien, Miller, Seminole, Decatur, Grady, Thomas, and Brooks.

(r) "District No. 3 (Southeast Georgia)" means that part of the State of Georgia consisting of the counties of Lowndes, Lanier, Atkinson, Coffee, Telfair, Dodge, Bleckley, Laurens, Johnson, Emanuel, Jenkins and Screven, and all counties lying South and East thereof.

(s) "District No. 4 (North Georgia)" means that part of the State of Georgia consisting of the counties of Chattahoochee, Marion, Schley, Macon, Dooly, Pulaski, Houston, Twiggs, Wilkinson, Washington, Jefferson and Burke, and all counties lying North thereof.

(t) "District No. 5 (Florida)" means the State of Florida.

(u) "District No. 6 (Mississippi)" means the State of Mississippi.

(v) "District No. 7 (West Alabama)" means that part of the State of Alabama consisting of the counties of Limestone, Morgan, Cullman, Blount, Jefferson, Shelby, Chilton, Autauga, Lowndes, Butler and Covington and all counties lying West thereof.

(w) "District No. 8 (East Alabama)" means that part of the State of Alabama consisting of the counties of Madison, Marshall, Etowah, St. Clair, Talladega, Coosa, Elmore, Montgomery, Crenshaw, Coffee, and Geneva, and all counties lying East thereof.

(x) "District No. 9 (South Carolina)" means the State of South Carolina.

§ 994.2 *Administration*—(a) *Pecan Administrative Committee*—(1) *Establishment.* A Pecan Administrative Committee consisting of nine members is hereby established to administer the terms and provisions hereof. For each member of the Committee there shall be an alternate member who shall have the same qualifications as the member; and all provisions hereof applicable to the member shall be applicable to the alternate.

(2) *Membership representation.* A grower in each district shall be selected to serve on the Committee. Each person nominated or selected to serve as a member of the Committee shall be a grower in the district from which nominated or selected, or an officer, employee, or agent of such grower, and shall have no interest in the marketing, processing or shelling of pecans other than those produced by said grower.

(3) *Selection of initial members.* The initial members of the Pecan Administrative Committee shall be selected by the Secretary and shall serve through June 30, 1950, and until their successors are selected and have qualified. For the consideration by the Secretary in making such initial selections, nominations for members may be submitted to him not later than the effective date hereof. Nominations for the member for each district may be submitted to the Secretary by growers in each such district; and such nominations may be made pursuant to elections conducted by groups of growers in each such district.

(4) *Successor members*—(i) *Nomination elections.* Prior to April 30 of each year, after the effective date hereof, the Secretary shall hold, or cause to be held, a meeting or meetings of growers in each district for the purpose of designating nominees for successor members of the Committee. In obtaining such nominations, all growers shall be given a reasonable opportunity to vote. The Secretary shall give adequate notice of each such meeting to growers in the respective districts. Minutes shall be kept of each meeting. For the member position on the Committee, the names of not less than two growers shall be placed in nomination at each meeting and shall be voted on in arriving at a nominee. Each grower in the district in which an election is held shall be entitled to cast only

one vote on behalf of himself, his agents, affiliates, subsidiaries, and representatives in such district for the position which is to be filled. At each such meeting the name of each person for whom a vote has been cast shall be announced, and the number of votes received by each shall be recorded in the minutes. The Secretary may prescribe additional rules and regulations, not inconsistent with the provisions hereof, relative to the election of nominees for members of the Committee. Such action may be pursuant to recommendations of the Committee.

(ii) *Selection.* Selection of successor members of the Committee for terms commencing July 1, 1950, and thereafter, shall be made by the Secretary from nominations submitted or from among other growers in the respective districts. Such nominations shall be available to the Secretary by May 15 of each year. In the event that nominations from growers, for members of the Committee, are not available within the time specified herein, the Secretary may select such members from among eligible growers without regard to nomination.

(iii) *Term of office.* The term of office of each member of the Committee shall begin on July 1 of each fiscal period and end on June 30, inclusive, of the following fiscal period. In the event a successor to such member has not been selected and has not qualified by June 30, such member shall continue to serve until his successor is selected and has qualified.

(iv) *Vacancies.* To fill any vacancy which occurs by reason of the failure of any person, selected as a member of the Committee, to file a written acceptance of appointment, or the death, removal, resignation, or disqualification of a member, a successor for his unexpired term of office shall be selected by the Secretary. Any grower or group of growers in the district affected may submit nominations to the Secretary for his consideration in making such selection. In the event that the nominations are not submitted within twenty days after the beginning of the vacancy, the Secretary may select a successor to fill such vacancy without regard to such nomination.

(v) *Acceptance.* Each person selected as a member of the Committee shall, prior to serving on the Committee, qualify by filing with the Secretary a written acceptance of appointment within 15 days after the date of his notice of selection.

(vi) *Alternates.* An alternate for a member of the Committee shall, in the event of the member's absence, act in the latter's place and stead; and, in the event of the member's removal, resignation, disqualification, or death, such alternate shall act in the place and stead of the member until a successor for the unexpired term of said member is selected and has qualified.

(5) *Compensation.* Members of the Committee shall serve without compensation, but shall be reimbursed for reasonable expenses necessarily incurred in the performance of their duties hereunder.

(6) *Powers.* The Committee shall have the following powers:

(i) To administer the provisions hereof in accordance with their terms;

(ii) To make rules and regulations to effectuate the terms and provisions hereof;

(iii) To receive, investigate, and report to the Secretary complaints of violations hereof; and

(iv) To recommend to the Secretary amendments hereto.

(7) *Duties.* The Committee shall have the following duties:

(i) *Intermediary.* To act as intermediary between the Secretary and growers and handlers;

(ii) *Minutes, books, and records.* To keep minutes, books, and other records which will clearly reflect all of its acts and transactions, and which shall be subject at any time to examination by the Secretary;

(iii) *Audit.* To cause the books and other records of the Committee to be audited by one or more competent accountants as soon as practicable after the end of each fiscal period covering the operations of such period, and at such other times as it may deem necessary or as the Secretary may request, and to file with the Secretary a copy of each audit report made;

(iv) *Research and service.* Subject to prior approval by the Secretary, to provide for and engage in such research and service activities relating to the handling of pecans as are appropriate in connection with the administration of the provisions hereof;

(v) *Assembling data.* To investigate and assemble such data relative to the growing, harvesting, and marketing conditions and utilization of pecans, as may be appropriate in connection with the administration of the provisions hereof;

(vi) *Information.* To furnish to the Secretary information as to all of its activities, including a copy of the minutes of each meeting and a copy of all the recommendations received from the Council, and such other information as he may request;

(vii) *Supervision.* To supervise the regulation of the handling of pecans pursuant hereto;

(viii) *Recommendation for changes in districts and representation.* To recommend to the Secretary that any district be redefined, and that the representation on the Committee from any district be changed in any equitable manner whenever it is deemed advisable: *Provided,* That no State shall have less than one representative;

(ix) *Employees.* To employ a Managing Agent who shall serve as the secretary of the Committee and as the secretary of the Council, and shall have such other duties as are specified herein or by the Committee for such agent; to employ such other employees as the Committee may deem necessary; and to determine the salaries and define the duties of such employees; and

(x) *Requirement for bond.* To require adequate bonds for such of its employees and members who are responsible for the receipt, custody, and disbursement of funds collected pursuant to the provisions hereof.

(8) *Procedure*—(i) *Organization and rules.* The Committee may, upon the selection and qualification of six of its members, organize and commence to function. It may hold meetings only after due notice to its members. The Secretary may designate the time and place of the first meeting. The Committee may adopt such rules, not inconsistent with the provisions hereof, relative to the method of conducting its business as it may deem advisable.

(ii) *Committee officers.* The Committee shall select a chairman from its membership, and may select such other officers as it deems advisable. All communications from the Secretary may be addressed to the chairman or the Managing Agent at such addresses as may from time to time be filed with the Secretary.

(iii) *Meeting notices.* The Secretary shall be given the same notice of the meetings of the Committee as is given to the members of the Committee; and in regard to meetings at which attendance of Council members is desired by the Committee, such notice shall be given to Council members.

(iv) *Quorum.* A quorum shall consist of six members, including alternate members then serving in the place and stead of any members, in attendance at the meeting; and all decisions of the Committee shall require not less than five concurring votes of the members who are present at such meeting. The quorum and number of concurring votes requirements may be changed by the Secretary and may be upon a recommendation of the Committee.

(v) *Permissive method of voting.* The Committee may permit voting by mail or telegraph upon due notice to all members: *Provided,* That this method of voting shall not be used at an assembled meeting to obtain votes from absent members, *And, provided further,* That when any proposition is so voted on at least five concurring votes shall be required for its adoption but one dissenting vote shall prevent its adoption.

(vi) *Right of the Secretary.* Each member and alternate member of the Committee and each agent and employee appointed or employed by the Committee, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination, and other act of the Committee shall be subject to the continuing right of the Secretary to disapprove the same at any time; and, upon such disapproval shall be deemed null and void except as to acts done in reliance thereon or in compliance therewith.

(b) *Handlers Advisory Council*—(1) *Establishment.* A Handlers Advisory Council, consisting of nine members, is hereby established. For each member of the Council there shall be an alternate member who shall have the same qualifications as the member; and all provisions hereof applicable to the member shall be applicable to the alternate.

(2) *Membership representation.* Except as otherwise provided, a handler in each district shall be selected to serve on the Council. Each person nominated or selected to serve as a member of the

Council shall be a handler of unshelled pecans, at least some of which were produced by another person. Each such prospective member may be an officer, employee or agent of such handler.

(3) *Selection of initial members.* The initial members of the Handlers Advisory Council shall be selected by the Secretary and shall serve through June 30, 1950, and until their successors are selected and have qualified. For the consideration by the Secretary in making such initial selections, nominations for members may be submitted to him not later than the effective date hereof. Nominations for the member for each district may be submitted to the Secretary by handlers in each such district; and such nominations may be made pursuant to elections conducted by groups of handlers in each such district. If, for any district, no handler is nominated, and the Secretary does not have available names of persons from such district who are eligible and willing to serve and whom he desires to select, he shall select a member from among eligible handlers in other districts to complete the full Council membership.

(4) *Successor members*—(i) *Nomination elections.* Prior to April 30 of each year, after the effective date hereof, the Secretary shall hold, or cause to be held, a meeting or meetings of handlers in each district for the purpose of designating nominees for successor members of the Council. In obtaining such nominations, all handlers shall be given a reasonable opportunity to vote. The Secretary shall give adequate notice of each such meeting to handlers in the respective districts. Minutes shall be kept of each meeting. For the member position on the Council, the names of not less than two handlers shall be placed in nomination at each meeting and shall be voted on in arriving at a nominee. Each handler in the district in which an election is held shall be entitled to cast only one vote on behalf of himself, his agents, affiliates, subsidiaries, and representatives in such district for the position which is to be filled. At each such meeting, the name of each person for whom a vote has been cast shall be announced, and the number of votes received by each shall be recorded in the minutes. The Secretary may prescribe additional rules and regulations, not inconsistent with the provisions hereof, relative to the election of nominees for members of the Council. Such action may be pursuant to recommendations of the Committee.

(ii) *Selection.* Selection of successor members of the Council for terms commencing July 1, 1950, and thereafter, shall be made by the Secretary from nominations submitted or from among other handlers in the respective districts. Such nominations shall be available to the Secretary by May 15 of each year. In the event that nominations from handlers, for members of the Council, are not available within the time specified herein, the Secretary may select such members from among eligible handlers without regard to nomination. If, for any district, no handler is nominated, and the Secretary does not have available names of persons from such district who are eligible and willing to serve and whom he desires to select, he shall select a member from among eligible handlers in other districts to complete the full Council membership.

(iii) *Term of office.* The term of office of each member of the Council shall begin on July 1 of each fiscal period and end on June 30, inclusive, of the following fiscal period. In the event a successor to such member has not been selected and has not qualified by June 30, such member shall continue to serve until his successor is selected and has qualified.

(iv) *Vacancies.* To fill any vacancy which occurs by reason of the failure of any person, selected as a member of the Council to file a written acceptance of appointment, or the death, removal, resignation, or disqualification of a member, a successor for his unexpired term of office shall be selected by the Secretary. Any handler or group of handlers in the district affected may submit nominations to the Secretary for his consideration in making such selection. In the event that the nominations are not submitted within 20 days after the beginning of the vacancy, the Secretary may select a successor to fill such vacancy, without regard to such nomination.

(v) *Acceptance.* Each person selected as a member of the Council shall, prior to serving on the Council, qualify by filing with the Secretary a written acceptance of appointment within 15 days after the date of his notice of selection.

(vi) *Alternates.* An alternate for a member of the Council shall, in the event of the member's absence, act in the latter's place and stead; and, in the event of the member's removal, resignation, disqualification, or death, such alternate shall act in the place and stead of the member until a successor for the unexpired term of said member is selected and has qualified.

(5) *Compensation.* Members of the Council shall serve without compensation, but shall be reimbursed for reasonable expenses necessarily incurred, with the prior written approval of the Committee, in the performance of their duties hereunder. Said duties shall include attendance at each meeting of the Council or Committee, if attendance at such meeting has been authorized by the Committee.

(6) *Duties.* The purpose of the Council is to act in an advisory capacity to the Committee concerning the administration of the provisions hereof, and in general to perform such ministerial functions as the Committee from time to time may specify. The Council shall have such duties as are specified herein for it and such other duties as may be incident thereto. The Council shall supply the Committee with information and estimates needed in preparation of the Committee's policy report including recommendations with respect to grade and size requirements and minimum standards of quality. It shall furnish information and recommendations to the Committee in regard to the budget of expenses and the assessment rate and in regard to other matters as is deemed advisable by it or the Committee, or as requested by the Secretary.

(7) *Procedure.* The Council shall select from its membership a chairman and such other officers as it may deem advisable. It shall keep proper records of all its proceedings, and shall adopt regulations governing its procedure. It may hold meetings when authorized by the Committee and after due notice to its members.

§ 994.3 *Expenses and assessments*—(a) *Uses of funds collected.* All funds received by the Committee pursuant hereto shall be used for the purposes authorized herein.

(b) *Budget and expenses.* The Committee is authorized to incur such expenses as the Secretary may find are reasonable and likely to be incurred by it during the then current fiscal period for its maintenance and functioning and for such purposes as the Secretary may, pursuant to the provisions hereof, determine to be appropriate. The recommendation of the Committee as to its expenses for the initial fiscal period, together with all data supporting such recommendation, shall be submitted to the Secretary within 45 days from the effective date hereof. In succeeding fiscal periods, such recommendation shall be submitted on or before October 10 of the fiscal period to which it applies. The funds to cover such expenses shall be acquired by levying assessments upon handlers as hereinafter provided.

(c) *Assessments*—(1) *Requirement for payment.* Except as otherwise provided herein, each handler who first handles unshelled pecans shall, with respect to such pecans, pay to the Committee such handler's pro rata share of the expenses which the Secretary finds will be incurred, as aforesaid, by the Committee during the said fiscal period. Each handler's pro rata share of such expenses shall be equal to the ratio between the total quantity of unshelled pecans handled by such handler as the first handler thereof, during the applicable fiscal period, and the total quantity of unshelled pecans handled by all handlers as the first handlers thereof, during the same fiscal period. All pecans which are handled and which are exempt from assessments under the provisions of § 994.4 (d) (2) and (e) shall be excluded in computing the assessments. Said pro rata share of expenses shall be paid to the Committee by the 10th day of each month, or at such other times as the Committee may specify, for all unshelled pecans handled, as aforesaid, during the preceding month. Handlers may make advance payments of assessments in order to enable the Committee to carry out its functions hereunder.

(2) *Rate of assessment.* The Secretary shall determine the rate of assessment per pound of assessable unshelled pecans handled, as aforesaid, after consideration of the Committee's recommendation as to such rate. The Secretary may increase the rate of assessment at any time during a fiscal period in order to secure sufficient funds to cover any later finding by him relative to the expenses of the Committee. Any such increase in the rate of assessment shall be applicable to all unshelled pecans handled, as aforesaid, during said fiscal period.

(3) *Refunds.* As soon as practicable after the end of a fiscal period, all money collected as assessments during the fiscal period in excess of the expenses incurred therein by the Committee shall be credited to the accounts of handlers in accordance with their respective equities in such excess funds and thereafter refunded to them upon request.

(4) *Legal action for collection of assessments.* The Committee may, with the approval of the Secretary, maintain in its own name, or in the names of its members, legal action against any handler for the collection of such handler's pro rata share of expenses pursuant hereto.

(d) *Accountability of Committee members.* The Secretary may at any time require the Committee, its members, and all other persons to account for all receipts and disbursements for which they are responsible. Whenever any person ceases to be a member of the Committee, he shall account to his successor or to the Committee for all receipts, disbursements, funds and property (including but not being limited to books and other records), pertaining to the Committee's activities for which he is responsible, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor or the Committee the right to all of such property and funds and all claims vested in such person.

§ 994.4 *Regulation by grades and sizes, and minimum standards of quality*—(a) *Marketing policy*—(1) *General.* Prior to October 10 of each fiscal period, the Committee shall prepare and submit to the Secretary a report setting forth its findings in regard to the marketing situation and outlook for unshelled pecans, and also its recommendations in regard to regulation on the basis of grades or sizes or minimum standards of quality. In the event it becomes advisable to revise such report and recommendations, the Committee shall submit a revised report and recommendations to the Secretary.

(2) *Report.* The Committee shall, on the basis of information obtained from the Council and other sources, prepare the aforesaid report setting forth the following:

(i) Estimated supply of unshelled pecans in the area as follows; estimated production of improved varieties for the current year; estimated production of seedlings for the current year; estimated carryover of improved varieties as of October 1; estimated carryover of seedlings as of October 1;

(ii) Estimated quantity of such unshelled pecans as will meet the recommended grade and size regulations, if any, then in effect; and a separate estimate as to the portion of such quantity that will be handled for distribution as unshelled pecans;

(iii) Estimates of the respective quantities of pecans which during the period beginning on October 1 of the preceding year and ending on September 30 of the current year moved outside the area for distribution as unshelled pecans and for commercial shelling;

(iv) Estimated beginning dates of harvest of current pecan crop in the respective districts; and

(v) Other pertinent data and statistics used by the Committee in preparing its recommendation.

The Committee shall furnish the Secretary with a detailed statement of the discussions at all meetings at which the report and recommendations were prepared.

(3) *Recommendations.* The aforesaid report to the Secretary shall include its recommendations in regard to the proposed grade and size requirements or minimum standards of quality, as the case may be, and such other matters relating to pecan marketing as are affected by the provisions hereof. Such recommendations shall be based on the factors listed in subparagraph (2) of this paragraph.

(b) *Issuance of regulations.* The Secretary shall issue regulations on the basis of grades, sizes or minimum standards of quality for unshelled pecans that may be handled pursuant hereto, whenever he finds from the recommendations and information submitted by the Committee or from other available information that to do so would tend to effectuate the declared policy of the act: *Provided,* That no regulation shall be issued pursuant hereto in regard to sizes which would prevent the handling of unshelled pecans which are of any size larger than the size specified in the initial grade and size regulations stated in this section. Such regulations shall continue in effect until superseded by other regulations issued by the Secretary. The Secretary shall notify the Committee of each such regulation and the Committee shall give reasonable notice thereof to growers and handlers.

(c) *Initial grade and size regulations.* Beginning at such time after the effective date hereof as the Secretary may specify and continuing until superseded by other regulations issued by the Secretary, no person shall handle, except as provided in § 994.4 (e), any unshelled pecans (1) unless such pecans meet the requirements of the U. S. Commercial grade, as such grade is defined in the United States Standards for Unshelled Pecans (14 F. R. 2543, 2608), and (2) unless they have a count per pound of less than 91 nuts, and the 10 smallest nuts in a representative 100-nut sample weight at least 1.5 ounces.

(d) *Inspection and certification*—(1) *Procedure and requirements.* Except as otherwise provided in this section, no handler shall handle any unshelled pecans, during any period when regulations are in effect pursuant hereto, unless prior to such handling he has had such pecans inspected by, and had obtained an inspection certificate thereon from the Federal-State inspection service or the Federal Inspection Service. During the period November 1 through February of each fiscal period, such prior inspection and certification requirements shall be deemed to have been met if the pecans had been inspected and certified, as aforesaid, within 30 days immediately preceding such handling. During the other months of such fiscal period, such prior period of inspection and certification shall be 20 days. In addition to such other information as the Committee may require, the certificate shall show: (i) The identity of the handler and the lot, (ii) date of inspection, (iii) number of containers of each size and type in each lot, and (iv) a statement stamped on such certificate by the inspector bearing substantially the following wording: "Pecans covered by this certificate meet grade and size, or minimum standards of quality (whichever is applicable), requirements prescribed pursuant to Federal Marketing Agreement 111 and Order 94." All lots so inspected and certified shall be identified by appropriate seals, stamps, or tags to be affixed to the containers by the handler under the direction and supervision of the Federal-State or Federal inspector or the Committee. Master containers may bear the identification instead of the individual containers within said master container. The first handler shall furnish a copy of the certificate to the Committee covering each lot handled.

(2) *Exemptions.* Unshelled pecans handled in quantities that do not total more than 200 pounds to any one person during any one day shall be exempt from the provisions contained in this section in regard to inspection and certification and shall also be exempt from assessment pursuant to § 994.3 (c). Provisions of these exemptions may be changed by the Secretary on the basis of the recommendation of the Committee or other available information.

(e) *Pecans for shelling or processing outside the area.* Unshelled pecans for shelling or processing outside the area may be handled without regard to the grade and size regulations then in effect and without regard to the inspection and certification requirements of this section only if, prior to the handling of such pecans, the handler thereof had insured to the satisfaction of the Committee, as it may require, that he will comply with the provisions set forth in this paragraph. The Secretary may prescribe, on the basis of the recommendation and the information which may be submitted to him by the Committee, or on the basis of other available information, additional safeguards to insure such compliance. Any such means which are subsequently processed for distribution as unshelled pecans and meet the grade and size requirements then in effect may be so distributed by the handler, only if they are inspected and certified pursuant to the provisions of this section. The assessment provisions hereof shall be applicable to such handler of the unshelled pecans with respect to the quantity distributed as unshelled pecans. All handlers of pecans which are shipped out of the area for shelling or processing, pursuant to the provisions of this paragraph, shall furnish to the Committee satisfactory evidence that such pecans were shelled or distributed as the case may be, pursuant to the provisions of this paragraph.

§ 994.5 *Compliance.* Each handler shall comply with all provisions hereof and all regulations effective hereunder. Nothing contained herein shall be construed to prevent any grower or other person from selling or delivering within the area any pecans for processing, shelling, or use within such area.

§ 994.6 *Books, records, and reports*—(a) *Books and records.* Each handler and each subsidiary and affiliate thereof shall keep books and other records which will clearly show the details of the respective person's handling of unshelled pecans and which shall be available for examination by the Secretary for a period of two years after such transactions are completed.

(b) *Reports by handlers.* To enable the Committee to perform its functions hereunder:

(1) Each handler shall furnish daily to the Managing Agent the following information with respect to unshelled pecans, and such other information as may be prescribed by the Committee and approved by the Secretary: date, quantity, and reported destination of shipment; license number (including State of registration) of the truck in respect to shipments by truck; and car number and initials for shipments by rail; number of the inspection certificate, if any, covering the shipment; and the handler's lot number or identification of the pecans. Information furnished to the Managing Agent shall be confidential and shall not be disclosed to any person (including members of the Committee and of the Council) except to the Secretary at his request, or to such person as the Secretary may designate.

(2) Each handler shall furnish to the Secretary each Friday during the period October 15 through January 31 of each fiscal period the following price information for the then current week: Prices paid by the handler to growers for orchard-run pecans by varieties as specified by the Committee.

(3) Each handler shall furnish to the Secretary each Friday during the periods October 15 through January 31 and August 15 through September 30 of each fiscal period the following price information for the then current week: Prices received by the handler by grade, pack, and size on basis of either f. o. b. shipping point or delivered destination.

(4) With the approval of the Secretary, the Committee may require that the information to be submitted pursuant to this paragraph (b) shall be as specified times and during specified periods other than as set forth in such paragraph. The Committee may designate certain employees, directly under the supervision of and responsible to the Managing Agent, to assist in summarizing such reports as are submitted to the Managing Agent. Notwithstanding the provisions of this paragraph, information furnished to the Managing Agent regarding specific shipments may be disclosed to the Committee when necessary to enable the Committee to carry out its functions hereunder. Information furnished to the Secretary or to the Managing Agent shall be compiled in summary form only, so as not to reveal the identity of individual informants; and such summaries shall be made available to the Committee and may be made public.

§ 994.7 *Amendments.* Amendment hereof may from time to time be proposed by the Committee or by the Secretary.

§ 994.8 *Agents.* The Secretary may, by a designation in writing, name any person, including any officer or employee of the Government, or name any bureau or division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions hereof.

§ 994.9 *Personal liability.* No member or alternate member of the Committee or any employee or agent thereof, or any member or alternate member of the Council shall be held personally responsible, either individually or jointly with others in any way whatsoever, to any handler, sheller, or processor, or to any other person for errors in judgment, mistakes, or other acts either of commission or omission, as such member, alternate, employee or agent, except for acts of dishonesty.

§ 994.10 *Separability.* If any provision hereof is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder hereof or the applicability thereof to any other person, circumstance or thing shall not be affected thereby.

§ 994.11 *Derogation.* Nothing contained herein is, or shall be construed to be in derogation or in modification of the rights of the Secretary or of the United States, to exercise any powers granted by the act or otherwise or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 994.12 *Duration of immunities.* The benefits, privileges, and immunities conferred upon any person by virtue hereof shall cease upon the termination hereof except with respect to acts done under and during the existence hereof.

§ 994.13 *Effective time; termination; suspension*—(a) *Effective time.* The provisions hereof or of any amendment hereto, shall become effective at such time as the Secretary may declare and shall continue in force until terminated or suspended in any of the ways hereinafter specified.

(b) *Termination; suspension.* (1) The Secretary may, at any time, terminate or suspend the provisions hereof or any regulations issued pursuant hereto whenever he finds that such provisions or regulations obstruct or do not tend to effectuate the declared policy of the act; and such notice of the termination or suspension shall be given as the Secretary deems proper.

(2) The Secretary shall terminate the provisions hereof at the end of the then current fiscal period whenever he finds by referendum or otherwise that such termination is favored by more than 50 percent of the producers who, during the preceding calendar year, were engaged in the area in the production of pecans for market and produced more than 50 percent of the total quantity of the pecans produced during such period in such area: *Provided,* That in the event a referendum is conducted to ascertain producer approval of termination hereof, the aforesaid percentages shall be based upon the number of producers voting in the referendum and the volume of production represented therein. Such termination shall not, however, be effective unless announced prior to September 1 of the then current fiscal period. During the period April 1 through June 30 of the third fiscal period, if the provisions hereof are in effect, the Secretary shall conduct a referendum among producers to determine whether they favor the termination of the provisions hereof at the end of such third fiscal period.

(3) The provisions hereof shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

(c) *Proceedings after termination.* (1) Upon the termination of the provisions hereof, the members of the Committee then functioning shall continue as trustees (for the purpose of liquidating the affairs of the Committee) of all funds and property then in the possession of or under the control of the Committee, including claims for any funds unpaid or property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of said trustees.

(2) Said trustees shall continue in such capacity until discharged by the Secretary; shall, from time to time, account for all receipts and disbursements and deliver all funds and property on hand, together with all books and records of the Committee and the trustees, to such person as the Secretary may direct; and shall, upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the Committee or the joint trustees pursuant hereto.

(3) Any funds collected or received pursuant to § 994.3 and held by such trustees or such person over and above amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the trustees or such other person, in the performance of their duties hereunder, shall, as soon as practicable after the termination of the provisions hereof, be disbursed among the handlers pro rata in proportion to their contributions pursuant hereto.

(4) Any person to whom funds, property or claims have been transferred or delivered by the Committee or its members, pursuant to this section, shall be subject to the same obligations imposed upon the members of the said Committee and upon said trustees.

§ 994.14 *Effect of termination or amendment.* Unless otherwise expressly provided by the Secretary the termination hereof or of any regulation issued pursuant hereto, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation or liability which shall have arisen or which may thereafter arise in connection with any provision hereof or any regulation issued hereunder, or (b) release or extinguish any violation hereof or of any regulation issued hereunder, or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violation.

§ 994.15 *Counterparts.* This marketing agreement may be executed in multiple counterparts, and, when one counterpart is signed by the Secretary, all such counterparts shall constitute when taken together one and the same instrument as if all such signatures were contained in one original.*

§ 994.16 *Additional parties.* After this marketing agreement first takes effect, any handler may become a party to this marketing agreement if a counterpart hereof is executed by him and delivered to the Secretary. This marketing agreement shall take effect as to such new contracting party at the time such counterpart is delivered to the Secretary, and the benefits, privileges, and immunities conferred by this marketing agreement shall then be effective as to such new contracting party.*

§ 994.17 *Request for order.* Each signatory handler hereto requests the Secretary to issue an order pursuant to the act regulating the handling of unshelled pecans in the same manner as provided in this agreement.*

In witness whereof the contracting parties acting under the provisions of the act for the purposes and subject to the limitations herein contained and not otherwise have hereunto set their respective hands and seals.*

Filed at Washington, D. C., this 15th day of July 1949.

[SEAL] JOHN I. THOMPSON,
Assistant Administrator.

[F. R. Doc. 49-5988; Filed, July 20, 1949; 8:51 a. m.]

[7 CFR, Part 989]

[Docket No. AO-198]

HANDLING OF RAISINS PRODUCED FROM RAISIN VARIETY GRAPES GROWN IN CALIFORNIA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND ORDER

Correction

In Federal Register Document 49-5686, published at page 3858 of the issue for Wednesday, July 13, 1949, the following changes are made:

1. In the fifth line of paragraph (3) of the "*General findings*" the word "makes" should read "make."

2. In Exhibit B the third paragraph under the heading "Grade," should read:

Not more than three percent by weight of raisins may be poorly developed, blowovers.

NOTICES

CIVIL AERONAUTICS BOARD

[Docket No. 3742]

BRITISH WEST INDIAN AIRWAYS LIMITED

NOTICE OF HEARING

In the matter of the application of British West Indian Airways Limited pursuant to section 402 of the Civil Aeronautics Act of 1938, as amended, for a foreign air carrier permit authorizing the foreign air transportation of persons, property and mail between the terminal point Trinidad, B. W. I., the intermediate points Barbados, B. W. I.; Antigua, B. W. I.; St. Kitts, B. W. I.; San Juan, Puerto Rico; Ciudad Trujillo, Dominican Republic; Port-au-Prince, Haiti; Kingston, Jamaica, B. W. I.; and Montego Bay, Jamaica, B. W. I.; and the terminal point Miami, Florida.

Notice is hereby given pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 402 and 1001 of said act, that a hearing in the above-entitled proceeding is assigned to be held on August 4, 1949 at 10:00 a. m. e. d. s. t. in Room 2015, Temporary Building No. 5, 16th Street and Constitution Avenue NW, Washington, D. C., before Examiner Barron Fredricks.

Without limiting the scope of the issues presented by said application, particular attention will be directed to the following matters and questions:

1. Whether the proposed air transportation will be in the public interest, as defined in section 2 of the Civil Aeronautics Act of 1938, as amended.
2. Whether the applicant is fit, willing and able to perform such transportation.
3. Whether the authorization of the proposed transportation is consistent with any obligation assumed by the United States in any treaty, convention or agreement in force between the United States and the United Kingdom of Great Britain and Northern Ireland or any other foreign country.

Notice is further given that any person, other than a party of record, desiring to be heard in this proceeding must file with the Board, on or before August 4, 1949, a statement setting forth the issues of fact or law raised by said application which he desires to controvert.

For further details of the service proposed and authorization requested, interested parties are referred to the application on file with the Civil Aeronautics Board.

Dated at Washington, D. C., July 18, 1949.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 49-5985; Filed, July 20, 1949; 8:51 a. m.]

[Docket No. 3091]

CITY OF MITCHELL, SOUTH DAKOTA, ET AL.

NOTICE OF ORAL ARGUMENT

In the matter of the petition of the City of Mitchell, South Dakota, and the Mitchell Chamber of Commerce for an amendment of the certificate of public convenience and necessity of Mid-Continent Airlines, Inc., so as to authorize scheduled air transportation of persons, property and mail to Mitchell, South Dakota, on the above-named carrier's route No. 26.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, that oral argument in the above matter is assigned to be heard July 27, 1949, at 10:00 a. m. e. d. s. t. in Room 5042, Commerce Building, Fourteenth Street and Constitution Avenue NW., Washington, D. C., before the Board.

Dated at Washington, D. C., July 15, 1949.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 49-5986; Filed, July 20, 1949; 8:51 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6125]

SOUTHWESTERN POWER ADMINISTRATION

NOTICE OF ORDER MODIFYING ORDER CONFIRMING AND APPROVING TEMPORARY RATE SCHEDULE

JULY 15, 1949.

Notice is hereby given that, on July 13, 1949, the Federal Power Commission issued its order entered July 12, 1949, in the above-designated matter, modifying order dated March 8, 1949 (published in the FEDERAL REGISTER on March 16, 1949 (Vol. 14, No. 50, P. 1199)), confirming and approving temporary rate schedule for a period not extending beyond December 31, 1949.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-5950; Filed, July 20, 1949; 8:45 a. m.]

[Docket No. E-6219]

POTOMAC ELECTRIC POWER CO.

NOTICE OF ORDER AUTHORIZING ACQUISITION OF PROMISSORY NOTES

JULY 15, 1949.

Notice is hereby given that, on July 14, 1949, the Federal Power Commission issued its order entered July 13, 1949, authorizing acquisition of promissory notes of Braddock Light & Power Company, Incorporated, in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-5951; Filed, July 20, 1949; 8:45 a. m.]

[Docket Nos. G-1199, G-1207]

INTERSTATE NATURAL GAS CO., INC., AND PENNSYLVANIA GAS CO.

NOTICE OF FINDINGS AND ORDERS ISSUING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

JULY 15, 1949.

Notice is hereby given that, on July 13, 1949, the Federal Power Commission issued its findings and orders entered July 12, 1949, issuing certificates of public convenience and necessity in the above-designated matters.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 49-5952; Filed, July 20, 1949; 8:46 a. m.]

[Project No. 898]

M. C. HOOPER

NOTICE OF ORDER AUTHORIZING ISSUANCE OF NEW LICENSE (MINOR), RESCINDING FEBRUARY 24, 1948, ORDER AUTHORIZING AMENDMENT OF LICENSE NO. 2, AND DISMISSING APPLICATION FOR AMENDMENT OF SAID LICENSE

JULY 15, 1949.

Notice is hereby given that, on July 13, 1949, the Federal Power Commission issued its order entered July 12, 1949, in the above-designated matter, authorizing issuance of new license (minor), rescinding order of February 24, 1948, authorizing amendment of License No. 2, and dismissing application for amendment of said license.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 49-5953; Filed, July 20, 1949; 8:46 a. m.]

[Docket No. G-1221]

NORTHERN NATURAL GAS CO.

ORDER FIXING DATE OF HEARING

JULY 15, 1949.

On June 10, 1949, Northern Natural Gas Company (Applicant), a Delaware corporation with its principal place of business at Omaha, Nebraska, filed an application for permission and approval pursuant to section 7 of the Natural Gas Act, to transfer to Peoples Natural Gas Company approximately 5,240 feet of 6⅝ inch pipe line, subject to the jurisdiction of the Commission, as is more fully described in the application on file with the Commission and open to public inspection.

Applicant has requested that its application be heard under the shortened procedure provided by § 1.32 (b) of the Commission's rules of practice and procedure for non-contested proceedings, and that this proceeding is a proper one for disposition under the provisions of the aforesaid rule, provided no request to be heard, protest or petition raising an issue of substance is filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on June 28, 1949 (14 F. R. 3511).

The Commission, therefore, orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on July 28, 1949, at 9:30 a. m., e. d. s. t., in the Hearing Room of Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application, *Provided, however*, That the Commission may, after a noncontested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: July 18, 1949.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 49-5970; Filed, July 20, 1949; 8:49 a. m.]

INTERSTATE COMMERCE COMMISSION

[Ex Parte No. 169]

INCREASED EXPRESS RATES AND CHARGES, 1949

SPECIAL RULES OF PRACTICE

JULY 15, 1949.

By petition dated June 28, 1949, the Railway Express Agency, Incorporated, requests authority to increase the presently applicable first class express rates and charges 10 percent, the second class rates and charges to be 75 percent of the first class rates and charges.

The petition is assigned for hearing September 7, 1949, 8:30 o'clock a. m., United States Standard Time (9:30 o'clock a. m., District of Columbia Daylight Saving Time) at the offices of the Interstate Commerce Commission, Washington, D. C., before Examiners Chas. W. Berry and Samuel R. Diamondson.

Attached hereto is a copy of "Special Rules of Practice" approved by the Commission for application in this proceeding.

By the Commission.

[SEAL] W. P. BARTEL, *Secretary.*

SPECIAL RULES OF PRACTICE

Protestants—Petitions of intervention unnecessary. Persons appearing in opposition to the petition herein, will be considered as protestants, and may be heard without the filing of petitions of intervention.

Simplification of presentations. In order to conserve time and avoid expense, it is strongly urged that persons finding themselves with common interests in the proceeding shall, to the greatest extent possible, endeavor to consolidate their presentation of testimony, and arrange for cross-examination by as few counsel as possible. The same course should be followed upon oral argument.

Evidence offered should be carefully prepared with a view to conciseness and clarity, and so as to avoid unnecessary extraneous, immaterial, and irrelevant matter, and undue cumulation of testimony or of witnesses upon any point. It should be factual in character, and argument should be reserved for the oral argument stage, and not be incorporated in the testimony.

Exhibits. In the preparation of exhibits, rules of practice 81 to 84 inclusive should be followed. If possible, all documents submitted by a witness should be embraced in a single exhibit, with pages consecutively numbered, suitably bound together. In order to supply the State Commissioners, members of this commission, and counsel in the proceeding, at least 150 copies of each exhibit should be prepared. So far as possible exhibits should be made self-explanatory in order to minimize the amount of time required for explanation by oral testimony.

Prepared statements. Witnesses who expect in the course of their testimony to read from a written statement should comply with rule 77 of the rules of practice. They should have sufficient copies thereof to supply opposing counsel, the representatives of the State Commissioners, the Examiners on the bench, and the official reporter. However, in the interest of conservation of time, it is suggested that such statements be prepared and offered in the manner indicated in the following paragraph, as verified statements, instead of being submitted orally by a witness on the stand.

Verified statements (affidavits). Evidence in the form of verified statements (affidavits) without personal appearance of the affiant as a witness will also be received in the absence of objection, as hereinafter specified. Parties desiring to offer such statements should make available as early as possible during the hearing 15 copies for the Commission and 100 copies for other parties, including the applicants. Verified statements may be mailed, addressed to the Interstate Commerce Commission at Washington, D. C., so as to reach this Commission on or prior to the date of the hearing. Notice of any objection to the receipt of any such statement in evidence should be given to the Commission and to the party submitting the statement promptly following the receipt of such statement. If no such notice is given promptly it will be considered that objection to the receipt of the statement in evidence is waived, but objection to the weight to be accorded the statement of facts is reserved. Such statements should conform to the rules of practice in respect of style, mimeographing or printing, etc. They should be limited strictly to statements of fact and contain no argument, and if not so limited may be excluded. The Commission on its own motion or on objection may exclude a verified statement or any portion thereof which (a) is not material or relevant to the questions presented in this proceeding, (b) is obviously incompetent, or (c) is argumentative in character. In the absence of objection to introduction of the verified statement it will be unnecessary for the affiant to appear personally at the hearing. All verified statements received in evidence will be part of the record in the proceeding, upon which the Commission will base its decision.

Notice of intention to produce testimony. Persons who desire to be heard will facilitate the arrangements necessary by sending notice by letter or telegram to the Commission at Washington of their intention, so as to reach the Commission prior to August 25, 1949, which shall state the number of witnesses, and the approximate amount of time necessary for presentation of direct testimony.

Correspondence. Correspondence relative to this matter should be addressed to Commissioner J. Monroe Johnson at Washington, D. C., with a reference to the docket number Ex Parte No. 169.

[F. R. Doc. 49-5964; Filed, July 20, 1949; 8:47 a. m.]

SECURITIES AND EXCHANGE COMMISSION

FRANK H. WINTER AND F. H. WINTER & CO.

MEMORANDUM OPINION AND ORDER REVOKING REGISTRATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 15th day of July A. D. 1949.

In the matter of Frank H. Winter, 111 Broadway, New York 6, N. Y., and F. H. Winter & Company, 111 Broadway, New York 6, N. Y. Broker-dealer registration; grounds for revocation.

Violations of Securities Act and Securities Exchange Act. Where partner of registered broker and dealer, without disclosing his intention not to deliver securities, obtained a customer's money, failed to consummate the transaction, and used such money for his own benefit, held, such conduct was in willful violation of section 17 (a) of the Securities Act of 1933, section 10 (b) of the Securities Exchange Act of 1934 and Rule X-10B-5 thereunder, and that it is in the public interest to revoke the registration of the broker and dealer pursuant to section 15 (b) of the Securities Exchange Act, and further held the partner is a cause of such revocation.

This is a proceeding pursuant to section 15 (b) of the Securities Exchange Act of 1934 ("the Exchange Act") to determine whether the registration of F. H. Winter & Company ("registrant"), as a broker and dealer should be revoked for alleged willful violation by Frank H. Winter, a partner of registrant, of various provisions of the Securities Act of 1933 ("the Securities Act") and the Exchange Act, and whether for purposes of future proceedings which might arise under the Exchange Act, Frank H. Winter willfully violated certain provisions of the Securities Act and the Exchange Act.

Registrant and Winter filed an answer to the order instituting the proceeding in which they acknowledged receipt of adequate notice, waived opportunity for hearing, and admitted, for the purpose of this proceeding and any other proceeding which may be instituted hereinafter pursuant to section 15 of the Exchange Act, the existence of the facts and cause of action set forth in the order. In the answer registrant consented also to the entry of an order revoking its registration as a broker and dealer, and Winter stipulated that he is a cause of any order or revocation which we might enter in this proceeding. On the basis of the record we make the following findings:

On or about September 13, 1946, Winter, while a partner of registrant, induced a customer to sell certain securities to registrant and to purchase with the proceeds other securities, including 32 shares of Manufacturers Trust Co. stock. Registrant confirmed this sale to the customer, and Winter delivered some of the securities. He did not, however, deliver the Manufacturers Trust Co. stock, but represented to the customer that delivery would be delayed because these shares had been purchased from an estate and it would take some time to effect a transfer. At the time this representation was made, Winter and the partnership intended not to and did not deliver these securities. In fact, the securities were never purchased and Winter used the money for his own benefit.[1] Moreover, from September 13, 1946, to about January 1949, Winter paid the customer various sums which he represented were dividends on the Manufacturers Trust Co. stock.

On April 22, 1949, after this proceeding was instituted, Winter was permanently enjoined by a court of competent jurisdiction in the County of New York from engaging as a broker and dealer in securities within and from the State of New York.

From these facts we find that Winter willfully violated section 17 (a) of the Securities Act and section 10 (b) of the Exchange Act and Rule X-10B-5 thereunder.

We find further, that it is in the public interest to revoke registrant's registration as a broker-dealer and that Winter is a cause of such revocation. Accordingly:

It is ordered, Pursuant to section 15 (b) of the Exchange Act, that the registration of F. H. Winter & Company be and it hereby is revoked.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 49-5960; Filed, July 20, 1949; 8:47 a. m.]

[1] Ivan Israel, at present a general partner of registrant, was not associated with the registrant when this transaction was effected.

[File No. 7-1103]

MCCORD CORP.

FINDINGS AND ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 14th day of July A. D. 1949.

The Detroit Stock Exchange has made application to the Commission pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 for permission to extend unlisted trading privileges to the Common Stock, $3.00 Par Value, of McCord Corporation, Detroit, Michigan.

After appropriate notice and opportunity for hearing and in the absence of any request by any interested person for hearing on this matter, the Commission on the basis of the facts submitted in the application makes the following findings:

(1) That this security is registered and listed on the New York Curb Exchange; that the geographical area deemed to constitute the vicinity of the Detroit Stock Exchange is the State of Michigan; that out of a total of 383,956 shares outstanding, 60,000 shares are owned by 150 shareholders in the vicinity of the Detroit Stock Exchange; and that in the vicinity of the Detroit Stock Exchange there were effected 263 transactions involving 31,930 shares from April 1, 1948 to April 1, 1949.

(2) That sufficient public distribution of, and sufficient public trading activity in, this security exist in the vicinity of the applicant exchange to render the extension of unlisted trading privileges thereto appropriate in the public interest and for the protection of investors; and

(3) That the extension of unlisted trading privileges on the applicant exchange to this security is otherwise appropriate in the public interest and for the protection of investors.

Accordingly it is ordered, Pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934, that the application of the Detroit Stock Exchange for permission to extend unlisted trading privileges to the Common Stock, $3.00 Par Value, of McCord Corporation be, and the same is, hereby granted.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 49-5956; Filed, July 20, 1949; 8:46 a. m.]

[File Nos. 59-11, 59-17, 54-25]

UNITED LIGHT AND RAILWAYS CO. ET AL.

SUPPLEMENTAL ORDER GRANTING AND PERMITTING APPLICATION-DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 15th day of July A. D. 1949.

In the matter of the United Light and Railways Company, and American Natural Gas Company, et al.; File Nos. 59-11, 59-17, 54-25.

By order dated June 1, 1949, the Commission having approved, as a step in the consummation of the section 11 (e) plan of The United Light and Railways Company ("Railways"), a registered holding company, and its registered holding company subsidiary, American Natural Gas Company ("American Natural" —formerly American Light & Traction Company), an application-declaration, as amended, filed by Railways with respect to the final distribution by Railways to its common stockholders of rights, evidenced by transferable Warrants, to purchase from Railways an aggregate of 634,667 shares of common stock of American Natural at $12 per share on the basis of one share of American Natural stock for each five shares of Railways common stock held; and

The application - declaration, as amended, having further stated that Railways owns 634,031 shares of the common stock of American Natural, and Railways having filed a further amendment to said application-declaration, as amended, stating that all but 4,078 share of the said 634,031 shares of said American Natural stock were purchased through the exercise of the rights and proposing to dispose of the said 4,078 shares representing unexercised rights though ordinary brokerage transactions over the New York Curb Exchange and to distribute to the registered holders of Warrants representing unexercised rights the net proceeds received from the sale of the said 4,078 shares of American Natural stock, after deducting therefrom an amount equal to $12 per share and the brokerage commissions incurred in connection with such sale, and supplementing such proceeds with treasury cash to the extent necessary; and

The Commission finding that the standards of the applicable provisions of the Public Utility Holding Company Act of 1935 and the rules and regulations promulgated thereunder are satisfied and deeming it appropriate in the public interest and in the interest of investors or consumers to grant and permit to become effective said application-declaration, as amended, and the Commission deeming it appropriate to grant the request that the application-declaration, as amended, become effective forthwith and that such order contain appropriate recitals conforming to the requirements of Supplement R and section 1808 (f) of the Internal Revenue Code, as amended:

It is ordered, Subject to the terms and conditions prescribed by Rule U-24, that said application - declaration, as amended, be and it is hereby granted and permitted to become effective forthwith.

It is further ordered and recited, That the sale and transfer by Railways of said 4,078 shares of common stock of American Natural of the par value of $25 per share are necessary or appropriate to the integration or simplification of the holding company system of which Railways is a member and are necessary or appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935 and are hereby authorized and approved.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 49-5959; Filed, July 20, 1949; 8:47 a. m.]

[File No. 70-2160]

NEW ENGLAND ELECTRIC SYSTEM AND NEW ENGLAND POWER CO.

ORDER REGARDING JOINT APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 13th day of July A. D. 1949.

New England Electric System ("NEES"), a registered holding company, and its subsidiary public-utility company, New England Power Company ("NEPCO"), having filed with this Commission a joint application pursuant to sections 6 (b) and 10 of the Public Utility Holding Company Act of 1935 and the applicable rules and regulations promulgated thereunder regarding the following transactions:

NEPCO proposes to issue and sell to the public under competitive bidding $5,000,000 principal amount of First Mortgage Bonds, Series C, due 1979 and also proposes to issue and sell to NEES 160,000 shares of its common stock of the par value of $20 each at $25 per share. NEES owns all of the presently outstanding common shares of NEPCO and proposes to acquire said 160,000 common shares for a cash consideration of $4,000,000.

NEPCO proposes to use the proceeds from the sale of said bonds and common stock to reduce its short-term promissory note indebtedness which, as at March 31, 1949, was outstanding in the amount of $5,324,700.

The joint application states that incidental services in connection with the issuance and sale of said 160,000 shares of common stock will be performed by New England Power Service Company, an affiliated service company, at the actual cost thereof, estimated not to exceed $2,000 with respect to NEPCO and not to exceed $500 with respect to NEES. In addition, NEPCO will pay a filing fee of $1,600 to the Commonwealth of Massachusetts and will pay a Federal stamp tax of $3,520 on the proposed common stock issue. It is further stated that the fees and expenses in connection with the issuance and sale of said $5,000,000 principal amount of said bonds will be filed by amendment.

The proposed issuance and sale of said bonds and common stock having been approved by the Massachusetts Department of Public Utilities, the Vermont Public Service Commission and New Hampshire Public Service Commission; NEES and NEPCO having requested that the proposal of NEPCO to issue and sell said 160,000 shares of common stock and the proposal of NEES to acquire such shares be severed from the proposal of NEPCO to sell to the public $5,000,000 principal amount of bonds for separate consideration and decision;

The proposal of NEPCO to issue said bonds having been consolidated for hearing with the proceeding instituted by the Commission on April 12, 1949 (Holding Company Act Release No. 8995) directing that NEES and certain of its subsidiary companies, including NEPCO, show cause why the Commission's authorization contained in a previous order dated March 14, 1949 (Holding Company Act Release No. 8926) permitting said subsidiary companies to issue additional promissory notes should not be amended to the extent necessary to terminate such authorization with respect to promissory notes not already issued at the time of any such termination or impose additional terms and conditions with respect to such notes; appropriate notice of the proposal of NEPCO to issue and sell said 160,000 shares of common stock and the proposal of NEES to acquire the same having been given in the form and manner prescribed by Rule U-23 promulgated under said act, and the Commission not having received a request for hearing with respect to said common stock proposals within the period specified in said notice, nor otherwise, and not having ordered a hearing thereon;

NEPCO and NEES having requested that the Commission's order become effective upon the issuance thereof;

The Commission deeming it appropriate to grant the request of NEPCO and NEES to sever the proposal of NEPCO to issue and sell 160,000 shares of common stock and the proposal of NEES to acquire the same from the proposal of NEPCO to issue and sell to the public $5,000,000 principal amount of bonds for separate consideration and decision; the Commission finding with respect to said common stock proposals that the requirements of the applicable provisions of the Act and the rules thereunder are satisfied and deeming it appropriate in the public interest and in the interest of investors and consumers to grant said joint application insofar as it relates to the proposal of NEPCO to issue said common stock and the proposal of NEES to acquire such stock and to permit the order with respect thereto to become effective upon the issuance thereof;

It is ordered, That the proposal of NEPCO to issue and sell 160,000 shares of common stock and of NEES to acquire the same be, and the same hereby is, severed from the proposal of NEPCO to issue and sell $5,000,000 principal amount of bonds for separate consideration and decision.

It is further ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said joint application of NEPCO and NEES insofar as it relates to the proposal of NEPCO to issue and sell 160,000 shares of common stock and the proposal of NEES to acquire such stock, be, and the same hereby is, granted forthwith, subject to the terms and conditions prescribed in Rule U-24.

It is further ordered, That jurisdiction be, and the same hereby is, reserved with respect to said joint application insofar as it relates to the proposal of NEPCO to issue and sell $5,000,000 principal of bonds.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 49-5955; Filed, July 20, 1949; 8:46 a. m.]

[File No. 70-2161]

COLUMBIA GAS SYSTEM, INC., AND CUMBERLAND AND ALLEGHENY GAS CO.

ORDER GRANTING APPLICATION AND PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 14th day of July 1949.

The Columbia Gas System, Inc. ("Columbia"), a registered holding company, and its subsidiary, Cumberland and Allegheny Gas Company ("Cumberland and Allegheny"), having filed a joint application-declaration, pursuant to the provisions of sections 6 (b), 9, 10 and 12 of the Public Utility Holding Company Act of 1935, with respect to the following proposed transaction:

Cumberland and Allegheny proposes to sell to Columbia $800,000 principal amount of 3¼% Installment Promissory Notes. Such notes are to be unsecured and are to be paid in equal annual installments on February 15 of each of the years 1952 to 1976, inclusive. It is stated that the proceeds to be obtained through the issue and sale of the notes will be utilized by Cumberland and Allegheny in connection with its construction program. It is proposed that Cumberland and Allegheny issue and sell the notes at such times and in such amounts as funds are required, none of such notes, however, to be issued and sold subsequent to December 31, 1949.

The Public Service Commission of West Virginia approved the issue and sale of 3¼% notes by order dated June 28, 1949.

Said joint application-declaration having been duly filed and notice of said filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for hearing with respect to said joint application-declaration within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said joint application-declaration that the requirements of the applicable provisions of the act and rules thereunder are satisfied, and deeming it appropriate in the public interest and in the interest of investors and consumers that the said joint application-declaration be granted and permitted to become effective:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of said act, that the said joint application-declaration, be and hereby is, granted and permitted to become effective forthwith subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary*.

[F. R. Doc. 49-5957; Filed, July 20, 1949; 8:46 a. m.]

[File No. 70-2167]

MONTANA POWER CO.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 15th day of July A. D. 1949.

The Montana Power Company ("Montana"), a utility subsidiary of American Power & Light Company and Electric Bond and Share Company, both registered holding companies, having filed a declaration and amendments thereto pursuant to the Public Utility Holding Company Act of 1935, particularly sections 6 (a) and 7 thereof and Rule U-62 thereunder, with respect to the following proposed transactions:

Montana proposes to amend its charter (a) so as to confer upon the holders of common stock and preferrd stock of the company the right of cumulative voting; (b) so as to authorize offerings of additional common stock of the company by public offering or an offering through underwriters or investment bankers who shall have agreed to make such a public offering, without first offering such stock pro rata to holders of the then outstanding common stock of the company; (c) so as to require that the consideration received by the company from the issuance and sale of additional common stock without nominal or par value shall be entered in its capital stock account; and (d) to restrict the right of the board of directors to amend the by-laws in certain respects. The company proposes to amend certain other provisions of said charter in the interest of clarification so that such provisions as amended will be consistent with the provisions outlined above, and to amend the by-laws to change the quorum for stockholders' meetings from 40% of the stock entitled to vote to a majority of such stock and to restrict the right of the board of directors to amend the by-laws in certain respects.

The declaration having been filed on June 9, 1949, and the last amendment thereto having been filed on July 12, 1949, and notice of said filing having been given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for a hearing with respect thereto within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said declaration, as amended, that the requirements of the applicable provisions of the act and rules thereunder are satisfied, and deeming it appropriate that said declaration, as amended, be permitted to become effective without the imposition of terms and conditions other than those hereinafter ordered, and the Commission also deeming it appropriate to grant declarant's request that the order herein become effective forthwith upon the issuance thereof;

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said decalaration, as amended, be, and the same hereby is permitted to become effective forthwith, subject to the terms and conditions contained in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary*.

[F. R. Doc. 49-5958; Filed, July 20, 1949; 8:46 a. m.]

[File No. 70-2177]

POTOMAC EDISON CO. ET AL.

NOTICE OF FILING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 14th day of July A. D. 1949.

In the matter of The Potomac Edison Company, Potomac Light and Power Company, and South Penn Power Company, File No. 70-2177.

Notice is hereby given that The Potomac Edison Company ("Potomac Edison"), a registered holding company and a public utility subsidiary of a registered holding company (The West Penn Electric Company), and its wholly-owned public utility subsidiary companies, Potomac Light and Power Company ("Potomac Light") and South Penn Power Company ("South Penn"), have filed joint applications-declarations with this Commission pursuant to sections 6, 7, 9, 10, and 12 of the Public Utility Holding Company Act of 1935 ("act") with respect to the issuance and sale of securities and related transactions.

Notice is further given that any interested person may, not later than July 28, 1949, request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law, raised by said applications-declarations which he proposes to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after July 28, 1949, said applications-declarations, as filed or as amended, may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

All interested persons are referred to said applications-declarations, which are on file in the offices of this Commission, for a statement of the transactions therein proposed which are summarized as follows:

Potomac Light proposes to issue and sell 3,750 shares of its authorized Common Stock, par value $100 per share, and Potomac Edison proposes to acquire such shares for a cash consideration of $375,000, the aggregate par value thereof.

South Penn proposes to issue and sell 48,000 shares of its authorized common Capital Stock, without nominal or par value, and Potomac Edison proposes to acquire such shares for a cash consideration of $240,000 ($5 per share), the aggregate stated value thereof.

Potomac Light and South Penn propose to use the proceeds from the proposed sales for the construction of property additions and, in the case of South Penn, to repay $50,000 of open account indebtedness due Potomac Edison.

Potomac Edison proposes to use existing treasury funds in effecting the proposed acquisitions and the shares acquired will be pledged under the Indenture securing the company's First

Mortgage and Collateral Trust Bonds in accordance with the terms thereof.

Expenses to be incurred in connection with the proposed transactions are nominal.

Applicants-declarants state that the Public Service Commission of Maryland, the Public Service Commission of West Virginia, and the Public Utility Commission of Pennsylvania have jurisdiction with respect to certain of the proposed transactions and that appropriate applications have been filed with such Commissions. Applicants-declarants request that our order approving the proposed transactions be issued on August 1, 1949 and become effective forthwith upon issuance.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 49-5954; Filed, July 20, 1949; 8:46 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 13499]

JOHN SCHNUPPER

In re: Estate of John Schnupper, deceased. File No. D-28-12606, E. T. sec. 16795.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Friedrich Schnupper, Helene Hellwig, Anna Meyer, Sophie Alfes, Helene Margarete Nitschke, Gerhard Schnupper (nephew), Gerhard Schnupper (brother), Renke Friedrich Bolken, Anna Margarete Grussing, Helene Sophie Bolken, Karl Bolken, Johanne Marie Hilljegerdes, Mrs. "Jane" Renken (first name unknown), and Diedrich Krueger, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Frederick Schnupper, deceased; the heirs names unknown, of Diedrich Schnupper, deceased; and of Marie Schnupper Bolken, deceased, and each of them, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them, in and to the estate of John Schnupper, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in process of administration by Hester Schoell, Executrix, acting under the judicial supervision of the District Court of the State of Iowa, in and for Des Moines County, Iowa.

and it is hereby determined:

5. That to the extent that the persons named in subparagraph 1 hereof and the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Frederick Schnupper, deceased; heirs, names unknown, of Diedrich Schnupper, deceased; and of Marie Schnupper Bolken, deceased, and each of them, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 6, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON, *Assistant Attorney General, Director, Office of Alien Property.*

[F. R. Doc. 49-5976; Filed, July 20, 1949; 8:50 a. m.]

[Vesting Order 13531]

ADOLPH STROMEYER

In re: Bank accounts owned by and debts owing to Adolph Stromeyer, also known as Adolf Stromeyer, as Adolf Frederich Julius Stromeyer and as Adolf Friedrich Julius Stromeyer. F-28-638-E-1; E-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Adolph Stromeyer, also known as Adolf Stromeyer, as Adolf Frederich Julius Stromeyer and as Adolf Friedrich Julius Stromeyer, whose last known address is 16 Holtscherstr, Hanover, Germany, is a resident of Germany, and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation owing to Adolph Stromeyer, also known as Adolf Stromeyer, as Adolf Frederich Julius Stromeyer and as Adolf Friedrich Julius Stromeyer, by City National Bank, Galveston, Texas, arising out of a savings account, account number 1821, entitled Adolf Stromeyer, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

b. That certain debt or other obligation owing to Adolph Stromeyer, also known as Adolf Stromeyer, as Adolf Frederich Julius Stromeyer and as Adolf Friedrich Julius Stromeyer, by First National Bank in Houston, Houston, Texas, arising out of a savings account, account number 24993, entitled Adolph Stromeyer, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

c. That certain debt or other obligation evidenced by a note in the principal sum of $100.00, dated June 1, 1928, issued by Herbert Roedenbeck, and presently in the custody of First National Bank in Houston, Houston, Texas, in a safekeeping account, account number 6555, entitled Adolph Stromeyer, and any and all rights to demand, enforce and collect the aforesaid debt or other obligation and any and all accruals thereto, together with any and all rights in, to and under, including particularly the right to possession of the aforesaid note, and

d. That certain debt or other obligation evidenced by a note in the principal sum of $50.00, dated October 1, 1929, issued by Herbert Roedenbeck, and presently in the custody of First National Bank in Houston, Houston, Texas, in a safekeeping account, account number 6555, entitled Adolph Stromeyer, and any and all rights to demand, enforce and collect the aforesaid debt or other obligation and any and all accruals thereto, together with any and all rights in, to and under, including particularly the right to possession of the aforesaid note,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 6, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON, *Assistant Attorney General, Director, Office of Alien Property.*

[F. R. Doc. 49-5977; Filed, July 20, 1949; 8:50 a. m.]

[Vesting Order 13549]

MATHILDA DEEG AND FRIEDA DEEG

In re: Bank account owned by Mathilda Deeg and Frieda Deeg, also known as Frida Deeg. F-28-30378-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mathilda Deeg and Frieda Deeg also known as Frida Deeg, each of whose last known address is Stuttgart, Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of Central Savings Bank in the City of New York, 2100 Broadway, New York 23, New York, arising out of a Savings Account, account number 90,720, entitled Mathilda Deeg in trust for Frieda Deeg, maintained at the aforesaid bank, and any all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Mathilda Deeg and Frieda Deeg also known as Frida Deeg, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 13, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-5979; Filed, July 20, 1949; 8:50 a. m.]

[Vesting Order 13548]

META BRUGGEMANN AND GRETA MAHLSTADT

In re: Bank accounts owned by Meta Bruggemann and Greta Mahlstadt. F-28-30350-E-1, F-28-30351-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Meta Bruggemann and Greta Mahlstadt, each of whose last known address is Germany are residents of Germany and nationals of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of Ridgewood Savings Bank, 107-55 Queens Boulevard, Forest Hills, New York, arising out of a Savings Account, account number 8579, entitled Henry C. Meyer—in trust for Meta Bruggemann, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Meta Bruggemann, the aforesaid national of a designated enemy country (Germany);

3. That the property described as follows: That certain debt or other obligation of Ridgewood Savings Bank, 107-55 Queens Boulevard, Forest Hills, New York, arising out of a Savings Account, account number 40533, entitled Henry C. Meyer—in trust for Greta Mahlstadt, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Greta Mahlstadt, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 13, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-5978; Filed, July 20, 1949; 8:50 a. m.]

[Vesting Order 13553]

ANNA HARTL

In re: Bank account owned by Anna Hartl. F-28-27999-E-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Anna Hartl, whose last known address is 11½ Hauptstrasse Bernhardswald bei Regensburg, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Anna Hartl, by Union Square Savings Bank, 20 Union Square, New York 3, New York, arising out of a Savings Account, Account Number 151946, entitled Anna Hartl, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 13, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-5980; Filed, July 20, 1949; 8:50 a. m.]

[Vesting Order 13558]

WILLIAM MASCHER

In re: Debt owing to William Mascher. F-28-29875-C-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That William Mascher, whose last known address is Schillerstrasse 40,

(24a) Hamburg-Wandsbek, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to William Mascher, by Isbrandtsen & Sons, Inc., 26 Broadway, New York 4, New York, in the amount of $6,120.00, as of December 31, 1945, representing accrued salary, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July July 13, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-5981; Filed, July 20, 1949; 8:50 a. m.]

[Vesting Order 13559]

FANNY MITTERMAIER

In re: Debt owing to Fanny Mittermaier, also known as Fanni Mittermaier. F-28-28317-C-1; C-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Fanny Mittermaier, also known as Fanni Mittermaier, whose last known address is Hofgartenstr. 75 1/5 Haag, Oberbayern, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Fanny Mittermaier, also known as Fanni Mittermaier by Medi Koehler, 111 South Mason Avenue, Chicago 44, Illinois, in the amount of $1,000.00, as of May 27, 1947, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 13, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-5982; Filed, July 20, 1949; 8:50 a. m.]

[Vesting Order 13560]

RITSU ONISHI

In re: Debt owing to Ritsu Onishi. D-39-15449-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ritsu Onishi, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country, (Japan);

2. That the property described as follows: That certain debt or other obligation of The Utah First National Bank of Salt Lake City, Salt Lake City, Utah, in the amount of $2,500.00, representing a portion of an account maintained with the aforesaid Bank, entitled Hideo Onishi or Ritsu Onishi, together with any and all accruals to the aforesaid debt or other obligation for interest allocable since January 31, 1938, on said $2,500.00, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Ritsu Onishi, the aforesaid national of a designated enemy country, (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 13, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-5983; Filed, July 20, 1949; 8:51 a. m.]

[Vesting Order 13561]

SIEMENS & HALSKE AKTIENGESELLSCHAFT

In re: Debt owing to Siemens & Halske Aktiengesellschaft. F-28-28705-A-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Siemens & Halske Aktiengesellschaft, the last known address of which is Germany, is a corporation, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany and is a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of The National City Bank of New York, 55 Wall Street, New York, New York, arising out of an account entitled CSD Unremittable A/C under E. O. 8389—The National City Bank of New York, City Branch, 117 Old Broad Street, London, E. C. 2, England, sub-account Luxirti S. A. Holding, Luxembourg, maintained at the aforesaid National City Bank of New York, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Siemens & Halske Aktiengesellschaft, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 13, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-5984; Filed, July 20, 1949; 8:51 a. m.]