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Washington, Tuesday, January 29, 1957

TITLE 3—THE PRESIDENT

PROCLAMATION 3168

NATIONAL JUNIOR ACHIEVEMENT WEEK, 1957

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS many of the young people of our country, under the auspices of a nation-wide organization, are learning actual business methods by setting up and operating their own small-scale enterprises; and

WHEREAS the sponsors of these energetic juniors—businessmen of many local communities—are voluntarily giving of their time, their counsel, and their experience for the benefit of these junior achievers; and

WHEREAS the experience gained by these young people in conducting their own enterprises will heighten their understanding of the privileges and duties of citizenship and better prepare them for future leadership in industry and in their communities; and

WHEREAS initiative, a sense of individual dignity, and the determination to mold one's own future are basic elements of the character of the people of our nation; and

WHEREAS the Congress, by House Concurrent Resolution 73, agreed to January 17, 1957, has requested the President to issue a proclamation designating the week beginning January 27, 1957, as National Junior Achievement Week:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby designate the week of January 27 through February 2, 1957, as National Junior Achievement Week; and I urge all our citizens to observe the week by honoring Junior Achievers and their volunteer adult advisers through appropriate ceremonies.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-fifth day of January in the year of our Lord nineteen hundred and fifty-seven, and of the Independence of the United States of America the one hundred and eighty-first.

[SEAL]

DWIGHT D. EISENHOWER

By the President:

JOHN FOSTER DULLES,
Secretary of State.

[F. R. Doc. 57-709; Filed, Jan. 28, 1957; 11:04 a. m.]

EXECUTIVE ORDER 10696

CREATING AN EMERGENCY BOARD TO INVESTIGATE A DISPUTE BETWEEN THE RAILWAY EXPRESS AGENCY, INCORPORATED, AND CERTAIN OF ITS EMPLOYEES REPRESENTED BY THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA

WHEREAS a dispute exists between the Railway Express Agency, Incorporated, a carrier, and certain of its employees represented by the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, a labor organization; and

WHEREAS this dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended; and

WHEREAS this dispute, in the judgment of the National Mediation Board, threatens substantially to interrupt interstate commerce to a degree such as to deprive the country of essential transportation service:

NOW, THEREFORE, by virtue of the authority vested in me by section 10 of the Railway Labor Act, as amended (45 U. S. C. 160), I hereby create a board of three members, to be appointed by me, to investigate the said dispute. No member of the said Board shall be pecuniarily or otherwise interested in any organization of railway employees or any carrier.

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THE PRESIDENT

EXECUTIVE AGENCIES

FEDERAL REGISTER

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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.

The Board shall report its findings to the President with respect to the said dispute within thirty days from the date of this Order.

As provided by section 10 of the Railway Labor Act, as amended, from this date and for thirty days after the Board has made its report to the President, no change, except by agreement, shall be made by the Railway Express Agency, Incorporated, or by its employees, in the conditions out of which the said dispute arose.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
January 25, 1957.

[F. R. Doc. 57-700; Filed, Jan. 25, 1957; 4:26 p. m.]

RULES AND REGULATIONS

TITLE 7—AGRICULTURE

Chapter VII—Commodity Stabilization Service (Farm Marketing Quotas and Acreage Allotments), Department of Agriculture

[Amdt. 3]

PART 722—COTTON

SUBPART—REGULATIONS PERTAINING TO ACREAGE ALLOTMENTS FOR 1957 CROP OF UPLAND COTTON

Basis and purpose. The amendments contained herein are issued pursuant to the Agricultural Adjustment Act of 1938, as amended (52 Stat. 31, as amended; 7 U. S. C. 1281 et seq.) for the purposes stated in connection with each of the following amendments. Notice of the proposed establishment of county acreage allotments was published in the FEDERAL REGISTER of July 7, 1956 (21 F. R. 5063), pursuant to section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) and the data, views and recommendations which were submitted have been duly considered. It is essential that these amendments be made effective as soon as possible. Accordingly, it is hereby determined and found that compliance with the notice and public procedure thereon and the 30-day effective date requirements of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) is impracticable, unnecessary and contrary to the public interest and these amendments shall be effective upon filing of this document with the Director, Division of the Federal Register.

The regulations pertaining to acreage allotments for the 1957 crop of upland cotton (21 F. R. 7817, 9630) are amended as follows:

1. Section 722.816 (a) (1) is amended to set forth exceptions to the two percent limitation on State reserves approved by the Secretary and is revised to read as follows:

§ 722.816 *Apportionment of State acreage allotment among counties*—(a) * * *

(1) *State reserve for trends, abnormal conditions, new farms and inequities and hardship cases.* The State committee shall determine what portion of the State acreage allotment, if any, is to be reserved for use in (i) adjusting computed county acreage allotments for trends in acreage, (ii) adjusting computed county acreage allotments for abnormal conditions affecting plantings, (iii) establishing allotments for new cotton farms, and (iv) adjusting farm allotments to correct inequities and to prevent hardship. The total allocation to the State reserve for all such uses shall not exceed two percent of the State acreage allotment unless the Secretary, on the basis of a recommendation by the State committee, approves a larger percent. Based on the respective State committee recommendations, the exceptions to such two percent limitation on the State reserves for trends, abnormal conditions, new farms and inequities and hardship cases approved by the Secretary are as follows:

State:	*Percent of State acreage allotment*
Kansas	10
Louisiana	4.438
Nevada	10
Oklahoma	4.062
Texas	2.778

2. Section 722.816 *Apportionment of State acreage allotment among counties* is amended by addition of a new paragraph (i) which establishes the allocations to counties from the State reserve for small farms and for inequity and hardship cases, the remaining State reserve which is available for allocation to counties for new farms and for allocation to counties under § 722.817 (h), and county reserves:

(i) *Allocations to counties from State reserve for small farms, inequity and hardship cases; county reserve; and State reserve available for allocation to counties for new farms, late and reconstituted farms, and correction of errors.*

ALABAMA

County	Allocations from State reserve for— Small farms	Allocations from State reserve for— Inequity and hardship cases	County reserve
	Acres	*Acres*	*Acres*
Autauga	228	115	436.9
Baldwin	396	200	208.0
Barbour	552	279	1,272.7
Bibb	187	96	381.1
Blount	976	495	982.2
Bullock	197	100	974.1
Butler	621	314	601.8
Calhoun	690	350	829.0
Chambers	291	148	331.9
Cherokee	458	232	1,895.2
Chilton	1,075	544	1,188.4
Choctaw	621	314	460.1
Clarke	734	372	500.7
Clay	651	330	196.0
Cleburne	349	177	200.1
Coffee	475	240	1,185.1
Colbert	402	205	979.3
Conecuh	991	501	566.4
Coosa	210	106	202.8
Covington	625	317	1,500.3
Crenshaw	434	219	1,266.3
Cullman	1,845	934	1,071.3
Dale	408	206	1,096.7
Dallas	400	202	3,545.9
De Kalb	1,438	728	1,475.2
Elmore	485	246	923.2
Escambia	471	238	800.0
Etowah	991	502	1,040.5
Fayette	696	352	897.3
Franklin	541	274	1,034.9
Geneva	521	264	1,456.5
Greene	458	232	1,104.6
Hale	357	180	1,288.7
Henry	647	327	1,719.1
Houston	809	409	1,421.0
Jackson	1,135	574	3,233.8
Jefferson	692	351	199.5
Lamar	551	279	538.3
Lauderdale	914	463	2,007.0
Lawrence	758	383	1,430.4
Lee	265	134	1,213.8
Limestone	421	214	2,819.9
Lowndes	204	104	523.5
Macon	399	202	386.4
Madison	530	268	7,297.6
Marengo	604	306	1,843.5
Marion	796	403	837.5
Marshall	1,315	665	2,658.2
Mobile	370	188	219.1
Monroe	505	256	1,060.9
Montgomery	338	171	1,325.1
Morgan	945	478	2,113.8
Perry	295	149	751.1
Pickens	521	264	1,511.9
Pike	330	168	1,726.5
Randolph	663	336	198.0
Russell	206	105	1,139.8
St. Clair	595	301	338.9
Shelby	164	85	737.5
Sumter	336	170	1,603.0
Talladega	538	272	1,058.7
Tallapoosa	422	213	556.3
Tuscaloosa	973	493	1,089.2
Walker	1,018	515	770.2
Washington	283	143	248.8
Wilcox	385	195	1,463.3
Winston	799	404	303.3
State total	39,500	20,000	78,238.1
State reserve for new farms, late and reconstituted farms and correction of errors		291.9	

ARIZONA

Cochise	0	0	648.0
Gila	0	0	0
Graham	0	0	1,198.1
Greenlee	0	0	11.4
Maricopa	0	0	19,887.3
Mohave	0	0	3.7
Pima	0	0	3,613.5
Pinal	0	0	878.0
Santa Cruz	0	0	313.3
Yavapai	0	0	1.6
Yuma	0	0	4,696.2
State total	0	0	31,251.1
State reserve for new farms, late and reconstituted farms and correction of errors		0	

ARKANSAS

Arkansas	154	0	234.6
Ashley	111	0	101.8
Baxter	0	0	6.0
Benton	0	0	0.1
Boone	0	0	2.9
Bradley	154	43	112.2
Calhoun	83	24	107.8
Chicot	180	27	449.7
Clark	60	478	40.4
Clay	390	0	2,040.0
Cleburne	147	76	49.2
Cleveland	124	0	57.0
Columbia	312	178	856.5
Conway	130	537	23.7
Craighead	268	0	1,315.2
Crawford	4	121	4.9
Crittenden	111	0	12,645.8
Cross	160	0	2,951.5
Dallas	72	141	185.4
Desha	108	0	934.5
Drew	201	0	560.6
Faulkner	280	1,042	314.5
Franklin	11	48	21.9
Fulton	53	54	39.4
Garland	0	0	0.6

ARKANSAS—Continued

County	Allocations from State reserve for—		County reserve
	Small farms	Inequity and hardship cases	
	Acres	*Acres*	*Acres*
Grant	38	0	23.9
Greene	405	0	1,828.8
Hempstead	154	306	666.0
Hot Spring	21	36	21.5
Howard	49	352	106.7
Independence	122	538	58.1
Izard	101	394	59.0
Jackson	118	0	1,828.5
Jefferson	132	0	478.5
Johnson	8	11	58.1
Lafayette	84	0	1,318.5
Lawrence	165	272	113.3
Lee	161	0	1,479.3
Lincoln	99	0	262.4
Little River	39	194	101.4
Logan	32	96	36.1
Lonoke	235	0	574.4
Marion	0	0	5.5
Miller	90	648	783.6
Mississippi	113	0	921.5
Monroe	141	0	167.7
Montgomery	0	0	3.0
Nevada	121	633	88.5
Newton	0	0	4.9
Ouachita	80	0	145.8
Perry	26	159	40.9
Phillips	176	0	3,043.8
Pike	13	78	7.0
Poinsett	100	0	2,335.6
Polk	2	0	0.4
Pope	47	334	33.0
Prairie	148	0	461.7
Pulaski	70	276	61.7
Randolph	110	411	330.0
St. Francis	148	0	8,218.6
Saline	0	0	11.5
Scott	2	0	7.3
Searcy	8	0	2.6
Sebastian	11	84	30.0
Sevier	35	92	81.0
Sharp	79	484	38.4
Stone	0	0	0.3
Union	119	179	86.7
Van Buren	62	67	33.0
Washington	0	4	0
White	566	422	730.0
Woodruff	102	0	1,908.9
Yell	55	197	215.0
State total	7,500	9,036	51,868.6
State reserve for new farms, late and reconstituted farms and correction of errors		1,454.4	

CALIFORNIA

Butte	0	0	0.4
Fresno	3,010	0	9,809.6
Glenn	0	0	1.2
Imperial	220	0	1,240.5
Kern	648	0	3,307.2
Kings	765	0	2,115.0
Los Angeles	0	0	31.8
Madera	965	0	3,773.2
Merced	241	0	696.1
Riverside	161	0	599.5
San Benito	0	0	5.0
San Bernardino	0	0	22.9
San Diego	0	0	44.8
San Joaquin	0	0	0.4
San Luis Obispo	0	0	6.9
Stanislaus	0	0	19.0
Tehama	0	0	8.2
Tulare	2,089	0	9,746.9
Yuba	0	0	1.5
State total	8,099	0	31,430.1
State reserve for new farms, late and reconstituted farms and correction of errors		1,117.5	

FLORIDA

Alachua	5.7	0	18.8
Baker	0.5	0	0.2
Bay	3.8	0	5.1
Calhoun	42.0	14.0	23.9
Clay	0.5	0	0.5
Columbia	8.5	8.0	34.5
Dixie	0.5	0	0.7
Duval	0	0	0.1
Escambia	106.8	20.0	54.3
Gadsden	8.5	0	28.1
Gilchrist	0	0	0.2
Hamilton	58.1	20.0	92.5
Holmes	288.2	28.0	460.2

FLORIDA—Continued

County	Allocations from State reserve for—		County reserve
	Small farms	Inequity and hardship cases	
	Acres	*Acres*	*Acres*
Jackson	397.3	42.0	719.5
Jefferson	77.0	20.0	47.2
Lafayette	13.2	5.0	33.0
Leon	38.7	28.0	80.4
Levy	0.5	0	1.2
Liberty	0.5	0	1.7
Madison	139.8	42.0	222.9
Nassau	0	0	0.6
Okaloosa	107.2	28.0	82.8
Orange	0	0	0.6
Santa Rosa	338.7	28.0	624.4
Suwannee	25.5	0	90.3
Taylor	0.5	0	3.6
Union	0	0	0.6
Walton	166.8	28.0	129.0
Washington	47.2	14.0	120.7
State total	1,876.0	325.0	2,877.6
State reserve for new farms, late and reconstituted farms and correction of errors		238	

GEORGIA

Appling	148	105	119.2
Atkinson	40	30	33.2
Bacon	84	71	107.9
Baker	75	42	247.2
Baldwin	61	44	46.4
Banks	104	76	90.6
Barrow	130	83	272.0
Bartow	266	185	2,305.2
Ben Hill	103	64	496.6
Berrien	116	87	46.1
Bibb	27	24	72.1
Bleckley	116	77	35.6
Brantley	4	1	2.0
Brooks	226	131	1,004.3
Bryan	11	8	12.1
Bulloch	303	184	375.6
Burke	497	357	262.2
Butts	81	59	229.5
Calhoun	93	61	511.3
Candler	118	75	164.9
Carroll	300	226	298.0
Catoosa	55	59	63.6
Charlton	1	0	1.0
Chatham	3	1	4.0
Chattahoochee	6	3	16.4
Chattooga	118	97	408.2
Cherokee	40	56	34.9
Clarke	54	38	122.6
Clay	68	40	409.7
Clayton	32	36	100.4
Clinch	8	9	11.5
Cobb	47	54	129.0
Coffee	190	122	279.8
Colquitt	384	230	2,856.4
Columbia	56	43	99.2
Cook	116	80	284.8
Coweta	162	120	202.4
Crawford	47	37	201.1
Crisp	158	108	41.1
Dade	20	28	0.7
Dawson	9	14	15.5
Decatur	128	84	384.3
De Kalb	22	25	50.2
Dodge	238	144	121.1
Dooly	283	203	33.1
Dougherty	40	29	194.4
Douglas	42	47	81.1
Early	259	148	594.0
Echols	3	1	3.1
Effingham	52	46	33.5
Elbert	214	147	418.1
Emanuel	287	185	992.7
Evans	63	41	150.2
Fayette	98	75	193.9
Floyd	151	100	487.0
Forsyth	87	115	239.4
Franklin	220	150	132.3
Fulton	68	69	88.9
Gilmer	1	0	7.1
Glascock	82	54	656.0
Gordon	237	170	1,118.2
Grady	124	109	181.3
Greene	87	69	155.8
Gwinnett	137	136	68.8
Habersham	21	28	15.2
Hall	81	90	91.4
Hancock	170	117	1,184.5
Haralson	107	97	83.0
Harris	53	40	136.2
Hart	270	206	390.6
Heard	82	62	83.6
Henry	209	141	452.3
Houston	88	69	74.2
Irwin	194	107	1,320.5

GEORGIA—Continued

County	Allocations from State reserve for—		County reserve
	Small farms	Inequity and hardship cases	
	Acres	*Acres*	*Acres*
Jackson	224	156	252.8
Jasper	73	61	158.6
Jeff Davis	80	72	214.1
Jefferson	292	215	1,679.7
Jenkins	178	120	756.5
Johnson	222	167	2,081.6
Jones	21	15	60.7
Lamar	63	46	167.9
Lanier	27	22	18.7
Laurens	472	318	708.4
Lee	71	41	472.8
Liberty	12	6	17.3
Lincoln	55	47	134.2
Long	22	15	20.3
Lowndes	110	85	236.2
Lumpkin	5	6	0.7
McDuffie	107	77	200.1
McIntosh	1		3.7
Macon	167	124	71.7
Madison	259	159	611.4
Marion	72	50	485.5
Meriwether	207	146	447.6
Miller	136	84	419.9
Mitchell	237	140	1,626.0
Monroe	39	28	163.0
Montgomery	90	55	290.4
Morgan	212	155	540.4
Murray	105	80	375.3
Muscogee	7	8	16.2
Newton	146	106	299.0
Oconee	141	94	504.7
Oglethorpe	177	104	457.2
Paulding	86	91	47.5
Peach	44	30	309.7
Pickens	21	32	51.2
Pierce	87	69	67.6
Pike	107	84	405.2
Polk	157	124	598.6
Pulaski	136	94	381.1
Putnam	42	30	141.9
Quitman	32	19	136.1
Randolph	105	75	558.9
Richmond	45	74	153.6
Rockdale	74	57	135.3
Schley	62	45	101.0
Screven	277	181	545.1
Seminole	105	59	573.3
Spalding	54	43	141.8
Stephens	41	46	18.2
Stewart	68	34	137.5
Sumter	174	123	921.9
Talbot	49	47	100.9
Taliaferro	45	36	109.1
Tattnall	149	100	251.7
Taylor	119	84	610.5
Telfair	125	89	47.3
Terrell	179	130	1,103.6
Thomas	157	95	598.8
Tift	162	90	337.7
Toombs	162	105	469.4
Treutlen	69	43	182.8
Troup	60	58	114.2
Turner	148	88	728.0
Twiggs	81	55	37.1
Upson	38	36	125.7
Walker	111	122	142.8
Walton	311	206	471.3
Ware	44	35	36.9
Warren	160	118	555.7
Washington	266	189	520.5
Wayne	73	57	129.9
Webster	45	26	115.7
Wheeler	80	55	153.3
White	27	38	28.3
Whitfield	91	112	109.0
Wilcox	185	122	21.2
Wilkes	114	67	65.1
Wilkinson	67	51	15.6
Worth	344	195	1,761.8
State total	17,883	12,830	50,097.3
State reserve for new farms, late and reconstituted farms and correction of errors		5,053.5	

ILLINOIS

Alexander	90	40	133.5
Jefferson	0	0	0
Madison	0	2	
Massac	0	0	0
Pulaski	46	20	68.3
Williamson	0	0	0
State total	136	62	201.8
State reserve for new farms, late and reconstituted farms and correction of errors		0	

KANSAS

County	Allocations from State reserve for—		County reserve
	Small farms	Inequity and hardship cases	
	Acres	*Acres*	*Acres*
Cowley	0	0	0
Montgomery	0	1	0
State total	0	1	0
State reserve for new farms, late and reconstituted farms and correction of errors		1	

KENTUCKY

Ballard	1.0		1.9
Calloway	15.0		17.0
Carlisle	8.0	2.0	6.6
Fulton	121.0	20.0	246.3
Graves	20.0		11.4
Hickman	75.0	7.0	139.3
McCracken	0		0.4
Marshall	10.0		5.7
State total	250.0	29.0	428.6
State reserve for new farms, late and reconstituted farms and correction of errors		50	

LOUISIANA

Acadia	597.0	0	639.8
Allen	0	0	51.0
Ascension	0	0	38.7
Assumption	4.0	0	0.1
Avoyelles	448.0	0	2,759.9
Beauregard	0	0	38.4
Bienville	363.0	0	523.4
Bossier	726.0	0	1,638.8
Caddo	990.0	0	2,217.7
Calcasieu	20.0	0	20.7
Caldwell	121.0	0	308.1
Cameron	100.0	0	8.6
Catahoula	210.0	0	1,195.9
Claiborne	1,223.0	0	1,103.1
Concordia	164.0	0	890.6
De Soto	533.0	0	147.8
East Baton Rouge	0	0	93.4
East Carroll	428.0	0	2,451.2
East Feliciana	45.0	0	303.0
Evangeline	309.0	0	1,609.8
Franklin	960.0	0	4,429.6
Grant	71.0	0	555.2
Iberia	6.0	0	173.1
Iberville	23.0	0	49.0
Jackson	0	0	112.5
Jefferson	0	0	0
Jefferson Davis	44.0	0	29.8
Lafayette	680.0	0	433.7
Lafourche	0	0	0
La Salle	0	0	27.2
Lincoln	664.0	0	302.9
Livingston	0	0	51.9
Madison	317.0	0	354.7
Morehouse	521.0	0	923.7
Natchitoches	956.0	0	2,197.9
Orleans	0	0	0.7
Ouachita	246.0	0	966.5
Plaquemines	0	0	0
Pointe Coupee	190.0	0	1,450.1
Rapides	296.0	0	2,234.9
Red River	613.0	0	1,016.1
Richland	824.0	0	6,931.1
Sabine	150.0	0	116.7
St. Bernard	0	0	0
St. Helena	0	0	320.6
St. James	1.0	0	2.4
St. John the Baptist	0	0	0
St. Landry	658.0	0	5,060.9
St. Martin	174.0	0	952.5
St. Mary	0	0	0
St. Tammany	0	0	32.5
Tangipahoa	0	0	209.1
Tensas	335.0	0	2,783.7
Union	624.0	0	233.9
Vermilion	406.0	0	632.4
Vernon	0	0	55.8
Washington	23.0	0	799.2
Webster	414.0	0	644.7
West Baton Rouge	22.0	0	134.6
West Carroll	445.0	0	1,996.9
West Feliciana	188.0	0	139.6
Winn	24.0	0	149.1
State total	16,156.0	0	52,545.2
State reserve for new farms, late and reconstituted farms and correction of errors		35	

MARYLAND

County	Allocations from State reserve for—		County reserve
	Small farms	Inequity and hardship cases	
	Acres	*Acres*	*Acres*
Caroline	0	0	3.7
State total	0	0	3.7
State reserve for new farms, late and reconstituted farms and correction of errors		0.5	

MISSISSIPPI

Adams	0	0	320.0
Alcorn	0	0	1,191.9
Amite	0	0	134.4
Attala	0	0	123.9
Benton	0	0	552.2
Bolivar	0	0	2,661.4
Calhoun	0	0	1,927.3
Carroll	0	0	596.4
Chickasaw	0	0	594.8
Choctaw	0	0	455.7
Claiborne	0	0	505.3
Clarke	0	0	204.5
Clay	0	0	755.7
Coahoma	0	0	2,200.3
Copiah	0	0	506.7
Covington	0	0	419.7
De Soto	0	0	421.6
Forrest	0	0	43.1
Franklin	0	0	74.2
George	0	0	117.0
Greene	0	0	65.1
Grenada	0	0	1,465.4
Hancock	0	0	3.6
Harrison	0	0	1.9
Hinds	0	0	591.6
Holmes:			
Administrative Area I	0	0	1,799.3
Administrative Area II	0	0	1,235.0
Humphreys	0	0	904.6
Issaquena	0	0	232.3
Itawamba	0	0	346.1
Jackson	0	0	7.9
Jasper	0	0	135.9
Jefferson	0	0	370.5
Jefferson Davis	0	0	1,493.2
Jones	0	0	605.4
Kemper	0	0	269.6
Lafayette	0	0	499.9
Lamar	0	0	315.5
Lauderdale	0	0	511.9
Lawrence	0	0	392.6
Leake	0	0	867.8
Lee	0	0	1,322.4
Leflore	0	0	1,491.3
Lincoln	0	0	131.7
Lowndes	0	0	778.2
Madison	0	0	631.3
Marion	0	0	339.6
Marshall	0	0	655.4
Monroe	0	0	2,035.2
Montgomery	0	0	595.1
Neshoba	0	0	544.5
Newton	0	0	412.0
Noxubee	0	0	341.1
Oktibbeha	0	0	38.0
Panola	0	0	5,291.5
Pearl River	0	0	45.6
Perry	0	0	104.7
Pike	0	0	133.1
Pontotoc	0	0	797.1
Prentiss	0	0	692.2
Quitman	0	0	594.1
Rankin	0	0	272.3
Scott	0	0	687.3
Sharkey	0	0	787.5
Simpson	0	0	1,149.2
Smith	0	0	231.6
Stone	0	0	9.7
Sunflower	0	0	3,681.7
Tallahatchie	0	0	7,544.7
Tate	0	0	2,307.4
Tippah	0	0	966.9
Tishemingo	0	0	481.8
Tunica	0	0	341.2
Union	0	0	1,519.4
Walthall	0	0	348.5
Warren	0	0	292.2
Washington	0	0	4,935.4
Wayne	0	0	285.0
Webster	0	0	685.9
Wilkinson	0	0	49.3
Winston	0	0	408.6
Yalobusha	0	0	1,098.7
Yazoo	0	0	4,081.5
State total	0	0	75,061.1
State reserve for new farms, late and reconstituted farms and correction of errors		300	

MISSOURI

County	Allocations from State reserve for—		County reserve
	Small farms	Inequity and hardship cases	
	Acres	*Acres*	*Acres*
Bollinger	16.4		5.2
Butler	605.5	205.3	510.0
Cape Girardeau			5.2
Carter			6.3
Dunklin			1,164.1
Howell			8.7
Jefferson	2.2		0
Mississippi		45.3	553.8
New Madrid	57.0	591.0	3,562.3
Oregon			9.3
Ozark			0.6
Pemiscot	31.2		3,764.4
Ripley	131.4	188.6	91.7
Scott			1,625.5
Stoddard			3,718.7
Vernon		2.5	0
Wayne	0.7		0
State total	844.4	1,032.7	15,025.8
State reserve for new farms, late and reconstituted farms and correction of errors		48.2	

NEVADA

Clark		5	0
Nye		10	43
State total		15	43
State reserve for new farms, late and reconstituted farms and correction of errors		101	

NEW MEXICO

Bernalillo	0	1	0.3
Chaves	378		4,810.4
Curry	0	120	196.8
De Baca	30	40	47.8
Dona Ana	2,658		2,613.3
Eddy	315		1,715.9
Grant	0		7.8
Guadalupe	3	4	0.5
Hidalgo	27		508.6
Lea	18		2,864.1
Luna	21	150	806.0
Otero	30	50	91.6
Quay	12	250	243.9
Roosevelt	105		1,346.6
Sierra	153	60	230.0
Socorro	120		231.0
Valencia	12		4.5
State total	3,882	675	15,719.1
State reserve for new farms, late and reconstituted farms and correction of errors		341.1	

NORTH CAROLINA

Alamance	0	0	19.6
Alexander	0	0	106.1
Anson	0	0	123.7
Beaufort	0	0	54.6
Bertie	0	0	446.8
Bladen	0	0	168.0
Brunswick	0	0	8.9
Burke	0	0	10.6
Cabarrus	0	0	74.1
Caldwell	0	0	2.7
Camden	0	0	24.6
Carteret	0	0	0.7
Catawba	0	0	80.8
Chatham	0	0	76.6
Chowan	0	0	277.4
Cleveland	0	0	208.5
Columbus	0	0	120.5
Craven	0	0	35.0
Cumberland	0	0	172.6
Currituck	0	0	39.6
Davidson	0	0	98.2
Davie	0	0	64.2
Duplin	0	0	40.9
Durham	0	0	6.0
Edgecombe	0	0	64.2
Forsyth	0	0	10.8
Franklin	0	0	63.3
Gaston	0	0	148.6
Gates	0	0	32.1
Granville	0	0	27.0
Greene	0	0	42.3
Guilford	0	0	7.1
Halifax	0	0	204.4
Harnett	0	0	1,045.0
Hertford	0	0	499.5

NORTH CAROLINA—Continued

County	Allocations from State reserve for—: Small farms	Allocations from State reserve for—: Inequity and hardship cases	County reserve
	Acres	*Acres*	*Acres*
Hoke	0	0	495.1
Hyde	0	0	20.5
Iredell	0	0	104.8
Johnston	0	0	204.3
Jones	0	0	34.7
Lee	0	0	39.0
Lenoir	0	0	159.4
Lincoln	0	0	439.8
Martin	0	0	285.3
Mecklenburg	0	0	203.9
Montgomery	0	0	49.7
Moore	0	0	34.8
Nash	0	0	49.1
New Hanover	0	0	3.8
Northampton	0	0	96.1
Onslow	0	0	24.1
Orange	0	0	8.5
Pamlico	0	0	10.8
Pasquotank	0	0	35.8
Pender	0	0	30.4
Perquimans	0	0	201.4
Person	0	0	0.1
Pitt	0	0	351.5
Polk	0	0	20.9
Randolph	0	0	5.9
Richmond	0	0	46.2
Robeson	0	0	323.2
Rockingham	0	0	.0
Rowan	0	0	98.5
Rutherford	0	0	65.3
Sampson	0	0	294.2
Scotland	0	0	24.3
Stanly	0	0	95.6
Tyrrell	0	0	41.6
Union	0	0	416.1
Vance	0	0	45.1
Wake	0	0	552.1
Warren	0	0	479.1
Washington	0	0	60.0
Wayne	0	0	847.0
Wilkes	0	0	2.4
Wilson	0	0	164.8
Yadkin	0	0	1.8
State total	0	0	10,872.0
State reserve for new farms, late and reconstituted farms and correction of errors		479	

OKLAHOMA

County	Allocations from State reserve for—: Small farms	Allocations from State reserve for—: Inequity and hardship cases	County reserve
Adair	21.0	0	4.7
Alfalfa	0	0	0
Atoka	330.9	152.1	208.5
Beaver	0	0	0
Beckham	892.2	4,700.8	3,919.7
Blaine	657.2	57.8	1,805.5
Bryan	2,485.0	0	1,874.8
Caddo	2,244.0	0	6,362.2
Canadian	413.4	934.6	1,732.6
Carter	229.3	144.7	8.4
Cherokee	0	0	6.3
Choctaw	681.6	459.0	98.4
Cleveland	263.5	88.5	144.8
Coal	510.4	67.6	246.0
Comanche	142.3	7.7	1,972.4
Cotton	0	0	2,920.2
Craig	3.0	0	10.4
Creek	343.5	358.5	248.1
Custer	0	0	3,645.1
Delaware	0	0	0
Dewey	957.6	59.4	998.9
Ellis	165.1	55.9	7.2
Garfield	0	0	13.1
Garvin	631.5	148.5	699.4
Grady	1,045.8	319.2	1,298.9
Grant	9.0	0	0
Greer	113.5	2,329.5	5,653.2
Harmon	326.7	1,709.3	6,781.4
Harper	4.0	0	0
Haskell	1,023.1	365.9	42.6
Hughes	1,128.1	146.9	106.4
Jackson	83.7	959.3	8,490.9
Jefferson	1,123.4	362.6	2,388.4
Johnston	614.8	369.2	398.4
Kay	73.0	7.0	11.2
Kingfisher	441.3	98.7	116.5
Kiowa	0	0	8,566.5
Latimer	115.0	0	23.5
Le Flore	1,268.7	656.3	206.7
Lincoln	370.5	64.5	123.2
Logan	481.0	4.0	217.5
Love	1,224.9	329.1	859.4
McClain	1,384.0	0	1,137.4
McCurtain	914.1	975.9	493.5
McIntosh	2,537.8	774.2	392.9
Major	361.0	0	314.1
Marshall	711.8	474.2	550.0

OKLAHOMA—Continued

County	Allocations from State reserve for—: Small farms	Allocations from State reserve for—: Inequity and hardship cases	County reserve
	Acres	*Acres*	*Acres*
Mayes	98.8	53.2	8.6
Murray	37.0	0	28.5
Muskogee	3,158.4	875.6	1,762.6
Noble	48.0	0	159.0
Nowata	132.3	91.7	34.0
Okfuskee	1,214.2	288.8	658.7
Oklahoma	112.0	0	33.5
Okmulgee	1,324.3	1,130.7	575.3
Osage	236.4	376.6	320.6
Pawnee	429.4	104.6	442.6
Payne	306.5	73.5	88.2
Pittsburg	1,021.3	572.7	295.8
Pontotoc	233.0	0	139.4
Pottawatomie	218.7	16.3	76.6
Pushmataha	215.0	0	24.9
Roger Mills	1,168.0	75.0	3,029.2
Rogers	218.6	44.4	24.9
Seminole	475.4	34.6	156.5
Sequoyah	467.1	402.9	105.0
Stephens	753.8	459.2	749.0
Texas	0	0	0
Tillman	731.4	539.6	10,552.8
Tulsa	266.1	266.9	143.3
Wagoner	1,541.0	1,005.0	517.7
Washington	0	0	1.5
Washita	1,090.9	1,200.1	11,234.8
Woodward	353.0	0	80.1
State total	42,177.3	24,792.3	96,342.4
State reserve for new farms, late and reconstituted farms and correction of errors		9,216.4	

SOUTH CAROLINA

County			
Abbeville	306.0	0	457.3
Aiken	466.0	0	1,594.8
Allendale	123.0	0	483.0
Anderson	753.0	0	954.8
Bamberg	233.0	0	453.7
Barnwell	195.0	60.0	706.7
Beaufort	214.0	0	35.1
Berkeley	642.0	75.0	309.0
Calhoun	204.0	0	393.7
Charleston	219.0	0	67.9
Cherokee	430.0	0	553.2
Chester	294.0	0	886.5
Chesterfield	630.0	0	1,534.0
Clarendon	694.0	0	2,900.7
Colleton	597.0	400.0	213.6
Darlington	447.0	0	1,339.7
Dillon	287.0	0	1,152.2
Dorchester	452.0	40.0	698.3
Edgefield	243.0	0	1,125.7
Fairfield	243.0	0	201.4
Florence	1,059.0	0	1,812.1
Georgetown	271.0	25.0	232.0
Greenville	696.0	0	595.8
Greenwood	174.0	0	410.4
Hampton	273.0	0	441.6
Horry	805.0	175.0	925.8
Jasper	242.0	20.0	51.6
Kershaw	447.0	0	1,757.7
Lancaster	330.0	0	791.2
Laurens	388.0	0	825.8
Lee	266.0	0	925.0
Lexington	468.0	0	707.7
McCormick	137.0	25.0	295.0
Marion	381.0	0	272.4
Marlboro	162.0	0	1,716.0
Newberry	332.0	0	635.1
Oconee	457.0	0	429.9
Orangeburg	1,092.0	0	3,166.4
Pickens	414.0	0	288.1
Richland	336.0	0	383.9
Saluda	297.0	0	807.2
Spartanburg	1,014.0	0	508.3
Sumter	694.0	0	4,298.1
Union	169.0	0	566.9
Williamsburg	1,012.0	0	3,023.5
York	412.0	0	1,583.1
State total	20,000.0	820.0	43,511.9
State reserve for new farms, late and reconstituted farms, and correction of errors		6,580.7	

TENNESSEE

County			
Bedford	38.0	0	73.0
Benton	70.0	0	92.1
Bradley	16.0	0	72.5
Cannon	0	0	3.6
Carroll	615.0	0	634.3
Chester	309.0	0	415.8
Coffee	47.0	0	66.1
Crockett	418.0	0	912.3

TENNESSEE—Continued

County	Allocations from State reserve for—: Small farms	Allocations from State reserve for—: Inequity and hardship cases	County reserve
	Acres	*Acres*	*Acres*
Cumberland	0	0	0.1
Davidson	0	0	1.5
Decatur	115.0	0	74.2
De Kalb	0	0	5.0
Dyer	469.0	0	2,210.7
Fayette	391.0	0	1,339.0
Franklin	196.0	0	74.0
Gibson	1,150.0	0	1,329.0
Giles	285.0	0	243.2
Grundy	2.0	0	9.2
Hamilton	12.0	0	64.1
Hardeman	371.0	0	663.1
Hardin	276.0	0	339.8
Haywood	396.0	0	2,165.5
Henderson	475.0	0	636.3
Henry	131.0	0	163.2
Hickman	0	0	3.3
Humphreys	0	0	1.8
Knox	0	0	0
Lake	24.0	0	1,011.6
Lauderdale	403.0	0	2,408.8
Lawrence	632.0	0	600.4
Lewis	7.0	0	18.8
Lincoln	378.0	0	334.7
Loudon	0	0	0.1
McMinn	5.0	0	51.7
McNairy	558.0	0	461.9
Madison	588.0	0	1,036.0
Marion	6.0	0	11.7
Marshall	5.0	0	31.5
Maury	2.0	0	12.5
Meigs	7.0	0	17.5
Monroe	0.5	0	27.1
Montgomery	0	0	0
Moore	1.0	0	3.8
Obion	268.0	0	466.4
Perry	2.0	0	18.8
Polk	13.0	0	16.7
Rhea	0	0	2.6
Roane	0	0	0.4
Robertson	0	0	0
Rutherford	123.0	0	242.1
Shelby	548.0	0	1,029.8
Tipton	487.0	0	1,392.1
Van Buren	0	0	2.8
Warren	5.0	0	18.6
Wayne	83.0	0	111.8
Weakley	317.0	0	357.3
White	0	0	6.8
Williamson	2.0	0	1.0
Wilson	2.0	0	6.0
State total	10,248.5	0	21,294.0
State reserve for new farms, late and reconstituted farms and correction of errors		1,000	

TEXAS

County			
Anderson	3,633	192.0	1,552.0
Andrews	19		242.2
Angelina	867	176.4	302.4
Aransas	4		114.3
Archer	88		197.6
Armstrong	122	455.0	60.4
Atascosa	1,058	445.0	692.2
Austin	3,062	829.1	1,379.1
Bailey	158	496.0	5,100.8
Bandera		2.0	0
Bastrop	1,626	524.0	1,423.2
Baylor	459		2,821.6
Bee	920	33.0	1,411.6
Bell	2,389	2,644.4	6,868.6
Bexar	653	108.5	169.8
Blanco	71	4.0	10.5
Borden	34	302.0	20.5
Bosque	1,817	462.3	993.4
Bowie	1,758	2,917.9	373.4
Brazoria	522		638.1
Brazos	345	661.2	767.0
Brewster		13.0	25.5
Briscoe	201		689.1
Brooks	296	37.0	343.6
Brown	899	43.0	727.7
Burleson	1,557	1,574.4	2,382.7
Burnet	414		728.7
Caldwell	730	1,034.7	2,022.7
Calhoun	116		1,616.8
Callahan	848	5.0	1,003.0
Cameron	6,485		17,780.6
Camp	867	260.0	209.8
Carson	60	376.0	20.0
Cass	3,227	628.0	906.2
Castro	510		2,109.2
Chambers	13	17.9	11.0
Cherokee	3,953	178.0	808.2
Childress	189		2,836.3
Clay	737	782.0	1,183.9
Cochran	49	398.2	1,969.5

TEXAS—Continued

County	Allocations from State reserve for— Small farms	Allocations from State reserve for— Inequity and hardship cases	County reserve
	Acres	Acres	Acres
Coke	262	126.0	693.1
Coleman	924		1,831.8
Collin	3,854	11,517.3	2,549.2
Collingsworth	298		1,359.5
Colorado	1,673	698.0	1,079.5
Comal	40	98.8	16.2
Comanche	2,449	73.0	1,114.8
Concho	144	15.0	3,994.8
Cooke	1,080	1,110.3	477.9
Coryell	1,797	916.4	2,723.8
Cottle	54		6,459.1
Crockett		44.8	2.0
Crosby	45		17,000.9
Culberson	8	229.0	663.2
Dallam	5	5.0	4.8
Dallas	1,354	4,740.0	734.9
Dawson	70		859.6
Deaf Smith	529	500.0	624.8
Delta	939	4,677.1	4,731.8
Denton	1,846	2,424.3	865.6
De Witt	2,475	1,118.0	1,955.5
Dickens	97		872.6
Dimmit	39	496.5	199.9
Donley	300	236.0	190.3
Duval	1,708	339.2	1,996.4
Eastland	1,497	197.0	554.4
Ector			6.8
Ellis	1,712	4,429.2	16,172.0
El Paso	2,059	3,884.6	2,286.1
Erath	2,085	125.0	998.6
Falls	2,243	4,296.9	7,570.6
Fannin	4,701	9,271.9	681.7
Fayette	5,770	1,251.7	3,342.6
Fisher	248		2,401.7
Floyd	285		10,522.2
Foard	185	685.0	105.3
Fort Bend	1,730	2,643.4	5,697.5
Franklin	802	327.1	471.0
Freestone	3,139	1,539.5	699.4
Frio	279	249.0	191.6
Gaines	54		4,414.1
Galveston	17		7.2
Garza	27		509.4
Gillespie	249	11.0	156.3
Glasscock	4		398.9
Goliad	507	203.0	495.0
Gonzales	1,995	1,197.1	1,222.9
Gray	240	230.0	320.9
Grayson	3,013	4,862.4	647.0
Gregg	545		179.4
Grimes	1,668	671.3	1,598.0
Guadalupe	2,009	1,583.2	1,359.9
Hale	285		5,453.8
Hall	172		1,721.4
Hamilton	2,050	751.2	1,234.6
Hansford	23	362.0	13.3
Hardeman	568		5,016.2
Hardin	31		1.9
Harris	302		67.2
Harrison	3,218	298.0	1,346.9
Hartley			0.1
Haskell	315		17,758.5
Hays	280	601.0	590.9
Hemphill	87	18.0	194.8
Henderson	2,553	221.0	1,315.2
Hidalgo	7,996		22,065.1
Hill	2,613	9,007.9	11,579.3
Hockley	79		1,152.5
Hood	842	28.0	336.1
Hopkins	2,886	3,168.3	2,570.7
Houston	2,611	67.0	3,171.4
Howard	29		1,184.9
Hudspeth	47	589.0	2,496.4
Hunt	3,150	10,246.5	928.0
Irion	18		68.7
Jack	256	26.0	250.3
Jackson	560		2,463.1
Jasper	336	51.0	35.5
Jeff Davis		19.0	24.5
Jefferson	20	16.2	1.9
Jim Hogg	84	32.9	261.2
Jim Wells	853		2,320.1
Johnson	1,103	223.7	4,999.1
Jones	581		2,497.2
Karnes	1,739	533.8	3,186.0
Kaufman	2,242	8,321.5	863.8
Kendall	13		4.0
Kenedy			0.4
Kent	71	259.6	242.9
Kerr	6	2.0	3.6
Kimble	52	22.0	17.5
King		9.0	778.4
Kinney		58.0	50.5
Kleberg	414		1,328.1
Knox	135		6,988.2
Lamar	1,887	7,797.4	264.6
Lamb	158		3,458.9
Lampasas	350	296.1	140.2
La Salle	117		320.1
Lavaca	6,747	2,431.9	4,009.0
Lee	2,442	194.8	1,033.5
Leon	1,584		890.3
Liberty	408	13.7	373.9
Limestone	2,344	6,332.6	6,269.3
Live Oak	772		1,913.8
Llano	83	48.0	14.6
Loving	13	144.0	29.9
Lubbock	300		1,784.8
Lynn	52		1,194.6
McCulloch	449	23.0	1,231.0
McLennan	3,434	4,257.0	3,369.0
McMullen	49	9.0	207.1
Madison	1,014	703.3	610.2
Marion	842	224.0	219.3
Martin	57		1,934.2
Mason	322	241.0	189.6
Matagorda	651		2,083.3
Maverick	285	195.0	489.6
Medina	340	356.0	144.5
Menard	119	153.0	32.7
Midland	51		1,669.1
Milam	1,685	2,690.2	6,734.2
Mills	421	47.0	283.0
Mitchell	128		4,121.2
Montague	720	23.0	349.0
Montgomery	428		110.3
Moore		40.0	20.2
Morris	692	163.2	190.4
Motley	68		491.5
Nacogdoches	1,861	216.0	750.9
Navarro	2,843	4,933.0	12,708.8
Newton	312	7.0	52.9
Nolan	208		4,500.9
Nueces	718		5,143.6
Ochiltree			26.8
Oldham	6	21.0	1.9
Orange			0.1
Palo Pinto	439	6.0	421.9
Panola	3,230	260.0	707.8
Parker	822		450.7
Parmer	886	1,551.0	1,432.5
Pecos	294	6,580.8	781.0
Polk	549		572.4
Potter	4	4.0	9.6
Presidio	156	193.0	404.1
Rains	885	954.5	966.9
Randall	96	647.0	50.5
Reagan	10	220.0	25.0
Real	3	17.0	0
Red River	1,026	3,632.2	2,860.3
Reeves	132	422.0	7,738.4
Refugio	212		510.9
Roberts		41.0	2.9
Robertson	878	1,904.3	921.3
Rockwall	466	2,461.1	693.9
Runnels	387		12,978.9
Rusk	3,386	867.2	862.7
Sabine	669	20.1	334.5
San Augustine	1,175	17.0	759.5
San Jacinto	820	18.0	402.0
San Patricio	290		1,503.4
San Saba	863	38.0	1,060.4
Schleicher	26	24.0	867.0
Scurry	228	951.3	2,998.9
Shackelford	218	45.0	436.5
Shelby	2,665	291.0	1,049.6
Smith	3,091	73.0	1,081.4
Somervell	297	31.4	134.7
Starr	1,564		3,817.5
Stephens	239	86.0	115.8
Sterling	22	84.0	14.0
Stonewall	132		841.3
Sutton	3		0
Swisher	630	910.0	582.0
Tarrant	310	899.3	1,180.3
Taylor	840		3,608.9
Terrell		20.0	0
Terry	118		3,681.8
Throckmorton	210		1,870.3
Titus	1,366	349.0	296.1
Tom Green	288		2,417.5
Travis	705	1,819.2	1,411.7
Trinity	1,190	23.0	657.1
Tyler	144	35.0	43.2
Upshur	1,410	240.0	283.0
Uvalde	40	153.0	53.8
Val Verde	3		12.0
Van Zandt	3,814	809.2	2,395.9
Victoria	701	207.3	3,420.4
Walker	1,274		699.4
Waller	625	157.7	401.0
Ward	179	3,543.3	1,097.8
Washington	4,372	1,521.4	2,617.2
Webb	74	61.0	270.7
Wharton	1,353	559.1	405.9
Wheeler	545		1,399.3
Wichita	540	435.8	788.8
Wilbarger	756	1,838.4	7,402.2
Willacy	879		2,755.9
Williamson	2,238	7,639.6	13,659.9
Wilson	1,066	231.0	359.5
Winkler		1.0	0
Wise	650	648.0	152.4
Wood	2,140	165.0	370.7
Yoakum	29	283.0	4,237.7
Young	676	77.0	1,237.8
Zapata	130	9.2	354.2
Zavala	140	490.0	472.9
State total	228,988	193,681.2	463,078.2
State reserve for new farms, late and reconstituted farms and correction of errors		13,944.6	

VIRGINIA

Accomack	0.7	0.2	1.8
Brunswick	99.3	33.7	273.3
Caroline	0.3	0.1	0.7
Charlotte	0.4	0.1	1.3
Chesterfield	0.1	0.0	0.4
Cumberland	0.3	0.1	0.1
Dinwiddie	11.4	3.9	8.5
Franklin	1.2	0.4	3.3
Greensville	219.0	74.4	299.8
Halifax	0.0	0.0	0
Isle of Wight	13.7	4.6	36.5
Lunenburg	11.7	4.0	30.1
Mecklenburg	93.6	31.8	245.8
Nansemond	78.7	26.8	215.6
Norfolk	1.7	0.6	3.5
Prince Edward	0.4	0.1	1.0
Prince George	3.1	1.1	1.2
Princess Anne	0.4	0.1	0.8
Southampton	229.9	78.1	290.9
Surry	0.6	0.2	1.0
Sussex	81.5	27.7	218.4
State total	848.0	288.0	1,634.0
State reserve for new farms, late and reconstituted farms and correction of errors		50	

3. Section 722.816 (e), as amended (21 F. R. 9630), is further amended to correct item (c) of each State tabulation of acreage by deleting the words "State allotment" and substituting therefor "Total allotment available for distribution in State".

(Sec. 375, 52 Stat. 66; 7 U. S. C. 1375. Interprets or applies secs. 301, 342–347, 361–368, 373, 374, 388, 52 Stat. 38, as amended; 7 U. S. C. 1301, 1342–1347, 1361–1368, 1373, 1374, 1388)

Done at Washington, D. C., this 18th day of January, 1957. Witness my hand and the seal of the Department of Agriculture.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 57-522; Filed, Jan. 28, 1957; 8:45 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

PART 960—MILK IN AKRON-STARK COUNTY, OHIO, MARKETING AREA

ORDER AMENDING ORDER REGULATING HANDLING

Sec.

960.0 Findings and determinations.

DEFINITIONS

960.1 Act.
960.2 Secretary.
960.3 Marketing area.
960.4 Handler.
960.5 Pool plant.
960.6 Nonpool plant.

AUTHORITY: §§ 960.0 to 960.101 issued under sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c.

§ 960.0 *Findings and determinations*—(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Akron, Ohio, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supplies and demand for such, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest;

(3) The said order as hereby 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 a marketing agreement upon which a hearing has been held;

(4) All milk and milk products handled by handlers, as defined in this order as hereby amended, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products; and

(5) It is hereby found that the necessary expenses of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, as his pro rata share of such expense, 3 cents per hundredweight or such amount not exceeding 3 cents per hundredweight as the Secretary may prescribe, with respect to all receipts within the month of milk from producers and other source milk which is classified as Class I milk and which is not subject to administrative assessment under another Federal order.

(b) *Additional findings.* It is necessary in the public interest to make this order, amending the order, effective not later than February 1, 1957. Any delay beyond that date in making this order, amending the order, effective will tend to disrupt the orderly marketing of milk in the Akron-Stark County, Ohio, marketing area. The Class I pricing provisions of the orders now in effect expire as of January 31, 1957. The changes affected by this order, amending the order, do not require persons affected to make substantial or extensive preparation prior to the effective date. The provisions of this amendatory order are well known, the public hearing having been held August 22, 1956, the recommended decision having been issued December 27, 1956, and the final decision having been issued January 14, 1957. Therefore reasonable time has been afforded persons affected to prepare for the effective date. Therefore good cause exists for making this order, amending the order, effective February 1, 1957, and it would be contrary to the public interest to delay the effective date of said order for 30 days after its publication in the FEDERAL REGISTER. (Sec. 4 (c); Administrative Procedure Act, 5 U. S. C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order, amending the order, which is marketed within the Akron-Stark County, Ohio, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means, pursuant to the declared policy of the Act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order, amending the order, is approved or favored by at least two-thirds of the producers who participated in a referendum and who, during the determined representative period (October 1956), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Akron-Stark County, Ohio, marketing area shall be in conformity to and in compliance with the following terms and conditions as set forth below:

DEFINITIONS

§ 960.1 *Act.* "Act" means Public Act No. 10 73d Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.).

§ 960.2 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States or any other officer or employee of the United States authorized to exercise the powers and to perform the duties of the said Secretary of Agriculture.

§ 960.3 *Marketing area.* "Akron-Stark County, Ohio, marketing area", hereinafter referred to as the "marketing area" means all territory, including but not limited to all municipal corporations within the boundaries of: Summit County; Stark County, except Paris and Sugar Creek Townships; Franklin, Ravenna, Brimfield, and Suffield Townships and Lots 5 to 10, 15 to 20, 25 to 30, and 35 to 40, inclusive, of Randolph Township in Portage County; Smith Township in Mahoning County, except Great Lot 35 thereof; Knox Township in Columbiana County; and Sections 1, 2, 3, 10, 11, and 12 of Sugar Creek Town-

ship in Wayne County; all in the State of Ohio.

§ 960.4 *Handler.* "Handler" means any person (a) in his capacity as the operator of a plant or plants where milk is processed and packaged for distribution on a route(s) in the marketing area, and (b) any cooperative association with respect to the milk of any producer which such cooperative association causes to be diverted from producers' farms to a plant for the account of such cooperative association.

§ 960.5 *Pool plant.* "Pool plant" means any plant at which milk received from dairy farmers is packaged and distributed as Class I milk on a route(s) wholly or partially within the marketing area, except plants exempted pursuant to § 960.80.

§ 960.6 *Nonpool plant.* "Nonpool plant" means a plant other than a plant operated by a producer-handler, during such months as it is not a pool plant.

§ 960.7 *Producer.* "Producer" means any person other than a producer-handler who produces milk which has approval of the health authorities of any community in the marketing area for consumption as fluid milk in such community and is received at a pool plant. This definition shall include any such person who is regularly designated as a producer but whose milk is caused to be diverted to a plant, other than a pool plant, by a handler for his account. Milk so diverted shall be deemed to have been received at a pool plant by the handler or cooperative association which caused it to be diverted.

§ 960.8 *Producer milk.* "Producer milk" means skim milk and butterfat contained in milk received from producers.

§ 960.9 *Other source milk.* "Other source milk" means all skim milk and butterfat contained in milk, skim milk, or cream, used to produce all other milk products, received from all sources other than producers and pool plants.

§ 960.10 *Producer-handler.* "Producer-handler" means any person who (a) produces milk; (b) receives no milk from producers or from other sources; and (c) operates a plant from which a route(s) is operated wholly or partially within the marketing area.

§ 960.11 *Route.* "Route" means a sale or delivery (including a sale from a plant or store) of Class I milk to a wholesale or retail stop(s).

§ 960.12 *Person.* "Person" means any individual, partnership, corporation, association, or any other business unit.

§ 960.13 *Department of Agriculture.* "Department of Agriculture" means the United States Department of Agriculture.

§ 960.14 *Cooperative association.* "Cooperative association" means any cooperative marketing association of producers which the Secretary determines after application by the association; (a) to be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act"; (b) to have full authority in the sale of milk of its members and to be engaged in making collective sales or marketing milk or its products for its members; and (c) to have all of its activities under the control of its members.

§ 960.15 *Eligible milk.* "Eligible milk" means the amount of milk received by a handler from a producer during each of the months specified in § 960.63 which is not in excess of such producer's daily average quota computed pursuant to § 960.55 multiplied by the number of days in such month on which such producer delivered milk to such handler: *Provided,* That with respect to any producer on "every-other-day" delivery to a pool plant, the days of non-delivery shall be considered as days of delivery for purposes of this section and of § 960.55.

§ 960.16 *Ineligible milk.* "Ineligible milk" means the amount of milk received by a handler from a producer during each of the months specified in § 960.63 which is in excess of eligible milk received from such producer during such month, and shall include all milk received from a producer for whom no daily average quota can be computed pursuant to § 960.55.

MARKET ADMINISTRATOR

§ 960.20 *Designation.* The agency for the administration of this subpart shall be a market administrator who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 960.21 *Powers.* The market administrator shall have the power to:

(a) Administer all of the terms and provisions of this subpart;

(b) Make rules and regulations to effectuate the terms and provisions of this subpart;

(c) Receive, investigate, and report to the Secretary complaints of violations of this subpart; and

(d) Recommend to the Secretary amendments to this subpart.

§ 960.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this subpart, including but not limited to the following:

(a) Within 30 days following the date on which he enters upon his duties or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon his duties as market administrator and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions of this subpart;

(c) Obtain a bond in reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of the funds provided by § 960.75, (1) the costs of his bond and of the bonds of those of his employees who handle funds entrusted to the market administrator, (2) his own compensation, and (3) all other expenses (except those incurred under § 960.76) necessarily incurred by him in the maintenance and functioning of his office in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this subpart and upon request by the Secretary surrender the same to his successor or to such other person as the Secretary may designate.

(f) Publicly announce unless otherwise directed by the Secretary by posting in a conspicuous place in his office and by such other means as he deems appropriate the name of any person who, within 8 days after the day upon which he is required to perform such acts, has not made reports pursuant to § 960.30 or § 960.31 or payments pursuant to §§ 960.70, 960.72, 960.75, 960.76, or 960.77;

(g) Submit his books and records to examination and furnish such information and verified reports as may be requested by the Secretary;

(h) Audit all reports and payments by each handler by inspection of such handler's records and of the records of any other person upon whose utilization the classification of skim milk and butterfat for such handler depends; and

(i) Publicly announce by posting in a conspicuous place in his office and by such other means as he deems appropriate;

(1) On or before the 5th day of each month the minimum class prices for the preceding month for milk of 3.5 percent butterfat content, as computed pursuant to §§ 960.50 and 960.51, and the butterfat differentials, computed pursuant to § 960.52.

(2) On or before the 13th day of each month the uniform price(s) for the preceding month, computed pursuant to § 960.61, or §§ 960.62 and 960.63 as applicable, and the butterfat differential for the preceding month computed pursuant to § 960.74.

(j) Prepare and disseminate, for the benefit of producers, consumers, and handlers, such information concerning the operation of this subpart as does not reveal confidential information.

(k) On or before the 13th day of each month, report to each cooperative association that so requests the class utilization of milk received during the preceding month by each handler from producers who are members of such association, prorating to such receipts the class utilization of all producer receipts of such handler.

(l) Provide notice, for each producer for whom a daily average quota is computed pursuant to § 960.55, on or before the first day of the month first stated in § 960.63 to: (1) Such producers, (2) cooperative associations for such producers who are its members, and (3) handlers for such producers from whom they received milk.

REPORTS, RECORDS AND FACILITIES

§ 960.30 *Monthly reports of receipts and utilization.* On or before the 8th day of each month, each handler who operates a pool plant(s), and any cooperative association with respect to milk for which it is a handler pursuant to § 960.4 (b), shall, with respect to milk or milk products which were received at a pool plant by such handler during the preceding month, report to the market administrator in the detail and form prescribed by the market administrator, as follows:

(a) The quantities of butterfat and skim milk contained in milk received from producers, and, for the months specified in § 960.63 the aggregate quantities of eligible milk;

(b) The quantities of butterfat and skim milk contained in or used to produce receipts of milk and milk products from other pool plants;

(c) The quantities of butterfat and skim milk contained in or used to produce receipts of other source milk (except Class II products disposed of in the form in which received without further processing or packaging by the handler);

(d) The utilization of all butterfat and skim milk the receipt of which is required to be reported pursuant to this section;

(e) The pounds of butterfat and skim milk contained in all milk, skim milk, and cream and other Class I products on hand at the beginning and at the end of the month;

(f) Such other information with respect to the use of milk as the market administrator may request.

§ 960.31 *Other reports.* Other reports shall be submitted to the market administrator as follows:

(a) Each producer-handler, and each handler who does not operate a pool plant, shall make reports at such time and in such manner as the market administrator may request.

(b) On or before the 20th day of each month each handler who operated a pool plant(s) at which producer milk was received in the preceding month shall submit such handler's producer payroll for the preceding month which shall show (1) the total pounds and the butterfat content of milk received from each producer, and for the months specified in § 960.63, the pounds of eligible milk and of ineligible milk received from each producer, (2) the amount and date of payment to each producer or cooperative association pursuant to § 960.70, (3) the nature and amount of each deduction or charge made by the handler, and (4) the number of days, if less than the entire month, for which milk was received from such producers.

§ 960.32 *Records and facilities.* Each handler and producer-handler shall maintain and make available to the market administrator or to his representative during the usual hours of business such accounts and records of any of his operations and such facilities as in the opinion of the market administrator are necessary to verify or to establish the correct data with respect to: (a) The receipts and utilization or disposition of all skim milk and butterfat received, including all milk products received and disposed of in the same form; (b) the weights and tests for butterfat, skim milk and other contents of all milk and milk products handled; and (c) all payments required to be made by such handler pursuant to §§ 960.70, 960.72, 960.75, 960.76, and 960.77.

§ 960.33 *Retention of records.* All books and records required under this subpart to be made available to the market administrator shall be retained by the handler or producer-handler for a period of three years to begin at the end of the calendar month to which such books and records pertain: *Provided,* That if within such three-year period the market administrator notifies the handler or producer-handler in writing that the retention of such books and records or of specified books and records is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice the handler or producer-handler shall retain such books and records or specified books and records until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler or producer-handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 960.40 *Skim milk and butterfat to be classified.* All skim milk and butterfat received by a handler which is required to be reported pursuant to § 960.30 shall be classified pursuant to §§ 960.41 through 960.44.

§ 960.41 *Classes of utilization.* Subject to the conditions set forth in §§ 960.43 and 960.44, the classes of utilization shall be:

(a) Class I milk shall be all skim milk (including the skim milk equivalent of concentrated products) and butterfat (1) disposed of for consumption in fluid form as milk, skim milk, buttermilk, flavored milk, flavored milk drinks, concentrated milk not in hermetically sealed cans, cream, including sour cream or any mixture of cream and milk or skim milk, or (2) not accounted for as Class II milk.

(b) Class II milk shall be all skim milk and butterfat (1) used to produce any product other than those specified in paragraph (a) of this section; (2) disposed of for livestock feed or skim milk dumped subject to prior notification to and inspection (at his discretion) by the market administrator; (3) in shrinkage of producer milk up to 2 percent of receipts from producers; and (4) in shrinkage of other source milk.

§ 960.42 *Shrinkage.* (a) If producer milk is utilized in conjunction with other source milk, the shrinkage shall be allocated pro rata between the receipts of skim milk and butterfat in producer milk and other source milk.

(b) Producer milk transferred or diverted by a handler from his pool plant to another pool plant without first having been received for purposes of weighing in the transferring or diverting handler's pool plant shall be included in the receipts at the pool plant to which such milk was transferred or diverted for the purpose of computing shrinkage and shall be excluded from the receipts at the transferring or diverting handler's pool plant for such purpose.

§ 960.43 *Responsibility of handlers and reclassification of milk.* All skim milk and butterfat contained in producer milk and in other source milk received by a handler shall be classified as Class I milk unless the handler proves to the market administrator that such skim milk and butterfat or a portion thereof should be classified as Class II milk. Any skim milk or butterfat which is classified in Class II shall be reclassified to Class I if subsequent to the original classification such skim milk or butterfat is handled in such a manner as to justify its reclassification.

§ 960.44 *Transfers.* (a) Skim milk and butterfat disposed of from a pool plant to the pool plant of another handler in the form of milk, skim milk or cream shall be Class I milk unless Class II milk is indicated by the operators of both plants in their reports submitted pursuant to § 960.30: *Provided,* That in no event shall the amount so classified as Class II be greater than the amount of producer milk used in such class in the pool plant(s) of the transferee handler after allocating other source milk in such plant(s) in series beginning with the lowest priced utilization.

(b) Skim milk and butterfat moved in the form of milk, skim milk or cream from a pool plant to a handler described in § 960.80 or to a nonpool plant shall be Class I milk unless all of the following conditions are met:

(1) Class II milk is indicated by the operator of the pool plant in his report submitted pursuant to § 960.30.

(2) The operator of the nonpool plant maintains books and records which are made available for examination upon request by the market administrator and which are adequate for the verification of such Class II utilization.

(3) If the above conditions are met, the market administrator shall classify all skim milk and butterfat received at the nonpool plant and the skim milk and butterfat so transferred shall be allocated in series beginning with any skim milk and butterfat, respectively, remaining in Class I milk after allocating skim milk and butterfat in milk received from dairy farmers whom the market administrator determines constitute the regular source of milk for Class I uses at such plant, in series beginning with Class I milk.

(c) Skim milk and butterfat transferred in the form of milk, skim milk, or cream to a producer-handler shall be classified as Class I milk.

§ 960.45 *Computation of skim milk and butterfat in each class.* For each month the market administrator shall correct for mathematical and for other obvious errors the report submitted by each handler pursuant to § 960.30 and shall compute separately the pounds of skim milk and butterfat in each class.

§ 960.46 *Allocation of butterfat.* The pounds of butterfat remaining after making the following computations shall be the pounds in each class allocated to milk received from producers:

(a) Subtract from the total pounds of butterfat in Class II milk the pounds of butterfat shrinkage allowed pursuant to § 960.41 (b) (3);

(b) Subtract from the total pounds of butterfat remaining in each class, in series beginning with the lowest priced utilization, the pounds of butterfat in other source milk other than that received from a plant at which the handling of milk is fully subject to the pricing and payment provisions of another marketing agreement or order issued pursuant to the act;

(c) Subtract from the pounds of butterfat remaining in each class, in series beginning with the lowest priced utilization, the pounds of butterfat in other source milk received in a form other than that specified in paragraph (d) of this section from a plant at which the handling of milk is fully subject to the pricing and payment provisions of another marketing agreement or order issued pursuant to the act;

(d) Subtract from the pounds of butterfat remaining in each class the pounds of butterfat contained in milk or milk products received in packaged form which were classified and priced under another Federal order and disposed of in the same form as received;

(e) Subtract from the pounds of butterfat remaining in each class the pounds of butterfat received from other handlers in such classes pursuant to § 960.44 (a); and

(f) Add to the remaining pounds of butterfat in Class II milk the pounds subtracted pursuant to paragraph (a) of this section.

(g) If the remaining pounds of butterfat in both classes exceed the pounds of butterfat in milk received from producers, subtract such excess from the remaining pounds of butterfat in each class in series, beginning with the lowest-priced utilization.

§ 960.47 *Allocation of skim milk.* Allocate the pounds of skim milk in each class to milk received from producers in a manner similar to that prescribed for butterfat in § 960.46.

MINIMUM PRICES

§ 960.50 *Class I milk prices.* The minimum price per hundredweight to be paid by each handler, f. o. b. a pool plant, for milk of 3.5 percent butterfat content received from producers or from cooperative associations during the month, which is classified as Class I milk shall be 5 cents less than the Class I price as determined pursuant to § 975.61 of this chapter.

§ 960.51 *Class II milk price.* The minimum price per hundredweight to be paid by each handler, f. o. b. a pool plant, for milk of 3.5 percent butterfat content received from producers or from cooperative associations during the month which is classified as Class II milk shall be the higher of the prices computed by the market administrator pursuant to paragraph (a) or (b) of this section, except that for such Class II milk used to produce cottage cheese such minimum price shall be increased 30 cents.

(a) The average of the basis (or field) prices ascertained to have been paid or to be paid per hundredweight for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department of Agriculture by the companies indicated below:

Present Operator and Location
Borden Co., Mount Pleasant, Mich.
Borden Co., New London, Wis.
Borden Co., Orfordville, Wis.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Sparta, Mich.
Pet Milk Co., Coopersville, Mich.
Pet Milk Co., Belleville, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Wayland, Mich.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

(b) The price computed by adding together the plus amounts pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter per pound at Chicago as reported by the Department of Agriculture during the month, subtract 3 cents, add 20 percent of the resulting amount, and then multiply by 3.5.

(2) From the simple average, as computed by the market administrator of the weighted averages of the carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the month for which prices are being computed by the Department of Agriculture, deduct 5.5 cents, and multiply by 8.2.

§ 960.52 *Handler butterfat differentials.* If the average butterfat content of the milk of any handler allocated to any class is more or less than 3.5 percent, there shall be added to the prices of milk for each class as computed pursuant to §§ 960.50 and 960.51 for each one-tenth of one percent that the average butterfat content of such milk is above 3.5 percent, or subtracted for one-tenth of one percent that such average butterfat content is below 3.5 percent, an amount equal to the average daily wholesale price per pound of Grade A (92-score) bulk creamery butter per pound at Chicago as reported by the Department of Agriculture during the month, multiplied by the following factors:

(a) *Class I milk.* Multiply by 1.3, and divide the result by 10.

(b) *Class II milk.* Mutliply by 1.15, and divide the result by 10.

DETERMINATION OF ELIGIBLE MILK QUOTA

§ 960.55 *Determination of eligible milk quota for each producer.* Subject to the rules set forth in § 960.56 the market administrator shall determine quotas for producers as follows: During each of the months specified in § 960.63 of each year beginning with 1958, the daily quota of each producer whose milk was received by a handler(s) on not less than thirty (30) days during the immediately preceding months of October through December, inclusive, shall be a quantity computed by dividing such producer's total pounds of milk delivered in the 3-month period by the number of days from the date of the first delivery to the end of such 3-month period.

§ 960.56 *Quota rules.* (a) Except as provided in paragraph (b) of this section, an eligible milk quota shall apply to deliveries of milk by the producer for whose account that milk was delivered to a handler(s) during the quota forming period.

(b) A daily quota may be transferred during the period of April through June by notifying the market administrator in writing before the first day of any delivery period that such quota is to be transferred to the person named in such notice, but under the following conditions only:

(1) In the event of the death of a producer, the entire daily quota may be transferred to a member of such producer's immediate family who carries on the dairy operation on the same farm;

(2) If a quota is held jointly and such joint holding is terminated on the basis of written notice to the market administrator from the joint holders, the entire daily quota may be transferred to one of the joint holders, or divided in accordance with such notice between the former joint holders if they continue dairy farm operations.

DETERMINATION OF UNIFORM PRICE

§ 960.60 *Value of producer milk for each handler.* The value of producer milk received during the month by each handler who operates a pool plant(s), and by any cooperative association with respect to milk for which it is a handler pursuant to § 960.4 (b), shall be a sum of money computed by the market administrator by multiplying by the applicable class price, adjusted pursuant to § 960.52, the total combined hundredweight of skim milk and butterfat received from producers and allocated to each class pursuant to §§ 960.46 and 960.47, adding together the resulting amounts, and adding an amount computed by multiplying any excess utilization classified pursuant to § 960.46 (g) and § 960.47 by the applicable class prices.

§ 960.61 *Computation of uniform price.* For each month (except those specified in § 960.63) the market administrator shall compute a uniform price per hundredweight of milk containing 3.5 percent of butterfat to be paid to producers delivering milk to any pool plant as follows:

(a) Combine into one total the value of producer milk for each handler as computed pursuant to § 960.60 for all handlers who reported pursuant to § 960.30 for such month, except those in default in payments required pursuant to § 960.72 for the preceding month;

(b) Add the total amount of all payments made pursuant to § 960.72 (b);

(c) Add any amounts paid into the producer-settlement fund and subtract any amounts paid out of the producer-settlement fund pursuant to § 960.77;

(d) Add an amount representing not less than one-half of the unobligated balance in the producer-settlement fund exclusive of the amounts added or subtracted pursuant to paragraphs (b) and (c) of this section;

(e) Subtract, if the weighted average butterfat test of all producer milk represented by the amounts included under paragraph (a) of this section is greater than 3.5 percent, or add, if the weighted average butterfat test of such milk is less than 3.5 percent, an amount computed by multiplying the total pounds of butterfat represented by the difference of such weighted average butterfat test from 3.5 percent by the butterfat differential computed pursuant to § 960.74 multiplied by 10;

(f) Divide the resulting amount by the total hundredweight of producer milk received by all handlers during the month for which uniform prices are being computed;

(g) Subtract not less than 4 cents nor more than 5 cents, and the result shall be the uniform price to be paid per hundredweight of milk containing 3.5 percent of butterfat to producers who delivered milk during the month for which uniform prices are being computed.

§ 960.62 *Computation of ineligible milk price.* Effective April 1958, for the months specified in § 960.63, the market administrator shall compute the unifrom price per hundredweight for ineligible milk of 3.5 percent butterfat content by:

(a) Multiplying the hundredweight of such milk not in excess of the total quantity of Class II milk by the price for Class II milk of 3.5 percent butterfat content, multiplying the hundredweight of such milk in excess of the total hundredweight of such Class II milk by the price for Class I milk of 3.5 percent butterfat content, and adding together the resulting amounts; and

(b) Dividing the total value of ineligible milk obtained in paragraph (a) of this section by the total hundredweight of such milk and adjusting to the nearest cent.

§ 960.63 *Computation of eligible milk price.* Effective April 1958, for each of the months of April through June the market administrator shall compute the uniform price per hundredweight for eligible milk of 3.5 percent butterfat content received from producers at a pool plant by:

(a) Subtracting the value of ineligible milk obtained in § 960.62 (a) from the aggregate value of milk computed pursuant to § 960.61 (a) through (e) and adjusting by an amount involved in adjusting the uniform price of ineligible milk to the nearest cent;

(b) Dividing the amount obtained in paragraph (a) of this section by the total hundredweight of eligible milk included in these computations; and

(c) Subtracting not less than 4 cents nor more than 5 cents from the amount computed pursuant to paragraph (b) of this section.

§ 960.64 *Notification.* On or before the 13th day of each month the market administrator shall notify each handler who submitted a report for the preceding month pursuant to § 960.30 of:

(a) The classification pursuant to §§ 960.46 and 960.47 of skim milk and butterfat contained in producer milk received by such handler during the preceding month and the value of such milk computed pursuant to § 960.60;

(b) The uniform prices for the month computed pursuant to § 960.61 or §§ 960.62 and 960.63, as applicable; and

(c) The amount due such handler pursuant to § 960.73 and the amount to be paid by such handler pursuant to §§ 960.72, 960.75, and 960.76.

PAYMENTS

§ 960.70 *Time and method of payment.* (a) Except as provided by paragraph (b) of this section, on or before the 18th day of each month, each handler (except a cooperative association) shall pay each producer for milk received from him during the preceding month, not less than an amount of money computed by multiplying the total pounds of such milk by the applicable uniform price(s) pursuant to § 960.61 or §§ 960.62 and 960.63, adjusted by the butterfat differential pursuant to § 960.74, and less any proper deductions authorized by the producer: *Provided,* That if by such date such handler has not received full payment for such month pursuant to § 960.73 he may reduce such payments uniformly per hundredweight for all producers, by an amount not in excess of the per hundredweight reduction in payment from the market administrator; however, the handler shall make such balance of payment to those producers to whom it is due on or before the date for making payments pursuant to this paragraph next following that on which such balance of payment is received from the market administrator.

(b) (1) Upon receipt of a written request from a cooperative association which the Secretary determines is authorized by its members to collect payment for their milk and receipt of a written promise to reimburse the handler the amount of any actual loss incurred by him because of any improper claim on the part of the association, each handler shall (i) pay to the cooperative association on or before the 16th day of each month, in lieu of payments pursuant to paragraph (a) of this section an amount equal to the gross sum due for all milk received from certified members, less amounts owing by each member-producer to the handler for supplies purchased from him on prior written order or as evidenced by a delivery ticket signed by the producer and submit to the cooperative association written information which shows for each such member-producer (*a*) the total pounds of milk received from him during the preceding month, (*b*) the total pounds of butterfat contained in such milk, (*c*) the number of days on which milk was received, and (*d*) the amounts withheld by the handler in payment for supplies sold. The foregoing payment and submission of information shall be made with respect to milk of each producer whom the cooperative association certifies is a member, which is received on and after the first day of the calendar month next following receipt of such certification through the last day of the month next preceding receipt of notice from the cooperative association of a termination of membership or until the original request is rescinded in writing by the association.

(2) A copy of each such request, promise to reimburse and certified list of members shall be filed simultaneously with the market administrator by the association and shall be subject to verification at his discretion, through audit of the records of the cooperative association pertaining thereto. Exceptions, if any, to the accuracy of such certification by a producer claimed to be a member, or by a handler shall be made by written notice to the market administrator, and shall be subject to his determination.

§ 960.71 *Producer-settlement fund.* The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made pursuant to §§ 960.72 and 960.77 and out of which he shall make all payments pursuant to §§ 960.73 and 960.77.

§ 960.72 *Payments to the producer-settlement fund.* On or before the 14th day of each month handlers shall make payments to the market administrator as follows:

(a) If the value of producer milk received by a handler in the preceding month as computed pursuant to § 960.60 exceeds the amount which such handler is required to pay all producers pursuant to § 960.70 such handler shall pay the difference between the two amounts.

(b) If, during the preceding month, the total receipts from all producers was 110 percent or more of the total Class I milk at pool plants, any handler who received other source milk during the preceding month which was allocated to Class I pursuant to § 960.46 (b) or § 960.47 shall pay an amount equal to the value of such milk at the Class I price less the value of such milk at the Class II price.

§ 960.73 *Payments out of the producer-settlement fund.* On or before the 16th day of each month, the market administrator shall pay to each handler any amount by which the sum required to be paid by such handler for the preceding month pursuant to § 960.70 is greater than the total value of the milk of such handler computed pursuant to § 960.60 for such preceding month less any unpaid obligations of the handler to the market administrator pursuant

to §§ 960.72, 960.75, 960.76 (a), and 960.77 (a): *Provided*, That if the balance in the producer-settlement fund is insufficient to make payments to all handlers pursuant to this paragraph, the market administrator shall reduce such payments by a uniform amount per hundredweight of milk and shall complete such payments as soon as the necessary funds become available.

§ 960.74 *Producer butterfat differential.* In making payments pursuant to § 960.70, the uniform prices shall be adjusted for each one-tenth of one percent of butterfat content in the milk of each producer above or below 3.5 percent, as the case may be, by a butterfat differential equal to the average of the butterfat differentials determined pursuant to paragraphs (a) and (b) of § 960.52, weighted by the pounds of butterfat in producer milk in each class and rounded to the nearest tenth of a cent.

§ 960.75 *Expense of administration.* As his pro rata share of the expense incurred pursuant to § 960.22 (d), each handler shall pay the market administrator on or before the 16th day of each month 3 cents per hundredweight or such lesser amount as the Secretary may from time to time prescribe with respect to (a) all receipts within the preceding month of producer milk (including such handler's own production) and (b) all other source milk allocated to Class I pursuant to § 960.46 (b) and the corresponding portion of § 960.47.

§ 960.76 *Marketing services.* In making payments to producers or cooperative associations pursuant to § 960.70 a handler shall make deductions and dispose of amounts so deducted as follows:

(a) Except as set forth in paragraph (b) of this section a handler shall deduct 6 cents per hundredweight, or such lesser amount as the Secretary may from time to time prescribe, with respect to all producer milk for which payment is being made pursuant to § 960.70 and shall pay the total amount of such deductions to the market administrator on or before the 16th day after the end of the month in which such producer milk was received. Such amount shall be expended by the market administrator to verify weights and tests of milk of producers and to provide producers with market information, such service to be performed by the market administrator or by an agent engaged by and responsible to him.

(b) Each association of producers which is actually performing the services described in paragraph (a) of this section, as determined by the Secretary, may file with a handler a claim for authorized deductions from the payments otherwise due to its producer members for milk delivered to such handler. Such claim shall contain a list of the producers for which such deductions apply, an agreement to indemnify the handler for the amount of any loss sustained by him because of any improper claim on the part of the association, and a certification that the association, and an unterminated membership contract with each producer, which contract authorizes the claim deduction. In making payments to producers for milk received during the month, each handler shall make deductions in accordance with the association's claim and shall pay the amount deducted within 16 days after the end of the month.

§ 960.77 *Errors in payments.* Whenever audit by the market administrator of any handler's reports, books, records or accounts discloses errors or whenever skim milk or butterfat is reclassified pursuant to § 960.43 resulting in monies due (a) the market administrator from such handler or such handler from the market administrator or (b) any producer or cooperative association from such handler pursuant to § 960.70 the market administrator shall promptly notify such handler of any such amount due, and payment thereof shall be made on or before the next date for making payment set forth in the provision under which such error occurred, following the 5th day after such notice. In computing amounts due pursuant to this section the class prices, the appropriate uniform price, the butterfat differential, the rate of administrative assessment pursuant to § 960.75, and the rate of marketing service deduction pursuant to § 960.76 which were applicable in the month for which the original calculation of amounts due were made shall be used.

§ 960.78 *Termination of obligation.* (a) The obligation of any handler to pay money required to be paid under the terms of this subpart shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator received the handler's report of utilization of the milk involved in such obligation, unless within such two-year period the market administrator notified the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to a cooperative association the name of such producers or association, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this subpart, to make available to the market administrator or his representatives all books or records required by this subpart to be made available, the market administrator may, within the two-year period provided in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this subpart to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this subpart shall terminate two years after the end of the calendar month during which milk involved in the claim was received if any underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within that applicable period of time, files pursuant to section 8c (15) (A) of the act, a petition claiming such money.

APPLICATION OF PROVISIONS

§ 960.80 *Handler exemption.* A handler operating any plant specified below shall be exempted with respect to the milk received of such plant during the month from all provisions of this subpart except §§ 960.31, 960.32 and 960.33:

(a) A plant located outside the marketing area from which an average of less than 300 points (one point being defined as one-half pint of cream or one quart of any other Class I product) of Class I milk per day is disposed of during the month on a route(s) operated wholly or partly within the marketing area;

(b) A plant at which the Secretary finds is subject during the month to another Federal order; or

(c) A plant at which no milk approved by the health authorities of any community of the marketing area for consumption as fluid milk is received from dairy farmers and from which disposition of Class I milk in the marketing area is permitted only in portions of the marketing area for which no health authority exercises jurisdiction with respect to approval of milk for fluid consumption.

§ 960.81 *Producer-handler.* A producer-handler shall be exempt from all provisions of this subpart except that he shall make reports to the market administrator at such time and in such manner as the market administrator may request.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 960.90 *Effective time.* The provisions of this subpart, or any amendment to this subpart, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated. The provisions of this section shall apply to any obligation under this subpart for the payment of money.

§ 960.91 *Suspension or termination.* Whenever the Secretary finds the subpart or any provision of this subpart obstructs or does not tend to effectuate the declared policy of the act, he shall

terminate or suspend the operation of this order or any such provision of this subpart.

§ 960.92 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this subpart there are any obligations thereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 960.93 *Liquidation.* Upon the suspension of the provisions of the subpart, except this section, the market administrator, or such other liquidation agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable and execute and deliver all assignments or other instrument necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated all assets, books, and records of the market administrator shall be transferred promptly to such liquidation agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 960.100 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this subpart.

§ 960.101 *Separability of provisions.* If any provision of this subpart, or its application to any person or circumstances, is held invalid the application of such provisions, and the remaining provisions of this subpart, to other persons or circumstances shall not be affected thereby.

Issued at Washington, D. C., this 24th day of January 1957 to be effective on and after the 1st day of February 1957.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-665; Filed, Jan. 28, 1957; 8:51 a. m.]

[970.303, Amdt. 2]

PART 970—IRISH POTATOES GROWN IN MAINE

LIMITATION OF SHIPMENTS

Findings. (a) Pursuant to Marketing Agreement No. 122 and Order No. 70 (7 CFR Part 970), regulating the handling of Irish potatoes grown in Maine, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Maine Potato Marketing Committee, established pursuant to said marketing agreement and order, and upon other available information, it is hereby found that the amendment to the limitation of shipments, as hereinafter provided, will tend to effectuate the declared policy of the act.

(b) It is hereby 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 amendment until 30 days after publication in the FEDERAL REGISTER (5 U. S. C. 1001 et seq.) in that (1) the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, (2) more orderly marketing in the public interest, than would otherwise prevail, will be promoted by regulating the shipment of potatoes, in the manner set forth below, on and after the effective date of this amendment, (3) compliance with this amendment will not require any special preparation on the part of handlers which cannot be completed by the effective date, (4) reasonable time is permitted, under the circumstances, for such preparation, (5) information regarding the committee's recommendations has been made available to producers and handlers in the production area, and (6) this amendment relieves restrictions on the handling of potatoes grown in the production area.

Order, as amended. The provisions of § 970.303 (b), as amended (FEDERAL REGISTER, September 13, 1956, 21 F. R. 6911, 8232), are hereby amended to read as follows:

(b) *Order.* During the period from January 28, 1957, through July 13, 1957:

(1) No handler shall ship: (i) Potatoes of the round white or red skin varieties unless at least 90 percent of such potatoes are "Fairly clean" and such potatoes meet the requirements of the U. S. No. 1, or better, grade, 2¼ inches minimum diameter and 4 inches maximum diameter; or (ii) potatoes of the long varieties (including, but not being limited to, the Russet Burbank variety) unless such potatoes are "generally fairly clean to clean, mostly clean," which means that not less than 55 percent of such potatoes are clean and not more than 10 percent are slightly dirty, and such potatoes meet the requirements of (*a*) the U. S. No. 1, or better, grade, Size A, 2 inches minimum diameter or 4 ounces minimum weight, or (*b*) the U. S. No. 2 or U. S. Commercial grade, 5 ounces minimum weight.

(2) No handler shall ship potatoes for chipping unless the potatoes meet the requirements of the U. S. No. 1, or better, grade, 2 inches minimum diameter and 4 inches maximum diameter, except that U. S. No. 1, Size B, potatoes may also be shipped. All such shipments are subject to the additional requirements of subparagraph (7) of this paragraph.

(3) No handler shall ship potatoes for processing into potato salad, fish cakes, or hash unless such potatoes grade 85 percent U. S. No. 1, or better, 1½ inches minimum diameter and 2¼ inches maximum diameter. All such shipments are subject to the additional requirements of subparagraph (7) of this paragraph.

(4) No handler shall ship potatoes for export unless such potatoes meet the requirements of the U. S. No. 1 grade. All such shipments are subject to the additional requirements of subparagraph (7) of this paragraph.

(5) Pursuant to § 970.54, each handler may ship not in excess of thirty (30) hundredweight of potatoes per week free from regulations effective pursuant to §§ 970.45 and 970.65: *Provided,* That handlers making such shipments report such shipments to the administrative committee on the 16th and last day of each month.

(6) The limitations set forth in subparagraph (1) of this paragraph shall not be applicable to shipments of certified seed potatoes or to shipments of potatoes for the following purposes: (i) for grading or storing in the production area; (ii) for planting within the production area; (iii) for dehydration; (iv) for manufacture or conversion into starch, flour, or alcohol; (v) for canning or freezing; (vi) for livestock feed; (vii) for distribution by the Federal Government; and (viii) for charitable purposes.

(7) Each handler making shipments of potatoes for export, dehydration, potato chipping, potato salad, fish cakes, hash, livestock feed, canning or freezing, or charitable purposes shall: (i) File an application pursuant to §§ 970.56 and 970.130 with the administrative committee for a Certificate of Privilege for such shipments; (ii) pay assessments pursuant to § 970.45 with respect to the shipments of certified seed potatoes; and (iii) pay assessments pursuant to § 970.45 and have inspection pursuant to § 970.65 with respect to each shipment for export, potato chipping, potato salad, fish cakes, hash, distribution by the Federal Government, and for charitable purposes. Further, each handler who ships potatoes for export, potato chipping, potato salad, fish cakes, hash, dehydration, canning or freezing, livestock feed, distribution by the Federal Government, or charitable purposes shall furnish a record of such shipments to the administrative committee. In addition, each application for a Certificate of Privilege to ship potatoes for export, potato chipping, potato salad, fish cakes, hash, dehydration, canning or freezing, or charitable purposes shall be accompanied by the applicant handler's certification and the buyer's or receiver's certification that the potatoes to be shipped for the purpose stated in the application are to be used for such purpose. The buyer's or receiver's certification may, however, be furnished to the administrative committee within ten days from the date of shipment by said applicant handler. Handlers making shipments of potatoes for export to Canada may furnish the administrative committee with a copy of the Freight Delivery Receipt issued by Canadian customs officials upon entry of such shipment into Canada in lieu of the buyer's or receiver's certification re-

quired in this subparagraph. Each handler who applies for a Certificate of Privilege to ship potatoes for chipping shall at the same time or at such time subsequent thereto as the Maine Potato Administrative Committee may require, provide the administrative committee with appropriate evidence that such potatoes were, or are being, treated and conditioned for use for potato chipping and that such potatoes, except for damage resulting from shriveling or sprouting, meet the applicable grade and size requirements set forth in subparagraph (2) of this paragraph. The limitations set forth in this subparagraph shall not apply to shipments of potatoes of less than 15,000 pounds for canning or freezing, for dehydration, or for livestock feed when shipped in barrels, in bulk, or in unsewn 100-pound burlap bags within the production area.

(8) No handler shall ship potatoes under a Certificate of Exemption issued pursuant to §§ 970.70 through 970.75 and which are exempted from the grade and size limitations set forth in subparagraph (1) of this paragraph, unless such potatoes are packed in 50-pound or larger packs.

(9) No handler shall ship any potatoes for which inspection is required unless an appropriate inspection certificate had been issued with respect thereto and the certificate is valid at the time of shipment. For purposes of operation under this part, each inspection certificate is hereby determined, pursuant to paragraph (c) of § 970.65, to be valid for a period not to exceed 48 hours following completion of inspection as shown in the certificate.

(10) The term "fairly clean" and the grades and sizes used in this section shall have the same meanings assigned these terms in the United States Standards for Potatoes (§§ 51.1540 to 51.1559 of this title), including the tolerances set forth therein; and all other terms used in this section shall have the same meaning as when used in Marketing Agreement No. 122 and Order No. 70 (§§ 970.1 to 970.92).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: January 24, 1957, to become effective January 28, 1957.

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

[F. R. Doc. 57-667; Filed, Jan. 28, 1957; 8:51 a. m.]

[Docket No. AO-177-A17]

PART 972—MILK IN TRI-STATE MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED, REGULATING HANDLING

§ 972.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR, Part 900), a public hearing was held upon a proposed marketing agreement and certain proposed amendments to the order, as amended, regulating the handling of milk in the Tri-State marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions of said order, as amended, and as hereby further amended, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk as determined pursuant to section 2 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 and demand for milk in the marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, and as hereby further 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, a marketing agreement upon which hearings have been held;

(b) *Additional findings.* It is hereby found and determined that good cause exists for making this order amending the order, as amended, effective February 1, 1957. Such action is necessary in the public interest in order to reflect current marketing conditions and to insure the production of an adequate supply of milk for the Tri-State marketing area. Any delay beyond February 1, 1957, in the effective date of this order will tend to affect adversely the production of an adequate supply of milk for the Tri-State marketing area.

The changes effected by this order amending the order, as amended, do not require of persons affected substantial or extensive changes prior to the effective date. The provisions of the said order are well known to handlers, the public hearing having been held on August 15-16, 1956, the recommended decision having been issued on December 7, 1956 (21 F. R. 9908), and the final decision having been issued on January 17, 1957. Therefore, reasonable time, under the circumstances, has been afforded persons affected to prepare for its effective date and it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER.

In view of the foregoing, it is hereby found that good cause exists for making this order amending the order, as amended, effective February 1, 1957 (section 4 (c), Administrative Procedure Act, 5 U. S. C. 1003 (c)).

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order amending the order, as amended) of more than 50 percent of the volume of milk covered by this order amending the order, as amended, which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

1. The refusal or failure of such handlers to sign said marketing agreement tends to prevent the effectuation of the declared policy of the act;

2. This issuance of this order amending the order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

3. The issuance of this order amending the order, as amended, is approved or favored by at least two-thirds of the producers who, during the representative period (October 1956), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the Tri-State marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order as amended, and as hereby further amended, and the aforesaid order as amended, is hereby further amended as follows:

1. In § 972.34 (c), add subparagraph (3) as follows:

(3) The quantity of milk received from producers at such supply plant during the current month.

2. Delete § 972.41 (a), and substitute the following:

(a) Add the following amounts for the months indicated:

	February, March, and August	April, May, June, and July	September, October, November, December, and January
Huntington district plants	$1.55	$1.10	$2.00
Gallipolis-Scioto district plants	1.45	1.00	1.90
Athens district plants	1.35	.90	1.80

3. Delete the table in § 972.41 (b) (2), and substitute the following:

Month for which price is being computed	Base utilization percentages	
	Minimum	Maximum
January	103	107
February	103	107
March	99	103
April	95	99
May	93	97
June	87	91
July	77	81
August	68	72
September	64	68
October	68	72
November	79	83
December	94	98

4. Delete § 972.48 and substitute the following:

§ 972.48 *Location adjustment credits to handlers.* The price for Class I milk at a fluid milk plant or supply plant located outside the marketing area and more than 45 miles from the nearest of the following listed places, shall be, regardless of point of sale within or outside the marketing area, the same as the price for Class I milk (§ 972.41) for the district of the marketing area in which such nearest listed place is located, less a location adjustment computed as follows: 2 cents per hundredweight for each 10 miles, or major fraction thereof, up to 100 miles, and 1.5 cents per hundredweight for each 10 miles, or major fraction thereof, in excess of 100 miles, by the shortest hard-surfaced highway distance as determined by the market administrator, from such fluid milk plant to such nearest listed place:

City Hall, Huntington, W. Va.
City Hall, Ashland, Ky.
City Hall, Portsmouth, Ohio.
City Hall, Jackson, Ohio.
City Hall, Athens, Ohio.
City Hall, Marietta, Ohio.
City Hall, Gallipolis, Ohio.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Issued at Washington, D. C., this 24th day of January 1957, to be effective on and after the 1st day of February 1957.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-666; Filed, Jan. 28, 1957; 8:51 a. m.]

[Docket No. AO-183-A5]

PART 977—MILK IN PADUCAH, KENTUCKY, MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED, REGULATING HANDLING

§ 977.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order, and of the previously issued amendments thereto; and all said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Paducah, Kentucky, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 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 milk in the said marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further 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, a marketing agreement upon which a hearing has been held.

(4) All milk and milk products handled by handlers, as defined in this order, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products; and

(5) It is hereby found that the necessary expenses of the market administrator for the maintenance and functioning of such agency will require the payment by each handler as his pro rata share of such expense, 5 cents per hundredweight, or such amount not exceeding 5 cents per hundredweight, as the Secretary may prescribe with respect to all skim milk and butterfat contained in (a) producer milk, (b) other source milk (except other source milk which was subject to the Class I pricing provisions of another order issued pursuant to the act) which is allocated to Class I, or (c) Class I milk distributed in the marketing area from a nonpool plant not partially exempt from the provisions of this order pursuant to § 977.61.

(b) *Additional findings.* It is necessary, in the public interest, to make this order amending the order, as amended, effective not later than February 1, 1957, so as to reflect current marketing conditions. Any delay beyond February 1, 1957, in the effective date of this order amending the order, as amended, will impair the orderly marketing of milk in the Paducah, Kentucky, marketing area. The changes effected by this order amending the order, as amended, do not require of persons affected, substantial or extensive preparation prior to the effective date. The provisions of said order are well known to handlers.

In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order, as amended, effective February 1, 1957, and that it would be impracticable, unnecessary, and contrary to the public interest to delay the effective date of this order 30 days after its publication in the FEDERAL REGISTER (section 4 (c), Administrative Procedure Act 5, U. S. C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order amending the order, as amended, which is marketed within the Paducah, Kentucky, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of the order amending the order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order, as amended, is approved or favored by at least two-thirds of the producers who participated in a referendum and who, during the determined representative period (October 1956), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Paducah, Kentucky, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended as set forth below:

1. Delete § 977.5 and substitute therefor the following:

§ 977.5 *Paducah, Kentucky, marketing area.* "Paducah, Kentucky, marketing area," hereinafter called the "marketing area" means all the territory within the boundaries of the Kentucky Counties of McCracken, Ballard, Marshall, Graves, and Calloway.

2. Delete § 977.11 and substitute therefor the following:

§ 977.11 *Producer.* "Producer" means any person, except a producer-handler, who produces milk under a Grade A dairy farm permit or rating issued by a duly constituted health authority, which milk is delivered from the farm to a pool plant or diverted from

a pool plant to a nonpool plant for the account of a handler: *Provided*, That for any of the delivery periods of September through January no milk so diverted shall be deemed to have been so received at a pool plant from a producer if production of more than 10 days is diverted to a nonpool plant during such delivery period.

3. Delete § 977.45 (c) and substitute therefor the following:

§ 977.46 *Determination of producer milk in each class.* For each class, add the pounds of skim milk and the pounds of butterfat allocated to producer milk, pursuant to § 977.45, and determine the percentage of butterfat in the producer milk allocated to each class.

4. Delete that part of § 977.53 previous to "Provided" and substitute therefor the following:

§ 977.53 *Location differentials to handlers.* For that milk which is received from producers at a plant located 40 miles or more from the nearest County Courthouse in either Graves or McCracken County, by shortest hard-surfaced highway distance, as determined by the market administrator, and which is classified as Class I milk, the price specified in § 977.51 (a) shall be reduced according to the rate set forth in the following schedule according to the location of the pool plant where such milk is received from producers:

Distance from nearest County Courthouse (miles):	*Rate (cents)*
40 but less than 50	7.5
For each additional 10 miles or fraction thereof an additional	1.5

5. Delete § 977.62 and substitute therefor the following:

§ 977.62 *Handlers operating nonpool plants.* Each handler who operates a nonpool plant during a month shall, in lieu of the payments required pursuant to § 977.80 through § 977.86, pay to the market administrator, for the producer-settlement fund, on or before the 25th day after the end of such month, the amount resulting from the computation of either paragraph (a) or paragraph (b) of this section, whichever is less:

(a) The product of the quantity of milk received by such handler which was disposed of in the marketing area on routes as Class I milk during the month multiplied by the difference between the price for Class I milk pursuant to § 977.51 (a) and the price for Class II milk pursuant to § 977.51 (b) during the months of April through July, and the difference between the price for Class I milk pursuant to § 977.51 (a) and the uniform price pursuant to § 977.71 during the months of August through March.

(b) Any plus amount resulting from the following computation: Divide an amount equal to the net pool obligation which would be computed pursuant to § 977.70 for such handler for such month if such handler operated a pool plant by the hundredweight of milk received from approved dairy farmers; deduct the payments per hundredweight of milk made by such handler to approved dairy farmers for milk received during such month: *Provided*, That if such handler has paid dairy farmers by more than one rate, the payments to approved dairy farmers shall be computed at the lowest rates paid for a volume of milk equal to the volume disposed of in the marketing area.

6. Amend § 977.70 (b) (1) by deleting "March" and substituting therefor "April"; and § 977.70 (b) (2) by deleting "February" and substituting therefor "March".

7. In § 977.80 change the period at the close of paragraph (b) to a colon and add the following: *"Provided*, That the proper deductions referred to in paragraphs (a) (1) and (2) (iv) of this section shall be valid in the case of cooperative members only if authorized in writing by such cooperative."

8. Delete § 977.86 and substitute therefor the following:

§ 977.86 *Location differentials to producers.* In making payments for milk received from producers pursuant to § 977.80, the uniform price per hundredweight shall be reduced by the rate set forth in the following schedule according to the shortest hard surfaced highway distance, as determined by the market administrator, from the plant where the milk is received from producers or from which the milk is diverted, to the nearest County Courthouse in either Graves or McCracken County:

Distance from nearest County Courthouse (miles):	*Rate (cents)*
40 but less than 50	7.5
For each additional 10 miles or fraction thereof an additional	1.5

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Issued at Washington, D. C., this 24th day of January 1957, to be effective on and after February 1, 1957.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-664; Filed, Jan. 28, 1957; 8:51 a. m.]

[Docket No. AO-179-A15]

PART 975—MILK IN CLEVELAND, OHIO, MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED, REGULATING HANDLING

§ 975.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Cleveland, Ohio, during October 10–12, 1956, upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Cleveland, Ohio, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended and as hereby further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 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 and demand for milk in the said marketing area and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, and as hereby further 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 a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order, effective not later than February 1, 1957. Any delay beyond that date in making this order amending the order effective will tend to disrupt the orderly marketing of milk in the Cleveland, Ohio, marketing area. The changes effected by this order amending the order do not require persons affected to make substantial or extensive preparation prior to the effective date. Proposed amendments which would result in changes similar to those effected by this order amending the order were considered at a public hearing held during October 10–12, 1956; a recommended decision in this proceeding, to which interested parties were given an opportunity to file written exceptions, was issued on January 2, 1957, and a final decision was issued on January 17, 1957. Under these circumstances persons affected by this order amending the order have been afforded a reasonable time within which to prepare for its effective date. Therefore, good cause exists, pursuant to section 4 (c) of the Administrative Procedures Act (5 U. S. C. 1001 et seq.), for making this order amending the order effective February 1, 1957.

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order, amending the order, which is marketed within the Cleveland, Ohio, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of

milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order amending the order is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order is approved or favored by at least two thirds of the producers who participated in a referendum and who, during the determined representative period (October 1956), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Cleveland, Ohio, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended; and the aforesaid order, as amended, is hereby further amended as follows:

1. In § 975.30 (b) following the phrase "such plant shall" delete the words "upon written application to the market administrator on or before January 31 of any year" and substitute therefor "unless written advice to the contrary is furnished the market administrator on or before January 31".

2. Add the following as § 975.52 (c):

(c) Where producer milk is transferred in bulk from a pool plant to the pool plant of another handler, and the operators of such plants have so requested the market administrator in writing prior to the delivery period within which the transfer occurred, the maximum allowance for shrinkage pursuant to § 975.51 (c) (3) with respect to such milk shall be divided equally between the transferor and transferee plants.

3. Delete § 975.61 and substitute therefor the following:

§ 975.61 *Class I milk prices.* The respective minimum prices per hundredweight to be paid by each handler, f. o. b. his plant for milk received from producers or from a pool plant of a cooperative association, during the delivery period which is classified as Class I milk, shall be as follows as computed by the market administrator:

(a) Add to the basic formula price the following amount for the period indicated:

Delivery period:	*Amount*
February through July	$1.40
All others	1.85

(b) Add or subtract a "supply-demand adjustment" computed as follows:

(1) With respect to receipts and utilization of the Cleveland and Akron-Stark County, Ohio, marketing areas during the first and second months preceding the delivery period, combine into separate totals:

(i) The total quantity of milk received from producers defined in § 975.8 and § 960.7 of the order regulating the handling of milk in the Akron-Stark County, Ohio, marketing area; and

(ii) The gross quantity of milk utilized as Class I at pool plants pursuant to § 975.30 and to § 960.5 of this chapter, exclusive of interhandler and intermarket transfers between such plants.

(2) Divide the result obtained in subparagraph (1) (i) of this paragraph by that obtained in subparagraph (1) (ii) of this paragraph, multiply by 100, and round to the nearest whole number. This result shall be known as the "current utilization percentage."

(3) Compute a "deviation percentage" by subtracting from the current utilization percentage computed in subparagraph (2) of this paragraph the "standard utilization percentage" shown below:

Month for which the price is being computed:	*Standard utilization percentage*
January	123
February	126
March	129
April	132
May	135
June	144
July	149
August	144
September	131
October	125
November	123
December	122

(4) Determine the amount of the supply-demand adjustment from the following schedule:

Deviation percentage:	*Amount of supply-demand adjustment (cents)*
+13 or over	−25
+10 or +11	−19
+7 or +8	−13
+4 or +5	−7
+2 or −2	0
−4 or −5	+7
−7 or −8	+13
−10 or −11	+19
−13 or below	+25

When the deviation percentage does not fall within the tabulated brackets, the adjustment shall be determined by the adjacent bracket which is the same as or nearest to the bracket used in the previous month.

4. Effective July 1, 1957, delete § 975.66 and substitute therefor the following:

§ 975.66 *Quota rules.* (a) Except as provided in paragraph (b) of this section, an eligible milk quota shall apply to deliveries of milk by the producer for whose account that milk was delivered to a handler(s) during the quota forming period;

(b) A daily quota may be transferred during the period of April through June by notifying the market administrator in writing before the first day of any delivery period that such quota is to be transferred to the person named in such notice, but under the following conditions only:

(1) In the event of the death of a producer, the entire daily quota may be transferred to a member of such producer's immediate family who carries on the dairy operation on the same farm;

(2) If a quota is held jointly and such joint holding is terminated on the basis of written notice to the market administrator from the joint holders, the entire daily quota may be transferred to one of the joint holders, or divided in accordance with such notice between the former joint holders if they continue dairy farm operations.

5. Delete § 975.71 and substitute therefor the following:

§ 975.71 *Location adjustment to handlers.* In computing the value of such quantities of milk as are received at a pool plant located 40 miles or more, by the shortest highway distance from the Public Square in Cleveland, Ohio, as determined by the market administrator, and classified as Class I or Class II milk, there shall be deducted:

(a) 13 cents per hundredweight, if such distance is more than 40 miles but not more than 60 miles; and

(b) 20 cents per hundredweight, if such distance is more than 60 miles but not more than 74 miles, and 2 cents per hundredweight additional for each 14 miles or fraction thereof in excess of 74 miles.

(c) For the purpose of determining the respective quantities of Class I and Class II milk subject to the location adjustment, each pool handler's utilization of Class I and Class II milk during the month at pool plants as defined in § 975.30 (a) shall be allocated first to receipts of milk from producers' farms at such plants and then to the receipts of producer milk from pool plants as defined in § 975.30 (b) in the order of their nearness to the Public Square in Cleveland, Ohio, by shortest highway distance as determined by the market administrator.

6. In § 975.73 (c) delete "§ 975.81 (b)" and substitute therefor "§ 975.81".

7. In § 975.75 (a) delete "§ 975.73 (a) through (c)" and substitute therefor "§ 975.73 (a) through (e)".

8. In § 975.81 (a) delete "30 miles" and substitute therefor "40 miles".

(Sec. 5, 49 Stat. 753 as amended; 7 U. S. C. 608c)

Issued at Washington, D. C., this 24th day of January 1957, to be effective on and after February 1, 1957, with respect to all amendments other than that to § 975.66 (numbered 4 herein) which shall be effective on and after July 1, 1957.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-663; Filed, Jan. 28, 1957; 8:51 a. m.]

TITLE 10—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

PART 20—STANDARDS FOR PROTECTION AGAINST RADIATION

In July 1955 the Commission issued for public comment a proposed regulation to establish general standards for protection of licensees, their employees, and the public against radiation hazards arising out of the possession or use of special nuclear, source, or byproduct material under license issued by AEC. In preparing the effective regulation published below, the Commission has had

the benefit of numerous comments and suggestions received since publication of the proposed rules. A number of changes suggested by those comments have been incorporated in the following regulation.

The regulation establishes standards which must be followed in handling radioactive materials which are subject to the licensing authority of the Commission and provides procedures whereby deviations from such standards may be authorized on a case-to-case basis. The regulation prescribes limits which govern exposure of personnel to radiation and concentrations of radioactive material, concentrations of radioactive material which may be discharged into air and water, and disposal of radioactive wastes. It also establishes certain precautionary procedures and administrative controls.

The standards established by this regulation will be found to agree substantially with those published by the National Committee on Radiation Protection in N. B. S. Handbook 52 "Maximum Permissible Amounts of Radioisotopes in the Human Body and Maximum Permissible Concentrations in Air and Water," and N. B. S. Handbook 59 "Permissible Dose from External Sources of Ionizing Radiation." The National Committee on Radiation Protection has under review recommendations to limit cumulative exposures over periods of years. The Commission is giving consideration to appropriate amendments to its regulations to deal with this cumulative exposure problem.

Limitations upon levels of radiation and concentrations of radioactive material in areas affected by but not controlled by the licensee are contained principally in § 20.102 ("Permissible Levels of Radiation in Unrestricted Areas"), § 20.103 ("Concentrations in Effluents to Unrestricted Areas"), and the sections on waste disposal. The sections are designed to assure that individuals in "unrestricted areas" do not receive exposure in excess of 10 percent of the limits established for persons exposed in restricted areas. For this purpose, the sections limit levels of radiation and concentrations of radioactive material which may be created in unrestricted areas by licensees, without special authorization from the AEC, to extremely low levels. These levels are believed to be sufficiently low to assure that there is no reasonable probability of individuals in unrestricted areas receiving exposures in excess of 10 percent of the permissible levels for restricted areas. Procedures are incorporated in those sections, however, under which the Commission may authorize licensees in specific cases to create higher levels in unrestricted areas where the circumstances of the particular case are such as to provide reasonable assurance that individuals in the unrestricted areas will not receive exposures in excess of 10 percent of the limitation established for restricted areas.

It is believed that the standards incorporated in these regulations provide, in accordance with present knowledge, a very substantial margin of safety for exposed individuals. It is believed also that the standards are practical from the standpoint of licensees. It should be emphasized that the standards are subject to change with the development of new knowledge, with significant increase in the average exposure of the whole population to radiation, and with further experience in the administration of the Commission's regulatory program.

Pursuant to the Administrative Procedures Act, Public Law 404, 79th Congress, 2d Session, the following rules are published as a document subject to codification to be effective 30 days after publication in the FEDERAL REGISTER.

GENERAL PROVISIONS

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20.1 Purpose.
20.2 Scope.
20.3 Definitions.
20.4 Units of radiation dose.
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20.6 Interpretations.
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PERMISSIBLE DOSES, LEVELS, AND CONCENTRATIONS

20.101 Exposure of individuals in restricted areas.
20.102 Permissible levels of radiation in unrestricted areas.
20.103 Concentrations in effluents to unrestricted areas.
20.104 Medical diagnosis, therapy, and research.
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PRECAUTIONARY PROCEDURES

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RECORDS, REPORTS, AND NOTIFICATION

20.401 Records of surveys, radiation monitoring, and disposal.
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EXCEPTIONS AND ADDITIONAL REQUIREMENTS

20.501 Applications for exemptions.
20.502 Additional requirements.

ENFORCEMENT

20.601 Violations.

AUTHORITY: §§ 20.1 to 20.601 issued under sec. 161 (b), 68 Stat 948, 42 U. S. C. 2201.

GENERAL PROVISIONS

§ 20.1 *Purpose.* (a) The regulations in this part establish standards for protection against radiation hazards arising out of activities under licenses issued by the Atomic Energy Commission and are issued pursuant to the Atomic Energy Act of 1954 (68 Stat. 919).

(b) The use of radioactive material or other sources of radiation not licensed by the Commission is not subject to the regulations in this part. However, it is the purpose of the regulations in this part to control the possession, use, and transfer of licensed material by any licensee in such a manner that exposure to such material and to radiation from such material, when added to exposures to unlicensed radioactive material and to other unlicensed sources of radiation in the possession of the licensee, and to radiation therefrom, does not exceed the standards of radiation protection prescribed in the regulations in this part.

§ 20.2 *Scope.* The regulations in this part apply to all persons who receive, possess, use or transfer byproduct material, source material, or special nuclear material under a general or specific license issued by the Commission pursuant to the regulations in Part 30, 40, or 70 of this chapter.

§ 20.3 *Definitions.* (a) As used in this part:

(1) "Act" means the Atomic Energy Act of 1954 (68 Stat. 919) including any amendments thereto;

(2) "Airborne radioactive material" means any radioactive material dispersed in the air in the form of dusts, fumes, mists, vapors, or gases;

(3) "Byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material;

(4) "Commission" means the Atomic Energy Commission or its duly authorized representatives;

(5) "Government agency" means any executive department, commission, independent establishment, corporation, wholly or partly owned by the United States of America which is an instrumentality of the United States, or any board, bureau, division, service, office, officer, authority, administration, or other establishment in the executive branch of the Government;

(6) "Individual" means any human being;

(7) "Licensed material" means source material, special nuclear material, or byproduct material received, possessed, used, or transferred under a general or specific license issued by the Commission pursuant to the regulations in this chapter;

(8) "License" means a license issued under the regulations in Part 30, 40, or 70 of this chapter. "Licensee" means the holder of such license;

(9) "Person" means (i) any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, Government agency other than the Commission, any State, any foreign government or nation or any political subdivision of any such government or nations, or other entity; and (ii) any legal successor, representative, agent, or agency of the foregoing;

(10) "Radiation" means any or all of the following: alpha rays, beta rays, gamma rays, X-rays, neutrons, high-speed electrons, high-speed protons, and other atomic particles; but not sound or radio waves, or visible, infrared, or ultraviolet light;

(11) "Radioactive material" includes any such material whether or not subject to licensing control by the Commission;

(12) "Restricted area" means any area access to which is controlled by the licensee. "Restricted area" shall not include any areas used as residential quarters, although a separate room or rooms in a residential building may be set apart as a restricted area;

(13) "Source material" means any material except special nuclear material, which contains by weight one-twentieth of one percent (0.05 percent or more of (i) uranium, (ii) thorium, or (iii) any combination thereof;

(14) "Special nuclear material" means (i) plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Commission, pursuant to the provisions of section 51 of the act, determines to be special nuclear material, but does not include source material; or (ii) any material artificially enriched by any of the foregoing but does not include source material;

(15) "Unrestricted area" means any area entry into which is not controlled by the licensee, and any area used for residential quarters.

(b) Definitions of certain other words and phrases as used in this part are set forth in other sections, including:

(1) "Airborne radioactivity area" defined in § 20.203;

(2) "Radiation area" and "high radiation area" defined in § 20.202;

(3) "Personnel monitoring equipment" defined in § 20.202;

(4) "Survey" defined in § 20.201;

(5) Units of measurement of dose (rad, rem) defined in § 20.4;

(6) Units of measurement of radioactivity defined in § 20.5.

§ 20.4 *Units of radiation dose.* (a) "Dose," as used in this part, is the quantity of radiation absorbed, per unit of mass, by the body or by any portion of the body. When the regulations in this part specify a dose during a period of time, the dose means the total quantity of radiation absorbed, per unit of mass, by the body or by any portion of the body during such period of time. Several different units of dose are in current use. Definitions of units as used in this part are set forth in paragraphs (b) and (c) of this section.

(b) The rad, as used in this part, is a measure of the dose of any ionizing radiation to body tissues in terms of the energy absorbed per unit mass of the tissue. One rad is the dose corresponding to the absorption of 100 ergs per gram of tissue. (One millirad (mrad) = 0.001 rad.)

(c) The rem, as used in this part, is a measure of the dose of any ionizing radiation to body tissue in terms of its estimated biological effect relative to a dose of one roentgen (r) of X-rays. (One millirem (mrem) = 0.001 rem.) The relation of the rem to other dose units depends upon the biological effect under consideration and upon the conditions of irradiation. For the purpose of the regulations in this part, any of the following is considered to be equivalent to a dose of one rem:

(1) A dose of 1 r due to X— or gamma radiation;

(2) A dose of 1 rad due to X—, gamma, or beta radiation;

(3) A dose of 0.1 rad due to neutrons or high energy protons;

(4) A dose of 0.05 rad due to particles heavier than protons and with sufficient energy to reach the lens of the eye;

If it is more convenient to measure the neutron flux, or equivalent, than to determine the neutron dose in rads, as provided in subparagraph (3) of this paragraph, one rem of neutron radiation may, for purposes of the regulations in this part, be assumed to be equivalent to 14 million neutrons per square centimeter incident upon the body; or, if there exists sufficient information to estimate with reasonable accuracy the approximate distribution in energy of the neutrons, the incident number of neutrons per square centimeter equivalent to one rem may be estimated from the following table:

Neutron energy	Number of neutrons per square centimeter equivalent to a dose of 1 rem
Thermal	960×10^6
0.0001 mev	480×10^6
0.01 mev	480×10^6
0.1 mev	96×10^6
0.5 mev	38×10^6
1 mev	29×10^6
2 mev	19×10^6
3 mev. and higher	14×10^6

§ 20.5 *Units of radioactivity.* (a) Radioactivity is commonly, and for purposes of the regulations in this part shall be, measured in terms of disintegrations per unit time or in curies. One curie (c) = 3.7×10^{10} disintegrations per second (dps) = 2.2×10^{12} disintegrations per minute (dpm). A commonly used submultiple of the curie is the microcurie (μc). One $\mu c = 0.000001$ c = 3.7×10^4 dps = 2.2×10^6 dpm.

NOTE: Many radioisotopes disintegrate into isotopes which are also radioactive. In expressing maximum permissible concentrations in air and water of these materials, as in Appendix B of this part, the activity stated is that of the parent isotope. In some cases, the fact that daughter products may contribute to the total dose has been taken into account in the determination of the maximum permissible concentration of the parent isotopes. In the tables of Appendix B of this part this is indicated by writing $Ba^{140}+La^{140}$, $Sr^{90}+Y^{90}$, $Rn^{222}+dr$, $Ra^{226}+\frac{1}{2}$ dr, etc.

EXAMPLE. In Column 1, Table I, Appendix B the maximum permissible concentration of Ba^{140} in air for occupational use is $2+10^{-7}\mu c/ml$. This is the maximum permissible concentration regardless of whether or not any of the La^{140} which may have resulted from the decay of the Ba^{140} is present or not. However, the value given for BA^{140} is less than it would be if La^{140} were a stable isotope, not only because of the possibility of La^{140} in the air but principally because, if the Ba^{140} is inhaled, its radioactive decay in the body will result in the production of La^{140} in the body.

(b) *Radon.* Airborne radioactivity of radon and its decay products may be determined by measurement of the activity of one or more decay products on dust filtered from the air. For purposes of the regulations in this part, the limit prescribed here will be considered to be met if the measured radioactivity of one or more decay products (for example, RaC') does not exceed that which would result from the occurrence, at the time of sampling, of 1×10^{-7} microcuries, per milliliter of air, of Rn^{222} and each of its short-lived decay products, RaA, RaB, RaC, and RaC'. For this purpose, due allowance shall be made for changes in the radioactivity of the measured decay products from time of sampling through the period of measurement.

(c) *Natural uranium and natural thorium.* Natural uranium and natural thorium occur as mixtures of isotopes of the respective elements. In the case of uranium or of thorium, the number of microcuries shall be determined by dividing the total rate, in dpm, of alpha emissions from the mixture by 2.2×10^6 dpm per μ c.

§ 20.6 *Interpretations.* Except as specifically authorized by the Commission in writing, no interpretation of the meaning of the regulations in this part by any officer or employee of the Commission other than a written interpretation by the General Counsel will be recognized to be binding upon the Commission.

§ 20.7 *Communications.* All communications and reports concerning the regulations in this part, and applications filed under them, should be addressed to the Atomic Energy Commission, 1901 Constitution Avenue NW., Washington 25, D. C., Attention: Division of Civilian Application.

PERMISSIBLE DOSES, LEVELS, AND CONCENTRATIONS

§ 20.101 *Exposure of individuals in restricted areas.*—(a) *Exposure to radiation.* (1) Except as provided in subparagraph (2) of this paragraph, no licensee shall possess, use, or transfer licensed material in such a manner as to cause any individual in a restricted area to receive in any period of seven consecutive days from radioactive material and other sources of radiation in the licensee's possession a dose in excess of the limits specified in Appendix A of this part.

(2) A licensee may permit an individual in a restricted area to receive a dose in excess of the limits established in subparagraph (1) of this paragraph: *Provided,* (i) That the dose during any period of 7 consecutive days does not exceed three times the limits specified in Appendix A of this part, and (ii) that the dose during any period of 13 consecutive weeks does not exceed 10 times the limits specified in Appendix A of this part.

(b) No licensee shall possess, use or transfer licensed material in such a manner as to cause any individual in a restricted area to be exposed to airborne radioactive material possessed by the licensee in an average concentration in excess of the limits specified in Appendix B, Table I, of this part.

The limits given in Appendix B, Table I of this part, are based upon exposure to the concentrations specified for forty hours in any period of seven consecutive days. In any such period

where the number of hours of exposure is less than forty, the limits specified in the table may be increased proportionately. In any such period, where the number of hours of exposure is greater than forty, the limits specified in the table shall be decreased proportionately.

(c) *Exposure of minors.* No licensee shall possess, use, or transfer licensed material in such a manner as to cause any individual under 18 years of age within a restricted area to receive in any period of seven consecutive days from radioactive material and other sources of radiation in the licensee's possession a dose in excess of 10 percent of the limits specified in Appendix A of this part, or to be exposed to airborne radioactive material possessed by the licensee in a concentration in excess of the limits specified in Appendix B, Table II, of this part. For purposes of this paragraph, concentrations may be averaged over periods not greater than a week.

§ 20.102 *Permissible levels of radiation in unrestricted areas.* (a) There may be included in any application for a license or for amendment of a license proposed limits upon levels of radiation in unrestricted areas resulting from the applicant's possession or use of radioactive material and other sources of radiation. Such applications should include information as to anticipated average radiation levels and anticipated occupancy times for each unrestricted area involved. The Commission will approve the proposed limits if the applicant demonstrates that the proposed limits are not likely to cause any individual to receive a dose in any period of seven consecutive days in excess of 10 percent of the limits specified in Appendix A of this part.

(b) Except as authorized by the Commission pursuant to paragraph (a) of this section, no licensee shall possess, use, or transfer licensed material in such a manner as to create in any unrestricted area from radioactive material and other sources of radiation in his possession:

(1) Radiation levels which, if an individual were continuously present in the area, could result in his receiving a dose in excess of two millirems in any one hour, or

(2) Radiation levels which, if an individual were continuously present in the area, could result in his receiving a dose in excess of 100 millirems in any seven consecutive days.

§ 20.103 *Concentrations in effluents to unrestricted areas.* (a) There may be included in any application for a license or for amendment of a license proposed limits upon concentrations of licensed and other radioactive material released into air or water in unrestricted areas as a result of the applicant's proposed activities. Such applications should include information as to anticipated average concentrations and anticipated occupancy times for each unrestricted area involved. The Commission will approve the proposed limits if the applicant demonstrates that it is not likely that any individual will be exposed to concentrations in excess of the limits specified in Appendix B, Table II, of this part. For purposes of this paragraph, concentrations may be averaged over periods not greater than one year.

(b) Except as authorized by the Commission pursuant to § 20.302 or paragraph (a) of this section, no licensee shall possess, use, or transfer licensed material in such a manner as to release into air or water in any unrestricted area any concentration of radioactive material in excess of the limits specified in Appendix B, Table II of this part. For purposes of this paragraph, concentrations may be averaged over periods not greater than one year.

(c) For purposes of this section, determinations as to the concentration of radioactive material shall be made with respect to the point where such material leaves the restricted area. Where the radioactive material leaves the restricted area in a stack, tube, pipe, or similar conduit, the determination may be made with respect to the point where the material leaves such conduit.

(d) The provisions of this section do not apply to disposal of radioactive material into sanitary sewerage systems (see § 20.303).

§ 20.104 *Medical diagnosis, therapy, and research.* Nothing in the regulations in this part shall be interpreted as limiting the intentional exposure of patients to radiation for the purpose of medical diagnosis or medical therapy.

§ 20.105 *Measures to be taken after excessive exposures.* In the event that any individual in a restricted area receives a dose or is exposed to concentrations of radioactive material in excess of the permissible limits established in § 20.101, the licensee shall limit the weekly dose or exposure of the individual to 10 percent of such permissible limit until such time as the average weekly dose or exposure to the individual for the period beginning with the week in which the excessive dose or exposure occurred is less than the permissible limit established in § 20.101.

PRECAUTIONARY PROCEDURES

§ 20.201 *Surveys.* (a) As used in the regulations in this part, "survey" means an evaluation of the radiation hazards incident to the production, use, release, disposal, or presence of radioactive materials or other sources of radiation under a specific set of conditions. When appropriate, such evaluation includes a physical survey of the location of materials and equipment, and measurements of levels of radiation or concentrations of radioactive material present.

(b) Each licensee shall make or cause to be made such surveys as may be necessary for him to comply with the regulations in this part.

§ 20.202 *Personnel monitoring.* (a) Each licensee shall supply appropriate personnel monitoring equipment to, and shall require the use of such equipment by:

(1) Each individual who enters a restricted area under such circumstances that he receives, or is likely to receive, a dose in excess of 25 percent of the limits specified in Appendix A of this part;

(2) Each individual who enters a high radiation area.

(b) As used in this part,

(1) "Personnel monitoring equipment" means devices designed to be worn or carried by an individual for the purpose of measuring the dose received (e. g., film badges, pocket chambers, pocket dosimeters, film rings, etc.);

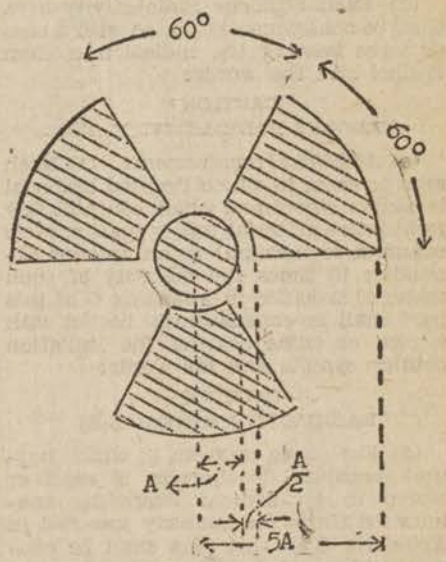
(2) "Radiation area" means any area, accessible to personnel, in which there exists radiation, originating in whole or in part within licensed material, at such levels that a major portion of the body could receive in any one hour a dose in excess of 5 millirem, or in any 5 consecutive days a dose in excess of 150 millirem;

(3) "High radiation area" means any area, accessible to personnel, in which there exists radiation originating in whole or in part within licensed material at such levels that a major portion of the body could receive in any one hour a dose in excess of 100 millirem.

§ 20.203 *Caution signs, labels, and signals.* (a) (1) Except as otherwise authorized by the Commission, symbols prescribed by this section shall use the conventional radiation caution colors (magenta or purple on yellow background). The symbol prescribed by this section is the conventional three-bladed design:

RADIATION SYMBOL

1. Cross-hatched area is to be magenta or purple.
2. Background is to be yellow.



(2) In addition to the contents of signs and labels prescribed in this section, licensees may provide on or near such signs and labels any additional information which may be appropriate in aiding individuals to minimize exposure to radiation or to radioactive material.

(b) *Radiation areas.* Each radiation area shall be conspicuously posted with a sign or signs bearing the radiation caution symbol and the words:

CAUTION [1]
RADIATION AREA

(c) *High radiation areas.* (1) Each high radiation area shall be conspicuously posted with a sign or signs bearing

[1] Or "Danger".

the radiation caution symbol and the words:

CAUTION [1]
HIGH RADIATION AREA

(2) Each high radiation area shall be equipped with a control device which shall either cause the level of radiation to be reduced below that at which an individual might receive a dose of 100 millirem in one hour upon entry into the area or shall energize a conspicuous visible or audible alarm signal in such a manner that the individual entering and the licensee or a supervisor of the activity are made aware of the entry. In the case of a high radiation area established for a period of 30 days or less, such control device is not required.

(d) *Airborne radioactivity areas.* (1) As used in the regulations in this part, "airborne radioactivity area" means (i) any room, enclosure, or operating area in which airborne radioactive materials, composed wholly or partly of licensed material, exist in concentrations in excess of the amounts specified in Appendix B, Table I, Column 1 of this part; or (ii) any room, enclosure, or operating area in which airborne radioactive material composed wholly or partly of licensed material exists in concentrations which, averaged over the number of hours in any week during which individuals are in the area, exceed 25 percent of the amounts specified in Appendix B, Table I, Column 1 of this part.

(2) Each airborne radioactivity area shall be conspicuously posted with a sign or signs bearing the radiation caution symbol and the words:

CAUTION [1]
AIRBORNE RADIOACTIVITY AREA

(e) *Additional requirements.* (1) Each area or room in which licensed material is used or stored and which contains any radioactive material (other than natural uranium or thorium) in an amount exceeding 10 times the quantity of such material specified in Appendix C of this part shall be conspicuously posted with a sign or signs bearing the radiation caution symbol and the words:

CAUTION [1]
RADIOACTIVE MATERIAL(S)

(2) Each area or room in which natural uranium or thorium is used or stored in an amount exceeding one-hundred times the quantity specified in Appendix C of this part shall be conspicuously posted with a sign or signs bearing the radiation caution symbol and the words:

CAUTION [1]
RADIOACTIVE MATERIAL(S)

(f) *Containers.* (1) Each container in which is transported, stored, or used a quantity of any licensed material (other than natural uranium or thorium) greater than the quantity of such material specified in Appendix C of this part shall bear a durable, clearly visible label bearing the radiation caution symbol and the words:

[1] Or "Danger."

CAUTION [1]
RADIOACTIVE MATERIAL

(2) Each container in which natural uranium or thorium is transported, stored, or used in a quantity greater than ten times the quantity specified in Appendix C of this part shall bear a durable, clearly visible label bearing the radiation caution symbol and the words:

CAUTION [1]
RADIOACTIVE MATERIAL

(3) Notwithstanding the provisions of subparagraphs (1) and (2) a label shall not be required:

(i) If the concentration of the material in the container does not exceed that specified in Appendix B, Table I, Column 2 of this part, or

(ii) For laboratory containers, such as beakers, flasks, and test tubes, used transiently in laboratory procedures, when the user is present.

(4) Where containers are used for storage, the labels required in this paragraph shall state also the quantities and kinds of radioactive materials in the containers and the date of measurement of the quantities.

§ 20.204 *Exceptions from posting requirements.* Notwithstanding the provisions of § 20.203,

(a) A room or area is not required to be posted with a caution sign because of the presence of a sealed source provided the radiation level twelve inches from the surface of the source container or housing does not exceed five millirem per hour.

(b) Rooms or other areas in hospitals are not required to be posted with caution signs because of the presence of patients containing byproduct material provided that there are personnel in attendance who shall take the precautions necessary to prevent the exposure of any individual to radiation or radioactive material in excess of the limits established in the regulations in this part.

(c) Caution signs are not required to be posted at areas or rooms containing radioactive materials for periods of less than eight hours provided that (1) the materials are constantly attended during such periods by an individual who shall take the precautions necessary to prevent the exposure of any individual to radiation or radioactive materials in excess of the limits established in the regulations in this part and; (2) such area or room is subject to the licensee's control.

§ 20.205 *Exemptions for radioactive materials packaged for shipment.* Radioactive materials packaged and labeled in accordance with regulations of the Interstate Commerce Commission shall be exempt from the labeling and posting requirements of § 20.203 during shipment, provided that the inside containers are labeled in accordance with the provisions of § 20.203 (f).

§ 20.206 *Instruction of personnel.* All individuals working in or frequenting any portion of a restricted area shall be informed of the occurrence of radioactive materials or of radiation in such portion, and shall be instructed in the hazards of excessive exposure to such materials or radiation and in precautions or procedures to minimize exposure.

§ 20.207 *Storage of licensed material.* Licensed materials stored in an unrestricted area shall be secured against unauthorized removal from the place of storage.

WASTE DISPOSAL

§ 20.301 *General requirement.* No licensee shall dispose of licensed material except:

(1) By transfer to an authorized recipient as provided in the regulations in Part 30, 40, or 70 of this chapter, whichever may be applicable; or

(2) As authorized pursuant to § 20.302; or

(3) As provided in § 20.303 or § 20.304, applicable respectively to the disposal of licensed material by release into sanitary sewerage systems or burial in soil, or in § 20.103 (Concentrations in Effluents to Unrestricted Areas).

§ 20.302 *Method for obtaining approval of proposed disposal procedures.* Any licensee or applicant for a license may apply to the Commission for approval of proposed procedures to dispose of licensed material in a manner not otherwise authorized in the regulations in this chapter. Each application should include a description of the licensed material and any other radioactive material involved, including the quantities and kinds of such material and the levels of radioactivity involved, and the proposed manner and conditions of disposal. The application should also include an analysis and evaluation of pertinent information as to the nature of the environment, including topographical, geological, meteorological, and hydrological characteristics; usage of ground and surface waters in the general area; the nature and location of other potentially affected facilities; and procedures to be observed to minimize the risk of unexpected or hazardous exposures.

§ 20.303 *Disposal by release into sanitary sewerage systems.* No licensee shall discharge licensed material into a sanitary sewerage system unless:

(a) It is readily soluble or dispersible in water; and

(b) The quantity of any licensed or other radioactive material released into the system by the licensee in any one day does not exceed the larger of subparagraphs (1) or (2) of this paragraph:

(1) The quantity which, if diluted by the average daily quantity of sewage released into the sewer by the licensee, will result in an average concentration equal to the limits specified in Appendix B, Table I, Column 2 of this part; or

(2) Ten times the quantity of such material specified in Appendix C of this part; and

(c) The quantity of any licensed or other radioactive material released in any one month, if diluted by the average monthly quantity of water released by the licensee, will not result in an average concentration exceeding the limits spec-

ified in Appendix B, Table I, Column 2 of this part; and

(d) The gross quantity of licensed and other radioactive material released into the sewerage system by the licensee does not exceed one curie per year.

Excreta from individuals undergoing medical diagnosis or therapy with radioactive material shall be exempt from any limitations contained in this section.

§ 20.304 *Disposal by burial in soil.* No licensee shall dispose of licensed material by burial in soil unless:

(a) The total quantity of licensed and other radioactive materials buried at any one location and time does not exceed, at the time of burial, 1,000 times the amount specified in Appendix C of this part; and

(b) Burial is at a minimum depth of four feet; and

(c) Successive burials are separated by distances of at least six feet and not more than 12 burials are made in any year.

RECORDS, REPORTS, AND NOTIFICATION

§ 20.401 *Records of surveys, radiation monitoring, and disposal.* (a) Each licensee shall maintain records showing the radiation exposures of all individuals subject to personnel monitoring control under § 20.202 of the regulations in this part.

(b) Each licensee shall maintain records showing the name of each individual exposed to radiation pursuant to § 20.101 (a) (2) and the weekly dose of each such individual for the 13 consecutive weeks of highest cumulative weekly dose.

(c) Each licensee shall maintain records in the same units used in the appendices to this part, showing the results of surveys required by § 20.201 (b), and disposals made under §§ 20.302, 20.303, and 20.304.

§ 20.402 *Reports of theft or loss of licensed material.* Each licensee shall report promptly to the Commission, after its occurrence becomes known to the licensee, any loss or theft of licensed material in such quantities and under such circumstances that it appears to the licensee that a substantial hazard may result to persons in unrestricted areas.

EXCEPTIONS AND ADDITIONAL REQUIREMENTS

§ 20.501 *Applications for exemptions.* The Commission may, upon application by any licensee or upon its own initiative, grant such exemptions from the requirements of the regulations in this part as it determines are authorized by law and will not result in undue hazard to life or property.

§ 20.502 *Additional requirements.* The Commission may, by rule, regulation, or order, impose upon any licensee such requirements, in addition to those established in the regulations in this part, as it deems appropriate or necessary to protect health or to minimize danger to life or property.

ENFORCEMENT

§ 20.601 *Violations.* An injunction or other court order may be obtained prohibiting any violation of any provision of the act or any regulation or order issued thereunder. Any person who willfully violates any provision of the act or any regulation or order issued thereunder may be guilty of a crime and, upon conviction, may be punished by fine or imprisonment or both, as provided by law.

APPENDIX A

PERMISSIBLE WEEKLY DOSE

Conditions of exposure		Dose in critical organs (mrem)			
Parts of body	Radiation	Skin, at basal layer of epidermis	Blood forming organs	Gonads	Lens of eye
Whole body	Any radiation with half-value-layer greater than 1 mm of soft tissue.	[1] 600	[1] 300	[1] 300	[1] 300
Whole body	Any radiation with half-value-layer less than 1 mm of soft tissue.	1,500	300	300	300
Hands and forearms or feet and ankles or head and neck.	Any radiation	[2] 1,500			

[1] For exposures of the whole body to X or gamma rays up to 3 mev, this condition may be assumed to be met if the "air dose" does not exceed 300 mr, provided the dose to the gonads does not exceed 300 mrem. "Air dose" means that the dose is measured by an appropriate instrument in air in the region of highest dosage rate to be occupied by an individual, without the presence of the human body or other absorbing and scattering material.

[2] Exposure of these limited portions of the body under these conditions does not alter the total weekly dose of 300 mrem permitted to the bloodforming organs in the main portion of the body, to the gonads, or to the lens of the eye.

APPENDIX B

PERMISSIBLE CONCENTRATIONS IN AIR AND WATER ABOVE NATURAL BACKGROUND

Material	Table I		Table II	
	Column 1 [1] Air (2)	Column 2 [2] Water (3)	Column 1 [1] Air (2)	Column 2 [2] Water (3)
A^{41}	1.6×10^{-6}	1.4×10^{-3}	5×10^{-8}	5×10^{-5}
Ag^{105}	3.6×10^{-8}	5	1.2×10^{-9}	1.6×10^{-4}
Ag^{111}	1×10^{-4}	13	3×10^{-6}	4×10^{-1}
Am^{241}	8×10^{-11}	4×10^{-4}	3×10^{-12}	1.3×10^{-5}
As^{76}	7×10^{-9}	6×10^{-1}	2×10^{-7}	2×10^{-2}
At^{211}	9×10^{-10}	6×10^{-6}	3×10^{-11}	2×10^{-7}
Au^{198}	3.4×10^{-7}	9×10^{-3}	1.1×10^{-8}	3×10^{-4}
Au^{199}	8×10^{-7}	2×10^{-2}	2.5×10^{-8}	7×10^{-4}
$Ba^{140}+La^{140}$	2×10^{-7}	6×10^{-3}	6×10^{-9}	2×10^{-4}
Be^{7}	1.3×10^{-5}	3	4×10^{-7}	1×10^{-1}
C^{14}	1.4×10^{-6}	1×10^{-2}	5×10^{-8}	3.6×10^{-4}
Ca^{45}	9×10^{-8}	1.5×10^{-3}	3×10^{-9}	5×10^{-5}
$Cd^{109}+Ag^{109}$	2×10^{-7}	2×10^{-1}	7×10^{-9}	7×10^{-3}
$Ce^{144}+Pr^{144}$	2×10^{-8}	1×10^{-1}	7×10^{-10}	3.6×10^{-3}
Cl^{36}	1×10^{-6}	7×10^{-3}	4×10^{-8}	2.4×10^{-4}
Cm^{242}	5×10^{-10}	2.7×10^{-3}	1.8×10^{-11}	1×10^{-4}
Co^{60}	3.4×10^{-6}	5×10^{-2}	1.2×10^{-7}	1.8×10^{-3}
Cr^{51}	2.4×10^{-5}	1.4	8×10^{-7}	5×10^{-3}
$Cs^{137}+Ba^{137}$	6×10^{-7}	4.5×10^{-3}	2×10^{-8}	1.5×10^{-4}
Cu^{64}	2×10^{-5}	2.5×10^{-1}	6×10^{-7}	8×10^{-3}
Eu^{154}	2×10^{-8}	1×10^{-1}	6×10^{-10}	3×10^{-3}
F^{18}	3.5×10^{-4}	2.6	1.2×10^{-5}	9×10^{-2}
Fe^{55}	1.8×10^{-6}	1.3×10^{-2}	6×10^{-8}	4×10^{-4}
Fe^{59}	5×10^{-8}	3.3×10^{-4}	1.5×10^{-9}	1.1×10^{-5}
Ga^{72}	1×10^{-5}	26	3.4×10^{-7}	9×10^{-1}
Ge^{71}	1×10^{-4}	27	3.6×10^{-6}	9×10^{-1}
H^{3} (HTO or T_2O)	7×10^{-5}	5×10^{-1}	2.5×10^{-6}	1.6×10^{-2}
Ho^{166}	1×10^{-5}	70	3×10^{-7}	2.3
I^{131}	9×10^{-9}	9×10^{-5}	3×10^{-10}	3×10^{-6}
Ir^{190}	2.2×10^{-6}	4×10^{-2}	7×10^{-8}	1.3×10^{-3}
Ir^{192}	1.5×10^{-7}	2.7×10^{-3}	5×10^{-9}	9×10^{-5}
K^{42}	6×10^{-6}	4×10^{-2}	2×10^{-7}	1.4×10^{-3}
La^{140}	4×10^{-6}	3.4	1.4×10^{-7}	1.1×10^{-1}
Lu^{177}	1.5×10^{-5}	70	5×10^{-7}	2.4
Mn^{56}	8×10^{-6}	5×10^{-1}	3×10^{-7}	1.5×10^{-2}
Mo^{99}	5×10^{-8}	40	1.8×10^{-4}	1.4
Na^{24}	5×10^{-6}	2.4×10^{-2}	1.6×10^{-7}	8×10^{-4}
Nb^{95}	1.3×10^{-6}	1.2×10^{-2}	4×10^{-8}	4×10^{-4}
Ni^{59}	5×10^{-5}	7×10^{-1}	1.6×10^{-6}	2.5×10^{-2}
P^{32}	4×10^{-7}	6×10^{-4}	1.4×10^{-8}	2×10^{-5}
Pb^{203}	2×10^{-5}	4×10^{-1}	6×10^{-7}	1.4×10^{-2}
$Pb^{103}+Rh^{103}$	2×10^{-6}	3×10^{2}	7×10^{-8}	1×10^{-3}
Pm^{147}	6×10^{-7}	3	2×10^{-8}	1×10^{1}
Po^{210} (soluble)	6×10^{-10}	9×10^{-3}	2×10^{-11}	3×10^{-4}
Po^{210} (insoluble)	2×10^{-10}		7×10^{-12}	
Pr^{143}	2.3×10^{-6}	1	7×10^{-8}	3.6×10^{-2}
Pu^{239} (soluble)	6×10^{-12}	4.5×10^{0}	2×10^{-13}	1.5×10^{-7}
Pu 239 (Insoluble)	6×10^{-12}		2×10^{-13}	
Ra ^{226}+1/2 dr	2.4×10^{-11}	1.2×10^{-7}	8×10^{-13}	4×10^{-9}
Rb ^{86}	1.1×10^{-6}	9×10^{-3}	4×10^{-8}	3×10^{-4}
Re ^{183}	2.4×10^{-5}	2.4×10^{-1}	8×10^{-7}	8×10^{-3}
Rh ^{105}	3×10^{-6}	5×10^{-2}	1×10^{-7}	1.6×10^{-3}
Rh ^{222}+dr	1×10^{-7}	6×10^{-6}	3.3×10^{-9}	2×10^{-7}
$Ru^{106}+Rh^{106}$	8×10^{-9}	4×10^{-1}	2.6×10^{-9}	1.3×10^{2}
S^{35}	3×10^{-6}	1.5×10^{-2}	1×10^{-7}	5×10^{-4}
Se^{46}	2×10^{-7}	1	7×10^{-9}	3.6×10^{-2}
Sm^{151}	4×10^{-6}	6×10^{-1}	1.3×10^{-9}	2×10^{-2}
Sn^{113}	1.7×10^{-6}	5×10^{-1}	6×10^{-8}	1.6×10^{-2}
Sr^{89}	6×10^{-8}	2×10^{-4}	2×10^{-9}	7×10^{-6}
$Sr^{90}+Y^{90}$	6×10^{-10}	2.4×10^{-5}	2×10^{-11}	8×10^{-8}
Te^{96}	8×10^{-6}	8×10^{-2}	3×10^{-7}	3×10^{-3}

See footnotes at end of table.

APPENDIX B—Continued

PERMISSIBLE CONCENTRATIONS IN AIR AND WATER ABOVE NATURAL BACKGROUND

Material	Table I		Table II	
	Column 1 [1] Air (2)	Column 2 [2] Water (3)	Column 1 [1] Air (2)	Column 2 [2] Water (3)
Te^{127}	3×10^{-7}	8×10^{-2}	1×10^{-8}	3×10^{-3}
Te^{129}	1.2×10^{-7}	3.3×10^{-2}	4×10^{-9}	1.1×10^{-3}
Th^{234}	2×10^{-6}	10	6×10^{-8}	3×10^{-1}
Th-natural (soluble)	5×10^{-11}	1.5×10^{-6}	1.7×10^{-12}	5×10^{-8}
Th-natural (insoluble)	5×10^{-11}		1.7×10^{-12}	
Tm^{170}	1.5×10^{-7}	8×10^{-1}	5×10^{-9}	2.5×10^{-2}
U-natural (soluble) [3]	5×10^{-11}	2×10^{-4}	1.7×10^{-12}	7×10^{-6}
U-natural (insoluble) [3]	5×10^{-11}		1.7×10^{-12}	
U^{233} (soluble)	4×10^{-10}	4.5×10^{-4}	1×10^{-11}	1.5×10^{-5}
U^{233} (insoluble)	5×10^{-11}		1.6×10^{-12}	
V^{48}	3×10^{-6}	1.5	1×10^{-7}	5×10^{-2}
Xe^{133}	1.3×10^{-5}	1.3×10^{-2}	4×10^{-7}	4×10^{-4}
Xe^{135}	5×10^{-6}	4×10^{-3}	1.7×10^{-7}	1.4×10^{-4}
Y^{91}	1.2×10^{-7}	6×10^{-1}	4×10^{-9}	2×10^{-2}
Zn^{65}	6×10^{-6}	2×10^{-1}	2×10^{-7}	6×10^{-3}
Unidentified beta or gamma emitters or any undetermined mixtures of beta or gamma emitters			1×10^{-9}	1×10^{-2}
Unidentified alpha emitters or any undetermined mixtures of alpha emitters			5×10^{-13}	1×10^{-7}

[1] Air concentrations are given in microcuries per milliliter of air.
[2] Water concentrations are given in microcuries per milliliter of water. These figures also apply to foodstuffs in microcuries per gram (wet-weight).
[3] For enriched uranium the same radioactivities per unit volume as those for natural uranium are applicable. It should be noted that the contribution of U-234 to the gross activity of enriched uranium is 20–40 times that of the U-235.

APPENDIX C

Material	Microcuries
Ag^{105}	1
Ag^{111}	10
As^{76}, As^{77}	10
Au^{198}	10
Au^{199}	10
$Ba^{140}+La^{140}$	1
Be^{7}	50
C^{14}	50
Ca^{45}	10
$Cd^{109}+Ag^{109}$	10
$Ce^{144}+Pr^{144}$	1
Cl^{36}	1
Co^{60}	1
Cr^{51}	50
$Cs^{137}+Ba^{137}$	1
Cu^{64}	50
Eu^{154}	1
F^{18}	50
Fe^{55}	50
Fe^{59}	1
Ga^{72}	10
Ge^{71}	50
H^{3}(HTO or H_2O)	250
I^{131}	10
In^{114}	1
Ir^{192}	10
K^{42}	10
La^{140}	10
Mn^{52}	1
Mn^{56}	50
Mo^{99}	10
Na^{22}	10
Na^{24}	10
Nb^{95}	10
Ni^{59}	1
Ni^{63}	1
P^{32}	10
$Pd^{109}+Rh^{109}$	50
Pd^{109}	10
Pm^{147}	10
Po^{210}	0.1
Pr^{143}	10
Pu^{239}	1
Ra^{226}	0.1
Rb^{86}	10
Re^{186}	10
Rh^{105}	10
$Ru^{106}+Rh^{106}$	1
S^{35}	50
Sb^{124}	1
Sc^{46}	1
Sm^{153}	10
Sn^{113}	10
Sr^{89}	1
$Sr^{90}+Y^{90}$	0.1
Ta^{182}	10
Tc^{96}	1
Tc^{99}	1
Te^{127}	10
Te^{129}	1
Th (natural)	50
T^{204}	50
Tritium. See H^3	250
U (natural)	50
U^{233}	1
U^{234}–U^{238}	50
V^{48}	1
W^{185}	10
Y^{90}	1
Y^{91}	1
Zn^{65}	10
Unidentified radioactive materials or any of the above in unknown mixtures	0.1

NOTE: For purposes of §§ 20.203 and 20.304, where there is involved a combination of isotopes in known amounts the limit for the combination should be derived as follows: Determine, for each isotope in the combination, the ratio between the quantity present in the combination and the limit otherwise established for the specific isotope when not in combination. The sum of such ratios for all the isotopes in the combination may not exceed "1" (i. e., "unity").

EXAMPLE: For purposes of § 20.304, if a particular batch contains 2,000 μc of Au^{198} and 25,000 μc of C^{14}, it may also include not more than 3,000 μc of I^{131}. This limit was determined as follows:

$$\frac{2{,}000\ \mu c\ Au^{198}}{10{,}000\ \mu c}+\frac{25{,}000\ \mu c\ C^{14}}{50{,}000\ \mu c}+\frac{3{,}000\ \mu c\ I^{131}}{10{,}000\ \mu c}=1$$

The denominator in each of the above ratios was obtained by multiplying the figure in the table by 1000 as provided in § 20.304.

NOTE: The record keeping and reporting requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Dated at Washington, D. C., this 16th day of January 1957.

For the Atomic Energy Commission.

K. E. FIELDS,
General Manager.

[F. R. Doc. 57-511; Filed, Jan. 25, 1957; 12:30 p. m.]

TITLE 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

PART 522—EMPLOYMENT OF LEARNERS

EXPERIENCED WORKERS UNAVAILABLE

On November 22, 1956, notice was published in the FEDERAL REGISTER (21 F. R. 9144, 9145) of the proposed amendment of §§ 522.5, 522.6 and 522.7 of the regulations governing the employment of learners (29 CFR Part 522). Interested parties were given ten days within which to submit written data, views or arguments relative to the proposed amendment.

The purpose of the amendment is to provide assurance that employers holding or applying for learner certificates have placed orders for experienced workers with public employment service offices. It is based upon the desirability of extending the present procedure to safeguard more effectively the basic concept that learners may not be hired at subminimum wage rates when experienced workers are available.

Two of the responses to the notice of the proposed amendment have suggested, for purposes of clarification, the addition of a comma following the word "correspondence" in § 522.7 (c). This suggestion has been adopted and will be made effective in this amendment. Three additional responses have been received which, among other contentions, allege that the amendment as proposed would constitute an unwarranted intrusion into the private employment rights of individual employers by compelling them to employ unsatisfactory and unacceptable employees. I consider the present regulations as adequately protecting employers from the necessity of accepting unqualified workers and in my experience, the relatively few questions of this nature which have arisen in the past have been resolved administratively with minimal difficulty.

Accordingly, after consideration of all relevant matters presented, each objection other than those intended to clarify § 522.7 (c) is overruled.

Pursuant to authority under section 14 of the Fair Labor Standards Act of 1938 (section 14, 52 Stat. 1068, as amended; 29 U. S. C. 214), and General Order No. 45–A (15 F. R. 3290), and in accordance with § 522.11 (29 CFR Part 522), §§ 522.5, 522.6, and 522.7 of Title 29, Code of Federal Regulations (29 CFR Part 522) are hereby amended as follows:

1. Section 522.5 (b), (c), (d), (e) and (f) are redesignated § 522.5 (c), (d), (e), (f) and (g), respectively.

2. Add a new paragraph (b) to § 522.5 to read as follows:

(b) Reasonable efforts have been made to recruit experienced workers, including the placement of an order with the local State or Territorial Public Employment Service Office (except in possessions where there is no such office) not more than fifteen days prior to the date of application. Written evidence from such office that the order has been placed shall be submitted by the employer with the application.

3. Paragraph (f) of § 522.6 is amended to read as follows:

(f) No learners shall be hired under a learner certificate if, at the time the employment begins, experienced workers capable of equalling the performance of a worker of minimum acceptable skill are available for employment. Each time before hiring learners during the

effective period of the certificate an order for experienced workers must be placed or be on active file with the local State or Territorial Public Employment Service Office (except in possessions where there is no such office). Written evidence that an order has been placed or is on active file shall be maintained in the employer's records.

4. Paragraph (c) of § 522.7 is redesignated paragraph (d).

5. Add a new paragraph (c) to § 522.7 to read as follows:

(c) The employer shall maintain a file of all evidence and records, including any correspondence, pertaining to the filing or cancellation of job orders placed with the local State or Territorial Public Employment Service Office under 29 CFR 522.5 (b) and 522.6 (f).

(Sec. 14, 52 Stat. 1068, as amended; 20 U. S. C. 214)

The above amendment shall become effective on March 1, 1957.

Signed at Washington, D. C. this 23d day of January, 1957.

NEWELL BROWN,
Administrator.

[F. R. Doc. 57-636; Filed, Jan. 28, 1957; 8:46 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

Appendix—Public Land Orders

[Public Land Order 1384]

ALASKA

WITHDRAWING PUBLIC LANDS FOR RECREATIONAL PURPOSES

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Subject to valid existing rights, the following-described public lands in Alaska are hereby withdrawn from all forms of appropriation under the public land laws, including the mining but not the mineral-leasing laws nor the act of July 31, 1947 (61 Stat. 681 30 U. S. C. 601-604), and reserved as indicated:

(a) Under the jurisdiction of the Secretary of the Interior for the protection and preservation of scenic and recreational areas:

Anchorage 026349

SEWARD MERIDIAN

T. 17 N., R. 3 W.,
Sec. 28, lots 6 and 7.

The tracts described contain 12.28 acres.

(b) For use of the Bureau of Land Managment, Department of the Interior, as recreational sites:

Anchorage 025793

BERNICE LAKE RECREATION SITE

SEWARD MERIDIAN

T. 7 N., R. 12 W.,
Sec. 15, Lot 6.

The tract described contains 7.35 acres.

Anchorage 026249

KNIK RIVER RECREATION SITE

U. S. Survey No. 3243.

The area described contains 31.52 acres.

JANUARY 23, 1957.

HATFIELD CHILSON,
Assistant Secretary of the Interior.

[F. R. Doc. 57-627; Filed, Jan. 28, 1957; 8:45 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 11853; FCC 57-87]

[Rules Amdt. 11-8]

PART 11—INDUSTRIAL RADIO SERVICES

MISCELLANEOUS AMENDMENTS

1. By Notice of Proposed Rule Making of October 18, 1956 (FCC 56-1018—released October 22, 1956) in the above-entitled matter, the Commission offered amendments to §§ 11.504 (b) and (c), 11.506 (b) and (c) of Subpart K: Special Industrial Radio Service of Part 11—rules governing the Industrial Radio Services.

2. In substance, the proposed amendments provide for the issuance of regular authorizations to heavy construction concerns and manufacturing concerns whose proposed radio systems will be exclusively located and operated in areas of low population density removed from the urbanized sections of Standard Metropolitan Areas of 500,000 or more population (SMA'S). Prompting the Commission in offering the amendments was evidence that additional users can be accommodated in such low-population areas without serious impairment to the ends sought to be served by the over-all SMA concept. It was observed in the above Notice that the amendments would not only promote a more efficient use of the frequencies allocated for use in the Special Industrial Radio Service, but would also make for increased uniformity among the various rules governing that Service.[1]

3. Individual comments have been received from the Special Industrial Radio Service Association (SIRSA), the Committee on Manufacturers Radio Use of the National Association of Manufacturers, and Allen B. Du Mont Laboratories, Inc. (Du Mont). A joint comment was filed on behalf of Cold Spring Construction Co. of Akron, New York; Earl T. Howell & Sons of Newfane, New York; and Robert E. L. Parker Co. of Alberhill, California. In none of the foregoing comments is opposition to the Commission's proposal stated; on the contrary, each comment supports the proposal in its entirety.

4. Upon consideration of the foregoing comments and of all other relevant matter in this proceeding, the Commission concludes that the proposed amendments would materially serve the public interest, convenience and necessity. Accordingly, the Commission is this day adopting the amendments as they were originally proposed. Authority for the amendments is contained in sections 4 (i) and 303 (d), (g) and (r) of the Communications Act of 1934, as amended.

5. Du Mont and SIRSA have difficulty with the term "area of low population density removed from the urbanized sections of the Standard Metropolitan Area involved," DuMont requesting "a reasonable definition" thereof, and SIRSA requesting a "rule of thumb" which may be considered by applicants in determining for themselves whether they are in such an area. In connection with its request SIRSA explains that it "does not advocate that the Commission establish such a hard and fast rule that no allowance will be made for case-by-case determinations which might result in grants to applicants having a particularly meritorious cause merely because of the rigidity of a rule."

6. Volume I (Number of Inhabitants) of the 1950 Census of Population[2] sets forth, in map form, the "urbanized" areas of each of the thirty-three Standard Metropolitan Areas of 500,000 or more population. Incorporated parts of such "urbanized" areas are shaded with slanting lines, and unincorporated parts are shaded with dots; "non-urbanized" areas are unshaded, and they appear white on the maps. For its purposes, the Commission considers only these "white" areas as being "areas of low population density removed from the urbanized sections of the Standard Metropolitan Area involved". In allayance of SIRSA's fear of a "hard and fast rule", the Commission calls attention to the fact that the waiver provisions of its rules will permit it to grant such applications as appear to it to be "particularly meritorious."

7. On the basis of all of the foregoing: *It is ordered*, This 23rd day of January 1957:

(a) That §§ 11.504 (b) and (c), 11.506 (b) and (c) (1) of Subpart K: Special Industrial Radio Service of Part 11—rules governing the Industrial Radio Services, are hereby amended to read as they are set forth below; and

(b) That the amendments adopted herein are hereby made effective on March 4, 1957.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interpret or apply sec. 303, 48 Stat. 1082, as amended; 47 U. S. C. 303)

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

Sections 11.504 (b) and (c), and 11.506 (b) and (c) (1) are amended to read as follows:

§ 11.504 *Heavy construction activities.* * * *

(b) *Eligibility.* Persons engaged in heavy construction activities, as that

[1] See §§ 11.503, 11.507, 11.508 and 11.509.

[2] Printed by the Government Printing Office for the Bureau of the Census, Department of Commerce.

term is defined in this section, are eligible in this service when it is shown that the use of the Low Power Industrial Radio Service does not meet their operational requirements and that the use of radio will be exclusively in connection with the conduct of the heavy construction activities involved and either (1) that all such activities take place exclusively (i) in areas other than Standard Metropolitan Areas of 500,000 or more population and/or (ii) in areas of low population density removed from the urbanized sections of such Standard Metropolitan Areas, or (2) that, in areas other than those described in subparagraph (1) of this paragraph, the use of radio will be exclusively for on-the-job communications at the site of a particular heavy construction project.

(c) *Limitation on station locations.* Each station authorized in accordance with the provisions of this section shall be located and operated at all times in areas other than Standard Metropolitan Areas of 500,000 or more population, or in areas of low population density removed from the urbanized sections of such Standard Metropolitan Areas. Exceptions to the above may be made by the Commission in specific cases and for limited periods of time when it is shown that one or more Base Stations, to be associated with a specified heavy construction project and to be located within one-quarter mile thereof, will be used exclusively in the conduct of that project; however, each authorization issued pursuant to this exception will be limited in term to one year, renewable on the same showing in the event the particular project continues beyond that period.

§ 11.506 *Manufacturing activities.* * * *

(b) *Eligibility.* Persons engaged in manufacturing activities, as that term is defined in this section, are eligible in this service when it is shown that the use of radio will be exclusively in connection with the conduct of the manufacturing activities involved and either (1) that those activities take place exclusively (i) in areas other than Standard Metropolitan Areas of 500,000 or more population and/or (ii) in areas of low population density removed from the urbanized sections of such Standard Metropolitan Areas, or (2) that the use of radio will be within the yard area for mobile service communications within areas other than those described in (1), and that the use of the Low Power Industrial Radio Service does not meet the operational requirements of the manufacturing activity otherwise found eligible under this paragraph.

(c) *Limitation on station location.* (1) Each station authorized in accordance with the provisions of paragraph (b) (1) of this section shall be located and operated at all times in areas other than Standard Metropolitan Areas of 500,000 or more population, or in areas of low population density removed from the urbanized sections of such Standard Metropolitan Areas.

[F. R. Doc. 57-645; Filed, Jan. 28, 1957; 8:48 a. m.]

[Docket No. 11872; FCC 57-86]

[Rules Amdt. 19-2]

PART 19—CITIZENS RADIO SERVICE

MISCELLANEOUS AMENDMENTS

1. On November 16, 1956, the Commission released a Notice of Proposed Rule Making in the above-entitled matter which was published in the FEDERAL REGISTER on November 22, 1956 (21 F. R. 9145) in accordance with section 4 (a) of the Administrative Procedure Act. The purpose of the amendment under consideration is to permit the use of Class C Citizens Radio Stations to actuate devices which are used solely as a means of attracting attention.

2. The period in which interested persons were afforded an opportunity to submit comments thereto has expired. Comments in support of the Commission's proposal have been filed by the Stromberg-Carlson Company. While no comments in opposition to the above-mentioned proposal have been received, the Radio Corporation of America and Ruth Burr, d/b as Air Way Radio System, filed comments seeking to modify the proposal.

3. The Radio Corporation of America supports the general intent of the proposed amendment, but believes it is desirable that the limitation that Class C stations use only on-off unmodulated or amplitude tone modulated carrier be changed to permit the use of phase or frequency modulation. Inasmuch as the purpose of the proposed amendment was merely to broaden the permitted use of Class C stations and was not to expand the permissible types of emission, the Commission believes that such change is not appropriate at this time without further study.

4. Ruth Burr d/b as Air Way Radio System, permittee of Station KQD303 in Detroit, Michigan, which will render one-way paging service on a common carrier basis, states in her comment that in order to avoid the degradation in service that would be caused for all users if a multitude of licensees seek to cover large areas, the actuation of devices which are used solely as a means of attracting attention should be limited to use inside of buildings and should not be permitted on public streets, highways or any open area. However, the Commission believes that the present restriction limiting the plate input power of Class C stations to five watts will serve to prevent any serious degradation of service and that additional restrictions on use are unnecessary.

5. In view of the foregoing considerations, and pursuant to authority contained in sections 4 (i) and 303 of the Communications Act of 1934, as amended: *It is ordered*, That effective March 4, 1957 §§ 19.35 (b) and 19.59 (d) of Part 19 of the Commission's rules are amended as set forth below.

(Sec. 4, 48 Stat. 1066, a amended; 47 U. S. C. 154. Interpret or apply sec. 303, 48 Stat. 1082, as amended; 47 U. S. C. 303)

Adopted: January 23, 1957.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

1. Amend § 19.35 (b) of the Commission's rules governing the Citizens Radio Service to read as follows:

(b) Except as provided in paragraph (c) of this section, Class C stations in this service may use only on-off unmodulated or amplitude tone modulated carrier for remote control of objects or devices, and the actuation of devices which are used solely as a means of attracting attention.

2. Amend § 19.59 (d) to read as follows:

(d) A station in this service used for radio control of objects or devices, or for the actuation of devices which are used solely as a means of attracting attention, shall not be used where its operation involves the continuous radiation of energy except for brief tests or when adjustments are being made to the transmitter, or as otherwise provided in § 19.35 (c).

[F. R. Doc. 57-646; Filed, Jan. 28, 1957; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 930]

[Docket No. AO-72-A21]

MILK IN TOLEDO, OHIO, MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED MARKETING ARGEEMENT AND ORDER AMENDING ORDER AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to a proposed marketing agreement and order amending the order, as amended, regulating the handling of milk in the Toledo, Ohio, marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., not later than on the 10th day after publication of this decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The hearing, on the record of which the findings and conclusions and the proposed marketing agreement and order hereinafter set forth were formulated, was conducted at Toledo, Ohio, on July 31–August 2, 1956, pursuant to notice thereof issued on July 10, 1956, and published in the FEDERAL REGISTER on July 14, 1956 (21 F.R. 5293).

The material issues relate to:

(1) An expansion in the marketing area;

(2) Changes in the Class I price differential and a revision of the supply-demand price adjustment factor;

(3) The establishment of a separate class for cottage cheese and the application of the basic formula price to Class II milk;

(4) A provision for premiums for bulk farm tank milk deliveries;

(5) A provision for location adjustments on milk received at country plants;

(6) Provisions for separate pricing of Class I milk disposed of outside the marketing area; and

(7) The revision of a number of definitions and clarification of the order language with respect to the reporting and accounting for milk.

Findings and conclusions. The following findings and conclusions on the material issues are based upon the evidence in the record of hearing:

1. The marketing area should be expanded.

Producers proposed that the present marketing area be extended to cover all of the territory of Monroe County, except the townships of Ash and Berlin; the townships of Riga, Deerfield, Blissfield, Palmyra and Ogden in Lenawee County; all in the State of Michigan; the counties of fulton, Wood and Lucas; the town of Elmore and the townships of Allen and Clay in Ottawa County; the town of Gibsonburg, and the townships of Madison and Woodville in Sandusky County; all in the State of Ohio.

Producers stated that the bulk of the Class I sales in the proposed expanded area are made by regulated handlers and that expansion of the marketing area is necessary (1) to protect the present fluid milk market outlets for producer milk; and (2) to assure that all distributors who compete for sales in this area buy milk on an equal basis.

Certain handlers opposed the extension of the marketing area into Lenawee County, Michigan, in their brief. No testimony was presented by these handlers, including the operator of the principal plant which might be directly affected. Other parties opposed the inclusion in the expanded marketing area of the townships of Exeter, London, Milan, and Dundee in Monroe County, Michigan.

The present marketing area includes the territory within the city limits of Toledo, Ohio, and Monroe, Michigan and fifteen adjoining townships. Seven of these townships are in Lucas County, Ohio, two in Wood County, Ohio, and six in Monroe County, Michigan. These townships comprise only a small portion of the total sales area serviced by handlers subject to regulation under the Toledo order. It is not necessary or feasible to extend the regulation to all areas where handlers may sell some milk.

It is concluded that the marketing area should be expanded to include: all of the territory in Lucas County and in Fulton County; the territory north of the northern boundaries of the townships of Montgomery, Portage, Liberty, Milton (including all of the town of Weston) in Wood County; all of the territory within the townships of Woodville and Madison in Sandusky County; all in the State of Ohio; all of the territory within the boundaries of the townships of Riga, Ogden, Palmyra, Blissfield, and Deerfield in Lenawee County; and all of the territory in Monroe County except the territory within the township of Ash, Berlin, Exeter, London, Milan, and Dundee; all in the State of Michigan.

The area recommended to be added to the marketing area is contiguous to the present marketing area. Recent expansion in industry and housing of the Toledo metropolitan area has extended into many of the townships recommended to be included and has been accompanied by a substantial increase in population. Toledo regulated handlers have extended their routes to supply the milk requirements of these areas. In each of the townships more than seventy-five percent of the fluid milk sales are supplied by handlers regulated by the Toledo order. Thus, the handling of milk to supply this area is closely identified with that in the present marketing area.

The health requirements for milk produced for fluid consumption in each of the townships recommended to be added to the present marketing area are substantially the same and similar to those in the present marketing area. "Grade A" milk, or the equivalent thereof, is required for milk for fluid consumption by the health departments in all areas.

A substantial portion of the fluid milk sales in Fulton County are made by handlers now regulated under the Toledo order. Some milk is supplied in this area from a plant located at Napoleon, Ohio, and another at New Bremen, Ohio, Neither of these plants is presently subject to regulation. A plant located at Wauseon, the county seat of Fulton County, distributes milk in this area, but is regulated by virtue of sales made within the present marketing area.

The fluid milk requirements for Wood County, Ohio, are supplied primarily by handlers regulated under the Toledo, Cleveland, and Lima orders. Sales by Toledo handlers are more predominant in the territory north of Milton, Liberty, Portage and Montgomery townships while distributors regulated by the Lima order are principal suppliers of the southern portion of the county. The territory south of the northern boundary of these townships should not be included in the marketing area.

More than 85 percent of the fluid milk requirements for the proposed Madison and Woodville townships of Sandusky County, Ohio, are supplied from Toledo plants and a plant located near Woodville which is also subject to the Toledo order. Sales by an unregulated plant, located in Tiffin, Ohio, in Madison and Woodville townships represent approximately eight percent of the total fluid milk sales of this last plant. The milk supply at this plant is procured from local producers at from 15 to 20 cents per hundredweight less than the Toledo marketwide average blend price. No objection was expressed to the extension of the marketing area to include these townships.

The townships of Allen and Clay (including the town of Elmore) in Ottawa County should not be added to the marketing area because there is no health ordinance applying to milk sold for fluid consumption in these townships.

The present marketing area includes that portion of Monroe County, Michigan, within the boundaries of Whiteford, Bedford, Erie, LaSalle, Monroe and Frenchtown townships. The proposal also would include Rasinville, Ida, Summerfield, Milan, London, Exeter and Dundee townships. The major portion of the milk supply for the first three townships is supplied by Toledo handlers while the last four townships are supplied primarily by Detroit regulated handlers. There is no need to extend the Toledo marketing area to include these last four townships.

Recent developments in the procurement and sale of milk centered in Lenawee County, Michigan, is of much concern to producers and threatens to disrupt the orderly marketing of producer milk. A distributing plant located in Palmyra township, Lenawee County, is operated by a handler who operates a pool plant in Toledo. The Palmyra plant is approximately 30 miles from Toledo. Milk is distributed from this plant outside of the present marketing area throughout a considerable portion, if not all of the proposed extended area in Michigan. This milk is sold primarily in competition with milk fully regulated under the Toledo and Detroit orders. Some milk also is disposed of outside of this area.

The Palmyra plant has been operated for a number of years, but it was remodeled and its facilities were expanded in 1954. A portion of the raw milk requirements at this plant is received from a herd maintained by the operator of the plant. Starting in 1956, milk also has been received directly from dairy farmers who deliver their milk in bulk farm pick-up tanks as diverted milk from Toledo. Milk, at times, also is received from a plant located at Defiance, Ohio. Packaged milk and other dairy products are moved from the Toledo plant to the Palmyra plant for disposition.

Because under the present provisions of the order milk transferred or diverted from a Toledo pool plant to an unregulated plant may be assigned to Class II utilization to the extent of such utilization at the nonpool plant, producers contended that it is possible they are not getting the full utilization value of their milk. No Class II operations of any consequence, however, are conducted in the Palmyra plant. The evidence fails to show that significant quantities of producer milk have been

classified as Class II milk through diversion or transfer of milk to this plant from the Toledo market. However, because of the proximity of this plant to the Toledo plant and the ease of transfer of milk and milk products between these plants, it is possible that producer milk devoted to Class II uses, such as cottage cheese, butter, ice cream and the like, associated with the over-all milk business of this handler, may be manufactured in the Toledo plant and supplied to the Palmyra plant while at the same time, all of the fluid milk received at the Palmyra plant is disposed of as Class I milk. Thus, the business can be conducted in such a manner that the handler's own production and the other fluid milk which is packaged at the Palmyra plant has an exclusive Class I outlet throughout the year, while producers of milk for the Toledo market bear the cost of maintaining the necessary daily and seasonal reserve supplies of milk associated with the over-all operation of the two plants.

The procurement, handling, and sales of milk in the Palmyra plant and the Toledo pool plant of this handler are conducted primarily in competition with the corresponding operations of handlers under the order. The effective regulation of the handling of milk for the over-all Toledo distribution area, therefore, compels the extension of the marketing area to include the proposed townships in Lenawee County.

Provisions should be made for distributors of milk in the recommended contiguous area to pay the same price for milk used in a given class as that paid by handlers in the presently regulated area. This may be accomplished by extending the marketing area as heretofore stated. This extension of the marketing area is necessary to safeguard and make more effective the classified pricing plan of the order and to insure and promote orderly marketing conditions.

2. The Class I price differential should be increased and the supply-demand provisions should be revised.

Producers proposed that the Class I price differential be modified to reflect a closer and appropriate relationship with the Class I differentials in competing markets, both on an annual level basis and in the seasonal pattern of changes in Class I prices. They also proposed that the supply-demand adjustment provisions of the order be changed to reflect more adequately the present seasonal relationship of producer milk receipts to fluid milk sales.

Handlers under the Toledo order compete in the procurement and sales of milk principally with handlers regulated by the Cleveland, Lima, and Detroit orders. The basic formula price in the Toledo order is similar to that contained in the orders for these neighboring markets. There is considerable difference, however, in the Class I price differentials. On an annual basis, the differentials at the marketing area are $1.43 for Detroit, $1.63 for Cleveland and $1.14 for Toledo. The Class I price under the Lima order is established, through a location adjustment, at 34 cents below the Cleveland Class I price. Part of this difference in Class I differentials reflect the need for drawing milk supplies from greater distances to supply the requirements of the larger consuming centers of Detroit and Cleveland. For example, the Cleveland Class I differential adjusted to plants located at the fringe of the Toledo marketing area is $1.41.

Some of the additional differences in the Class I price differentials, between the Toledo and other markets, have been offset by additions to the Class I price provided by the supply-demand adjuster for the Toledo market and minus adjustments in the Class I prices in the other markets. During the 12-month period, immediately preceding the hearing, July 1955–June 1956, an average of 15 cents per hundredweight was added to the Class I price for Toledo. This compares with a reduction in Cleveland of seven cents and approximately four cents in Detroit during this same period. Based on the supply-demand adjustments under the Toledo order, during the first six months of 1956 and estimates for the remainder of the year, an average of between 20 and 25 cents per hundredweight is expected to be added by supply-demand adjustments for the year 1956.

From 1953 to 1955, the average monthly producer receipts of milk for the Toledo market increased 15 percent as compared with an increase of 16 percent in Class I sales. From 1954 to 1955, receipts increased 7 percent while sales increased almost 10 percent. During the first six months of 1956, receipts of producer milk increased 5 percent over those for the first half of 1955 as compared with an 11 percent increase in fluid milk sales.

One reason for the decline in producer receipts of milk in relation to sales during the past year or so is the stricter enforcement by the Toledo Health Department of temperature requirements on milk received from the farm. This has entailed purchase by farmers of additional cooling equipment, and in some cases, remodeling of milk houses to meet these more difficult requirements. For this reason, some producers have shifted from supplying the Toledo market to supplying the other markets.

The annual level of producer milk receipts in relation to sales is relatively low in the Toledo market. In 1955, producer receipts was 1.13 times Class I utilization as compared with 1.36 for Cleveland and 1.37 for Detroit. In addition, during the past two years, the Toledo market has become increasingly short of producer receipts in relation to Class I sales in the fall months. In the September–November period of 1955, producer milk receipts were 2.5 percent short of supplying Class I milk requirements as compared with a shortage of 0.2 percent for the same period a year earlier.

Through the action of the supply-demand adjuster in these markets, Class I prices have tended toward a more reasonable relationship than otherwise would have prevailed. Marketwide averages of blend prices to producers supplying the Toledo market have been relatively favorable in relation to the blend prices in competing markets. Nevertheless, the receipts of producer milk in the Toledo marketing area have not kept pace with increased sales of fluid milk products. Under the present pricing arrangement, however, any increase in producer milk receipts in relation to Class I sales would have the effect of immediately reducing the Toledo Class I price and widening the differnece in Class I prices among the competing markets. The seasonal characteristics of the adjustments under the present supply-demand adjuster have aggravated the problem of differences in Class I prices complained about, particularly by Detroit handlers. Even more important, however, uniform prices to producers would be lowered under the present supply-demand adjuster before an adequate supply of milk is attracted to the market.

The Toledo, Detroit, Cleveland, and Lima markets are affected by common or very similar economic conditions affecting the procurement and sales of fluid milk. Because of the close competitive relationships there should be a reasonable and "normal" alignment of Class I prices over a period of time. It is basic, therefore, that price alignment among these markets be achieved by establishing more similar Class I differentials over basic formula prices. This is not to say that changes in supply-demand relationships in an individual market do not require adjustments in the "normal" or longer term alignment of prices to reflect these changed local conditions. It is only through such adjustments in class prices in the individual markets that the available supplies of milk will be attracted to the different markets in accordance with their needs.

For the above stated reasons, the Class I differential should be increased 25 cents per hundredweight on an annual basis and corresponding adjustments should be made in the supply-demand adjustment provisions of the order. The present seasonal difference in the Class I differential should be maintained until such time as some other method to encourage a production pattern more nearly in accord with sales of fluid milk products is adopted. It is therefore concluded that the following Class I price differential pattern should be adopted:

April, May, and June	$1.00
February, March, and July	1.25
August through January	1.65

The above differentials will result in an average annual Class I price differential of slightly less than $1.39 per hundredweight. As previously stated, the seasonal differences resulting from the supply-demand adjuster should be eliminated. The proposed changes, therefore, will result in somewhat less seasonal movements in the Class I price and smaller differences in Class I prices among the competing markets.

Analysis of the receipts and sales relationships in the Toledo market and the operation of the supply-demand adjuster for the past several years shows the need for revising the supply-demand adjustment factor in the order to modernize the seasonal pattern in the standard utilization percentages. During the past three years, the pattern of producer milk receipts to sales has changed so that re-

ceipts in relation to sales are lowest in September as compared with November in former years. The supply-demand adjuster should be revised, therefore, so as to reflect more current seasonality patterns.

Because the Class I differential is being increased as previously discussed, the supply-demand adjuster should not operate until the supply of milk has increased to a more "normal" or desired level in relation to Class I sales.

The present method of determining utilization percentage, based on the receipts of producer milk and sales in the first and second months immediately preceding the month for which prices are announced, should be continued. The supply-demand adjustment factor should become effective when the supply-demand ratio equals or exceeds the standard utilization percentage, as set forth in the following schedule, for each of three successive months (i. e., the supply-demand adjustment will be operative for the third month and for each month thereafter):

Month for which the price is being computed:	*Standard utilization percentage*
January	115
February	123
March	129
April	130
May	130
June	137
July	138
August	127
September	116
October	108
November	105
December	108

The standard utilization percentages heretofore set forth are expressed in terms of the ratio of producer receipts to gross Class I utilization for all pool plants (excluding transfers between pool plants). The current order applies the ratio of Class I utilization to producer milk receipts. Industry representatives more frequently refer to supply-demand relationships on the basis of the former ratios. It is more natural and meaningful to express supply conditions in terms of the relationship of producer milk receipts to Class I sales.

The standard utilization percentages, incorporated herein, provide for an up-to-date seasonal pattern. The schedule was developed through the analysis of relationships during the past two years with allowances for trend in the relationship and with consideration of a need for a 5 percent reserve supply of milk during the two months when receipts are lowest in relation to sales, September and October. Based upon past history, a 5 percent reserve for the months of September and October, is necessary and adequate under present conditions in this market.

It is necessary to make appropriate changes in the present brackets providing monetary adjustments in the Class I price as a result of expressing the utilization percentages as ratios of receipts to sales. The recommended method of expressing the supply-demand ratio results in greater percentage point deviations under a given supply-demand condition than under the present method of computation. Therefore, to accommodate this change without altering the responsiveness of the spuply-demand adjuster, the "no adjustment" deviation bracket should be widened from (+1 or −1) to (+2 or −2) and other minor alterations. Thus, the amount of the supply-demand adjustment should be determined by the following schedule:

If deviation percentage is:	*Supply-demand adjustment in cents is:*
+16 or over	−50
+13 or +14	−40
+10 or +11	−30
+7 or +8	−20
+4 or +5	−10
+2 or −2	0
−4 or −5	+10
−7 or −8	+20
−10 or −11	+30
−13 or −14	+40
−16 or under	+50

Producers' proposal to incorporate separate "contra-seasonal factors" in Class I pricing mechanism should be denied. By continuation of seasonal Class I price differentials, as recommended, contra-seasonal changes in Class I prices are less likely than under more uniform differentials from month-to-month, as proposed by producers. Changes in Class I prices, resulting from the supply-demand adjuster should be permitted to operate regardless of the season of the year. Once supplies and sales are in proper balance, prices should be adjusted as soon as a change in the trend in the relationship of producer milk receipts to fluid milk sales becomes evident. It is essential that price changes be reflected as quickly as possible to bring about appropriate sales and production responses in accordance with changes in the market situation. The adoption of a contra-seasonal provision would partly nullify the effectiveness of the supply-demand adjustment factor.

3. The Class II price should be the basic formula price during the months of July through February.

It was proposed by producers that the order basic formula price be used as the Class II price during each month of the year. At the present time, the Class II price is the average of the basic or field prices announced for 3.5 percent butterfat content milk for the month by three manufacturing plants located in or near the Toledo production area. The order basic formula price is the highest of the average of prices reported by 13 representative midwestern condenseries for 3.5 percent milk and the prices resulting from two formulas applying central market quotations for manufactured products including butter, nonfat dry milk, and cheese.

In recent years, it has been the practice of the manufacturing plants, presently used in computing the Class II price, to pay premiums to farmers above the announced field prices. Such premiums or bonuses are paid to such farmers for using certain equipment and supplies in the production of their milk and for delivering certain minimum volumes of milk per day. Producers supplying the Toledo market unquestionably would meet the requirements for all of such premiums. The premiums paid by these plants amounted to between 30 and 40 cents per hundredweight at the time of the hearing. Such plants are alternative sources of skim milk and butterfat for Class II products made by handlers in their pool plants. The present basis of establishing Class II prices, therefore, fails to reflect the competitive value of producer milk for manufacturing uses or prices in relation to the cost of manufactured products from alternative sources of supply.

Because of a lack of information on the portion of the milk on which the premiums are paid and the delay which would be experienced, it would not be feasible to attempt to use a weighted average price received by all farmers at the local manufacturing plants. The basic formula price provided in the order is more representative of the competitive value of manufacturing milk than the field or basic prices announced by these local plants.

During the months of July 1954 through February 1955, the average field prices announced by the three manufacturing plants was $2.99 per hundredweight as compared with an average of $3.09 for the order basic formula prices. From July 1955 through February 1956, the corresponding figures are $2.99 and $3.08, respectively. During March through June of each year, the difference between the basic formula and local plant prices was greater. Nevertheless, it is during this same period of the year that it is necessary for seasonal reserve supplies of milk from the Toledo market to be moved to the listed or other nearby manufacturing outlets. It is difficult, if not unusual, for handlers or the cooperative association to be able to secure premiums above the field prices announced by these manufacturing plants when it is necessary to dispose of Toledo seasonal reserve supplies of milk. It is possible that the application of the basic formula price as the Class II price, during the season of the year that seasonal reserve supplies must be disposed of to such plants, could very well disrupt the orderly marketing of such milk. It is concluded, therefore, that the adoption of the basic formula price for the pricing of Class II milk should be limited to the months of July through February.

Producers also proposed that skim milk and butterfat used to produce cottage cheese, presently classified as Class II milk, be priced at 30 cents per hundredweight above the basic formula price. Cottage cheese is produced from producer milk in a number of pool plants. Cottage cheese distributed by other pool plants is procured from outside sources. Cottage cheese also is disposed of directly to retail and wholesale outlets by nonpool plants which produce cottage cheese from milk which is not required to be produced under "Grade A" milk or equivalent health standards. Some of the cottage cheese disposed of in the Toledo marketing area is produced from milk which is priced under the Detroit Federal order. The health departments of the various cities and communities in the marketing area do not require cottage cheese to be made from inspected milk. This is also true of milk used for the production of cot-

tage cheese for disposition in the Detroit market. Even though the production of a good quality cottage cheese requires a high quality raw milk, under the prevailing competitive conditions in the Toledo marketing area, producer milk used to produce cottage cheese should be priced at the Class II price the same as milk for other manufacturing uses.

4. The proposal to establish in the order premiums for bulk farm tank milk deliveries should be denied.

Producers proposed that premiums of 15 cents per hundredweight be established in the order for milk from producers using bulk farm tanks. They argued that some producers are being asked to make considerable investments in farm bulk tanks and improved milk house facilities to maintain their market outlets for milk.

The conversion to bulk tank operations in the Toledo area is in its early stage of development. About five percent of the producers supplying the market have farm bulk tanks. Most handlers are paying premiums to producers for bulk tank deliveries on a voluntary basis. Such premiums are about equivalent to the reduction in hauling costs from the farm to the milk plant which is experienced by most producers when they change from "can" to "bulk" shippers.

Bulk tank handling of milk has potentials for increased efficiency, both on the farm and in transportation and handling beyond the farm. The adoption of more efficient methods of producing, transporting, handling or processing milk affords no economic basis for increasing milk prices. The establishment of order price premiums for bulk farm tank milk could be discriminatory in effect to producers who deliver their milk in cans. Order provisions should not be such as to constitute artifical economic incentives, either for expansion or restriction of bulk tank pickup operations. Any premiums to producers for conversion to bulk tank handling can best be resolved on an economic basis in accordance with local conditions by negotiation between producers and handlers. It is therefore concluded, that producers' proposal should be denied.

5. Provision should be made for location adjustments on milk received at pool plants located more than 60 miles from the City Hall in Toledo.

Proposals were made to include location adjustments on producer milk at country pool plants. One proposal would allow location adjustments to handlers on such milk disposed of as Class I milk. Another proposal would permit location adjustments to handlers on all of the producer milk received at country pool plants regardless of its classification.

The handler formally submitting the proposal for location adjustments, operates a distributing plant in Toledo where a substantial portion of the fluid milk requirements for this plant is received directly from producers. This handler also operates plants at Angola, Indiana and at Bluffton, Ohio, where producer milk is handled. These plants are located approximately 80 and 65 miles, respectively, from Toledo. No processing facilities are operated at the Angola plant and nearly all of the milk received at this plant is moved as bulk milk to the Toledo bottling plant. At times, transfers of bulk milk are made to the Bluffton plant. The Bluffton plant has facilities for receiving "Grade A" milk and for the production of condensed milk and spray dried skim milk. Some or all of the milk transferred from the Angola plant to the Bluffton plant, at certain times, is separated into skim milk and cream and moved to the Toledo plant. In the past, milk received at the Bluffton plant directly from Toledo producers has been diverted producer milk from the Toledo distributing plant. The producers supplying all of these plants with milk for the Toledo market hold "Grade A" permits issued by the Toledo Health Department. The Bluffton plant also assembles "Grade A" milk from local producers which is moved regularly to a plant in Mansfield, Ohio, for fluid disposition in Mansfield and Findlay, Ohio. Milk assembled at the Bluffton plant for Mansfield and Findlay is required by the Health Departments to be kept physically separate from the Toledo milk. Separate storage facilities are provided for the Mansfield milk, although the same receiving equipment is used for all of the milk received at this plant. The milk received at the Bluffton plant for the Mansfield and Findlay markets is subject to the pricing and payment provisions of the Federal order for the Lima, Ohio, marketing area.

Because milk is transferred regularly from the Angola plant to the Toledo distributing plant, the Angola plant is subject to full regulation under the Toledo order. The Bluffton plant has not been subject to regulation under the Toledo order. However, it is quite possible that this plant could be subject to regulation in the future by virtue of transfers of milk, fluid skim milk and fluid cream to the Toledo bottling plant on more than the minimum number of days provided for exemption from regulation under the proposed order. This not only poses the problem of pricing milk at such plants but also the problem of providing appropriate provisions in this order and in other orders for ascertaining which order the handling of milk at such plants will be subject to regulation. This latter problem is discussed further under issue 7 of this decision.

The other proponent of location adjustments operates a distributing plant located in Tiffin, Ohio, from which milk is disposed of in the proposed extended marketing area in Sandusky County, Ohio. This plant is located between 50 and 55 miles from Toledo and about 25 miles from the center of the proposed extended marketing area in Sandusky County. There are other distributing plants which will be subject to regulation which are located within or near the proposed extended marketing area but more than 30 miles from Toledo.

Without a provision for location adjustments in the order, handlers are required to pay for milk received from producers at pool plants located at considerable distances from the marketing area, the same price as that paid for milk received at plants located in or near this consuming area. On the milk received from producers at distant pool plants, the handler assumes the cost of moving the milk from the plant to marketing area distributing plants or in packaged form to retail and wholesale outlets in the marketing area. In contrast, the entire cost of moving milk from farms directly to plants in the marketing area is borne by producers. Therefore, milk at farms or at plants has a progressively lower value to the market as such farms or plants are located farther and farther away from the market. The difference in value is related directly to the cost of transporting the milk from the respective locations to the market. It is economically sound and necessary to recognize such differences in value under the order by providing location adjustments in the pricing of milk at distant pool plants.

It is not necessary or sound, however, to apply location adjustments to milk at plants located within or near this marketing area, if the milk can be handled more economically by hauling it directly from the farm to plants in the marketing area. To do so would permit and even encourage uneconomic handling of the milk supply for the market, primarily at the expense of producers, and at the same time, result in differences in prices at distributing plants similarly situated with respect to the marketing area outlets for their milk.

As previously indicated, the only plant which regularly assembles milk for movement in bulk form to marketing area plants is located approximately 85 miles from Toledo. A substantial portion of the balance of the milk supply for the marketing area originates on farms within a 60-mile radius of Toledo and is moved directly from the farm to plants located in or near the marketing area.

In determining the appropriate application of location adjustments in this market, consideration also should be given to the resulting Class I prices applicable at plants at various locations in the production area as compared with the corresponding prices which would result at such locations under the orders for other markets which compete for the same milk supplies. In areas to the east and south of Toledo, milk is procured in competition with plants regulated under the Cleveland and Lima orders. In the area around Angola, Indiana, competition is experienced with the regulated Fort Wayne, Indiana, and Detroit, Michigan, markets and to the north of the marketing area with the Detroit market.

In view of all of these considerations, it is concluded that location adjustments should not be applied in the pricing of milk at plants which are located less than 60 miles from the City Hall of Toledo. Under present conditions, this would result in identical Class I prices at all distributing plants supplying retail and wholesale outlets in the marketing area.

The schedule of location adjustments proposed by the proponent was patterned after the location adjustments contained in the Cleveland order. The Cleveland

order provides for location adjustments to handlers on Class I and Class II milk at the rate of 20 cents for plants located 60 to 74 miles from Cleveland and an additional two cents for each additional 14 miles that the plant is located from Cleveland. Under the Detroit order, an adjustment of 14 cents is applied to Class I milk in the 34 to 50-mile zone with an additional one cent for each additional 20 miles or fraction thereof that such plant is located from Detroit. No adjustment, however, is applied at distributing plants which are located less than 34 miles from the boundary of the Detroit marketing area. Under both orders, the uniform price to producers is adjusted at the same rate as the location adjustments to handlers on Class I milk. Because all producers supplying the pool plants of a handler share equally in the Class I utilization of such handler, prices paid producers supplying plants to which location differentials apply, should be reduced to reflect the lower value of such milk f. o. b. the plant to which it is delivered.

The proponent handler testified that the cost of hauling tank bulk milk from his Bluffton plant to Toledo, approximates $36 per trip or 15 cents per hundredweight and from Angola to Toledo approximates $45 per trip or 18 cents per hundredweight.

In view of all of these facts, it is concluded that the rate of adjustment under the Toledo order should be 15 cents per hundredweight for milk received at plants located more than 60 but less than 75 miles from the City Hall in Toledo and an additional 2 cents per hundredweight should be allowed for each additional 15 miles or fraction thereof that the pool plant is located from the City Hall. It is expected that the recomended location adjustment to handlers will generally approximate the cost of moving milk from a pool plant to the center of consumption in the marketing area. The Toledo City Hall is an appropriate point from which to measure the distance to the pool plant for the purpose of computing the applicable location differential.

Under present conditions and operating methods, it is likely that location adjustments would apply only to milk received at the pool supply plant located at Angola, Indiana. At other plants located in this general area and which are potential supply plants for the Toledo marketing area, the resulting Class I prices at such locations will be about the same as the levels prevailing for such locations under the orders regulating the handling of milk in the neighboring markets.

No adjustment should be made in the Class II (manufacturing milk) price to handlers because of the location of the plant to which the milk is delivered. There is little difference in the value of milk for manufacturing uses associated with the location of the plant receiving the milk. This is true because of the low cost per hundredweight of milk involved in transporting manufactured products and because of the widespread or national market for such products. The prices paid for ungraded milk received at various sections of the milkshed do not indicate any differences in value associated with location. After a handler receives milk for use in Class II products, he should be expected to handle and dispose of the milk in the manner most advantageous to himself. The prices paid by handlers for such milk should not be dependent upon the method or manner employed by the handler in disposing of the milk. To do otherwise, would remove part of the incentive for keeping marketing cost at a minimum.

To assure that milk will not be moved unnecessarily at the expense of producers, the order should provide a method for determining whether milk transferred between plants may or may not receive a location differential credit. This should be accomplished by assigning the Class I utilization at the transferee plant first to the milk received directly from producers and from plants at which no location differential applies. In view of the fact that distributing plants must carry some reserve supplies of milk to meet day to day variations in receipts of producer milk and sales of fluid milk products, it is reasonable to make some provision in the assignment procedure to accommodate this need for reserve milk. This should be accomplished by assigning to the Class I sales at the transferee plant 95 percent of the direct producer receipts and any balance of Class I sales to transferring plants, in sequence, according to their location beginning with the plant having the smallest location adjustment.

6. Proposals for separate pricing of Class I milk disposed of outside the marketing area should be denied.

The hearing notice included a proposal by two Toledo handlers to price Class I milk disposed of outside the marketing area at prices lower than minimum prices prescribed for in-area Class I sales. No testimony on this proposal was given by the proponent handlers at the hearing and the proposal therefore is denied.

Producers proposed that Class I sales by a Toledo handler within the marketing area governed by another Federal order should be priced at the higher of the prices paid for Class I milk in the two areas involved. Several Detroit handlers, on the other hand, proposed that Class I sales made in any other Federal order area should be priced under the order in which the Class I sales are made. As an alternative, they proposed that Toledo and Detroit Class I pricing should be brought into closer alignment.

Both producers and handlers testified to the effect that the solution to the problems prompting these proposals could be solved satisfactorily by bringing about proper Toledo Class I price alignment with the competing markets. Inasmuch as the conclusions reached with respect to pricing of Class I milk under Issue No. 2 will ameliorate the problem complained of, it is concluded that no further affirmative action is necessary with respect to these proposals at this time.

7. The entire order should be redrafted to change several definitions, add a number of new definitions, add more specificity in the provisions with respect to the reporting and accounting for milk, and to incorporate a number of conforming and clarifying changes throughout the order.

A number of changes should be made in the order to designate more clearly what milk and what plants would be subject to the regulation and the application of the order provisions to them. This can best be done by providing a number of new definitions to set forth the categories of persons, plants, milk and milk products. New definitions should be added for "distributing plant", "supply plant", "pool plant", "nonpool plant", "fluid milk product", "Chicago butter price" and the definitions of "producer", "producer milk", "handler", "producer-handler" and "other source milk" should be modified accordingly.

The term "distributing plant" should include all plants where milk is processed and packaged and from which fluid milk products are disposed of in the marketing area to wholesale and retail stops, including milk disposed of to such outlets through vendors. The term "supply plant" should mean a plant from which milk, skim milk or cream is transferred to a distributing plant.

The term "pool plant" should include all distributing plants and all supply plants which are to be fully subject to regulation under the order and whose receipts of milk from producers will be subject to the pricing and payment provisions of the order. A "pool plant" should be defined to include a distributing plant from which more than 10,000 pounds of fluid milk products are disposed of in the marketing area during the month. The term "pool plant" should also include supply plants from which shipments of milk, skim milk or cream are made to a distributing plant(s) on 15 days or more during any of the months of September through December or during any other month on 7 days or more, as provided by the present order. The present provision should be continued also to exclude from the pool plant definition a supply plant from which no transfers of such products are classified as Class I milk. With the proposed expansion in the marketing area, as heretofore discussed, it is possible that there may be a few plants which would be subject to full regulation under the present definitions of the order even though the sales of milk from such plants in the proposed marketing area are a very minor portion of the total sales in the area. It is not necessary to extend full regulation to the handlers of such milk. This may be accomplished by excluding from full regulation, distributing plants which dispose of 10,000 pounds or less of fluid milk products in the marketing area during the month.

Provision should be made also for the exclusion under the pool plant definition of supply plants or distributing plants which would be subject to the classification and pricing provisions of another order issued pursuant to the act, if a lesser volume of fluid milk products classified as Class I milk is furnished from such a plant for disposition in the Toledo marketing area than in the marketing area regulated pursuant to such other order. Plants which dispose

of fluid milk products in more than one marketing area need not be subject to duplicate regulation to accomplish the the declared purpose of the act. It is reasonable and economically sound to regulate a plant under the order regulating the handling of milk for the marketing area where the largest proportion of the plant's Class I milk is disposed of. This should be determined on the basis of sales during each of the immediately preceding three months. The use of a three-month period will reduce the possibility that plants which supply nearly equal amounts of milk in the Toledo and other marketing areas will be subject to different orders from month-to-month as a result of minor monthly variations in sales as among the areas.

"Handler" should be defined to include any person who operates a distributing plant or a supply plant. By defining the operators of such plants as handlers, such persons will be required to report to the market administrator with respect to such plants at such time and in such manner as the market administrator finds necessary to establish their status as partially or fully regulated plants and to assemble the necessary market information essential to the proper administration of the order. The foregoing plant definitions will include as fully regulated persons and plants the same persons and the same plants as are now regulated by the order.

The present order in some instances refers to plants operated by a nonhandler. A more explicit term for such references is the term "nonpool plant". Definitions also have been included in the order for "fluid milk product" and "Chicago butter price". The addition of these proposed new definitions is not intended to change the intent of the present order but their application will facilitate the drafting of other order provisions.

Definitions of "producer", "producer milk" and "producer-handler" should be modified to incorporate the necessary references to the other new definitions. Producer-handlers and the milk produced by them should be excluded from the producer and producer milk definitions. Under the present order, milk received from a producer-handler is treated the same as other source milk and this may be accomplished by merely excluding a producer-handler from the producer definition.

Milk is sometimes diverted directly from the farm to nonpool plants. In order to distinguish between the milk of producers who may be temporarily diverted and those who may be more or less permanently diverted from the fluid market, some limitation on the length of time that milk may be diverted and still be considered as producer milk under the order is desirable. Based on the conditions in this market, it is concluded that milk of a dairy farmer which is diverted to a nonpool plant on more than one-third of the number of days of delivery during any month, except during the months of March, April, May and June, when receipts of milk from producers are relatively large in relation to Class I sales should not be considered as producer milk under the order. Milk of a dairy farmer which is diverted to a nonpool plant in excess of one-third of his deliveries during July through February is not sufficiently associated with this market for his milk to be regularly priced and pooled with other producer milk. Free diversion of milk during March through June will facilitate the economical disposal of seasonal reserve supplies. In view of the recommendation to include location adjustments in the order, provision should be made to consider milk which is diverted to have been received at a pool plant at the same location as the plant from which it was diverted for the account of a cooperative or a proprietary handler.

The definition of "other source milk" should be modified to clarify its meaning and to specify in the definition that it includes all milk utilized in the operations at a pool plant except producer milk, fluid milk products received from other pool plants and inventory of fluid milk products on hand at the beginning of the month. Other source milk represents all skim milk and butterfat used in a pool plant which is not subject to the pricing provisions of the order during the month. It will include all fluid milk products from plants other than pool plants and all manufactured dairy products from any source which are repackaged, reprocessed or converted into another product in the pool plant during the month. It will include those manufactured products from a pool plant's own production which are reprocessed or converted into another product during the same or a later month.

Some handlers in the market produce condensed milk, nonfat dry milk and other manufactured milk products. Some of these products are reused in the pool plant where produced or are disposed of to other pool plants. Operators of other pool plants may purchase solids from outside sources. Condensed solids or nonfat dry milk may be used for reconstituting certain fluid milk products or to fortify skim milk drinks. Such solids are required by the health regulations to be made from Grade A milk and should be classified as Class I milk when disposed of in a fluid milk product the same as all other skim milk in Class I milk. There appears to be no reason why one portion of the solids nonfat contained in Class I products should be classified differently from another portion in this market. The pounds of skim milk disposed of in any reconstituted or fortified fluid milk product, therefore, should be accounted for as an amount equal to the nonfat milk solids contained in such product plus the water content normally associated with such solids in the form of whole milk.

To promote uniformity in the cost of milk among handlers and to effectuate the established principle of allocating current receipts of producer milk to Class I utilization to the fullest extent, the skim milk in other source milk in the form of a manufactured product, likewise, must be accounted for on the basis of the nonfat solids plus the water normally associated with such solids in the form of whole milk. This accounting procedure will have no effect on the net classification of other source milk used in Class II milk products.

The change in definition of other source milk and its application to all manufactured products on a milk equivalent basis, whether such products come from milk from producers or from other sources, necessitates providing that shrinkage be determined on the basis of other source milk received in the form of fluid milk products. The two percent limitation on the amount of shrinkage classified as Class II milk should apply only to other source milk received in the form of fluid milk products the same as that applicable to producer milk. Because skim milk and butterfat is accounted for in Class II milk products on a used-to-produce basis, any shrinkage is included in the amount of skim milk and butterfat reported in the manufactured products used for such manufacturing purposes. Furthermore, to allow unlimited shrinkage on other source milk, both in the form of fluid milk and manufactured products, and limit shrinkage on producer milk, would provide a basis for inequality in the cost of milk among handlers who use other source milk and those who do not. Thus, it is reasonable to preclude this possibility of inequality by the use of other source milk. Furthermore, without such provision, producer milk could be assigned inequitably to a lower classification under circumstances where substantial amounts of milk are unaccounted for and the handler has received other source milk.

By incorporating the proposed definition of other source milk together with conforming changes, the order will be more specific with respect to the method of accounting for such milk. Identical accounting procedures will be followed by all handlers whether or not manufactured products (Class II) which are used in the handler's pool plant are converted from producer milk or purchased from outside sources. The skim milk and butterfat used to produce manufactured products are now and should continue to be considered as disposed of when so utilized and therefore not enter into the monthly classification and allocation procedure again, unless such products are repackaged or reused. Records of sales and stocks of such products, however, must be maintained by the handler to facilitate the auditing program of the market administrator and substantiate current usage of such products. Any other source milk, including that derived from manufactured products will continue to be allocated first to the available Class II utilization. The application of the new definition of other source milk in conjunction with other provisions of the order will provide for the allocation of producer milk to Class I in each month to the fullest extent that producer milk is available from current receipts or beginning inventory of fluid milk products.

Because handlers may have inventories of milk and milk products on hand at the beginning and end of each month, such inventories must enter into the

accounting procedure for current receipts and utilization of producer milk. Although the order is silent in this respect inventory variations are classified in Class II milk under current practice. Month-end inventories of fluid milk products whether in bulk or packaged form should continue to be classified as Class II milk. Manufactured milk products (Class II) will not be included in inventory accounting because the skim milk and butterfat used for such products are accounted for in the month when such products are manufactured.

Because handlers frequently use other source milk in their operations, the inventory accounting procedure should provide for producer milk from inventory to have prior claim on Class I utilization over receipts of other source milk in the same manner as current receipts of producer milk. Because inventories of fluid milk items are to be accounted for at the end of the month in Class II milk, as a temporary classification, it is necessary, therefore, to provide a method for handling producer milk in inventory which is allocated to Class I milk in the current month but which the handler accounted for in Class II milk at the end of the preceding month. The higher use value of any fluid milk product from beginning inventory of producer milk which is disposed of as Class I milk should be reflected in returns to producers. Such milk should be priced the same as a current receipt of producer milk. These goals may be accomplished, through the accounting procedure, by considering the opening inventory as a receipt in that month and subtracting such receipt, under the allocation procedure, in series, starting with Class II milk, following the subtraction of other source milk and receipts from other pool plants. To the extent that the opening inventory is allocated to Class I milk and there was an equivalent amount of skim milk and butterfat in producer milk classified in Class II milk in the previous month (after allocating allowable producer milk shrinkage and other source milk), a reclassification charge should be made at the difference between the Class II price in the previous month and the Class I price in the current month. Handled in this manner, milk from inventory will be priced to handlers identically with milk derived from current receipts of producer milk during the month. This method of accounting for inventory will result in equality in the cost per hundredweight of milk among handlers and returns to producers irrespective of whether or not such milk is from opening inventory or is a current receipt.

By incorporating the proposed changes, receipts of milk will fall within four categories as follows:

(1) Producer milk;

(2) Milk from pool plants;

(3) Inventory of fluid milk products; and

(4) Other source milk.

The order should be changed to incorporate references to these categories of milk. The use of these terms will add a desired degree of specificity to the reporting and accounting procedure of the order.

DEFINITIONS

§ 930.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C., 1940 ed., 601 et seq.).

§ 930.2 *Secretary.* "Secretary" means the Secretary of Agriculture or such other officer or employee of the United States authorized to exercise the powers or to perform the duties of the said Secretary.

§ 930.3 *Department.* "Department" means the United States Department of Agriculture.

§ 930.4 *Person.* "Person" means an individual, partnership, corporation, association, or any other business unit.

§ 930.5 *Cooperative association.* "Cooperative association" means any cooperative marketing association of producers which the Secretary determines, after application by the association: (a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act"; (b) to have full authority in the sale of milk of its members and to be engaged in making collective sales or marketing milk or its products for its members; and (c) to have all of its activities under the control of its members.

§ 930.6 *Toledo, Ohio, marketing area.* "Toledo, Ohio, marketing area", called the "marketing area" means all of the territory within the boundaries of Fulton and Lucas Counties; all of the territory within the boundaries of Wood County north of the northern boundaries of the townships of Milton, Liberty, Portage, and Montgomery, including all of the town of Weston; all of the territory within the townships of Woodville and Madison in Sandusky County, all in the State of Ohio; and in the State of Michigan, all of the territory within the boundaries of Monroe County, except that territory within the boundaries of the townships of Ash, Berlin, Exeter, London, Milan, and Dundee; and all of the territory within the boundaries of the townships of Riga, Ogden, Palmyra, Blissfield, and Deerfield in Lenawee County.

§ 930.7 *Distributing plant.* "Distributing plant" means a plant where milk is processed or packaged and from which milk is disposed of as Class I milk in the marketing area, either on the premises or to a wholesale or retail stop(s), including sales through vendors.

§ 930.8 *Supply plant.* "Supply plant" means a milk plant from which milk, skim milk or cream is transferred to a distributing plant(s).

§ 930.9 *Pool plant.* "Pool plant" means (a) a distributing plant from which more than 10,000 pounds of milk is disposed of in the marketing area during the month and (b) a supply plant during September through December in which shipments of milk, skim milk or cream are made to a plant described pursuant to paragraph (a) of this section on 15 days or more during the month or during any other month on 7 days or more: *Provided,* That a supply plant, which was not a pool plant during the immediately preceding September through December period, shall not be included in this definition during any month in which no such transfers are allocated from Class I milk pursuant to § 930.46.

§ 930.10 *Nonpool plant.* "Nonpool plant" means any milk manufacturing, processing or bottling plant other than a pool plant.

§ 930.11 *Producer.* "Producer" means any person, except a producer-handler, who produces milk and who holds a dairy farm inspection permit issued by the appropriate health authority of the community for which the milk is produced if such community requires such permit for milk for disposition as Class I milk therein, which milk is (a) received at a pool plant or (b) diverted from a pool plant to another pool plant or to a nonpool plant pursuant to the conditions set forth in § 930.12.

§ 930.12 *Producer milk.* "Producer milk" means only that skim milk and butterfat contained in the milk received at (a) a pool plant directly from producers or (b) diverted for the account of the operator of a pool plant or a cooperative association from a pool plant to another pool plant or to a nonpool plant: *Provided,* That producer milk shall not include that milk of a producer which is diverted to a nonpool plant on more than one-third of the number of days of delivery during any month other than the months of March through June. Producer milk diverted shall be deemed to have been received at a pool plant at the same location as the pool plant from which it was diverted.

§ 930.13 *Handler.* "Handler" means (a) any person who operates a distributing plant or a supply plant and (b) any cooperative association with respect to producer milk diverted by it in accordance with the conditions set forth in § 930.12.

§ 930.14 *Producer-handler.* "Producer-handler" means any person who operates a dairy farm and a distributing plant but who receives no milk from other dairy farmers.

§ 930.15 *Fluid milk product.* "Fluid milk product" means milk, skim milk, buttermilk, milk drinks (plain or flavored), concentrated milk, eggnog, cream, or any mixture in fluid form of skim milk and cream (except storage cream, aerated cream products, ice cream mix, and evaporated or condensed milk).

§ 930.16 *Other source milk.* "Other source milk" means all skim milk and butterfat contained in or represented by:

(a) Receipts during the month in the form of fluid milk products, except (1) producer milk, (2) fluid milk products received from other pool plants, and (3) inventory at the beginning of the month; and

(b) Products other than fluid milk products from any source (including

those produced at the plant) which are reprocessed, repackaged or converted to another product in the plant during the month.

§ 930.17 *Chicago butter price.* "Chicago butter price" means the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any range as one price) per pound of 92-score bulk creamery butter, at Chicago, as reported for the month by the Department.

MARKET ADMINISTRATOR

§ 930.20 *Designation.* The agency for the administration of this part shall be a market administrator selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal by the Secretary.

§ 930.21 *Powers.* The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

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

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 930.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including, but not limited to, the following:

(a) Within 30 days following the date on which he enters upon his duties execute and deliver to the Secretary a bond effective as of the date on which he enters upon such duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay, out of the funds provided by § 930.74;

(1) The cost of his bond and of the bonds of his employees,

(2) His own compensation, and

(3) All other expenses, except those incurred under § 930.75, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part and upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly announce, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, within 10 days after the day upon which he is required to perform such acts, has not made (1) reports pursuant to § 930.30, or (2) payments pursuant to §§ 930.70, 930.74, 930.75, and 930.77;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(h) Audit records of all handlers to verify the reports and payments required pursuant to the provisions of this part; and

(i) Publicly announce, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the prices determined for each delivery period as follows:

(1) On or before the 5th day after the end of such delivery period, the minimum class prices and the butterfat differential for each class computed pursuant to § 930.50, and § 930.52, and

(2) On or before the 12th day after the end of such delivery period the uniform price computed pursuant to § 930.61 and the butterfat differential computed pursuant to § 930.72.

REPORTS, RECORDS AND FACILITIES

§ 930.30 *Monthly reports of receipts and utilization.* On or before the 5th day after the end of each month, each handler shall report to the market administrator, for each of his pool plants in the detail and on the forms prescribed by the market administrator the following:

(a) The quantities of skim milk and butterfat contained in receipts of producer milk;

(b) The quantities of skim milk and butterfat contained in or represented by fluid milk products received from other pool plants;

(c) The quantities of skim milk and butterfat contained in or represented by other source milk;

(d) The quantities of skim milk and butterfat contained in or represented by inventories of fluid milk products on hand at the beginning of the month;

(e) The utilization of all skim milk and butterfat required to be reported pursuant to this section; and

(f) Such other information with respect to such receipts and utilization as the market administrator may prescribe.

§ 930.31 *Other reports.* (a) Each handler, who operates a pool plant, shall report to the market administrator in the detail and on the forms prescribed by the market administrator, on or before the 20th day after the end of each month, his producer payroll for the month which shall show (1) the pounds of producer milk received from each producer and the percentages of butterfat contained therein, (2) the amounts and dates of payments to each producer or cooperative association, and (3) the nature and amount of each deduction or charge involved in the payments referred to in subparagraph (2) of this paragraph.

(b) Each handler who operates a supply or distributing plant, not a pool plant, shall report to the market administrator in the detail and on forms prescribed by the market administrator, at such time and in such manner as the market administrator may request.

§ 930.32 *Records and facilities.* Each handler shall maintain, and make available to the market administrator during the usual hours of business, such accounts and records of all of his operations and such facilities as, in the opinion of the market administrator, are necessary to verify reports, or to ascertain the correct information with respect to (a) the receipts and utilization of all skim milk and butterfat received including all milk products received and disposed of in the same form; (b) the weights and tests for butterfat and for other contents of all milk and milk products handled; and (c) payments to producers and cooperative associations.

§ 930.33 *Retention of records.* All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided,* That, if within such three-year period, the market administrator notifies a handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records until further written notification from the market administrator. The market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 930.40 *Skim milk and butterfat to be classified.* The skim milk and butterfat which are required to be reported pursuant to § 930.30 shall be classified each month by the market administrator pursuant to the provisions of § 930.41 through § 930.46.

§ 930.41 *Classes of utilization.* Subject to the conditions set forth in § 930.43 the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be (1) all skim milk and butterfat disposed of in the form of a fluid milk product (except for livestock feed), and (2) not accounted for as Class II milk.

(b) *Class II milk.* Class II milk shall be all skim milk and butterfat accounted for (1) as used to produce a product other than a fluid milk product, (2) in inventory of fluid milk products on hand at the end of the month, (3) as disposed of for livestock feed, and (4) as actual plant shrinkage of skim milk and butterfat allocated to producer milk and other source milk in fluid milk products pursuant to § 930.42 but not in excess of 2 percent of such receipts of skim milk and butterfat, respectively.

§ 930.42 *Shrinkage.* The market administrator shall allocate shrinkage at the handler's pool plant(s) as follows:

(a) Compute the total shrinkage of skim milk and butterfat, respectively, at such plant(s); and

(b) Prorate the resulting amounts between receipts of skim milk and butterfat, respectively, in producer milk and in other source milk received in the form of a fluid milk product.

§ 930.43 *Transfers.* Skim milk or butterfat disposed of by a handler from a pool plant, shall be classified:

(a) As Class I milk if transferred or diverted in the form of a fluid milk product to the pool plant of another handler except as:

(1) Utilization in Class II milk is claimed by the operators of both plants in their reports submitted pursuant to § 930.30;

(2) The receiving handler has utilization in Class II of an equivalent amount of skim milk and butterfat, respectively; and

(3) The classification of the skim milk or butterfat so transferred results in the classification at both plants of the maximum Class I utilization to the producer milk at both plants, if either or both handlers have other source milk during the month;

(b) As Class I milk if transferred or diverted to a nonpool plant in the form of milk, skim milk or cream in bulk to a nonpool plant located less than 250 miles from the City Hall of Toledo, Ohio, by the shortest highway distance as determined by the market administrator, unless:

(1) The transferring or diverting handler claims classification as Class II milk in his report submitted pursuant to § 930.30 for the month;

(2) The operator of the nonpool plant maintains books and records showing the receipts and utilization of all skim milk and butterfat at such plant which are made available if requested by the market administrator for the purpose of verification of such mutually indicated utilization; and

(3) An equivalent amount of skim milk and butterfat was used in products in Class II milk.

(c) As Class I milk if transferred or diverted in bulk in the form of milk or skim milk or cream to a nonpool plant located 250 miles or more from the City Hall at Toledo, Ohio, by shortest highway distance as determined by the market administrator.

(d) For the purposes of paragraphs (b) and (c) of this section, skim milk and butterfat shall not be deemed to have been "disposed of" to a nonpool plant if merely retained in or transferred between trucks or other vehicles which enter the premises or come within the orbit of such plant in the course of movement elsewhere.

§ 930.44 *Responsibility of handlers and reclassification of milk.* (a) All skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified otherwise;

(b) Any skim milk or butterfat shall be reclassified if verification by the market administrator discloses that the original classification was incorrect.

§ 930.45 *Computation of the skim milk and butterfat in each class.* For each month, the market administrator shall correct for mathematical and for other obvious errors the reports of receipts and utilization for the pool plant(s) of each handler and shall compute the pounds of butterfat and skim milk in Class I milk and Class II milk for such handler: *Provided,* That if any of the water contained in the milk from which a product is made is removed before the product is utilized or disposed of by a handler, the pounds of skim milk disposed of in such product shall be considered to be an amount equivalent to the nonfat milk solids contained in such product, plus all of the water normally associated with such solids in the form of whole milk.

§ 930.46 *Allocation of skim milk and butterfat classified.* After making the computations pursuant to § 930.45, the market administrator shall determine the classification of producer milk received at the pool plant(s) of each handler each month as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II milk the pounds of skim milk assigned to producer milk pursuant to § 930.41 (b) (4);

(2) Subtract from the remaining pounds of skim milk in each class, in series beginning with Class II milk, the pounds of skim milk in other source milk received in the form of fluid milk products;

(3) Subtract from the remaining pounds of milk in each class, in series beginning with Class II milk, the pounds of skim milk in other source milk other than that received in the form of fluid milk products;

(4) Subtract from the remaining pounds of skim milk in each class the skim milk in fluid milk products received from the pool plants of other handlers according to the classification of such products as determined pursuant to § 930.43 (a);

(5) Subtract from the remaining pounds of skim milk in each class, in series beginning with Class II milk, the pounds of skim milk in inventory of fluid milk products on hand at the beginning of the month;

(6) Add to the pounds of skim milk remaining in Class II milk the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph and if the remaining pounds of skim milk in both classes exceed the pounds of skim milk contained in producer milk, subtract such excess from the remaining pounds of skim milk in series beginning with Class II.

(b) Butterfat shall be allocated in accordance with the same procedure prescribed for skim milk in paragraph (a) of this section.

(c) Determine the weighted average butterfat content of producer milk remaining in each class computed pursuant to paragraphs (a) and (b) of this section.

MINIMUM PRICES

§ 930.50 *Class prices.* Subject to the provisions of §§ 930.52 and 930.53, each handler shall pay not less than the following prices per hundredweight, on the basis of 3.5 percent butterfat content, for producer milk received at his pool plant during the month:

(a) *Class I milk price.* (1) Except as provided in subparagraph (2) of this paragraph, add to the basic formula price the following amount for the delivery period indicated:

Delivery period:	*Amount*
April, May, and June	$1.00
February, March, and July	1.25
All others	1.65

(2) The price for Class I milk shall be the amount computed pursuant to subparagraph (1) of this paragraph plus or minus a "supply-demand adjustment" computed pursuant to subdivisions (i), (ii), and (iii) of this subparagraph: *Provided,* That the price shall not be adjusted by the supply-demand adjustment factor until the utilization percentage computed pursuant to subdivision (i) of this subparagraph is equal to or exceeds the standard utilization percentage pursuant to subdivision (ii) of this subparagraph for each of three successive months:

(i) Divide the total receipts of producer milk during the first and second months preceding by the total gross volume of Class I milk (less interhandler transfers) during the same two months, multiply the result by 100, and round to the nearest whole number. The result shall be known as the "utilization percentage".

(ii) Compute a "deviation percentage" by subtracting from the utilization percentage as computed in subdivision (i) of this subparagraph, the "standard utilization percentage" shown in this subdivision:

Month for which the price is being computed:	*Standard utilization percentage*
January	115
February	123
March	129
April	130
May	130
June	137
July	138
August	127
September	116
October	108
November	105
December	108

(iii) Determine the amount of the supply-demand adjustment from the following schedule:

If deviation percentage is:	*Supply-demand adjustment is: (cents)*
+16 or over	−50
+13 or +14	−40
+10 or +11	−30
+7 or +8	−20
+4 or +5	−10
+2 or −2	0
−4 or −5	+10
−7 or −8	+20
−10 or −11	+30
−13 or −14	+40
−16 or under	+50

When the deviation percentage does not fall within the tabulated brackets the adjustment shall be determined by the adjacent bracket which is the same as or nearest to the bracket used in the previous month.

(b) *Class II milk price.* The Class II milk price shall be (1) during the months of July through February, the highest

of the prices per hundredweight computed pursuant to § 930.51 or subparagraph (2) of this paragraph for the month and (2) during the months of March through June, the average (computed to the nearest tenth of a cent) of the basic or field prices per hundredweight for milk of 3.5 percent butterfat content received from farmers during the month at the following locations for which prices have been reported to the market administrator or to the Department on or before the 5th day after the end of the month by the companies listed below:

Company and Location

Pet Milk Co., Delta, Ohio.
Defiance Milk Products Co., Defiance, Ohio.
Pet Milk Co., Hudson, Mich.

§ 930.51 *Basic formula price.* The basic formula price per hundredweight (computed to the nearest tenth of a cent) to be used in determining the class prices pursuant to § 930.50 shall be the highest of the prices per hundredweight for milk of 3.5 percent butterfat content computed pursuant to paragraph (b) (2) of § 930.50, or to paragraphs (a), (b), and (c) of this section.

(a) The average of the basic (or field) prices reported to have been paid or to be paid per hundredweight for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department on or before the 5th day after the end of the month by the companies indicated below:

Companies and Location

Borden Co., Mount Pleasant, Mich.
Borden Co., New London, Wis.
Borden Co., Orfordville, Wis.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Sparta, Mich.
Pet Milk Co., Belleville, Wis.
Pet Milk Co., Coopersville, Mich.
Pet Milk Co., Hudson, Mich.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Wayland, Mich.
White House Milk Co., Manitowoc Wis.
White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed as follows:

(1) Multiply by 8.53 the average of the daily prices per pound of cheese at Wisconsin primary markets ("Cheddars," f. o. b. Wisconsin assembling points, cars or truckloads) as reported by the Department during the month;

(2) Add 0.902 times the Chicago butter price; and

(3) Subtract 34.3 cents.

(c) The price her hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the Chicago butter price subtract three cents, and multiply by 4.2; and

(2) From the arithmetical average of the carlot prices per pound for nonfat dry milk (not including that specifically designated animal feed), spray and rolled process, f. o. b. manufacturing plants in the Chicago area, as published by the Department during the month, deduct 5.5 cents, and multiply by 8.2, except that if such agency does not publish such prices f. o. b. manufacturing plants, there shall be used for the purpose of this computation the arithmetical average of the carlot prices thereof delivered at Chicago, Illinois, as published weekly by such agency during the month; and in the latter event the figure "7.5" shall be substituted for "5.5" in the above formula.

§ 930.52 *Butterfat differentials to handlers.* If the weighted average butterfat test of producer milk which is classified, respectively, in any class of utilization, pursuant to § 930.46, is more or less than 3.5 percent, there shall be added to, or subtracted from, as the case may be, the price for such class of utilization, for each one-tenth of one percent that such weighted average butterfat test is above or below, respectively, 3.5 percent, a butterfat differential (computed to the nearest tenth of a cent), calculated for each class of utilization as follows:

(a) *Class I milk.* Multiply the Chicago butter price by 0.125;

(b) *Class II milk.* Multiply the Chicago butter price by 0.120.

§ 930.53 *Location differentials to handlers.* For that milk which is received from producers at a pool plant located 60 miles or more from the City Hall, Toledo, Ohio, by the shortest hard-surfaced highway distance, as determined by the market administrator, and which is transferred to a distributing plant which is a pool plant in the form of a fluid milk product and assigned to Class I pursuant to the proviso of this section, or otherwise classified as Class I milk, the price specified in § 930.50 (a) shall be reduced at the rate set forth in the following schedule according to the location of the pool plant where such milk is received from producers:

Distance from the Toledo City Hall (miles):	*Rate per hundredweight (cents)*
60 but less than 75	15
75 but less than 90	17
For each additional 15 miles or fraction thereof an additional	2.0

Provided, That for the purpose of calculating such location differentials, fluid milk products which are transferred between pool plants shall be assigned to Class I milk to the extent that the gross Class I uitlization at the transferee plant exceeds 95 percent of the receipts of producer milk at such plant, such assignment to transferor plants to be made first to plants at which no location adjustment is applicable and then in sequence according to the location differential applicable at each plant beginning with the plant having the smallest differential.

§ 930.54 *Use of equivalent prices.* If for any reason a price quotation required by this order for computing class prices or for other purposes is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price which is required.

HANDLER'S OBLIGATION AND UNIFORM PRICE

§ 930.60 *Computation of net obligation for each handler.* The value of producer milk received during each month by each handler shall be a sum of money computed by the market administrator as follows:

(a) Multiply the pounds of milk in each class by the applicable class prices and add together the resulting amounts;

(b) Add the amounts computed by multiplying the pounds of overage deducted from each class pursuant to § 930.46 (a) (6) and the corresponding step of (b) by the applicable class price;

(c) Add the amount obtained in multiplying the difference between the Class II price for the preceding month and the Class I price for the current month by the hundredweight of producer milk classified in Class II less shrinkage during the preceding month, or the hundredweight of milk subtracted from Class I pursuant to § 930.46 (a) (5) and the corresponding step of (b), whichever is less;

(d) Adjust the resulting amount by the sum of money used in adjusting the uniform price for the previous month to the nearest cent, pursuant to § 930.61 (d); and

(e) Add or subtract, as the case may be, the amount necessary to correct errors in classification for previous delivery periods as disclosed by audit of the market administrator.

§ 930.61 *Computation of uniform price.* For each month, the market administrator shall compute for each handler a "uniform price" per hundredweight, on the basis of 3.5 percent butterfat content, for producer milk received by such handler as follows:

(a) From the value of milk computed for such handler pursuant to § 930.60, deduct, if the weighted average butterfat test of all producer milk received by him is greater than 3.5 percent, or add, if the weighted average butterfat test of such milk is less than 3.5 percent, an amount computed by multiplying the total pounds of butterfat represented by the variance of such weighted average butterfat test from 3.5 percent by the butterfat differential computed pursuant to § 930.72 and multiply by 10;

(b) Add an amount equal to the total location adjustments to be made pursuant to § 930.73;

(c) Divide the resulting value by the total hundredweight of producer milk received by such handler;

(d) The resulting figure, rounded to the nearest cent, shall be known as the uniform price for such handler for milk of 3.5 percent butterfat content at a pool plant, located less than 60 miles from the City Hall of Toledo, Ohio.

§ 930.62 *Notification.* On or before the 12th day after the end of each month, the market administrator shall mail to each handler, at his last known address, a statement showing:

(a) The amount and value of his producer milk in each class;

(b) The uniform price for such handler pursuant to § 930.61 and the butterfat differentials computed pursuant to § 930.72; and

(c) The totals of the amounts to be paid by such handler pursuant to §§ 930.74 and 930.75.

PAYMENTS

§ 930.70 *Time and method of final payment.* (a) On or before the 15th day after the end of each month, each handler shall pay each producer for milk received from him during such month, an amount computed at not less than such handler's uniform price per hundredweight pursuant to § 930.61, subject to the butterfat differential computed pursuant to § 930.72 plus or minus adjustments for errors made in previous payments to such producer; and less (1) payment made pursuant to § 930.71, (2) location differential deductions pursuant to § 930.73, (3) marketing service deductions pursuant to § 930.75 and (4) proper deductions authorized by such producer.

§ 930.71 *Partial payments.* On or before the last day of each month each handler shall pay each producer for milk received from him during the first fifteen days of each month at a rate computed as follows: *Provided,* That in the event a producer discontinues shipping to the market during the month, such partial payments shall not be made and full payment for all milk received from such producer during the month shall be made pursuant to the provisions of § 930.70

(a) Deduct 75 cents from the uniform price for the preceding month for such handler which is applicable at the pool plant where milk is received from such producer.

(b) Add or subtract any amount by which the Class I price differential for the current month is greater than or less than, respectively, the differential for the preceding month.

(c) Round off the result to the nearest multiple of 10 cents.

§ 930.72 *Producer butterfat differential.* In making payments pursuant to § 930.70 the uniform price for each handler shall be adjusted for each one-tenth of one percent of butterfat content in the milk of each producer above or below 3.5 percent, as the case may be, by a butterfat differential computed as follows: Multiply the Chicago butter price by 0.12 and round to the nearest one-half cent.

§ 930.73 *Location differentials to producers.* In making payment pursuant to § 930.70 the uniform price pursuant to § 930.61 to be paid for milk which is received from producers at a pool plant located 60 miles or more from the City Hall, Toledo, Ohio, by the shortest hard-surfaced highway distance, as determined by the market administrator, shall be reduced at the rate set forth in the following schedule according to the location of the pool plant where such milk is received from producers:

Distance from the Toledo City Hall (miles):	*Rate per hundredweight (cents)*
60 but less than 75	15.0
75 but less than 90	17.0
For each additional 15 miles or fraction thereof an additional	2.0

§ 930.74 *Expense of administration.* As his pro rata share of expense incurred pursuant to § 930.22 (d), each handler, except a producer-handler, shall pay the market administrator, on or before the 15th day after the end of each month, 2 cents per hundredweight, or such lesser amount as the Secretary may from time to time prescribe with respect to receipts during the month of (a) producer milk, (b) other source milk at a pool plant, allocated to Class I milk pursuant to § 930.46 and (c) Class I milk disposed of in the marketing area by a distributing plant, not a pool plant.

§ 930.75 *Deductions for marketing services.* (a) Except as set forth in paragraph (b) of this section each handler, in making payments to producers pursuant to § 930.70, with respect to all milk received from each producer (except milk of such handler's own production) at a plant not operated by a cooperative association of which such producer is a member, shall deduct 6 cents per hundredweight, or such lesser amount as the Secretary may from time to time prescribe; and on or before the 15th day after the end of such month, shall pay such deductions to the market administrator. Such moneys shall be expended by the market administrator to verify weights, samples, and tests of milk of such producers and to provide such producers with market information, such services to be performed by the market administrator, or by an agent engaged by and responsible to him.

(b) Each association of producers which is actually performing the services described in paragraph (a) of this section, as determined by the market administrator, may file with a handler a claim for authorized deductions from the payments otherwise due to its producer-members for milk delivered to such handler. In making payments to producers for milk received during the month, each handler shall make deductions in accordance with the association's claim and shall pay the amount deducted, to the association, within 15 days after the end of the month. Such claim shall contain a list of the producers for which such deductions apply, an agreement to indemnify the handler in the making of the deductions, and a certification that the association has an unterminated membership contract with each producer authorizing the claimed deduction.

§ 930.76 *Reports to cooperatives.* Upon request the market administrator is authorized to report to any cooperative association qualifying under § 930.75 (b) for each month the amount of butterfat shortage or overage in member milk found in any handler's plant, as revealed by the records of the market administrator. For the purpose of this report, the butterfat shortage or overage on member milk shall be determined as the percentage of total butterfat shortage or overage which total receipts of butterfat in member milk is of the total receipts of butterfat in the plant.

§ 930.77 *Errors in payments.* Whenever audit by the market administrator of any handler's reports, books, records, or accounts disclose errors resulting in moneys due (a) the market administrator or cooperative associations from such handler, or such handler from the market administrator or cooperative associations pursuant to §§ 930.74 or 930.75, or (b) any producer or cooperative association from such handler pursuant to § 930.70, the market administrator shall promptly notify such handler of any such amount due; and said payment thereof shall be made on or before the next date for making payment set forth in the provision under which such error occurred, following the 5th day after such notice.

APPLICATION OF PROVISIONS

§ 930.80 *Plants subject to other Federal orders.* The provisions of this part shall not apply to a distributing plant or a supply plant during any month in which such plant would be subject to the classification and pricing provisions of another order issued pursuant to the act unless such plant qualified as a pool plant pursuant to § 930.9 and a greater volume of fluid milk products is disposed of from such plant to retail or wholesale outlets and to pool plants in the Toledo, Ohio, marketing area than in the marketing area regulated pursuant to such other order during each of the three months, immediately proceeding: *Provided,* That the operator of a distributing plant or a supply plant which is exempted from the provisions of this order pursuant to this section shall, with respect to the total receipts and utilization or disposition of skim milk and butterfat at the plant, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

§ 930.81 *Producer-handlers.* Sections 930.40, 930.50, 930.60, 930.70, 930.74, 930.75, and 930.77 shall not apply to the milk of a producer-handler.

MISCELLANEOUS PROVISIONS

§ 930.90 *Termination of obligations.* (a) The obligations of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the month during which the market administrator receives the handler's report of utilization of the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to a cooperative association, the name of such producers

or association, or, if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books or records required by this part to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the month following the month during which such books and records pertaining to such obligation are made available to the market administrator or his representative.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or wilful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

§ 930.91 *Effective time.* The provisions of this part, or of any amendment to this part, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 930.92 *When suspended or terminated.* The Secretary shall, whenever he finds that this part, or any provision thereof, obstructs or does not tend to effectuate the declared policy of the act, terminate or suspend the operation of this part or any such provision thereof.

§ 930.93 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this part, there are any obligations thereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 930.94 *Liquidation.* Upon the suspension of the provisions of this part, except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

§ 930.95 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 930.96 *Separability of provisions.* If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

Filed at Washington, D. C., this 24th day of January 1957.

[SEAL] ROY W. LENNARTSON,
Deputy Administrator.

[F. R. Doc. 57-634; Filed, Jan. 28, 1957; 8:46 a. m.]

[7 CFR Part 966]

[Docket No. AO-257-A3]

MILK IN SHREVEPORT, LA., MARKETING AREA

NOTICE OF HEARING ON PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENT AND TO ORDER, AS AMENDED

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a public hearing to be held in Roof-D, Washington-Youree Hotel, 401 Edwards Street, Shreveport, Louisiana, beginning at 10:00 a. m., local time, Monday, February 4, 1957, for the purpose of receiving evidence with respect to the proposed amendments hereinafter set forth, or appropriate modification thereof, to the tentative marketing agreements heretofore approved by the Secretary of Agriculture and to the order, as amended, regulating the handling of milk in the Shreveport, Louisiana, marketing area (7 CFR 966 et seq.). The proposed amendments have not received the approval of the Secretary of Agriculture.

Proposed by Northwest Louisiana Pure Milk Producers' Association, Inc., Shreveport, Louisiana:

1. Amend § 966.7 to read:

§ 966.7 *Distributing plant.* "Distributing plant" means any plant from which a volume of Class I milk equal to an average of 1,500 pounds per day or not less than 4 percent of the total Class I milk and skim milk disposed of during the month through routes operating wholly or partially within the marketing area (including routes operated by vendors) or through plant stores to retail or wholesale outlets located in the marketing area.

2. Delete § 966.8 (a) and (b) and substitute therefor:

(a) In any of the months March through June;

(b) On five or more days or in an amount equal to a daily average of not less than 5,000 pounds in any of the months July through February.

3. Delete § 966.12 and substitute therefor (a) (1), (2) and (3):

§ 966.12 *Producer.* "Producer" means a person, other than a producer-handler, who produces milk in conformity with the Grade A inspection requirements of any duly constituted health authority having jurisdiction within the marketing area; which milk is received directly from the farm at a fluid milk plant or is diverted from such plant for the account of a handler or the account of a cooperative association provided that milk so diverted shall be deemed to have been received by the diverting handler at the plant from which it was diverted.

(a) *Associated producer.* "Associated producer" means any producer who, with respect to any milk not accepted or accounted for by a handler at a fluid milk plant in any month meets all the following requirements:

(1) Produces milk in conformity with the Grade A inspection requirements of any duly constituted health authority having jurisdiction in the marketing area; and

(2) Delivered milk for not less than 60 days during the previous months of September, October, November or December which milk was received at or diverted from a fluid milk plant; and

(3) Certifies in writing to the market administrator within ten days from the first time any of his milk is not accepted at or accounted for by a handler at a fluid milk plant, that he is ready and willing to deliver his milk to such fluid milk plant, and does so perform in response to appropriate request from the handler.

4. Add a new paragraph (a) to § 966.13 *Producer milk* to read as follows:

(a) *Associated producer milk.* "Associated producer milk" means that portion of the milk produced by one or more associated producers which is not accepted at or accounted for by a handler at a fluid milk plant and is sold at not more than the Class II price.

5. Add a new subparagraph (3) to § 966.27 (k) to read as follows:

(3) On or before the 5th day of the delivery month, furnish each handler operating a fluid milk plant the names and addresses of any associated producers who have declared their willingness to deliver milk to such plant pursuant to § 966.13 (a).

6. Add a new paragraph (c) to § 966.32 to read as follows:

(c) Each associated producer shall submit to the market administrator:

(1) On or before the 5th day of the following delivery month, a statement of the quantity and butterfat test of his milk sold for manufacturing purposes during the previous month; and

(2) On or before the 15th day following such delivery month, payment statements, weight slips and/or such other acceptable evidence to verify the quantity and butterfat test of milk sold by him for manufacturing purposes.

7. Delete paragraphs (a) and (b) of § 966.51 and substitute therefor:

(a) The Class I price shall be the basic formula price as determined pursuant to § 966.50, plus $2.00 for the months of March, April, May and June and plus $2.40 for all other months of the year, except those months when monthly average producer receipts for all handlers are less than 115 percent of average monthly Class I sales by all handlers during the immediately preceding two month period, then a differential of $2.60 shall apply.

(b) *Class II milk price.* The Class II milk price shall be the price computed pursuant to § 966.50 (c) for the months of March, April, May and June and the highest of the price computed pursuant to § 966.50 (a), (b), or (c) for all other months, rounded to the nearest one-tenth of a cent.

(c) *Shrink milk price.* The price for skim milk and butterfat allocated to shrink up to 2 percent of producer milk, as per § 966.42 (a) and (b), shall be the weighted average price for such plant for the current month.

8. Remember § 966.71 (a), (b) and (c) as (b), (c) and (d) and add a paragraph (a) as follows:

(a) Add the value, at the Class II price, of the quantity of associated producer skim milk and butterfat reported pursuant to § 966.27 (m).

9. Add to § 966.72 following aggregate value computed pursuant to § 966.71 by the total hundredweight of—the following: "—total hundredweight of (1) producer milk, (2) associated producer milk specified in § 966.71 (a) received or diverted by such handler."

10. Add new paragraphs (f) and (g) to § 966.90 to read as follows:

(f) On or before the 10th day following the delivery month notify each handler of the quantity and butterfat test of associated producer milk assigned to such handler and the amount to be remitted to the market administrator therefor pursuant to § 966.27 (m).

(g) Payments for associated producer milk.

(1) On or before the 12th day after the end of each month each handler having associated producer milk shall remit to the market administrator for payment to associated producers, an amount computed by multiplying the quantity of associated producer milk determined pursuant to § 966.32 (c) by the difference between such handlers uniform price determined pursuant to § 966.72 and the Class II price determined pursuant to § 966.51 (b).

(2) Such amounts shall be maintained by the market administrator in a separate fund out of which he shall on or before the 15th day after the end of each delivery month, make payments to associated producers on the basis of the verifiable quantity records submitted by them pursuant to § 966.32 (c).

(3) Payments pursuant to subparagraph (2) of this section shall be made to associated producers on the uniform price computed pursuant to § 966.72 for the months August through January and pursuant to § 966.73 for the months February through July.

11. Add a new paragraph (b) to § 966.92 as follows:

(b) In making payments to producers, to cooperative association or to the market administrator pursuant to § 966.90 (g) (2) a handler may deduct the amount computed pursuant to § 966.93 (a).

12. Amend § 966.94 *Expense of administration* by adding a new paragraph (d) to read as follows:

(d) Associated producer milk allocated to his plant pursuant to § 966.90 (f).

13. Delete § 966.80 *Computation of daily average base for each producer* and substitute therefor:

§ 966.80 *Computation of daily average base for each producer.* For the months of February through July of each year the market administrator shall compute a daily average base for each producer as follows, subject to the rules set forth in § 966.81:

(a) Divide the total pounds of milk received by a handler(s) from such producer during the months of September through December immediately preceding by the number of days for which such producers milk was received by such handler(s) during such period, but not less than ninety.

Proposed by the Dairy Division, Agricultural Marketing Service:

14. Add a new § 966.54 as follows:

§ 966.54 *Use of equivalent price.* If for any reason a price quotation required by this part for computing class prices or for any other purpose is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price which is required.

15. Make such changes as may be required to make the entire marketing agreement and order, as amended, conform with any amendments thereto which may result from this hearing.

Copies of this notice of hearing and of the order, as amended, now in effect may be procured from the Market Administrator, 3822 Linwood Avenue, Shreveport, Louisiana, or from the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D. C., or may be there inspected.

Dated: January 24, 1957.

[SEAL] ROY W. LENNARTSON,
Deputy Administrator.

[F. R. Doc. 57-635; Filed, Jan. 28, 1957; 8:46 a. m.]

[7 CFR Part 1013]

[Docket No. AO-279]

MILK IN PLATTE VALLEY, NEBR., MARKETING AREA

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

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to a proposed marketing agreement and order, regulating the handling of milk in the Platte Valley, Nebraska, marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., not later than the close of business the 20th day after publication of this decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminatory statement. The hearing on the record of which the following findings and conclusions were formulated, was conducted at Grand Island, Nebraska, on April 10–13, 1956, pursuant to notice thereof dated March 7, 1956 (21 F. R. 1538).

The material issues of record related to:

(1) Whether the handling of milk in the Platte Valley, Nebraska, marketing area is in the current of interstate or foreign commerce, or directly burdens, obstructs, or affects interstate or foreign commerce in milk or milk products;

(2) Whether the issuance of an order regulating the handling of milk in the Platte Valley, Nebraska, marketing area will tend to effectuate the declared policy of the act; and

(3) The appropriate terms and conditions to be included in an order with respect to:

(a) Marketing area,
(b) Milk to be priced,
(c) Classification of milk,
(d) Transfers of milk between plants,
(e) Allocation,
(f) Class prices,
(g) Payments to producers, and
(h) Administrative provisions.

Findings and conclusions. The following findings and conclusions on the

material issues are based upon evidence in the record.

1. *Character of commerce.* The handling of milk produced for the Platte Valley, Nebraska, marketing area is in the current of interstate commerce or directly burdens, obstructs or affects interstate commerce in milk and its products.

There is interstate commerce in the procurement of milk for this market. One plant from which milk is regularly sold in the marketing area is physically located in Kansas and the majority of its Grade A shippers are also located in that State. Another handler, whose plant is located in the city of Holdrege, Nebraska, has some Grade A producers located in Kansas. Also, this market has regularly depended upon bulk supplemental milk in the fall months when local production is seasonally low. Such supplies are commonly obtained from plants located in Iowa, Minnesota, and Wisconsin. These sources were drawn upon in each of the months of July through December 1954 and August through November 1955. Supplemental milk is also obtained from plants regulated under the Federal milk marketing order for the Omaha-Lincoln-Council Bluffs (Nebraska-Iowa) marketing area. Some of this other Federal order milk is obtained in bulk form during the same months cited above but other portions are regularly obtained in bottled form throughout the year.

There is also direct interstate commerce in the distribution of milk. One handler distributes regularly into Colorado points from a plant located at North Platte, Nebraska. Another distributes regularly into Kansas points from a plant at Holdrege. A subdealer who does no pasteurizing or bottling of Grade A milk, purchases bottled Grade A milk at wholesale from two plants located in the marketing area and distributes it to various points in Kansas.

The production and distribution of milk for fluid purposes in the Platte Valley market is also closely related to the production and sale of milk for manufacturing purposes. It is generally recognized that the manufactured dairy products are sufficiently storable and transportable to be produced and sold on a national market. The producers of Grade A milk for the Platte Valley market are intermingled with the producers of manufacturing grade milk and the prices paid to producers for Grade A milk are established at a sufficient premium over manufacturing prices to encourage producers to undertake the additional expenses involved in Grade A production. Furthermore, the excess milk over and above fluid requirements for the North Platte market is either converted into manufactured products in the handlers' plants or is transferred to specialized manufacturing plants. In either case, substantial portions of the resulting products are sold in interstate commerce and all of them are in direct competition with manufactured dairy products moving in interstate commerce.

It will be noted that there is interstate commerce in three major respects; procurement of milk for the market, distribution by handlers, and in close relationships with the national markets for manufactured dairy products.

2. *Need for regulation.* Marketing conditions in the Platte Valley area are such that the issuance of a marketing order, such as that set forth herein, will tend to effectuate the declared policy of the Act with respect to milk produced for the Platte Valley fluid milk market.

Stability of marketing conditions and reasonable certainty of an adequate supply of pure and wholesome milk can be assured for this marketing area only when all milk handlers in the area have reasonably equal costs of milk according to use and only when farmers supplying the market receive substantially the same prices per hundredweight for milk of equal quality.

These conditions do not now exist. A cooperative association of producers supplies nearly all the milk used by dealers whose plants are located in Grand Island and Hastings. The association sells milk on a class use basis whereby each of the distributors pays the same price for milk used in each of four specified classes. The association pools the sales returns, and each producer is paid the uniform price, subject only to variations in butterfat content and in seasonality of production.

A diversity of purchase plans is in effect at other plants in the area. Both of the handlers operating plants at North Platte pay producers under base and excess plans. One of them assigned his producers fixed bases which remained unchanged regardless of subsequent production changes. The other handler operated a base plan under which individual producers established new bases each fall. However, the proportion of milk paid for at the base price was adjusted to the handler's Class I volume. Moreover, a discounted Class I price was paid by this handler for milk sold in an area outside of North Platte and a discounted Class II price for such portion of the excess milk as could not be accommodated in the handler's plant and had to be separated for sale as cream.

A handler whose plant is located in Kearney paid producers a single price for Grade A milk in each month of 1954 and 1955. In January 1956, he began to pay a separate price, based solely on butterfat values, for milk utilized for manufacturing purposes. A handler at Holdrege had utilized a base-excess plan for a few years, but was paying a blend price for the several months just prior to the hearing.

These variations in price plans and in net prices paid to producers reflect different raw material costs to the various dealers who are selling milk in the marketing area. A condition of unequal costs among the dealers may cause them to attempt to economize by reducing prices to producers. This in turn would tend to stimulate successive price reductions by competitors. This develepoment is contrary to the interests of producers and over a period of time may jeopardize an adequate supply of milk. Alternatively, some handlers may attempt to achieve equality by reducing the quantity of their purchases of milk in order to obtain the highest possible proportion of the higher valued uses of milk. This reaction, however, may result in intermittent shortages of supply for the market.

If producers receive widely varying prices for their milk, they tend to shift around among milk dealers and to shift in and out of the market. Such shifts may become sufficiently frequent as to jeopardize a dependable supply of pure and wholesome milk.

A marketing agreement and order program is needed to establish and maintain orderly marketing conditions throughout the marketing area. The thorough auditing of the utilization of all milk received by handlers, the checking of butterfat tests and weights of all producer milk, and the publication of complete supply and use data for the market will aid in this objective by assuring producers that they will receive a proper accounting for their milk and by providing full information on market developments.

3. *Terms and conditions*—(a) *Marketing area.* The Platte Valley marketing area should include all of the territory within the corporate limits of the six cities of Grand Island, Hastings, Holdrege, Kearney, Lexington, and North Platte and should also include the Naval Ammunition Depot, Hastings, all in the State of Nebraska.

These six cities are served by nine handlers, one of whom operates two fluid milk processing and bottling plants. Four of the ten plants are located in Grand Island, two each in Hastings and North Platte, and one each in Kearney and Holdrege. These handlers are in close competition with each other throughout the marketing area. Two of the handlers cover all six cities, one of them serving the area from two plants. Three other handlers distribute milk in four of the six cities and the remaining four handlers serve only one city each. The Naval Depot purchases milk under contracts which are let on a competitive bid basis.

The six cities all require that milk distributed for fluid purposes meet Grade A standards. In each city, sanitary regulations are patterned on the U. S. Public Health Service standards for Grade A milk and are substantially uniform. The Naval Depot sets its own standards but, in practice, plants which have qualified for Grade A distribution in the named cities have been acceptable to the military authorities. It is clear, therefore, that milk produced under conditions which make it acceptable for fluid use are substantially uniform throughout the defined marketing area. It follows that a single structure of prices to handlers based on utilization and a uniform blend price to producers will be appropriate.

Producers proposed that the entire area of Hall County, which includes the city of Grand Island, and of Adams County, which includes the city of Hastings, be included in the marketing area. However, there are no Grade A ordinances in effect in the counties outside

of the two principal cities. Accordingly, milk sold for fluid purposes in the county areas would not necessarily be of the same quality as that sold in the designated cities, and the same prices would not be appropriate.

(b) *Milk to be priced.* The type of regulation provided by a milk order is essentially a matter of establishing minimum prices to be paid to dairy farmers who produce milk for the market. The scope of such regulation may be made specific by providing appropriate definitions of the terms "producer," "handler," and "pool plant."

The primary factor in determining which dairy farmers are producers for the market is the plant to which they deliver their milk. Marketing conditions described in the record indicate that the most practical method of order regulation would be to establish minimum prices to all farmers delivering milk to plants from which milk is regularly distributed in the marketing area.

Handlers selling milk in the proposed Platte Valley marketing area receive their milk from dairy farmers at the plants where it is packaged for fluid distribution. Virtually all the plant operators who distribute any milk in the area have the preponderant part of their distribution in the defined marketing area. However, the record does contain mention of a plant operator who appears to have only a marginal portion of his total sales in the defined area. The order should, therefore, stipulate a level of within-the-area operations for determining whether this plant or others which may currently or subsequently distribute milk in the marketing area are to be fully regulated.

It was proposed by producers that plants from which a volume of Class I milk equal to the lesser of (1) 5 percent of total receipts or (2) an average of 600 pounds per day was distributed in the marketing area should be pool plants. The 600-pound limit was included as an alternative because of the possibility that 5 percent of the receipts of some large plant would be so large a quantity in relation to sales of other handlers as to constitute a major influence in the market and thereby require complete regulation. It is concluded that the quantity limitation is the appropriate measure of whether a plant is sufficiently identified with the market to be fully subject to the pricing, payment, and pooling provisions of the order. The limit of 600 pounds per day is designed to represent a normal-sized retail route or small to medium combination retail and wholesale route. Such volume is not considered a significant factor in this market and it is, therefore, not necessary that such a handler be subject to the entire reporting and payment provisions of the order.

Accordingly, "pool plant" should be defined as a plant at which milk received from dairy farmers is packaged for distribution as Class I milk and from which milk is distributed as Class I milk on a route(s) wholly or partially within the marketing area, except plants exempted because they have distribution of less than 600 pounds on such routes.

The term "route" is used in the definition of pool plant to cover a number of types of distributing operations in which handlers may engage in the proposed marketing area. "Route" should be defined as a sale or delivery (including a sale from a plant or a store) of Class I milk to a wholesale or retail stop(s). Such definition would include as route distribution a sale to or through a vendor.

The term "producer" should be defined to mean any person, other than a producer-handler, who produces milk which has the approval of the health authorities of any community in the marketing area or the approval of the authorities at the Naval Ammunition Deport for consumption as fluid milk in such community and is received at a pool plant. The definition should include a producer whose milk is temporarily diverted to a nonpool plant by a handler for his account. Such a provision will serve to maintain the status of producer for a dairy farmer whose milk temporarily is not needed by the handler and would facilitate interplant movements of milk for the purpose of adjusting to short-term variations in supply and requirements. In order that milk which is diverted would continue to be included in the regular pool computations, it would be treated as if it were received at a pool plant.

There are sanitation requirements applied by local governments within the area with respect to approval of the farms from which milk for fluid consumption may be supplied, and accordingly, such a qualification has been included as a part of the producer definition. The order provisions would be uneconomic if they had the result that dairy farmers who have met the health standards for the market shared the returns on fluid sales with farmers who have not met such qualifications.

"Handler" should be defined as any person (1) in his capacity as the operator of any pool plant, (2) in his capacity as the operator of any nonpool plant where milk is processed and packaged for distribution on a route(s) in the marketing area, and (3) any cooperative association with respect to the milk of any producer which such cooperative association causes to be diverted from producers' farms to a nonpool plant for the account of such cooperative association.

The handler is the person who receives milk from producers and who is responsible for reporting receipts and utilization of milk and payment therefor, with certain exceptions noted below. A cooperative association which markets the milk of its producer members may for short periods of time need to divert producers' milk from pool plants to nonpool plants. If the association is defined as a handler for such milk, even though it has no plant, the producers whose milk is so diverted will continue to receive the uniform price under the order and their milk will be available for fluid use when needed in the fall months or at other times.

The term "producer-handler" would apply to a person who produces milk and operates a plant from which a route(s) is operated wholly or partly in the marketing area, but receives no milk from producers. The order is not intended to establish minimum prices for such operators, but they should be required to make reports to the market administrator. Such reports are necessary to make a determination as to whether the operator is a producer-handler and will also facilitate accounting with respect to transfers of milk from other handlers.

A further exemption from the minimum price regulation is the handler whose plant is a "nonpool plant" because his distribution in the area averages less than 600 pounds per day. Such handlers should also be required to report for reasons similar to those for producer handlers.

"Fluid milk product" is specifically defined in the order because of frequent reference to this group of items. The fluid milk products are those which constitute Class I use, including milk, skim milk, buttermilk, milk drinks (plain or flavored), cream, and cream mixtures for fluid use.

A definition of "other source" milk is included to distinguish it from the regular milk supply which is priced under the order. There are three potential categories of "other source" milk which may be distributed in the marketing area for Class I purposes without subjecting the originating plants to the pricing and pooling provisions of the order. One of these is represented by distributing plants from which an average of 600 pounds or less per day is sold in the marketing area. Another potential category of "other source" milk is that which pool plants may obtain as supplemental milk, either bulk or in bottled form from unregulated plants at times when their supplies of producer milk are not sufficient to cover their Class I utilization. The third category is represented by receipts of supplemental milk at Platte Valley pool plants from plants which are subject to regulation under other Federal orders.

As previously explained, all distributing plants which sell a significant volume of milk for Class I purposes in the marketing area are defined as pool plants and are, therefore, completely subject to the pricing and pooling provisions of the Platte Valley order. Any plant distributing less than 600 pounds per day in the area would probably have its primary distribution in some other market. It would not be equitable to subject such a plant to complete regulation since its competitors in the other market would not be regulated. Further, since its activities in Platte Valley are so limited, it is not considered necessary to require anything more than such reports and verification as will enable the market administrator to determine precisely the quantity sold in the marketing area.

On the other hand, quantities of supplemental milk received at pool plants can be quite substantial. The Platte Valley market is commonly short of producer milk in the late summer and early fall months of lowest production. This shortage has usually been met by purchasing milk in bulk tank lots from plants in Minnesota, Wisconsin, or other distant points. Under the allocation procedures described in subsequent para-

graphs such milk, whether from plants subject to other Federal orders or from totally unregulated plants, is assigned first to the Platte Valley handlers' Class II utilization. This gives local producer milk the priority on Class I use in the market. (An exception, also explained later, is that packaged milk received from plants subject to other Federal orders is assigned to the same Class under the Platte Valley order as in the order of origin.)

No special pricing appears to be necessary for these supplemental supplies. Such milk is commonly higher priced than the prices which have been paid to local producers and also in excess of the price levels provided in the attached order. This supplemental milk has been called upon only when supplies of producer milk were insufficient and, therefore, have not tended to displace producer milk. To the extent these practices continue, the allocation of producer milk to the highest utilization in the Platte Valley plants will continue to be a fully effective means of preventing displacement of producer milk by "other source" milk. If a significant displacement of producer milk by other source supplies occurs under the order, corrective measures can be considered by amendment action.

(c) *Classification of milk.* The proposed order should provide for two classes of milk. Class I should include all skim milk and butterfat disposed of as milk, skim milk, buttermilk, flavored milk drinks, cream and any mixture in fluid form of cream and milk or skim milk. These are the products which are required uniformly by the local health regulations to be made of Grade A milk. Class II should include all skim milk and butterfat used to produce manufactured dairy products which normally are not required to be produced from Grade A milk.

Class II, in addition to including manufactured dairy products, should include actual shrinkage on producer milk in an amount not in excess of 2 percent of receipts from producers and actual shrinkage on other source milk. Unaccounted for milk in excess of a reasonable allowance for plant loss should be Class I in order to require full accounting by handlers for their receipts. Two percent is considered a reasonable maximum allowance for this purpose and the evidence indicates that an efficiently operated fluid milk plant should be able to keep its shrinkage within this allowance. No limit should be placed on shrinkage of other source milk. Such milk is deducted from the lowest use class under the allocation provisions and to classify any of it as Class I would result in reimbursing producers for shrinkage incurred on milk they did not produce. Since it is not feasible to segregate shrinkage of producer milk from that of other source milk in the same plant, total shrinkage is prorated on the basis of the volume of receipts.

Class II should also include the use of skim milk and butterfat for livestock feed to the extent that verifiable records of such utilization are maintained by handlers.

It will be noted that the uses of milk to be included as Class I are specifically enumerated. Collectively, they are defined as "fluid milk products". All other products, including any new items which may be developed, are automatically in Class II.

Handlers have inventories of milk and milk products at the beginning and end of each month which enter into the accounting for current receipts and utilization. Inventory is intended to include stocks on hand of bulk milk, skim milk, and cream and bottled milk and other fluid milk products designated as Class I milk. Manufactured products (Class II) on hand are not included in the inventory account because the milk used to produce such products will already have been accounted for as Class II milk. As previously indicated, handlers will need to keep stock records of such products but they will not be included in inventory for the purpose of accounting for current receipts.

It is concluded that ending inventory should be accounted for as Class II milk. If fluid milk products in inventory are accounted for as Class II milk at the end of a month, it will be necessary to provide a method to deal with the producer milk inventory which is used in the current month for Class I purposes but which the handler accounted for to producers as Class II milk at the end of the previous month. In plants which engage primarily in a fluid milk business, it is quite possible that a decrease in inventory in any given month may exceed their total utilization of milk in Class II. Handlers, at times, also use other source milk in their operations. Producer milk from inventory should have prior claim on Class I sales over current receipts of other source milk. This can be accomplished by considering the ending inventory in one month as a receipt in the following month and subtracting such receipt (under the allocation procedure) in series starting with Class II milk following the subtraction of other source milk. To the extent that opening inventory is allocated to Class I milk and there was an equivalent amount of producer milk classified in Class II milk in the previous month (after the allocation of other source milk) a reclassification charge should be made at the difference between the Class I price in the current month and the Class II price in the preceding month. This will promote equality in the cost of milk among handlers and returns to producers, irrespective as to whether or not such producer milk is from the previous month's ending inventory or is a current receipt.

In order to provide for the complete and accurate reporting, verification, and auditing of all receipts and uses of milk which are essential to the continued application of class prices, it must be the responsibility of the handler who receives the milk from producers to account for his entire receipts and to prove to the market administrator his claim that such receipts should not be classified as Class I. The handler who first receives the milk from producers is in the best position to satisfy this primary need of a class price plan. Such a handler must be held responsible for reporting the proper utilization of such milk. He must therefore maintain records to establish unquestionable proof of the utilization of the milk he receives.

(d) *Transfers of milk between plants.* Classification of butterfat and skim milk used in the production of Class II items should be considered to have been established when the product is made. Classification of Class I milk should be established when the butterfat or skim milk is disposed of. However, since some Class I items may be disposed of to other milk plants for processing, separate classification procedure should be prescribed for transfers to other plants.

Milk, skim milk, cream or other fluid milk products transferred by a handler to the fluid milk plant of another handler, except that of a producer-handler, should be classified as Class I milk unless both handlers indicate in their reports to the market administrator that they desire such milk to be classified as Class II milk. However, sufficient Class II utilization must be available at the transferee plant for such assignment after prior allocation of shrinkage and other source milk, as described below. On the other hand, if the transferring handler had other source milk during the month, the assignment of products transferred to another plant to the Class I utilization of such plant should be limited so that other source milk in the transferring handler's plant will not be allocated to Class I milk while at the same time producer milk is allocated to Class II milk in the transferee handler's plant.

Milk or skim milk transferred in bulk to a nonfluid milk plant located more than 300 miles distant is presumed to be used for Class I purposes. The costs involved in transporting milk or skim milk in fluid form such a distance are so large that it would not be economically feasible to move the milk for Class II disposition. Also there are adequate facilities for the manufacture of excess milk into Class II products within a radius of 300 miles. The automatic classification as Class I of milk or skim milk moved more than 300 miles will reduce the administrative expense which would otherwise be involved in having the market administrator verify actual utilization in nonfluid milk plants located at extreme distances from the market.

Cream presents a somewhat different problem since its value is so much greater in relation to its bulk that it may be transported long distances for manufacture. Accordingly, it is provided that cream may be Class II, even if moved to a nonfluid milk plant located more than 300 miles distant from a fluid milk plant if it is clearly labelled as manufacturing grade cream and if prior notice of the intended shipment is furnished to the market administrator.

The more common form of transfer to a nonfluid milk plant by Platte Valley handlers is the movement of excess milk to nearby manufacturing plants. There may, of course, be sales to such plants for fluid purposes. It is provided that transfers of milk, skim milk, or cream

from a fluid milk plant to a nonfluid milk plant located less than 300 miles distant be Class I unless Class II use is affirmatively established. Evidence of Class II use consists of a certification by the fluid milk plant operator that the transfer was intended for Class II use, and verification by the market administrator of the records made available by the nonfluid milk plant operator showing that at least an equivalent quantity of milk was utilized for manufacturing purposes.

(e) *Allocation.* In view of the fact that the order class prices apply only to producer milk, it is necessary, if a fluid milk plant has butterfat or skim milk other than that received in producer milk, to determine the quantities of milk in each class to be assigned to current receipts from producers. The milk of producers who are regularly engaged in supplying the market should be assigned the Class I utilization first. This is necessary to insure the stability of the classified pricing program of the order. If the order permitted handlers to obtain other source milk whenever it was advantageous to do so for Class I use while producer milk in the plant was utilized in Class II, the order would not be effective in carrying out the purposes of the act. Also, the market would be deprived of a dependable supply of milk. The system of assigning utilization of milk to receipts from different sources which will carry out this objective is set forth in § 1013.46 of the order.

An exception to the general rule of assigning other source milk first to the lowest class of utilization should be made with respect to packaged milk received from a plant regulated under another Federal order. One of the Platte Valley handlers testified that his plant located in the marketing area was not equipped to bottle half-gallons in paper containers. These packages could be obtained more cheaply from this handler's plant at Lincoln, Nebraska. The milk so packaged is fully subject to the classification and pricing provisions of the Omaha-Lincoln-Council Bluffs order. Moreover, the daily and seasonal reserves of milk associated with such milk are carried by the Omaha-Lincoln-Council Bluffs producers rather than by the Platte Valley producers. It is concluded, therefore, that fluid milk products in packaged form which are classified and priced under another Federal order should be assigned to the same utilization under the Platte Valley order.

Under this allocation procedure, the skim milk and butterfat, respectively, remaining in each class is assigned to producer milk by making the following deductions from the gross utilization of each handler starting with Class II milk, except as otherwise noted;

(1) Class II shrinkage of producer milk.

(2) Other source milk, in bulk form, from plants not regulated under another Federal order.

(3) Other source milk, in bulk form, from plants regulated under another Federal order.

(4) Receipts of packaged milk from plants regulated under other Federal orders, according to the classification established under such other order.

(5) Beginning inventory.

(6) Receipts from other handlers (according to classification).

(7) Overage.

Since uniform prices paid producers by each handler are to be calculated monthly, the assignment of utilization described above should be carried out with respect to all milk received during each month. To apply a shorter accounting period would place an accounting and reporting burden upon handlers and increase the cost of administering the order.

(f) *Class prices.* In order to maintain an adequate and stable supply of milk for the market it is necessary that the price of milk for fluid use be closely related to the prices of milk used for manufacturing purposes. Keeping the Class I prices in line with manufacturing prices recognizes the fact that the most common source of replacement and additional Grade A shippers for the Platte Valley market is the conversion of manufacturing shippers. It also recognizes the fact that Class I prices in the adjacent Federal order markets are based on manufacturing values. The Class I price can be kept in relationship to manufacturing values by using a pricing formula which sets the Class I price at a differential over a basic formula price which reflects manufacturing values.

Basic formula price. The basic formula price should be the higher of (1) the average of prices paid to dairy farmers at 13 midwest condenseries, or (2) a butter-powder formula price. The midwest condensery pay price is widely used as one component of basic formula prices in Federal orders. The condenseries included in the average constitute a representative group of plants located in Wisconsin and Michigan. The prices paid by them are representative of the value of milk in a level manufacturing use and are reported promptly enough for use in establishing a Class I price.

A butter-powder formula is included in most Federal orders as an alternative basic formula price. It reflects the value of milk in a major manufacturing use, namely the manufacture of butter and nonfat dry milk. There are times when the butter-powder plants compete more strongly for supplies than the condenseries; such competition affects fluid markets and should be reflected in the fluid milk price.

The butter-powder formula price provided herein differs somewhat from the one proposed by producers but reflects substantially the same level of prices. The butterfat component is obtained by subtracting a "make allowance" of three cents from the market price of 92-score butter at Chicago, multiplying the result by an overrun factor of 1.21, and multiplying that result by 3.5 which is the amount of fat in a hundred pounds of milk at basic test. The skim milk component is obtained by deducting a "make allowance" of 5.5 cents from the average of the prices of spray and roller process nonfat dry milk, f. o. b. manufacturing plants in the Chicago area, multiplying the result by a yield factor of 8.2 which represents the quantity of solids in 96½ pounds of skim milk. At the currently effective support prices for butter and nonfat dry milk, this formula would result in the same price for milk as that proposed by producers, which is the same as the formula currently used in the Omaha-Lincoln-Council Bluffs order.

Class I price. The Class I price differential over the basic formula price should be fixed at a level which will reflect the additional costs involved in producing and transporting to market a year-round supply of milk of Grade A quality. Producers will thereby be provided with financial incentive to produce milk of Grade A quality as compared with the costs of producing milk of manufacturing grade. A differential of $1.30 per hundredweight should be sufficient to accomplish this purpose.

The level of Class I prices provided by the Omaha-Lincoln-Council Bluffs order affords the most direct guide to the establishment of appropriate level of Class I prices for the Platte Valley market. The Class I differential provided for Omaha is $1.40 per hundredweight in all months of the year. This differential has been in effect since September 1, 1952, and has been an appropriate price for that market. The western boundary of the procurement area or milkshed for the Omaha market adjoins the eastern boundary of the procurement area for the Platte Valley market and the production conditions in the two areas are closely similar. Direct competition between the distributors in the two markets is not extensive. However, this is partly attributable to the fact that the largest dealers in the two markets operate plants in each and can thereby avoid the inefficiencies represented by overlapping of sales territories. One of the Platte Valley dealers obtains milk in two-quart paper containers from his plant located in Lincoln in order to avoid the expense of installing bottling equipment in his Grand Island plant for a comparatively small volume of business.

The Omaha order provides for location adjustments to producers on milk delivered by them at plants located more than 45 miles from the marketing area in the amount of 10 cents per hundredweight. The same rate of location adjustment applies on milk delivered to the marketing area for Class I purposes from plants located more than 45 miles distant. The same 10-cent adjustment is reflected in the Class I differential proposed by producers for the Platte Valley market and should be adopted.

There is no seasonal variation in the Class I differential. A take-out and payback plan, described in more detail subsequently, is relied upon as the means of encouraging producers to deliver a seasonally uniform supply.

Class II price. The Class II price should be equal to the basic formula butter-powder price less 15 cents per hundredweight. The Class II price should be at such a level that handlers will accept and market whatever quantities of milk in excess of Class I needs as may arise from time to time. The price, however, should not be so low that handlers will be encouraged to procure

milk supplies solely for the purpose of converting them into Class II products.

All products included in Class II milk may be made from unapproved milk. Approved milk which may be used in such products by regulated handlers should be priced at a level which is competitive with the cost of milk or milk ingredients that they may need for Class II products processed in conjunction with their fluid milk business.

The Class II price provided herein is at virtually the same level as the Class II price proposed by producers, although the pricing formula is somewhat different. This Class II price is virtually the same as that provided under the Omaha order. During 1955 the Class II price would have ranged from $2.87 in June to $2.94 in October and would have averaged $2.90. The Class II proposal by producers would have ranged from $2.87 to $2.93 and would also have averaged $2.90 and the Omaha Class II prices for 3.5 milk ranged from $2.85 to $2.95 and averaged $2.91.

A handler who operates a plant at North Platte, Nebraska, proposed a substantially lower Class II price during the flush months of the year. He testified that during such months it is difficult to find manufacturing outlets for whole milk at points near enough to involve reasonable transportation charges. In such circumstances, it is sometimes more feasible to separate the whole milk, sell the cream to more distant plants, and dispose of skim milk by giving it away for livestock feed or letting it run down the sewer. The handlers, therefore, proposed that the price for Class II milk during such months reflects only the butterfat value of the milk. However, it appears that the circumstances which led to this form of disposition by this handler were occasioned, at least in major part, by a realignment of sales territories between the handler's North Platte, and Grand Island plants. There has since been time for a corresponding readjustment in the procurement of milk at the two plants and it seems unlikely that the necessity for such disposition will recur. Also, the higher Class II butterfat differential provided herein, and described in the following paragraphs will reduce the value of skim milk. It is concluded, therefore, that the level of Class II prices provided herein will be appropriate.

Butterfat differentials. The attached order provides that butterfat and skim milk be accounted for separately for classification purposes. It also provides that Class and blend prices should be established for milk containing 3.5 percent butterfat, the same basic test as is used in all other Federal orders in this general region except Omaha. It will, therefore, be necessary to adjust Class I and Class II prices in accordance with the average test of the milk in each Class by a butterfat differential which will reflect differences in the value of the milk due to variations in butterfat content.

The Class I butterfat differential for each one-tenth of one percent that the average test of Class I use varies from the basic test should be determined by adding 2.1 cents to the Class II differential. The Class II differential, in turn, should be established at 0.120 times the price of 92-score butter at Chicago.

This Class II differential is somewhat higher than the one proposed by producers. At current support prices for butter and nonfat dry milk, their proposed differential would be 0.111 times the price of 92-score butter. According to the evidence of record the Platte Valley market is commonly more nearly short of butterfat than of skim milk. During the flush season, disposal of skim milk is a more serious problem than disposal of butterfat. Raising the Class II butterfat differential will increase the value attributed to butterfat and will correspondingly reduce the value attributed to Class II skim milk, thus recognizing the higher value of butterfat in relation to solids-not-fat.

Producers proposed that the Class I butterfat differential be 2.6 cents higher than the Class II differential. This reflects the conclusion, commonly accepted in the West North Central States, that 70 percent of the Class I price differential of $1.30 should be attributed to butterfat and 30 percent to skim milk. The proposed 2.6 cents per one-tenth of one percent variation in butterfat content is the proportionate value, when the 3.5 pounds of butterfat are valued at 70 percent of $1.30. The proposed 2.6 cents has been reduced to 2.1 cents in recognition of the fact that the Class II butterfat differential has been increased. The resulting Class I differential will be at virtually the same level as the Class I differential proposed by the producers.

The butterfat differential to producers for milk containing more or less than 3.5 percent butterfat should correspond to the weighted average values of the butterfat and skim milk in producer milk utilized by handlers in Class I and Class II. This follows the same principle as the payment of a uniform price to all producers. Each producer shares equally in the total value of the handlers' Class I and Class II utilization, at the basic test of 3.5 percent butterfat. It is equally appropriate that each should receive the average utilization value of the butterfat and skim milk components for milk testing above or below 3.5 percent.

Location adjustments. Location adjustments should apply to all Class I milk distributed by handlers whose plants are located more than 80 miles from the nearer of the City Halls at Grand Island and at North Platte, Nebraska. The rate of adjustment should be 12 cents per hundredweight for plants located more than 80 but not more than 90 miles distant, plus 1.5 cents per 10 miles or fraction thereof for distances in excess of 90 miles. Distances would be measured by the shortest highway distance as determined by the market administrator.

At the time of the hearing, milk was distributed in the marketing area from a plant located more than 80 miles distant. The quantity so distributed was not sufficient to qualify this plant as a pool plant. However, if this plant or any other begins to sell significant volumes of Class I milk in the area, it should have location credit. This credit should be sufficient to defray transportation costs, since the order is designed to place all handlers on an equal cost basis at the marketing area. Evidence in the record shows that the rate of 1.5 cents per 10 miles appropriately reflects the costs of transporting milk in tank trucks. No separate data were available on the comparative costs of transporting packaged milk. No location adjustment is allowed a distance of less than 80 miles from Grand Island or North Platte since some points within the marketing area are nearly 80 miles from these cities.

Location adjustments to producers should be at the same rates as to handlers but should apply to all of the milk delivered by producers to any plant at which the location adjustments apply.

(g) *Payments for milk.* The attached order provides for a marketwide pool under which all producers supplying the market would receive the same price for their milk regardless of its utilization by the handler who received it. This type of pool contemplates the uniform distribution among all producers in the market of the proceeds of the Class I and reserve supplies of milk.

The largest cooperative association in the area already pools the returns due its members from all the handlers to whom they ship, and pays all members on a uniform basis. This same uniformity of payment should be extended to all producers whose milk is priced under the order.

The marketwide pool will also contribute to the flexibility of milk marketing in the Platte Valley area in two important respects. One is that supplemental supplies can be freely distributed among handlers without affecting the prices paid to producers at each plant. The second is that temporary or seasonal surpluses can be moved between plants, either by transfer of the milk or of the shippers without affecting the prices paid to producers at the individual plants.

A seasonal incentive plan of the same type as is contained in the Omaha-Lincoln-Council Bluffs order was proposed by producers and should be adopted. Both the procurement and sales interrelationships between the two markets make it highly desirable to utilize the same type of seasonal incentive. With similar plans, producers can more readily respond to long-run changes in supply and demand conditions in the two markets without being disturbed by seasonal differences in price plans. Also, distributors in the two markets will be on comparable competitive footings at all seasons. Under the "take out and pay back" plan the Class I differential remains the same in all months of the year. However, during the flush production months of April, May, and June, an amount equal to 8 percent of the Class I price multiplied by the total production is deducted from payments to producers and held until the shortage months of September, October, and November. One third of the escrow fund is added to the pool in each of these months. The effect is to encourage producers to maxi-

mize their production during the months when supplies are lowest in relation to Class I sales and to minimize production during the months of greatest excess.

The order provides that producers be paid once a month and specifies that in the case of qualified cooperative associations the handler shall make payment to the association instead of to the individual members, if the cooperative association has such authority from members and is desirous of exercising such privilege.

Since all producers are to receive the same price for milk (except for butterfat and location differentials), and since the amount which the order requires a particular handler to pay for his milk may be more or less than the amount he is required to pay to producers or cooperative associations, some method of balancing these amounts is necessary. A producer-settlement fund should be established for this purpose. All handlers who are required to pay more for their milk on the basis of their utilization than they are required to pay to producers or cooperative associations should pay the difference into the producer-settlement fund; all handlers who are required to pay more to producers or cooperative associations than they are required to pay for their milk on the basis of utilization should receive the difference from the producer-settlement fund. Amounts paid into and out of the producer-settlement fund for this purpose will be equal, except for minor differences that may result from rounding off uniform prices. In order to permit this rounding off of prices, to allow for unavoidable delays in receiving payments from handlers, and to permit payments to be made to any handler which audit by the market administrator reveals is due such handler from the producer-settlement fund, a reserve should be held in the producer-settlement fund at all times. The amount of the reserve contemplated in the order should be sufficient for these purposes. This reserve would be adjusted each month.

If at any time the balance in the producer-settlement fund is insufficient to cover payments due to all handlers from the producer-settlement fund, payments to such handlers should be reduced uniformly per hundredweight of milk. The handlers may then reduce payments to producers by an equivalent amount per hundredweight. Amounts remaining due such handlers from the producer-settlement fund should be paid as soon as the balance in the fund is sufficient, and handlers should then complete payments to producers. In order to reduce the possibility of this occurring, milk received by any handler who has not made payments required of him into the producer-settlement fund during the previous month should be eliminated in the computation of the uniform price in the current subsequent month.

(h) *Administrative provisions.* The remaining provisions of the order are of a general administrative nature, are incidental to the other provisions of the order, and are necessary for the proper and efficient administration of the order. They provide for the selection of a market administrator, define his powers and duties, provide for an administrative assessment, prescribe the information to be reported by handlers and set forth the rules to be followed in making the computations required by the order. They also prescribe the length of time that records must be retained and provide a plan for the liquidation of the order in the event of its suspension or termination. They are similar to like provisions of other orders, and except as set forth below require no comment.

Expenses of administration. As his share of the expenses of administering this order each handler should pay not in excess of 4 cents per hundredweight with respect to all producer milk received, all other source milk received at a pool plant which was classified as Class I milk, and Class I milk distributed in the marketing area from a nonpool plant. The market administrator must verify receipts and utilization of all such milk; therefore all such milk should be subject to the expenses of administration. Experience in other markets indicates that 4 cents per hundredweight with respect to all such milk should yield sufficient money to cover expenses of administration. If payment of expenses of administration at the rate of 4 cents per hundredweight yields more money than is needed, provision is made for the Secretary to prescribe a lesser rate of payment from time to time.

Records and reports. Reports are required from handlers on receipts and utilization so that the market administrator may make the computations necessary to the marketwide pooling operation and the uniform price to producers. Handlers would also be required to submit payroll reports which would show the details of milk receipts from each producer, the value of the milk received from the producer, deductions therefrom, and net amount paid to the producer.

The order should provide limitations on the period of time handlers shall retain books and records which are required to be made available to the market administrator, and on the period of time in which obligations under the order shall terminate. The provision made in this regard is identical in principle with the general amendment made to all orders in operation on July 30, 1947, effective February 22, 1949, and the Secretary's decision of January 26, 1949 (14 F. R. 444) covering the retention of records and limitation of claims is equally applicable in this situation and is adopted as a part of the decision.

Time schedule. Dates must be prescribed for announcing prices, filing reports and making payments. The following time schedule should allow all interested persons adequate time to perform each function. (These time limits apply to the indicated day of the month following the month for which computations are being made.)

Day of the Month and Function

5th—Announcement of class prices by market administrator.

7th—Submission of monthly report of receipts and utilization by handlers.

9th—Announcement of uniform price and names of handlers who received producer milk and notification to handlers of the value of their producer milk by market administrator.

10th—Payment by handlers of amounts due to producer-settlement fund and for expenses of administration.

12th—Payments by handlers to producers and cooperative associations and by market administrator out of producer-settlement fund.

Milk subject to other Federal orders. A handler who operates a plant at which minimum prices to dairy farmers are established under another order issued pursuant to the act, but nevertheless supplies milk for distribution in the Platte Valley marketing area should be exempt from the provisions of this order, except for reporting his volume of Class I sales in the marketing area. It would be impracticable to attempt to regulate a handler under two separate orders with respect to the same milk. The applicable order should be determined by the volume of Class I sales.

General findings. (a) The proposed marketing agreement and the order and all of the terms and conditions thereof will tend to effectuate the declared policy of the act.

(b) The parity prices of milk as determined pursuant to section 2 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 milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest.

(c) The proposed order will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(d) All milk and milk products handled by handlers, as defined in the proposed order are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products.

(e) It is hereby found that the necessary expenses of the market administrator for the maintenance and functioning of such agency will require the payment by each handler regulated by the proposed order as his pro rata share of such expense, 4 cents per hundredweight, or such amount not exceeding 4 cents per hundredweight, as the Secretary may prescribe with respect to all milk received during such delivery period from producers, other source milk received at a pool plant and classified as Class I, and Class I milk sold in the marketing area from nonpool plants.

Proposed findings and conclusions. Briefs were filed on behalf of producers and handlers. The briefs contained proposed findings of facts, conclusions and arguments with respect to the proposals discussed at the hearing. Every point covered in the briefs was carefully considered along with the record evi-

dence in making the findings and reaching the conclusions hereinbefore set forth. To the extent that such suggested findings and conclusions contained in the briefs are inconsistent with the findings and conclusions contained herein the request to make such findings or to reach such conclusions is denied on the basis of the facts found and stated in connection with the conclusions in this decision.

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

DEFINITIONS

MARKET ADMINISTRATOR

REPORTS, RECORDS, AND FACILITIES

CLASSIFICATION

MINIMUM PRICES

APPLICATION OF PROVISIONS

DETERMINATION OF UNIFORM PRICES

PAYMENTS

EFFECTIVE TIME, SUSPENSION OR TERMINATION

MISCELLANEOUS PROVISIONS

DEFINITIONS

§ 1013.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 1940 ed. 601 et seq.).

§ 1013.2 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States Department of Agriculture authorized to exercise the powers or to perform the duties of the said Secretary of Agriculture.

§ 1013.3 *Department.* "Department" means the United States Department of Agriculture or any other Federal agency authorized to perform the price reporting functions specified in this part.

§ 1013.4 *Person.* "Person" means any individual, partnership, corporation, association or any other business unit.

§ 1013.5 *Cooperative association.* "Cooperative association" means any cooperative marketing association which the Secretary determines, after application of the association:

(a) Is qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act";

(b) Has full authority in the sale of milk of its members and is engaged in making collective sales of or marketing milk or its products for its members; and

(c) Has its entire activities under the control of its members.

§ 1013.6 *Platte Valley marketing area.* "Platte Valley marketing area" hereinafter called the "marketing area" means all the territory within the corporate limits of the cities of Grand Island, Hastings, Holdrege, Kearney, Lexington and North Platte, and the Naval Ammunition Depot, Hastings, all in the state of Nebraska.

§ 1013.7 *Producer.* "Producer" means any person, irrespective of whether such person is also handler, who produces milk which is received at a pool plant: *Provided,* That such milk is (a) produced under a dairy farm permit or rating issued by a duly constituted health authority for the production of milk to be disposed of in the marketing area for consumption as Grade A milk, or (b) acceptable to a Federal agency located within the marketing area. This definition shall include any such person who is regularly classified as a producer but whose milk is caused to be diverted to a nonpool plant by a handler, and milk so diverted shall be deemed to have been received at a pool plant by the handler who caused it to be diverted.

§ 1013.8 *Pool plant.* "Pool plant" means (a) any plant from which a volume of Class I milk equal to more than an average of 600 pounds per day, is disposed of during the month on routes to retail or wholesale outlets (except other pool plants) located in the marketing area: *Provided,* That if a portion of a plant is operated separately and no producer milk is received in such portion of the plant, it shall not be considered as part of a pool plant pursuant to this section.

§ 1013.9 *Nonpool plant.* "Nonpool plant" means any milk manufacturing, processing or bottling plant other than a pool plant.

§ 1013.10 *Route.* "Route" means any delivery (including delivery by a vendor or sale from a plant store) of a fluid milk product to retail or wholesale outlets (except pool plants) located in the marketing area.

§ 1013.11 *Handler.* "Handler" means: (a) Any person in his capacity as the operator of a pool plant, (b) any person in his capacity as the operator of a nonpool plant from which fluid milk products are disposed of on a route(s) in the marketing area, or (c) any cooperative association with respect to milk of producers which it causes to be diverted to a nonpool plant for the account of such association.

§ 1013.12 *Producer milk.* "Producer milk" means only that skim milk or butterfat contained in milk (a) received at a pool plant directly from producers, or (b) diverted from a pool plant to a nonpool plant in accordance with the conditions set forth in § 1013.7.

§ 1013.13 *Fluid milk product.* "Fluid milk product" means milk, skim milk, buttermilk, milk drinks (plain or flavored), cream (except frozen or aerated cream) and any mixture in fluid form of cream and milk or skim milk (except ice cream, eggnog ice cream mixes, and sterilized products in hermetically sealed containers).

§ 1013.14 *Other source milk.* "Other source milk" means all skim milk and butterfat contained in:

(a) Receipts during the month in the form of fluid milk products, except (1) such products approved by the appropriate health authority for distribution as Class I milk in the marketing area received from pool plants, or (2) producer milk; and

(b) Products designated as Class II milk pursuant to § 1013.41 (b) (1) from any source (including those from a plant's own production), which are reprocessed or converted to another product in the plant during the month.

§ 1013.15 *Producer-handler.* "Producer-handler" means a person who operates, as his own personal enterprises, both a dairy farm and a milk processing or bottling plant at which plant each of the following conditions is met during the month:

(a) Milk is received from the dairy farm of such person but from no other dairy farm;

(b) Fluid milk products are disposed of on routes to retail or wholesale outlets in the marketing area; and

(c) The butterfat or skim milk disposed of in fluid milk products does not exceed the butterfat or skim milk, respectively, received in the form of milk from the dairy farm of such person and from pool plants of other handlers in the form of fluid milk products.

§ 1013.16 *Chicago butter price.* "Chicago butter price" means the simple average as computed by the market administrator of the dairy wholesale selling prices (using the midpoint of any range as one price) per pound of 92-score bulk creamery butter at Chicago as reported during the month by the Department.

MARKET ADMINISTRATOR

§ 1013.20 *Designation.* The agency for the administration of this order shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 1013.21 *Powers.* The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

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

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 1013.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including but not limited to, the following:

(a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon such duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of the funds provided by § 1013.88 the cost of his bond and of the bonds of his employees, his own compensation, and all other expenses necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this order, and, upon request by the Secretary, surrender the same to such person as the Secretary may designate;

(f) Publicly announce, at his discretion, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, after the date upon which he is required to perform such acts, has not made reports pursuant to §§ 1013.30 and 1013.31 or payments pursuant to §§ 1013.80, 1013.84, 1013.86, 1013.87 and 1013.88;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(h) Prepare and disseminate publicly such statistics and information as he deems advisable and as do not reveal confidential information;

(i) Verify all reports and payments by each handler by audit, if necessary, of such handler's records and the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends; and

(j) Publicly announce and notify each handler in writing on or before: (1) The 5th day of each month the Class I milk price pursuant to § 1013.51 (a) and the Class I butterfat differential pursuant to § 1013.52 (a), both for the current month; and the Class II milk price pursuant to § 1013.51 (b) and the Class II butterfat differential pursuant to § 1013.52 (b) both for the preceding month, and (2) the 9th day after the end of each month, the uniform price pursuant to § 1013.71, and the butterfat differentials to be paid pursuant to § 1013.81.

REPORTS, RECORDS AND FACILITIES

§ 1013.30 *Reports of receipts and utilization.* On or before the 7th day after the end of each month each handler, except a producer-handler, shall report to the market administrator in the detail and on forms prescribed by the market administrator for each of his approved plants for such month as follows:

(a) The quantities of skim milk and butterfat contained in receipts of producer milk;

(b) The quantities of skim milk and butterfat contained in fluid milk products received from other handlers;

(c) The quantities of skim milk and butterfat contained in other source milk;

(d) Inventories of fluid milk products on hand at the beginning and end of the month; and

(e) The utilization of all skim milk and butterfat required to be reported pursuant to this section.

§ 1013.31 *Other reports.* (a) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe.

(b) Each handler, except a producer-handler, shall report to the market administrator in detail and on forms prescribed by the market administrator;

(1) On or before the 20th day after the end of the month for each of his pool plants, his producer payroll for such month which shall show for each producer: (i) His name and address, (ii) the total pounds of milk received from such producer, (iii) the number of days on which milk was received from such producer, if less than a full calendar month, (iv) the average butterfat content of such milk, and (v) the net amount of such handler's payment together with the price paid and the amount and nature of any deductions; and

(2) Such other information with respect to the utilization of butterfat and skim milk as the market administrator may prescribe.

§ 1013.32 *Records and facilities.* Each handler shall maintain and make available to the market administrator during the usual hours of business such accounts and records of his operations and such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipt and utilization of all skim milk and butterfat handled in any form;

(b) The weights and tests for butterfat and other content of all fluid milk products handled;

(c) The pounds of skim milk and butterfat contained in or represented by all fluid milk products on hand at the beginning and end of each month; and

(d) Payments to producers, including any deductions authorized by producers, and disbursement of money so deducted.

§ 1013.33 *Retention of records.* All books and records required under this order to be made available to the market administrator shall be retained by the handler for a period of 3 years to begin at the end of the calendar month to which such books and records pertain: *Provided,* That if, within such 3-year period, the market administrator notifies the handler in writing that the retention of such records, or of specific books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case, the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 1013.40 *Skim milk and butterfat to be classified.* The skim milk and butterfat at pool plants which is required to be reported pursuant to § 1013.30 shall be classified each month by the market administrator, pursuant to the provisions of §§ 1013.41 through 1013.46.

§ 1013.41 *Classes of utilization.* Subject to the conditions set forth in §§ 1013.43, 1013.44 and 1013.46, the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk (including concentrated and reconstituted skim milk) and butterfat (1) disposed of in the form of fluid milk products except those classified pursuant to paragraph (b) (2) of this section, or (2) not specifically accounted for as Class II utilization;

(b) *Class II milk.* Class II milk shall be all skim milk and butterfat (1) used

to produce any products other than fluid milk products, (2) contained in inventory of fluid milk products on hand at the end of the month, (3) accounted for as livestock feed, (4) in shrinkage allocated to receipts of producer milk pursuant to § 1013.42 (except milk diverted to a nonpool plant pursuant to § 1013.7) but not in excess of 2 percent of such receipts of skim milk and butterfat, respectively, and (5) in shrinkage of other source milk.

§ 1013.42 *Shrinkage.* The market administrator shall allocate shrinkage over a handler's receipts as follows:

(a) Compute the total shrinkage of skim milk and butterfat for each handler; and

(b) Prorate the resulting amounts between the receipts of skim milk and butterfat contained in producer milk and in other source milk.

§ 1013.43 *Transfers.* Skim milk or butterfat disposed of from a pool plant shall be classified:

(a) As Class I milk if transferred in the form of fluid milk products to a pool plant of another handler, except a producer-handler, unless utilization as Class II milk is claimed by both handlers in the reports submitted by them to the market administrator pursuant to § 1013.30: *Provided,* That the skim milk or butterfat so assigned to Class II milk shall be limited to the amount thereof remaining in Class II milk in the plant of the transferee-handler after the subtraction of other source milk and beginning inventory of fluid milk products pursuant to § 1013.46, and any additional amounts of such skim milk or butterfat shall be assigned to Class I milk: *And provided further,* That if either or both handlers have received other source milk, the skim milk or butterfat so transferred shall be classified at both plants so as to allocate the greatest possible Class I milk utilization to the producer milk of both handlers;

(b) As Class I milk if transferred to a producer-handler in the form of fluid milk products;

(c) As Class I milk if transferred or diverted in bulk form as milk, skim milk, or cream to a nonpool plant located in the marketing area or not more than 300 miles by the shortest highway distance as determined by the market administrator from the transferor plant unless:

(1) The handler claims Class II in his report submitted to the market administrator pursuant to § 1013.30.

(2) The buyer maintains books and records showing the utilization of all skim milk and butterfat at his plant which are made available, if requested by the market administrator for the purpose of verification; and

(3) Not less than an equivalent amount of skim milk and butterfat was actually used as Class II milk in such buyer's plant; and

(d) As Class I milk if transferred in bulk form as milk, skim milk, or cream to a nonpool plant located more than 300 miles by the shortest highway distance as determined by the market administrator from the transferor plant, except that cream so transferred may be classified as Class II if notice is given to the market administrator at least 24 hours prior to shipment, each container is labelled by the transferor as "ungraded cream for manufacturing only", and such shipment is so invoiced.

§ 1013.44 *Responsibility of handlers and reclassification of milk.* (a) In establishing the classification of skim milk and butterfat as required in § 1013.41 the burden rests upon the handler who receives such skim milk or butterfat from producers to prove to the market administrator that such skim milk or butterfat should not be classified as Class I milk; and

(b) Any skim milk or butterfat shall be reclassified if verification by the market administrator discloses that the original classification was incorrect.

§ 1013.45 *Computation of the skim milk and butterfat in each class.* For each month, the market administrator shall correct for mathematical and for other obvious errors the reports of receipts and utilization submitted by each handler and shall compute the pounds of butterfat and skim milk in each class for such handler: *Provided,* That if any of the water contained in the milk from which a product is made is removed before the product is utilized or disposed of by a handler, the pounds of skim milk used or disposed of in such product shall be considered to be an amount equivalent to the nonfat milk solids contained in such product, plus all of the water originally associated with such solids.

§ 1013.46 *Allocation of skim milk and butterfat classified.* After making the computations pursuant to § 1013.45, the market administrator shall determine the classification of producer milk for each handler as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II milk the pounds of skim milk assigned to producer milk pursuant to § 1013.41 (b) (3);

(2) Subtract from the remaining pounds of skim milk in each Class, in series beginning with the lowest priced utilization, the pounds of skim milk in other source milk other than that received from a plant at which the handling of milk is fully subject to the pricing and payment provisions of another marketing agreement or order issued pursuant to the act;

(3) Subtract from the remaining pounds of skim milk in each class, in series beginning with the lowest priced utilization, the pounds of skim milk in other source milk received in a form other than that specified in subparagraph (4) of this paragraph from a plant at which the handling of milk is fully subject to the pricing and payment provisions of another marketing order issued pursuant to the act;

(4) Subtract from the pounds of skim milk in each class the pounds of skim milk contained in fluid milk products received in packaged form which were classified and priced under another marketing order issued pursuant to the act and disposed of in the same form as received;

(5) Subtract from the remaining pounds of skim milk in each class, in series beginning with the lowest priced utilization, the pounds of skim milk contained in inventory of fluid milk products on hand at the beginning of the month;

(6) Subtract from the remaining pounds of skim milk in each class the skim milk received from other handlers in the form of fluid milk products, according to its classification as determined pursuant to § 1013.43 (a);

(7) Add to the remaining pounds of skim milk in Class II milk the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph; and

(8) If the remaining pounds of skim milk in both classes exceed the pounds of skim milk contained in producer milk, subtract such excess from the remaining pounds of skim milk in series beginning with Class II milk. Any amount so subtracted shall be known as "overage".

(b) Butterfat shall be allocated in accordance with the same procedure outlined for skim milk in paragraph (a) of this section; and

(c) Determine the weighted average butterfat content of the Class I and Class II milk allocated to producer milk.

MINIMUM PRICES

§ 1013.50 *Basic formula price.* The higher of the prices computed pursuant to paragraph (a) or (b) of this section, rounded to the nearest whole cent, shall be known as the basic formula price.

(a) The average of the basic, or field prices per hundredweight reported to have been paid or to be paid for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or the Department:

Present Operator and Location

Borden Co., Mt. Pleasant, Mich.
Borden Co., New London, Wis.
Borden Co., Orfordville, Wis.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Sparta, Mich.
Pet Milk Co., Belleville, Wis.
Pet Milk Co., Coopersville, Mich.
Pet Milk Co., Hudson, Mich.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Wayland, Mich.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed by adding together the plus values determined pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the Chicago butter price subtract 3 cents, multiply by 1.21, and multiply by 3.5.

(2) From the simple average, as computed by the market administrator, of the weighted averages of carlot prices per pound for nonfat dry milk, spray and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the Department, deduct 5.5 cents and multiply by 8.2.

§ 1013.51 *Class prices.* Subject to the provisions of §§ 1013.52 and 1013.53 the class prices per hundredweight shall be as follows:

(a) *Class I milk price.* The Class I milk price shall be the basic formula price for the preceding month, plus $1.30; and

(b) *Class II milk price.* The Class II milk price shall be the price specified in § 1013.50 (b) for the current month less 15 cents.

§ 1013.52 *Butterfat differentials to handlers.* If the weighted average butterfat content of the milk received from producers classified, respectively, in Class I milk or Class II milk for a handler is more or less than 3.5 percent, there shall be added to, or subtracted from, the respective class price computed pursuant to § 1013.51 for each one-tenth of 1 percent that such weighted average butterfat content is above or below 3.5 percent, a butterfat differential computed as follows:

(c) *Class I Milk.* Add 2.1 cents to the butterfat differential computed pursuant to paragraph (b) of this section for the preceding month; and

(b) *Class II milk.* Multiply the Chicago butter price for the current month by 0.120 and round to the nearest one-tenth cent.

§ 1013.53 *Location adjustments to handlers.* For milk which is received from producers at a pool plant located more than 80 miles by shortest highway distance, as determined by the market administrator, from the City Hall in either Grand Island or North Platte, Nebraska, whichever is closer, and which is classified as Class I milk the prices computed pursuant to § 1013.51 (a) shall be reduced by 12 cents if such plant is located more than 80 miles, but not more than 90 miles from such city hall and by an additional 1.5 cents for each 10 miles or fraction thereof that such distance exceeds 90 miles.

§ 1013.54 *Use of equivalent prices.* If for any reason a price quotation required by this order for computing class prices or for other purposes is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price which is required.

APPLICATION OF PROVISIONS

§ 1013.60 *Producer-handlers.* Sections 1013.40 through 1013.46, 1013.53, 1013.70, 1013.71, 1013.72, and 1013.80 through 1013.93, shall not apply to a producer handler.

§ 1013.61 *Milk subject to other Federal orders.* Milk received at the plant of a handler at which the handling of milk is fully subject during the delivery period to the pricing and payment provisions of another marketing agreement or order issued pursuant to the act and from which the disposition of Class I milk in the other Federal marketing area exceeds that in the Platte Valley marketing area shall be exempted for such delivery period from all provisions of this part except §§ 1013.31, 1013.32, and 1013.33.

§ 1013.62 *Other source milk in Class I.* In the case of pool plants which are permitted by the applicable health authorities to receive and process non-Grade A milk, non-Grade A skim milk and butterfat in other source milk shall be allocated to Class I up to the extent of verifiable actual disposition of non-Grade A skim milk and butterfat as Class I milk outside the marketing area in localities where Grade A milk is not required for Class I use.

DETERMINATION OF UNIFORM PRICES

§ 1013.70 *Computation of value of milk.* The value of milk received during each month by each handler at his pool plant(s) from producers shall be a sum of money computed by the market administrator by multiplying the pounds of such milk in each class by the applicable class prices specified in § 1013.51, as adjusted pursuant to §§ 1013.52 and 1013.53, and adding any amounts computed pursuant to paragraphs (a) and (b) of this section.

(a) If the handler had overage of either skim milk or butterfat, an amount computed by multiplying the pounds of overage by the applicable class prices; and

(b) An amount obtained by multiplying the difference between the Class II price for the preceding month and the Class I price for the current month by (1) the hundredweight of producer milk classified in Class II, less shrinkage, in the preceding month, or (2) the hundredweight of milk subtracted from Class I pursuant to § 1013.46 (a) (5) and the corresponding step of § 1013.46 (b), whichever is less.

§ 1013.71 *Computation of uniform price.* For each month the market administrator shall compute the uniform price per hundredweight of milk received from producers as follows:

(a) Combine into one total the values computed pursuant to § 1013.70 for all handlers who filed the reports prescribed by § 1013.30 and who made the payments pursuant to §§ 1013.80 and 1013.84 for the preceding month.

(b) Subtract for each of the months of April, May and June, an amount equal to 8 percent of the Class I price multiplied by the total quantity of producer milk;

(c) Add during each of the months of September, October and November one-third of the total amount subtracted pursuant to paragraph (b) of this section;

(d) Add an amount equal to the total deductions made pursuant to § 1013.82;

(e) Subtract if the average butterfat content of the milk included in these computations is more than 3.5 percent or add, if such butterfat content is less than 3.5 percent, an amount computed by multiplying the amount by which the average butterfat content of such milk varies from 3.5 percent by the butterfat differential computed pursuant to § 1013.81 and multiplying the result by the total hundredweight of producer milk included in these computations;

(f) Add an amount equal to not less than one-half of the unobligated balance in the producer-settlement fund;

(g) Divide the resulting sum by the total hundredweight of milk included in these computations; and

(h) Subtract not less than 4 cents nor more than 5 cents per hundredweight. The result shall be known as the "uniform price" for milk received from producers.

§ 1013.72 *Notification of handlers.* On or before the 9th day of each month the market administrator shall notify each handler of:

(a) The quantity and value of his milk in each class computed pursuant to §§ 1013.46 and 1013.70 and the totals of such quantities and values;

(b) The uniform price computed pursuant to § 1013.71;

(c) The amount, if any, due such handler from the producer-settlement fund;

(d) The total amounts to be paid by such handler pursuant to §§ 1013.80 and 1013.84; and

(e) The amount to be paid by such handler pursuant to § 1013.88.

PAYMENTS

§ 1013.80 *Time and method of payment.* On or before the 12th day after the end of each month, each handler shall make payment for milk received from producers or cooperative associations as follows:

(a) To each producer for milk, for which payment is not made to a cooperative association pursuant to paragraph (b) of this section, at not less than the uniform price computed in accordance with § 1013.71, subject to the butterfat differential computed pursuant to § 1013.81, the location adjustment computed pursuant to § 1013.82, and to any proper deductions authorized by the producer: *Provided,* That if by such date such handler has not received full payment for such delivery period pursuant to § 1013.85, he may reduce such payments uniformly per hundredweight for all producers by an amount not in excess of the per hundredweight reduction in payment from the market administrator; however, the handler shall make such balance of payment to those producers to whom it is due on or before the date for making payments pursuant to this paragraph next following that on which such balance of payment is received from the market administrator.

(b) To a cooperative association for milk which it caused to be delivered to such handler from producers, if such cooperative association is authorized to collect such payment for its member producers and wishes to exercise such authority, an amount equal to not less than the sum of the individual payments otherwise payable to such producers.

§ 1013.81 *Butterfat differential to producers.* In making payments pursuant to § 1013.80 the uniform prices shall be adjusted for each one-tenth of one percent of butterfat content in the milk of each producer above or below 3.5 percent, as the case may be, by a butterfat differential equal to the average of the butterfat differentials determined pursuant to paragraphs (a) and (b) of § 1013.52, weighted by the pounds of butterfat in producer milk in each

class, the result being rounded to the nearest tenth of a cent.

§ 1013.82 *Location adjustments to producers.* In making payments pursuant to § 1013.80, for milk received from producers, the uniform price per hundredweight for milk received at plants located more than 80 miles, but not more than 90 miles, by shortest highway distance as determined by the market administrator, from the City Hall at Grand Island or at North Platte, Nebraska, whichever is closer, there shall be deducted 12 cents plus 1.5 cents addition for each 10 miles or fraction thereof distance beyond 90 miles.

§ 1013.83 *Producer-settlement fund.* The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to §§ 1013.84 and 1013.86 and out of which he shall make all payments to handlers pursuant to §§ 1013.85 and 1013.86: *Provided,* That the market administrator shall offset any payment due any handler against payments due from such handler.

§ 1013.84 *Payments to the producer-settlement fund.* On or before the 10th day after the end of each month each handler who operates a pool plant shall pay to the market administrator for payment to producers through the producer-settlement fund the amount, if any, by which the total value computed for him pursuant to § 1013.70 for such month is greater than the sum required to be paid by such handler pursuant to § 1013.80.

§ 1013.85 *Payments out of the producer-settlement fund.* On or before the 12th day after the end of each month, the market administrator shall pay to each handler, for payment to producers, the amount, if any, by which the sum required to be paid by such handler pursuant to § 1013.80 is more than the total value computed for him pursuant to § 1013.70: *Provided,* That if the balance in the producer-settlement fund is insufficient to make payments to all handlers pursuant to this section, the market administrator shall reduce such payments by a uniform amount per hundredweight of milk and shall complete such payments as soon as the necessary funds become available.

§ 1013.86 *Adjustment of accounts.* Whenever verification by the market administrator of reports or payments of any handler discloses errors in payments to or from the producer-settlement fund pursuant to §§ 1013.84 and 1013.85, the market administrator shall promptly bill such handler for any unpaid amounts and such handler shall, within 5 days of such billing, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is due from the market administrator to any handler, the market administrator shall, within 5 days, make such payment to such handler.

§ 1013.87 *Adjustment of errors in payments to producers.* Whenever verification by the market administrator of the payments by a handler to any producer or cooperative association, discloses payment of less than is required by § 1013.80 the handler shall make up such payment to the producer or cooperative association not later than the time of making payments next following such disclosure.

§ 1013.88 *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 12th day after the end of the month for such month 4 cents per hundredweight, or such amount not exceeding 4 cents per hundredweight, as the Secretary may prescribe with respect to all (a) receipts of producer milk including such handler's own production, (b) other source milk at a pool plant which is classified as Class I milk, and (c) Class I disposed of during the month from nonpool plants on routes in the marketing area.

§ 1013.89 *Termination of obligations.* The provisions of this section shall apply to any obligation under this part for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the names of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representative all books and records required by this order to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives;

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed; and

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler within the applicable period of time, files pursuant to section (1) (a) of the act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 1013.90 *Effective time.* The provisions of this part or any amendment to this part shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to § 1013.91.

§ 1013.91 *Suspension or termination.* The Secretary may suspend or terminate this part, or any provision of this part, whenever he finds this part, or any provision of this part, obstructs or does not tend to effectuate the declared policy of the act. This part shall terminate in any event whenever the provisions of the act authorizing it cease to be in effect.

§ 1013.92 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this part, there are any obligations under this part, the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 1013.93 *Liquidation.* Upon the suspension or termination of the provisions of this part except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 1013.94 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 1013.95 *Separability of provisions.* If any provision of this part or its application to any person or circumstances, is held invalid, the application of such provision and of the remaining provisions of this part to other persons or circumstances shall not be affected thereby.

Filed at Washington, D. C., this 24th day of January 1957.

[SEAL] ROY W. LENNARTSON, *Deputy Administrator.*

[F. R. Doc. 57-662; Filed, Jan. 28, 1957; 8:50 a. m.]

Commodity Stabilization Service

[7 CFR Part 730]

RICE

MEASUREMENT OF ACREAGE, MARKETING, COLLECTION OF MARKETING PENALTIES, STORAGE AND RECORDS AND REPORTS, 1957–58 MARKETING YEAR

A national marketing quota proclamation for the 1957 crop of rice was issued by the Secretary of Agriculture on November 20, 1956 (21 F. R. 9161–9162), and the quota was approved by rice producers voting in a referendum on December 11, 1956. Farm acreage allotments were established pursuant to section 353 of the Agricultural Adjustment Act of 1938, as amended, and notice thereof mailed to farm operators prior to the date of the referendum in accordance with section 362 of the act.

Pursuant to the authority contained in the applicable provisions of the act, as amended and supplemented (7 U. S. C. 1301, 1351–1356, 1372–1375), the Secretary of Agriculture is preparing to formulate and issue marketing quota regulations covering the measurement of farms, the determination of farm normal yields and farm marketing excesses, the issuance of marketing cards, the identification of rice, the storage and delivery of rice to avoid or postpone payment of penalties, the collection and refund of penalties, and the records and reports incident thereto with respect to the 1957 crop of rice.

It is proposed that the regulations will cover the same subject matter as the regulations and amendments in effect for rice for the 1956–57 marketing year (21 F. R. 3169, 5963; 22 F. R. 4), and that no substantial changes will be made.

Prior to the issuance of such regulations, consideration will be given to any data, views or recommendations pertaining thereto which are submitted in writing to the Director, Grain Division, Commodity Stabilization Service, United States Department of Agriculture, Washington 25, D. C. All submissions must be postmarked not later than fifteen days from the date of publication of this notice in the FEDERAL REGISTER in order to be considered.

Issued this 24th day of January 1957.

[SEAL] CLARENCE L. MILLER, *Acting Administrator.*

[F. R. Doc. 57-669; Filed, Jan. 28, 1957; 8:51 a. m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 19]

CHEESES; PROCESSED CHEESES; CHEESE FOODS; CHEESE SPREADS; AND RELATED FOODS; DEFINITIONS AND STANDARDS OF IDENTITY

NOTICE OF PROPOSAL TO ADOPT DEFINITION AND STANDARD OF IDENTITY FOR GRATED AMERICAN CHEESE FOOD

Notice is hereby given that a petition has been filed by The Borden Company, 350 Madison Avenue, New York 17, New York, setting forth a proposal for the adoption of a definition and standard of identity for a food to be named grated American cheese food.

Pursuant to the authority of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended, 70 Stat. 919; 21 U. S. C. 341, 371) and delegated to him by the Secretary of Health, Education, and Welfare (20 F. R. 1996; 21 F. R. 6581), the Commissioner of Food and Drugs invites all interested persons to present their views in writing regarding the proposal published below. Such views and comments should be submitted in quintuplicate addressed to the Hearing Clerk, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington 25, D. C., prior to the thirtieth day following the date of publication of this notice in the FEDERAL REGISTER.

The proposal of the petitioner is as follows:

§ 19.— *Grated American cheese food; identity; label statement of optional ingredients.* (a) (1) Grated American cheese food is the food prepared by mixing, with or without the aid of heat, one or more of the optional cheese ingredients prescribed in paragraph (b) of this section, with one or more of the optional ingredients prescribed in paragraph (c) of this section, into a uniformly blended, partially dehydrated, powdered or granular mixture.

(2) The solids of grated American cheese food contain not less than 28 percent of milk fat, as determined by methods prescribed in § 19.500 (c).

(3) The weight of the cheese ingredient prescribed by subparagraph (1) of this paragraph constitutes not less than 51 percent of the weight of all ingredients used in the grated American cheese food.

(b) The optional cheese ingredients referred to in paragraph (a) of this section are cheddar cheese, washed curd cheese, colby cheese, and granular cheese.

(c) The other optional ingredients referred to in paragraph (a) of this section are:

(1) Nonfat dry milk.

(2) An emulsifying agent consisting of one or any mixture of two or more of the following: Monosodium phosphate, disodium phosphate, dipotassium phosphate, trisodium phosphate, sodium metaphosphate (sodium hexametaphosphate), sodium acid pyrophosphate, tetrasodium pyrophosphate, sodium citrate, potassium citrate, calcium citrate, sodium tartrate, and sodium potassium tartrate, in such quantity that the weight of the solids of such emulsifying agent is not more than 3 percent of the weight of the cheese ingredient of the grated American cheese food.

(3) Salt.

(4) Harmless artificial coloring.

(d) The label of grated American cheese food shall bear the common or usual name of the optional ingredients used as specified in paragraphs (b) and (c) (1), (2), (3), and (4) of this section, except that the cheese ingredient may be designated as "American cheese."

(e) Wherever the name of the food appears on the label so conspicuously as to be easily seen under customary conditions of purchase, the words and statements specified in this section, showing the optional ingredients used, shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter.

Dated: January 22, 1957.

[SEAL] JOHN L. HARVEY, *Deputy Commissioner of Food and Drugs.*

[F. R. Doc. 57-632; Filed, Jan. 28, 1957; 8:45 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

United States Coast Guard

[CGFR 57-3]

COAST GUARD PORT SECURITY CARDS

The United States Coast Guard is authorized to issue Coast Guard Port Security Cards as one means of identification of persons regularly employed on vessels or on waterfront facilities or of persons having regular public or private business connected with the operation, maintenance, or administration of vessels, their cargoes, or waterfront facilities. The practice is to limit the validity of these Coast Guard Port Security Cards to a definite period of time from the date of issuance. The Coast Guard Port Security Cards issued prior to October 1952 bear a date of expiration two years after the date of issuance. Coast Guard Port Security Cards issued between October 1952 and January 1954 indicate a period of validity of four years from the date of issuance. The Coast Guard Port Security Cards issued between January 1954 and January 1957 bear a validity period of six years from the date of issuance thereof. It is not deemed appropriate or necessary to require the rescreening of holders of Coast Guard Port Security Cards and the reissuance of such cards at this time.

By virtue of the authority vested in me as Commandant, United States Coast

Guard, by 33 CFR 6.10–7 in Executive Order 10173, as amended by Executive Orders 10277 and 10352 (15 F. R. 7005, 7007, 7008, 16 F. R. 7537, 7538, 17 F. R. 4607), notice is given to holders of Coast Guard Port Security Cards (Form CG–2514) that the period of validity of such cards, unless sooner surrendered or canceled by proper authority, will be for a period of eight years from the date of issuance thereof instead of the various periods as indicated on the reverse of the cards.

This document supersedes Coast Guard Document CGFR 53–62 entitled "Coast Guard Port Security Cards", dated January 11, 1954, and published January 16, 1954 (19 F. R. 306).

Dated: January 22, 1957.

[SEAL] J. A. HIRSHFIELD,
Rear Admiral, U. S. Coast Guard, Acting Commandant.

[F. R. Doc. 57–661; Filed, Jan. 28, 1957; 8:50 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

UTAH

RESTORATION ORDER UNDER FEDERAL POWER ACT

JANUARY 18, 1957.

Pursuant to Determination DA–115–Utah, of the Federal Power Commission and in accordance with the authority delegated to me by the Director, Bureau of Land Management, in Order No. 541, dated April 21, 1954 (19 F. R. 2473), it is ordered as follows:

Subject to valid existing rights and the provision of existing withdrawals, the lands hereinafter described have been open to entry and location under the United States mining laws pursuant to the act of August 11, 1955 (69 Stat. 683; 30 U. S. C. 621), and to applications and offers under the mineral-leasing laws, and, so far as they are reserved for power purposes, are hereby restored to disposition under the public land laws, subject to provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U. S. C. 818), as amended:

SALT LAKE BASE MERIDIAN, UTAH

T. 15 S., R. 17 E.,
Sec. 7, Lot 4, SE¼SE¼;
Sec. 8, Lot 5.

The area described totals 93.26 acres of public lands.

The subject lands lie adjacent to the right bank of Green River, immediately downstream from the mouth of Rock Creek. The lands are primarily valuable for grazing of livestock.

No application for these lands will be allowed under the homestead, desert-land, small tract, or any other nonmineral public land law, unless the lands have already been classified as valuable or suitable for such type of application, or shall be so classified upon consideration of an application. Any application that is filed will be considered on its merits. The lands will not be subject to occupancy or disposition until they have been classified.

Any disposition of the lands described herein shall be subject to the stipulation that if and when the land is required in whole or in part for power development purposes, any structures or improvements placed thereon which may be found to obstruct or interfere with such development, shall without cost, expense, or delay to the United States, its licensees or permittees, be removed or relocated insofar as may be necessary to eliminate interference with such power development.

The land described shall be subject to application by the State of Utah for a period of 90 days from the date of publication of this order in the FEDERAL REGISTER for right-of-way for public highways or as a source of material for construction and maintenance of such highways, in accordance with the subject to the provisions of section 24 of the Federal Power Act, as amended, and the special stipulation provided in the preceding paragraph.

The order shall not otherwise become effective to change the status of such land until 10:00 a. m. on February 23, 1957. At that time the said land shall become subject to application, petition, location and selection under the applicable public land law, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference right filing period for veterans and others entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279–284), as amended. All applications filed pursuant to the Veterans' Preference Act of 1944, on or before 10:00 a. m. of February 23, 1957, shall be treated as though simultaneously filed at that time. All other applications under the public land laws filed on or before 10:00 a. m. of May 25, 1957, shall be treated as though simultaneously filed at that time.

Inquiries concerning these lands shall be addressed to the State Supervisor, Bureau of Land Management, Post Office Box No. 777, Salt Lake City 10, Utah.

VAL B. RICHMAN,
State Supervisor.

[F. R. Doc. 57–628; Filed, Jan. 28, 1957; 8:45 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

LIMON LIVESTOCK SALES CO. ET AL.

PROPOSED POSTING OF STOCKYARDS

The Director of the Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, has information that the livestock markets named below are stockyards as defined in section 302 of the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 202), and should be made subject to the provisions of the act.

Limon Livestock Sales Company, Limon, Colorado.
Stratton Sale Barn, Stratton, Colorado.
Farmers Livestock Commission Company, Wray, Colorado.
Wray Sale Barn, Wray, Colorado.
Yuma Livestock Auction, Yuma, Colorado.
Charles City Livestock Exchange, Charles City, Iowa.
Eldora Livestock Sales, Eldora, Iowa.
Uhlenhopp Sales, Aplington, Iowa.
Clear Lake Auction Company, Clear Lake, Iowa.
Waverly Sales Company, Waverly, Iowa.
Humboldt Livestock Auction, Humboldt, Iowa.
Barne's Commission Company, Lake Charles, Louisiana.
Miscelle's Commission Yards, Lake Charles, Louisiana.
Avoyelles Livestock Commission Market, Mansura, Louisiana.
Stephenville Auction Company, Stephenville, Texas.

Notice is hereby given, therefore, that the said Director, pursuant to authority delegated under the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 181 et seq.), proposes to issues a rule designating the stockyards named above as posted stockyards subject to the provisions of the act, as provided in section 302 thereof.

Any person who wishes to submit written data, views, or arguments concerning the proposed rule may do so by filing them with the Director, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C., within 15 days after publication hereof in the FEDERAL REGISTER.

Done at Washington, D. C., this 24th day of January 1957.

[SEAL] H. E. REED,
Director, Livestock Division, Agricultural Marketing Service.

[F. R. Doc. 57–668; Filed, Jan. 28, 1957; 8:51 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

J. W. ALLEN & CO., and B. H. LOVELESS & CO.

NOTICE OF AGREEMENT FILED WITH THE BOARD FOR APPROVAL

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916, 39 Stat. 733, 46 U. S. C. 814.

Agreement No. 8195 between J. W. Allen & Co., New Orleans, Louisiana, and B. H. Loveless & Co., San Francisco, is a cooperative working arrangement under which the parties perform freight forwarding services for each other.

Interested parties may inspect this agreement and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement, and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: January 24, 1957.

By order of the Federal Maritime Board.

[SEAL] GEORGE A. VIEHMANN,
Assistant Secretary.

[F. R. Doc. 57–642; Filed, Jan. 28, 1957; 8:47 a. m.]

FERN-VILLE FAR EAST LINES AND WATERMAN STEAMSHIP CORP.

NOTICE OF AGREEMENT FILED WITH THE BOARD FOR APPROVAL

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916, 39 Stat. 733, 46 U. S. C. 814.

Agreement No. 7998–C between the carriers comprising the Fern-Ville Far East Lines joint service and Waterman Steamship Corporation, provides for the cancellation of approved transshipment Agreement No. 7998, covering the transportation of cargo under through bills of lading from Puerto Rico to the Philippine Islands, with transshipment at New Orleans, Louisiana.

Interested parties may inspect this agreement and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: January 24, 1957.

By order of the Federal Maritime Board.

[SEAL] GEO. A. VIEHMANN, *Assistant Secretary.*

[F. R. Doc. 57–643; Filed, Jan. 28, 1957; 8:47 a. m.]

MEMBER LINES OF AMERICAN GREAT LAKES-MEDITERRANEAN EASTBOUND FREIGHT CONFERENCE

NOTICE OF AGREEMENT FILED WITH THE BOARD FOR APPROVAL

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916, 39 Stat. 733, 46 U. S. C. 814.

Agreement No. 8250–2, between the member lines of the American Great Lakes-Mediterranean Eastbound Freight Conference, modifies the basic conference agreement (No. 8250) by deleting the words "for the first season" from the provision requiring that member lines must reply within 24 hours their approval or disapproval of a request of a member line to fix a vessel on a charter or tramp basis for a single trip.

Interested parties may inspect this agreement and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: January 24, 1957.

By order of the Federal Maritime Board.

[SEAL] GEORGE A. VIEHMANN, *Assistant Secretary.*

[F. R. Doc. 57–644; Filed, Jan. 28, 1957; 8:47 a. m.]

CIVIL AERONAUTICS BOARD

[DOCKET NO. 8432]

NATIONAL AIRLINES; SERVICE TO WINSTON-SALEM AND/OR GREENSBORO-HIGH POINT

NOTICE OF PREHEARING CONFERENCE

In the matter of the investigation instituted pursuant to sections 401 (h) and 1002 (b) of the act to determine whether the public convenience and necessity require (a) that National Airlines should be authorized to serve Winston-Salem and/or Greensboro-High Point, N. C., on route No. 31 in addition to Eastern Air Lines and Capital Airlines, (b) that National Airlines should be authorized to serve Greensboro-High Point and/or Winston-Salem on route No. 31 and, in that event, the authority of Capital Airlines to serve Winston-Salem and/or Greensboro-High Point, N. C. on route No. 51 should be modified, suspended or terminated, and (c) that, if National Airlines is authorized to serve Winston-Salem and/or Greensboro-High Point, on route No. 31, that appropriate restrictions be placed upon such service for the protection of local traffic served by Piedmont Aviation.

Notice is hereby given, that a prehearing conference in the above-entitled investigation is assigned to be held on February 13, 1957, at 10:00 a. m., e. s. t., in Room E–210, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., before Examiner Richard A Walsh.

Dated at Washington, D. C., January 24, 1957.

[SEAL] FRANCIS W. BROWN, *Chief Examiner.*

[F. R. Doc. 57–670; Filed, Jan. 28, 1957; 8:52 a. m.]

[Docket No. 8250]

ARTHUR VINING DAVIS ENFORCEMENT CASE

NOTICE OF HEARING

In the matter of Arthur Vining Davis Enforcement Proceeding.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, that public hearing in the above-entitled proceeding is assigned to be held on February 11, 1957, at 10:00 a. m., e. s. t., in Room E–210, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., before Examiner Ferdinand D. Horan.

Dated at Washington, D. C., January 24, 1957.

[SEAL] FRANCIS W. BROWN, *Chief Examiner.*

[F. R. Doc. 57–671; Filed, Jan. 28, 1957; 8:52 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 11323, etc.; FCC 57M–72]

B. J. PARRISH, ET AL.

ORDER CONTINUING HEARING CONFERENCE

In re applications of B. J. Parrish, Pine Bluff, Arkansas; Docket No. 11323, File No. BP–8698; James S. Rivers, tr/as The Southeastern Broadcasting System, Macon, Georgia; Docket No. 11326, File No. BP–8747; James A. Noe (Knoe), Monroe, Louisiana; Docket No. 11327, File No. BP–9161; Radio Columbus, Inc. (WDAK), Columbus, Georgia; Docket No. 11328, File No. BP–9260; for construction permits.

It is ordered, This 23d day of January 1957, that the hearing conference in the above-entitled proceeding, which is scheduled for January 31, 1957, is continued to a date which will be specified in a subsequent order.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 57–647; Filed, Jan. 28, 1957; 8:48 a. m.]

[Docket No. 11863; FCC 57M–59]

RISDEN ALLEN LYON

ORDER CONTINUING HEARING

In re application of Risden Allen Lyon, Hamlet, North Carolina; Docket No. 11863, File No. BP–10452; for construction permit.

Pursuant to a copy of a letter dated January 13, 1957, furnished the Hearing Examiner from Station WCRE, Cheraw, South Carolina, the other party to the proceeding herein, indicating that it does not intend to participate in the proceeding: *It is ordered,* This 22d day of January 1957, that the prehearing conference and the hearing now scheduled herein for January 25 and February 13, 1957, respectively, be, and the same are hereby, continued without date.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 57–648; Filed, Jan. 28, 1957; 8:48 a. m.]

[Docket No. 11890; FCC 57–79]

CLASS B FM BROADCAST STATIONS

REVISED TENTATIVE ALLOCATION PLAN

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 23d day of January 1957;

The Commission having under consideration a proposal to amend the Revised Tentative Allocation Plan for Class B FM Broadcast Stations, and

It appearing that Notice of Proposed Rule Making (FCC 56–1235) setting

forth the above amendment was issued by the Commission on December 14, 1956 and was duly published in the FEDERAL REGISTER (21 F. R. 10262), which notice provided that interested parties might file statements or briefs with respect to the said amendment on or before January 11, 1957; and

It further appearing that no comments were received opposing the proposed amendment;

It further appearing that the immediate adoption of the proposed amendment would facilitate action on an application (File No. BMPH-5087) filed by the Southwestern Broadcasting Company for assignment of Channel No. 229 to FM Broadcast Station KSEL-FM, Lubbock, Texas;

It further appearing that authority for the adoption of the proposed amendment is contained in sections 4 (i), 301, 303 (c), (d), (f), and (r), and 307 (b) of the Communications Act of 1934, as amended,

It is ordered, That effective immediately, the Revised Tentative Allocation Plan for Class B FM Broadcast Stations is amended as follows in respect to the city of Lubbock, Texas:

General area	Channel	
	Delete	Add
Lubbock, Tex.		229

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-649; Filed, Jan. 28, 1957; 8:48 a. m.]

[Docket No. 11899; FCC 57M-65]

TELEVISION DIABLO, INC. (KOVR)

ORDER SCHEDULING HEARING

In re application of Television Diablo, Inc. (KOVR), Stockton, California; Docket No. 11899, File No. BPCT-2187; for construction permit to change transmitter site, etc.

It is ordered, This 23d day of January 1957, that H. Gifford Irion will preside at the hearing in the above-entitled proceeding which is scheduled to commence on February 19, 1957, in Washington, D. C.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-650; Filed, Jan. 28, 1957; 8:48 a. m.]

[Docket No. 11904; FCC 57M-70]

WNAB, INC. (WNAB)

ORDER SCHEDULING HEARING

In re application of WNAB, Incorporated (WNAB), Bridgeport, Connecticut; Docket No. 11904, File No. BP-10659; for construction permit.

It is ordered, This 23d day of January 1957, that Jay A. Kyle will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on March 21, 1957, in Washington, D. C.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-651; Filed, Jan. 28, 1957; 8:49 a. m.]

[Docket Nos. 11905, 11906; FCC 57M-69]

CICERO P. YOW AND EAST COAST RADIO CO. (WKLM)

ORDER SCHEDULING HEARING

In re applications of Cicero P. Yow, Wilmington, North Carolina; Docket No. 11905, File No. BP-10507; Harold H. Thoms, Meredith S. Thoms and Matilann S. Thoms, d/b as East Coast Radio Co. (WKLM), Wilmington, North Carolina; Docket No. 11906, File No. BMP-7252; for construction permit and for modification of construction permit.

It is ordered, This 23d day of January 1957, that Thomas H. Donahue will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on March 28, 1957, in Washington, D. C.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-652; Filed, Jan. 28, 1957; 8:49 a. m.]

[Docket Nos. 11907, 11908; FCC 57M-68]

CLARK COUNTY BROADCASTING CO. AND NORTHSIDE BROADCASTING CO.

ORDER SCHEDULING HEARING

In re applications of Horace E. Tabb, Holly Skidmore, Stokley Bowling, C. A. Diecks, J. W. Hodges and W. Dee Huddleston, d/b as Clark County Broadcasting Company, Jeffersonville, Indiana; Docket No. 11907, File No. BP-10588; Thomas E. Jones and Keith L. Reising, d/b as Northside Broadcasting Company, Jeffersonville, Indiana; Docket No. 11908, File No. BP-10824; for construction permits.

It is ordered, This 23d day of January 1957, that H. Gifford Irion will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on March 18, 1957, in Washington, D. C.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-653; Filed, Jan. 28, 1957; 8:49 a. m.]

[Docket Nos. 11909, 11910; FCC 57M-64]

BASTROP BROADCASTING CO. AND RICHLAND BROADCASTING CO.

ORDER SCHEDULING HEARING

In re applications of George H. Goodwin and Willis G. Newcomer, a partnership, d/b as Bastrop Broadcasting Company, Bastrop, Louisiana; Docket No. 11909, File No. BP-10611; Charles L. Planchard & H. E. Ratcliff, d/b as Richland Broadcasting Company, Rayville, Louisiana; Docket No. 11910, File No. BP-10860; for construction permits.

It is ordered, This 23d day of January 1957, that Thomas H. Donahue will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on March 21, 1957, in Washington, D. C.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-654; Filed, Jan. 28, 1957; 8:49 a. m.]

[Docket No. 11911; FCC 57M-67]

SHEPHERD OF THE HILLS BROADCASTING CO. (KBHM)

ORDER SCHEDULING HEARING

In re application of Robert F. Neathery & L. C. McKenney, d/b as Shepherd of the Hills Broadcasting Company (KBHM), Branson, Missouri; Docket No. 11911, File No. BMP-7231; for modification of construction permit.

It is ordered, This 23d day of January 1957, that H. Gifford Irion will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on March 28, 1957, in Washington, D. C.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-655; Filed, Jan. 28, 1957; 8:49 a. m.]

[Docket No. 11912; FCC 57M-66]

CRAIG SIEGFRIED

ORDER SCHEDULING HEARING

In re application of Craig Siegfried, Falls City, Nebraska; Docket No. 11912, File No. BP-10265; for construction permit.

It is ordered, This 23d day of January 1957, that Hugh B. Hutchison will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on March 18, 1957, in Washington, D. C.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-656; Filed, Jan. 28, 1957; 8:49 a. m.]

[Docket Nos. 11915, 11916; FCC 57-75]

JOHN S. CHAVEZ, ET AL.

ORDER DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of John S. Chavez, Raul G. Amaya, Guadalupe Caballero, Salvador Villareal and Gabriel S. Chavez, Ysleta, Texas; Docket No. 11915, File No. BP-10639; Robert L. Howsam, El Paso, Texas; Docket No. 11916, File No. BP-10681; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 23d day of January 1957;

The Commission having under consideration the above-captioned applications of John S. Chavez, Raul G. Amaya, Guadalupe Caballero, Salvador Villareal and Gabriel S. Chavez, File No. BP-10639, and of Robert L. Howsam, File No. BP-10681, for construction permits for new standard broadcast stations to operate on 1150 kilocycles with a power of 1 kilowatt, daytime only, at Ysleta, Texas and El Paso, Texas, respectively;

It appearing that both applicants are legally, technically, financially and otherwise qualified, except as may appear from the issues specified below, to construct and operate their proposed stations, but that operation of both stations as proposed would result in mutually destructive interference; and

It further appearing that, pursuant to section 309 (b) of the Communications Act of 1934, as amended, the applicants were advised by a letter dated November 2, 1956, of the aforementioned deficiency and that the Commission was unable to conclude that a grant of either application would be in the public interest; and

It further appearing that timely replies were received from both applicants indicating that they would appear at a hearing on their applications, and that the reply by John S. Chavez amended his application to include his above-named associates; and

It further appearing that after consideration of the replies the Commission is of the opinion that a hearing on the applications is necessary;

It is ordered, That, pursuant to section 309 (b) of the Communications Act of 1934, as amended, the said applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent order, upon the following issues:

1. To determine the areas and populations which would receive primary service from each of these proposed operations, and the availability of other primary service to such areas and populations.

2. To determine in light of section 307 (b) of the Communications Act of 1934, as amended, which of these proposed operations would better provide a fair, efficient and equitable distribution of radio service.

3. To determine, in light of the evidence adduced pursuant to the foregoing issues, which, if either, of the applications should be granted.

It is further ordered, That, to avail themselves of the opportunity to be heard, each of the applicants herein, pursuant to § 1.387 of the Commission's rules, in person or by attorney shall within 20 days of the mailing of this order, file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-657; Filed, Jan. 28, 1957; 8:49 a. m.]

[Docket Nos. 11920, 11921; FCC 57-77]

JANE A. ROBERTS AND BELLEVUE BROADCASTERS

ORDER DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Jane A. Roberts, Bothell, Washington; Docket No. 11920, File No. BP-10383; F. Kemper Freeman and Florence G. Hayes d/b as Bellevue Broadcasters, Bellevue, Washington; Docket No. 11921 File No. BP-10564; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington D. C., on the 23d day of January 1957;

The Commission having under consideration the above-captioned applications of Jane A. Roberts, and F. Kemper Freeman and Florence G. Hayes d/b as Bellevue Broadcasters, each for a construction permit for a new standard broadcast station to operate on 1330 kilocycles with a power of one kilowatt, directional antenna, daytime only, at Bothell and Bellevue, Washington, respectively;

It appearing that both applicants are legally, technically, financially and otherwise qualified, except as may appear from the issues specified below, to operate their proposed stations, but that the operation of both stations as proposed would result in mutually destructive interference and that the proposed operation of Jane A. Roberts would cause interference to Station KAGT, Anacortes, Washington (1340kc, 250w, U); and

It further appearing that, pursuant to section 309 (b) of the Communications Act of 1934, as amended, the subject applicants were advised by letter dated November 9, 1956, of the aforementioned interference and that the Commission was unable to conclude that a grant of either application would be in the public interest; and

It further appearing that a timely reply was filed by each of the applicants; and

It further appearing that the application of Bellevue Broadcasters, by amendment filed December 26, 1956, proposed a directional antenna system which eliminated the possibility of causing objectionable interference to Station KAGT which had obtained prior to the filing of the amendment; and

It further appearing that Station KAGT, by letter of September 7, 1956, expressed an intention of appearing at a hearing on the applications; and

It further appearing that the Commission, after consideration of the above, is of the opinion that a hearing is necessary;

It is ordered, That, pursuant to section 309 (b) of the Communications Act of 1934, as amended, the said applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent order, upon the following issues:

1. To determine the areas and populations which would receive primary service from each of the proposed operations, and the availability of other primary service to such areas and populations.

2. To determine whether the proposed operation of Jane A. Roberts would cause interference to Station KAGT, Anacortes, Washington, or any other existing standard broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other primary service to such areas and populations.

3. To determine, in the light of section 307 (b) of the Communications Act of 1934, as amended, which of the operations proposed in the above-captioned applications would better provide a fair, efficient and equitable distribution of radio service.

4. To determine in the light of the evidence adduced pursuant to the foregoing issues, which, if either, of the applications should be granted.

It is further ordered, That C. H. Fisher and Edna E. Fisher d/b as Skagit Broadcasting Company, licensees of Station KAGT, are made parties to the proceeding.

It is further ordered, That, to avail themselves of the opportunity to be heard, Jane A. Roberts, Bellevue Broadcasters and the Skagit Broadcasting Company, pursuant to § 1.387 of the Commission's rules, in person or by attorney, shall within 20 days of the mailing of this order, file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-658; Filed, Jan. 28, 1957; 8:41 a. m.]

[Docket No. 11922; FCC 57-78]

CLASS B FM BROADCAST STATIONS

REVISED TENTATIVE ALLOCATION PLAN

NOTICE OF PROPOSED ALLOCATION

1. Notice is hereby given of further proposed rule making in the above-entitled matter.

2. It is proposed to amend the Revised Tentative Allocation Plan for Class B

FM Broadcast Stations in the following manner:

General area	Channels	
	Delete	Add
Worcester, Mass.	236	271
Holyoke-Springfield, Mass.	270	
Hartford, Conn.	291	290
Bay Shore, N. Y.	290	291
Boston, Mass.	290	
Albany, N. Y.	290	
Keene, N. H.	282	300
Mt. Washington, N. H.	283	241

3. A request was submitted by the General Broadcasting Corporation licensee of FM broadcast Stations WFMX, New York City; WTMH, Providence, Rhode Island; and WFMQ, Hartford, Connecticut; for changes in the FM Allocation Plan in order to permit operation of a proposed concert network in New England and metropolitan New York utilizing the three above mentioned stations, Station WGHF, Brookfield, Connecticut, a proposed new FM station in Boston, Massachusetts, and an existing FM station in the Albany, New York area. Such changes would permit the off-the-air rebroadcasting by these stations without interference from other stations in the area.

4. Authority for the adoption of the proposed amendment is contained in sections 4 (i) 301, 303 (c), (d), (f), and (r), and 307 (b) of the Communications Act of 1934, as amended.

5. Any interested party who is of the opinion that the proposed amendment should not be adopted or should not be adopted in the form set forth herein, may file with the Commission on or before February 25, 1957, a written statement or brief setting forth his comments. Comments in support of the proposed amendment also may be filed on or before that same date. Comments or briefs in reply to the original comments may be filed within 10 days from the last day for filing said original comments or briefs. The Commission will consider all such comments that are submitted before taking action in this matter, and if any comments appear to warrant the holding of a hearing or oral argument, notice of the time and place of such hearing or oral argument will be given.

6. In accordance with the provisions of § 1.764 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished the Commission.

Adopted: January 23, 1957.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-659; Filed, Jan. 28, 1957; 8:50 a. m.]

[FCC 57-83]

STATEMENT OF ORGANIZATION, DELEGATIONS OF AUTHORITY AND OTHER INFORMATION

MISCELLANEOUS AMENDMENTS

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 23d day of January 1957;

The Commission having under consideration paragraphs (a) and (b) of section 0.253 of its Statement of Organization, Delegations of Authority and Other Information authorizing the Chief of the Common Carrier Bureau or, in his absence, the Acting Chief of the Bureau to act upon certain applications or requests for certificates and authorizations, or modifications thereof, under section 214 of the Communications Act of 1934, as amended;

It appearing that the above-described paragraphs (a) and (b) are not explicit as to the authority delegated and the limitations thereon insofar as they relate to certificates and authorizations, or modifications thereof, for the leasing of lines or facilities by carriers for the purposes of acquiring, operating or extending lines; providing temporary or emergency service; and supplementing existing facilities;

It further appearing that under the above-described paragraphs (a) and (b) it was intended to delegate certain authority, within reasonable limits, to the Chief of the Common Carrier Bureau or, in his absence, the Acting Chief of the Bureau to act upon the above-described applications and requests; and that clarification of the extent of such authority is desirable;

It further appearing that the delegation of authority to the Chief of the Common Carrier Bureau or, in his absence, the Acting Chief of the Bureau to act upon those applications and requests, as described above, which involve an annual rental of less than $100,000 is designed to improve the internal administration of the Commission and to facilitate the prompt and orderly handling of such applications and requests;

It further appearing that the publication requirements and rule making procedures prescribed by section 4 of the Administrative Procedure Act may be omitted since the amendment herein ordered relates to internal Commission organization and procedure and is not substantive in nature;

It further appearing that authority for the amendment herein ordered is contained in sections 4 (i) and 5 (d) (1) of the Communications Act of 1934, as amended;

It is ordered, That, effective February 1, 1957, paragraphs (a) and (b) of section 0.253 are amended to read as follows:

(a) For a certificate authorizing the construction, acquisition, operation or extension of lines or for an authorization for temporary or emergency service or the supplementing of existing facilities involving an estimated construction or purchase cost of less than $500,000 or an annual rental of less than $100,000.

(b) For modification of a certificate or authorization under this section of the act where such amendment or modification involves an estimated construction or purchase cost of less than $500,000 or an annual rental of less than $100,000.

Released: January 24, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-660; Filed, Jan. 28, 1957; 8:50 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6724]

EL PASO ELECTRIC CO.

NOTICE OF APPLICATION

JANUARY 23, 1957.

Take notice that on January 15, 1957, an application was filed with the Federal Power Commission, pursuant to section 204 of the Federal Power Act, by El Paso Electric Company (Applicant), a corporation organized under the laws of the State of Texas, and doing business in the States of New Mexico and Texas, with its principal business office at El Paso, Texas, seeking an order authorizing the issuance of 896,412 additional shares of Common Stock, par value $5.00 per share, to the holders of Common Stock of record. Applicant proposes to amend its charter by changing the presently authorized 896,412 shares of Common Stock without par value into 2,200,000 shares of Common Stock, par value $5.00 per share, and changing the presently issued and outstanding 896,412 shares of Common Stock without par value into 1,792,824 shares, par value $5.00 per share, such change and conversion to be evidenced, in lieu of the surrender and exchange of existing certificates, through the issuance to the holders of Common Stock of record, of certificates for 896,412 additional shares of Common Stock on the basis of one additional share of Common Stock for each share of Common Stock outstanding.

Any person desiring to be heard or make any protest with reference to said application should on or before the 15th day of February 1957, file with the Federal Power Commission, Washington 25, D. C., a petition or protest in accordance with the Commission's rules of practice and procedure. The application is on file and available for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 57-629; Filed, Jan. 28, 1957; 8:45 a. m.]

[Docket No. G-11235 etc.]

TRANSCONTINENTAL GAS PIPE LINE CORP. ET AL.

NOTICE OF APPLICATIONS AND DATE OF HEARING

JANUARY 23, 1957.

In the matters of Transcontinental Gas Pipe Line Corporation, Docket No. G-11235; Pan American Engineering Company, Operator, Docket No. G-11236; Banquete Gas Company, Inc., Docket No. G-11237.

Take notice that on October 15, 1956, Transcontinental Gas Pipe Line Corporation (Transco) filed in Docket No. G-11235 an application, as amended November 26, 1956, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of approximately 3.5 miles of 4-inch lateral supply pipeline to extend southwesterly from a point of connection with Transco's existing 8-inch Luby lateral to a proposed 265-horsepower booster compressor station which, together with dehydration, metering and appurtenant facilities, is to be installed in the South Clara Driscoll Field, Nueces County, Texas. Transco states that these proposed facilities will enable it to purchase and receive natural gas from Banquete Gas Company (Banquete) in the South Clara Driscoll Field, Nueces County, Texas, purchased by Banquete from Pan American Engineering Company, Operator (Pan American). Transco further states that the estimated total initial cost of these facilities is $240,000, which cost is to be financed from company funds.

Take further notice that on October 15, 1956, Banquete filed in Docket No. G-11237 an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, covering the above sale of gas to Transco to be made pursuant to a 10-year gas sales contract dated September 7, 1956, between Transco and Banquete, as amended by letter dated November 8, 1956.

Also on October 15, 1956, Pan American filed at Docket No. G-11236 an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, covering its sale of gas to Banquete to be made pursuant to a 10-year gas sales contract executed August 20, 1956, between Banquete and Pan American.

All of the above applications are on file with the Commission and open for public inspection.

Banquete, sole signatory seller party to the contract involved, states that it filed its subject application on its own behalf and will transport the subject gas to a point of connection with Transco's proposed facilities in the field and such gas will be obtained from certain leases as described in the application and any other properties which may be covered by future gas purchase contracts Banquete may negotiate. Banquete further states that its facilities consist of field lines as shown on the map attached to its application.

Pan American, a partnership consisting of Roy A. Lamb and A. G. Salt, states that it is the only signatory seller party to the contract with Banquete, and has filed its application as operator and pursuant to § 154.91 (b) (1) of Commission Order No. 174-B, as amended, and lists in the application the acreage involved and the working interest owners thereto, together with their respective percentage interests in the subject acreage.

Pan American further states that its facilities consist of customary lease equipment; proposed deliveries to Banquete will be made at or within 200 feet of the wellheads involved and proposed deliveries to Transco will commence upon receipt of authorizations and completion of Transco's facilities proposed herein and minimum contract delivery rate to Banquete is specified to be 7,500 Mcf per day. Minimum contract delivery rate to Transco is specified to be 5,000 Mcf per day of high pressure gas (maximum delivery pressure of 1,000 psig) and 2,000 Mcf per day of low pressure gas (delivery pressure insufficient to enter Transco's system without compression but above 100 psig).

Transco will transport the gas received from Banquete commingled with its other gas supplies for sale in other states.

Transco alleges that the reserve estimates submitted by it indicates total remaining recoverable reserves, as of January 1, 1957, dedicated by Banquete to Transco, of 8,659 Mcf at 14.73 psia.

Transco also alleges that no new markets are proposed to be served by it other than those previously authorized by the Commission.

Concurrently with the certificate applications, Pan American and Banquete filed the aforementioned contracts as initial rate schedules to cover the proposed service. Rate schedule designations, prices, and estimated revenues for the first month of service are as follows:

Docket No.; Description; Price;[1] and Monthly Revenues

G-11236; Contract 8-20-56; Pan American Engineering Company (Operator), et al., FPC Gas Rate Schedule No. 1; 5; $10,000.

G-11237; Contract 9-7-56; Banquete Gas Company, Inc., FPC Gas Rate Schedule No. 1; 7; $14,000.

Transco further alleges that it is presently purchasing gas under filed rate schedules from other producers in this area under filed rate schedules at higher and lower rate levels.

These related matters should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, 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, and the Commission's rules of practice and procedure, a hearing will be held on February 21, 1957, at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before February 11, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

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

[1] Cents per Mcf at 14.65 psia.

[F. R. Doc. 57-630; Filed, Jan. 28, 1957; 8:45 a. m.]

[Docket No. G-11553]

HEFNER CO.

NOTICE OF APPLICATION AND DATE OF HEARING

JANUARY 23, 1957.

Take notice that The Hefner Company (Applicant), a partnership whose address is 720 Northwest 50th Street, Oklahoma City, Oklahoma, filed on November 29, 1956, an application for permission to abandon service pursuant to section 7 of the Natural Gas Act, authorizing Applicant to terminate service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant proposes to abandon service to Lone Star Gas Company. It states that it is imperative that it be permitted to terminate its contract with Lone Star Gas Company at the earliest possible date. The pressure on its well has declined to such extent that it is no longer able to deliver gas into the Lone Star Gas Company line. The pressure on Lone Star's line being maintained at 450 to 800 pounds, while its well pressure is only 125 pounds.

Applicant states further that the primary term of its lease has expired by reason of not being able to make any gas sales. It has obtained a market for its low pressure gas and hence may maintain its lease in force if permitted to abandon its Lone Star sales in order that it might make the low pressure sale.

Take further notice that, 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, and the Commission's rules of practice and procedure, a hearing will be held on Thursday, February 18, 1957, at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the Rules of Practice and Procedure (18 CFR 1.8 or 1.10) on or before

February 15, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 57-631; Filed, Jan. 28, 1957; 8:45 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 1-3679]

KROY OILS LTD.

ORDER SUMMARILY SUSPENDING TRADING

JANUARY 23, 1957.

I. The 20 cents par value Capital Stock of Kroy Oils Limited, an Alberta corporation (hereinafter called "registrant"), is listed and registered on the American Stock Exchange, a national securities exchange (hereinafter called "the exchange").

II. The Commission on November 2, 1956, issued its order and notice of hearing under section 19 (a) (2) of the Securities Exchange Act of 1934 (hereinafter called "the act") to determine at a hearing to be held on November 20, 1956, whether it is necessary or appropriate for the protection of investors to suspend for a period not exceeding twelve months, or to withdraw, the registration of the Capital Stock of registrant on the exchange for failure to comply with section 13 of the act and the rules and regulations adopted thereunder, in that the Commission has reason to believe that a current report for the month of May, 1956, on Form 8-K, filed by registrant with the Commission was false and misleading in certain respects set forth in said order. On January 11, 1957, the Commission issued its order summarily suspending trading of said securities on the exchange pursuant to section 19 (a) (4) of the act for the reasons set forth in said order to prevent fraudulent, deceptive or manipulative acts or practices for a period of ten days from January 14, 1957 to January 23, 1957, inclusive.

III. On November 7, 1956, counsel representing registrant requested a postponement of the hearing under section 19 (a) (2) of the act in order to enable him to prepare for the hearing. Pursuant to this request, the Commission on November 7, 1956, issued its order postponing the date of said hearing to November 26, 1956. Said hearing has commenced but has not yet been concluded by Commission order or decision.

IV. The Commission has reason to believe that the false report filed by registrant as alleged in the order and notice of hearing referred to in paragraph II and the relationship between registrant and Great Sweet Grass Oils Limited, also subject to an order issued concurrently herewith under section 19 (a) (4) of the act, and also subject to an order and notice of hearing under section 19 (a) (2) of the act, which hearing has been consolidated with the hearing referred to in paragraph III, are such as to cause widespread confusion and uncertainty in the market for registrant's shares. Under the circumstances recited in this order, the Commission is of the opinion that it would be impossible for the investing public to reach an informed judgment at this time as to the value of registrant's securities or for trading in such securities to be conducted in an orderly and equitable manner.

V. The Commission being of the opinion that the public interest requires the summary suspension of trading in such security on the exchange and that such action is necessary and appropriate for the protection of investors; and

The Commission being of the opinion that such suspension is necessary in order to prevent fraudulent, deceptive, or manipulative acts or practices, with the result that it will be unlawful under section 15 (c) (2) of the act and the Commission's Rule X-15C2-2 thereunder for any broker or dealer to make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, such security otherwise than on a national securities exchange.

It is ordered, Pursuant to section 19 (a) (4) of the act that trading in said securities on the American Stock Exchange be summarily suspended in order to prevent fraudulent, deceptive, or manipulative acts or practices for a period of ten days from January 24, 1957, to February 2, 1957, inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 57-640; Filed, Jan. 28, 1957; 8:46 a. m.]

[File No. 1-3827]

GREAT SWEET GRASS OILS LTD.

ORDER SUMMARILY SUSPENDING TRADING

JANUARY 23, 1957.

I. The $1.00 par value Capital Stock of Great Sweet Grass Oils Limited (hereinafter called "registrant") is listed and registered on the American Stock Exchange, a national securities exchange (hereinafter called "the exchange").

II. The Commission on October 19, 1956, issued its order and notice of hearing under section 19 (a) (2) of the Securities Exchange Act of 1934 (hereinafter called "the act"), and on October 24, 1956, issued its amended order and notice of hearing under the act to determine at a hearing to be held November 13, 1956, whether it is necessary or appropriate for the protection of investors to suspend for a period not exceeding twelve months, or to withdraw, the registration of the Capital Stock of registrant on the exchange for failure to comply with section 13 of the act and the rules and regulations thereunder, in that the Commission had reason to believe that the reports filed by registrant on Form 8-K and Form 10-K were false and misleading in certain respects set forth in said orders. On October 31, 1956, the Commission issued its second amended order and notice of hearing under section 19 (a) (2) of the act restating the allegations in the original and amended orders and including allegations that the Commission had reason to believe that the registrant's current report on Form 8-K for the month of December 1955, and amendments thereto, and that registrant's annual report on Form 10-K for its fiscal year ended December 31, 1955, and amendments thereto, were false and misleading in additional respects set forth in said order. On November 16, 1956, the Commission issued its third amended order and notice of hearing under section 19 (a) (2) of the act restating the allegations in the original and amended orders and including allegations that the Commission had reason to believe that the registrant's current report on Form 8-K for the month of August, 1955, was false and misleading in certain respects set forth in said order, and that the Form 8-K report for the month of December, 1955, and the Form 10-K report for the fiscal year ended December 31, 1955 were false and misleading in additional respects set forth in said order. On January 11, 1957, the Commission issued its order summarily suspending trading pursuant to section 19 (a) (4) of the act in said securities on the exchange for the reasons set forth in said order to prevent fraudulent, deceptive and manipulative acts or practices from January 14, 1957, to January 23, 1957, inclusive.

III. On November 7, 1956, counsel representing registrant requested a postponement of the hearing under section 19 (a) (2) of the act in order to enable him to prepare for the hearing. Pursuant to this request, the Commission on November 7, 1956, issued its order postponing the date of said hearing to November 26, 1956. Said hearing has commenced but has not yet been concluded by Commission order or decision.

IV. The Commission has reason to believe that the false reports filed by registrant as alleged in the orders and notices of hearing referred to in paragraph II and the relationship between registrant and Kroy Oils Limited, also subject to an order issued concurrently herewith under section 19 (a) (4) of the act, and also subject to an order and notice of hearing under section 19 (a) (2) of the act, which hearing has been consolidated with the hearing referred to in paragraph III, are such as to cause widespread confusion and uncertainty in the market for registrant's shares. Under the circumstances recited in this order, the Commission is of the opinion that it would be impossible for the investing public to reach an informed judgment at this time as to the value of registrant's securities or for trading in such securities to be conducted in an orderly and equitable manner.

V. The Commission being of the opinion that the public interest requires the summary suspension of trading in such security on the exchange and that such action is necessary and appropriate for the protection of investors; and

The Commission being of the opinion that such suspension is necessary in order to prevent fraudulent, deceptive,

or manipulative acts or practices, with the result that it will be unlawful under section 15 (c) (2) of the act and the Commission's Rules X-15C2-2 thereunder for any broker or dealer to make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, such security otherwise than on a national securities exchange.

It is ordered, Pursuant to section 19 (a) (4) of the act that trading in said securities on the American Stock Exchange be summarily suspended in order to prevent fraudulent, deceptive, or manipulative acts or practices for a period of ten days from January 24, 1957, to February 2, 1957, inclusive.

By the Commission.

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

[F. R. Doc. 57-639; Filed, Jan. 28, 1957; 8:46 a. m.]

[File No. 70-3463]

OHIO POWER CO.

NOTICE OF FILING REGARDING ACQUISITION OF COMMON STOCK OF NEWLY FORMED SUBSIDIARY COMPANY

JANUARY 23, 1957.

Notice is hereby given that Ohio Power Company ("Ohio"), a public utility subsidiary company of American Gas and Electric Company, a registered holding company, has filed an application and an amendment thereto with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("act") and has designated sections 9 (a) and 10 of said act as applicable to the proposed transaction, which is summarized as follows:

Ohio proposes to acquire 1,000 shares of the capital stock, $1 par value, being all of the capital stock proposed to be issued, of Captina Operating Company ("Captina"), a West Virginia corporation, at a purchase price of $1 per share.

Ohio has entered into a Memorandum Agreement under date of December 20, 1956, with Pittsburgh Consolidation Coal Company ("Pitt"), Olin Mathieson Chemical Corporation ("Olin"), Revere Copper and Brass Incorporated ("Revere") and Wheeling Electric Company ("Wheeling"), providing generally for the construction of what is, initially, to be a three-225,000 kw unit power plant near Cresap, West Virginia. Two units of this plant are to be owned by Olin Revere Generating Corporation ("Generating"), a wholly owned subsidiary of Olin Revere Metals Corporation ("Metals"), all the voting securities of which are to be jointly owned by Olin and Revere. The other unit is to be owned by Ohio. Generating presently proposes to use its units to supply energy to Metals for the reduction of aluminum, and to Olin for fabrication of aluminum, at facilities to be located near Clarington, Ohio. Generating, if requested, may also deliver energy to Revere at some future time for fabrication of aluminum. In addition, Generating will make excess capacity of its two units available to Ohio in consideration of appropriate demand charges. The Memorandum Agreement further provides that Captina will operate the entire generating plant for Ohio and Generating.

It is presently contemplated that Captina will supervise the operation, on behalf of Ohio and Generating, of the generating plant which is to be known as the Kammer Plant, and that Ohio and Generating will reimburse Captina for all its expenses in its operation of the Kammer Plant in proportion to the power and energy used by each. In addition, Generating will pay Captina a fee of ½ mill per kilowatt hour generated as provided for in the Memorandum Agreement.

The application states that no State commission or any Federal commission other than this Commission has jurisdiction over the proposed transaction.

Notice is further given that any interested person may, not later than February 8, 1957, at 5:30 p. m., 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 of fact or law, if any, raised by said application as amended which he desires to controvert, or he 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, Washington 25, D. C. At any time after said date said amended application, as filed or as further amended, may be granted as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may grant exemption from its rules as provided in Rules U-20 (a) and U-100, or take such other action as it may deem appropriate.

By the Commission.

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

[F. R. Doc. 57-638; Filed, Jan. 28, 1957; 8:46 a. m.]

[FILE NO. 70-3543]

OHIO POWER CO. AND CENTRAL OHIO COAL CO.

ORDER APPROVING ISSUANCE AND SALE BY SUBSIDIARY OF COMMON STOCK AND ACQUISITION THEREOF BY PARENT COMPANY

JANUARY 23, 1957.

Ohio Power Company ("Ohio Power"), an electric utility subsidiary company of American Gas and Electric Company ("American Gas"), a registered holding company, and Central Ohio Coal Company ("Coal Company"), a non-utility subsidiary company, 100 percent of whose common stock is owned by Ohio Power, have filed a joint application with this Commission, pursuant to sections 6 (b) and 10 of the Public Utility Holding Company Act of 1935 ("act") regarding the following proposed transactions:

Coal Company proposes to issue and sell and Ohio Power proposes to acquire not in excess of 40,000 additional shares of Coal Company's capital stock from time to time prior to December 31, 1958, for a cash consideration of $100 per share, being the par value of such shares, or an aggregate of $4,000,000.

The proceeds to be derived by Coal Company from the proposed transactions will be used to pay a portion of the estimated cost of installing additional equipment for the purpose of expanding coal production at its Muskingum and Cumberland No. 3 mines and coal transportation facilities at the Muskingum mine not provided for by cash generated internally by Coal Company.

No legal or other fees, commissions or other expenses are to be paid or incurred by Ohio Power, or Coal Company or any associate company in connection with the proposed transactions except that services incident to the transactions will be performed, at cost, by the service corporation of American Gas. No State commission or Federal regulatory commission other than this Commission has jurisdiction over the proposed transactions.

Notice regarding the filing of said application having been given pursuant to Rule U-23 and no hearing having been requested of, or ordered by, the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied, and that said application should be granted forthwith:

It is ordered, Pursuant to Rule U-23, that said application be, and the same hereby is, granted forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

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

[F. R. Doc. 57-637; Filed, Jan. 28, 1957; 8:46 a. m.]

[File No. 812-1056]

NORTH AMERICAN SECURITIES CO.

NOTICE OF FILING OF APPLICATION REGARDING PAYMENT OF BONUS TO EMPLOYEES

JANUARY 23, 1957.

Notice is hereby given that North American Securities Company ("Applicant"), has filed an application under section 17 (d) of the Investment Company Act of 1940 and Rule N-17D-1 of the rules and regulations thereunder for an order approving the payment of a year-end bonus to each and all of its employees, except its president for the year 1956. The applicant estimates that the proposed bonus payments to be made will be approximately $28,000.

Applicant is a wholly owned subsidiary and the investment adviser of North American Investment Corporation, a registered closed-end management investment company, and it is the underwriter and investment adviser of Commonwealth Investment Company and Commonwealth Stock Fund, Inc.,

both registered, open-end management investment companies. Applicant has approximately 52 employees who will be eligible to receive the payment mentioned above. Six of the employees are affiliated persons, as officers or directors, of North American Investment Corporation or Commonwealth Investment Company or Commonwealth Stock Fund, Inc., or of all three companies.

Applicant proposes to distribute 20 percent of the net income of the applicant for the year 1956, before federal and state income taxes, but after setting aside the first $50,000 of such income. Said amount shall in no event exceed 5 percent of the combined net income plus net realized gain on investments of applicant and its parent company, North American Investment Corporation, which has no paid employees and is managed by applicant.

It is desired that each employee with the company on December 31, 1956, except the President, shall participate by the assignment of unit credits to his basic salary (and/or guarantee) for December 1956 in the following manner: One unit for each $100 of monthly salary up to $350, plus two units for each $100 monthly salary between $350 and $700, plus three units for each $100 of monthly salary in excess of $700. Fractional units shall be assigned for fractional portions of each $100 of salary. For employees who have been with the company less than a full year, unit credits will be proportionate to the number of full months of service. The unit credits of all salaries shall then be added together and the total thereof divided into the total amount set aside for distribution and a unit value thereby determined. This unit value shall then be multiplied by each employee's unit credits and the result will be the dollar amount of additional compensation to be distributed to each employee.

Rule N-17D-1 provides, among other things, that it shall be unlawful, with certain exceptions not applicable here, for any affiliated person of a registered investment company or of any company controlled by any such registered company to participate in, or effect any transaction in connection with, any profit-sharing plan in which any such registered company or controlled company is a participant unless an application regarding such plan has been granted by the Commission.

Notice is further given that any interested person may, not later than February 8, 1957, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the rules and regulations promulgated under the act.

By the Commission.

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

[F. R. Doc. 57-641; Filed, Jan. 28, 1957; 8:47 a. m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JANUARY 24, 1957.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 33189: *Substituted service—Motor-rail-motor, N. Y., N. H. & R. and Pennsylvania Railroads.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent, for interested motor and rail carriers. Rates on various commodities loaded in highway trailers and transported on railroad flat cars between Boston, Mass., on the one hand, and Cleveland, Ohio, on the other, on traffic originating at or destined to points on motor carriers beyond the named points.

Grounds for relief: Motor-truck competition.

Tariff: The Eastern Central Motor Carriers Association, Inc., tariff I. C. C. 13.

FSA No. 33190: *Substituted service—Motor-rail-motor, M. K. T. Lines and Pennsylvania Railroad.* Filed by The Eastern Central Motor Carriers Association, Inc., for interested motor and rail carriers. Rates on various commodities loaded in highway truck trailers and transported on railroad flat cars, between Houston and San Antonio, Tex., on the one hand, and Kearny, N. J., and Philadelphia, Pa., on the other, on traffic originating at or destined to points on motor carriers beyond the named points.

Grounds for relief: Motor-truck competition.

Tariff: The Eastern Central Motor Carriers Association, Inc., tariff I. C. C. 13.

FSA No. 33191: *Syrup—Chalmette and New Orleans, La., to Helena, Ark., and Memphis, Tenn.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on flavoring syrup, carloads from Chalmette and New Orleans, La., to Helena, Ark., and Memphis, Tenn.

Grounds for relief: Circuitous routes in part west of the Mississippi River.

FSA No. 33192: *Iron and steel articles—Bethlehem, Pa., to Richmond, Va.* Filed by O. E. Schultz, Agent, for interested rail carriers. Rates on iron and steel articles, carloads from Bethlehem, Pa., to Richmond, Va.

Grounds for relief: Circuitous route.

Tariff: Supplement 164 to Reading Company tariff I. C. C. 2115.

FSA No. 33193: *Coal—Milwaukee, Wis., to Scales Mound, Ill.* Filed by The Chicago and North Western Railway Company, for itself and on behalf of the Illinois Central Railroad Company. Rates on bituminous coal and briquettes, carloads from Milwaukee, Wis., to Scales Mound, Ill.

Grounds for relief: Circuitous route.

Tariff: Supplement 6 to Chicago and North Western Railway Company's tariff I. C. C. 11276.

FSA No. 33194: *Substituted service—Motor-rail-motor, N. Y., N. H. & H. and Pennsylvania Railroads.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent, for interested rail and motor carriers. Rates on various commodities loaded in highway trailers and transported on railroad flat cars between Boston, Mass., on the one hand, and Chicago, East St. Louis, Ill., Indianapolis, Ind., and Cleveland, Ohio, on the other, on traffic originating at or destined to points on motor carriers beyond the named points.

Grounds for relief: Motor-truck competition.

By the Commission.

[SEAL] HAROLD D. MCCOY, *Secretary.*

[F. R. Doc. 57-633; Filed, Jan. 28, 1957; 8:45 a. m.]