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TITLE 8—ALIENS AND NATIONALITY

Chapter I—Immigration and Naturalization Service, Department of Justice

MISCELLANEOUS AMENDMENTS TO CHAPTER

The following amendments to Chapter I of Title 8 of the Code of Federal Regulations are hereby prescribed:

PART 235a—PREEXAMINATION OF ALIENS WITHIN THE UNITED STATES

Part 235a is amended to read as follows:

Sec.
235a.1 Application.
235a.2 Disposition.

AUTHORITY: §§ 235a.1 and 235a.2 issued under sec. 103, 66 Stat. 173; 8 U. S. C. 1103.

§ 235a.1 *Application.* Preexamination may be authorized for any alien, except a citizen of Canada, Mexico, or islands adjacent to the United States, who applied for preexamination on Form I-63 prior to August 21, 1958, intending to apply to a consular officer of the United States in Canada for an immigrant visa and who believes that he will be admissible to the United States under all the provisions of the immigration laws if in possession of an immigrant visa, or that he is prima facie eligible for a waiver of excludability under section 5 or 7 of the act of September 11, 1957; that he will be able to obtain the prompt issuance of an immigrant visa, and that he is a person of good moral character. Any alien who filed Form I-63 shall be deemed to have thereby abandoned his nonimmigrant status in the United States. Form I-63 shall have been submitted to the office of the Immigration and Naturalization Service having jurisdiction over the applicant's place of residence, and may have been filed separately or in conjunction with a petition for nonquota or preference quota status under Part 204 or 205 of this chapter. If the applicant was under deportation proceedings, the application had to be made to the special inquiry officer during the hearing pursuant to Part 242 of this chapter. The applicant shall be notified of the decision, and, if the application is denied, of the reasons therefor and of his right to appeal under Part 6 or 7 of this chapter.

§ 235a.2 *Disposition.* When preexamination is authorized, the applicant shall not be preexamined until he has presented written assurance from the consular officer of the United States in Canada that a visa will be promptly available if upon personal examination he is found eligible for a visa, and a report from a medical officer of the United States Public Health Service setting forth findings of the applicant's mental and physical condition. Preexamination to determine the applicant's admissibility to the United States shall be conducted in the manner and under the procedures prescribed in sections 235 and 236 of the act and Parts 235 and 236 of this chapter. If the applicant is found admissible, he shall, not later than June 30, 1959, be given a sealed letter, addressed to the Canadian immigration officer at the port through which he will enter Canada, showing the purpose of his visit to Canada and guaranteeing that if admitted to Canada he will be readmitted to the United States or, if found inadmissible when seeking reentry to the United States he will be paroled into the United States.

PART 242—PROCEEDINGS TO DETERMINE DEPORTABILITY OF ALIENS IN THE UNITED STATES; APPREHENSION, CUSTODY, HEARING, AND APPEAL

The first sentence of paragraph (e) *Application for discretionary relief* of § 242.16 *Hearing* is amended by deleting the words "preexamination on Form I-63 under Part 235a of this chapter,".

PART 245—ADJUSTMENT OF STATUS OF NONIMMIGRANT TO THAT OF A PERSON ADMITTED FOR PERMANENT RESIDENCE

Section 245.1 is amended to read as follows:

§ 245.1 *Application.* An alien whose deportability has not been established in proceedings under Part 242 of this chapter subsequent to August 21, 1958, may if he believes he meets the eligibility requirement of section 245 of the act, file an application Form I-507 with the district director in whose district he re-

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sides. A visa shall not be held to be available for a person claiming a preference quota or a nonquota status under section 101 (a) (27) (A) or (F) unless a petition to accord such status has been approved in accordance with section 204 or 205 of the act. A special nonquota visa shall not be held to be available under section 15 of the act of September 11, 1957, unless the alien, having been admitted as a nonimmigrant visitor or student prior to April 18, 1958, has been allocated such a visa by the Director, Office of Refugee and Migration Affairs, Department of State. Except as provided in Part 235a of this chapter, an application under this section shall be the sole method of requesting the exercise of discretion under section 5, 6, or 7 of the act of September 11, 1957, insofar as they relate to excludability by an alien in the United States. Applications for the benefits of section 9 or 13 of the act of September 11, 1957, shall be filed in like manner as an application under section 245 of the Act. An alien who has a nonimmigrant status under paragraph (15) (A), (15) (E), or (15) (G) of section 101 (a) of the Immigration and Nationality Act, or has an occupational status which would, if he were seeking admission to the United States, entitle him to a nonimmigrant status under any of such paragraphs of section 101 (a) of the Immigration and Nationality Act, shall not be eligible to apply for adjustment of status without first executing and submitting with his application the written waiver required by section 247 (b) of the Immigration and Nationality Act and Part 247 of this chapter. In all cases the applicant shall be notified of the decision and if denied of the reasons therefor and his right to appeal within 10 days of the receipt of such notification in accordance with Part 7 of this chapter.

PART 249—CREATION OF RECORD OF LAWFUL ADMISSION FOR PERMANENT RESIDENCE

Part 249 is amended to read as follows:

§ 249.1 *Application.* Any alien who believes that he meets the eligibility requirements enumerated in section 249 of the act shall apply on Form N–105 to the district director having jurisdiction over his place of residence. The applicant shall be notified of the decision and if the application is denied of the reasons therefor and of his right to appeal within 10 days from the receipt of such notification in accordance with Part 7 of this chapter. If the application is granted, a Form I–151, showing that the applicant has acquired the status of an alien lawfully admitted for permanent residence, shall not be issued until the applicant surrenders any other document in his possession evidencing compliance with the alien registration requirements of former or existing law.

(Sec. 103, 66 Stat. 173; 8 U. S. C. 1103)

This order shall become effective on the date of its publication in the FEDERAL REGISTER. Compliance with the provisions of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) as to notice of proposed rule making and delayed effective date is unnecessary in this instance because the persons affected by the regulations prescribed will not require additional time to prepare for the effective date of the regulations.

Dated: August 21, 1958.

J. M. SWING,
Commisioner of Immigration and Naturalization.

[F. R. Doc. 58-6898; Filed, Aug. 22, 1958; 10:23 a. m.]

TITLE 7—AGRICULTURE

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

PART 729—PEANUTS

ALLOTMENT AND MARKETING QUOTA REGULATIONS FOR PEANUTS OF THE 1957 AND SUBSEQUENT CROPS, AMENDMENT 4

Basis and purpose. The amendment contained herein is issued pursuant to the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1281 et seq.), for the purpose of revising the Allotment and Marketing Quota Regulations for Peanuts of the 1957 and Subsequent Crops (21 F. R. 9370, 9760; 22 F. R. 6741, 6987, 8475; 23 F. R. 1567) to announce the basic rate of marketing quota penalty applicable to the marketing of excess peanuts of the 1958 crop. As the marketing of 1958 crop peanuts is beginning in some peanut-producing States and as this amendment announces the basic rate of marketing quota penalty applicable to 1958 crop peanuts produced on acreage in excess of farm allotments, this amendment should be made effective as soon as possible. Accordingly, it is hereby determined and found that compliance with the notice, public procedure and effective date requirements of the Administrative Procedure Act (5 U. S. C. 1001–1011) is impracticable and contrary to the public interest and the amendments specified below shall become effective upon the filing of this document with the Director, Division of the Federal Register.

The Allotment and Marketing Quota Regulations for Peanuts of the 1957 and Subsequent Crops (21 F. R. 9370, 9760; 22 F. R. 6741, 6987, 8475; 23 F. R. 1567) are hereby amended as follows:

Section 729.851 (a) is amended by adding a sentence thereto reading: "The basic support price for peanuts for the marketing year beginning August 1, 1958, and ending July 31, 1959, is $213.20 per ton or 10.66 cents per pound and, therefore, the basic penalty rate for the 1958 crop of peanuts is 8.0 cents per pound."

(Sec. 375, 52 Stat. 38, 66, as amended; 7 U. S. C. 1375. Interpret or apply sec. 373, 52 Stat. 38, 65, as amended; secs. 358, 359, 55 Stat. 88, 90, as amended; 7 U. S. C. 1373, 1358, 1359)

Done at Washington, D. C., this 20th day of August 1958. Witness my hand and the seal of the Department of Agriculture.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 58-6842; Filed, Aug. 22, 1958; 8:53 a. m.]

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

PART 909—ALMONDS GROWN IN CALIFORNIA

ORDER FIXING SALABLE AND SURPLUS PERCENTAGES FOR ALMONDS DURING CROP YEAR BEGINNING JULY 1, 1958

Correction

In Federal Register Document 58–6754, published on page 6444 in the issue for Thursday, August 21, 1958, the next to last paragraph should read as follows:

It is hereby further found that good cause exists for not giving prior notice, engaging in public rulemaking procedure, or postponing the effective date of this action later than the date of its publication in the FEDERAL REGISTER for the reasons that (1) the 1958–59 crop year has already begun, and establishment of these percentages provides a basis for trading between growers and handlers, (2) compliance with the percentages herein established will require no special preparation on the part of handlers, and (3) this action relieves restrictions

on the handling of almonds during the 1958–59 crop year.

[Valencia Orange Reg. 150]

PART 922—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

LIMITATION OF HANDLING

§ 922.450 *Valencia Orange Regulation 150*—(a) *Findings.* (1) Pursuant to the marketing agreement and Order No. 22, as amended (7 CFR Part 922), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said marketing agreement and order, as amended, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges, as hereinafter provided, will tend to effectuate the declared policy of the act by tending to establish and maintain such orderly marketing conditions for such oranges as will provide, in the interests of producers and consumers, an orderly flow of the supply thereof to market throughout the normal marketing season to avoid unreasonable fluctuations in supplies and prices, and is not for the purpose of maintaining prices to farmers above the level which it is declared to be the policy of Congress to establish under the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on August 21, 1958.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a. m., P. s. t., August 24, 1958, and ending at 12:01 a. m., P. s. t., August 31, 1958, are hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 646,800 cartons;

(iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "handler," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in said marketing agreement and order, as amended.

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

Dated: August 22, 1958.

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

[F. R. Doc. 58-6922; Filed, Aug. 22, 1958; 11:31 a. m.]

[Lemon Reg. 753]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF HANDLING

§ 953.860 *Lemon Regulation 753*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based becomes available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The Committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on August 20, 1958.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., August 24, 1958, and ending at 12:01 a. m., P. s. t., August 31, 1958, are hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 255,750 cartons;

(iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

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

Dated: August 21, 1958.

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

[F. R. Doc. 58-6890; Filed, Aug. 22, 1958; 9:33 a. m.]

[Lemon Regulation 752, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF HANDLING

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because 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 Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) of § 953.859 (Lemon Regulation 752, 23 F. R. 6317) are hereby amended to read as follows:

(ii) District 2: 372,000 cartons.

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

Dated: August 20, 1958.

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

[F. R. Doc. 58-6813; Filed, Aug. 22, 1958; 8:46 a. m.]

PART 1003—DOMESTIC DATES PRODUCED OR PACKED IN LOS ANGELES AND RIVERSIDE COUNTIES OF CALIFORNIA

ESTABLISHMENT OF FREE, RESTRICTED, AND WITHHOLDING PERCENTAGES FOR 1958–59 CROP YEAR

Notice was published in the August 9, 1958 issue of the FEDERAL REGISTER (23 F. R. 6143) that consideration was being given to a proposal to establish for the 1958–59 crop year beginning August 1, 1958, free, restricted, and withholding percentages for marketable dates of the Deglet Noor, Zahidi, and Khadrawy varieties. These percentages were proposed after consideration of the unanimous recommendation of the Date Administrative Committee and other available information, in accordance with the applicable provisions of Marketing Agreement No. 127 and Order No. 103 (7 CFR Part 1003), regulating the handling of domestic dates produced or packed in Los Angeles and Riverside Counties of California, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.). In said notice, interested persons were afforded the opportunity to file written data, views, or arguments with respect to the proposal. No such comment was filed within the prescribed time.

After consideration of all relevant matters pertaining to the proposal, including the recommendation of the committee, it is hereby found that to establish free percentages, restricted percentages, and withholding percentages as hereinafter set forth (which percentages are the same as those in the aforesaid notice) will tend to effectuate the declared policy of the aforesaid act.

Therefore, is is hereby ordered, That the said percentages for the 1958–59 crop year shall be as follows:

§ 1003.206 *Free, restricted, and withholding percentages.* The free percentage, restricted percentage, and withholding percentage of marketable dates for each variety shall be, for the crop year beginning August 1, 1958, and ending July 31, 1959, as follows: (a) Deglet Noor variety dates: Free percentage, 74 percent; restricted percentage, 26 percent; and withholding percentage, 35.1 percent; (b) Zahidi variety dates: Free percentage, 90 percent; restricted percentage, 10 percent; and withholding percentage, 11.1 percent; and (c) Khadrawy variety dates: Free percentage, 100 percent; restricted percentage, 0 percent; and withholding percentage, 0 percent.

It is hereby further found that good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U. S. C. 1001 et seq.) in that: (1) The 1958–59 crop year began on August 1, 1958, and the aforesaid percentages will apply to all dates subject to volume regulation on and after that date; (2) since the free, restricted, and withholding percentages established for the 1957–58 crop year for the Deglet Noor and Zahidi varieties of dates will continue to apply until the percentages for the 1958–59 crop year became effective, it is necessary that the percentages for the 1958–59 crop year become effective as soon as possible so as to minimize adjustments; and (3) handlers are aware that the percentages set forth herein were proposed for the 1958–59 crop year and they need no additional advance notice for compliance with this regulation. In these circumstances, this regulation should be made effective on the date of its publication in the FEDERAL REGISTER.

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

Dated August 20, 1958, to become effective upon publication in the FEDERAL REGISTER.

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

[F. R. Doc. 58-6841; Filed, Aug. 22, 1958; 8:52 a. m.]

TITLE 12—BANKS AND BANKING

Chapter II—Federal Reserve System

Subchapter A—Board of Governors of the Federal Reserve System

[Reg. Y]

PART 222—BANK HOLDING COMPANIES

PARTICIPATIONS BETWEEN BANKS

§ 222.105 *Participations between banks under section 6 (a) of the Bank Holding Company Act.* (a) The Board's Statement in the matter of General Contract Corporation, which appears in the Federal Reserve Bulletin for March 1958, at p. 260, expressed the view, among other things, that the nonrecourse purchase of installment paper constitutes a "discount" within the meaning of section 6 (a) (4) of the Bank Holding Company Act of 1956, which forbids a bank "to make any loan, discount or extension of credit to a bank holding company of which it is a subsidiary or to any other subsidiary of such bank holding company." In the course of that Statement the Board also said (p. 269):

> It may be noted, however, that when one bank seeks participation by another bank to aid in meeting the credit needs of a borrower, there would seem to be no conflict with section 6 if the second bank joined at the outset in making its portion of the loan, since this would not involve the second bank in either a direct loan to the first bank or a purchase of paper from it. This would seem to permit at least a partial solution of the problems involved in participations.

(b) The Board has been asked further questions as to when a bank may be considered to have "joined at the outset in making its portion of the loan" within the meaning of the principle quoted above.

(c) This principle must be read in the light of a specific exemption appearing in the last sentence of section 6 (a) of the Bank Holding Company Act which provides that:

> Non-interest-bearing deposits to the credit of a bank shall not be deemed to be a loan or advance to the bank of deposit, nor shall the giving of immediate credit to a bank upon uncollected items received in the ordinary course of business be deemed to be a loan or advance to the depositing bank.

(d) This specific exemption must, in turn, be considered against the background of the following statement by the Committee on Banking and Currency of the House of Representatives appearing in a report on the Bank Holding Company Act (H. R. Rep. No. 609, 84th Cong., 1st sess., 25 (1955)):

> Routine banking transactions between subsidiary banks are not treated as extensions of credit and do not fall within the prohibitions of this section.

(e) It is clear from both the exemption and this statement in the House Committee Report, that the exemption refers only to interbank transactions and does not encompass transactions between bank and nonbank affiliates of the same bank holding company. The unique ability of banks to maintain deposit accounts, coupled with the section 6 (a) exemption relating to such accounts, distinguishes bank subsidiaries from nonbank subsidiaries, and makes it possible, at least in some circumstances, for both an originating bank and a participating bank to "join at the outset" in making a loan, even though, the originating bank may handle all the arrangements with, and disbursements to, the borrower.

(f) Four different factual situations have been considered by the Board from the point of view of whether they constitute a "joining at the outset" in the light of the above quotation from the General Contract Corporation case and the exemption set forth in the last para-

graph of section 6 (a) of the Act. In each of the four factual situations, there was in existence prior to or concurrent with the laying out of funds to the borrower a participation loan agreement between the originating bank and the participating bank; the agreement covered a specific loan or line of credit and a specific borrower, and it did not relate to a mere block of unidentified paper.

(1) The first of the four factual situations was the clearest and simplest case. In this situation, in addition to the existence of the participation loan agreement as mentioned above, the participating bank had on deposit with the bank originating the loan a sum sufficient to cover the participating bank's portion of the loan, and had instructed the originating bank to debit the account of the participating bank to the extent of the latter's participation in the loan. The Board expressed the view that in this situation in which the participating bank has the funds on deposit at the originating bank, the transaction is exempted as a "joining at the outset" even though there may be an interval of time during the day, in accordance with usual banking practices, between the advancing of the funds to the borrower and the actual debiting of the participating bank's account.

(2) The second factual situation was similar to the first one but differed from it in that funds sufficient to cover the participating bank's portion of the loan were not physically on hand at the originating bank at the time of the laying out of funds to the borrower, but, instead, prior to that time were wire transferred by the participating bank to the credit of the originating bank at a Federal Reserve Bank or some other correspondent of the originating bank. This situation was considered by the Board to be exempt as a "joining at the outset" in view of the similarity between funds actually on deposit with the originating bank and funds transferred to its credit at a correspondent.

(3) In the third factual situation, while there was a specific participation loan agreement as in the other situations, the participating bank did not have a deposit with the originating bank and also did not transfer funds to the account of the originating bank at the latter's correspondent. Instead, the originating bank had a deposit with the participating bank. The originating bank also had instructions from the participating bank that when the former made funds available to the borrower, the originating bank would: (i) Concurrently or immediately thereafter make an appropriate entry, in the amount of the participating bank's portion of the loan, to the originating bank's record of its deposit account with the participating bank; (ii) promptly forward to the participating bank, in the manner usually followed in the ordinary course of business, evidence of that bookkeeping entry together with a certificate of participation in the loan; and (iii) advise the participating bank by telephone or telegraph of the two preceding steps. The participating bank, upon receipt of that advice, would credit the account of the originating bank with the amount of the participating bank's participation. In view of the fact that this establishment by the participating bank of a credit to the account of the originating bank would be similar to the transfer of funds to the originating bank's account at a correspondent bank in the second situation, the Board reached the conclusion that this third factual situation similarly qualified for exemption as a "joining at the outset".

(4) The fourth factual situation was the same as the third except that step (iii) mentioned above, namely, advice by telephone or telegraph from the originating bank to the participating bank, was omitted. As much as a day or so could, therefore, elapse before the participating bank would receive the documents referred to in step (ii) and actually make the entry on its own books to show the credit to the account of the originating bank. This fourth situation presented a closer and more doubtful question than the other three. However, considering all the circumstances, including the purposes and legislative history of the last paragraph of section 6 (a), the Board expressed the opinion that this fourth situation should also be considered to be exempt as a "joining at the outset".

(g) In connection with each of the four factual situations described above, questions have also been raised as to whether the originating bank may handle the receipt of repayments by the borrower and may transfer the participating bank's portion of such repayments to the participating bank by crediting a deposit account of the latter at the originating bank. The Board expressed the opinion that these activities are clearly permitted by the exemption in the last paragraph of section 6 (a).

(h) Questions involving participation loans between affiliates of the same bank holding company necessarily depend on the particular circumstances involved, and the views outlined above were based on the Board's understanding of the factual information in the respective situations. If in actual practice there are material variations from the factual situations summarized above, the matter would, of course, need to be considered in the light of those circumstances.

(Sec. 5, 70 Stat. 137; 12 U. S. C. 1844)

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
[SEAL] KENNETH A. KENYON,
Assistant Secretary.

[F. R. Doc. 58-6810; Filed, Aug. 22, 1958; 8:45 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

Subchapter A—Civil Air Regulations

PART 35—FLIGHT ENGINEER CERTIFICATES

REVISION OF PART

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 20th day of August 1958.

Part 35 originally became effective on March 15, 1947, and established requirements for the issuance of flight engineer certificates. Since that time other airman parts have been revised and now differ from present Part 35 in format and terminolpgy. It is, therefore, desirable to revise Part 35 to make it conform more closely to the newer airman parts.

Four Civil Air Regulations draft releases were issued proposing the revision of Part 35. These were Draft Releases 48–6 dated October 25, 1948; 49–5 dated October 5, 1949; 56–5 dated February 28, 1956; and 57–23 dated November 4, 1957.

All of the above-mentioned draft releases proposed that an additional requirement of 5 hours of flight training in the duties of a flight engineer be added to certain of the experience requirements. Current provisions of § 35.6 (a) and (b) of Part 35 permit an applicant with certain diversified practical experience or specialized aeronautical training in the maintenance and repair of aircraft and aircraft engines to meet the experience requirements for a flight engineer certificate even though such an applicant has had no flight experience in the duties of a flight engineer. The principal function of the flight engineer is to assist the pilot members of the crew in the mechanical operation of aircraft during flight. In view of this fact, it is the Board's opinion that an applicant having only practical experience or aeronautical training in the maintenance and repair of aircraft or aircraft engines should also have a minimum of 5 hours of training in flight in the duties of a flight engineer on multiengine aircraft having engines rated at least at 800 h. p. each. This revision contains such a requirement for inflight training. However, this flight experience is not a condition which need be met prior to the applicant's taking the written examination prescribed in § 35.32. Accordingly, a note to this effect is included in § 35.32. In addition, the experience requirements have been changed to permit experience gained on turbine-powered aircraft having thrust equivalent to at least 800 h. p. to be credited toward qualifying for a certificate.

Part 35 was amended on May 1, 1949, by amendment 35–1 which eliminated the requirement that an applicant hold an engineering degree plus one year of practical experience, and required in lieu thereof only that an applicant be a graduate of at least a 2-year specialized aeronautical training course of which at least 6 months shall have been in the maintenance and repair of multiengine aircraft having engines rated at least at 800 h. p. In that amendment the Board did not contemplate that persons holding certain engineering degrees would be precluded from qualifying for a flight engineer certificate. Therefore, because there has been some confusion as to whether such persons would be eligible, a new section is included which contains the provision that an applicant holding a degree in aeronautical, electrical, or mechanical engineering from a recognized college, university, or engineering school and having 6 months practical

experience in the maintenance and repair of aircraft having engines rated at least at 800 h. p. each, may qualify for a flight engineer certificate. An applicant qualifying under this requirement is also required to have 5 hours of training in flight in the duties of a flight engineer as discussed above.

In the last draft release (57-23), a change was proposed in the experience requirements which would have permitted an applicant with 400 hours of copilot time on aircraft having 4 or more engines rated at least at 800 h. p. each, or the equivalent in the case of turbine-powered aircraft, to meet the experience requirements for a flight engineer certificate. After further study it is considered that the 400 hours of copilot time would not be the equivalent of the experience requirement of the 200 hours of pilot-in-command time presently required in Part 35. Therefore, no change is being made in the present requirements. In arriving at this decision, the Board has taken into consideration the fact that a copilot who does not meet the 200 hours of pilot-in-command time requirement can continue to qualify for a flight engineer certificate by completing an approved course for the training of a flight engineer.

Current provisions with respect to re-examination after failure require that an applicant produce evidence that he has received an additional 5 hours of instruction in each of the subjects failed where he does not elect to wait 30 days for re-examination. In certain situations, such as where an applicant has failed because of lack of proficiency in unfeathering an engine, it might be unnecessary and even detrimental to the equipment to require 5 hours of additional training. Hence, for the practical examination, this section is amended so that the Administrator may set the required number of hours of additional training required in lieu of the mandatory 5-hour additional instruction period now in effect.

During the past several years, industry has developed synthetic trainers which simulate flight characteristics and performance of corresponding aircraft through virtually all ranges of normal and emergency operations. In addition to the obvious economic advantages of the use of such aircraft simulators in lieu of aircraft, it is apparent that the practical examination of the applicant in certain emergency procedures can be more safely and perhaps more completely accomplished in the aircraft simulator rather than in the aircraft. Therefore, in recognition of the advanced state of design of the aircraft simulator for training purposes, demonstration of the emergency skill requirements in § 35.33 is permitted either by demonstration of proficiency in an aircraft simulator or in the corresponding aircraft. The use of the aircraft simulator for this purpose will, however, be limited to demonstraion of competence with respect to emergency duties and procedures where malfunction in the aircraft is simulated. It is the Board's opinion that an applicant's capabilities cannot fully be determined without an actual demonstration of proficiency in flight. Therefore an applicant is still required to demonstrate competence with respect to his normal duties and procedures aboard an aircraft in flight. It was proposed in Draft Release 56-5 that the examination, in flight, with respect to normal duties, might be accomplished in air transportation, provided that the applicant is under the direct supervision of a fully qualified flight engineer assigned to the flight crew. No provision is made for this herein, as the Board considers that in the interest of safety it should not permit original airman certification in aircraft engaged in air transportation in view of the possible hazardous conditions which could be created or magnified because of the inexperience of the applicant.

Interested persons have been afforded an opportunity to participate in the making of this revison (22 F. R. 8958), and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby revises Part 35 of the Civil Air Regulations (14 CFR Part 35, as amended) as follows, effective November 15, 1958:

APPLICABILITY AND DEFINITIONS

Sec.
35.1 Applicability of this part.
35.2 Definitions.

CERTIFICATION RULES

35.5 Application for certificate.
35.6 Issuance.
35.7 Duration.
35.8 Change of address.

GENERAL CERTIFICATE REQUIREMENTS

35.21 Citizenship.
35.22 Age.
35.23 Education.
35.24 Examinations and tests.
35.25 Re-examination after failure.
35.26 Substantiation of experience.
35.27 Physical standards.

QUALIFICATIONS FOR A CERTIFICATE

35.31 Experience.
35.32 Knowledge.
35.33 Skill.
35.34 Limited certificate.

OPERATING RULES

35.41 Certificate required.
35.42 Display.
35.43 Medical certificate.
35.44 Operation during physical deficiency.

AUTHORITY: §§ 35.1 to 35.44 issued under sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply secs. 601, 602, 52 Stat. 1007, 1008, as amended; 49 U. S. C. 551, 552.

APPLICABILITY AND DEFINITIONS

§ 35.1 *Applicability of this part.* This part establishes certification and general operating rules for flight engineers.

§ 35.2 *Definitions.* As used in this part, terms are defined as follows:

Administrator. The Administrator is the Administrator of Civil Aeronautics.

Approved. Approved, when used alone or as modifying terms such as means, method, action, equipment, etc., means approved by the Administrator.

Authorized representative of the Administrator. An authorized representative of the Administrator is any employee of the Civil Aeronautics Administrator or any private person, authorized by the Administrator to perform particular duties of the Administrator under the provisions of this part.

Flight engineer. A flight engineer is an individual holding a valid flight engineer certificate issued by the Administrator and whose primary assigned duty during flight is to assist the pilots in the mechanical operation of an aircraft.

Flight time. Flight time is the time from the moment the aircraft first moves under its own power for the purpose of flight until it comes to rest at the next point of landing (block-to-block time).

Month. A month is that period of time extending from the first day of any month as delineated by the calendar through the last day thereof.

Pilot in command. The pilot in command is the pilot responsible for the operation and safety of the aircraft during the time defined as flight time.

CERTIFICATION RULES

§ 35.5 *Application for certificate.* An application for a certificate shall be made on a form and in a manner prescribed by the Administrator.

§ 35.6 *Issuance.* (a) A flight engineer certificate shall be issued by the Administrator to an applicant who meets the requirements of this part.

(b) Pending a review of the applicant's application and supplementary documents and the issuance of a certificate by the Administrator, an authorized representative of the Administrator may, subject to such conditions and limitations as the Administrator may prescribe, issue a temporary flight engineer certificate to an applicant who meets the requirements of this part.

§ 35.7 *Duration.* (a) A flight engineer certificate issued to a United States citizen shall remain in effect until surrendered, suspended, revoked, or otherwise terminated by order of the Board. A certificate issued to an applicant other than a United States citizen shall remain in effect for a period no longer than 12 months after the date of issuance; however, it may be reissued without further demonstration of technical competence.

(b) A temporary flight engineer certificate shall remain in effect for a period no longer than 90 days after the date of issuance.

(c) After revocation, and upon request after suspension, the certificate shall be returned to the Administrator.

§ 35.8 *Change of address.* Within 30 days after any change in the permanent mailing address of a certificated flight engineer, he shall notify the Administrator in writing of his new address. This notice shall be mailed to the Administrator of Civil Aeronautics, attention Airman Records Branch, Washington 25, D. C.

GENERAL CERTIFICATE REQUIREMENTS

§ 35.21 *Citizenship.* An applicant for a flight engineer certificate may be a citizen of any country or a person without nationality.

§ 35.22 *Age.* 21 years is the minimum age for the issuance of a flight engineer certificate.

§ 35.23 *Education.* An applicant shall be able to read, speak, and understand the English language, or an appropriate limitation shall be placed upon his flight engineer certificate.

§ 35.24 *Examinations and tests.* Examinations and tests shall be conducted by an authorized representative of the Administrator at such times and places as the Administrator may designate. The passing grade for such examinations and tests shall be at least 70 percent.

§ 35.25 *Re-examination after failure.* An applicant who has failed any prescribed written or practical examination or test may not apply for re-examination within a 30-day period from the date of such failure unless he presents a statement signed by a certificated flight engineer, an appropriately rated and certificated ground instructor, or an authorized representative of the Administrator, which attests that the applicant is considered competent for re-examination, and

(a) In the case of the written examination, that the applicant has received an additional 5 hours of instruction in each of the subjects failed; or

(b) In the case of the practical examination, that the applicant has received such additional instruction as may be required by the Administrator in each of the subjects failed.

§ 35.26 *Substantiation of experience.* An applicant shall present to the Administrator satisfactory documentary evidence to substantiate the experience qualifications for a flight engineer certificate.

§ 35.27 *Physical standards.* An applicant shall present evidence that he has, within the 12 months immediately preceding the date of application, met the physical standards of the second class prescribed in Part 29 of this chapter: *Provided,* That an applicant who is unable to distinguish aviation signal red, aviation signal green, and white shall be issued an airman certificate appropriately endorsed to prohibit the holder thereof from exercising the privileges of such certificate except under such conditions, or with the use of such equipment, which would not require the ability to distinguish such aviation signal colors.

QUALIFICATIONS FOR A CERTIFICATE

§ 35.31 *Experience.* An applicant shall:

(a) Have had at least 3 years of diversified practical experience in the maintenance and repair of aircraft and aircraft engines, of which one year shall have been in the maintenance and repair of multi-engine aircraft having engines rated at least at 800 h. p. each or the equivalent thereof in the case of turbine-powered aircraft, and have had at least 5 hours of training in flight in the duties of a flight engineer on multiengine aircraft having 4 or more engines rated at least at 800 h. p. each or the equivalent thereof in the case of turbine-powered aircraft; or

(b) Be a graduate of at least a 2-year specialized aeronautical training course in the maintenance, repair, and overhaul of aircraft and aircraft engines, of which at least 6 months shall have been in the maintenance and repair of multiengine aircraft having engines rated at least at 800 h. p. each or the equivalent thereof in the case of turbine-powered aircraft, and have had at least 5 hours of training in flight in the duties of a flight engineer on multiengine aircraft having 4 or more engines rated at least at 800 h. p. each or the equivalent thereof in the case of turbine-powered aircraft; or

(c) Hold a degree in aeronautical, electrical, or mechanical engineering from a recognized college, university, or engineering school and have had 6 months practical experience in the maintenance and repair of multiengine aircraft having engines rated at least at 800 h. p. each or the equivalent thereof in the case of turbine-powered aircraft, and have had at least 5 hours of training in flight in the duties of a flight engineer on multiengine aircraft having 4 or more engines rated at least at 800 h. p. each or the equivalent thereof in the case of turbine-powered aircraft; or

(d) Have had at least 200 hours of flight time as pilot in command of aircraft having 4 or more engines rated at least at 800 h. p. each or the equivalent thereof in the case of turbine-powered aircraft; or

(e) Have had at least 100 hours of flight experience in the duties of a flight engineer; or

(f) Within 90 days immediately preceding the date of application, have completed successfully a course of instruction which the Administrator approves as adequate for the training of a flight engineer.

§ 35.32 *Knowledge.* An applicant shall satisfactorily pass a written examination on the following subjects with respect to aircraft having 4 or more engines and certificated in the transport category or an aircraft having 4 or more engines and incorporating a flight engineer station:

(a) The provisions of the Civil Air Regulations applicable to the duties of a flight engineer;

(b) Theory of flight and elementary aerodynamics;

(c) Aircraft performance and aircraft engine operation with respect to limitations;

(d) Mathematical computations of engine operation and fuel consumption;

(e) Basic meteorology with respect to engine operations;

(f) Aircraft loading and center of gravity computations;

(g) General aircraft maintenance and operating procedures; and

(h) Emergency procedures.

NOTE: The applicant need not have the 5 hours of training in flight in the duties of a flight engineer specified in § 35.31 (a), (b), and (c) prior to taking the written examination required by § 35.32.

§ 35.33 *Skill.* An applicant shall pass a practical examination in the duties of a flight engineer on an aircraft having 4 or more engines and certificated in the transport category or on an aircraft having 4 or more engines and incorporating a flight engineer station, with respect to pre-flight inspection of aircraft, servicing, starting, and pre-take-off run-up, and

(a) In flight, demonstrate competence with respect to normal duties and procedures relating to the aircraft, aircraft engines, propellers, and appliances; and

(b) In flight, or in an approved synthetic trainer which accurately simulates the flight characteristics and performance of the aircraft, demonstrate competence with respect to emergency duties, procedures, and recognition of and the taking of appropriate action with respect to the malfunctioning of aircraft, aircraft engines, propellers, and appliances.

§ 35.34 *Limited certificate.* (a) An applicant may be certificated as a flight engineer for an aircraft having less than 4 engines: *provided:* That

(1) The design of the aircraft incorporates a flight engineer station satisfactory to the Administrator,

(2) The applicant meets the requirements of §§ 35.21 through 35.32, except that experience need not include flight time in aircraft having more than 2 engines, and

(3) The applicant passes a practical examination as required in § 35.33 in aircraft having less than 4 engines.

(b) A certificate issued under the provisions of this section shall contain an appropriate limitation which may be removed at such time as the holder of the certificate passes the practical test prescribed in § 35.33 for an aircraft having 4 or more engines.

OPERATING RULES

§ 35.41 *Certificate required.* No individual shall serve as a flight engineer in air commerce on an aircraft of United States registry without, or in violation of the terms of, a certificate isued in accordance with the provisions of this part. He shall have his certificate in his personal possession when performing his duties.

§ 35.42 *Display.* A flight engineer shall, upon request, present his airman and medical certificates for examination by any authorized representative of the Civil Aeronautics Board or the Administrator, or by any State or local law enforcement officer.

§ 35.43 *Medical certificate.* No individual shall exercise the privileges accorded by a flight engineer certificate unless he has in his personal possession while so serving a medical certificate or other evidence satisfactory to the Administrator showing that he has met the physical requirements appropriate thereto within the preceding 12 months.

§ 35.44 *Operation during physical deficiency.* No individual shall exercise the privileges accorded by a flight engi-

neer certificate during any period of known physical deficiency or increase in physical deficiency which would render him unable to meet the physical requirements prescribed for the issuance of his currently effective medical certificate.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART, *Acting Secretary.*

[F. R. Doc. 58-6938; Filed, Aug. 22, 1958; 8:51 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

Subchapter B—Loans, Purchases, and Other Operations

[1958 C. C. C. Grain Price Support Bulletin 1, Supp. 2, Amdt. 2, Wheat]

PART 421—GRAINS AND RELATED COMMODITIES

SUBPART—1958-CROP WHEAT LOAN AND PURCHASE AGREEMENT PROGRAM

DETERMINATION OF SUPPORT RATES

The regulations issued by the Commodity Credit Corporation and the Commodity Stabilization Service published in 23 F. R. 3485, 5317 and 5764 containing the specific requirements for the 1958-crop wheat price support program are hereby amended to also provide discounts for eligible wheat which grades No. 4, No. 5 or "Sample" because of damaged kernels and "Sample" because of test weight but having a test weight not less than 40 pounds per bushel.

Section 421.3043 *Determination of support rates* * * *, paragraph (d) *Support rates* * * *, subparagraph (3) *Premiums and discounts for class, grade, variety and protein content* is amended as follows:

1. Subdivision (i) (*a*) is amended by changing the footnote 1 to read as follows:

[1] Not applicable to any of the undesirable varieties listed in the variety discount schedule or to Hard Amber Durum or Amber Durum grading No. 4, 5 or "Sample" because of damaged kernels.

2. Subdivision (iv) is amended by changing the footnote 1 to read as follows:

[1] Not applicable to any of the undesirable varieties listed in the variety discount schedule or to wheat grading No. 4, 5 or "Sample" because of damaged kernels.

3. Section 421.3043 (d) (3) is further amended by the addition of a new subdivision (v) as follows:

(v) Special discounts for wheat grading "Sample" on factor of test weight only: [1]

Test weight (pounds)	Discount for Hard Red Spring Wheat	Discount for wheat of all other classes
	Cents per bushel	*Cents per bushel*
50	0	4
49	4	8
48	8	12
47	12	16
46	16	20
45	20	24
44	26	30
43	32	36
42	38	42
41	44	48
40	50	54

4. Section 421.3043 (d) (3) is further amended by the addition of a new subdivision (vi) as follows:

(vi) Special discounts for wheat grading No. 4, 5 or "Sample" on factor of total damaged kernels (other than heat damaged).

Total damaged kernels: [1]	*Cents per bushel*
7.1–8 percent	−1
8.1–9 percent	−2
9.1–10 percent	−3
10.1–11 percent	−4
11.1–12 percent	−5
12.1–13 percent	−6
13.1–14 percent	−7
14.1–15 percent	−8
15.1–16 percent	−10
16.1–17 percent	−12
17.1–18 percent	−14
18.1–19 percent	−16
19.1–20 percent	−18
20.1–21 percent	−20
21.1–22 percent	−22
22.1–23 percent	−24
23.1–24 percent	−26
24.1–25 percent	−28
25.1–26 percent	−30
26.1–27 percent	−32
27.1–28 percent	−34
28.1–29 percent	−36
29.1–30 percent	−38

[1] The discount for total damaged kernels (not in excess of 30 percent damage) shall be in addition to any applicable classification, grade and variety discounts and in addition to the special discounts for test weight provided in subdivision (v) of this subparagraph. If the wheat grades No. 4, 5 or "Sample" because of the factor total damaged kernels (not in excess of 30 percent damage), contains not more than 14 percent moisture, is not musty, sour, heating or hot, but otherwise grades No. 3 or better, the discount for total damaged kernels shall be in addition to the applicable discount for grade No. 3.

Wheat of any class which grades "Sample" because it contains in excess of 30 percent damaged kernels (other than heat damaged), which contains not more than 14 percent moisture, which is not musty, sour, heating or hot, and which meets all other eligibility requirements shall be discounted 60 cents per bushel from the applicable basic terminal or county support rate. The discounts set forth in subdivisions (iii) and (v) of this subparagraph shall be applicable to wheat of this quality. The discounts set forth in subdivisions (i) (*b*) and (ii) (*b*) of this subparagraph, shall not be applicable to wheat of this quality.

(Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. 714b. Interprets or applies sec. 5, 62 Stat. 1072, secs. 101, 401, 63 Stat. 1051, as amended, 1053, 1054; 15 U. S. C. 714c, 7 U. S. C. 1441, 1447, 1421)

Issued this 19th day of August 1958.

[SEAL] WALTER C. BERGER, *Executive Vice President, Commodity Credit Corporation.*

[F. R. Doc. 58-6817; Filed, Aug. 22, 1958; 8:47 a. m.]

[1] These discounts are in addition to the discount of 9 cents per bushel for wheat grading No. 5 on the basis of test weight only and in addition to any other applicable discounts.

[1958 C. C. C. Grain Price Support Bulletin 1, Supp. 1, Amdt. 4, Wheat]

PART 421—GRAINS AND RELATED COMMODITIES

SUBPART—1958-CROP WHEAT LOAN AND PURCHASE AGREEMENT PROGRAM

ELIGIBLE WHEAT

The regulations issued by the Commodity Credit Corporation and the Commodity Stabilization Service published in 23 F. R. 3485, 5317, and 5764, containing specific requirements for the 1958-crop wheat price support program are hereby amended as follows:

1. Section 421.3038 (c) (1) is amended to also make wheat grading No. 4, 5 or "Sample" because of damaged kernels (other than heat damage) and wheat grading "Sample" because of test weight but having a test weight of not less than 40 pounds per bushel eligible for price support so that the amended subparagraph reads as follows:

§ 421.3083 *Eligible wheat.* * * *

(c) * * *

(1) The wheat must be (i) wheat of any class grading No. 3 or better; (ii) wheat of any class grading No. 4 or 5 because of containing "Durum" and/or "Red Durum," but otherwise grading No. 3 or better; (iii) wheat of any class which grades No. 4, 5 or "Sample" on the factor of test weight, provided the test weight is not less than 40 pounds per bushel and which otherwise meets the requirements of subdivision (i), (ii) or (iv) of this subparagraph; (iv) wheat of any class which grades No. 4, 5 or "Sample" on the factor of damaged kernels (other than heat damage), provided such wheat with damaged kernels contains not more than 14 percent moisture, is not musty, sour, heating or hot, and which except for such damaged kernel factor would meet the requirements stated in subdivision (i), (ii) or (iii) of this subparagraph; or (v) wheat of the class Mixed Wheat, consisting of mixtures of grades of eligible wheat as stated in subdivision (i), (ii) (iii) or (iv) of this subparagraph, provided such mixtures are the natural products of the field.

2. Section 421.3040 (c) is amended by extending the schedule therein to apply to wheat testing as low as 40 pounds per bushel so that the amended paragraph reads as follows:

§ 421.3040 *Determination of quantity.* * * *

(c) When the quantity of wheat is determined by measurement, a bushel shall be 1.25 cubic feet of wheat testing 60

pounds per bushel. The quantity determined shall be the following percentages of the quantity determined for 60-pound wheat:

For wheat testing:	Percent
65 pounds or over	108
64 pounds or over, but less than 65 pounds	107
63 pounds or over, but less than 64 pounds	105
62 pounds or over, but less than 63 pounds	103
61 pounds or over, but less than 62 pounds	102
60 pounds or over, but less than 61 pounds	100
59 pounds or over, but less than 60 pounds	98
58 pounds or over, but less than 59 pounds	97
57 pounds or over, but less than 58 pounds	95
56 pounds or over, but less than 57 pounds	93
55 pounds or over, but less than 56 pounds	92
54 pounds or over, but less than 55 pounds	90
53 pounds or over, but less than 54 pounds	88
52 pounds or over, but less than 53 pounds	87
51 pounds or over, but less than 52 pounds	85
50 pounds or over, but less than 51 pounds	83
49 pounds or over, but less than 50 pounds	82
48 pounds or over, but less than 49 pounds	80
47 pounds or over, but less than 48 pounds	78
46 pounds or over, but less than 47 pounds	77
45 pounds or over, but less than 46 pounds	75
44 pounds or over, but less than 45 pounds	73
43 pounds or over, but less than 44 pounds	72
42 pounds or over, but less than 43 pounds	70
41 pounds or over, but less than 42 pounds	68
40 pounds or over, but less than 41 pounds	67

(Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 101, 401, 63 Stat. 1051, 1054; 15 U. S. C. 714c, 7 U. S. C. 1441, 1421)

Issued this 19th day of August 1958.

[SEAL] WALTER C. BERGER,
Executive Vice President,
Commodity Credit Corporation.

[F. R. Doc. 58-6818; Filed, Aug. 22, 1958; 8:48 a. m.]

[1958 C. C. C. Grain Price Support Bulletin 1, Supp. 1, Amdt. 1, Rice]

PART 421—GRAINS AND RELATED COMMODITIES

SUBPART—1958-CROP RICE LOAN AND PURCHASE AGREEMENT PROGRAM

SUPPORT RATES

The regulations issued by the Commodity Credit Corporation and the Commodity Stabilization Service (23 F. R. 3987) with respect to rice produced in 1958 which contain specific requirements for the 1958-Crop Rice Price Support Program are hereby amended as follows:

Section 421.3344 (a) is amended to include the final value factors for head and broken rice so that the amended paragraph reads as follows:

§ 421.3344 *Support rates.* • • •

(a) *Basic rates.* The basic support rate per 100 pounds of rough rice shall be computed as follows: Multiply the yield (in pounds per hundredweight) of head rice by the applicable value factor for head rice (as shown in the table below according to class or variety). Similarly, multiply the difference between the total yield and head rice yield (in pounds per hundredweight) by the applicable value factor for broken rice. Add the results of these two computations to obtain the basic loan or purchase rate per 100 pounds of rough rice and express such rate in dollars and cents, rounded to the nearest whole cent.

VALUE FACTORS FOR HEAD AND BROKEN RICE

Group	Rough rice class or variety	Head rice	Broken rice
I	Patna (except the variety Century Patna), and Rexoro (except the variety Rexark)	$0.0902	$0.04
II	Blue Bonnet, Nira and Rexark	.0852	.04
III	Century Patna, Toro, Fortuna, R. N. and Edith	.0752	.04
IV	Blue Rose (including the varieties Improved Blue Rose, Greater Blue Rose, Kamrose and Arkrose), Magnolia, Zenith, Prelude, Lady Wright and Nato	.0727	.04
V	Pearl, Calrose, Early Prolific, Calady, and other varieties	.0637	.04

(Sec. 4, 62 Stat. 1070 as amended; 15 U. S. C. 714b. Interprets or applies sec. 5, 62 Stat. 1072, secs. 101, 401, 63 Stat. 1051, 1054; 15 U. S. C. 714c, 7 U. S. C. 1421, 1441)

Issued at Washington, D. C., this 19th day of August 1958.

[SEAL] WALTER C. BERGER,
Executive Vice President,
Commodity Credit Corporation.

[F. R. Doc. 58-6819; Filed, Aug. 22, 1958; 8:48 a. m.]

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

Subchapter A—General

PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

LABELING OF OLEOMARGARINE OR MARGARINE

Subsequent to publication in 1950 of the regulation in Part 3—Statements of Policy and Interpretation, captioned § 3.17 *Labeling of oleomargarine* (21 CFR 3.17), the definition and standard of identity for oleomargarine (21 CFR 45.1) was amended in 1952 to include the name "margarine" as a synonym for the name "oleomargarine" and to list additional optional ingredients. Now, therefore, pursuant to the provisions of the Federal Register Act (44 U. S. C. 311) and the regulations thereunder (1 CFR 1.34), the statement of policy and interpretation contained in § 3.17 *Labeling of oleomargarine* is revoked and is republished as set forth below. This action is taken under the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 701, 52 Stat. 1055; 21 U. S. C. 371) and delegated to the Commissioner of Food and Drugs by the Secretary (22 F. R. 1045).

§ 3.17 *Labeling of oleomargarine or margarine.* The Federal Food, Drug, and Cosmetic Act was amended by Public Law 459, 81st Congress (64 Stat. 20) on colored oleomargarine or margarine by adding thereto a new section numbered 407. Among other things, this section requires that there appear on the label of the package the word "oleomargarine" or "margarine" in type or lettering at least as large as any other type or lettering on the label, and a full and accurate statement of all the ingredients contained in such oleomargarine or margarine. It provides that these requirements "shall be in addition to and not in lieu of any of the other requirements of this Act."

(a) Under section 403 (g) of the Federal Food, Drug, and Cosmetic Act, any article that is represented as or purports to be oleomargarine or margarine must conform to the definition and standard of identity for oleomargarine or margarine promulgated under section 401 of the act (21 CFR 45.1), and its label must bear the name 'oleomargarine" or "margarine."

(b) The identity standard for oleomargarine or margarine applies to both the uncolored and the colored article. Although this standard does not require that all permitted optional ingredients be declared on the label, the amendment to the Federal Food, Drug, and Cosmetic Act made by Public Law 459, 81st Congress, requires the labels on packages of colored oleomargarine or margarine to bear "a full and accurate statement of all the ingredients contained in such oleomargarine or margarine." The optional ingredients permitted by the identity standard for oleomargarine or margarine and the names by which we believe such ingredients, when present, should be declared in order to constitute "a full and accurate statement" are set forth below:

(1) The rendered fat or oil, or stearin derived therefrom (any or all of which may be hydrogenated), of cattle, sheep, swine, or goats, or any combination of two or more such articles—to be declared by the name of the specific animal fat, oil, or stearin, for example, "beef fat." If the animal fat or oil is hydrogenated the name should include the word "hydrogenated" or "hardened." Where combinations are used, the names are to be arranged in order of predominance, with the animal fat, oil, or stearin present in greatest proportion named first.

(2) Any vegetable food fat or oil, or oil or stearin derived therefrom (any or all of which may be hydrogenated), or any combination of two or more such articles—to be declared by the name of the specific vegetable food fat, oil, or

stearin, for example "cottonseed oil" or "soybean oil." If the vegetable fats or oils present are hydrogenated, the declaration should include the word "hydrogenated" or "hardened," for example, "hydrogenated cottonseed oil" or "hardened cotonseed oil." If two or more vegetable food fats or oils are used they are to be named in order of predominance with the one present in greatest proportion named first in the series, as, for example, "cottonseed oil, soybean oil, and corn oil."

(3) The optional ingredients cream, milk, skim milk, nonfat dry milk and water, ground soybeans and water, butter, and salt should be declared by those terms.

(4) Artificial color and artificial flavor should be declared as such by the terms prescribed in the identity standard for oleomargarine or margarine (Part 45 of this chapter). They need not be declared additionally by the names of the specific colors or flavors.

(5) The presence of sodium benzoate or benzoic acid should be declared as prescribed by the identity standard for oleomargarine or margarine.

(6) The optional ingredient vitamin A added in an essential carrier should be declared as "vitamin A added" or "with added vitamin A."

(7) The optional ingredient vitamin D should be declared as "vitamin D added" or "with added vitamin D."

(8) The optional emulsifying ingredients lecithin, mono- or diglycerides and sodium sulfo-acetate derivatives of mono- or diglycerides should be declared by those terms.

(9) The presence of citric acid, isopropyl citrate, and stearyl citrate should be declared as prescribed by the identity standard for oleomargarine or margarine.

(10) The statement of all the ingredients contained in colored oleomargarine or colored margarine is subject to the requirements pertaining to conspicuousness in section 403 (f) of the act.

(c) In considering the requirement that the word "oleomargarine" or "margarine" be in type or lettering at least as large as any other type or lettering on the label, it must be borne in mind that at least three factors are involved—the height of each letter, the area occupied by each letter as measured by a closely fitting rectangle drawn around it, and the boldness of letters or breadth of the lines forming the letters. The type or lettering used should meet the following tests:

(1) The height of each letter in the word "oleomargarine" or "margarine" should equal or exceed the height of any other letter elsewhere on the label.

(2) The area of the closely fitting rectangle with respect to any of the letters in the word "oleomargarine" or "margarine" should equal or exceed the area of such rectangle applied to the same or a corresponding letter elsewhere on the label.

(3) The letters in the word "oleomargarine" or "margarine" should be equal to or exceed in prominence and boldness, such as breadth of lines forming the letters, the same or corresponding letters elsewhere on the label.

(d) All oleomargarine or margarine containing the optional ingredients vitamin A, vitamin D, or both is subject to the regulations labeling requirements pertaining to foods for special dietary use, as promulgated under the provisions of section 403 (j) of the act (21 CFR Part 125, as amended).

(e) The word "oleomargarine" or "margarine" (and thus the other information called for by the statute) should appear on each panel of the package label that might reasonably be selected by the grocer for display purposes at the point of sale.

(f) The amendment covering colored oleomargarine or colored margarine states that, "for the purposes of * * * section 407 of the Federal Food, Drug, and Cosmetic Act, as amended, the term 'oleomargarine' or 'margarine' includes: (1) All substances, mixtures, and compounds known as oleomargarine or margarine; (2) all substances, mixtures, and compounds which have a consistence similar to that of butter and which contain any edible oils or fats other than milk fat if made in imitation or semblance of butter." Notwithstanding the difference between this definition and the definition and standard of identity for oleomargarine or margarine promulgated under section 401 of the act, it was the clear intent of Congress that any article which is represented as or purports to be oleomargarine or margarine is misbranded if it fails to comply with the definition and standard of identity for oleomargarine or margarine even though it may meet the statutory definition.

(g) Section 407 (a) states that "Colored oleomargarine or colored margarine which is sold in the same State or Territory in which it is produced shall be subject in the same manner and to the same extent to the provisions of this act as if it had been introduced in interstate commerce."

(h) Section 407 (b) (4) requires that each part of the contents of the package be "contained in a wrapper which bears the word 'oleomargarine' or 'margarine' in type or lettering not smaller than 20-point type." The Food and Drug Administration interprets this to mean that the height of the actual letters is no less than 20 points, or 20/72 of 1 inch.

(i) The wrappers on the subdivisions of oleomargarine or margarine contained within the packages sold at retail are labels within the meaning of section 201 (k) and should contain all of the label information required by sections 403 and 407 of the Federal Food, Drug, and Cosmetic Act, just as in the case of 1-pound cartons.

(Sec. 701, 52 Stat. 1055, as amended; 21 U. S. C. 371. Interprets or applies sec. 407, 64 Stat. 20; 21 U. S. C. 347)

Dated: August 18, 1958.

[SEAL] GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F. R. Doc. 58-6831; Filed, Aug. 22, 1958; 8:49 a. m.]

Subchapter B—Food and Food Products

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

TOLERANCES FOR RESIDUES OF TOTAL COMBINED BROMINE IN OR ON CHERRIES AND PLUMS AFTER FUMIGATION WITH ETHYLENE DIBROMIDE

No objections having been filed to the proposal published in the FEDERAL REGISTER of May 20, 1958 (23 F. R. 3408) in re the establishment of tolerances of 25 parts per million for residues of total combined bromine in or on cherries and plums after fumigation with ethylene dibromide, and on request having been received for referral of the proposal to an advisory committee: *It is ordered*, That the regulations for tolerances for residues of pesticide chemicals in or on raw agricultural commodities (21 CFR, 1957 Supp., 120.146 (23 F. R. 2966)) be amended by changing § 120.146 to read as follows:

§ 120.146 *Tolerances for residues of inorganic bromides or total combined bromine resulting from fumigation with ethylene dibromide*—(a) *Tolerances for inorganic bromide residues.* (1) Tolerances of 50 parts per million are established for residues of inorganic bromides (calculated as Br) in or on the following grains that have been fumigated with ethylene dibromide: Barley, corn, oats, popcorn, rice, rye, sorghum (milo), wheat.

(2) Tolerances of 10 parts per million are established for residues of inorganic bromides (calculated as Br) in or on the following raw agricultural commodities that have been fumigated with ethylene dibromide in accordance with the Mediterranean Fruit Fly Control Program or the Quarantine Program of the U. S. Department of Agriculture: Beans (string), bitter melons (Mormodica charantia), cantaloups, Cavendish bananas, citrus fruits, cucumbers, guavas, litchi fruit, litchi nuts, mangoes, papayas, peppers (bell), pineapples, zucchini squash.

(b) *Tolerances for total combined bromine residues.* Tolerances of 25 parts per million are established for residues of total combined bromine (which include bromine from both inorganic and organic compounds, resulting from fumigation with ethylene dibromide in accordance with the Mediterranean Fruit Fly Control Program, the Quarantine Program of the U. S. Department of Agriculture, or to meet State quarantine requirements) in or on cherries, plums (fresh prunes).

This action is taken pursuant to the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408 (b), (e), 68 Stat. 511, 514; 21 U. S. C. 346a (b), (e)), and delegated to the Commissioner of Food and Drugs by the Secretary (21 CFR 120.29).

Any person who will be adversely affected by the foregoing order may, at any time prior to the thirtieth day from the effective date thereof, file with the Hearing Clerk, Department of Health,

Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D. C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by this order, specify with particularity the provisions of the order deemed objectionable and reasonable grounds for the objections, and request a public hearing upon the objections. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective upon publication in the FEDERAL REGISTER.

(Sec. 701, 52 Stat. 1055, as amended; 21 U. S. C. 371. Interprets or applies sec. 408, 68 Stat. 511; 21 U. S. C. 346a)

Dated: August 18, 1958.

[SEAL] GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F. R. Doc. 58-6832; Filed, Aug. 22, 1958; 8:50 a. m.]

TITLE 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

Subchapter A—Income Tax

[T. D. 6304]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

MEASUREMENT OF SUPPORT IN DEPENDENCY CASES

On May 20, 1958, a notice of proposed rule making regarding an amendment to those provisions of the Income Tax Regulations under section 152 of the Internal Revenue Code of 1954 relating to the measurement of support in dependency cases was published in the FEDERAL REGISTER (23 F. R. 3403). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, such rules are hereby adopted as set forth below.

(68A Stat. 917; 26 U. S. C. 7805)

[SEAL] RUSSELL C. HARRINGTON,
Commissioner of Internal Revenue.

Approved: August 19, 1958.

FRED C. SCRIBNER, Jr.,
Acting Secretary of the Treasury.

The Income Tax Regulations (26 CFR (1954) Part 1) are amended by deleting the last two sentences of paragraph (a) (2) (i) of § 1.152-1 (adopted by Treasury Decision 6231, 22 F. R. 2940, April 26, 1957) and by inserting in lieu thereof, the following: "Generally, the amount of an item of support will be the amount of expense incurred by the one furnishing such item. If the item of support furnished an individual is in the form of property or lodging, it will be necessary to measure the amount of such item of support in terms of its fair market value."

[F. R. Doc. 58-6837; Filed, Aug. 22, 1958; 8:51 a. m.]

TITLE 29—LABOR

Subtitle A—Office of the Secretary of Labor

PART 4—CHILD LABOR REGULATIONS, ORDERS, AND STATEMENTS OF INTERPRETATION

OCCUPATIONS PARTICULARLY HAZARDOUS FOR THE EMPLOYMENT OF MINORS BETWEEN 16 AND 18 YEARS OF AGE OR DETRIMENTAL TO THEIR HEALTH OR WELL-BEING

EXEMPTIONS

Finding and order. On May 8, 1958, notice was published in the FEDERAL REGISTER (23 F. R. 3069) that the Secretary of Labor proposed to amend Hazardous Occupations Orders Nos. 5, 8, and 12 (29 CFR 4.55, 4.59, and 4.63, respectively), for the purpose of providing uniform exemptions for student-learners enrolled in cooperative vocational training programs conducted by recognized state or local authority or in substantially similar programs conducted by private schools in the three orders. The proposals included the modification of the exemption in Order No. 12 to make it applicable to the employment of student-learners in cooperative vocational programs in all of the occupations covered by that order, and the provision of new exemptions in Orders Nos. 5 and 8 similar to the one thus provided for such student-learners in Order No. 12.

In addition, uniform exemptions for apprentices under these three orders were proposed. This uniformity was accomplished by modifying the language of the apprentice exemption included in Order No. 5 to make it conformable with that set forth in the exemptions for apprentices contained in Orders Nos. 8 and 12.

The notice provided for a public hearing on the matters set forth therein to be held in Washington, D. C., on June 17, 1958. Interested persons were invited to participate in the hearing and to submit data, views, or arguments with respect to the proposed amendments. Interested persons unable to attend were afforded an opportunity to submit such data, views, or arguments in writing.

All relevant matter so presented and submitted has been carefully considered, and upon the basis of this evidence and information, it is hereby found appropriate to amend Hazardous Occupations Orders Nos. 5, 8, and 12, as proposed.

Now, therefore, pursuant to authority contained in section 3 (l) of the Fair Labor Standards Act of 1938, as amended (52 Stat. 1060, as amended; 29 U. S. C. 203 (l)) and Reorganization Plan No. 2 (3 CFR, 1943–1948 Comp., p. 1064), and in accordance with the Procedure Governing Determinations of Hazardous Occupations (29 CFR Part 4, Subpart D), I hereby order the adoption of the said proposals and amend Hazardous Occupations Orders Nos. 5, 8, and 12 (29 CFR Part 4, Subpart E, §§ 4.55 (c), 4.59 (c) (2), and 4.63 (c) (2), respectively), to read as follows:

§ 4.55 *Occupations involved in the operation of power-driven woodworking machines (Order 5).* * * *

(c) *Exemptions.* (1) This section shall not apply to the employment of apprentices in the occupations herein declared particularly hazardous: *Provided,* That (i) the apprentice is employed in a craft recognized as an apprenticeable trade, (ii) the work of the apprentice in the occupations herein declared hazardous is incidental to the apprentice training, is intermittent and for short periods of time, and is under the direct and close supervision of a journeyman as a necessary part of such apprentice training, and (iii) the apprentice is registered by the Bureau of Apprenticeship and Training of the United States Department of Labor as employed in accordance with the standards established by that Bureau, or is registered by a State agency as employed in accordance with the standards of the State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, or is employed under a written apprenticeship agreement under conditions which substantially conform to such Federal or State standards as determined by the Secretary of Labor.

(2) This section shall not apply to the employment of a student-learner in occupations herein declared particularly hazardous: *Provided, however,* That such a student-learner is enrolled in a course of study and training in a cooperative vocational training program under a recognized State or local educational authority or in a course of study in a substantially similar program conducted by a private school: *Provided, further,* That such student-learner be employed under a written agreement which shall provide: (i) That the work of the student-learner in the occupations herein declared hazardous shall be incidental to his training, shall be intermittent and for short periods of time, and shall be under the direct and close supervision of a qualified and experienced person; (ii) that safety instruction shall be given by the school and correlated by the employer with on-the-job training; and (iii) that a schedule of organized and progressive work processes to be performed on the job shall have been prepared. Such a written agreement shall carry the name of the student-learner, and shall be signed by the employer and the school coordinator or principal. Copies of the agreement shall be kept on file by both the school and the employer. This exemption for the employment of student-learners may be revoked in any individual situation wherein it is found that reasonable precautions have not been observed for the safety of minors employed thereunder.

§ 4.59 *Occupations involving the operation of power-driven metal forming, punching, and shearing machines (Order 8).* * * *

(c) *Exemptions.* * * *

(2) This section shall not apply to the employment of a student-learner in occupations herein declared particularly hazardous: *Provided, however,* That such a student-learner is enrolled in a course of study and training in a cooperative vocational training program under a recognized State or local educational authority or in a course of study in a substantially similar program conducted by a private school: *Provided, further,* That

such student-learner be employed under a written agreement which shall provide: (i) That the work of the student-learner in the occupations herein declared hazardous shall be incidental to his training, shall be intermittent and for short periods of time, and shall be under the direct and close supervision of a qualified and experienced person; (ii) that safety instruction shall be given by the school and correlated by the employer with on-the-job training; and (iii) that a schedule of organized and progressive work processes to be performed on the job shall have been prepared. Such a written agreement shall carry the name of the student-learner, and shall be signed by the employer and the school coordinator or principal. Copies of the agreement shall be kept on file by both the school and the employer. This exemption for the employment of student-learners may be revoked in any individual situation wherein it is found that reasonable precautions have not been observed for the safety of minors employed thereunder.

§ 4.63 *Occupations involving the operation of paper-products machines (Order 12).* * * *

(c) *Exemptions.* * * *

(2) This section shall not apply to the employment of a student-learner in occupations herein declared particularly hazardous: *Provided, however,* That such a student-learner is enrolled in a course of study and training in a cooperative vocational training program under a recognized State or local educational authority or in a course of study in a substantially similar program conducted by a private school: *Provided, further,* That such student-learner be employed under a written agreement which shall provide: (i) That the work of the student-learner in the occupations herein declared hazardous shall be incidental to his training, shall be intermittent and for short periods of time, and shall be under the direct and close supervision of a qualified and experienced person; (ii) that safety instruction shall be given by the school and correlated by the employer with on-the-job training; and (iii) that a schedule of organized and progressive work processes to be performed on the job shall have been prepared. Such a written agreement shall carry the name of the student-learner, and shall be signed by the employer and the school coordinator or principal. Copies of the agreement shall be kept on file by both the school and the employer. This exemption for the employment of student-learners may be revoked in any individual situation wherein it is found that reasonable precautions have not been observed for the safety of minors employed thereunder.

These amendments shall become effective September 23, 1958.

(Sec. 3, 52 Stat. 1060, as amended; 29 U. S. C. 203)

Signed at Washington, D. C., this 18th day of August 1958.

JAMES P. MITCHELL,
Secretary of Labor.

[F. R. Doc. 58-6836; Filed, Aug. 22, 1958; 8:50 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 204—DANGER ZONE REGULATIONS

PART 207—NAVIGATION REGULATIONS

MISCELLANEOUS AMENDMENTS

1. Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1), § 204.113 establishing and governing the use and navigation of a restricted area in the Gulf of Mexico and Apalachicola Bay south of Apalachicola, Florida, is hereby amended, redesignating the eastern boundary of the area, amending paragraph (a) as follows:

§ 204.113 *Gulf of Mexico and Apalachicola Bay south of Apalachicola, Florida, Drone Recovery Area, Tyndall Air Force Base, Florida*—(a) *The restricted area.* A rectangular area excluding St. George Island with the eastern boundary of the area west of the channel through St. George Island within the following co-ordinates: Beginning at a point designated as the northeast corner latitude 29°38'20" N, longitude 84°58'30" W; thence southeast to latitude 29°35'23" N, longitude 84°56'54" W; thence southwest to latitude 29°34'15" N, longitude 85°00'35" W; thence northwest to latitude 29°37'10" N, longitude 85°02'00" W; thence northeast to point of beginning.

[Regs., Aug. 7, 1958, 800.211—ENGWO] (Sec. 7, 40 Stat. 266; 33 U. S. C. 1)

2. Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1), § 204.140 establishing and governing the use and navigation of a danger zone used as a naval firing range in the Gulf of Mexico south of Pensacola, Florida, is hereby amended with respect to paragraph (b) (1) revising the periods of firing, as follows:

§ 204.140 *Gulf of Mexico, south of Pensacola Bay; firing range, U. S. Naval Station, Pensacola, Fla.* * * *

(b) *The regulations.* (1) Scheduled firing will take place on Tuesday of each week between the hours of 8:00 a. m. and 3:30 p. m. Unscheduled firing may take place other week days between these hours except Saturdays, Sundays and holidays, on which days the Rifle Range will be closed to all firing.

[Regs., Aug. 7, 1958, 800.211—ENGWO] (Sec. 7, 40 Stat. 266; 33 U. S. C. 1)

3. Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; U. S. C. 1), § 204.210 establishing and governing the use and navigation of a danger zone in the Pacific Ocean adjacent to San Francisco, California is hereby revoked, as follows:

§ 204.210 *Pacific Ocean adjacent to San Francisco, Calif.; firing ranges, U. S. Military Reservations, Harbor Defense of San Francisco.* [Revoked]

[Regs., Aug. 7, 1958, 800.211—ENGWO] (Sec. 7, 40 Stat. 266; 33 U. S. C. 1)

4. Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1), paragraph (h) of § 207.640 establishing and governing the use and navigation of a restricted area in San Francisco Bay, California is hereby revoked, as follows:

§ 207.640 *San Francisco Bay, San Pablo Bay, Carquinez Strait, Suisun Bay, San Joaquin River, and connecting waters, Calif.* * * *

(h) [Revoked]

[Regs., Aug. 7, 1958, 800.211—ENGWO] (Sec. 7, 40 Stat. 266; 33 U. S. C. 1)

[SEAL] HERBERT M. JONES,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 58-6807; Filed, Aug. 22, 1958; 8:45 a. m.]

TITLE 35—PANAMA CANAL

Chapter I—Canal Zone Regulations

PART 21—PUBLIC LANDS; MILITARY AND NAVAL RESERVATIONS

EDITORIAL NOTE: Section 21.2, issued pursuant to 35 Stat. 658; 2 C. Z. Code 303, is hereby deleted from the Code of Federal Regulations. The amendment of section 303 of Title 2 of the Canal Zone Code at 63 Stat. 594 has rendered § 21.2 obsolete.

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 15—MATTER MAILABLE UNDER SPECIAL RULES

PART 26—AIRMAIL

SHIPMENTS UNDER FEDERAL REGULATIONS; WEIGHT AND SIZE LIMITS

1. In § 15.4 *Shipments under Federal regulations* amend paragraph (b) to read as follows:

(b) *Meats and meat products.* Meats and meat products may be sent through the mail only if they conform with regulations of the U. S. Department of Agriculture under Federal statutes. Each shipment must be accompanied with a certificate submitted by the mailer on Form 3583. This form is designed for use by all shippers of meat or meat-food products subject to the inspection regulations of the U. S. Department of Agriculture. Three types of certificates are included in the form. The shipper must complete both sides of the form and submit it to the postmaster with each shipment. The original copies of all certificates must be kept in the post office for 1 year. Certificates one and two must be completed in duplicate and the duplicates sent to the address of the U. S. Department of Agriculture printed on the form.

NOTE: The corresponding Postal Manual section is 125.36.

(R. S. 161, 396, as amended; sec. 1, 62 Stat. 781, as amended; 5 U. S. C. 22, 369, 18 U. S. C. 1716)

2. Section 26.3 *Weight and size limits* is amended to read as follows:

§ 26.3 *Weight and size limits*—(a) *Weight.* Airmail may weigh up to 70 pounds. See Part 17 of this chapter for the exception to this limit for articles addressed to certain APO's and NPO's.

(b) *Size.* Airmail is limited to 100 inches in combined length and girth. See Part 17 of this chapter for the exception to this limit for articles addressed to certain APO's and NPO's and § 25.3 (b) of this chapter for instructions on how to measure parcels.

NOTE: The corresponding Postal Manual section is 136.3.

(R. S. 161, 396, as amended; sec. 1, 62 Stat. 1097; 5 U. S. C. 22, 369, 39 U. S. C. 475)

[SEAL] HERBERT B. WARBURTON, *General Counsel.*

[F. R. Doc. 58-6811; Filed, Aug. 22, 1958; 8:45 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

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

Appendix—Public Land Orders

[Public Land Order 1721]

[1917038]

[Sacramento 047486]

CALIFORNIA

WITHDRAWING LAND FOR USE OF DEPARTMENT OF ARMY IN CONNECTION WITH SIERRA ORDNANCE DEPOT

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 California are hereby withdrawn from all forms of appropriation under the public land laws, including the mining and mineral-leasing laws and the act of July 31, 1947 (61 Stat. 681; 30 U. S. C. 601–604) as amended, and reserved for use of the Department of the Army in connection with the Sierra Ordnance Depot, and as an addition to those withdrawn by Public Land Orders No. 813 of March 18, 1952, and No. 1614 of April 9, 1958.

MOUNT DIABLO MERIDIAN

T. 28 N., R. 17 E.,
Sec. 29, N½SW¼.

The area described aggregates 80 acres.

It is the intent of this order that the withdrawn minerals in the lands shall remain under the jurisdiction of the Department of the Interior, and no disposition shall be made of such minerals except under the applicable United States mining and mineral leasing laws, and then only after such modification of the provisions of this order as may be necessary to permit such disposition.

FRED G. AANDAHL, *Assistant Secretary of the Interior.*

AUGUST 19, 1958.

[F. R. Doc. 58-6808; Filed, Aug. 22, 1958; 8:45 a. m.]

[Public Land Order 1722]

[Anchorage 033229 et al.]

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, including native rights, if any, 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) as amended, and reserved under the jurisdiction of the Secretary of the Interior, for administration and maintenance as public recreation areas pending their conveyance or other disposal as authorized by the act of May 4, 1956 (70 Stat. 130), as amended by the act of August 30, 1957 (71 Stat. 510):

[Anchorage 033229]

TRACT A

Beginning at a point on the north shore of Tyone Lake, marked by a Bureau of Land Management public service site sign, latitude 62°31'44" N., longitude 146°47'06" W., thence

Northeasterly, 1,320 feet along shore line of Tyone Lake;
Northwesterly, 330 feet;
Southwesterly, 1,320 feet to the bank of a stream;
Southerly, 330 feet along said bank to point of beginning.
The tract described contains 10 acres.

TRACT B

Beginning at a point on the east shore of the channel connecting Tyone and Susitna Lakes, latitude 62°28'28" N., longitude 146°40'10" W., from which a BLM public service site sign bears northerly 160 feet, thence

East, 330 feet;
North, 330 feet;
West, 330 feet to shore line;
South, 330 feet along shore line to point of beginning.
The tract described contains 2.5 acres.

TRACT C

Beginning at a point on the mouth of a stream on the northeast shore of Susitna Lake marked by a BLM public service site sign, latitude 62°27'56" N., longitude 146°37'47" W., thence

Northerly, 330 feet along the stream;
Southwesterly, 330 feet to the shore of Susitna Lake;
Southeasterly, 330 feet along the shore of Susitna Lake to point of beginning.
The tract described contains 1.5 acres.

TRACT D

Beginning at a point at the mouth of a stream on the east shore of Susitna Lake marked by a BLM public service site sign, latitude 62°26'45" N., longitude 146°36'41" W., thence

Easterly, 330 feet along shore of Susitna Lake;
North, 330 feet;
Westerly, 660 feet;
South, 330 feet to a point on the shore of Susitna Lake;
Easterly, 330 feet along shore line to point of beginning.
The tract described contains 5 acres.

TRACT E

Beginning at a point on the east shore of Lake Louise, latitude 62°20'18" N., longitude 146°28'16" W., thence

Northeasterly, 330 feet;
Northwesterly, 330 feet;
Southwesterly, 330 feet to a point on the shore of the lake;
Southeasterly, 330 feet along shore line to point of beginning.
The tract described contains 2.5 acres.

TRACT F

Beginning at a point on the northwest shore of Lake Louise marked by a BLM public service site sign, latitude 62°20'42" N., longitude 146°37'32" W., thence

Northerly, 330 feet along the shore line;
West, 330 feet;
South, 330 feet;
East, 330 feet to point of beginning.
The tract described contains 2.5 acres.

TRACT G

Beginning at a point on the west shore of Little Lake Louise marked by a BLM public service site sign, latitude 62°18'47" N., longitude 146°40'47" W., thence

Northwesterly, 330 feet;
Southwesterly, 330 feet;
Southeasterly, 330 feet to a point on the shore of the lake;
Northeasterly, 330 feet along shore of lake to point of beginning.
The tract described contains 2.5 acres.

TRACT H

Beginning at the tip of a peninsula on the east shore of Little Lake Louise marked by a BLM sign, latitude 62°18'13" N., longitude 146°38'38" W., thence

Northeasterly, 1320 feet along the north shore line of the peninsula to a point marked by a BLM sign;
South, 650 feet to a point on the south shore of the peninsula marked by a BLM sign;
Westerly, 990 feet along south shore to point of beginning.
The tract described contains approximately 10 acres.

[Anchorage 033810]

RAVINE LAKE AREA

SEWARD MERIDIAN

T. 20 N., R. 6 E.;
Sec. 24, SE¼SW¼SW¼.
The area described contains 10 acres.

HATFIELD CHILSON, *Under Secretary of the Interior.*

AUGUST 19, 1958.

[F. R. Doc. 58-6809; Filed, Aug. 22, 1958; 8:45 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

Subchapter B—Carriers by Motor Vehicle

[Ex Parte MC-40]

PART 193—PARTS AND ACCESSORIES NECESSARY FOR SAFE OPERATION

EMERGENCY EQUIPMENT ON ALL POWER UNITS

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 13th day of August A. D. 1958.

The matter of parts and accessories necessary for safe operation under the

Motor Carrier Safety Regulations prescribed by order dated April 14, 1952, as amended, being under consideration; and

It appearing that a notice of proposed rule making was issued February 20, 1958 (23 F. R. 1575), in accordance with section 4 (a) of the Administrative Procedure Act (5 U. S. C. 1003), in which interested persons were invited to present written statements containing data, views, or arguments on the proposal therein to vacate and set aside § 193.95 (b), (c), and (e) of Motor Carrier Safety Regulations relating to spare bulbs, spare fuses, and hand tools on or before March 31, 1958, which time was extended to April 15, 1958, by order dated March 17, 1958 (23 F. R. 1963), and that certain representations have been received in response thereto;

And it further appearing that after full investigation of the matters and things, within the scope of our notice of February 20, 1958, and after full consideration of all the data, views, and arguments received from interested persons with respect thereto, some of the considered requirements are no longer necessary;

It is ordered, That effective September 1, 1958, paragraphs (b) and (e) of § 193.95 of the Motor Carrier Safety Regulations be, and they are hereby, vacated and set aside;

And it is further ordered, That § 193.95, *Emergency equipment on all power units* be, and it is hereby amended by deleting therefrom paragraphs (b) and (e) in their entirety, without altering or changing designations of remaining paragraphs.

Notice of this order shall be given to the general public by depositing a copy thereof in the office of the Secretary of the Commission, Washington, D. C., and by filing a copy thereof with the Director, Federal Register Division.

(49 Stat. 546, as amended; 49 U. S. C. 304)

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F. R. Doc. 58-6824; Filed, Aug. 22, 1958; 8:49 a. m.]

PROPOSED RULE MAKING

POST OFFICE DEPARTMENT

[39 CFR Part 15]

MATTER EXCLUDABLE FROM AIRMAIL

NOTICE OF PROPOSED RULE MAKING

The Department proposes to amend its airmail regulations so as to prohibit airmail transmission of matter specifically excluded from air shipment in lawfully filed or published tariffs of air carriers.

The amendment to Title 39, Chapter 1, Code of Federal Regulations, set forth below will achieve the desired purpose.

The proposed regulation relates to a proprietary function of government and is therefore exempt from the rulemaking requirements of 5 U. S. C. 1003. However, the Postmaster General desires to voluntarily observe the requirements in this case, so that postal patrons may have an opportunity to present written views concerning the proposed regulation. Consideration will be given the proposed regulation in the light of such written views as may be submitted. Comments may be submitted to Mr. Edwin A. Riley, Director, Postal Services Division, Bureau of Operations, Washington 25, D. C., at any time prior to September 22, 1958.

PART 15—MATTER MAILABLE UNDER SPECIAL RULES

In § 15.7 *Airmail*, add new paragraph (d) to read as follows:

(d) Matter specifically excluded from air shipment in lawfully filed or published tariffs of air carriers.

NOTE: The corresponding Postal Manual section is 125.7d.

(R. S. 161, 396, as amended; sec. 405, 52 Stat. 994, as amended, sec. 1, 62 Stat. 781, as amended; 5 U. S. C. 22, 369, 18 U. S. C. 1716, 49 U. S. C. 485)

[SEAL] HERBERT B. WARBURTON, *General Counsel.*

[F. R. Doc. 58-6997; Filed, Aug. 22, 1958; 9:33 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 922]

VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

ORDER DIRECTING THAT REFERENDUM BE CONDUCTED; DESIGNATION OF REFERENDUM AGENTS TO CONDUCT SUCH REFERENDUM; AND DETERMINATION OF REPRESENTATIVE PERIOD

Pursuant to the applicable provisions of Marketing Agreement No. 131 and Order No. 22, as amended (7 CFR Part 922), and 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.), it is hereby directed that a referendum be conducted among the growers who, during the period February 1, 1957, through January 31, 1958 (which period is hereby determined to be a representative period for the purposes of such referendum), were engaged, in the State of Arizona and that part of the State of California, south of the 37th Parallel, in the production of Valencia oranges for market to determine whether such growers favor continuation of the said marketing agreement and order. Warren C. Noland and Edmund J. Blaine of the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, are hereby designated as agents of the Secretary of Agriculture to perform, jointly, or severally, the following functions in connection with the referendum:

(a) Conduct said referendum in the manner herein prescribed:

(1) By giving opportunity for each of the aforesaid growers to cast his ballot, in the manner herein authorized, relative to the aforesaid continuance of the marketing agreement and amended order, on a copy of the appropriate ballot form. A cooperative association of such growers, bona fide engaged in marketing Valencia oranges grown in the aforesaid production area or in rendering services for or advancing the interests of the growers of such Valencia oranges, may vote for the growers who are members of, stockholders in, or under contract with, such cooperative association (such vote to be cast on a copy of the appropriate ballot form), and the vote of such cooperative association shall be considered as the vote of such growers.

(2) By determining the time of commencement and termination of the period of the referendum and by giving public notice, as prescribed in (a) (3) hereof, (i) of the time during which the referendum will be conducted, (ii) that any ballot may be cast by mail, and (iii) that all ballots so cast must be addressed to Warren C. Noland, Field Representative, Fruit and Vegetable Division, Agricultural Marketing Service, 1031 South Broadway, Room 1005, Los Angeles 15, California, and the time such ballots must be received.

(3) By giving public notice (i) by utilizing available agencies of public information (without advertising expense), including both press and radio facilities in the State of Arizona and designated part of California; (ii) by mailing a notice thereof (including a copy of the appropriate ballot form) to each such cooperative association and to each grower whose name and address are known; and (iii) by such other means as said referendum agents or any of them may deem advisable.

(4) By conducting meetings of growers and arranging for balloting at the meeting places, if said referendum agents or any of them determine that voting shall be at meetings. At each such meeting, balloting shall continue until all of the growers who are present, and who desire to do so, have had an opportunity to vote. Any grower may cast his ballot at any such meeting in lieu of voting by mail.

(5) By giving ballots to growers at the meetings, and receiving any ballots when they are cast.

(6) By securing the name and address of each person casting a ballot, and in-

quiring into the eligibility of such person to vote in the referendum.

(7) By giving public notice of the time and place of each meeting authorized hereunder by posting a notice thereof, at least two days in advance of each such meeting, at each such meeting place, and in two or more public places within the applicable area; and, so far as may be practicable, by giving additional notice in the manner prescribed in paragraph (a) (3) hereof.

(8) By appointing such person or persons as are deemed necessary or desirable to assist said agents in performing their functions hereunder. Each person so appointed shall serve without compensation and may be authorized, by said referendum agents or any of them, to perform any or all of the functions set forth in paragraphs (a) (5), (6), (7), and (8) hereof (which, in the absence of such appointment of subagents, shall be performed by said referendum agents) in accordance with the requirements set forth; and shall forward to Warren C. Noland, Field Representative, Fruit and Vegetable Division, Agricultural Marketing Service, 1031 South Broadway, Room 1005, Los Angeles 15, California, immediately after the close of the referendum, the following:

(i) A register containing the name and address of each grower to whom a ballot form was given;

(ii) A register containing the name and address of each grower from whom an executed ballot was received;

(iii) All of the ballots received by the respective referendum agent in connection with the referendum, together with a certificate to the effect that the ballots forwarded are all of the ballots cast and which were received by the respective agent during the referendum period;

(iv) A statement showing when and where each notice of the referendum posted by said agent was posted and, if the notice was mailed to growers, the mailing list showing the names and addresses to which the notice was mailed and the time of such mailing; and

(v) A detailed statement reciting the method used in giving publicity to such referendum.

(b) Upon receipt by Warren C. Noland of all ballots cast in accordance with the provisions hereof, he shall canvass the ballots and prepare and submit to the Secretary a detailed report covering the results of the referendum, the manner in which the referendum was conducted, the extent and kind of public notice given, and all other information pertinent to the full analysis of the referendum and its results; and shall forward such report, together with the ballots and other information and data, to the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C.

(c) Each referendum agent and appointee pursuant hereto shall not refuse to accept a ballot submitted or cast; but should they, or any of them, deem that a ballot should be challenged for any reason, or if such ballot is challenged by any other person, said agent or appointee shall endorse above his signature, on the back of said ballot, a statement that such ballot was challenged, by whom challenged, and the reasons therefor; and the number of such challenged ballots shall be stated when they are forwarded as provided herein.

(d) All ballots shall be treated as confidential. The Director of the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, is hereby authorized to prescribed additional instructions, not inconsistent with the provisions hereof, to govern the procedure to be followed by the said referendum agents and appointees in conducting said referendum.

Copies of the text of the aforesaid marketing agreement and amended order may be examined in the Office of the Hearing Clerk, United States Department of Agriculture, Washington, D. C., and at the Western Marketing Field Office, Fruit and Vegetable Division, Agricultural Marketing Service, 1031 South Broadway, Room 1005, Los Angeles 15, California.

Ballots to be cast in the referendum may be obtained from any referendum agent, and any appointee hereunder.

Dated: August 19, 1958.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 58-6814; Filed, Aug. 22, 1958; 8:46 a. m.]

[7 CFR Part 927]

[Docket No. AO-71-A36]

HANDLING OF MILK IN NEW YORK-NEW JERSEY MILK MARKETING AREA

DECISION WITH RESPECT TO PROPOSED AMENDMENTS TO TENTATIVE 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), a public hearing was held at New York City on July 22-25, 1958, pursuant to notice thereof issued on July 9, 1958 (23 F. R. 5308).

The material issues on the record of the hearing related to:

1. The seasonal pricing of Class III milk.

2. The need for immediate action by the Secretary with respect to issue No. 1.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

Issue No. 1: The seasonal pricing of Class III milk. Consideration was given at this hearing to proposals for (1) increasing the seasonal adjustments in the Class III price in amounts ranging from 5 to 15 cents during July through November (2) eliminating the present seasonal adjustment in the Class III pricing formula (3) increasing the butter-cheese adjustment applicable in all months (4) eliminating the butter-cheese adjustment during any of the months of July through February in which specified conditions of a "tight" market prevail and (5) eliminating the butter-cheese adjustment during August through November.

It is concluded that (1) the order should be amended to eliminate for the months of August through November the butter-cheese adjustment of 3 cents per pound of butterfat presently applicable to milk received from producers (and utilized in butter or cheese) during the months of July through February and (2) no other change should be made at this time in present provisions of the order for the pricing of Class III milk.

Elimination of the butter-cheese adjustment as indicated is justified on evidence of (1) relatively high spot milk margins in the months of August-November of recent years (2) relatively high handling charges currently obtained for milk under annual contracts (3) the reflection of these handling charges in payments to producers in excess of minimum order prices and (4) lack of need for such adjustment in the months of August-November to insure acceptance of all necessary reserve supplies of producer milk. Evidence supporting the conclusion (herein set forth) that there should be no increase at this time in the price of milk for Class III uses other than butter and cheese also tends to justify elimination of the butter-cheese adjustment as indicated.

During the periods August-November of the years 1955, 1956, and 1957 spot milk margins averaged 61, 67, 61 cents respectively compared with annual averages of 42, 45, and 43 cents respectively, for the same years. The month when the spot milk margin was highest in each of the last three years was a month in the August-November period, these margins being $1.07 in August 1957, 84 cents in November 1956, and 80 cents in September 1957.

From September 1957 through July 1958, however, spot milk margins have been lower in each month than in the same month a year earlier. During the first seven months of 1958 spot milk margins averaged 21 cents compared with 34 cents during the same period in 1957. This development in spot milk margins occurred during a period (October 1957-June 1958) when volumes of Class III milk exceeded those in the same period a year earlier. The simultaneous occurrence of these developments indicates a relationship between the two with the supply and price of Class III milk constituting a factor affecting the level of spot milk margins. These developments, however, are considered to be of greater significance in connection with the general level of the Class III price than specifically with the butter-cheese adjustment which, as such, merely fixes the amount of the difference between the price established for milk used for butter and cheese and the price established for other Class III uses.

While the volume of milk sold on the spot market for fluid use is relatively small, estimated not to exceed three percent of total Class I-A sales, a very sub-

stantial proportion of the total volume of Class I–A milk is purchased from country plant operaters by distributors on terms specified in annual contracts negotiated between the parties. Some of such annual contracts are for specified quantities of milk and some cover the entire output of specified country plants.

These annual contracts provide for payment of a per hundredweight handling charge to the country plant operator. Handling charges under contracts involving specified quantites of milk ordinarily are somewhat higher than under contracts for the entire output of plants. Handling charges currently paid under existing annual contracts for the entire output of plants was reported to be about 10 cents per hundredweight higher than under similar contracts in 1955 and 2 or 3 cents higher than in 1957. Such handling charges under contracts currently in effect range from 30 to 40 cents per hundredweight with a median of around 37 cents. Although specific amounts were not reported, there is evidence that premiums paid to producers over the order minimum uniform prices are rather general and widespread at country plants throughout the milkshed. This is indication of the existence of relatively favorable outlets for milk for manufacturing purposes.

One of the proposals considered at the hearing was that the butter-cheese adjustment at the rate of 3 cents per pound of butterfat presently applicable in the months of July through February be eliminated in any of such months when the volume of milk in Class III is less than 200 million pounds and less than 25 percent of the total volume of pool milk. The month of September 1957, is the only month in the past five years in which this proposed provision would have operated to eliminate the butter-cheese adjustment. Elimination of the butter-cheese adjustment only in months when the volume of Class III milk is less than 200 million pounds was proposed on the basis that this appeared to be the maximum volume of milk which could be disposed of in these months for Class III uses other than butter and cheese, and that historically, there appeared to be an increase in the volume of milk going into butter and cheese in months when the total volume of Class III milk exceeded 200 million pounds.

There is found to be merit in this principle of eliminating the butter-cheese adjustment under conditions generally related to the volume of Class III milk. The degree of refinement proposed for determining when the butter-cheese adjustment should not apply is found not to be necessary, however, if the months involved are limited to August through November. During the 20 months in August through November periods of the past five years there were only 7 months in which the volume of Class III milk exceeded 200 million pounds, and in 2 of these 7 months the volume of milk going into butter and cheese did not exceed 20 million pounds. Also in 2 of these 7 months the volume of milk utilized in Class III products other than butter and cheese exceeded 200 million pounds. These latter 2 months are August of 1956 and 1957.

A conclusion that outlets other than butter and cheese are unavailable for more than 200 million pounds of Class III milk during the months of August through November is of questionable validity also in view of the fact that substantially more than this volume was used in Class III, exclusive of butter and cheese, in all except 2 out of 25 months in the March–July portions of the last 5 years. In the months of March through June 1958, the volume of milk in Class III, exclusive of that used for butter and cheese and also not including the volume used for storage cream (since cream normally is not stored in the August–November period), ranged from 227 million pounds (in March) to 292 million pounds (in June). No accurate measure is found in the record of the maximum volume of milk for which Class III outlets, other than butter and cheese, are available in the months of August–November. However, elimination of the butter-cheese adjustment for these months should provide additional incentive for moving the maximum proportion of Class III milk into the higher valued products. Although there is no evidence of any past unsatisfied demand for milk for fluid use in the marketing area, this action also may be expected to be reflected in the price at which milk is made available for fluid use without at the same time resulting in homeless milk or the inability to dispose of milk on reasonable terms.

Elimination of the butter-cheese adjustment in specified months is preferred (to the proposed plan under which it's elimination would depend on a specified Class III volume) because it is definite and provides a better and more reliable basis for the necessary operating decisions of handlers. Under the alternative proposal, there would be uncertainty and speculation as to whether the butter-cheese adjustment would be applicable in in a particular month until after announcement of the uniform price on the 15th of the following month.

The above conclusion that, except for elimination of the butter-cheese adjustment in the August-November period, there should be no change at this time in present provisions of the order for pricing Class III milk, of course, constitutes a denial of all other proposals considered at the hearing. Proposed increases in existing Class III price seasonal adjustment factors are found not to be justified primarily on the basis that to do so would seriously jeopardize the maintenance and expansion of outlets for Class III milk in the higher valued uses and which must be sold for such uses at a price competitive with alternative sources of butterfat and nonfat solids. Detail findings in this connection are setforth herein.

Proposed reduction in the Class III price, either by elimination of existing seasonal factors or increasing the butter-cheese adjustment, likewise is found not to be justified primarily on the basis that a reduction in the level of the price is not necessary to retain adequate outlets for Class III milk or to reasonably insure its acceptance and orderly disposition.

The present level of the Class III price appears to be reasonably in line with the average of prices paid at selected midwestern condenseries and with the United States average of prices paid for milk for manufacturing. Historically, the Class III price has been lower than the prices paid at midwestern condenseries and has generally been higher than the United States average of prices paid for manufacturing milk. Since the order was amended in 1956, the margin between the Class III price and midwestern condensery prices has narrowed. The simple average of monthly Class III prices was lower than the midwestern condensery price by 14 cents in 1955, 13 cents in 1956, and 6 cents in 1957. During the 12 months ending in May 1958, the Class III price averaged 3 cents lower than the midwestern condensery price. The weighted average price for all Class III milk including that utilized in butter and cheese ranged from 1 to 4 cents less than the simple average Class III price during these comparative periods.

The margin between the Class III price and the United States average of prices paid for milk for manufacturing has increased since 1955. The simple average of monthly Class III prices exceeded the United States average price for milk for manufacture by 2 cents in 1955, 5 cents in 1956, and 9 cents in 1957. During the 12 months ending in May 1958, the Class III price was 10 cents higher than the United States average at all manufacturing plants and during July through November 1957, the Class III price ranged from 11 to 23 cents higher than the United States average manufacturing price.

The United States average of prices paid dairy farmers for milk used in the manufacture of butter and American cheese historically has been higher than the Order 27 price for milk used in such products. Since 1955 the margin between the Order 27 price for milk so utilized and the United States average price has declined approximately one-half. In 1955 the United States average price was 15 cents per hundredweight higher than the Order 27 price and was 7 cents higher in 1957. During the 12 months ending in May 1958, the United States average price for milk used in butter exceeded the Order 27 price by 8 cents per hundredweight. Also, since 1955, the margin between the United States average of prices paid dairy farmers for milk used in the manufacture of American cheese and the Order 27 price for milk used in butter and cheese has declined. In 1955 the difference between the two prices was 9 cents, while in 1957 and in the 12 months ending in May 1958, they were the same.

During the past two years there has been relatively close alignment on an annual average basis between the Order 27 Class III price and the Boston Class II price. During the last six months of 1956 the Order 27 Class III price was $3.11 per hundredweight compared with

the Boston Class II price of $3.12. In 1957 the Order 27 Class III price was $3.06 and the Boston Class II price was $3.05. During the first six months of 1958 the Order 27 Class III price was $2.94 while the Boston Class II price was $2.90. The Order 27 Class III price has been somewhat higher than the Boston Class II price during the months of highest production and has been lower during the months of shortest supply. During 1957 the Order 27 Class III price was higher than the Boston Class II price by 10 cents in March, 15 cents in April, 13 cents in May and 13 cents in June. During 1958 the Order 27 Class III price was 7 cents, 14 cents and 8 cents higher than the Boston Class II price in March, April and May, respectively. The Order 27 Class III price was higher than the Boston Class II price in seven months in 1957 in amounts ranging up to 10 cents. The Order 27 Class III price has generally been lower monthly and annually than the Philadelphia Class II price. However, during the first six months of 1958 the average Order 27 Class III price was 6 cents higher than the Philadelphia Class II price.

From 1955 to 1957 the total Class III volume of milk declined from 3,708 to 3,352 million pounds, a decline of 10 percent. During this same period the total volume of milk utilized in products at the full Class III price increased from 2,660 to 2,812 million pounds, an increase of 6 percent, and the volume of milk used in the manufacture of butter and cheese declined from 1,048 to 540 million pounds, a decline of 49 percent. Recently, as the total volume of milk in the pool has increased, the total volume of Class III milk also has increased. Compared with 1957, the total volume of Class III milk in the 12 months ending May 1958 increased from 3,352 to 3,673 million pounds, an increase of 10 percent. The volume of milk used in Class III products other than butter and cheese declined 1 percent from 2,812 to 2,795 million pounds and the volume of milk used in butter and cheese increased 63 percent from 540 to 878 million, an increase about equal to the increase in total volume of milk in Class III.

Changes also have taken place in the utilization of milk in individual Class III products. Approximately one-fourth of the total volume of Class III milk has been used in ice cream during the past several years. After reaching a peak of 907 million pounds in 1956 the total volume of milk used in ice cream declined to 881 million pounds in 1957. In the 12 months ending with May 1958 the volume of milk used in ice cream was approximately the same as in 1957. Milk used in ice cream outside New York City has increased each year since 1952, both in absolute volume and as a percent of total volume of Class III milk. During the 12 months ending in May 1958 the absolute volume of such milk also increased compared with 1957, but declined as a percentage of all Class III. The volume of milk used in ice cream in New York City has declined in total volume and as a percent of total Class III milk since 1955. The volume so utilized was 489 million pounds in 1955, 451 million pounds in 1956, 418 million pounds in 1957 and 405 million pounds in the 12 months ending with May 1958. Milk used in ice cream in New York City as a percent of total Class III milk was 13.2 in 1955, 12.3 in 1956, 12.5 in 1957 and 11.0 during the 12 months ending with May 1958. Total production of ice cream in nine northeastern states increased from 1956 to 1957 and has been approximately the same as in 1957 during the 12 months ending in May 1958 with the result that the volume of pool milk used in ice cream in relation to ice cream production declined slightly in 1957 and through May 1958 compared with 1956.

Changes also have taken place in sources of butterfat used in the manufacture of ice cream. Cream was the source of 62 percent of the butterfat in ice cream manufactured in wholesale frozen dessert plant in New York State in 1956. The percentage from this source declined to 57 in 1957 while at the same time the percentage of butterfat obtained from butter increased from 12 to 18. Most of this shift was in the manufacture of ice cream in New York City with little change in the sources of butterfat for ice cream in Upstate New York. In New York City, cream as a source of butterfat in ice cream declined from 51 percent in 1956 to 41 percent in 1957 and the use of butter as a source of butterfat increased from 15 percent to 28 percent.

The volume of milk used in the manufacture of cheese other than cheddar has increased during the past several years, particularly since 1956. This use accounted for 250 million pounds of milk in 1956, 292 million pounds in 1957 and 336 million pounds in the last 12 months ending with May 1958. As a percent of total Class III milk the quantity of milk used in cheese other than cheddar has also increased. During the 12 months ending in May 1958, 9 percent of total Class III milk was so utilized. About 20 percent of the total Class III volume of milk is used in fluid cream outside New York City and during the past 5 years has shown little change.

Storage cream increased in total volume and as a percent of Class III milk from 1956 to 1957, but declined during the last 12 months ending in May 1958. The volume of storage cream was 338 million pounds in 1956, 371 million pounds in 1957 and 277 million pounds in the 12 months ending with May 1958. Storage cream accounted for 9 percent of the total Class III milk in 1956, 11 percent in 1957 and 7.5 percent during the 12 months ending May 1958. More of the recent increase in the total volume of Class III milk has gone into butter than into cheese. The percentage of the total Class III milk used in butter in 1956 was 16 percent, in 1957, 9 percent, and during the 12 months ending in May 1958, 16 percent. American cheese accounted for 8 percent of the total Class III milk in 1956, 7 percent in 1957 and 8 percent in the 12 months ending in May 1958. The volume of milk used in candy, evaporated milk, condensed milk and other Class III products has increased during the past few years and during the past two years accounted for about 15 percent of the Class III milk.

In addition to market statistics relating the volumes and proportions of Class III milk used in various products, this decision also reflects consideration of instances reported at the hearing in which handlers recently have turned to nonpool sources on the basis that needed supplies of butterfat and nonfat solids are available at lower cost than from pool sources. Products involved in such instances are cream cheese, Italian cheese, and ice cream.

Issue No. 2: The need for immediate action by the Secretary with respect to Issue No. 1. The due and timely execution of the function of the Secretary under the act imperatively and unavoidably requires the omission of a recommended decision by the Deputy Administrator, Agricultural Marketing Service, and the opportunity for exceptions thereto, on the above issue.

It is urgent that remedial action as provided in this decision be made effective as soon as possible. The primary purpose of this decision is to insure that milk is made readily available for fluid use and is utilized in manufactured products which return producers the highest possible price during the months of shortest supply. Unless this decision is made effective September 1, 1958, two of the four months in which the supply of milk is shortest will have elapsed. It is therefore found that good cause exists for omission of the recommended decision in order to inform interested parties of the conclusions reached. Uncertainty on the part of interested parties might lead to instability in the market. Knowledge of the action decided upon by the Secretary will permit those affected to adjust their operations promptly in accordance with such decision.

Delay beyond September 1, 1958, will defeat the purpose of the amendment. Accordingly, the time necessarily involved in the preparation, filing, and publication of a recommended decision, and exceptions thereof, would make such relief substantially ineffective and therefore should be eliminated in this instance.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties in the market. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. 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 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) The tentative marketing agreement and the order as hereby proposed to be amended, 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 prices 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 proposed marketing agreement and the order, as hereby proposed to be 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

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, 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.

Marketing agreement and order amending the order, as amended. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the New York-New Jersey Milk Marketing Area" and "Order Amending the Order, Regulating the Handling of Milk in the New York-New Jersey Milk Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order, as hereby proposed to be amended by the attached order which will be published with this decision.

Determination of representative period. The month of February 1958 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order, regulating the handling of milk in the New York-New Jersey milk marketing area, is approved or favored by producers, as defined under the terms of the order, as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Issued at Washington, D. C., this 20th day of August 1958.

[SEAL] TRUE D. MORSE,
Acting Secretary.

Order[1] Amending the Order Regulating the Handling of Milk in the New York-New Jersey Milk Marketing Area

§ 927.0 *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 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 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 regulating the handling of milk in the New York-New Jersey milk 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, 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 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; and

(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 or commercial activity specified in, a marketing agreement upon which a hearing has been held.

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

Amend § 927.43 by deleting "in the months of July through February" appearing therein immediately preceding the first proviso and by substituting therefor the following: "in the month of July and in the months of December through February".

[F. R. Doc. 58-6840; Filed, Aug. 22, 1958; 8:52 a. m.]

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

[7 CFR Part 963]

[Docket No. AO-306]

HANDLING OF APPLES GROWN IN DESIGNATED PART OF WASHINGTON

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND ORDER

Pursuant to the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Chelan, Washington, on May 6, 1958, and continued at Yakima, Washington, on May 12, 1958, after notice thereof published in the FEDERAL REGISTER (23 F. R. 2201), on a proposed marketing agreement and order regulating the handling of apples grown in designated part of Washington, to be made effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 68 Stat. 906, 1047).

On the basis of the evidence introduced at the hearing, and the record thereof, the Deputy Administrator, Marketing Services, Agricultural Marketing Service, on July 11, 1958, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision in this proceeding. The notice of the filing of such recommended decision, affording opportunity to file written exceptions thereto, was published in the FEDERAL REGISTER (F. R. Doc. 58-5442; 23 F. R. 5381).

The material issues, findings and conclusions, and the general findings of the recommended decision set forth in the FEDERAL REGISTER (F. R. Doc. 58-5442; 23 F. R. 5381) are hereby approved and adopted as the material issues, findings and conclusions, and the general findings of this decision as if set forth in full herein.

Exceptions to the recommended decision were filed within the prescribed time by (1) Bernard A. Schons, Tonasket, a handler, Alfred Robinson, Oroville, a grower, and Roy A. Visser, Tonasket, a grower, by (2) Halverson, Applegate, and McDonald, and Donald H. Brazier, Jr., by C. W. Halverson, Yakima, Attorney, on behalf of 44 growers and handlers, and by (3) Melvin R. Brown, Wells and Wade Fruit Company, Wenatchee, a grower-shipper.

Exceptions to the findings and conclusions of the recommended decision included a contention that the decision was based only on proponent evidence and that it did not give consideration to opposition testimony. It was contended approximately an equal number, if not more, interested parties testified in opposition to the proposed order.

The hearing consisted of two sessions—namely, one session at Chelan and another at Yakima. Even though the entire subject matter open for consideration at the hearing was not covered fully and completely at each session, the testimony given at both sessions covers all the subject matter and constitutes the complete record of the hearing upon which the aforementioned findings and conclusions are based.

The proponents and opponents testifying at the hearing were about equal in number and volume of testimony. The proponents and many of the opponents stated that the apple industry in Washington faced a problem, especially in the marketing of off condition apples. Most of these witnesses also stated that some form of regulation should be formulated, because voluntary effort on the part of each member of the industry would prob-

ably not be effective. The proponents favored the proposed program because of its flexibility and the rapidity with which such a program could be made effective. Most of the opponent witnesses were of the opinion that any regulations should be at the State rather than at the Federal level. A few of these witnesses believed nothing should be done at this time on an industry wide basis. These witnesses were of the opinion that such problems should be solved by the individual on the basis most suitable to his situation. Some of these opponent witnesses contended that the proposed program would not solve many of the industry problems, and that the program would be an added expense on an overburdened industry. Many of the modifications to the proposed program adopted in the recommended decision were suggested by opposition witnesses. The proponents, readily admitting that the proposed program should not be considered the answer to all the industry's problems, contended that the program would be another tool which, with other tools available, would materially contribute to the establishment of orderly marketing conditions for Washington apples, and that the proposed maximum assessment of ¼ cent per bushel to cover cost of the local administration of the proposed order would not be burdensome but rather such expense would insure more equitable returns for other expenses normally incurred. The evidence of record clearly shows that some of the harvesting, storage, and marketing practices of the industry have resulted in the marketing of apples of a maturity, grade, and condition which have adversely affected the demand for Washington apples and tended to lower grower returns for the better quality apples. While there was controversy at the hearing over the method that should be used in an endeavor to correct this situation, it was shown that the proposed order was designed for this purpose and should be of assistance to the industry.

Exception was taken to the conclusion that all handling of apples grown in the production area should be subject to the act and the order. The record of the hearing clearly indicates that the handling of all apples grown in the production area is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce. There are ample precedents for varying degrees of grade and maturity standards on Agricultural commodities in the various States including Washington, either under State law, or State or Federal marketing agreements. The general objectives of such regulations for any particular State or area is to improve the competitive position of the commodity, expand consumption, and improve grower returns. Such is the intent of the proposed order as indicated by the testimony of the proponents. The demoralizing effect that shipments of low grade apples, namely culls, has upon the price of apples has long been recognized by the apple industry in Washington. The shipment of cull apples for fresh market use is prohibited under State law, unless such apples are packed in one bushel wooden baskets, ring faced, baskets lidded, and designated as "culls." The evidence introduced at the hearing sets forth that at times the shipment of apples meeting the requirements of one of the lower grades or off-condition apples have a similar depressing effect on the price of apples. The proposed program would provide authority for the committee, with the approval of the Secretary, to take such action as necessary in the interest of the industry to prevent the shipment of such apples.

Exception was taken to the finding that "the trend of apple production in the State of Washington is sharply upward." It was contended that this was the basis for the conclusion that "regulations for marketing should be imposed." The annual production in bushels for the past seven seasons was listed in the recommended decision. Such production ranged from 17,700,000 bushels to 32,600,000 bushels. In addition, the evidence shows that because of the large number of young trees that will soon be coming into production, the 32,600,000 bushel crop of 1957 will likely be considered normal or perhaps a small crop. Testimony given at the hearing shows that since 1949, plantings in the production area have been considerably over and above the amount of plantings needed to maintain normal production. The 1954 census lists 1,134,114 trees of non-bearing age and 2,436,108 trees of bearing age within the State of Washington. A large proportion of these trees of non-bearing age are of the red sport strains, principally of the Delicious variety. Some of the Red Strains develop red color at an earlier stage of maturity than the regular or standard strains of the same variety. This might result in an industry problem resulting from the shipment of immature fruit. The prospective increase in production, and the varietal composition of such production, is a factor in the determination in the recommended decision that the proposed marketing order would be of benefit to the industry. But this was not the sole basis for the conclusion that a marketing order for Washington apples would tend to effectuate the declared policy of the act.

The conclusions, based upon the findings that in 1957 many shipments of apples were made which did not return to the grower the cost of picking, packing, storing and transportation to market was objected to because the objectors contend that most of these costs had already been incurred by the grower prior to shipment. The additional cost necessarily incurred during the selling and delivery process, it is contended, results in the grower salvaging a portion of the aforementioned costs. Even though apples may not generally develop characteristics until later in the season which may make it obvious to a casual observer that the apples possess a short storage life because of condition factors, experienced apple men know prior to harvest that such apples, if handled in the normal way, will encounter problems relative to condition. Testimony adduced at the hearing shows that such experienced apple men are able accurately to predict the date apples should be picked, the type and extent of condition problems likely to be encountered, and the keeping or shelf life expectancy of such apples. The record of the hearing further shows that many growers and handlers were aware that certain lots of apples of the 1957 crop would not return the aforementioned costs and consequently many of such apples were left on the trees. Others, however, endeavored to store and market apples which it was known did not possess the necessary keeping qualities. The sale of such apples not only failed to return the costs of marketing but also depressed the prices received for the better quality apples. Regulations such as provided for in the proposed order would tend to prevent such occurrences. Opponents to the proposed program contended that the proposed program, while regulating condition factors of apples grown in the production area, would not prevent off condition apples from other States from entering the channels of trade and thus adversely affect the buyer's habits of purchasing apples, including Washington apples. However, if wholesalers and retailers of apples know that they are more likely to get off condition apples from some other apple producing area, such should favorably rather than adversely affect their attitude towards the purchase of Washington apples, which in turn should reflect increased consumption of Washington apples by their customers.

Exception was taken to the proposed program in that, it was contended, the rules and regulations established thereunder would probably eliminate or restrict the sale of lower grades of apples produced within the production area without imposing like restriction on similar grades of apples produced elsewhere. It was pointed out at the hearing that the Washington apple industry, under State law, now restricts the sale, of the poorer grades of apples, namely culls, even though there is no restriction against the shipment of culls into the State of Washington. The proposed marketing order would merely provide authority to adjust such minimum requirements when the committee, with the approval of the Secretary, determined such action to be in the best interest of the industry.

Exception was taken to the provision set forth in § 963.54 of the recommended marketing agreement and order which exempts, except as otherwise provided, the handling of apples for commercial processing into products. A modification of this section as set forth in the notice of hearing, was offered at Chelan to regulate the handling of apples for processing to the full extent permitted under the act. The act specifically exempts apples for canning and freezing. This modification would require the grading of all apples sold to dehydrators and juicers and would vest in the Apple Quality Control Committee the authority to recommend to the Secretary prohibiting the sale of apples below a designated grade to such processing outlets. This modification, as the record shows, encountered strong opposition

at Yakima. The evidence of record shows that canners, freezers, juicers, and dehydrators compete with each other in the purchase of the raw product. The record shows that packers do not attempt to separate the cull apples into grades for processing. Likewise, the processors do not attempt to purchase the raw stock on a graded basis. Testimony shows that a better job can be done in the handling of culls and other low grade apples that are destined for processing. Such improved handling should result in greater returns from the sale of apples for processing. Some of the evidence supporting this modification was persuasive, however, the record of the hearing does not show sufficient evidence to substantiate this modification.

All of the exceptions to the recommended decision were carefully and fully considered, in conjunction with the evidence in the record, in arriving at the findings and conclusions set forth herein. To the extent that the findings and conclusions set forth in this decision are at variance with any exception pertaining thereto, such exceptions are denied on the basis of the findings and conclusions to which such exceptions refer.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Apples Grown in Designated Part of Washington," and "Order Regulating the Handling of Apples Grown in Designated Part of Washington," which have been decided upon as the appropriate and detailed means of effecting the foregoing conclusions. The aforesaid marketing agreement and order shall not become effective unless and until the requirements of § 900.14 of the aforesaid rules of practice and procedure, governing proceedings to formulate marketing agreements and marketing orders, have been met.

It is hereby ordered, That all of this decision, except the annexed agreement, be published in the FEDERAL REGISTER. The regulatory provisions of the said agreement are identical with those contained in the annexed order which will be published with this decision.

Dated: August 19, 1958.

[SEAL] TRUE D. MORSE,
Acting Secretary.

Order[1] Regulating the Handling of Apples Grown in Designated Part of Washington

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963.0 Findings and determinations.

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AUTHORITY: §§ 963.0 to 963.71 issued under 48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 68 Stat. 906, 1047.

§ 937.0 *Findings and determinations*—(a) *Findings upon the basis of the hearing record.* Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and the applicable rules of practice and procedure, as amended, effective thereunder (7 CFR Part 900), a public hearing was held at Chelan, Washington, on May 6, 1958, and continued at Yakima, Washington, on May 12, 1958, upon a proposed marketing agreement and a proposed marketing order regulating the handling of apples grown in designated part of Washington. Upon the basis of the evidence introduced at such hearing, and the record thereof, it is found that:

(1) This order, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) This order regulates the handling of apples grown in the production area in same manner as, and is applicable only to persons in the respective classes of commercial or industrial activity specified in, a proposed marketing agreement upon which a hearing has been held;

(3) This order is limited in its application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act, and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) There are no differences in the production and marketing of apples grown in the production area which make necessary different terms and provisions applicable to different parts of such area; and

(5) All handling of apples grown in the production area as defined in the order is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce.

It is, therefore, ordered, That, on and after the effective date hereof, the handling of apples grown in the said production area shall be in conformity to, and in compliance with, the terms and conditions of this order; and such terms and conditions are as follows:

DEFINITIONS

§ 963.1 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States, or any officer or employee of the United States Department of Agriculture to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

§ 963.2 *Act.* "Act" means Public Act No. 10, 73d Congress (May 12, 1933), as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 68 Stat. 906, 1047).

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

§ 963.4 *Production area.* "Production area" shall include in the State of Washington the counties of Okanogan, Chelan, Kittitas, Yakima, and Skamania and all the counties east thereof.

§ 963.5 *Apples.* "Apples" means all varieties of apples grown in the production area, classified botanically as Malus sylvestris.

§ 963.6 *Varieties.* "Varieties" means and includes all classifications or subdivisions of Malus sylvestris.

§ 963.7 *Fiscal period.* "Fiscal period" is synonymous with fiscal year and means the 12-month period ending on July 31 of each year or such other period that may be approved by the Secretary pursuant to recommendations by the committee.

§ 963.8 *Committee.* "Committee" means the Apple Quality Control Committee established pursuant to § 963.20.

§ 963.9 *Grade.* "Grade" means any one of the officially established grades of apples as defined and set forth in:

(a) Sections 51.300 to 51.327 of this title (21 F. R. 5084), or amendments thereto, or modifications thereof, or variations based thereon;

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders have been met.

(b) Standards for Apples issued by the State of Washington or amendments thereto, or modifications thereof, or variations based thereon.

§ 963.10 *Condition.* "Condition" means any of the officially established standards relative to condition factors of apples as defined and set forth in:

(a) Section 51.317 of this title (21 F. R. 5084), or amendments thereto, or modifications thereof, or variations based thereon;

(b) Condition Standards for Apples issued by the State of Washington or amendments thereto, or modifications thereof, or variations based thereon.

§ 963.11 *Grower.* "Grower" is synonymous with producer and means any person who produces apples for market and who has a proprietary interest therein: *Provided*, That, the term grower, as used in §§ 963.20, 963.22, and 963.23, shall not include any person who is a handler unless such person produced at least 51 percent of the apples he handled during the previous fiscal period.

§ 963.12 *Handler.* "Handler" is synonymous with shipper and means any person (except a common or contract carrier transporting apples owned by another person) who handles apples.

§ 963.13 *Handle.* "Handle" and "ship" are synonymous and mean to sell, consign, deliver, or transport apples or cause the sale, consignment, delivery, or transportation of apples within the production area or from any point within the production area to any point outside thereof: *Provided*, That the term "Handle" shall not include the transportation within the production area of apples from the orchard where grown to a packing facility located within such area for preparation for market, or the delivery or sale of such apples to such packing facility for such preparation.

§ 963.14 *District.* "District" means the applicable one of the following described subdivisions of the production area, or such other subdivisions as may be prescribed pursuant to § 963.31 (m):

(a) "District 1" shall include the County of Okanogan and that part of Douglas County included within Horticultural District No. 11, Washington State Department of Agriculture.

(b) "District 2" shall include the counties of Chelan, Grant, and that part of Douglas County included within Horticultural District No. 4, Washington State Department of Agriculture.

(c) "District 3" shall include the Counties of Yakima, Kittitas, Skamania, Klickitat, and Benton.

(d) "District 4" shall include all other counties in the production area not included in Districts 1, 2, or 3.

ADMINISTRATIVE BODY

§ 963.20 *Establishment and membership.* There is hereby established an Apple Quality Control Committee consisting of 17 members, each of whom shall have an alternate who shall have the same qualifications as the member for whom he is an alternate. Twelve of the members and their respective alternates shall be growers or officers or employees of corporate growers. Five of the members and their respective alternates shall be handlers, or officers or employees of handlers. Two of the grower members and their respective alternates shall be producers of apples in District 1, four of the grower members and their respective alternates shall be producers of apples in District 2, five of the grower members and their respective alternates shall be producers of apples in District 3, and one of the grower members and his respective alternate shall be a producer of apples in District 4. One of the handler members and his respective alternate shall be a handler of apples in District 1, two of the handler members and their respective alternates shall be handlers of apples in District 2, and two of the handler members and their respective alternates shall be handlers of apples in District 3.

§ 963.21 *Term of office.* The term of office of each member and alternate member of the committee shall be for two years, beginning August 1 and ending July 31; or such other dates that may be approved by the Secretary pursuant to recommendations by the committee: *Provided*, That the term of office of six of the initial grower members and alternates and two of the initial handler members and alternates shall end on July 31, 1959. Members and alternate members shall serve in such capacities for the portion of the term of office for which they are selected and have qualified and until their respective successors are selected and have qualified.

§ 963.22 *Nomination*—(a) *Initial members.* Nominations for each of the twelve initial grower members and five initial handler members of the committee, together with nominations for the initial alternate members for each position, may be submitted to the Secretary by growers and handlers. Such nominations may be made by means of group meetings of the growers and handlers concerned in each district. Such nominations, if made, shall be filed with the Secretary no later than the effective date of this part. In the event nominations for initial members and alternate members of the committee are not filed pursuant to, and within the time specified in this section, the Secretary may select such initial members and alternate members without regard to nominations, but selections shall be on the basis of the representation provided for in § 963.20.

(b) *Successor members.* (1) The names of nominees for successor members and alternates of the committee shall be submitted to the Secretary by the committee no later than June 1 of each year, or by such other date as may be established by the committee and approved by the Secretary. The committee shall conduct elections for the purpose of designating nominees. Such elections may be either by meetings of the growers and handlers or by mail balloting or a combination of both. The committee may establish rules and regulations as necessary to govern the conduct of nomination meetings and mail balloting. The committee shall determine and announce the method of election to be followed in each district.

(2) In the designation of nominees, only growers, including duly authorized officers or employees of corporate growers, may participate in the election of nominees for grower member and grower alternate positions. Only handlers, including duly authorized officers or employees of handlers, may participate in the election of nominees for handler member and handler alternate positions. Each grower shall be entitled to cast but one vote for each grower nominee and one vote for each grower alternate nominee to be designated from the district in which he is a producer. Each handler shall be entitled to cast but one vote for each handler nominee and one vote for each handler alternate nominee to be designated from the district in which he is a handler. No grower or handler, as the case may be, may vote in more than one district in any one fiscal year. If a person is qualified both as grower and as a handler, he may vote as either a grower or as a handler but not as both.

(3) If nomination meetings are held, the committee shall publicly announce the time and place of each such meeting. At each such meeting a chairman and a secretary shall be selected by the growers or handlers eligible to participate therein. Only growers and handlers present at such meetings shall be eligible to participate in the election of the nominees to be designated at such meeting. The chairman shall announce at the meeting the number of votes cast for each person for member or alternate and shall promptly submit to the committee a complete report concerning such meeting.

(4) If nominees are designated by mail balloting, the committee shall publicly announce the period within which the names of candidates shall be filed with the committee and the number of endorsements necessary for the name of a candidate to be placed on the ballot. At the option of the committee, candidates may be also designated at meetings of growers and handlers. The committee shall publicly announce the period of balloting. Ballots shall be made available to growers and handlers either by mail or at designated places within the district. The ballot shall include, in addition to the names of the candidates, explicit directions for marking and mailing.

(5) At the conclusion of the voting, whether at a meeting or meetings or by mail balloting, the committee shall promptly submit a report thereof to the Secretary.

§ 963.23 *Selection.* From the nominations made pursuant to § 963.22, or from other qualified persons, the Secretary shall select the twelve grower members of the committee, the five handler members of the committee, and an alternate for each such member.

§ 963.24 *Failure to nominate.* If nominations are not made within the time and in the manner prescribed in § 963.22, the Secretary may, without regard to

nominations, select the members and alternate members of the committee on the basis of the representation provided for in § 963.20.

§ 963.25 *Acceptance.* Any person selected by the Secretary as a member or as an alternate member of the committee shall qualify by filing a written acceptance with the Secretary promptly after being notified of such selection.

§ 963.26 *Vacancies.* To fill any vacancy occasioned by the failure of any person selected as a member or as an alternate member of the committee to qualify, or in the event of the death, removal, resignation, or disqualification of any member or alternate member of the committee, a successor for the unexpired term of such member or alternate member of the committee shall be nominated and selected in the manner specified in §§ 963.22 and 963.23. If the names of nominees to fill any such vacancy are not made available to the Secretary within a reasonable time after such vacancy occurs, the Secretary may fill such vacancy without regard to nominations, which selection shall be made on the basis of representation provided for in § 963.20.

§ 963.27 *Alternate members.* An alternate member of the committee, during the absence or at the request of the member for whom he is an alternate, shall act in the place and stead of such member and perform such other duties as assigned. In the event of the death, removal, resignation, or disqualification of a member, his alternate shall act for him until a successor for such member is selected and has qualified. In the event both a member of the committee and his alternate are unable to attend a committee meeting, the member or the committee may designate any other alternate member from the same district and group (handler or grower) to serve in such member's place and stead.

§ 963.30 *Powers.* The committee shall have the following powers:

(a) To administer the provisions of this part in accordance with its terms;

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

(c) To make and adopt rules and regulations to effectuate the terms and provisions of this part; and

(d) To recommend to the Secretary amendments to this part.

§ 963.31 *Duties.* The committee shall have, among others, the following duties:

(a) To select a chairman and such other officers as may be necessary, and to define the duties of such officers;

(b) To appoint such employees, agents, and representatives as it may deem necessary, and to determine the compensation and to define the duties of each;

(c) To submit to the Secretary as soon as practicable after the beginning of each fiscal period a budget for such fiscal period, including a report in explanation of the items appearing therein and a recommendation as to the rate of assessment for such period;

(d) To keep minutes, books, and records which will reflect all of the acts and transactions of the committee and which shall be subject to examination by the Secretary;

(e) To prepare periodic statements of the financial operations of the committee and to make copies of each such statement available to growers and handlers for examination at the office of the committee;

(f) To cause its books to be audited by a competent accountant at least once each fiscal year and at such times as the Secretary may request;

(g) To act as intermediary between the Secretary and any grower or handler;

(h) To investigate and assemble data on the growing, handling, and marketing conditions with respect to apples;

(i) To submit to the Secretary such available information as he may request;

(j) To notify producers and handlers of all meetings of the committee to consider recommendations for regulations;

(k) To give the Secretary the same notice of meetings of the committee as is given to its members;

(l) To investigate compliance with the provisions of this part;

(m) With the approval of the Secretary, to redefine the districts into which the production area is divided, and to reapportion the representation of any district on the committee: *Provided:* That any such changes shall reflect, insofar as practicable, shifts in apple production within the districts and the production area;

(n) To select such persons as may be necessary to serve as advisers or counselors to the committee, including, but not limited to, representatives from the Washington State Department of Agriculture, Washington State College Extension Service, and the Washington State Apple Commission.

§ 963.32 *Procedure.* (a) Fourteen members of the committee, including alternates acting for members, shall constitute a quorum; and any action of the committee shall require the concurring votes of at least eleven members. At any assembled meeting, all votes shall be cast in person.

(b) The committee may provide for simultaneous meetings of groups of its members assembled at two or more designated places: *Provided,* That such meetings shall be subject to the establishment of communication between all such groups and the availability of loud speaker receivers for each group so that each member may participate in the discussions and other actions the same as if the committee were assembled in one place. Any such meeting shall be considered as an assembled meeting.

(c) The committee may vote by telephone, telegraph, or other means of communication, and any votes so cast shall be confirmed promptly in writing.

§ 963.33 *Expenses and compensation.* The members of the committee, and alternates when acting as members, shall be reimbursed for expenses necessarily incurred by them in the performance of their duties under this part and may also receive compensation, as determined by the committee, which shall not exceed $10.00 per day or portion thereof spent in performing such duties: *Provided,* That at its discretion the committee may request the attendance of one or more alternates at any or all meetings, notwithstanding the expected or actual presence of the respective members, and may pay expenses and compensation, as aforesaid.

§ 963.34 *Annual report.* The committee shall, as soon as practicable after the close of each fiscal period, prepare and mail an annual report to the Secretary and make a copy available to each handler and grower who requests a copy of the report. This annual report shall contain at least: (a) A complete review of the regulatory operations during the fiscal period; and (b) any recommendations for changes in the program.

EXPENSES AND ASSESSMENT

§ 963.40 *Expenses.* The committee is authorized to incur such expenses as the Secretary finds are reasonable and likely to be incurred by the committee to enable it to exercise its powers and perform its duties in accordance with the provisions of this part. The funds to cover such expenses shall be acquired by the levying of assessments as prescribed in § 963.41.

§ 963.41 *Assessments.* (a) As his pro rata share of the expenses which the Secretary finds are reasonable and likely to be incurred by the committee during a fiscal period, each person who first handles apples during such period shall pay to the committee, upon demand, assessments on all apples so handled. The payment of assessments for the maintenance and functioning of the committee may be required under this part throughout the period it is in effect irrespective of whether particular provisions thereof are suspended or become inoperative.

(b) The Secretary shall fix the rate of assessment to be paid by each such person during the fiscal period in an amount designed to secure sufficient funds to cover the expenses which may be incurred during such period and to accumulate and maintain a reserve fund equal to approximately one fiscal period's expense. Such rate of assessment shall not exceed one-fourth cent ($0.0025) per bushel in any fiscal year. At any time during or after the fiscal period, the Secretary may increase the rate of assessment in order to secure sufficient funds to cover any later finding by the Secretary relative to the expenses which may be incurred. Such increase shall be applied to all apples handled during the applicable fiscal period. In order to provide funds for the administration of the provisions of this part during the first part of a fiscal period before sufficient operating income is available from assessments on the current year's shipments, the committee may accept the payment of assessments in advance and may also borrow money for such purpose.

§ 963.42 *Accounting.* (a) If, at the end of a fiscal period, the assessments collected are in excess of expenses incurred, such excess shall be accounted

for in accordance with one of the following:

(1) If such excess is not retained in a reserve, as provided in subparagraph (2) of this section, it shall be refunded proportionately to the persons from whom it was collected: *Provided*, That any sum paid by a person in excess of his pro rata share of the expenses during any fiscal period may be applied by the committee at the end of such fiscal period to any outstanding obligations due the committee from such person.

(2) The committee, with the approval of the Secretary, may carry over such excess into subsequent fiscal periods as a reserve: *Provided*, That funds already in the reserve do not equal approximately one fiscal period's expenses. Such reserve funds may be used (i) to defray expenses, during any fiscal period, prior to the time assessment income is sufficient to cover such expenses, (ii) to cover deficits incurred during any fiscal year when assessment income is less than expenses, (iii) to defray expenses incurred during any period when any or all provisions of this part are suspended or are inoperative, (iv) to cover necessary expenses of liquidation in the event of termination of this part. Upon such termination, any funds not required to defray the necessary expenses of liquidation shall be disposed of in such manner as the Secretary may determine to be appropriate: *Provided*, That to the extent practical, such funds shall be returned pro rata to the persons from whom such funds were collected.

(b) All funds received by the committee pursuant to the provisions of this part shall be used solely for the purposes specified in this part and shall be accounted for in the manner provided in this part. The Secretary may at any time require the committee and its members to account for all receipts and disbursements.

(c) Upon the removal or expiration of the term of office of any member of the committee, such member shall account for all receipts and disbursements and deliver all property and funds in his possession to the committee, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in the committee full title to all of the property, funds, and claims vested in such member pursuant to this part.

REGULATIONS

§ 963.50 *Marketing policy.* (a) Each season prior to making any recommendations pursuant to § 963.51, the committee shall submit to the Secretary a report setting forth its marketing policy for the ensuing season. Such marketing policy report shall contain information relative to:

(1) The estimated total production of apples within the production area;

(2) The expected general quality and size of apples in the production area and in other areas;

(3) The expected demand conditions for apples in different market outlets;

(4) The expected shipments of apples produced in the production area and in areas outside the production area;

(5) Supplies of competing commodities;

(6) Trend and level of consumer income;

(7) Other factors having a bearing on the marketing of apples; and

(8) The type of regulations expected to be recommended during the season.

(b) In the event it becomes advisable, because of changes in the supply and demand situation for apples, to modify substantially such marketing policy, the committee shall submit to the Secretary a revised marketing policy report setting forth the information prescribed in this section. The committee shall publicly announce the contents of each marketing policy report, including each revised marketing policy report, and copies thereof shall be maintained in the office of the committee where they shall be available for examination by growers and handlers.

§ 963.51 *Recommendations for regulation.* (a) Whenever the committee deems it advisable to regulate the handling of any variety or varieties of apples in the manner provided in § 963.52, the committee shall recommend such regulations to the Secretary. To the extent practicable, such recommendations shall be made on or before September 1 of each year.

(b) In arriving at its recommendations for regulation pursuant to paragraph (a) of this section, the committee shall give consideration to current information with respect to the factors affecting the supply and demand for apples during the period or periods when it is proposed that such regulation should be made effective. With each such recommendation for regulation, the committee shall submit to the Secretary the data and information on which such recommendation is predicated and such other available information as the Secretary may request.

§ 963.52 *Issuance of regulations.* (a) The Secretary shall regulate, in the manner specified in this section, the handling of apples whenever he finds, from the recommendations and information submitted by the committee, or from other available information, that such regulations will tend to effectuate the declared policy of the act. Such regulations may:

(1) Establish standards of condition, maturity, and grade for any or all varieties of apples during any period or periods and may prohibit shipment of such lots of apples which fail to meet such standards: *Provided*, That nothing in this section shall be construed to authorize the establishment of shipping quotas, embargoes, or any other limitation on the shipment of any lots of apples meeting such condition, maturity, or grade standards;

(2) Regulate the shipment of apples by establishing minimum standards of condition, maturity, and grade for any or all varieties of apples during any period or periods when season average prices are expected to exceed the parity level.

(b) The committee shall be informed immediately of any such regulation issued by the Secretary, and the committee shall promptly give notice thereof to growers and handlers.

§ 963.53 *Modification, suspension, or termination of regulations.* (a) In the event the committee at any time finds that, by reason of changed conditions, any regulations issued pursuant to § 963.52 should be modified, suspended, or terminated, it shall so recommend to the Secretary.

(b) Whenever the Secretary finds, from the recommendations and information submitted by the committee or from other available information, that a regulation should be modified, suspended, or terminated with respect to any or all shipments of apples in order to effectuate the declared policy of the act, he shall modify, suspend, or terminate such regulation. On the same basis and in like manner the Secretary may terminate any such modification or suspension. If the Secretary finds that a regulation obstructs or does not tend to effectuate the declared policy of the act, he shall suspend or terminate such regulation. On the same basis and in like manner the Secretary may terminate any such suspension.

§ 963.54 *Special purpose shipments.* (a) Except as otherwise provided in this section, any person may, without regard to the provisions of §§ 963.41, 963.52, 963.53, and 963.55, and the regulations issued thereunder, handle apples (1) for consumption by charitable institutions; (2) for distribution by relief agencies; or (3) for commercial processing into products.

(b) (1) Upon the basis of recommendations and information submitted by the committee, or from other available information, the Secretary may relieve from any or all requirements, under or established pursuant to §§ 963.41, 963.52, 963.53, or 963.55, the handling of apples in such minimum quantities, or types of shipments (including individual gift packages), or for such specified purposes as may be prescribed.

(2) The committee shall, with the approval of the Secretary, prescribe such rules, regulations, and safeguards as it may deem necessary to prevent apples handled under the provisions of this section from entering the channels of trade for other than the specific purposes authorized by this section. Such rules, regulations, and safeguards may include the requirements that handlers shall file applications and receive approval from the committee for authorization to handle apples pursuant to this section, and that such applications be accompanied by a certification by the intended purchaser or receiver that the apples will not be used for any purpose not authorized by this section.

(d) The committee may, with the approval of the Secretary, designate storage warehouses within the production area, and exempt, from any or all restrictions under this part, the handling of apples to such storages: *Provided*, That the committee, with the approval of the Secretary, shall adopt such rules and regulations as may be necessary to prevent any apples so stored from being handled, upon removal from storage, ex-

cept in conformity with the provisions of this part.

§ 963.55 *Inspection and certification.* (a) Whenever the handling of any variety of apples is regulated pursuant to § 963.52 or § 963.53, each handler who handles apples shall, prior thereto, cause such apples to be inspected by the Federal-State Inspection Service and certified by it as meeting the applicable requirements of such regulation: *Provided*, That, except as otherwise provided in this section, this requirement shall not be applicable to apples that have previously been inspected and certified.

(b) Inspection and certification shall be required for apples which previously have been so inspected and certified if such apples have been regraded, resorted, repackaged, or in any other way further prepared for market.

(c) The commitee may, with the approval of the Secretary, establish a period prior to shipment during which the inspection required by this section must be performed.

(d) Promptly after inspection and certification, each such handler shall submit, or cause to be submitted, to the committee a copy of the certificate of inspection issued with respect to such apples.

REPORTS

§ 963.60 *Reports.* (a) Upon request of the committee, made with the approval of the Secretary, each handler shall furnish to the committee, in such manner and at such time as it may prescribe, such reports and other information as may be necessary for the committee to perform its duties and functions under this part. Such reports may include, but are not necessarily limited to, the following: (1) The quantities of each variety of apples received by such handler; (2) the quantities disposed of by him, segregated as to the respective quantities subject to regulation and not subject to regulation; (3) the date of each such disposition and the identification of the carrier transporting such apples; and (4) the destination of each shipment of such apples.

(b) All such reports shall be held under appropriate protective classification and custody by the committee, or duly appointed employees thereof, so that the information contained therein which may adversely affect the competitive position of any handler in relation to other handlers will not be disclosed. Compilations of general reports from data submitted by handlers are authorized, subject to the prohibition of disclosure of individual handler's identities or operations.

(c) Each handler shall maintain for at least two succeeding years such records of the apples received, and of apples disposed of, by such handler as may be necessary to verify reports pursuant to this section.

MISCELLANEOUS PROVISIONS

§ 963.61 *Compliance.* Except as provided in this part, no person shall handle apples, the shipment of which has been prohibited by the Secretary in accordance with the provisions of this part; and no person shall handle apples except in conformity with the provisions of this part.

§ 963.62 *Right of the Secretary.* The members of the committee (including successors and alternates), and any agents, employees, or representatives thereof, shall be subject to removal or suspension by the Secretary at any time. Each and every regulation, decision, determination, or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the committee shall be deemed null and void, except as to acts done in reliance thereon or in accordance therewith prior to such disapproval by the Secretary.

§ 963.63 *Effective time.* The provisions of this part, and of any amendment thereto, shall become effective at such time as the Secretary may declare above his signature and shall continue in force until terminated in one of the ways specified in § 963.64.

§ 963.64 *Termination.* (a) The Secretary may at any time terminate the provisions of this part by giving at least one day's notice by means of a press release or in any other manner in which he may determine.

(b) The Secretary shall terminate or suspend the operation of any and all of the provisions of this part whenever he finds that such provisions do not tend to effectuate the declared policy of the act.

(c) The Secretary shall terminate the provisions of this part at the end of any fiscal period whenever he finds that continuance is not favored by the majority of producers who, during a representative period determined by the Secretary, were engaged in the production of apples for market: *Provided*, That such majority has produced for market during such period more than 50 percent of the volume of apples produced for market.

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

§ 963.65 *Proceedings after termination.* (a) Upon the termination of the provisions of this part, the committee shall, for the purpose of liquidating the affairs of the committee, continue as trustees of all the funds and property then in its possession, or under its control, including claims for any funds unpaid or property not delivered at the time of such termination.

(b) The said trustees shall (1) continue in such capacity until discharged by the Secretary; (2) from time to time account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the trustees, to such person as the Secretary may direct; and (3) upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person, full title and right to all of the funds, property, and claims vested in the committee or the trustees pursuant hereto.

(c) Any person to whom funds, property, or claims have been transferred or delivered pursuant to this section shall be subject to the same obligation imposed upon the committee and upon the trustees.

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

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

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

§ 963.69 *Derogation.* Nothing contained in the provisions of this part is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States (a) to exercise any powers granted by the act or otherwise, or (b) in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 963.70 *Personal liability.* No member or alternate member of the committee and no employee or agent of the committee shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any person for errors in judgment, mistakes, or other act, either of commission, or omission, as such member, alternate, employee, or agent, except for acts of dishonesty, willful misconduct, or gross negligence.

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

Order Directing That Referendum Be Conducted; Designation of Agents To Conduct Referendum; and Determination of Representative Period

Pursuant to 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.; 68 Stat. 906, 1047), it is hereby directed that a referendum be conducted among producers who, during the period August 1, 1957, through July 31, 1958 (which is

hereby determined to be a representative period for the purpose of such referendum), were engaged, in the counties of Okanogan, Chelan, Kittitas, Yakima, and Skamania in the State of Washington, and all the counties of that State situated east of such counties, in the production of apples for market to ascertain whether such producers favor the issuance of an order regulating the handling of apples grown in the aforesaid production area, which order is annexed to the decision of the Secretary of Agriculture filed simultaneously herewith. Robert H. Eaton and Allan Henry, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, are hereby designated agents of the Secretary of Agriculture to conduct said referendum severally or jointly.

The procedure applicable to this referendum shall be "Procedure for the Conduct of Referenda Among Producers in Connection with Marketing Orders (Except Those Applicable to Milk and its Products) to Become Effective Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended" (15 F. R. 5176; 19 F. R. 35).

Copies of the aforesaid annexed order, of the aforesaid referendum procedure, and of this order may be examined in the Office of the Hearing Clerk, United States Department of Agriculture, Room 112, Administration Building, Washington, D. C.

Ballots to be cast in the referendum, and other necessary forms and instructions, may be obtained from any referendum agent or appointee.

[F. R. Doc. 58-6815; Filed, Aug. 22, 1958; 8:47 a. m.]

[7 CFR Part 1016]

HANDLING OF MILK IN NORTHEASTERN WISCONSIN MARKETING AREA

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

Correction

In Federal Register Document 58-6816, published at page 6510 in the issue for Friday, August 22, 1958, paragraph (a) of § 1016.70 should read as follows:

§ 1016.70 *Time and method of payment.* (a) (1) Except as provided in paragraphs (b) and (c) of this section, on or before the 18th day after the end of each month each handler who received milk from producers shall pay for milk received during such month to each producer for milk received from him the uniform price as provided in § 1016.61 adjusted by the butterfat differential pursuant to § 1016.62 and the location adjustment pursuant to § 1016.63.

(2) If by such date a handler has not received full payment pursuant to § 1016.73, he may reduce his total payments to all producers and cooperative associations uniformly by not more than the amount of reduction in payment from the market administrator; he shall, however, complete such payments pursuant to this paragraph not later than the date for making such payments next following receipt of the balance from the market administrator.

NOTICES

DEPARTMENT OF COMMERCE

Federal Maritime Board

CITY OF OAKLAND, CALIF., AND ENCINAL TERMINALS

NOTICE OF AGREEMENTS FILED WITH BOARD FOR APPROVAL

Notice is hereby given that the following described agreements have been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733, 46 U. S. C. 814):

(1) Agreement No. 8335, between the City of Oakland, California, and Encinal Terminals, covers the lease to Encinal of certain terminal property in the Outer Harbor Terminal Area and the Ninth Avenue Terminal Area, more particularly described in the agreement, on terms and conditions set forth therein, for a period of ten (10) years beginning on the first day of the month next succeeding thirty (30) days following approval by the Board of this agreement. This agreement, upon approval, will replace Agreements Nos. 8095 and 8155, both as amended.

(2) Agreement No. 8095-C, between the City of Oakland, California, and Encinal Terminals, provides for the cancellation of approved Agreement No. 8095, as amended and extended by Agreements Nos. 8095-1 and 8095-2, covering the lease to Encinal of the City of Oakland's Ninth Avenue Terminal Area, to become effective the date of commencement of lease under Agreement No. 8335, described above.

(3) Agreement No. 8155-C, between the City of Oakland, California, and Encinal Terminals, provides for the cancellation of approved Agreement No. 8155, as amended and extended by Agreements Nos. 8155-1, 8155-2, and 8155-3, covering the lease to Encinal by the City of Oakland of certain marine terminal facilities in the Outer Harbor Terminal Area, to become effective the date of commencement of lease under Agreement No. 8335, described above.

Interested parties may inspect these agreements 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 either of the agreements and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: August 20, 1958.

By order of the Federal Maritime Board.

[SEAL] JAMES L. PIMPER, *Secretary.*

[F. R. Doc. 58-6830; Filed, Aug. 22, 1958; 8:49 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. SR-2276]

C. G. CHAMBERS

NOTICE OF ORAL ARGUMENT

In the matter of James T. Pyle, Administrator of Civil Aeronautics, complainant v. C. G. Chambers, respondent; Docket No. SR-2276.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding is assigned to be held on September 17, 1958, at 10:00 a. m., e. d. s. t., in Room 5042, Commerce Building, 14th Street and Constitution Avenue NW., Washington, D. C., before the Board. The respondent has been allotted 30 minutes and the Administrator 30 minutes to be presented in that order. The respondent may reserve one-quarter of his allotted time for rebuttal.

Dated at Washington, D. C., August 20, 1958.

[SEAL] FRANCIS W. BROWN, *Chief Examiner.*

[F. R. Doc. 58-6839; Filed, Aug. 22, 1958; 8:51 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6337]

CENTRAL MAINE POWER CO.

NOTICE OF APPLICATION

AUGUST 19, 1958.

Take notice that on August 11, 1958, an application was filed with the Federal Power Commission pursuant to section 203 of the Federal Power Act by Central Maine Power Company (Applicant), a corporation organized under the laws of the State of Maine and doing business in the State of Maine only with its principal business office at Augusta, Maine, seeking an order authorizing the purchase of the properties, assets and franchises of Rumford Light Company ("Rumford"), a corporation organized under the laws of the State of Maine and doing business only in said State with its principal business office at Rumford, Maine. Applicant generates purchases, transmits, distributes and sells electric energy in all sixteen counties of Maine except Aroostook and Washington Counties. Applicant also has an arrangement with Public Service Company of New Hampshire for the interchange of secondary electric energy at the metering point in North Berwick, Maine. Rumford purchases, distributes and sells electric energy in or part of twelve towns in Oxford County, Maine. The consideration for the aforesaid purchase is to be in cash with the amount to be deter-

mined as follows: (1) Original cost of Rumford's operating properties less accrued depreciation, customer contributions and advances; (2) the cost of the operating materials and supplies and other inventory owned by Rumford at the time of the sale; (3) the amount of accounts receivable of Rumford less customer deposits and accrued interest thereon; (4) the amount of accrued utility revenues adjusted as of the date of sale. The date of the aforesaid sale is to be fixed as the last day of the month in which regulatory bodies grant Applicant permission to effect the purchase from Rumford. Applicant proposes to furnish electric service to the public in those towns now being served by Rumford. Applicant states that its arrangements with Rumford for the purchase of Rumford's property will be the most economical and will benefit the public now being served.

Any person desiring to be heard or to make any protest with reference to said application should, on or before the ninth day of September 1958, file with the Federal Power Commission, Washington 25, D. C., petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

[SEAL] MICHAEL J. FARRELL,
Acting Secretary.

[F. R. Doc. 58-6825; Filed, Aug. 22, 1958; 8:49 a. m.]

[Docket Nos. G-15925—15975]

KERR-McGEE OIL INDUSTRIES, INC., ET AL.

ORDER FOR HEARINGS, SUSPENDING PROPOSED CHANGES IN RATES, AND ALLOWING INCREASED RATES TO BECOME EFFECTIVE

In the matters of

	Docket Nos.
Kerr-McGee Oil Industries, Inc	G-15925
Joe W. Brown	G-15926
M. H. Marr	G-15927
Oil Participations Inc	G-15928
Petroleum Leaseholds, Inc., et al	G-15929
Jack W. Grigsby	G-15930
Crescent Production Co., Inc., et al	G-15931
Crescent Production Co., Inc	G-15932
General Crude Oil Co	G-15933
A. J. Hodges Industries Inc. (Operator) et al	G-15934
M. L. Mayfield et al	G-15935
C. H. Lyons, Sr., et al	G-15936
J. I. Roberts and C. H. Murphy d/b/a Roberts and Murphy	G-15937
P. R. Rutherford	G-15938
Francis W. Scott	G-15939
Sinclair Oil & Gas Co	G-15940
Harway Producers, Inc	G-15941
John Franks (Operator) et al	G-15942
Hope Producing Co. (Operator) et al	G-15943
C. H. Lyons, Sr. (Operator) et al	G-15944
Monsanto Chemical Co. (Operator) et al	G-15945
Warren Petroleum Co	G-15946
Union Oil and Gas Corp. of Louisiana (Operator) et al	G-15947
D. B. McConnell (Operator) et al	G-15948
United Carbon Company	G-15949
F. A. Callery Inc. (Agent) et al	G-15950
J. F. Pritchard	G-15951
Wilber J. Holleman	G-15952
W. E. Walker and J. R. Meeker	G-15953
C. A. Hilburn et al	G-15954
Hurley Oil and Gas Co	G-15955
F. A. Callery Inc., et al	G-15956
F. A. Callery Inc. (Operator) et al	G-15957
Sohio Petroleum Co	G-15958
J. I. Roberts	G-15959
Pioneer Oil & Gas Co. Inc., et al	G-15960
N. L. Adams, Sr., et al	G-15961
Bateman Drilling Co. (Operator) et al	G-15962
M. L. Mayfield	G-15963
Mid-Gulf Exploration Co	G-15964
Jay Simmons et al	G-15965
J. C. Trahan, Drilling Contractor, Inc	G-15966
J. C. Trahan, Drilling Contractor, Inc. (Operator) et al	G-15967
J. C. Trahan (Operator) et al	G-15968
The Atlantic Refining Co	G-15969
The British-American Oil Producing Co	G-15970
Herman Brown	G-15971
Columbian Carbon Co	G-15972
James M. Cunningham (Operator) et al	G-15973
Vernon Elledge & W. E. Hall, Jr	G-15974
Slick Oil Corp	G-15975

The proposed changes hereinafter designated, which constitute increases of the rates and charges in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission, have been tendered for filing by the persons named above (Respondents). Respondents, in each instance, proposed August 1, 1958, as the effective date of the changes.

Respondent	Notice of change dated	Date tendered	Purchaser	Supplement No.	Respondent's FPC gas rate schedule
1. Kerr-McGee Oil Industries, Inc.	July 28, 1958	July 30, 1958	Tennessee Gas Transmission Co.	6	55
2. Joe W. Brown	July 29, 1958	do	United Gas Pipe Line Co.	4	1
3. M. H. Marr	July 18, 1958	July 21, 1958	Arkansas Louisiana Gas Co.	1	8
4. Oil Participations Inc.	July 30, 1958	July 31, 1958	American Louisiana Pipe Line Co.	3	7
5. Petroleum Leaseholds, Inc., et al.	(1)	July 29, 1958	do	5	4
6. Jack W. Grigsby	July 28, 1958	July 31, 1958	Texas Eastern Transmission Corp.	2	4
7. Crescent Production Co., Inc., et al.	(1)	July 30, 1958	Arkansas Louisiana Gas Co.	3	1
8. Crescent Production Co., Inc., et al.	(1)	do	do	3	3
9. Crescent Production Co., Inc., et al.	(1)	do	do	3	4
10. Crescent Production Co., Inc., et al.	(1)	do	do	4	5
11. Crescent Production Co., Inc., et al.	(1)	do	do	3	7
12. Crescent Production Co., Inc., et al.	(1)	do	Mississippi River Publ Corp.	2	10
13. Crescent Production Co., Inc., et al.	(1)	do	do	3	11
14. Crescent Production Co., Inc., et al.	(1)	do	Olin Gas Transmission Co.	1	12
15. Crescent Production Co., Inc.	(1)	do	Arkansas Louisiana Gas Co.	2	2
16. Crescent Production Co., Inc.	(1)	do	do	2	8
17. Crescent Production Co., Inc.	(1)	do	do	2	15
18. General Crude Oil Co.	(1)	July 29, 1958	Tennessee Gas Transmission Co.	6	1
19. A. J. Hodges Industries Inc. (Operator), et al.	(1)	do	Arkansas Louisiana Gas Co.	7	10
20. M. L. Mayfield, et al.	July 23, 1958	July 28, 1958	Tennessee Gas Transmission Co.	2	2
21. C. H. Lyons, Sr., et al.	July 12, 1958	July 30, 1958	Southern Natural Gas Co.	4	7
22. J. I. Roberts & C. H. Murphy (d/b/a Roberts and Murphy).	July 25, 1958	July 28, 1958	Mississippi River Fuel Corp.	5	3
23. P. R. Rutherford	(1)	July 30, 1958	Transcontinental Gas Pipe Line Corp.	1	3
24. Francis W. Scott	July 28, 1958	July 29, 1958	Southern Natural Gas Co.	5	1
25. Sinclair Oil & Gas Co.	(1)	do	Arkansas Louisiana Gas Co.	1	128
26. Harway Producers, Inc.	(1)	July 30, 1958	Mississippi River Fuel Corp.	2	1
27. Harway Producers, Inc.	(1)	July 31, 1958	Arkansas Louisiana Gas Co.	3	2
28. Harway Producers, Inc.	(1)	do	do	4	4
29. Harway Producers, Inc.	(1)	do	do	5	6
30. Harway Producers, Inc.	(1)	do	do	3	7
31. Harway Producers, Inc.	(1)	do	do	2	8
32. John Franks (Operator), et al.	July 28, 1958	do	do	2	1
33. Hope Producing Co. (Operator), et al.	July 22, 1958	July 24, 1958	do	6	2
34. C. H. Lyons, Sr. (Operator), et al.	July 19, 1958	July 25, 1958	Southern Natural Gas Co.	3	8
35. Monsanto Chemical Co. (Operator), et al.	July 10, 1958	July 21, 1958	Texas Eastern Transmission Corp.	3	20
36. Warren Petroleum Corp.	July 18, 1958	do	do	8	18
37. Union Oil & Gas Corporation of Louisiana (Operator), et al.	July 22, 1958	July 22, 1958	United Gas Pipe Line Co.	2	8
38. D. B. McConnell (Operator), et al.	do	July 25, 1958	Arkansas Louisiana Gas Co.	4	4
39. D. B. McConnell (Operator), et al.	July 3, 1958	July 17, 1958	Texas Gas Transmission Corp.	1	6
40. United Carbon Co.	July 25, 1958	July 28, 1958	Mississippi River Fuel Corp.	5	27
41. United Carbon Co.	do	do	Arkansas Louisiana Gas Co.	4	28
42. F. A. Callery, Inc. (Agent), et al.	July 28, 1958	July 29, 1958	Southern Natural Gas Co.	2	11
43. J. F. Pritchard	do	July 30, 1958	Mississippi River Fuel Corp.	3	1
44. Wilbur J. Holleman	July 25, 1958	July 28, 1958	do	3	1
45. W. E. Walker and J. R. Meeker.	July 10, 1958	do	Texas Gas Transmission Corp.	2	1
46. C. A. Hilburn, et al.	July 22, 1958	do	Southern Natural Gas Co.	1	1
47. Hurley Oil & Gas Co.	July 23, 1958	do	Texas Eastern Transmission Corp.	3	5

(1) Undated.

Respondent	Notice of change dated	Date tendered	Purchaser	Supplement No.	Respondent's FPC gas rate schedule
48. F. A. Callery, Inc., et al.	July 29, 1958	July 31, 1958	United Gas Pipe Line Co.	6	3
49. F. A. Callery, Inc., et al.	do	July 30, 1958	do	1	7
50. F. A. Callery, Inc., et al.	do	do	Southern Natural Gas Co.	1	14
51. F. A. Callery, Inc. (Operator), et al.	do	do	United Gas Pipe Line Co.	2	10
52. Sohio Petroleum Co.	July 23, 1958	July 24, 1958	Texas Eastern Transmission Corp.	3	35
53. J. I. Roberts	July 31, 1958	Aug. 1, 1958	Arkansas Louisiana Gas Co.	6	3
54. Pioneer Oil & Gas Co., Inc., et al.	July 28, 1958	July 31, 1958	United Gas Pipe Line Co.	1	2
55. N. L. Adams, Sr., et al.	do	July 30, 1958	Arkansas Louisiana Gas Co.	2	3
56. Bateman Drilling Co. (Operator), et al.	July 25, 1958	July 28, 1958	United Fuel Gas Co.	2	1
57. M. L. Mayfield	July 23, 1958	do	do	2	1
58. Mid-Gulf Exploration Co.	July 15, 1958	July 23, 1958	do	3	1
59. Jay Simmons, et al.	July 21, 1958	July 28, 1958	do	4	7
60. J. C. Trahan, Drilling Contractor, Inc.	(1)	July 31, 1958	United Gas Pipe Line Co.	2	1
61. J. C. Trahan, Drilling Contractor, Inc. (Operator), et al.	(1)	do	Texas Eastern Transmission Corp.	2	4
62. J. C. Trahan (Operator), et al.	(1)	do	Arkansas Louisiana Gas Co.	3	8
63. The Atlantic Refining Co.	July 11, 1958	do	Trunkline Gas Co.	7	143
64. The Atlantic Refining Co.	do	do	Arkansas Louisiana Gas Co.	2	167
65. The British-American Oil Producing Company.	July 16, 1958	do	Texas Gas Transmission Corp.	5	1
66. Herman Brown	(1)	Aug. 1, 1958	Arkansas Louisiana Gas Co.	7	2
67. Columbian Carbon Co.	July 30, 1958	do	United Fuel Gas Co.	2	29
68. James M. Cunningham (Operator), et al.	July 29, 1958	do	Texas Gas Transmission Corp.	1	1
69. Vernon Elledge & W. E. Hall, Jr.	July 21, 1958	do	do	3	1
70. Slick Oil Corp.	(1)	do	Trunkline Gas Co.	2	5

[1] Undated.

The increased rates and charges proposed are intended to reflect (in whole or in part) the additional "excise, license, or privilege tax" of one cent per Mcf levied by the State of Louisiana pursuant to Act No. 8 of 1958 (House Bill No. 303), as approved on June 13, 1958, amending Title 47 of the Louisiana Revised Statutes of 1950. The Commission is advised that litigation is being instituted to challenge the constitutionality of the said Act No. 8 of 1958. In consideration of this fact, and in order to assure appropriate refunds in the event said Act No. 8 of 1958 should be declared unconstitutional or otherwise held invalid by final judicial decision, it is deemed advisable to suspend the said proposed increased rates and charges until August 2, 1958, and thereafter to permit them to become effective as of that date: *Provided*, That within 20 days from the date of this order, each Respondent shall file with the Secretary of the Commission an appropriate undertaking to assure such refund as may be ordered.

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of each of the said proposed changes, and that the supplements herein designated be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that Respondents' proposed increased rates be made effective as hereinafter provided and that each Respondent be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in each of the supplements to Respondents' FPC Gas Rate Schedules as herein designated.

(B) Pending such hearings and decisions thereon, each of said supplements be and each is hereby suspended and the use thereof deferred until August 2, 1958, and until such further time as each is made effective in the manner hereinafter prescribed.

(C) The rate, charge, and classification set forth in each of the aforementioned supplements to Respondents' FPC Gas Rate Schedules shall be effective as of August 2, 1958: *Provided, however*, That within 20 days from the date of this order, each Respondent shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Each Respondent shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the difference between the presently effective rates and charges and the proposed increased rates and charges hereby allowed to become effective in the event the additional tax of one cent per Mcf levied by the State of Louisiana is for any reason held to be invalid. Should such additional tax eventually be held invalid and the State of Louisiana makes refund, with interest, of the tax monies collected pursuant to the said Act No. 8 of 1958, then, and in that event, a proportionate part of the interest so received by the Respondents herein shall be passed on and paid to the persons entitled thereto at such times and in such amounts, and in such manner as may be required by final order of the Commission. Respondents shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rates or charges allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and four copies), in writing and under oath, to the Commission quarterly, or monthly if Respondents so elect, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the dates upon which the increased rates allowed by this order become effective, and under the rates allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance thereof, each Respondent shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, signed by a responsible officer of the corporation, evidenced by proper authority from the board of directors, and accompanied by a certificate showing service of copies thereof upon all purchasers under the rate schedule involved, as follows:

Agreement and Undertaking of _____
To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Changes

In conformity with the requirements of the order issued _____, in Docket No. G-_____, _____ hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this _____ day of _____.

_____
By _____

Attest:

_____
(Secretary)

Unless a Respondent is advised to the contrary within 15 days after the date of filing such agreement and undertaking, his agreement and undertaking shall be deemed to have been accepted.

(F) Each Respondent who, in conformity with the terms and conditions of paragraph (D) of this order, makes such refunds as may be required by order of the Commission, shall be discharged of his undertaking; otherwise, it shall remain in full force and effect.

(G) Neither the supplements hereby suspended nor the rate schedules sought to be altered thereby shall be changed until the periods of suspension have expired, unless otherwise ordered by the Commission.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of

practice and procedure (18 CFR 1.8 and 1.37 (f)).

Issued: August 15, 1958.

By the Commission.

[SEAL] MICHAEL J. FARRELL,
Acting Secretary.

[F. R. Doc. 58-6766; Filed, Aug. 22, 1958; 8:45 a. m.]

[Docket No. G-15549]

UNION PRODUCING CO.

ERRATA NOTICE

AUGUST 8, 1958.

In the Order For Hearing, Suspending Proposed Changes In Rates, and Allowing Increased Rates To Become Effective, issued on July 30, 1958, and published in the FEDERAL REGISTER on August 7, 1958 (23 F. R. 6008), under "Rate Schedule Designations" the words "Supplement No. 4 to Respondent's FPC Gas Rate Schedule No. 75" should be corrected to read "Supplement No. 5 to Respondent's FPC Gas Rate Schedule No. 75."

[SEAL] MICHAEL J. FARRELL,
Acting Secretary.

[F. R. Doc. 58-6827; Filed, Aug. 22, 1958; 8:49 a. m.]

[Docket No. G-15723]

MAGNOLIA PETROLEUM CO.

ERRATA NOTICE

AUGUST 8, 1958.

In the Order For Hearing, Suspending Proposed Changes In Rates, And Allowing Increased Rates To Become Effective, issued on July 31, 1958, and Published in the FEDERAL REGISTER on August 8, 1958 (23 F. R. 6064), under "Rate Schedule Designations" delete the following Supplements:

Line (12) Supplement No. 12 to Respondent's FPC Gas Rate Schedule No. 69.
Line (13) Supplement No. 7 to Respondent's FPC Gas Rate Schedule No. 150.
Line (14) Supplement No. 7 to Respondent's FPC Gas Rate Schedule No. 152.

[SEAL] MICHAEL J. FARRELL,
Acting Secretary.

[F. R. Doc. 58-6826; Filed, Aug. 22, 1958; 8:49 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 24D-2323]

UNIVERSAL SECURITIES, INC.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

AUGUST 19, 1958.

I. Universal Securities, Inc., (Universal), a North Dakota corporation, 405 North Third Street, Bismarck, North Dakota, filed with the Commission on July 22, 1958, a notification on Form 1-A and an offering circular relating to a proposed offering of 20,000 shares of Class A common stock, 50¢ par value, at $7.50 per share, and 1,500 shares of its preferred stock, $100 par value, at $100 per share, or an aggregate of both classes of stock of $300,000, for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof, and Regulation A, promulgated thereunder. Sam Parker Pandolfo (Pandolfo) was named as principal underwriter.

II. The Commission has reasonable cause to believe that:

A. The terms and conditions of Regulation A have not been complied with in that:

1. The notification on Form 1-A is deficient in that:

a. A written certification signed by the underwriter of the securities proposed to be offered has not been filed as an exhibit to the notification as required by Item 11 (c);

b. The response to Item 2 fails to disclose the required information with respect to affiliates of Universal;

c. The response to Item 9 fails to disclose the required information with respect to sales of unregistered securities of the issuer or any of its predecessors or affiliated issuers, which were sold within one year prior to the filing of this notification by or for the account of any person who at the time was director, officer, promoter, or principal security holder of the issuer.

d. The response to Item 10 fails to disclose the required information with respect to contemplated offerings of securities in addition to those covered by this notification.

2. The offering circular fails to set forth:

a. Certain of the rights of the preferred shareholders in regard to liquidation, as required by paragraph 7 (a) of Schedule I;

b. The location and general character of the physical properties now held or presently intended to be acquired and the nature of the title under which such properties are held or proposed to be held, as required by paragraph 8C (b) of Schedule I;

c. The names and complete residence addresses of all promoters of Universal as required by paragraph 9 (a) of Schedule I; and

d. All direct and indirect interests of directors, officers, and promoters in Universal or its affiliates, and in any material transactions within the past two years, as required by paragraph 9 (c) of Schedule I.

B. The notification and offering circular contain untrue statements of material facts and omit to state material facts necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, particularly with respect to:

1. The failure to adequately disclose in the offering circular the background and past experience of Sam Parker Pandolfo.

2. The failure to disclose in the offering circular the book value of Universal's Class A common stock, its relationship to the price of the securities to be offered, and the basis for the determination of the offering price.

3. The failure to adequately disclose in the offering circular the person in whom voting control will rest upon completion of the offering.

4. The failure to disclose in the offering circular the reasons, purposes and circumstances explaining the choice of Sam Parker Pandolfo as underwriter.

5. The failure to disclose in the offering circular the extent, nature and scope of all of Universal's past and prospective business operations.

6. The failure to disclose in the offering circular the fact that neither Universal or Pandolfo are registered broker-dealers with the Commission.

7. The failure to adequately disclose in the offering circular the interests of Pandolfo and Great Northern Investment Company in the Union Reserve Life Insurance Company.

8. The failure to adequately disclose in the offering circular the terms, conditions and scope of Universal Securities exclusive insurance agency agreement with Union Reserve Life Insurance Company.

9. The failure to disclose in the offering circular the background and experience of Universal's promoters and officers.

10. The failure to disclose in the offering circular the contingent liabilities incurred by Universal as a result of stock purchases and sales.

C. The offering, if made by means of the offering circular filed on July 22, 1958, would be made in violation of section 17 of the Securities Act of 1933, as amended.

III. *It is ordered*, Pursuant to Rule 261 of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given to Universal and to any person having any interest in the matter that this order has been entered; that the Commission upon receipt of a written request within thirty days after entry of this order will, within twenty days after the receipt of such request, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether to vacate the order or to enter an order permanently suspending the exemption, without prejudice, however, to the consideration and presentation of additional matters at the hearing; that if no hearing is requested and none is ordered by the Commission, the order shall become permanent on the thirtieth day after its entry and shall remain in effect, unless or until it is modified or vacated by the Commission, and that notice of the time and place for any hearing will promptly be given by the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 58-6812; Filed, Aug. 22, 1958; 8:46 a. m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

GEORGIA, IDAHO, OREGON, WASHINGTON

SALE OF MINERAL INTERESTS, AREA DESIGNATIONS

Schedule A, entitled Fair Market Value Areas, accompanying the Secretary's Order dated June 29, 1957 (16 F. R. 6318), is amended to add four counties in four different states as fair market value areas as follows:

State	County
Georgia	Walker.
Idaho	Washington.
Oregon	Curry.
Washington	Pierce.

Done at Washington, D. C., this 19th day of August 1958.

[SEAL] TRUE D. MORSE, *Acting Secretary.*

[F. R. Doc. 58-6822; Filed, Aug. 22, 1958; 8:48 a. m.]

TARIFF COMMISSION

[Investigations 9 and 10]

CERTAIN TISSUE PAPER

POSTPONEMENT OF PUBLIC HEARING

Investigations Nos. 9 (tissue paper from Finland) and 10 (tissue paper from Norway) under section 201 (a), Antidumping Act, 1921, as amended.

The United States Tariff Commission ordered that the public hearing in connection with the above inevstigations heretofore scheduled for September 23, 1958 (23 F. R. 6388), be postponed to 10 a. m., e. d. s. t., September 30, 1958.

Issued: August 20, 1958.

By order of the Commission.

DONN N. BENT, *Secretary.*

[F. R. Doc. 58-6834; Filed, Aug. 22, 1958; 8:50 a. m.]

[List No. 23-7]

CERTAIN PUSH-BUTTON PUPPETS

COMPLAINT RECEIVED

AUGUST 19, 1958.

The United States Tariff Commission hereby gives notice of the receipt, on August 7, 1958, of a complaint under section 337 of the Tariff Act of 1930 (19 U. S. C. 1337, 1337 (a)) filed by Kohner Brothers, a partnership, 155 Wooster Street, New York, N. Y., alleging unfair methods of competition and unfair acts in the importation and sale of certain foreign push-button puppets.

In accordance with the provisions of § 203.3 of the rules of practice and procedure of the Commission (19 CFR 203.3) the Commission has initiated a preliminary inquiry into the allegations of this complaint for the purpose of determining (a) whether the institution of an investigation under section 337, above, is warranted, and (b) whether the issuance of a temporary order of exclusion from entry under section 337 (f) of the Tariff Act of 1930 (19 U. S. C. 1337 (f)) is warranted.

A copy of the complaint is available for public inspection at the offices of the United States Tariff Commission located at Eighth and E Streets NW., Washington, D. C., and also in the New York Office of the Tariff Commission, located in Room 437 of the Custom House.

Persons desiring to submit information pertinent to the aforementioned purposes of the preliminary inquiry may do so by submitting their views in writing to the Secretary, United States Tariff Commission, Washington 25, D. C. Fifteen copies of any such submission are required.

Issued: August 20, 1958.

By order of the Commission.

[SEAL] DONN N. BENT, *Secretary.*

[F. R. Doc. 58-6835; Filed, Aug. 22, 1958; 8:50 a. m.]

INTERSTATE COMMERCE COMMISSION

[Notice 17]

MOTOR CARRIER TRANSFER PROCEEDINGS

AUGUST 20, 1958.

Synopses of orders entered pursuant to section 212 (b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17 (8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 61150. By order of August 14, 1958, the Commission, Division 4, approved the transfer to Petroleum Transit Corporation of Virginia, Lumberton, North Carolina, of certificate in No. MC 113336 Sub 10, and a portion of certificate in No. MC 113336, issued February 12, 1958, and August 2, 1955, respectively, to Petroleum Transit Company, Inc., Lumberton, North Carolina, authorizing the transportation of petroleum and petroleum products, in bulk, in tank vehicles, from points in York County, Va., to points in Delaware, Maryland, North Carolina, West Virginia, and the District of Columbia, and petroleum products, in containers, in shipments of not less than 10,000 pounds, from Baltimore, Md., to points in North Carolina, and empty drums on the return trip. James E. Wilson, Wilson, Woods & Villalon, Perpetual Building, 1111 E Street NW., Washington, D. C.

No. MC-FC 61188. By order of August 13, 1958, the Transfer Board approved the transfer to Daily Express, Inc., Carlisle, Pa., of Certificates Nos. MC 28439 Sub 19, MC 28439 Sub 22, MC 28439 Sub 23, MC 28439 Sub 25, MC 28439 Sub 26, MC 28439 Sub 28, MC 28439 Sub 31, MC 28439 Sub 32, MC 28439 Sub 42, MC 28439 Sub 46, MC 28439 Sub 47, MC 28439 Sub 51, MC 28439 Sub 53, MC 28439 Sub 54, MC 28439 Sub 55, MC 28439 Sub 57, MC 28439 Sub 63, MC 28439 Sub 64, MC 28439 Sub 65, MC 28439 Sub 66, MC 28439 Sub 73, MC 28439 Sub 75, and MC 28439 Sub 76, issued January 10, 1951, May 26, 1950, May 26, 1950, November 2, 1950, May 22, 1951, June 11, 1951, November 18, 1952, September 17, 1952, November 18, 1952, January 4, 1954, December 23, 1952, May 8, 1956, November 4, 1953, July 12, 1954, June 28, 1954, July 8, 1955, October 9, 1956, July 12, 1957, July 26, 1957, April 29, 1957, September 12, 1957, June 9, 1958, and May 19, 1958, respectively, to Daily Motor Express, Inc., Carlisle, Pa., authorizing the transportation of designated specific commodities within the states of Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, West Virginia, and Wisconsin; Truck bodies and trailers, in initial movements, in truckaway service, from Camp Hill, Pa., to points in the United States, and damaged or returned trailers, from points in the United States to Camp Hill, Pa.; Crawler-Type Tractors equipped with Hydraulic elevator and fork lift attachments, and two-wheel trailers other than those designed to be drawn by passenger automobiles, in initial movements, by the truckaway method, from Churubusco, Ind., and points within five miles thereof, to points in the United States (except those in Minnesota, North Dakota, Montana, Idaho, Washington, and Oregon; and Stone crushing equipment and automatic loading equipment, between Galion, Ohio, on the one hand, and, on the other, points in the United States (except points in Georgia, Florida, Alabama, South Carolina, Kentucky, West Virginia, Virginia, and that part of Pennsylvania west of U. S. Highway 15). Transferee is also substituted as applicant in pending dockets Nos. MC 28439 Sub 71, MC 28439 Sub 77, MC 28439 Sub 79, MC 28439 Sub 80, MC 28439 Sub 81, MC 28439 Sub. 82, MC 28439 Sub 83, and MC 28439 Sub 85. James E. Wilson, Perpetual Building, 1111 E Street NW., Washington 4, D. C., for applicants.

No. MC-FC 61193. By order of August 12, 1958, the Transfer Board approved the transfer to Tomlin Transportation Company, A Corporation, Casper, Wyoming, of certificate in No. MC 99677 Sub 1, issued April 19, 1957, to Max Dawson, doing business as Dawson Trucking Company, Casper, Wyoming, authorizing the transportation of telephone, telegraph and power line equipment, heavy machinery and parts, machinery, equipment, materials, and supplies, as specified, between specified points in Wyoming, Colorado, Montana, North Dakota, South Dakota, and Utah.

Robert S. Stauffer, 1510 East 20th Street, Cheyenne, Wyoming.

No. MC–FC 61264. By order of August 14, 1958, the Transfer Board approved the transfer to M. J. Whalen Co., Inc., Portsmouth, N. H., of Certificate No. MC 74451, issued January 6, 1950, to M. J. Whalen, Portsmouth, N. H., authorizing the transportation of household goods between points in Rockingham County, N. H., and York County, Maine, on the one hand, and, on the other, points in Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Maryland, and Pennsylvania. Francis J. Riordan, 244 State Street, Portsmouth, N. H., for applicants.

No. MC–FC 61326. By order of August 14, 1958, the Transfer Board approved the transfer to Bernard Edward Tunink, Glidden, Iowa, of Certificate No. MC 8360, issued August 5, 1957, to B. R. Hay, Glidden, Iowa, authorizing the transportation of: Livestock, feed, tankage, hay, lumber, agricultural implements, cement blocks, tile, flour, tires, oil, paint, and hardware, over regular routes, between Glidden, Iowa, and Omaha, Nebr.

No. MC-FC 61349. By order of August 12, 1958, the Transfer Board approved the transfer to Cono Brigandi, Hicksville, New York, of certificate No. MC 16093 Sub 1, issued May 15, 1957, to Kosta Trucking and Leasing Corp., doing business as Kosta Trucking Co., New York, New York authorizing the transportation of: Brewers' and refrigeration supplies and machinery, between New York, N. Y., on the one hand, and, on the other, Harrison, Newark, Orange, Paterson, and Passaic, N. J.; and passenger and freight elevator machinery and parts thereof, steel wire cable, marine fittings, and cargo nets, between New York, N. Y., on the one hand, and, on the other, Harrison, Newark, Orange, Paterson, and Passaic, N. J. Charles H. Trayford, 155 East 40th Street, New York, New York, for applicants.

No. MC–FC 61350. By order of August 13, 1958, the Transfer Board approved the transfer to H. Pom-Arleau, doing business as Pom-Arleau Transfer, Wenatchee, Washington, of Certificates Nos. MC 94068, MC 94068 Sub 1, and MC 94068 Sub 2, issued March 18, 1941, September 1, 1942, and January 4, 1944, respectively, to H. Pom-Arleau, authorizing the transportation of *Household goods*, as defined by the Commission, over irregular routes, between Wenatchee, Wash., on the one hand, and, on the other, points in Oregon, Idaho, and Montana; *various specified commodities*, from Wenatchee, Wash., to points in Idaho, Montana, and Oregon; and, *Fruit wrapping paper*, over irregular routes, from Portland, Oreg., and points in Oregon within 15 miles of Portland, to points in Douglas, Chelan, and Okanogan Counties, Wash. Robert F. Murray, Doneen Building, Wenatchee, Wash., for applicants.

No. MC–FC 61358. By order of August 13, 1958, the Transfer Board approved the transfer to Louis Mark Squiccimara, doing business as D & L Delivery Service, Philadelphia, Pa., of Certificate No. MC 108813, issued October 31, 1956, to Dominic Mark and Louis Mark Squiccimara, a Partnership, doing business as D & L Delivery Service, Philadelphia, Pa., authorizing the transportation of printed materials and graphic arts materials, between Philadelphia, Pa., and New York, N. Y. Morris J. Winokur, Market Street National Bank Building, Juniper and Market Streets, Philadelphia 7, Pennsylvania, for applicants.

No. MC–FC 61409. By order of August 14, 1958, the Transfer Board approved the transfer to Santry Trucking Company, Portland, Oregon, of Permits Nos. MC 95920, MC 95920 Sub 10, and MC 95920 Sub 11, issued November 15, 1956, July 31, 1957, and June 30, 1958 respectively, to D. D. Santry, doing business as Santry Trucking Company, Portland, Oregon, authorizing the transportation of malt beverages, from Olympia, Wash., to Marshfield, Oreg., Albany, Oreg., New Port, Oreg., and Tillamock, Oreg., malt beverages, malt beverage containers and cartons, bottle openers, advertising matter, and brewery products, moving incidentally to the movement of malt beverages, from Olympia, Wash., to points in Idaho and Oregon. William P. Adams, 331 Pacific Building, Portland 4, Oregon.

No. MC–FC 61424. By order of August 14, 1958, the Transfer Board approved the transfer to Duncan Petroleum Transport, Inc., Bellmore, N. Y., of certificate No. MC 104620 Sub 12, issued April 9, 1958, to Trans-Isle Carriers, Inc., Franklin Square, N. Y., authorizing the transportation of liquid asphalt and other tar products and petroleum products, in tank trucks, between points in seven New Jersey counties and portions of two other New Jersey counties, on the one hand, and, on the other, points in Suffolk and Nassau Counties, N. Y., and between Staten Island, N. Y., on the one hand, and, on the other, points in Nassau County, N. Y. (except the New York, N. Y., Commercial Zone) and points in Suffolk County, N. Y. Charles H. Trayford, 155 East 40th Street, New York 16, N. Y., for applicants.

No. MC–FC 61428. By order of August 19, 1958, the Transfer Board approved the transfer to Don Swart, doing business as Don Swart Trucking, West Alexander, Pennsylvania, of Certificate No. MC 94134, issued May 13, 1952, to Lilburn P. Jack, doing business as L. P. Jack Transfer, Elm Grove, West Virginia, authorizing the transportation of coal and road building materials, between points in Ohio, Pennsylvania, and West Virginia, within 50 miles of Elm Grove, W. Va., and household goods, between Elm Grove, W. Va., on the one hand, and, on the other, points in Ohio and Pennsylvania.

No. MC–FC 61441. By order of August 12, 1958, the Transfer Board approved the transfer to The Winfield Bus Service, Inc., Winfield, Kans., of certificate No. MC 529, issued April 30, 1954, to Elmer Z. Reeve, doing business as Winfield Bus Service, Winfield, Kans., authorizing the transportation of passengers, in charter service, beginning and ending at a point in Kay or Grant Counties, Okla., to Kansas City, Mo., and points in Colorado, Wyoming, Nebraska, Kansas, Oklahoma, and Iowa, and beginning at points in Kansas and extending to all points in the United States. Lawrence E. Christenson, P. O. Box 765, Winfield, Kans., for applicants.

No. MC–FC 61446. By order of August 12, 1958, the Transfer Board approved the application to Donna Ione Jacobs, doing business as Jacobs Trucking Service, Baker, Montana, of certificate No. MC 98971 Sub 1, issued June 28, 1957, to Earl E. Jacobs, doing business as Jacobs Trucking Service, Baker, Montana, authorizing the transportation of general commodities, excluding household goods and other specified commodities, between Miles City, Mont., and Marmarth, N. Dak. Gene Huntley, Attorney at Law, Baker, Montana, for applicants.

[SEAL] HAROLD D. McCOY,
Secretary.

[F. R. Doc. 58-6823; Filed, Aug. 22, 1958; 8:48 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

STATEMENT OF ORGANIZATION AND DELEGATIONS OF FINAL AUTHORITY

MISCELLANEOUS AMENDMENTS

The Statement of Organization and Delegations of Final Authority of the Office of Alien Property (21 F. R. 1241), as amended, are hereby amended as follows and not otherwise:

1. Subparagraph 5 (c) is amended to read:

(c) *Litigation Section.* Under the supervision of the Chief, Litigation Section, this Section conducts all litigation concerning the Office, matters which may be referred to the Section for enforcement or possible litigation and such title claim proceedings under the Trading With the Enemy Act, as amended, as may be referred by the Director.

(1) The Chief, Litigation Section, is authorized to exercise such powers and authority as may be necessary and appropriate in the performance of his functions.

(2) In the exercise of his authority with respect to title claims under the Trading With the Enemy Act, as amended, insofar as it relates to a position taken by the Litigation Section prior to allowance or final disallowance of a claim, the Chief, Litigation Section, shall sign in his own name and title.

(3) The Chief, Litigation Section, is authorized to execute receipts, surrenders, releases or other instruments to evidence action which may be consummated in cases referred to or handled by the Section.

2. The first sentence of subparagraph 5 (d) is amended as follows:

(d) *Claims Section.* Under the supervision of the Chief, Claims Section, this Section processes all claims under the Trading With the Enemy Act, as amended, or under Title II of the International Claims Settlement Act of 1949 for the return of property or the payment of debts of former owners of vested property, except such title claims under the

Trading With the Enemy Act, as amended, as may be referred by the Director to the Litigation Section of the Office.

* * * * *

3. Subparagraph 5 (e) is amended as follows:

(e) *Liquidation Section.* Under the supervision of the Chief, Liquidation Section, this Section is responsible for matters relating to the operation or liquidation of business enterprises which have been supervised or vested, for the management and liquidation of vested real and personal property, for collection, custody and administration with respect to vested interests in estates and trusts and vested rights under contracts of life insurance and annuity and for all matters relating to the administration of trade-marks and copyrights and rights or interests therein or related thereto vested under the Trading With the Enemy Act, as amended, or controlled thereunder by 8 CFR, Part 507. This Section also performs certain functions in connection with effectuating returns of vested property.

* * * * *

(3) The Chief, Liquidation Section, and within this Section, the Chief, Collection and Custody Unit and the Assistant Chief, Collection and Custody Unit, are severally authorized:

* * * * *

(ii) To take custody of any property or interest therein which is vested in, or is transferable or deliverable to, the Attorney General under the Trading With the Enemy Act, as amended, or Title II of the International Claims Settlement Act of 1949; to accept payment, conveyance, transfer, assignment or delivery made to or for the account of the Attorney General pursuant to said Act or Title; to exercise any right of election to surrender or release any vested insurance policy contract rights or interests therein against payment of cash surrender value; and to execute receipts, surrenders, releases or other instruments to evidence such action;

* * * * *

Executed at Washington, D. C., on August 19, 1958.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 58-6829; Filed, Aug. 22, 1958; 8:49 a. m.]