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Title 6—AGRICULTURAL CREDIT

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

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

PART 475—EMERGENCY FEED PROGRAM

Subpart—Livestock Feed Program

This bulletin contains regulations pertaining to a continuing Livestock Feed Program and is issued by the Commodity Credit Corporation.

Sec.

AUTHORITY: §§ 475.201 to 475.214 issued under secs. 1–4 of 73 Stat. 574. Interpret or apply secs. 4 and 5 of 62 Stat. 1070, as amended; sec. 407 of 63 Stat. as amended; U.S.C. 714 b c; 7 U.S.C. 1427.

§ 475.201 General statement.

The basic objective of this program authorized under Public Law 86–299 is to give assistance to livestock owners in designated emergency areas through sales at applicable current support prices of feed grains owned by Commodity Credit Corporation (hereinafter called CCC). CCC is not authorized to sell feed grains under this program to any livestock owner unless such person does not have, and is unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by him, and unless such person uses such feed grains only for feed for such livestock, except as provided herein. The program shall be in effect in designated emergency areas where the Secretary of Agriculture (hereinafter called Secretary) determines there is a shortage of feed because of flood, drought, hurricane, tornado, earthquake, or other catastrophe, including disease or insect infestation. Certification of the need for the program must be made by the Governor of the State. In making designation of emergency areas, the Secretary will take into consideration the information and recommendation submitted by the State USDA Disaster Committee based on information and recommendations supplied by the county USDA disaster committees concerned, and may also take into consideration other information about conditions in the area which may be available to him. Assistance will not usually be made available under this program in a major disaster area in which the Emergency Feed Program (24 F.R. 8319 and any amendments thereto) is in effect.

§ 475.202 Administration.

The program will be administered by Commodity Stabilization Service (hereinafter called CSS) and CCC under the general direction and supervision of the Executive Vice President, CCC, and in the field will be carried out by the Agricultural Stabilization and Conservation State and county committees and offices (hereinafter called State and county committees and offices) and CSS commodity offices. State and county committees and offices, CSS commodity offices, and representatives and employees of any of the above do not have authority to modify or waive any of the provisions of this subpart or any amendments or supplements thereto.

§ 475.203 Definitions.

The following terms shall have the following meanings in this subpart and in all forms and documents used in connection herewith (except where the context or subject matter otherwise requires, or where otherwise defined in the Livestock Feed Program).

(a) "Emergency area" means an area designated by the Secretary under Public Law 86–299, as an area of emergency in which sales may be made under this program.

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CODIFICATION GUIDE

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

A Cumulative Codification Guide covering the current month appears at the end of each issue beginning with the second issue of the month.

CODIFICATION GUIDE—Con.

(b) "Owner" means any individual, partnership, corporation, cooperative, or other business entity which owns or jointly owns the livestock, or has a beneficial interest in whole or in part in the livestock, and which meets the requirements of eligibility contained in § 475.204 of this subpart.

(c) "Feed grains" means barley, corn, wheat, grain sorghums, oats, and rye.

(d) "CCC-owned grains" means barley, corn, wheat, grain sorghums, oats, and rye owned by CCC.

(e) "Reseal loan grain" means the owner's barley, corn, wheat, grain sorghums, oats, and rye under reseal, extended reseal, re-extended reseal, or extended re-extended reseal price support loan stored in the emergency county or contiguous county.

(f) "Prescribed period" means the period of time determined by the Secretary during which this program will be in effect in an emergency area.

(g) "Authorized period" means the number of days which feed grain shall be made available to the owner. Such authorized period shall begin on the date an application is filed and shall end on the last day of the prescribed period or 60 days after the date the application is filed, whichever is earlier.

(h) "Warehouse" means a warehouse which is currently operating under a Uniform Grain Storage Agreement (CCC Form-25) or an Agreement for Handling of Grain through Commercial Warehouses (CCC Form-38).

(i) "Handler" means any person (including but not limited to any individual, partnership, corporation, cooperative, or other business entity) which is approved by the county committee to perform applicable delivery services.

(j) "Livestock" means all classes of beef and dairy cattle, swine, sheep, goats, and work animals such as horses and mules.

(k) "Eligible livestock" means the livestock owned by the applicant at least six months prior to the date of application or the offspring of livestock so owned. Such livestock must have been located in the emergency area on the date such area was designated an emergency area, unless the State committee finds that they were moved into the area at a later date in accordance with the owner's normal livestock operation, such as rotation grazing.

(l) "Animal unit" means one cow, feeder heifer, bull or steer; two other heifers; three calves, five sheep; five goats; seven lambs or kids; three sows or hogs on full grain ration; five other swine, one horse or mule.

(m) "Bin site" means a plot of ground upon which CCC-operated storage facilities are located.

(n) "Undue financial hardship" means that an applicant does not have on hand sufficient feed for his livestock for the prescribed period, or 60 days, whichever is shorter, and is unable to obtain such feed from normal suppliers without sustaining an operating loss, and that the applicant's financial condition is such that this loss will interfere with his obtaining necessary financing for his livestock operation in the future or will otherwise imperil his continued livestock operation.

(o) "Market price" means the price at which local merchandisers are selling grain to normal purchasers, such as livestock owners, truckers, and other merchandisers.

(p) "Minimum prices" means the minimum market prices for the consideration of applications for approval by the county committee which is furnished the State committee by the Executive Vice President of CCC.

§ 475.204 Eligibility provisions.

(a) *Area.* This program shall be in effect only with respect to eligible livestock, as described in § 475.203(k).

(b) *Eligibility requirements.* Subject to the terms and conditions hereinafter prescribed in this subpart, any owner of eligible livestock may purchase feed grains for such eligible livestock hereunder, if he meets the following eligibility requirements:

(1) Undue financial hardship exists with respect to such owner.

(2) Prior to the purchase of grain hereunder, such owner shall repay the principal and interest on all his price support loans on current crops of oats, barley, grain sorghums and corn, and shall notify CCC in writing that none of such grains on which he has purchase agreements shall be delivered to CCC. The above requirement shall only apply to such owner's grain stored in the emergency county or a contiguous county.

(3) An application is filed and the owner agrees that any purchase of feed grain by him shall be subject to the terms and conditions of this subpart and that all other requirements of this subpart are met.

§ 475.205 Application and approval.

(a) *Who may apply.* Any person who fulfills the requirements of § 475.204 may file an application under this program. When an application is filed by a partner or a duly authorized representative of a partnership, the application must be filed in the name of the partnership, and each and every partner of the partnership must sign the application. If an application is filed in the name of a corporation which is wholly or substantially (i.e., 75 percent or more) owned by an individual and those related to him by blood or marriage, each such family member shall sign the application. When an application is filed in the name of a corporation, except a family corporation as described above, the application must be accompanied by a certified copy of a resolution by the Board of Directors for such corporation authorizing the purchase of grain under the Livestock Feed Program in behalf of said corporation.

(b) *Where to apply.* Form CCC Grain-65, Application and Certification (hereinafter called Form 65) must be filed at a county office located in the emergency area, and shall be made at the office of the county committee which has the owner's farm program records for the farm or ranch, unless the livestock have been removed permanently from such county. If the livestock have been removed permanently from such county, or if the county office has no farm program records for the farm or ranch, application may be made in the office of the county committee of the county in which the principal part of the livestock is located. Owners who do not own a farm or ranch shall apply at the county office of the county in which the principal part of the livestock is located. Other owners shall file in a county office located in the emergency area designated by the State committee. A Form 65 shall be filed in more than one county for the same livestock for the prescribed period or any portion thereof.

(c) *Filing of applications.* The applicant shall furnish all information required of him on the Form 65, and shall certify as to the requirements specified in § 475.204(b). The date of filing shall be the date the application is received in the county office.

(d) *Committee action on application.* (1) The county committee shall review each Form 65 and approval shall be given only if the applicant meets the eligibility requirements. Applications shall be approved by the county committee only during the prescribed period in a month when the market prices of all major feed grains are equal to or above minimum prices forwarded to the county committee by the State committee, except that the county committee may approve at any time during the prescribed period applications filed during the prescribed period in a month when the market prices have been determined to be above minimum prices. For administrative purposes, market prices shall be determined by the county committee on a monthly basis.

(2) The county committee will review all applications, except those applications submitted by State and county committeemen and those involving 500 or more animal units, and determine whether the applicant is eligible to purchase grain under this program and, if so, the quantity which may be purchased. Applications submitted by State and county committeemen and those involving 500 or more animal units will be reviewed as outlined in subparagraph (11) of this paragraph.

(3) The maximum quantity of feed grain which may be made available to an applicant shall not exceed 10 pounds of feed grain per animal unit (of eligible livestock) per day, or whatever lesser quantity is established by the State committee for the number of days in the authorized period. Applications for additional assistance may be filed after

such period providing the prescribed period has not expired or has been extended.

(4) The actual quantity of feed grains which an applicant shall be approved to purchase shall be determined by computing the maximum quantity of feed grain which may be made available, and deducting from such maximum quantity the total quantity of feed available to the applicant for feeding his eligible livestock during the authorized period.

(5) The total quantity of feed available to the applicant shall be determined by taking into consideration feed already on hand, the estimate of feed to be produced, the grain or feed which is to be delivered under the emergency feed or other emergency programs, and the feed the applicant will otherwise acquire through normal channels without undue financial hardship. In determining the feed available to the applicant, the county committee shall consider the following as feed: Feed grains and ensilage, hay and forage (including pasture) in terms of grain feed value equivalents. The applicant's wheat and rye shall only be considered as feed in areas designated by the Executive Vice President of CCC. In determining the total quantity of feed available when the applicant is a partnership or a family corporation, the quantity of feed that each partner of the partnership or member of the family corporation has available shall be combined and taken into consideration.

(6) The quantity of feed available to the applicant shall be considered available for his other livestock in the emergency county or a contiguous county as well as his eligible livestock, provided that such feed shall be allocated between eligible livestock and such other livestock in accordance with the applicant's normal feeding operations.

(7) The applicant's reseal loan grain shall not be considered by the county committee as feed available for either his eligible livestock or his other livestock.

(8) An applicant which is a partnership shall be eligible, if it meets the standards of eligibility provided in this subpart taking into consideration the resources of each of the partners in the partnership. If the applicant is a corporation and the corporation is wholly or substantially (i.e., 75 percent or more) owned by an individual and those related to him by blood or marriage, the county committee shall disregard the corporate entity for the purpose of determining the eligibility of such applicant to receive assistance and treat the applicant as a partnership composed of the individual and those related to him by blood or mariage. The resources of the individual and each stockholder related by blood or marriage must be taken into consideration in determining the eligibility of the family corporation to receive assistance.

(9) The county committee shall base its determinations primarily upon the information supplied by the applicant, but shall take into consideration other information available to it, including knowledge of the committeemen concerning the applicant's normal operations. In any case where information furnished by the applicant is incomplete or not clear, the county committee will request such additional information of the applicant as may be necessary. In any case where the personal knowledge of the committeemen of the applicant's operations and financial condition does not warrant approval of the application without further information, the county committee shall request the applicant to furnish or may obtain from other sources the additional information it needs to reach a decision.

(10) Each Form 65 shall be considered by at least two members of the county committee. The action taken with respect to each Form 65, except such forms submitted by State and county committeemen and those involving 500 or more animal units, shall be based upon the combined judgment and decision of two or more members of the county committee, and such combined judgment and decision will be indicated in the appropriate space provided on the Form 65. If the application is rejected, a brief statement of the reasons for such action will be given in the space provided for that purpose. At least two members of the county committee who considered the Form 65 shall sign the original and copy of the form in behalf of the county committee. The original shall be retained in the county office and a copy delivered to the applicant, showing the action taken.

(11) In connection with a Form 65 submitted by State and county committeemen and those involving 500 or more animal units, the county committee shall make recommendations with respect to the eligibility of the applicant and the quantity of grain which such applicant is entitled to purchase in accordance with the standards prescribed in this subpart. Such recommendations, together with the Form 65, shall be referred to such officials in CSS as may be designated by the Executive Vice President, CCC, to make final determinations with respect to such applications on the basis of the same standards and subject to the same limitations as are applicable to the county committee.

(e) Appeals and review of county committee action. An applicant may appeal to the State committee determinations made by the county commitee as to his eligibility or the quantity of feed grains which he is approved to purchase. An appeal shall be accompanied by a written statement of the applicant's justification together with supporting evidence. The State committee either on its own motion or on appeal is authorized to review actions taken by the county committee on an appeal basis with respect to the eligibility of an applicant or the quantity of grain which he is approved to purchase. No appeal may be had by the applicant from the determination of the State committee.

§ 475.206 When sales shall be made.

Sales shall be made during the period shown on the Form 65.

§ 475.207 Sales made by county offices.

When an owner desires to purchase grain pursuant to an approved application (Form 65), prior to delivery of any grain hereunder, he shall make payment to a county committee by means of an acceptable remittance for the estimated purchase price. Upon determination of the final amount due CCC, any over or underpayment shall be promptly settled between the county committee and the owner.

§ 475.208 Price of grains.

(a) *General.* Grain shall be priced for sale at the current announced price support rate, including premiums and discounts established for class, grade and quality, for the county in which the grain is delivered, as determined by CCC.

(b) *Current price support rate.* The current price support rate shall be as follows:

(1) For wheat, oats, rye and barley, the current price support rate shall be the price support rate which is effective during the marketing year which begins on July 1 of the year and ends on June 30 of the following year.

(2) For corn and grain sorghums, the current price support rate shall be the price support rate which is effective during the marketing year which begins on October 1 of the year and ends on September 30 of the following year.

(c) *Transit billing.* Transit billing privileges behind grain delivered to an owner shall not be transferred to him.

(d) *Net quantity.* Sales shall be on a net quantity basis.

§ 475.209 Availability of grain.

CCC reserves the right to determine the quantities, kinds, classes, grades and qualities of CCC-owned grain which will be made available for sale in an emergency area. The State committee shall be advised by the Executive Vice President of CCC of the kinds of grain to be made available for sale in an emergency area. If the State or county committee has reason to believe that an owner has not fully complied with these regulations, delivery of grain to him shall be suspended. CCC does not warrant the grade, quality or dockage content of any grain sold under this program, regardless of the basis on which sold nor the fitness of any such grain for any particular use.

§ 475.210 Sales of CCC-owned grain.

CCC reserves the right to determine the delivery point of CCC-owned grain sold under this program. Delivery of CCC-owned grain shall be authorized by issuance of non-transferable delivery orders after payment is received. An owner who wishes to have grain delivered to him by CCC ground and/or custom mixed may do so, provided that the same grain delivered to him is ground or mixed. All charges for grinding or mixing shall be for the owner's account. CCC shall not be responsible for any sacking costs. On all sales basis delivery in store or f.o.b. conveyance the owner shall promptly have the grain specified in the delivery order loaded out of the warehouse or the handler's facility into his conveyance unless for good cause CCC agrees to a delay in load-out. On sales basis delivery in store in a warehouse or in a handler's facility, differ-

ences in the value of the grade, quality, and net quantity of the grain delivered to the owner from that shown on the delivery order shall be settled between the owner and the warehouseman or handler.

(a) *Warehouse stored CCC-owned grain.* (1) Warehouse stored grain shall be sold basis in-store in the warehouse, or for delivery f.o.b. the owner's conveyance at the warehouse, at the option of the owner, provided CCC can make the necessary arrangements with the warehouseman, except that if grain is to be custom-mixed and/or ground, it shall be sold on an in-store basis only. The county office will issue to the owner a delivery order drawn on the warehouse setting forth the delivery basis, the quantity, kind, class, grade and quality of grain to be delivered, and the warehouse at which the grain is to be delivered. The owner shall promptly obtain the grain by presenting the delivery order to the warehouseman. Warehouse receipts or other documents representing such grain shall be released to the warehouseman under a trust order prior to the time the grain is sold.

(2) CCC shall only be responsible for storage charges up to and including the date of issuance of the delivery order. On sales made for delivery f.o.b. conveyance at the warehouse, CCC shall be responsible for the loading out charge.

(3) In the case of an in-store delivery, title and risk of loss to the grain specified in the delivery order shall pass to the owner upon date of issuance of the delivery order. In the case of delivery f.o.b. the owner's conveyance, title and risk of loss to the grain specified in the delivery order shall pass to the owner at the time of load out.

(b) *Bin site stored grain.* (1) Bin site stored grain shall be sold basis delivery f.o.b. the owner's conveyance at the bin site.

(2) Title and risk of loss on sales made for delivery f.o.b. the owner's conveyance at the bin site shall pass to the owner when the grain is placed in his conveyance at the bin site, unless the owner removes the grain from the bins, in which event risk of loss shall pass to the owner at the time he takes possession of the grain.

(3) On sales basis f.o.b. conveyance at the bin site, CCC shall be responsible for bin emptying charges and the cost of weighing. Delivery weights on such sales shall be obtained at a usual weighpoint for the bin site determined by the county office. Trucking costs to such weighpoint shall be for the account of the owner.

(4) Applicable bin emptying, and weighing services on bin site sales shall be performed under the usual county office agreements at the prevailing rates in the county, or by ASC personnel, at the option of CCC.

(5) Bin site grain shall be sold on a grade basis. On such sales the sale price shall be subject to adjustment for the grade and quality actually delivered, and the quantity delivered shall be adjusted for dockage content on grains on which dockage applies under the Official Grain Standards of the United States.

(6) Inadvertent overdeliveries of grain sold for delivery f.o.b. conveyance at the bin site shall be priced at the applicable current price support rate.

(c) *Delivery in areas where there are no warehouses or bin site stored grain.* Grain shipped into such areas shall be consigned to the county committee. CCC shall pay all transportation costs to the carrier's unloading point. Such grain shall be sold "as is", basis delivery f.o.b. the owner's conveyance at such carrier's unloading point, basis delivery in-store in a handler's facility, or basis delivery f.o.b. the owner's conveyance at a handler's facility at the option of CCC. On sales on an "as is" basis, the sale price shall not be subject to adjustment for the grade or quality actually delivered, but shall be subject to quantity adjustment for dockage content on grains on which dockage applies under the Official Grain Standards of the United States. CCC shall bear the charges for the following handling services, if applicable, on such sales at rates approved by the State committee:

(1) Applicable handling services shall be as follows:

(i) Unloading the grain from the carrier's vehicle, and loading the grain into the owner's conveyance under the supervision of the county committee.

(ii) Required trucking to a receiving facility determined by the county committee, provided that CCC shall not be responsible for trucking in excess of three miles.

(iii) Weighing, if applicable, under the supervision of the county committee.

(iv) Receiving grain in a handler's facility, approved by the county committee, provided that the grain is unloaded into the facility.

(v) Loading the grain into the owner's conveyance at the handler's facility.

(2) On sales basis delivery f.o.b. conveyance at the carrier's unloading point CCC shall be responsible for the charges for the services indicated in subdivisions (i) and (iii) of subparagraph (1) of this paragraph, if the grain is weighed. On sales basis delivery in-store in the handler's facility, CCC shall be responsible for the charges for the services indicated in subdivisions (i), (ii), (iii) (if the grain is weighed), and (iv) of subparagraph (1) of this paragraph. On sales basis delivery f.o.b. conveyance at the handler's facility CCC shall be responsible for the charges for the services indicated in subdivisions (i), (ii), (iii) (if the grain is weighed), (iv) and (v) of subparagraph (1) of this paragraph. Grain on sales in areas where there are no warehouses or bin site stored grain shall be weighed at destination, if scales approved by CCC are available, unless the owner is willing to settle on CCC determined weights. If such approved scales are not available, settlement weights shall be as determined by CCC.

(3) Title and risk of loss on such sales shall pass to the owner upon delivery of the grain. The owner shall be responsible for risk of loss during such time as he may have possession of the grain prior to delivery.

(4) CCC shall not be responsible for storage charges on sales in areas where there are no warehouses or bin site stored grain. When practicable, delivery services will be performed by a handler under arrangements with the county committee.

§ 475.211 Grain on hand and not used.

Where the grain acquired under the program has not been fed to eligible livestock and the number of eligible livestock is substantially reduced, or a substantial part of the eligible livestock is sold or removed from the emergency area, the owner shall report promptly thereafter the quantity and kind of grain on hand to the county office from which the grain was purchased. The owner shall then either pay the county committee an amount equal to the difference between the price paid for the grain and the market price on the purchase date for the quantity of grain on hand beyond his requirements for the remainder of his eligible livestock in the emergency area as determined by the county committee, and dispose of the grain as he chooses, or if there is a current Livestock Feed Program in the area, he may sell the grain to another owner with an unfilled Form 65 at the purchase price.

§ 475.212 Penalties.

In addition to other penalties, any person who fails to carry out an agreement entered into under this subpart with respect to any feed grains purchased under this Livestock Feed Program, or who disposes of any such feed grains other than by feeding to eligible livestock owned by him (except as is provided in § 475.211) shall be subject to a penalty equal to but not in excess of the market value of the feed grains involved, to be recovered in a civil suit brought for that purpose, and in addition shall be guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $1,000 or imprisonment for not more than one year.

§ 475.213 Maintenance of books and records.

The handler or warehouseman shall maintain and preserve for at least three full years following deliveries against delivery orders, and for such additional period as CCC may request in writing, books and records which will permit verification of all transactions with regard to delivery orders. An examination of such books and records by a duly authorized representative of the United States shall be permitted at any time during business hours.

§ 475.214 Termination.

The program provided for in this part may be terminated at any time upon issuance of public notice in the FEDERAL REGISTER. Such termination shall not apply with respect to any delivery order issued prior to the effective date of such termination.

FOREST W. BEALL,
Acting Executive Vice President,
Commodity Credit Corporation.

DECEMBER 8, 1959.

[F.R. Doc. 59-10484; Filed, Dec. 11, 1959; 8:47 a.m.]

Title 39—POSTAL SERVICE

Chapter I—Post Office Department

HIGHWAY AND AIR TRANSPORTATION

Miscellaneous Amendments

Regulations of the Post Office Department are amended as follows:

I. In Part 49, make the following changes:

A. The title caption of Part 49—Star Route Service, is amended and the following cross reference is added to read as follows:

PART 49—STAR ROUTE COLLECTION AND DELIVERY SERVICE

CROSS REFERENCE: See Part 94—Highway Transportation, and Part 96—Air Transportation, for contract requirements and obligation under Star Routes.

B. The following sections are hereby rescinded: § 49.5 *Subcontracts,* § 49.6 *Instructions for advertising and awarding contracts for carrying mail; introduction,* § 49.7 Advertisements, § 49.8 *Proposal,* §49.9 *Proposal bonds,* § 49.10 *Award of contract,* § 49.11 *Renewal Contract,* § 49.12 *Contract with subcontractor,* § 49.13 *Temporary service,* § 49.14 *Subcontractor,* § 49.15 *Air Star Route service,* § 49.16 *Water route service,* § 49.17 *Special supply service.*

NOTE: The corresponding Postal Manual part is 159.

(R.S. 161, as amended, 396, as amended, 3964, as amended, 3965, 3966, 3968; 5 U.S.C. 22, 369, 39 U.S.C. 481, 483, 484, 486)

II. Strike out Part 94—Mail-Messenger Service and insert in lieu thereof a new comprehensive Part 94—Highway Transportation, to read as follows:

PART 94—HIGHWAY TRANSPORTATION

Subpart A—Star Route

Sec.
94.1 Description.
94.2 Postal Services.
94.3 Contracts.
94.4 Subcontracts.
94.5 Temporary service
94.6 Protection of mail.
94.7 Records and reports.

Subpart B—Mail Messenger Service

94.12 Description.
94.13 Establishing service.
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94.15 Protection of mail.
94.16 Termination of service.
94.17 Payments.

Subpart C—Highway Post Office Service

94.20 Description.
94.21 Contracting.

Subpart D—Powerboat Service

94.24 Description.
94.25 Postal services provided.
94.26 Contracts.
94.27 Protection of mail.
94.28 Records and reports.

Subpart E—Panel Body Service

94.32 Description.
94.33 Establishment.
94.34 Operation.
94.35 Protection of mail.
94.36 Termination.
94.37 Payments.

AUTHORITY: §§ 94.1 to 94.37 issued under R.S. 161, as amended, 396, as amended, 3944, as amended, 3945, as amended, 3949, as amended, 3951, as amended, 3955, as amended, 3956, as amended, 3962, as amended, 3964, as amended, 3965, as amended, 3966, 3968, as amended, 3975, as amended, 4006, 4007; sec. 3, 19 Stat. 335, as amended, sec. 1, 23 Stat. 386, 24 Stat. 492, as amended, sec. 7, 39 Stat. 161, 418, as amended, sec. 1, 40 Stat. 751, 53 Stat. 1338, as amended, secs. 1, 2, 62 Stat. 576, secs. 2–7, 70 Stat. 781, sec. 2, Pub. Law 85–392, 72 Stat. 103; 5 U.S.C. 22, 369, 39 U.S.C. 422a, 424, 425, 426, 429, 430, 433–436, 443, 451, 473, 474, 481, 483, 484, 486, 487a, 493, 578, 579, 651, 652, 1051–1055.

Subpart A—Star Route

§ 94.1 Description.

(a) *Definition.* Star route service is established by the Post Office Department to provide for transportation of mail over highways and roads between postal units. Routes are operated under formal contracts, awarded after competitive bidding, and may provide box delivery, collection, and other services normally furnished by rural carriers. Star routes are usually operated where railroad service is unavailable or inadequate, and economies in transportation costs can be effected.

(b) *Head of route.* The term "head of a route" means the first post office referred to in the statement of service. It may be the initial point originally named or one later stated as a result of change in the route. The office from which a carrier starts his trip is not necessarily the "head" of a route.

(c) *Truck or T routes.* The term "T Routes" is the designation given to star routes transporting mail which has been transferred from rail to highway on the initiative of the Post Office Department while train service is still in operation. These routes are established to improve mail service, provide economies, or both.

§ 94.2 Postal services.

(a) *Exchange of mail*—(1) *At post offices.* (i) The carrier must exchange mail at each post office on the route in accordance with the terms of the contract and any subsequent orders changing the service.

(ii) Where tailgate exchange at a loading platform cannot be made at an intermediate post office and the carrier cannot drive his vehicle near the door of the post office, the postmaster must arrange to take the mail. A carrier must not leave his vehicle containing mail unprotected. In no case shall the mail be thrown on the ground.

(iii) All intermediate post offices on star routes must be supplied by carriers on both outward and inward trips unless otherwise specified. Transportation planning and procurement officers may change the frequency of supply to intermediate offices, without issuance of formal orders on Form 5440–C "Contract Route Service Order", provided distances as shown in the statement of service are not affected.

(iv) Where no time is specified at intermediate offices, mail should be exchanged within 10 minutes. Transportation planning and procurement officers are authorized to vary from this standard whenever service conditions require.

(v) Except when space is available at a loading platform where tailgate exchange may be made, a contractor or carrier is required to deliver mail into and take mail from the post office at each end of his route.

(vi) Employees of postal installations served by star routes may be required to load or unload contractors' vehicles or to assist contractors in loading and unloading mail, when, in the judgment of transportation planning and procurement officers, it is in the best interest of the Department to do so.

(2) *Through lobbies or lockers of Post Offices.* (i) Mail may be exchanged, when authorized, through the lobby of a post office when no one is on duty. For this purpose the contractor will be provided a key to the lobby. A lobby exchange can be authorized only where the screen work extends to the ceiling; all doors, windows, and wickets connecting the lobby with the working portion of the post office are securely locked; and police protection is adequate. If any doubt exists as to the propriety of a lobby exchange, get approval of the Postal Inspection Service.

(ii) Exchanges may also be made through lockers when approved by the field services officer, or the transportation planning and procurement officer, and the Postal Inspection Service. Locks and keys for lockers may be provided by either the postmaster or the contractor.

(iii) Postmasters will obtain a signed receipt for each key furnished to star route contractors or carriers for use in exchanging mail through the lobby or locker of the post office. Reclaim the key and surrender the receipt when the key is no longer needed. When old keys are recovered or new ones issued, notify the distribution and traffic manager, who will maintain a current record of all outstanding keys.

(iv) Keys furnished to star route contractors or carriers must be protected against theft at all times. Do not allow examination of the key or its possession by an unauthorized person.

(v) Star route contractors and carriers must not be permitted to have access to regulation mail keys or to keys of post office workrooms.

(3) *At railroad stations.* (i) Where a star route terminal is at a railroad station at which no agent is on duty, the carrier may be required to exchange mail with trains, unless locker service is provided. Where catcher service is provided, the carrier may be required to hang pouches and take charge of mail dispatched from trains.

(ii) Where a railroad agent is on duty and the exchange of mail would impose a hardship on the carrier or delay the mail for the star route, the carrier must deliver the mail to, and receive it from, the agent who must make the exchange with the train.

(b) *Duties of carriers and patrons.* (1) See §§ 49.3 and 49.4 of this chapter for the principal duties of carriers and patrons.

(2) If the contract requires the sale of stamp supplies, the carrier must:

(i) Report to post office in sufficient time to distribute mail in advance of scheduled departure time.

(ii) Accept mail addressed to patrons of the route, from the postmaster, and arrange it in order of delivery.

(iii) Prepare and maintain a roster of patrons served, arranged alphabetically and according to box numbers.

(c) *Sale of stamps and stamp supplies.* If the contract requires the carrier to sell stamps and stamp supplies, he must: (1) Carry a stock sufficient to meet the needs of his patrons.

(2) Accept a fixed credit of postage stamp stock. Fixed credit will be provided by the postmaster at the head of the route. Where the carrier serves patrons who receive mail through other offices on the route, the carrier will replenish his fixed credit at those offices in amounts representing sales made by him to the patrons served through these offices.

§ 94.3 **Contracts.**

(a) *Contract terms.* Contracts are made for terms of 4 years or for the remainder of a contract term set for the State in which the route is located. To spread the workload, the contract terms are staggered for the different States within the regions.

(b) *Types of contracts.* Star routes are classified according to services required, as follows:

(1) Serving post offices and performing delivery and collection service to box patrons.

(2) Serving post offices but not performing box delivery and collection service.

(3) Performing box delivery and collection service to box patrons but not serving post offices.

(4) Serving post offices and providing rural delivery features to box patrons.

(5) Providing rural delivery features to patrons but not serving post offices.

(6) Handling restricted classes of mail for post offices only.

(7) Handling empty equipment primarily.

(c) *Securing bids*—(1) *Advertisements*—(i) *Issuance and distribution.* When it becomes necessary to advertise for bids for a 4-year contract term or for the remainder of a regular contract term, when less than 4 years, advertisements will be prepared on Form 5435, "Advertisement for Mail Service," by the transportation planning and procurement officer. Advertisements will allow at least 30 days' posting from the date of receipt until the closing date for bids, except in emergencies when the advertisements will contain an explanation for the shorter posting period. Sufficient copies of advertisements will be prepared by the transportation planning and procurement officer for distribution to postmasters at post offices named in advertisements, prospective bidders and other interested persons. Form 5468, "Star or Water Route Bid and Bond," is used in submitting bids.

(ii) *Distances stated in advertisements.* Most advertisements inviting proposals for star route service show the one-way length of the routes and refer to:

(*a*) Distances traveled by carriers where service is in operation.

(*b*) Distances by shortest public roads between points named on new routes.

Distances stated in advertisements are believed to be substantially correct. The pay will be neither increased nor decreased if the actual distance is greater or less than advertised, provided the points to be supplied are correctly stated.

(iii) *Advertising by postmasters.* Postmasters must: (*a*) Post copies of bulletin advertisements in conspicuous places in the lobbies of their post offices for the periods stated in the advertisements.

(*b*) Obtain the widest possible publicity, without expense to the Department, to gain the attention of interested persons.

(*c*) Familiarize themselves with the advertisements and attached instructions, and the services to be performed.

(*d*) Maintain an ample supply of proposal forms (Form 5468 "Star or Water Route Bid and Bond") while advertisement is pending. Make immediate request to transportation planning and procurement officer for needed forms, contacting that office by telephone or telegraph when necessary to obtain forms during last few closing days for receipt of bids.

(*e*) Furnish prospective bidders a copy of the advertisement and bid form on request.

(2) *Requirements of bidders*—(i) *Eligibility.* Any person who is at least 21 years of age and who is a citizen of the United States, or has taken out his first naturalization papers within the past 7 years, may submit a proposal and enter into a contract for carrying the mail, subject to the following restrictions:

(*a*) No proposal for a contract for star route service shall be considered unless the bidder is a legal resident of one of the counties crossed by the roads over which the mail is to be carried or a legal resident of a county adjoining one through which the mail is to be carried, with this exception: Proposals for carrying mail will be accepted from firms, companies, or corporations actually engaged in business within the counties in which individuals are restricted as to residence.

(*b*) No postmaster, assistant postmaster, clerk employed in any post office, rural carrier, special-delivery messenger, or other postal employee, including substitute or temporary, shall be a bidder, contractor, or concerned in a bond or contract for carrying mail on a star route.

(*c*) No member of the immediate family of a postmaster or assistant postmaster shall be permitted to become a mail contractor or be surety on a bond or a contract, subcontractor, or carrier on a star route. Immediate family, as used in this section, means persons who are members of the same household or dependent one upon the other for support.

(*d*) No contract for carrying mail will be made with any person who has entered or proposed any combination to prevent the making of any bid for carrying mail or who has agreed, or given or promised any consideration, to induce another person not to bid for such a contract.

(*e*) A married woman may contract or be surety as though she were unmarried where the laws of the State permit. When a woman bids or signs as surety, it must be stated whether she is married or single.

(ii) *Knowledge of service factors.* Bidders should familiarize themselves with:

(*a*) Service to be performed, including mileage and time required.

(*b*) Estimated weight and volume of mail to be carried and size of vehicle required.

(*c*) Condition of roads, including toll charges.

(*d*) Laws and regulations governing the operation of motor vehicles.

(*e*) Other circumstances affecting the cost of operation, without regard to the prevailing rate of pay or amount of bond specified.

(iii) *Bonds:* (*a*) Each proposal must be accompanied by a bond executed by a qualified surety company or by two or more individual sureties who are the owners of real estate worth an aggregate sum double the amount of bond required, over and above all debts, judgments, mortgages, executions, and exemptions.

(*b*) As a part of the bond, the individual sureties must sign a statement showing the amount of real estate owned by them, a brief description of the real estate, its estimated value, where it is situated, and in what county or State the titles are recorded.

(*c*) No proposal for the transportation of the mail shall be considered when accompanied by a bond executed on behalf of a surety by or through any organization of mail transportation contractors or an officer or employee of such organization, nor shall any such proposal be considered when a portion of the bond premium, a commission on the bond sale or any other thing of value accrues to any organization of mail transportation contractors, or officer or employee thereof as a result of the execution of the bond.

(*d*) The amount of bond required with the bid is stated in the advertisement.

(*e*) For list of surety companies, approved by the Treasury Department, acceptable on bonds and contracts, see latest Treasury Department notice in the FEDERAL REGISTER.

(3) *Instructions to bidders.* Postmasters must:

(i) Caution prospective bidders that their proposals must be completed and properly executed, include the required bonds, and must be mailed to reach the distribution and traffic manager within the time limit for the receipt of bids as shown in the advertisements.

(ii) Point out to bidders the instructions attached to the advertisements and on the proposal forms.

(iii) Suggest that bidders contact the proper transportation planning and procurement officer to obtain definite information regarding local conditions and services required.

(iv) Point out to prospective bidders the legal residence requirements. See

subparagraph (2)(i)(*a*) of this paragraph.

(v) "Caution bidders not to submit bids with the expectation of having their pay readjusted if awarded a contract, as no increase will be allowed except for changed conditions as provided by law." See § 94.3(h)(3).

(vi) Advise bidders that no claim for additional pay can be allowed which is based on alleged mistakes or misapprehensions as to service requirements.

(vii) Inform prospective bidders not to permit the use of their names unless they intend to carry the mail or supervise the service in person. Every bidder must sign a statement that his bid is made in good faith and with the intention of performing service if it is accepted.

(4) *Restriction on postmaster participation.* Postmasters are official agents of the Post Office Department. They are liable to dismissal from office for:

(i) Acting as agents of contractors, subcontractors, or bidders, with or without compensation, in any negotiations relating to mail service.

(ii) Divulging the amount of any proposal which they have certified.

(5) *Obtaining proposal forms.* Proposal forms may be obtained from:

(i) Transportation, planning and procurement officer.

(ii) Postmasters at offices where advertisements are posted.

Similar forms, approved by the Department, are furnished by surety companies and distributed through local agents and postmasters directly to contractors and bidders.

(6) *Submitting bids.* Bids must be submitted as follows:

(i) Each proposal must be sent in a sealed envelope addressed:

Distribution and Traffic Manager, Post Office Department, ----------, ----------,
(City) (State)
and endorsed Mail Proposal, Route from ---------- to ----------, ----------.
(City) (City) (State)

(ii) Bids must be mailed in time to reach the distribution and traffic manager at the address and within the time limit specified in the advertisement.

(iii) If bond is to be executed by a surety company, the proposal should be properly prepared, other than the bond, and transmitted directly to the bonding company in ample time to have it completed and filed in the office of the distribution and traffic manager within the time limit stated in the advertisement.

(iv) When bond is to be executed by a surety company, the certificate as to bidder may be executed prior to the completion of the bond. (See certificate and note on back of proposal, Form 5468 "Star or Water Route Bid and Bond.")

(7) *Time limitations.* The following time limitations apply:

(i) No withdrawal of a bid will be allowed unless notice of withdrawal is received at least 24 hours before the expiration of the time limit stated in the advertisement.

(ii) The Post Office Department may award a contract at any time within 60 days after expiration of the advertisement.

(d) *Award of contracts*—(1) *Requirements for award.* Contracts are awarded to the lowest responsible bidder who tenders sufficient guaranties for celerity, certainty, and security in the faithful performance of service in accordance with the terms of the advertisement. The Postmaster General shall not be bound to consider the bid of any person who has willfully or negligently failed to comply with the terms of a former contract.

(2) *Reservations.* The Postmaster General reserves the right to:

(i) Reject all bids on any route whenever the interest of the service requires.

(ii) Rescind the acceptance of a proposal at any time before the signing of the formal contract by a representative of the United States, without allowing indemnity.

(iii) Suspend the award of a contract for a period not exceeding 60 days after the date stated in the advertisement for the announcement of the award and allow a corresponding extension of time for the execution of the contract. It is not always possible to award contracts to be effective on the dates specified in the advertisements.

(iv) Reject bids accompanied by bonds on which a surety is a person who is barred from bidding for any reason.

(v) Disregard the bids of those persons who have not submitted proposals in good faith and do not intend to perform service in accordance with the terms of the advertisement.

(3) *Tie bids.* Where the lowest acceptable bids are at the same rate, preference will be given to the present contractor if his is one of the tie bids. Otherwise, the selection will be made by lot.

(4) *Filing contract.* The successful bidder must execute and file his contract with the transportation planning and procurement officer within 60 days from the date of acceptance of bid.

(5) *Certification.* The contractor must certify that he has not employed any person to solicit or secure the contract upon any agreement for a commission, percentage, brokerage, or contingent fees. He must agree not to discriminate against any employee or applicant for employment because of race, color, religion, or national origin.

(6) *Oath of contractor and carrier.* A contractor will take the required oath when executing his contract. All carriers, employed by contractor, except those employed by contractors operating large trucking concerns or regular passenger buses in which mail is carried, must take the prescribed oath (Form 5497 "Oath of mail carrier") before beginning service.

(e) *Contractor's responsibilities*—(1) *For providing equipment.* (i) The contractor must furnish adequate and suitable motor vehicles or other equipment necessary to carry the mail.

(ii) Unless otherwise specified, motor vehicles must be used. When road or weather prevent their use, other means of conveyance must be furnished.

(iii) Contracts for certain routes specify the size or number, or both size and number, of vehicles required. Contractors on such routes cannot be required to provide equipment and service in excess of that specified.

(2) *For performing service.* (i) Contractors must perform service on all scheduled days including holidays, unless otherwise specified in contracts.

(ii) The contractor must serve regularly post offices in operation on the date of the advertisement. Also, he must serve regularly post offices established after the date of the advertisement, as well as railroad stations and junction points, which may be included for supply on his routes, without additional compensation if there is no additional travel.

(iii) Contractors must agree in their contracts to deductions from their pay for all authorized service not performed. See paragraph (g)(1) of this section.

(iv) Contractors must not carry mail on a railroad or electric car except as directed by the Bureau of Transportation.

(3) *For giving preference to mail.* (i) Contractors must transport the whole of the mail on each scheduled trip during the term of the contract unless otherwise specified. Where a contract specifies only certain classes of mail to be transported, the term the whole of the mail means all mail of the classes specified.

(ii) Star route contractors and carriers may transport passengers, freight, and express so long as it does not interfere with the transportation of the mail, provided all applicable Federal and State laws and regulations are complied with.

(iii) When sent as mail, packages must be carried as such and no charge shall be made by the carrier for transporting them.

(iv) Where permitted by law, the contractor may transport intoxicating liquors outside the mail if carrying them does not interfere with the transportation of the mail.

(4) *For maintaining schedules.* (i) Contractors and carriers must:

(*a*) Carry the mail according to the schedule of departures and arrivals and within the running time stated in the advertisement under which the contract is made, unless the schedule is altered by authority of the transportation planning and procurement officer. If the schedule is altered by a proper order, they must adhere to the altered schedule.

(*b*) Be allowed an equal amount of additional time on the schedule when more than 10 minutes is taken for opening and closing the mail at any post office, unless otherwise provided in the contract.

(*c*) Operate on standard time unless otherwise specified.

(ii) Postmasters must not: (*a*) Except in cases of emergency, deliver mail to carriers before scheduled departure time without permission from the field services officer or the transportation planning and procurement officer. When earlier delivery of mail to a carrier would be advantageous to the carrier, patrons on the route, or the mailing public, the postmaster may recommend to the field services officer or the transportation planning and procurement officer that the carrier be permitted to leave before scheduled time. Star route carriers and

dispatch clerks will conform to the closing times listed in post offices.

(b) Permit mail to be taken from the post office to be kept in a private home overnight.

(5) *For operating vehicles according to law.* Transportation by contractors of passengers or property other than mail is subject to the following:

(i) The award of a contract for the transportation of mail grants no special right or privilege to the contractor to transport passengers, freight, or express. If the contractor desires to transport passengers or cargo other than mail for compensation in interstate or foreign commerce, he must obtain authority from the Interstate Commerce Commission. If he desires to transport either in intrastate commerce, he must obtain authority from the State in which he will operate, if such authority is required by that State. He must comply with all laws and regulations or the State or States which apply to carriers of passengers and cargo for hire.

(ii) Contractors must know and comply with interstate and intrastate laws governing the operation of motor vehicles. They must comply with all safety measures prescribed by State and Federal laws and regulations governing the operation of motor vehicles and with the Interstate Commerce Commission's Motor Carrier Safety regulations issued from time to time, to the extent stated in the advertisement and as required by the Post Office Department.

(6) *For transporting postal officials and equipment.* (i) Contractors and carriers must transport postal inspectors and other officials of the Post Office Department, on presentation of their credentials, over regularly scheduled trips and between the points specified in the official statement of the route, if the conveyance used is suitable.

(ii) Bus companies are not required to transport postal inspectors and other officials except on vehicles carrying mail and between points where service is authorized.

(iii) The presence of a postal inspector in the carrier's vehicle or in the vicinity of the route shall not be revealed by the carrier to any person at any time.

(iv) Contractors must convey, without extra charge, all post office blanks, mail bags, lock and keys, and other postal supplies offered them. This does not include furniture, letter cases, mail boxes, and other similar items. Such equipment must not be shipped under penalty labels for transportation on star routes unless it has been determined in advance that the contractors involved are willing to perform the additional work without compensation. This does not prevent contractors from handling such equipment as freight or express.

(7) *For providing carriers*—(i) *Qualifications.* Carriers must be:

(a) Not less than 18 years of age.

(b) Of good character, reliable, and trustworthy.

(c) Sufficiently educated to enable them to perform all required duties in a satisfactory manner.

(ii) *Persons ineligible.* The following are ineligible to serve as carriers on star routes: (a) All postal employees, including temporaries and substitutes.

(b) Members of the immediate families of postmasters and assistant postmasters as defined in paragraph (c) (2) (i) (c) of this section.

(c) Persons undergoing sentences of hard labor imposed by a criminal court (out on parole or under suspended sentence).

(d) Persons with known criminal records involving moral turpitude or dishonesty.

(e) Persons whose traffic records indicate that their driving motor vehicles would be hazardous.

(iii) *Oaths.* Before entering on duty, carriers employed by contractors shall take the prescribed oath, except where a firm has the mail contract and an official of the company takes the oath. Such firms are:

(a) Railroads which have contracts to carry the mail.

(b) Firms contracting for mail service by steamboat or powerboat.

(c) Companies which operate regular passenger busses and carry mail.

(d) Trucklines which have contracts to carry mail.

(f) *Renewal, extensions, and changes without advertising*—(1) *Renewals.* A regular contract may be renewed for additional terms, without advertising, at the rate prevailing at the end of the contract.

(2) *Extensions of contract period.* A contract may be continued in force beyond its expressed term for a period of not more than 6 months. The extension of a contract also extends any subcontract in effect on the route.

(3) *Changes in service.* (i) Transportation planning and procurement officers may at any time issue orders extending, increasing frequency, and changing the line of travel, by allowing a pro rata increase in compensation for any increased service required. They may also issue orders curtailing, reducing frequency, discontinuing, or changing line of travel by allowing 1 month's extra pay on the amount of service eliminated, and not exceeding pro rata compensation for the service retained.

(ii) Extensions during a contract term shall not exceed a net aggregate of 50 miles.

(iii) If the road usually traveled becomes impassible, the carrier must use the most available road to perform full service. He should immediately report the matter to the postmaster at the head of the route and to the transportation planning and procurement officer who has supervision over the route. See paragraph (h) (4) of this section.

(4) *Changes in schedules.* (i) Transportation planning and procurement officers may issue orders changing schedules of departure and arrival, particularly to make them conform to connections with railroads or other mail routes, without increase in pay. See subdivision (iv) of this subparagraph.

(ii) Changes in schedules must be authorized by the transportation planning and procurement officer.

(iii) The schedule on a route must not be changed for the convenience of the contractor, subcontractor, or carrier, if the change would be detrimental to the service.

(iv) The running time stated in the schedule in the advertisement must not be decreased without the written consent of the contractor and his sureties. When it becomes necessary to decrease the running time on a route, the contractor shall have the option of continuing the service by the expedited schedule without additional compensation. If the contractor does not accept this option, the route must be readvertised.

(v) The financial effect that a change in schedule may have on a contractor must be taken into consideration. Reversal of schedule or excessive layover time could result in material increase in cost or undue hardship and provide a basis for readjustment of compensation.

(vi) Postmasters must inform the proper field services officer or the transportation planning and procurement officer whenever changes in schedules are necessary or appear advisable, with a full explanation of the reasons. They should not recommend changes entirely in the interest of the contractor.

(g) *Irregularities*—(1) *Deductions or fines.* Deductions from pay may be made or fines may be imposed for:

(i) Trips not performed or service omitted.

(ii) Failure to carry all or any portion of the mail in order to accommodate passengers, freight, or express.

(iii) Failure to arrive within schedule time.

(iv) Neglect to take mail from or deliver it to a post office.

(v) Refusal to deliver or collect the mail along the route.

(vi) Failure to protect the mail from rain or extremes of weather.

(vii) Permitting mail to become damaged or destroyed.

(viii) Loss of or depredation to mail through the fault of the contractor or his agent.

(2) *Forfeitures or contract annulment.* Forfeitures may be imposed or contracts may be annulled for:

(i) Failure to follow instructions of the Post Office Department.

(ii) Violating laws or regulations.

(iii) Failure to give proper supervision to performance of service.

(iv) Transporting matter due to be in the mail as cargo other than mail.

(v) Entrusting the mail to an unsuitable person.

(vi) Refusing to discharge a carrier when instructed to do so by the Post Office Department.

(vii) Subletting a contract without the consent of the transportation planning and procurement officer.

(viii) Participating in combinations to prevent others from bidding.

(ix) Violation of any of the provisions of the advertisement or contract.

(h) *Payments*—(1) *For regular service.* Payments for stated services are:

(i) Made by check after the expiration of each 4-week accounting period.

(ii) Not made under new or renewed contract until the contract is executed.

(2) *For special-delivery service.* Postmasters may pay special-delivery fees

to contractors and carriers when special service is rendered. If the special-delivery mail is delivered into the patron's box, the carrier is not entitled to the fee.

(3) *Readjustment of compensation.* The compensation of the contractor may be readjusted with his consent for increased or decreased costs occasioned by changed conditions occurring during the contract term which could not reasonably have been anticipated at the time of making the contract.

(4) *Allowance for detours.* (i) Transportation planning and procurement officers may authorize pro rata additional payments to contractors for necessary increased travel caused by obstruction of roads, destruction of bridges, discontinuance of ferries, or any other cause, provided the increase amounts to as much as $1 during any 4-week accounting period and a report is made within 90 days after service is performed.

(ii) The contractor or carrier is responsible for reporting to the postmaster at the head of the route, and to the transportation planning and procurement officer having supervision over the route, all necessary detours, with the reasons, and the additional distance traveled on each trip.

(iii) The postmaster is responsible for obtaining all pertinent facts and reporting them to the proper transportation planning and procurement officer. (See § 94.7(b).)

(5) *Pro rata computation of change in pay.* To determine the amount to be allowed or deducted in making changes in service, transportation planning and procurement officers must observe the following instructions:

(i) Determine the one-way length of the route as it would operate if changed as proposed.

(ii) Multiply the one-way length by the number of trips to be required, as determined by the Frequency Conversion Table. If the route has more than one part, follow the same procedure for each part and add annual mileages for all parts.

(iii) Determine the difference between the total annual mileage as shown on the records and the new annual mileage.

(iv) Multiply the difference in annual mileage by the prevailing rate per mile, except as explained below.

(v) When a change has been made at less than pro rata, or without allowance of additional pay, and a further change is proposed, base the computation on the original distance and pay.

(vi) If service that has been added without the allowance of additional pay, or at less than pro rata, is to be discontinued, base the computation on the rate per mile allowed when the service was added.

(vii) When a change involves part of the original service and service added under conditions outlined in subdivision (vi) of this subparagraph, base the computation on the two rates.

(viii) When a contract is renewed, a new basic rate per mile is established effective at the beginning of the new contract term, regardless of any orders issued during the previous term.

(6) *Withholding payments.* (i) When a contractor has more than one route and fails to perform service on any one of them according to contract, payment will be withheld on all routes until the unsatisfactory conditions are remedied and all penalties are satisfied.

(ii) When a contractor dies, payments should be suspended until the necessary court orders or claim papers or both can be approved. Frequently there is considerable delay in making payments following the death of a contractor.

(7) *Levying of deductions and fines.* (i) Transportation planning and procurement officers are authorized, in their discretion, to make deductions for trips not performed and service omitted. When a deduction is made, an order will be issued on Form 5440–C, "Contract Route Service Order."

(ii) When a contractor fails to comply with terms of the contract or when serious irregularities occur, the transportation planning and procurement officer will make every effort, by letter or by personal interview, to correct the situation. If the contractor persists in the irregularities, the transportation planning and procurement officer will issue a brief against him by use of Form 5178 "Notification of Irregularity." If the contractor makes no satisfactory reply, the distribution and traffic manager may issue an order on Form 5440–C imposing a fine.

(i) *Termination*—(1) *Time.* Star route contracts may be terminated at the end of any 4-year term at the option of the Postmaster General or the contractor or they may be terminated at any time as provided by law. (See paragraph (f)(3)(i) of this section.)

(2) *For changed service conditions.* Star routes may be readvertised and new contracts awarded for the purpose of releasing contractors and sureties on routes where undue hardships have been imposed by:

(i) An ordered change which increases or decreases the amount of service required.

(ii) An abnormal or sustained increase in the quantity of mail to be carried during a contract term, necessitating larger equipment.

(iii) An ordered change in schedule, requiring the contractor to be away from the initial terminal much more or less time than was required in the advertised schedule.

(3) *For inadequate compensation.* A star route may be readvertised and a new contract awarded to release the contractor and his sureties when, after full investigation, compensation is found to be wholly inadequate and continuation of the contract will impose undue hardship, even though conditions have not changed since the contractor submitted his bid. This action may be taken only when the contractor:

(i) Gives 90-days' advance notice of his desire to be released.

(ii) Waives the 1-month extra pay authorized by law where contracts are canceled under this provision.

(iii) Continues service until another contract is awarded even though the award may be made more than 90 days after filing the advance notice.

(4) *Death of a contractor*—(i) *Notification.* When a contractor dies, the postmaster should immediately notify the transportation planning and procurement officer having jurisdiction over the route. The transportation planning and procurement officer will suspend payments and notify the Bureau of Transportation and sureties on the contracts. Postmasters will notify the transportation planning and procurement officer of the death of a contractor, even though the route has been sublet.

(ii) *Transfer of responsibility for route.* On the death of a contractor, performance of service becomes the responsibility of the executor or administrator of the deceased contractor or the sureties of his contract.

(iii) *Responsibility of legal representative.* If a legal representative is appointed, he has the right, after obtaining the necessary court orders, to continue the service for the benefit of the estate or to sublet to himself or some other suitable person, after obtaining permission from the Department.

(iv) *Responsibility of sureties.* The surety or sureties on the contract are responsible for assuming charge of the route and continuing the service in person, by a suitable carrier, or under a subcontract when no executor or administrator is appointed or the service is not continued by the legal representative for the benefit of the estate.

(v) *Temporary service.* If service is not provided promptly by or for the estate of a deceased contractor or his sureties, the postmaster at the head of the route or the transportation planning and procurement officer who has supervision over the route should arrange for employment of a temporary carrier at the lowest obtainable rate. Temporary service should be continued until regular service is resumed by the legal representative of the estate of the deceased contractor or by sureties. Payments to temporary carriers should not be made until they are approved by the Department.

(5) *Insanity of a contractor.* When a contractor becomes temporarily or permanently incapacitated because of insanity or unsound mind, the postmaster should immediately notify the transportation planning and procurement officer having jurisdiction over the route.

§ 94.4 Subcontracts.

(a) *Requirements for subletting.* (1) A contractor must obtain permission from the transportation planning and procurement officer before subletting. Subletting without proper consent may cause a route to be relet, thereby making the contractor and his sureties liable under their bond for damages.

(2) Subletting for an amount less than the contract rate of pay is prohibited by law.

(3) The contractor and subcontractor must warrant that the subcontractor has not given or agreed to give to the contractor, directly or indirectly, any consideration for subletting of the contract. Such a consideration includes, but is not limited to, a cash payment for the agreement to sublet; rebates

from the compensation received from the Government; payment of unusually high prices for equipment; and purchase of unnecessary operating rights.

(4) Subcontracts are executed in triplicate, providing a copy for: (i) transportation planning and procurement officer; (ii) contractor; (iii) subcontractor.

(5) After an order has been issued recognizing a subcontract, payments are made directly to and in name of the subcontractor.

(b) *Requirements of subcontractors.* A subcontractor must:

(1) Meet the legal residence requirements of contractors. See § 94.3(c)(2)(i)(*a*).

(2) Be in a position to supervise the service properly.

(3) Be financially and morally responsible.

(4) Have fully adequate and suitable equipment.

(c) *Assignment.* Assignment or transfer of a contract for transporting mail is prohibited by law, except as provided in the Assignment of Claims Act. A contract may be sublet as provided by law.

(d) *Term.* The subcontract must be executed for service on the whole route and for a period of not less than 1 year or for the remainder of the contract term when less than 1 year.

(e) *Responsibility of contractor.* The execution and recognition of a subcontract does not release a contractor from his obligation, but it relieves him of the necessity of giving the route his personal supervision.

(f) *Termination*—(1) *For cause.* The Post Office Department may terminate a subcontract on abandonment or unsatisfactory service by the subcontractor.

(2) *By request.* The Post Office Department will recognize the termination of a subcontract prior to its stated period on proper notification by either party to the subcontract.

(3) *By death of subcontractor.* On the death of a subcontractor, the contractor, legal representative of the estate of a deceased contractor, or sureties in charge should immediately resume charge of the route. Postmasters should notify the transportation planning and procurement officer having supervision over the route, who will issue necessary instructions to all concerned.

(g) *Contracting with subcontractors.* When a contractor has sublet a route in accordance with law and does not indicate in writing to the Postmaster General at least 90 days before the end of the contract term that he desires to renew the contract, the Department may enter into a contract on the same terms, without advertising the route for bids, with a subcontractor who has performed satisfactory service on the route for a period of at least 6 months.

§ 94.5 Temporary service.

(a) *On new routes.* (1) Contracts for temporary star route service may be made without formal advertisements for periods not to exceed 1 year.

(2) No bond is required with a temporary contract. These contracts may run to the end of the fiscal year or not exceeding 1 full calendar year.

(3) Contracts for temporary service provide for their termination on 15-days' notice by either party.

(4) Before temporary service is authorized, bids are usually solicited by transportation planning and procurement officer. The lowest bid must be accepted unless there is sufficient reason for rejecting it.

(b) *On regular routes.* Temporary service may be provided under the following conditions:

(1) When a contractor fails to provide service, the transportation planning and procurement officer in charge of the service, or the postmaster at the head of the route, has authority to employ a carrier at the lowest obtainable rate.

(2) The expense of temporary service is charged to the contractor.

(3) Employment of temporary service is to be continued until regular service is resumed by or for the contractor or his sureties.

(4) Where temporary carriers have been employed by postmasters, full report of the circumstances must be made to the transportation planning and procurement officer.

(5) When the employment of a temporary carrier is necessary on a regular route, payment to the regular contractor must be suspended until proper adjustments are made.

(6) No payment will be made to a temporary carrier before the transportation planning and procurement officer's issuance of the order authorizing the payment.

(c) *In lieu of train service.* When there is temporary interruption of railroad service, temporary service should be employed at the lowest obtainable rate. The cost of the service is chargeable to the Railroad Transportation Appropriation and must not be reported as star route service. Bills covering employment of service under these conditions are prepared on Form 2524 "Bill for Temporary Service in Lieu of Railroad Service."

(d) *Emergency temporary service.* When an emergency makes it necessary to divert mail in transit, temporary service may be provided.

(e) *On airmail routes.* In the event of a major disaster, temporary service may be provided, without advertising, for the transportation of mail by aircraft to or from the affected localities.

(f) *Special service.* The postmaster at a post office not on an established route may be authorized to employ a carrier to perform special mail service as often as necessary at a rate not exceeding two-thirds of the compensation of the postmaster.

(g) *Death of a temporary contractor.* When a contractor or carrier for a temporary route dies, it is necessary to enter into another temporary contract or employ another temporary carrier. New bids may be solicited by the transportation planning and procurement officer.

§ 94.6 Protection of mail.

The contractor and his sureties are accountable and answerable in damages for failure to:

(a) Carry the mail in a safe and secure manner.

(b) Protect the mail from becoming wet and otherwise damaged.

§ 94.7 Records and reports.

(a) *Records.* Postmasters and other installation heads designated by regional headquarters as reporting officers for performance of star route service shall maintain Form 5399, "Record of Performance of Star and Water Routes," by accounting periods, showing actual departure and arrival times each day of operation and indicating irregularities.

(b) *Recurring reports.* Postmasters and other installation heads designated to report star route performance shall, from data recorded on Form 5399, complete Form 5400, "Report of Service on Star Route," immediately after the close of each accounting period and forward directly to the proper transportation planning and procurement officer. Only irregularities that might affect contractor's pay shall be listed on Form 5400, such as additional trips, detours, and omitted service. Reports must not be enclosed in envelopes.

(c) *Special reports*—(1) *By postmasters and other designated installation heads.* (i) Submit immediate narrative report to the transportation planning and procurement officer when the following types of irregularities occur:

(*a*) Failure of carrier to depart or arrive.

(*b*) Chronic or frequent delays of 15 minutes or more in departure or arrival even though mail is not delayed in delivery.

(*c*) Any delay resulting in delay in delivery, missed connections, or disruption of work schedules in office.

(*d*) All available mail not taken.

(*e*) Departure of carrier ahead of schedule without permission of responsible postal official.

(*f*) Damage to or destruction of mail.

(*g*) Misconduct of driver or contractor.

(ii) Submit report to the transportation planning and procurement officer when roads regularly traveled by carrier are changed or become permanently obstructed, necessitating use of other roads.

(2) *By carriers.* Carriers who fail to provide required service must make a prompt explanation to the postmaster at the head of the route.

NOTE: The corresponding Postal Manual sections are 521.1 through 521.7.

Subpart B—Mail Messenger Service

§ 94.12 Description.

Mail messenger service is established by the Post Office Department to provide for the collection and delivery of mail between post offices, stations, and branches and railroad terminals, steamboats, highway post offices, star routes, truck terminals, airport mail facilities, and stop points. It is used to transfer mail between points where other transportation facilities are not required to perform service. No formal contract or bond is required.

§ 94.13 Establishing service.

(a) *Authorizing service.* (1) When an immediate need for service develops, the postmaster must apply to the transporta-

tion planning and procurement officer for authority to employ a temporary messenger. Application must show the necessity for service and the lowest rate obtainable.

(2) If the transportation planning and procurement officer determines that temporary service is justified, he will authorize the postmaster to employ a temporary messenger. No service shall be put into effect until authorized by the transportation planning and procurement officer.

(3) When the need for service is not immediate it is usually desirable for the transportation planning and procurement officer to advertise for regular service. He may advertise temporary routes for regular service at any time he considers it desirable.

(4) The postmaster will furnish the transportation planning and procurement officer a detailed description of the service required showing for each one-way trip, the origin, loading time, leaving time, average number of pieces handled, distance, destination, arriving time, unloading time, train or trip number connected (if any), and average waiting time (if any) for late train or other carrier.

(5) The transportation planning and procurement officer may require postmasters at fourth-class offices to transport mail between the post office and railroad station or other exchange points without additional pay provided:

(i) The exchange point is within one-fourth of a mile of the post office.

(ii) No motor or horse-drawn vehicle is required.

(iii) Transporting the mail will not cause an unreasonable hardship on the postmaster.

(6) When mail messenger service cannot be obtained at a reasonable rate, the regional operations director may authorize postmasters to assign postal employees to transfer mail between the post office and exchange points as a part of their regular duties.

(7) The transportation planning and procurement officer may require the messenger to provide trucks that are covered, locked, screened, paneled, or otherwise designed to protect the mail.

(b) *Advertising for service.* (1) When service is necessary, the transportation planning and procurement officer will prepare specifications and instruct the postmaster at the office where service is needed to advertise for 10 days to obtain competitive sealed proposals.

(2) The postmaster must post the advertisements in the most conspicuous place in the lobby of the post office and at other points where they can be seen by persons most likely to place bids. The postmaster must give the widest publicity possible to all advertisements, without expense to the Department.

(c) *Requirements for applicants—*(1) *Age.* Mail messengers must not be under 18 years of age.

(2) *Residence.* The bidder must either reside on or adjoining the route on which service is to be performed, or file with his bid an agreement that, if designated as mail messenger, he will reside on or adjoining the route.

(3) *Reliability.* Postmasters and transportation planning and procurement officer must disapprove bidders who:

(i) Have known criminal records involving moral turpitude or dishonesty.

(ii) Have traffic records which indicate that it would be hazardous to permit them to operate vehicles.

(iii) Are unable to furnish adequate equipment.

(iv) Are aliens.

(4) *Eligibility of postal employees.* (i) Postal employees and members of their immediate families (persons who are members of the same household or dependent one upon the other for support) may or may not become bidders, messengers, or receive compensation for carrying the mail on mail messenger routes as shown in the following chart, subject to conditions in subdivisions (ii) and (iii) of this subparagraph.

Employee's position	Mail messenger annual rate of compensation	
	Exceeds $900 [1]	Is less than $900
Postmaster and assistant postmaster at:		
First- and second-class offices.	Ineligible..	Ineligible.
Third- and fourth-class offices.	...do.....	Eligible.
Members of immediate family of postmaster and assistant postmaster at:		
First- and second-class offices.	...do.....	Do.
Third- and fourth-class offices.	Eligible...	Do.
Special delivery messenger....	...do.....	Do.
Other postal employees.....	Ineligible..	Do.
Member of immediate family of postal employees other than postmaster and assistant postmaster.	Eligible...	Do.

[1] Includes routes originally paying less than $900 increased to over $900.

(ii) Any employee is ineligible if his interest in mail messenger service interferes with his postal duties. Before accepting an employee's proposal or permitting his employment under a mail messenger designation, the transportation planning and procurement officer must get a statement from the postmaster that the employee's interest in mail messenger service will not interfere with his postal duties.

(iii) Any employee or any member of his immediate family is ineligible if the employee has access to mail messenger files during the period when bids are being received.

(d) *Bid procedures—*(1) *Submitting.* Advertisements specify that bids will be submitted to the distribution and traffic manager. Postmasters will not accept bids except as sealed, postage-paid letters addressed to the distribution and traffic manager. Bids mistakenly mailed to postmasters should be forwarded at once unopened to the distribution and traffic manager. If the amount of any bid becomes known in any way to the postmaster, he must not divulge it to anyone. This type of information may be disclosed only after all bids have been opened, subject to public observation, by the regional bid-opening committee and the information made available, as may be requested, to interested parties.

(2) *Returning advertisement.* Immediately after the closing date of the advertisement, the postmaster will forward the actual posted copy to the distribution and traffic manager, endorsed to show the period of time and place it was posted, accompanied by a statement showing how it was publicized.

(3) *Opening and awarding.* The proposals must be opened in the office of the distribution and traffic manager. The lowest acceptable bidder must be designated as the mail messenger if award is made. The right is reserved to reject any or all bids if they are not acceptable, but sufficient information must be shown on the designating order to justify such action.

(e) *Designation of messenger.* The transportation planning and procurement officer must prepare the mail messenger's notice of designation in duplicate on Form 5489, "Notice of Designation of Mail Messenger." He must send a copy (with sufficient copies of Form 5498, "Oath of Mail Messenger," for the messenger and his assistants) to the postmaster concerned. Immediately upon receipt of his copy, the postmaster must administer the oath and notify the designated messenger to begin service on the date specified in the notice. At the same time, he must inform the retiring messenger of the date he is to be released.

(f) *Oaths.* Form 5498 is required of all regular, assistant, and temporary mail messengers. Immediately upon their acceptance of the position, the postmaster must forward the completed Form 5498 to the transportation planning and procurement officer. Postmasters will *not* stock Form 5498. If additional copies are needed to administer the oath to new assistants, request them from the distribution and traffic manager.

(g) *Employment of assistants.* Messengers must personally supervise the performance of service. They must not assign or sublet the service, but they may employ assistants at their own expense during absence from duty for short periods. The assistants must conform to all requirements stated for the messenger himself. They must be approved by the postmaster in charge of the service.

§ 94.14 Operation.

(a) *Postal services provided.* (1) Mail messengers must obey all orders and regulations or special instructions from the Post Office Department, transportation planning and procurement officer, the field services officer, or the postmaster, affecting the mail messenger service.

(2) When required by the transportation planning and procurement officer, mail messengers must:

(i) Receive the mail from and deliver it into post offices and to air carriers or airport mail facilities; and receive from and deliver to mail cars and steamboats when such cars or boats are accessible.

(ii) Deliver and receive mail at mail cars even when not accessible to his vehicle, if mail trains arrive at times when no railroad representative is on duty. If the use of hand trucks is necessary, the railroad company shall furnish

them. Messengers are not required to load mail across or move hand trucks across live tracks.

(iii) Deliver and receive mail at mail cars not accessible to his vehicle if the mail can be readily handled by hand on one trip, even though a railroad representative is on duty.

(iv) Place mail on cranes, at points where the use of cranes is necessary, if the mail can be readily handled by hand at one trip, even though a railroad representative is on duty.

(v) Deliver to and receive from railroad and steamboat employees at the nearest accessible point when those employees are on duty and the volume of mail is too large to be handled by hand at one trip.

(vi) Perform service in accordance with the schedules of arrivals and departures prescribed by the postmaster.

(vii) See § 94.3(e)(6)(iv).

(b) *Instructions to messengers.* (1) The transportation planning and procurement officer will prepare Form 5489 "Notice of Designation of Mail Messenger," so that service requirements will be properly and clearly stated.

(2) The postmaster must instruct the messenger in the performance of his duties as stated on Form 5489. Subject to the approval of the transportation planning and procurement officer, the postmaster must prescribe schedules of arrival and departures. He must require the messenger to wait for and receive mail from and deliver it to delayed trains, planes, or boats. Messengers may be required to wait 2 hours for delayed carriers unless local conditions are such that the transportation planning and procurement officer designates a specific waiting time more or less than 2 hours. See § 92.108(d) of this chapter.

(c) *Changes in service*—(1) *Extension.* The postmaster must obtain authorization from the transportation planning and procurement officer before extending the service of a mail messenger beyond the limits stated in the advertisements. The transportation planning and procurement officer will issue the necessary instructions on Form 5440 C–D–E, "Contract Route Service Order."

(2) *Reduction.* Observe the following before making any reduction in service:

(i) Postmasters must report promptly to the transportation planning and procurement officer when requirements are reduced due to curtailment of RPO service, change of location of post office, railroad station, or airport, etc.

(ii) In the event of service changes, postmasters must not reduce requirements without appropriate instructions from the transportation planning and procurement officer.

(iii) The transportation planning and procurement officer is responsible for negotiating a lower rate, if possible, when service is reduced. He should request assistance from the postmaster or the field services officer in this respect.

(iv) If a reasonable lower rate is obtained, the transportation planning and procurement officer will restate service and pay on Form 5440 C–D–E.

(v) When a reasonable rate cannot be negotiated, the transportation planning and procurement officer will readvertise the route.

(d) *Irregularities*—(1) *Observation of service.* Postal employees must observe the services performed by mail messengers at railroad stations and report any failures or irregularities that come to their attention.

(2) *Record of irregularities.* (i) The postmaster must: (*a*) Keep an accurate record of all delays, omitted trips, and other irregularities; (*b*) report omitted trips when certifying payment of Form 2640, "Certificate of Mail Messenger Service"; (*c*) immediately report each irregularity, including omitted trips, by memorandum to the transportation planning and procurement officer. Report should show cause and messenger's explanation, if known.

(ii) The transportation planning and procurement officer must issue a brief against the messenger on Form 5178, "Notification of Irregularity," for each serious irregularity unless the postmaster's report includes satisfactory explanation.

(3) *Assessing fines.* (i) Messengers must be allowed a reasonable time to explain irregularities briefed on Form 5178. An unsatisfactory explanation or no reply may become the basis for assessing fines against messengers.

(ii) Distribution and traffic managers or regional operations directors may assess fines against messengers in amounts of $1 or more depending on the gravity of the irregularity.

(iii) Regional controllers will deduct fines from payment due messengers, upon receipt of Form 5440–C "Contract Route Service Order" signed by the distribution and traffic manager or regional operations director.

(4) *Investigation of complaints.* (i) The transportation planning and procurement officer will direct investigation of complaints of improper or unsatisfactory service.

(ii) The regional operations director will investigate complaints of irregular handling of advertisements or bids.

§ 94.15 Protection of mail.

(a) *Failure to protect mail.* Mail messengers may be held financially liable for loss or damage to mail in their custody. They are also accountable and answerable in fines for failure to:

(1) Carry the mail in a safe and secure manner.

(2) Guard the pouches and other mail in their custody from theft or damage by water or any other source.

(3) Return and deliver the mail into the post office, notifying the postmaster, when for any reason he is unable to make proper dispatch of the mail in his custody (for example, a railway post office's failure to catch a pouch from a crane). The mail messenger must not retain mail in his home.

(b) *Access to keys.* Mail messengers must not have access to regulation mail keys or to post office workroom keys, unless the messenger is also a postal employee and requires the key or keys in the course of his postal duties.

§ 94.16 Termination of service.

(a) *For improper service.* Distribution and traffic managers must try to correct irregularities by cooperating with the postmasters in direct action and the imposition of fines. If this fails, the following steps should be taken, as appropriate:

(1) Consideration should be given to terminating the designation and advertising for another messenger.

(2) If necessary to replace the mail messenger immediately, the transportation planning and procurement officer must authorize the postmaster to employ the temporary service necessary at a rate not exceeding that at which service on the route was authorized.

(3) If temporary service cannot be obtained at the existing rate, the postmaster must ascertain the lowest rate obtainable and report this, with a statement of necessity, to the transportation planning and procurement officer. If time is a factor, the report may be made by wire.

(b) *For changed service conditions.* (1) Service may be rendered unnecessary by changed service conditions (such as the discontinuance of a post office, extension of rural or star route service, direct supply by highway post office or railroad, truck service, etc.). A postmaster must not discontinue the service without appropriate instructions from the transportation planning and procurement officer.

(2) The transportation planning and procurement officer may discontinue the service or require postmasters at fourth-class offices to perform it when he considers such action warranted. (See § 94.13(a)(5).)

(3) The transportation planning and procurement officer must use Form 5440 C–D–E "Contract Route Service Order" in giving notice of discontinuance of service and elimination of expenditure. He should also indicate the substituted service, if any.

(c) *By messenger.* (1) If a messenger dies, resigns, or abandons the service for any reason, the postmaster must immediately report the facts to the transportation planning and procurement officer for his action. A messenger may resign at any time by giving written notice 45 days in advance. In justifiable cases, the 45-day notice may be waived. If immediate replacement service is necessary, proceed as in paragraph (a) (2) and (3) of this section.

(2) When a messenger is relieved of his contractual obligations due to being called to military service, or is compelled to suspend his services because of illness or other valid reason, the postmaster must ascertain whether he desires to resume his duties when possible. The postmaster must advise him that his designation will be continued with the provision that changing conditions during his absence may necessitate its reduction or termination. If the messenger wishes to continue with this understanding, his regular service and pay may be suspended pending his return. During the interim, the transportation planning and procurement officer may designate a temporary messenger. When the temporary service can be obtained only at a higher rate, it can be authorized if the rate is considered reasonable. It may

be necessary to advertise for temporary service during the emergency.

§ 94.17 Payments.

(a) *Certification.* (1) Regional controllers will pay messengers at the close of each accounting period after certification of service performed by postmaster or transportation planning and procurement officer.

(2) The transportation planning and procurement officer will certify service provided under special agreements for handling non-rail mail and loading or unloading trucks or trailers in the manner prescribed in the agreements.

(b) *Termination.* (1) The postmaster must immediately notify the transportation planning and procurement officer when the service of a messenger is terminated.

(2) The transportation planning and procurement officer must immediately notify the regional controller to suspend payment until official order on Form 5440–C "Contract Route Service Order" is received showing date of termination.

(c) *Readjustment of compensation—*(1) *Based on changed service conditions.* (i) The Post Office Department, under the provisions of Public Law 763, 83d Congress, may make readjustments of mail messengers' compensation based on increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time the agreement was made. For comparative purposes, the base for determining increased or decreased costs will be the conditions prevailing at the time of making the agreement or the messenger's last increase in compensation. All recommendations for increase in compensation of messengers under Public Law 763 must be based on changed conditions, such as:

(*a*) Longer working hours.

(*b*) Increased distances to be traveled.

(*c*) Increased volume of mail, requiring larger equipment.

(*d*) Change in schedule.

(*e*) Any other conditions which materially affect the cost of operation.

(ii) Applications for readjustment of compensation based on changed service conditions will be sent to the transportation planning and procurement officer who will make recommendation to the Bureau of Transportation on Form 5477 "Mail Messenger and Panel Body Adjustment Summary."

(2) *Based on increased living costs.* Requests for increased compensation based on increased living costs will be considered only from messengers designated prior to January 1, 1953. These requests will be sent to transportation planning and procurement officers in the same manner as those based on changed service conditions.

(3) *For temporary mail messenger service.* Where readjustments in rate of compensation for temporary messengers are warranted by changes in service conditions, the temporary messengers should be redesignated at higher rates if lower rates are not thought to be obtainable under an advertisement.

(4) *Effective date of readjustments.* Except in unusual circumstances, any adjustment granted will be made effective on the first day of the accounting period following that in which the application is made. Form 5440 C–D–E "Contract Route Service Order" will be used in making these adjustments. No adjustments in compensation of mail messengers will be made retroactive beyond September 1, 1954.

NOTE: The corresponding Postal Manual sections are 522.1 through 522.6.

Subpart C—Highway Post Office Service

§ 94.20 Description.

(a) *Authorization.* (1) Highway post offices are bus-type vehicles operated over designated routes, authorized by the Post Office Department for the acceptance, receipt, distribution, storage, dispatch, and delivery of mail by postal transportation clerks. All these vehicles are operated by private individuals or companies under contract with the Department.

(2) Government-owned HPO vehicles may be operated experimentally or in emergencies.

(b) *Title designation.* The title of a route is derived in the same manner as that of a railway post office.

(c) *Services—*(1) *Location.* Highway post offices are set up in areas where highway transportation and en route distribution can appreciably advance mail delivery to postal patrons and afford them expeditious dispatch of their outgoing mail.

(2) *Schedules.* Highway post office routes operate on fixed schedules which are arranged, wherever possible, to provide early morning receipt and late afternoon dispatch for the post offices along the route.

(3) *To intermediate offices.* The mobile services and distribution officers issue instructions for exchange of mail with intermediate offices on highway post office routes.

(4) *Supervision over service.* Mobile services officers and distribution and traffic managers have direct supervision of highway post office service.

§ 94.21 Contracting.

(a) *Ineligible bidders.* Postal employees and members of their immediate families may not submit bids, hold contracts, or be concerned with bonds for highway post office service.

(b) *Agreement of contractors.* The contractor must agree not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. He will be guided by the provisions contained in Form 5466, "Highway Post Office Contract General Provisions."

(c) *Award of contracts.* Contracts for highway post office service are subject to the terms of the advertisement for the service and are awarded to the lowest responsible bidder meeting these terms.

(d) *Services required of contractor—*(1) *Providing vehicles.* The contractor must furnish the specified number of vehicles, fitted up, maintained, and operated in accordance with the specifications, rules, and regulations prescribed by the Postmaster General. He must also have available sufficient spare vehicles to maintain service, while regular vehicles are being serviced or repaired. The specifications (POD Publication 10) require the use of the latest safety features to give the greatest possible protection to personnel and mail. The required construction limits distortion to a minimum in the event of a collision. These vehicles shall be equipped with letter and paper distributing tables, pouch racks, overhead paper boxes, letter cases, drawer which may be locked with LA locks, clothes locker, folding lavatory, and drinking water container. A screened metal partition must be installed between the driver's compartment and the working area.

(2) *Providing drivers.* The contractor must furnish drivers who must comply with laws and regulations, as follows:

(i) *Qualifications.* Drivers must be licensed chauffeurs not less than 21 years of age. They must be of good character and intelligence and physically qualified to perform service. They must have no criminal records involving moral turpitude or dishonesty or traffic records that indicate their driving motor vehicles would be dangerous

(ii) *Supervision.* Drivers must comply with all proper orders and instructions of the foreman of their vehicles that are consistent with safety. Safe operation of the vehicle is the responsibility of the driver.

(iii) *Schedule of duty.* Drivers' schedules must be arranged to comply with Interstate Commerce Commission safety regulations or Post Office Department regulations requiring sufficient rest periods between trips to assure alert, efficient operation of the vehicles.

(iv) *Duties.* The driver must: (*a*) Comply with the applicable provisions of subparagraph (4) and (5) of this paragraph regarding the operation of the vehicle and the performance of service.

(*b*) Transfer mail as provided in subparagraph (6) of this paragraph.

(*c*) Immediately request instructions from the foreman of the vehicle when the highway on the designated route becomes impassable for any reason.

(v) *Liability for accidents.* The contractor and driver are responsible for accidents occuring in the operation of the vehicle. The Post Office Department is not responsible for damage caused by contract vehicles operated by contractors or their employees.

(3) *Placing vehicles.* The contractor must place the highway post office vehicles at the terminals of the routes at the designated times.

(4) *Operating vehicles.* The contractor must: (i) Furnish evidence of financial ability to cover liability for personal injuries in the amount of $100,000.

(ii) Know and comply with both intrastate and interstate laws governing the operation of motor vehicles.

(iii) Observe all safety measures for the protection of the general public and operating personnel as prescribed by applicable State and Federal laws and regulations governing the operation of motor vehicles, as well as the safety regulations of the Interstate Commerce Commission or those prescribed by the Post Office Department.

(iv) Observe schedules on all routes according to standard time unless otherwise specified.

(5) *Performing service.* The contractor must: (i) Perform service promptly, reliably, safely, and without interruption. If he fails to do so after his attention has been called to delinquencies, the Post Office Department may impose fines for past failures and order the removal of the driver and vehicle from the route. It may order the employment of temporary service at the expense of the contractor until he provides a satisfactory driver.

(ii) Perform service within the limit of the running time prescribed in the advertisement under which he submitted bid.

(iii) Comply with all orders and instructions of PTS officials.

(6) *Transporting, transfering, and delivering mail.* The contractor must: (i) Transport all mail to the cubical or weight capacity of the vehicle, promptly, reliably, and safely. This includes foreign mail in transit across the continental United States or its territories.

(ii) Transfer mail between the vehicle and postal installations when the vehicle can normally be driven to a point within 150 feet of the door or tailboard space of the installation, or place the vehicle at the platform or loading dock of a postal installation to permit hand-to-hand exchange of mail between clerks in the door of the vehicle and clerks on duty at the installation. The mobile services officer is expected to make reasonable adjustments in these requirements by agreements with postmasters and contractors to assure on-time operation.

(iii) Deliver mail to each intermediate post office on the route on both outward and inward trips unless otherwise instructed by the mobile service officer.

(7) *Transporting postal officials.* The contractor must transport on regular trips all duly accredited officials of the Post Office Department, traveling on official business, on presentation of their credentials. The contractor or his driver must not make known to any person at any time the presence of a postal inspector in his vehicle or in the vicinity of the route.

(8) *Transporting passengers.* Contractors are prohibited from carrying passengers in highway post office vehicles, other than postal personnel and contractors' employees. Contractors' employees may be permitted to ride in the driver's compartment when traveling on company business directly related to highway post office service, when such travel does not interfere with safe operation of the vehicle.

(e) *Extensions, discontinuances, and changes.* The Postmaster General may:

(1) Order an increase in service on any route.

(2) Change schedule of arrivals and departures in all cases, particularly to make them conform to connections with railroads and other mail routes.

(3) Discontinue, change, or curtail the service, to improve the mail service or to serve the public interest.

(4) Extend the service on a route to improve mail service.

(f) *Subcontracts.* Contractors for highway post office service must not subcontract the service unless the subcontract is approved by the Post Office Department. Approved subcontractors must perform the same service required of the original contractor.

(g) *Payments.* See § 94.3(h). No pay shall be allowed the contractor for service by any vehicle which is not constructed of sound material as provided in paragraph (d)(1) of this section.

(h) *Inspection of highway post office vehicles.* Vehicles and equipment will be inspected by officials of the Post Office Department to assure compliance with departmental instructions.

NOTE: The corresponding Postal Manual sections are 523.1 and 523.2.

Subpart D—Powerboat Service

§ 94.24 Description.

Powerboat service is established by the Post Office Department to provide for the transportation of mail between post office or other designated points in steamboats or other powerboats where surface transportation is not practicable. It is operated under formal contracts, awarded after competitive bidding. In addition to transportation of mail, contracts may require:

(a) Box delivery and collection service.

(b) Sale of stamp supplies.

(c) Delivery of registered, insured, certified and COD matter.

(d) Acceptance of matter presented for registration, certification, or insurance, or to be sent COD, and money with applications for money orders.

(e) Facilities for distribution of mail en route by postal transportation clerks.

§ 94.25 Postal services provided.

(a) *Exchange of mail.* The contractor must exchange mail with:

(1) All intermediate post offices and non-post office points on the route stated in the advertisement on both outward and return trips, unless otherwise instructed.

(2) Post offices established after the advertisement is issued and during the contract term. No additional pay is made in such instances if the distance is not increased.

(3) Post offices at each end of the route, unless the Post Office Department has previously provided for such terminal service.

(4) Mail carriers on connecting routes, if necessary.

(b) *Box delivery and collection service.* Advertisements and contracts state whether box delivery and collection service is required. They also state the scope of such service. The instructions contained in Part 49 of this chapter are applicable to powerboat service, so far as practicable. See also § 94.2 (b) and (c).

(c) *Acceptance of mail en route.* Every mail carrier must receive any mail presented to him, if it is properly prepaid by stamps, and deliver it at the next post office at which he arrives. No fees are allowed for this service.

(d) *Other postal services.* On routes where the provisions of the contract require, the carrier must sell postal supplies and transact money-order and registry business in accordance with the instructions contained in the advertisement.

§ 94.26 Contracts.

(a) *Contract terms.* See § 94.3(a).

(b) *Securing bids.* See § 94.3(c) except subparagraph (2)(i)(a) thereof, as bidders for water route service are not restricted as to residence.

(c) *Award of contract.* See § 94.3(d).

(d) *Contractor's responsibilities*—(1) *Providing equipment.* Contractors must provide:

(i) Steamboats or other powerboats which are safe, suitable, and satisfactory to the Post Office Department.

(ii) The means necessary to transport all mail, regardless of size, weight, or increase in volume during the term of the contract.

(2) *Performing service.* Contractors must:

(i) Carry the mail or supervise the service in person or by an agent.

(ii) Be held accountable for the acts and omissions of the persons to whom they commit the care and transportation of the mail and for careful and faithful performance of duties by those persons. They shall discharge any persons engaged in carrying the mail whenever the Post Office Department requires that they take such action.

(iii) Carry the mail with certainty, celerity, and security.

(iv) Transport foreign mail in transit across the territory of the United States.

(v) Not carry, otherwise than in the mail, letters that should go by mail or transport any person engaged in carrying letters that should go by mail.

(3) *Maintaining schedules.* Contractors must:

(i) Provide service by schedules satisfactory to the Post Office Department.

(ii) Observe the schedule stated in the advertisement or such other schedule of like running time as may be directed by the transportation planning and procurement officer having supervision over the route.

(4) *Giving preference to mail.* See § 94.3(e)(3).

(5) *Transporting postal employees and equipment.* (i) Postal transportation clerks may be assigned to powerboat routes. The contractor on those routes must provide and fit up suitable space for their use in accordance with specifications in the advertisements.

(ii) Contractors must furnish post office officials, upon exhibition of credentials, transportation on trips handling mail between scheduled points on the mail route.

(iii) The contractor shall transport, without extra charge, all post office blanks, mail bags, lock and keys, and other postal supplies offered to him.

(6) *Providing carriers.* (i) *Qualifications.* See § 94.3(e)(7)(i).

(ii) *Persons Ineligible.* See § 94.3(e)-(7)(ii).

(iii) *Oaths.* See § 94.3(e)(7)(iii).

(e) *Renewals, extensions, and changes without advertising*—(1) *Renewals.* See § 94.3(f)(1).

(2) *Extensions of contract period.* See § 94.3(f)(2).

(3) *Changes in service*—(i) *Extensions of service.* Service may be increased or extended by allowing a pro rata increase in compensation, but the contractor, if he prefers, may elect to relinquish the service on timely notice.

(ii) *Reduction of service.* Service may be curtailed or discontinued in whole or in part by allowing 1 month's extra pay on the amount of service dispensed with and not exceeding pro rata compensation for the service retained.

(f) *Irregularities*—(1) *Deductions or fines.* See § 94.3(g)(1).

(2) *Forfeitures or contract annulment.* See § 94.3(g)(2).

(g) *Payments*—(1) *Payments.* See § 94.3(h)(1).

(2) *Readjustment of compensation.* See § 94.3(h)(3).

§ 94.27 Protection of mail.

See § 94.6.

§ 94.28 Records and reports.

See § 94.7. In lieu of Form 5400 "Report of Service on Star Route" postmasters and other designated installation heads may be required by transportation planning and procurement offices to submit reports on Form 2227, "Power Boat Mail Bill."

NOTE: The corresponding Postal Manual sections are 524.1 through 524.5.

Subpart E—Panel Body Service

§ 94.32 Description.

Panel body service is similar to mail messenger service, except that it is provided under formal contracts with bonds for specified terms. It is used for the same purposes as shown for mail messenger service. See § 94.12

§ 94.33 Establishment.

(a) *Authorization.* Transportation of mail in regulation panel body vehicles may be authorized in cities, under formal contract with bond.

(b) *Advertisements.* Panel body service is advertised the same as star routes, except that advertisements are prepared on Form 5447, "Advertisement For Mail Service (Panel Body Route)." See § 94.3(c)(1).

(c) *Requirements for applicants.* Applicants must meet the following qualifications:

(1) *Age.* Panel body contractors must not be under 21 years of age, and their assistants not under 18.

(2) *Residence.* See § 94.13(c)(2).

(3) *Reliability.* See § 94.13(c)(3).

(4) *Dual employment.* See § 94.3(c)(2)(i) (b) and (c).

(d) *Bid procedures.* See § 94.3(c). Form 5449, "Panel Body Service Bid and Bond," is used in submitting bids for panel body service.

(e) *Oaths.* See § 94.3(d)(6).

(f) *Employment of assistants.* Panel body contractors must not assign or sublet their contracts without the consent of the Postmaster General. They may employ assistants, when necessary, at their own expense under the provisions stated for mail messengers. See § 94.13(g).

§ 94.34 Operation.

(a) *Postal services provided.* Panel body contractors and their assistants must receive and dispatch mail in accordance with regulations stated for mail messengers. See § 94.14(a).

(b) *Instruction for contractors.* Postmasters must instruct panel body contractors as to service requirements in accordance with instructions contained in advertisements.

(c) *Changes in service*—(1) *Extension.* The transportation planning and procurement officer will issue orders for extension of panel body service.

(2) *Reduction.* Postmasters must report promptly to the transportation planning and procurement officer when panel body requirements are reduced, so that a lower rate may be negotiated.

(d) *Irregularities.* Take the following steps to process any irregularities in service:

(1) *Observation of service.* Postal transportation employees shall observe panel body service at railroad stations and report failures or irregularities that come to their attention.

(2) *Report of irregularities.* The postmaster shall report irregularities involving panel body contractors to the transportation planning and procurement officer by memorandum. The postmaster shall show the nature and cause of failures and irregularities.

(3) *Investigation of complaints.* Transportation planning and procurement officers shall investigate and take remedial action on complaints regarding improper service by panel body contractors.

(4) *Assessing fines.* See § 94.14(d)(3).

§ 94.35 Protection of mail.

Panel body contractors and their employees must protect the mail in the manner stated in § 94.15. Contractors and sureties may be held financially liable for loss or damage to mail in their custody.

§ 94.36 Termination.

(a) The transportation planning and procurement officer, after approval by the Bureau of Transportation, may annul any panel body contract for failure by the contractor or any of his employees to perform service or to furnish equipment in accordance with the provisions of the advertisement.

(b) The transportation planning and procurement officer may discontinue the service under a panel body contract whenever the public interest requires discontinuance, by allowing, as full indemnity to the contractor, as extra pay one-twelfth of the per annum rate, unless the contract has been terminated for cause.

§ 94.37 Payments.

(a) *Contract payments.* Regional controllers must pay panel body contractors at the close of each accounting period upon certification that service has been performed. Payment may not be made without an order awarding or renewing contract.

(b) *Readjustment of compensation.* The Post Office Department may make readjustments of compensation of panel body contractors based on changed conditions or increased living costs under the provisions of Public Law 262, 82d Congress. See § 94.17(c)(1).

NOTE: The corresponding Postal Manual sections are 525.1 through 525.6.

III. Strike out Part 96—Air carriers, and insert in lieu thereof a new comprehensive Part 96—Air Transportation, to read as follows:

PART 96—AIR TRANSPORTATION

Subpart A—Domestic Air Transportation

Sec.
96.1 Carriers responsibilities.
96.2 Flight operations.
96.3 Handling of mail.
96.4 Reports.
96.5 Submission of claims.
96.6 Deductions and fines.
96.7 Definitions.

Subpart B—Air Star Route

96.11 Description.
96.12 Contracts.
96.13 Protection of mail.
96.14 Reports and records.

Subpart C—Forms and Procedures for Dispatching Mail

96.19 Form 2729, Airmail Dispatch Record.
96.20 Form 2733, Interline Airmail Record.
96.21 Form 2734, Airmail Exception Record.
96.22 Form 2753, Receipt to Airline.
96.23 Form 2753-a, Mail Delivery Receipt.
96.24 Form 2759, Report of Irregular Handling of Airmail.
96.25 Applicability of Forms and Procedures.

Subpart D—International Air Transportation

96.30 Authority.
96.31 Carriers Operations.
96.32 Transportation of mail
96.33 Mail transportation irregularities.
96.34 Records and reports.
96.35 Rates of compensation.
96.36 Payment for transportation of mail.
96.37 International air handbook.

AUTHORITY: §§ 96.1 to 96.37 issued under R.S. 161, as amended, 396, as amended, 4010, as amended; sec. 5, 43 Stat. 806, sec. 6, 52 Stat. 219, secs. 1, 2, 54 Stat. 1175, as amended, 1176, sec. 2, 62 Stat. 1097, sec. 405, 72 Stat. 760; 5 U.S.C. 22, 369, 39 U.S.C. 465, 470, 475, 488a, 488b, 655, 49 U.S.C. 1375.

Subpart A—Domestic Air Transportation

§ 96.1 Carriers responsibilities.

(a) *For giving mail priority.* Each commercial airline certificated by the Civil Aeronautics Board to engage in the transportation of mail by air (hereafter referred to as air carriers) must give the following priority to mail:

(1) From each point served, the normal mail load for each trip must be given priority of transportation over all other traffic on each trip designated for the transportation of mail. The normal mail load for each trip is determined for each day of the week on the basis of the mail dispatched to that trip on the same day of the week for the 5 previous weeks (excluding mail dispatched under unusual conditions).

(2) If additional fuel is necessary for a particular trip, the air carrier must allow for its weight when booking other traffic for that trip. No part of the mail load must be displaced by the additional fuel.

(3) Mail in excess of normal must be given priority over all other traffic except revenue passengers with space confirmed prior to knowledge that additional mail would be available. Mail aboard a plane must not be reduced below normal to accommodate local boarding passengers.

(4) Air carriers in the Alaskan Service must provide adequate weight space on all flights to accommodate the normal or expected volume of mail.

(5) In loading, unloading, transferring mail to connecting planes, and delivering mail to the designated postal representative, mail must be given preference over all other cargo (including baggage).

(b) *For protecting mail.* (1) Air carriers are held strictly responsible and accountable for mail in their custody. Mail must not be left exposed on trucks or otherwise subjected to depredation or weather. Every precaution must be taken to protect the mail from fire. Mail handlers must be identified by a cap or badge or by clothing.

(2) When an air carrier discovers a pouch damaged so that loss or depredation could result, the air carrier will turn the pouch in to the first possible postal unit for repouching and redispatch. Form 2734, "Airmail Exception Record," must accompany the damaged pouch to the postal unit.

(c) *For cooperating with postal inspectors.* Postal inspectors are special representatives of the Postmaster General. All employees of air carriers engaged in the transportation of mail are required to cooperate with and assist inspectors in the performance of their duties which may include the opening of pouches and sacks and the examination of mail therein.

(d) *For providing quarters*—(1) *At air stops.* Air carriers must furnish adequate and suitable quarters at air stops where necessary for the receipt, dispatch, distribution, and transfer of mail, unless and until otherwise provided by the Post Office Department.

(2) *Location of quarters.* Quarters must be located so as to provide expeditious handling of mail to and from planes. They must also be conveniently accessible to all mail-carrying vehicles.

(3) *Requests for changes in quarters.* Requests by air carriers or by officials of the Postal Service for changes in existing quarters or for the establishment of new quarters must be made through the distribution and traffic manager, Post Office Department, in the area concerned. Plans and specifications are subject to the approval of the Assistant Postmaster General, Bureau of Transportation.

(e) *For preparing schedules.* Schedules must be prepared north to south and east to west, with flights arranged in chronological order left to right. A brief explanatory letter or cover sheet must accompany proposed new schedules. Copies of changes to existing schedules must be filed with the Post Office Department not less than 10 days prior to the effective date. Three copies must be field with the Assistant Postmaster General, Bureau of Transportation, Post Office Department, Washington 25, D.C. One copy must be filed with the distribution and traffic manager, Post Office Department, in each region concerned. The date of filing will be the date of receipt in the office of the Assistant Postmaster General, Bureau of Transportation, Washington 25, D.C. A copy of the schedule of all Alaskan routes must also be furnished the distribution and traffic manager, Post Office Department, Seattle, Washington. The Assistant Postmaster General, Bureau of Transportation, will determine which trips are to be designated for the transportation of mail and will notify the carrier accordingly.

(f) *For answering correspondence.* Air carriers must answer promptly all correspondence from officials of the Post Office Department. Correspondence concerning the operation of the Alaskan airmail service must be channeled through the distribution and traffic manager, Post Office Department, Seattle, Washington.

§ 96.2 Flight operations.

(a) *Notification of plane movement.* Air carriers must operate designated trips as nearly as practicable at times shown in filed schedules. In the event of irregular operation, as much advance notice as possible must be given to the airport mail facility or post office at the initial terminal. When a plane is operating 30 minutes or more late, dispatching offices en route should be notified as to the approximate arrival and departure.

(b) *Originating sections, resumed flights, and delayed operations.* Delayed scheduled trips may operate with available mail from the initial terminal or intermediate points. When a scheduled trip has been canceled at the initial terminal or at some intermediate point, a section may be originated at any intermediate point on the route.

(c) *Omissions of service.* If a scheduled stop will not be made by a trip, the air carrier must immediately notify the local postal representative. If service is to be suspended for 1 week or more, the air carrier must immediately notify the Assistant Postmaster General, Bureau of Transportation, Washington 25, D.C.; the distribution and traffic manager, Post Office Department, in the regions concerned; and the postal units concerned. The same offices must be notified when service is to be resumed.

(d) *Emergency trips and extra sections.* Emergency trips and extra sections operated by the air carrier may be used for the transportation of mail. It may be placed on the plane at an unscheduled stop when offered for dispatch by the local postal representative, except that mail will not be accepted if the air carrier is not authorized to serve that city. In Alaska, air carriers must obtain postal authority for the transportation of mail on emergency trips and extra sections.

(e) *Holding orders.* In unusual situations, the Assistant Postmaster General, Bureau of Transportation, may require the holding of planes at junction points for the connection of mail. If any air carrier desires to take exception to a holding order, a complete statement giving the particulars will be submitted by the carrier promptly to the Assistant Postmaster General, Bureau of Transportation.

§ 96.3 Handling of mail.

(a) *Delivery to air carriers*—(1) *Authorized location.* Mail for outgoing trips must be delivered to the air carrier at the time and place authorized by the distribution and traffic manager in the region.

(2) *Dispatch lists required.* (i) The postal unit delivering mail to air carriers for transportation must prepare Form 2729, "Airmail Dispatch Record," showing weights of mail for each destination and listing mail for off-line points of transfer.

(ii) On receipt of mail from the local postal units, the air carrier must check entries and weights on the pouch labels against entries in the dispatch list.

(iii) Mail received from mail messengers or vehicle service at airports without a mail facility must correspond with mail listed on Form 2729; or air carrier must make corrections. If pouches are listed but not received, cross out the individual listing, destination subtotal, station total, and grand total. Insert correct adjacent totals. If mail is received but not listed, insert weight of each pouch in the proper destination column and amend totals as instructed. In either event, note facts prominently on Form 2729 in any blank space. Advise messenger of any discrepancy.

(iv) In the Alaskan Service, Form 2713–A, "Alaskan Airmail Dispatch Record," is used instead of Form 2729. At non-post-office points on Alaskan routes where it has not been possible to arrange for the preparation of Form 2713–A, the carrier's on-and-off record on Form 2702, "Report of One-way Trip," is acceptable as evidence of service performed to these points.

(v) Air carriers must obtain a receipt on Form 2753–A, "Mail Delivery Receipt," for mail delivered to airport mail facilities. Form 2753, "Receipt to Airline," must be obtained by the air carriers for all mail delivered to postal units other than airport mail facilities. In the latter case, receipt must be prepared by the air carrier for signature of either the mail messenger or motor vehicle service driver.

(b) *Direct transfer between planes.* (1) Air carriers must make transfers according to routing authorized on original Forms 2729, 2733 or 2734. Form 2733, "Interline Air Mail Record," must be carried with the related mail from point of dispatch to point of transfer and delivered with the mail to the receiving air carrier. When actual mail does not agree with listing on Form 2733, the delivering air carrier must prepare Form 2734, "Air Mail Exception Record," listing actual mail transferred by online destination of receiving air carrier. The delivering air carrier is responsible for determining that mail tendered is accurately recorded on transfer documents, Form 2733 or 2734, and verified by receiving air carrier.

(2) All transfers are based on normal operations and, under normal conditions, should be made as authorized. If the

arriving air carrier is off schedule, it is the responsibility of that air carrier to determine whether the intended connection can be made. If, because of his late operation the intended trip cannot be connected, the arriving air carrier should obtain new routing instructions from local postal personnel and transfer mail accordingly. The delivering air carrier will complete Form 2734 and deliver the mail to an alternate air carrier, or to a postal representative, as instructed. After acceptance of transferred mail, if the trip of the receiving air carrier to which the mail was routed (i) is delayed more than one hour, (ii) is canceled, or (iii) for any other reason cannot provide the ordered service, the receiving air carrier is responsible for securing new routing instructions and for transferring the mail as required. Air carriers must accept mail tendered them by transfer, unless the mail is not properly listed on transfer forms or the mail is not routed for delivery or transfer at a point on their routes.

(3) To facilitate transfers, air carriers are responsible for concluding mutually agreeable local arrangements regarding the point of exchange between air carriers. These arrangements are subject to approval by the distribution and traffic manager to assure that they are adequate for postal needs.

(c) *Delivery to postal representative.* Upon arrival of the plane at the stop point, air carrier representatives must immediately unload the mail and deliver it to the authorized postal representative at such point as may be designated. Maximum unloading time may be specified by the distribution and traffic manager, in the region concerned. Mail for outgoing trips must be delivered to the air carrier at the time and place authorized by the distribution and traffic manager, in the region concerned.

(d) *Disposition of mail; canceled or irregular flights.* (1) When a trip is to be canceled at the initial terminal or any point en route, the air carrier must promptly notify the local post office concerned. (Dispatch forms covering mail not enplaned must be voided if no mail is dispatched.)

(2) Disposition of mail will be in accordance with instructions of the local postal unit. If unable to obtain instructions, the air carrier will reroute the mail on the basis of the best available information. The air carrier must observe current procedures in preparing necessary forms to accomplish any rerouting and to provide for the accounting adjustments required.

(3) When it becomes necessary to transport mail to the local post office or railroad station, available regular scheduled trips of the mail messenger or vehicle service may be used. Air carriers will not be required to transport to the post office local destination mail which is received from trips operating off schedule. However, carriers are responsible for transporting to the post office or railroad station, as directed, local origin mail being returned or through mail received from canceled trips, mail dispatched to the airport for a trip which overflies the local air stop, and mail dispatched to the airport for a trip which is to overfly a scheduled downline air stop.

(4) Mail from canceled trips arriving by train to connect a resumed trip must be transported to the airport by the air carrier whose service was canceled, unless otherwise instructed by the Postal Transportation Service.

(e) *Refusals and removals of mail.* Refusals and removals of mail by an air carrier (except as provided in § 96.1(a)) may result in diversion of the mail to another air carrier and in the imposition of fines.

(f) *Form 2734, air-mail exception record.* See § 96.21.

§ 96.4 Reports.

(a) *Refusal or removal report.* When an air carrier cannot accommodate all mail offered for a trip or when mail already on board is removed, the air carrier concerned must submit Form 2760, "Refusal or Removal Report," in duplicate, to the distribution and traffic manager in whose area the refusal or removal occurs. The report must give the reason for the refusal or removal. It must contain detailed information on the mail refused, removed, and transported, and information relative to the number of passengers and other cargo aboard the plane on departure.

(b) *One-way trip report.* Form 2702, "Report of One-Way Trip," is an operating form used by the Post Office Department in determining performance by the air carrier. The form in duplicate (triplicate in Alaska) is required for each trip designated by the Post Office Department for the transportation of mail over helicopter airmail routes 84, 96, and 111 and over all routes operating within Alaska. The following instructions apply:

(1) The air carrier must prepare the forms, listing all stops made in proper station sequence.

(2) In the column headed "Remarks," the air carrier must explain all failures, irregularities, and delays in handling the mail.

(3) Where transfers are made by air carriers, mail and weights transferred must be entered by both the delivering and receiving air carrier on their respective Forms 2702 in the space immediately below that listing the station at which the transfer is made.

(4) Form 2729 must be used to correct entries of weight of on-and-off mail on Form 2702 "Report of One Way Trip." The weight of mail placed on the plane (as listed on Form 2729) is the weight due off. When corrections on Form 2702 are necessary, the original figures should be lined out but not erased or obliterated. In Alaska Form 2713–A, "Alaskan Airmail Dispatch Record," is used instead of form 2729.

(5) When a flight is canceled at an intermediate or off-line point, Form 2702 must be completed with a brief explanation under *Remarks* as to the reason for cancellation and the disposition of the mail.

(6) The air carrier must submit Form 2702 promptly to the designated distribution and traffic manager, Post Office Department. In any event the form must be submitted within 14 days after the completion of a trip. The original and triplicate copy of Form 2702 for Alaskan routes must be forwarded to the distribution and traffic manager, Seattle, Washington.

(c) *Irregularly-handled mail report.* Form 2734, "Airmail Exception Record," properly completed and endorsed by the air carrier, must be used to record any mail not handled by the air carriers concerned in accordance with the routing as originally planned. An irregular handling is termed as an off loading short of or beyond the scheduled destination, and the mail is forwarded via another air carrier or turned in to the post office for redispatch, removals en route, refusals after mail is accepted by the air carrier, and transfers to an air carrier other than as ordered in dispatch forms.

(d) *Accident report.* Air carriers must make an immediate telegraph or telephone report of any accident resulting in possible damage to or loss of mail. The report must be made to the distribution and traffic manager, Post Office Department, in the area concerned. Mail should not be disturbed, except to prevent further damage. It must be guarded until the arrival of a postal official.

§ 96.5 Submission of claims.

(a) *Domestic*—(1) *Forms used.* All air carriers operating within the continental United States and between the United States and terminal points in Canada must submit claims for the transportation of airmail on Form 2703, "Carrier's Claim for Airmail Transportation." Separate claims must be prepared for each calendar month and include all airmail transported that month. Claims must be prepared from Form 2729, "Airmail Dispatch Record," Form 2733, "Interline Airmail Record," and Form 2734, "Airmail Exception Record." Forms 2729 and 2733 are prepared by postal personnel. Form 2734 is prepared by either carrier or postal representative when an error in handling is discovered that affects airmail compensation. Form 2703, "Carrier's Claim for Airmail Transportation," shall be supported by either Form 2732, "Monthly Summary of Airmail Carried," or by Form 2730, "U.S. Airmail Billing Card—Domestic." Air carriers must provide their own supply of Forms 2703, 2730, 2732, and 2734. Samples of these forms may be obtained from Bureau of Transportation.

(2) *Claims prepared manually.* Separate Forms 2732 must be prepared for the normal transportation of mail on regular, and equalized and interchange flights, and for each origin within each type of flight. Prepare the forms in triplicate as follows:

(i) *For regular flights.* (a) Enter the route and trip number, the origin code, and the month and year of service in the appropriate boxes across the top of the form.

(b) Enter the final airmail stops on the billing air carrier's system in the "Dest" boxes. Make these entries in ascending order of the Airline Clearing House numerical codes.

(c) Enter the weights shown on Forms 2729, 2733, and 2734 in the appropriate "Dest" column and on line with the flight date. Weights shown on each form for a particular destination and date may be added together.

(d) After all entries have been made to Form 2732, add, cross-add, and cross-foot the pound columns.

(e) Enter the composite pound rate in the appropriate "Rate or Miles" boxes. (Helicopter carriers should use scheduled miles flown in airmail service.)

(f) Multiply the total pounds by the appropriate composite rate, and enter the product in the appropriate box on the line labeled "Total Pound Miles or Charge."

(g) Add the products on the line labeled "Total Pound Miles or Charge" to determine the grand total pound miles or charge for each Form 2732.

(h) Add the grand total pound miles or charge on each Form 2732, and enter the total to Form 2703.

(ii) *For equalized and interchange flights.* Prepare Form 2732 in the same manner as specified above. The following instructions also apply:

(a) Enter the applicable equalization agreement number in the space provided.

(b) Enter the total claim for equalized and interchange flights on Form 2703.

(c) List excepted shipments on a worksheet which contains the following columns:

Carrier Serial No. of 2734	Flight No.	Flight date	Air stop points		Pounds	Rate per pound between A and B [1]	Amount
			A	B			
			Actually off-loaded	Waybilled by POD			

[1] Line haul and terminal charge as contained in the mileage and rate manual. (Helicopters use scheduled miles flown in airmail service and extend pound miles.)

(d) List Forms 2734 on the worksheet in ascending serial number order.

(e) Enter the sum of the deduction for excepted flights on Form 2703.

(f) Submit Form 2703 to the regional controller designated to pay the claim of each air carrier supported by the original and duplicate of both Form 2732 and the worksheet of exceptions.

(3) *Claims prepared on punchcards.* (i) Air carriers will support Form 2703 with a deck of punchcards, Forms 2730, "U.S. Airmail Billing Cards—Domestic," processed from Forms 2729, 2733, and 2734. Forms 2730 shall be submitted in serial number order to support a one-line entry on Form 2703. Form 2703 and deck of Forms 2730 must be sumitted to the designated paying regional controller.

(ii) Air carriers will prepare Forms 2730 in accordance with the following card layout.[1]

(b) *Stub end airmail claims*—(1) *Forms used.* Air carriers must submit claims on Form 2703 "Carriers Claim for Airmail Transportation" supported with copies of Forms AV–7 bearing the signature of postal representative at the receiving exchange office. Forms AV–7 will be arranged in the same order as they are listed on machine listings or Forms 2732 "Monthly Summary of Airmail Carried."

(2) *Claims prepared on punched cards.* (i) Prepare from Forms AV–7 a continuous machine listing for each pair of cities for all trips made in a calendar month or postal accounting period. Prepare in such a manner as to develop pound totals for each segment within each trip. Listings must show the following information for each item of service claimed:

(a) Date of service.
(b) Route number.
(c) Trip number.
(d) Origin.
(e) Destination.
(f) Composite rate.
(g) Pounds.

(ii) List items of service in ascending date order by trip and segment and show total pounds for each segment. From these totals, prepare a brief summary showing computation of total charge for each segment; enter totals on Form 2703.

(3) *Claims prepared manually.* Prepare from Forms AV–7 "Delivery List of Air Mail Dispatches" a separate Form 2732 in triplicate for each origin point within each flight as follows:

(i) Enter route, trip number, origin code, and period of service in appropriate boxes at top of forms.

(ii) Enter stop point at exchange office of destination in the "Dest" boxes. Use letter code in ascending alphabetical order.

(iii) Enter weights in pounds (converted to pounds from kilograms as shown on Form AV–7) in appropriate "Dest" column and on line with flight date. Add totals of weights shown on each Form AV–7 for a particular destination and date.

(iv) After all entries have been made to Form 2732, add, cross-add, and cross-foot the pound columns.

(v) Enter appropriate pound rate in the "Rate" or "Miles" box. (AV–7's prepared at exchange offices other than at the originating point on the foreign airmail route will show on the "Carrier, flight and routing" line, the point from which the mileage shall be computed. For example, airmail billed from New York to Mexico on American Airlines flight 87 (AM–4) would show the dispatching office as New York, the airport of delivery as Mexico City, and on the routing line "DAL AAL 159" or "DAL FAM 26–159.")

(vi) Multiply the total pounds by the related rate and enter result in "Total Pound Miles" or "Charge" box.

(vii) Total all columns to determine the grand total charge for each Form 2732.

(viii) Add the grand total charge on each Form 2732 and enter these totals to Form 2703.

(c) *Hawaiian Islands, Puerto Rico, and Virgin Islands.* All United States air carriers operating within the Hawaiian Islands, Puerto Rico, and the Virgin Islands must submit claims for the transportation of airmail on Form 2703, "Carrier's Claim for Airmail Transportation," supported by Form 2732. Separate claims must be prepared for each calendar month, including all airmail transported that month. They must be prepared from Form 2942, "Delivery List of Airmail Dispatches AV–7." (Within Puerto Rico and Virgin Islands, claims are prepared from Form 2729, "Airmail Dispatch Record.") Air carriers must provide their own supplies of Forms 2703 and 2732.

(d) *States; Alaska and intra-Alaska.* Air carriers operating over States-Alaska and intra-Alaska routes (except NWA) must prepare and submit Form 2703 in accordance with CAB rate orders and specific instructions issued by the Department.

(e) *Designated regional controllers.* (1) Domestic air carriers, other than as provided in subparagraphs (2) and (3) of this paragraph, will be paid for the carriage of domestic airmail by the regional controller, Post Office Department, in the region dispatching the airmail. The region number, mailing address, and the states included in each region are shown below:

Region No.	Region	States
6	Regional Controller, Post Office Department, Air Claims Unit, Federal Annex Building, Atlanta 3, Ga.	Fla., Ga., N.C., S.C., Puerto Rico.
1	Regional Controller, Post Office Department, Air Claims Unit, P.O. and Courthouse, Boston 9, Mass.	Conn., Maine, Mass., N.H., R.I., Vt.
7	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Chicago 100, Ill.	Ill., Mich.
4	Regional Controller, Post Office Department, Air Claims Unit, Atlas Bank Building Annex, Cincinnati 2, Ohio.	Ind., Ky., Ohio.
11	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Dallas 21, Tex.	La., Tex.
14	Regional Controller, Post Office Department, Air Claims Unit, Federal Center, Building 56, Denver 21, Colo.	Ariz., Colo., N.M., Utah, Wyo.
13	Regional Controller, Post Office Department, Air Claims Unit, 161 Jefferson Avenue, Memphis 31, Tenn.	Ala., Miss., Tenn.
9	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Minneapolis 40, Minn.	Minn., N.D., Ark., S.D., Wis.
2	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, New York 1, N.Y.	N.Y.
3	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Philadelphia 1, Pa.	Del., N.J., Pa.
15	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Portland 8, Oreg.	Mont., Idaho, Oreg., Wash.
5	Regional Controller, Post Office Department, Air Claims Unit, Parcel Post Annex, Richmond 19, Va.	D.C., Md., Va., W. Va.

[1] Filed as part of the original document.

Region No.	Region	States
12	Regional Controller, Post Office Department, Air Claims Unit, 1011 Bryant Street, San Francisco 19, Calif.	Cal., Nev.
8	Regional Controller, Post Office Department, Air Claims Unit, 5709 Waterman Boulevard, St. Louis 12, Mo.	Ark., Iowa, Mo.
10	Regional Controller, Post Office Department, Air Claims Unit, 1628 George Washington Boulevard, Wichita 25, Kans.	Kans., Nebr., Okla.

(2) Helicopter carrier bills will be settled by the following regional controllers, Post Office Department:

Paying regional controller	*Carrier*
Chicago	Chicago Helicopter Airways.
San Francisco	Los Angeles Airways.
New York	New York Airways.

(3) Alaska, Territorial Service and stub-end air carriers and those carrying "First Class and Preferential Mail by Air" will submit Form 2703 and necessary supporting documents for this service to the regional controllers, Post Office Department, designated below:

Paying regional controller	Route No.	Carrier
Atlanta	8	Delta.
	31	National.
	FAM 32	National.
	59	Caribbean-Atlantic.
	98	Southern.
	121	AAXICO.
Boston	27	Northeast.
Chicago	96	Chicago Helicopter Airways.
Cincinnati	88	Lake Central.
Dallas	9	Braniff.
	81	Central.
	82	Trans-Texas.
	101	Slick.
Denver	1	United.
	FAM 30	United.
	29	Continental.
	73	Frontier.
Minneapolis	3	Northwest.
	86	North Central.
New York	111	New York Airways.
Philadelphia	94	Mohawk.
Portland	77	West Coast.
	128	Alaska (Intra Alaska).
	138	Alaska (States Alaska).
	122	Alaska Coastal.
	124	Cordova.
	125	Ellis.
	141	Kodiak.
	126	Northern Consolidated.
	142	Pacific Northern (Intra Alaska).
	139	Pacific Northern (States Alaska).
	20	Pan American (States Alaska).
	127	Reeve Aleutian.
	143	Western Alaska.
	123	Wien.
St. Louis	2	Trans World.
	107	Ozark.
San Francisco	13	Western.
	FAM 36	Western.
	33	Hawaiian.
	76	Pacific.
	84	Los Angeles.
	99	Aloha.
	100	Flying Tiger.
	105	Bonanza.
Washington (Regional Controller, Richmond, Va.)	5	Eastern.
	FAM 33	Eastern.
	FAM 35	Eastern.
	14	Capital.
	87	Piedmont.
	97	Allegheny.
	120	Riddle.
Wichita	4	American.
	FAM 26	American.

NOTE: Each air carrier must file with the appropriate regional controller the name of the person or persons authorized to sign the Form 2703.

§ 96.6 Deductions and fines.

Air carriers transporting mail will observe all applicable postal laws, and regulations issued by the Post Office Department. Air carriers may be subject to fines and deductions for failure to comply therewith.

§ 96.7 Definitions.

(a) Applicability: This subpart applies to air carriers engaged in transporting air mail and air parcel post in Interstate Air Transportation.

(b) As used in Subparts A, B and C of this part:

(1) "Air Carrier" means a citizen or company of the United States authorized by the Civil Aeronautics Board to engage in interstate air transportation.

(2) "Interstate Air Transportation" means the carriage of mail by aircraft between a place in any State of the United States, or the District of Columbia, and a place in any other State of the United States, or the District of Columbia; or between places in the same State of the United States or between places in the same territory or possession of the United States, or the District of Columbia.

(3) "Mail" means United States or foreign transit mail.

NOTE: The corresponding Postal Manual sections are 531.1 through 531.8.

Subpart B—Air Star Route Service

§ 96.11 Description.

Air star route service is established and operated under contracts for air transportation of any and all classes of mail in areas where such service is in the public interest between points where the Civil Aeronautics Board has not authorized the transportation of mail. The service may be justified by the nature of the terrain or the impracticability or inadequacy of surface transportation. Air star route contracts are awarded by the Postmaster General when the cost is considered reasonable and compatible with the service to be provided.

§ 96.12 Contracts.

(a) *Obtaining bids*—(1) *Advertisements.* After obtaining a certification from the Civil Aeronautics Board that the proposed route does not conflict with the development of air transportation, an advertisement is issued by the Department inviting proposals for air transportation of mail between the points and on the terms stated. Copies of the advertisement are furnished to postmasters for posting at terminal offices.

(2) *Requirements of bidders.* Bidders must met the following requirements:

(i) *Eligibility.* (a) No proposal for a contract for air star route service shall be considered unless the bidder is a resident of, or is qualified to do business as a common carrier by air, in a State within which one or more points to be served under the proposed contract are located. The term State as used here includes the several States, and the District of Columbia.

(*b*) For further eligibility requirements, see § 94.3(c) (2) (i) of this chapter.

(ii) *Bonds.* See § 94.3(c) (2) (iii) of this chapter.

(3) *Obtaining proposal forms.* See § 94.3(c) (5) of this chapter.

(4) *Submitting bids.* See § 94.3(c) (6) of this chapter.

(b) *Award of contract.* See § 94.3(d) of this chapter.

(c) *Application of contract regulations.* Where there is no conflict, all laws and regulations governing surface star routes in general apply to contracts made under the air star route law.

(d) *Payments.* See § 94.3(h) of this chapter.

(e) *Cancellation of air star route contract.* A contract shall be canceled by the Post Office Department upon the issuance by the Civil Aeronautics Board of an authorization to any air carrier to engage in the transportation of mail by aircraft between any of the points named in the air star route contract.

§ 96.13 Protection of mail.

The contractor is required to take all necessary steps to protect the mail in accordance with the terms of the advertisement.

§ 96.14 Reports and records.

Postmasters at terminal points must maintain such records and submit such reports as may be directed by the distribution and traffic manager.

NOTE: The corresponding Postal Manual sections are 532.1 through 532.4.

Subpart C—Forms and Procedures for Dispatching Airmail

§ 96.19 Form 2729, airmail dispatch record.

(a) *Description.* Form 2729 covers airmail dispatched to all domestic air carriers operating within the continental United States and to Canada. It is the basic document from which payment to the original carrier of dispatch is calculated.

(b) *Preparation*—(1) Who prepares. The form is prepared in four-part sets by the designated clerk at the airport mail facility or, at nonairport mail facility points, by the dispatching clerk at the post office.

(2) *Trip identification.* (i) *Route number.* Enter the route number of the air carrier to which the mail is dispatched.

(ii) *Trip number.* Enter the trip number of actual dispatch.

(iii) *Origin trip date.* Enter the scheduled date of origin of the trip.

(iv) *Today's date.* Enter the date on which the trip of dispatch is scheduled to depart from your airport.

(v) *Origin code.* Enter the official airline code of the airport from which the mail is due to be dispatched. If more than one postal unit prepares Form 2729 for dispatch through the same airport, use the airport code followed by the first letter of the dispatching post office: For example show Alcoa, Tennessee, as TYS–A.

(3) *Routing*—(i) *Destination.* (*a*) Using the States dispatch scheme and other applicable pouching instructions, enter in code the final airline destination of the dispatches.

(*b*) Show each destination in station order of removal from the original trip of dispatch. Listing from left to right, use a separate block for each destination. Continue the listing in the second row of blocks, if necessary.

(*c*) Enter under the proper destination mail which is labeled to that point, mail which is scheduled to continue from that point by surface transportation, and mail for another air carrier when the transfer is to be effected through the airport mail facility. Use the individual actual weights indicated on the labels of pouches, sacks, and outside parcels except where permission has been granted to bulk weigh mail on platform scales direct to the air carrier. Enter the total pouches and total weight of each weighing when bulk weighing is permitted and when making bulk entries other than bulk weighing. Do not identify pouches, sacks, outside parcels, or register as such on this form.

(ii) *Transfer point and connection.* Enter in code according to the scheduled routing:

(*a*) Stations served by trip of dispatch. Enter only the destination.

(*b*) Stations served by the air carrier dispatch but not by the trip of dispatch. Enter the destination and the first transfer point.

(*c*) Routing involving connection to a trip of another air carrier. Enter the destination and the interline transfer point, plus the route and trip numbers of the second air carrier. This applies also to interchange trips.

(*d*) Routing via two trips of initial air carrier, plus trip of another air carrier. Enter the destination, the first intraline transfer point, and the interline transfer point, plus the route and trip numbers of the second air carrier.

(*e*) Routing involving two interline transfers after air carrier of initial dispatch. Enter the destination and the interline transfer point, plus the route and trip numbers of the second air carrier. The service to be performed by the third air carrier must be shown on Form 2733, "Interline Air Mail Record." (See § 96.20 of this chapter for instructions on preparation of Form 2733.)

(4) *Equalization dispatches.* (i) Trips due to carry equalized destination mail are identified in the airmail States dispatch scheme by an *x*, in parentheses, ahead of the trip listing. Following the trip of dispatch, the equalized destinations are identified by an *x*, in parentheses, preceding the letter code of the destination. An *x*, in parentheses, will also appear between the letter code of the transfer point and the route number of the interline carrier. This indicates the need for an equalized Form 2733 for the carrier receiving the mail at the transfer point. The following is an example of an equalized dispatch from MKC to CLE via AM 9–40 as it would appear in the MKC States Dispatch Scheme:

(*x*) 9–40 (*x*) CLE mdw (*x*) 14–800
(1) (2) (3)

(1) Indicates equalized trip.
(2) Identifies equalized destination.
(3) Indicates need for special Form 2733 for 14—800.

(ii) Forms 2729 must be identified as follows: When schemes show an *x* in parentheses at (1) and (2), as in the example in subdivision (i) of this subparagraph, an *x* will be inserted in the *E* block on the "conn" line for the equalized destination; i.e., CLE.

(5) *Completion.* (i) Total the pieces and weights for each column, even if more than one column is used to list the mail dispatched to the same destination.

(ii) Total the subtotals of all columns, and enter in the "Grand Total" space.

(iii) Recap all columns under the actual destinations served by the trip of dispatch. Enter each airport served, with the appropriate total, in the right-hand column.

(iv) Total the *Recap* column, and verify against the previously entered *Grand Total.* If more than one form has been used, the *Recap* and *Grand Total* entries must appear on the final form. (See subparagraph (6) of this paragraph.)

(v) At nonairport mail facility points, the post office employees preparing Form 2729 will not total the "Dest," "Recap," and "Grand Total" columns if the mail messenger or motor vehicle service driver picks up additional mail at the railroad station or other postal unit en route to the airport. On arrival at the airport, the mail must be weighed and proper entry must be made on Form 2729 by the messenger or driver. This instruction applies also to Form 2733, if involved.

(vi) Below the "Grand Total" space, enter the total number of sets of Forms 2733 prepared for the interline transfers scheduled to be made from the trip.

(vii) In the "Mail Ready" space, enter the time at which the mail and forms are ready for delivery to the air carrier at the airport. At nonairport mail facility points, this time must be entered by the mail messenger or vehicle service driver. The messenger or driver must obtain the signature of the receiving air carrier representative at the time the mail is delivered.

(6) *Continuation forms.* If the volume of mail is too large to be listed on one Form 2729, use a new numbered form, line through but do not obliterate the printed number, and write in the serial number of the first form. Number the sets consecutively, identifying the last by adding *x* after the number.

(c) *Labeling pouches, sacks, and outsides.* Pouches, sacks, and outside parcels listed on Form 2729 must be identified so that airline and postal personnel handling the mail enroute can provide the transportation ordered by the dispatching office. Before delivering the mail to the air carrier prepare the labels of pouches and sacks to indicate final airline destination and the route over which it is to travel. Attach Label 53, "Airmail Parcel Routing Sticker," for each air parcel dispatched outside. The information on pouch and sack labels and Label 53 for outside parcels must coincide with the corresponding entries on Form 2729 as follows:

(1) For mail billed to the final destination over the routes of two or more air carriers, enter on pouch or sack label in airline code the inter-line transfer points and the route number of the connecting air carrier at these points. Show this information in the left center of the label between the destination and from lines. Enter the same information in the "Transfer point" block on Label 53 for outside parcels.

Example. Mail from Toledo to AMF Houston Tex via AM 1 for transfer to AM 8 at Chicago and AM 4 at Memphis will be labeled as follows:

Pouch or Sack Label

AMF HOUSTON TEX	
MDW-8, MEM-4	30
Fr Toledo, Ohio	

Outside Parcel (Label 53)

Tr. Pt.	Billed to—	Wt.
MDW-8, MEM-4..	(HOU).....	15

(The figure on the right of the label represents the weight of the pouch (or sack).)

(2) For mail billed to the final destination over the routes of a single air carrier, no transfer point codes or route numbers will be used on the pouch and sack labels or on Label 53 for outside parcels.

Example. Mail from Zanesville, O., to AMF Cincinnati, O., via 88–816:

Pouch or Sack Label

AMF CINCINNATI, O. 30 Fr Zanesville O.

Outside Parcel (Label 53)

Tr. Pt.	Billed to—	Wt.
	(CVG)----------	15

(3) For mail billed to an Air Stop Point other than the actual destination on the pouch and sack labels or on Label 53 for outside parcels, enter in code the point to which billed on Form 2729, in brackets, on the same line after the address on the pouch and sack label. Enter in the "Billed to" block on Label 53 the code for the point to which billed on Form 2729. Use the same procedure as that for pouch and sack labels for entry of transfer point and route number, if required.

Example. Mail from Zanesville, O., to Lexington, Ky., via 88-816, cmh 2-533, billed to AMF Cincinnati.

Pouch or Sack Label

LEXINGTON, KY. (CVG) CMH-2 Fr Zanesville, O.

Outside Parcel (Label 53)

Tr. Pt.	Billed to—	
CMH-2----------	(CVG)----------	

(4) Weigh each pouch, sack, and outside parcel. Record the weight on the pouch and sack label (see example in subparagraph (1) of this paragraph), on the Label 53 for outside parcels, and on the Form 2729 in even pounds. When weighing, ignore fractions of a pound of 8 ounces or less. Add one pound for fractions over 8 ounces.

Example:

Actual weight	*Weight shown on label*
From 1 oz. to and including 1 lb. 8 oz--	1 lb.
Over 1 lb. 8 oz. to and including 2 lb. 8 oz----------	2 lb.

(d) *Disposition of copies*—(1) *First and second copies.* Deliver to the air carrier with the mail. (If voided or mutilated, do not deliver to air carrier but combine with third copy and send to regional controller.)

(2) *Third copy.* Send to the designated regional controller daily. Include the third copies of all forms that have been voided, mutilated, etc. Since all of these forms are serially numbered, they must be accounted for. *Note*—At nonairport mail facility points, the first three copies of Form 2729 must accompany the mail: After obtaining the carrier's signature, the mail messenger or vehicle service driver must return the third copy to the post office.

(3) *Fourth copy.* This is the dispatching office copy. Enter the actual departure time (as provided by the air carrier) in the proper space, and file.

NOTE: In the Alaskan Service, Form 2713-A "Alaskan Airmail Dispatch Record" is used in lieu of the dispatch list.

§ 96.20 Form 2733, interline airmail record.

(a) *Description.* Form 2733 covers mail due to be transferred from the original air carrier of dispatch to another air carrier. It is the basic document from which payment to the transferee air carrier is calculated. The form must not be used for intraline transfers. Entries on Form 2733 are taken from the Form 2729 which covers the original shipment. When the routing involves two air carriers after the original dispatch, a separate Form 2733 is required for each subsequent air carrier.

(b) *Preparation.* Show the following information under the appropriate headings:

(1) *Serial number.* Copy from Form 2729.

(2) *Origin code.* Follow the instructions in § 96.19(b)(2)(v).

(3) *Route number.* Enter the route number of the air carrier to which the mail is dispatched.

(4) *Trip number.* Enter the trip number of actual dispatch.

(5) *Origin trip date.* Enter the scheduled date of origin of the trip.

(6) *Transfer point.* Enter the code of the airport at which the interline connection is to be made.

(7) *Routing.* Enter the route and flight number of the air carrier to which the mail is to be transferred.

(8) *Destination.* As applied to this form, destination is defined as the offloading point (either for delivery to the post office or for transfer to another air carrier). Enter the codes of the airports served by the trip, also the codes of airports served by connecting trips of the same air carrier for which mail is available.

(9) *Pieces and weight.* Enter the mail by totals (obtained from Form 2729) for each of the destinations involved. Include any mail for connection to a trip of another air carrier.

(10) *Grand total.* Enter the total of pieces and weights listed. For instructions regarding exceptions to this step, see § 96.19(b)(5)(v).

(c) *Equalization dispatches*—(1) *From equalized origin points.* When an *x*, in brackets, appears immediately preceding the interline transfer route and trip designation on the States dispatch scheme, a Form 2733 will be prepared listing only equalized destination mail for transfer to the same air carrier at the indicated point. On these forms, an *x* will be inserted in the E block between the "Transfer Point" and the "Routing."

(2) *From nonequalized origin points.* Mail from these points does not become equalized until it enters the system of another air carrier who is a party to an equalized agreement at an equalized origin point on his route. Separate Forms 2733 will be prepared to provide transportation over the routes of the equalizing air carriers as follows:

(i) *For first equalizing air carrier.* (*a*) Insert *x* in "E" block after "Transfer Point." (See paragraph (b) of this section.)

(*b*) Insert equalized destination in brackets after the destination on this air carrier. (List only equalized mail on this form.)

(ii) *For second equalized carrier.* (*a*) On the first "Transfer Point" line, insert code of equalized origin.

(*b*) On second line, show usual information, and in addition insert an *x* in the "E" block. (List only equalized mail on this form.)

(d) *Interchange trips.* (1) Mail moving over more than one airmail route on one aircraft must be properly identified on Form 2733. No terminal charge is due at the interchange point, as mail remains on board the aircraft. To enable post office accounting personnel to properly identify this mail, dispatching postal clerks must insert an I in the "E" block of Form 2733 for the air carrier who is not due to receive a terminal charge.

(2) Scheme clerks, who prepare the States dispatch schemes in the office of the distribution and traffic manager, will insert an "I" in brackets following the interchange point as listed on the scheme. States dispatch scheme would appear as follows for dispatch of MIA mail from PDX:

1-678 MIA	lax 4-966	dal (I)	8-966	msy (I)	31-966
TRANSPORTATION COVERED BY	FORM 2729	REGULAR FORM 2733		IDENTIFIED FORM 2733	IDENTIFIED FORM 2733

(e) *Disposition of copies*—(1) *First and second copy.* Deliver to air carrier along with first and second copy of related Form 2729 and the mail.

(2) *Third copy.* Retain, staple to the upper left corner and on top of the related third copy of Form 2729, and send to the designated regional controller's office daily.

§ 96.21 Form 2734, airmail exception record.

(a) *Description.* Form 2734 provides a source of information as to the actual movement of airmail that does not move via the original schemed routing. It also provides a means of making accounting adjustments since it serves (1) as the basis for deduction of payment for scheduled services not performed and (2) as the basis for payment for new services ordered. See paragraph (d) of this section for specific types of irregularities.

(b) *Preparation*—(1) *Who prepares.* The delivering air carrier must prepare five copies of Form 2734 to cover the irregularities outlined in paragraph (d) of this section. The form will be prepared in a few instances at airport mail facilities, or post offices, when the air carrier fails in his responsibility.

(2) *Completion of form.* Form 2734 must clearly describe transportation originally designated by the dispatching postal unit but which was not performed.

The Form 2734 is always prepared at the city where the first deviation in the routing of the mail is known. These forms are printed and funished by each carrier involved. General instructions for completion of the form are printed on the reverse side of the fifth copy of the form. In addition, the following instructions must be followed:

(i) *Route numbers, City code, and Form serial number.* The first line directly under the printed name of the airline indicates three things:

(*a*) Numerical airmail route number assigned to the air carrier by the U.S. Government. This number will be preprinted on the form.

(*b*) The three-letter alphabetical city code of the city at which the irregularity occurs and where the form is prepared. This city code designator must be inserted by the airline preparing the form.

(*c*) The serial number of the form. This number will be preprinted on the form and is provided to permit checking of differences between Post Office Department and air carrier records. The maximum number of digits is five.

(ii) *Route-Trip-Date.* (*a*) On the second line are blocks for the airmail route number and trip number of the air carrier from whose flight the mail covered by the form was received. If mail was not boarded, this is the route and trip to which the mail was billed for dispatch. The date on which the flight, from which mail was received, was scheduled to originate will be indicated in the "Scheduled Origin Date Block."

(*b*) The equalization box will not be used unless it appears on the related Form 2729, "Airmail Dispatch Record," or 2733, "Airmail Exception Record," in which case an *x* will be inserted. Any voided Forms 2733 must be attached to the related Forms 2734.

(iii) *Routing shown on pouch label.* (*a*) *Transfer point route number.* There may be two or more transfer points-route numbers shown on a pouch label or an outside piece(s) label. Form 2734 is provided for the purpose of showing only that portion of the original scheduled routing which was not completed. If a transfer point shown on the pouch label is overflown, the overflown transfer point and the remaining transfer points, if any, must be shown.

(*b*) *Destination.* Enter alphabetical code of actual destination. If the destination is followed by a bracketed "billed" destination, then this should be entered instead. Pouch labels with the same destination and incompleted routing may be grouped in one entry.

(iv) *Amount of mail.* The amount of mail, pieces, and weight for a common destination may be combined when they have the same incompleted routing as shown on the labels.

(v) *New routing.* The air carrier destination is the city (alphabetical code) to which the air carrier shown in this section is to carry the mail. Likewise, the Route and Trip Number to be inserted in this section are the airmail numerical route number of the air carrier which is to transport the mail and that air carrier's trip number.

(vi) *Reason for preparation.* Specific boxes have been provided for nine of the most common reasons for preparing Form 2734. Whenever the form is prepared because of one of these nine basic reasons, the box opposite the reason for preparation must be checked. Explain other reasons not listed.

(vii) *Signature.* The signature of the representative of the air carrier or of the Post Office Department who receives the mail, followed by the air carrier or Post Office Department station code; and the time (24-hour clock time) the mail is received by the air carrier or the Department must be entered on the form.

(c) *Distribution of Form 2734.* Normal distribution of the five copies is printed on each copy of the form. The only deviations from this normal distribution are:

(1) When the receiving and delivering air carrier are the same. Staple the receiving and delivering air carriers' billing copies together.

(2) When mail is delivered to the Post Office Department by Form 2734. Retain the second copy, and turn in all other copies to the postal unit.

(3) When Form 2734 is prepared to cancel or alter an original interline routing segment(s). The voided copies of related Forms 2733 must be attached to copies of Form 2734 as follows:

Forms 2733 (voided)	*Forms 2734*
Copy No. 1 attach to	Copy 3 & 4—Local Postal Unit.
Copy No. 2 attach to	Copy 2—Delivering Carrier.

(d) *Irregularities requiring preparation of Form 2734.* (1) The following irregularities must be reported on Form 2734 when mail involved is delivered to Post Office Department at other than destination, or delivered to an air carrier not specified in the original billing.

(i) Part of mail not boarded.

(ii) Carry by and/or overfly.

(iii) Removed short of air carrier destination in error.

(iv) Missed a scheduled interline connection.

(v) Missed a scheduled intraline connection.

(vi) Mail boarded in error.

(2) Additional irregularities requiring Form 2734 preparation are:

(i) Cancellation of flight:

(*a*) Where only part of mail is delivered to Post Office Department.

(*b*) Where part of mail is given to another air carrier for transportation to destination.

(ii) Overfly of transfer point to next air carrier destination.

(iii) Missing papers.

(iv) Truck haul by air carrier: only when mail is trucked to a point more distant from the ultimate destination than the point from which trucked.

(v) Mail received on Form 2942, Delivery List of Air Mail Dispatches, and requiring domestic billing.

(e) *Irregularities that do not require preparation of Form 2734.* (1) Part of mail not boarded—forwarded to destination by the air carrier which received and failed to board the mail.

(2) None of mail received from Post Office Department boarded—returned to postal unit with all copies of the Forms 2729 and 2733. The postal unit will destroy Form 2733 and void all copies of Form 2729.

(3) Carry by and/or overfly—returned to destination by the air carrier which carried the mail by or overflew the destination.

(4) Removed short of air carrier destination—forwarded to destination by the air carrier which removed the mail short.

(5) Missed a scheduled interline connection—rerouted to the same destination via a different trip number of the same connecting air carrier as shown on the pouch label or the Form 2733.

(6) Missed a scheduled intraline connection—rerouted to the same destination via a different trip but on the same air carrier.

(7) Boarded in error—returned or forwarded to destination by the air carrier which boarded the mail in error.

(8) Cancellation of flight—all local boarding mail returned to the Post Office Department with the Forms 2729 and 2733.

(9) Mail does not agree with Form 2729. At nonairport mail facility stations, the air carrier must make correction to all copies of Form 2729 as specified in § 96.3(a)(2).

§ 96.22 Form 2753, receipt to airline.

(a) *Description.* Form 2753 is a receipt to air carriers for mail delivered to postal units other than airport mail facilities. It is not used for mail that is delivered with Form 2734. (See § 96.21.)

(b) *Preparation.* (1) The form will be prepared in triplicate by the air carrier agent with all pertinent information indicated.

(2) Postal personnel of the receiving unit will count the pieces of mail delivered by each trip, check the count against the airline employee's count, and enter the post office total count on the form for the air carrier involved. Labels are to be examined to determine that mail delivered by the air carrier is addressed or coded for delivery to the receiving unit. To the extent possible, and without delaying the mail, receiving clerks shall determine whether all the mail is due to be received via the route and trip of delivery.

(3) If a discrepancy exists in the post office and airline count, immediate action shall be taken with the airline operations office to ascertain the reason for the discrepancy and whether additional mail may be found at the airline ramp or elsewhere.

(4) The first copy of the form shall be delivered to the mail messenger or vehicle service driver with the mail. The messenger or driver must sign and return it to the air carrier as a receipt.

(5) The second and third copies of the form are to be delivered to the post office with the mail. The post office clerk must sign both copies, returning the third copy to the messenger or driver as his receipt.

§ 96.23 Form 2753–a, mail delivery receipt.

(a) *Description.* Form 2753–a is a receipt for mail delivered to airport mail

facilities. It is not used for mail that is delivered with Form 2734. (See § 96.21.)

(b) *Preparation.* (1) Airport mail facility personnel will prepare a 24-hour Form 2753-a in duplicate to record all mail deliveries from the air carrier. Where an exceptionally large number of trips are involved for any one air carrier, separate forms may be prepared for each tour of duty.

(2) Postal personnel of the receiving unit will count the pieces of mail delivered by each trip, check the count against the airline employee's count, and enter the post office total count on the form for the air carrier involved. Labels are to be examined to determine that mail delivered by the air carrier is addressed or coded for delivery to the receiving unit. To the extent possible, and without delaying the mail, receiving clerks shall determine whether all the mail is due to be received via the route and trip of delivery.

(3) If a discrepancy exists in post office and airline counts, immediate action shall be taken with the airline operations office to ascertain the reason for the discrepancy and whether additional mail may be found at the airline ramp or on board the aircraft.

(4) The original copy of the form shall be signed and delivered to the air carrier's agent as a receipt.

(5) The duplicate copy of the form shall be retained in the airport mail facility files.

§ 96.24 Form 2759, report of irregular handling of airmail.

(a) *Description.* Form 2759 is used as a basis for brief against an air carrier for irregular handling.

(b) *Preparation.* Postal employees must prepare Form 2759 promptly to report any irregular refusal, removal, or receipt of mail by air carriers.

§ 96.25 Applicability of forms and procedures.

(a) *Airmail.* The forms and procedures described in Subparts A, B, and C of this part are applicable to all domestic air carriers on all their routes within the continental United States. They are also applicable, except as otherwise provided, to airmail routes of U.S. flag carriers between the continental United States and Alaska, Hawaii, Puerto Rico and the Virgin Islands, and within and between those areas, for mail originating therein intended for any of the areas indicated, but not for other destinations.

(b) *Emergency first-class mail by air.* When dispatching first-class mail by air under emergency situations, the forms described in this part will be used. Separate airmail forms will be used, however, and all copies must be clearly endorsed "First-Class Mail by Air."

(c) *Mexico and Cuba.* Procedures for airmail routes to and within Mexico and Cuba are covered by special instructions.

NOTE: The corresponding Postal Manual sections are 533.1 through 533.7.

Subpart D—International Air Transportation

§ 96.30 Authority.

(a) Applicability: This subpart applies to air carriers and foreign air carriers engaging in overseas or foreign air transportation of mail on FAM numbered routes assigned by the Post Office Department to the extent noted herein, and supplement the provisions of the Convention of the Universal Postal Union.

(b) As used in this subpart:

(1) "Air Carrier," also called American Flag Carrier, means any citizen or company of the United States authorized by the Civil Aeronautics Board to engage in overseas or foreign air transportation.

(2) "Foreign Air Carrier," also called Foreign Flag Carrier, means any individual or company not of the United States authorized by the Civil Aeronautics Board to engage in foreign air transportation.

(3) "Carrier" means both air carrier and foreign air carrier.

(4) "Overseas Air Transportation" means the carriage of mail by aircraft between a place in any State of the United States and any place in a Territory or possession of the United States; or between a place in a Territory or possession of the United States and a place in any other Territory or possession of the United States.

(5) "Foreign Air Transportation" means the carriage of mail by aircraft between a place in any State, Territory or possession of the United States and any place wholly outside thereof.

(6) "Mail" means United States and foreign-transit mail.

(c) *Authority to engage in air transportation*—(1) *American flag air carriers.* Air carriers shall not engage in air transportation unless a certificate has been issued by the Civil Aeronautics Board authorizing them to do so. Each such certificate states the terminal points and intermediate points, if any, between which the air carrier is authorized to engage in air transportation.

(2) *Foreign flag air carriers.* Foreign air carriers shall not engage in air transportation from U.S. soil without a permit issued by the Civil Aeronautics Board authorizing such transportation.

(d) *Rules and policy.* The Department will make such rules and regulations as may be necessary for the safe and expeditious transportation of air mail by aircraft. The Assistant Postmaster General, Bureau of Transportation, will establish the policy for transportation of mail and for exchange of mail between postal employees and carriers.

(e) *Agreements.* The Department may enter into agreements with postal administrations of other countries with respect to airmail transportation. The Department may also make arrangements with foreign air carriers for the transportation of mail if they have been issued permits by the Civil Aeronautics Board.

(f) *Transportation of foreign origin mail.* Air carriers transporting mail of foreign countries are subject to control and regulation of the United States.

§ 96.31 Carrier operations.

(a) *Filing of schedules.* Carriers authorized to engage in air transportation shall transport mail only after filing their schedules of operations with the Department. The Department will designate the flights required for the transportation of mail and inform the carriers accordingly. No carrier shall transport mail in accordance with any schedule other than one designated or ordered to be established by the Department for the transportation of mail.

(b) *Schedule revisions.* Changes to existing schedules must be filed with the Department not less than 10 days before their effective dates. Three copies should be filed with the Director, International Service, Bureau of Transportation, Post Office Department, Washington 25, D.C., one with the distribution and traffic manager, Post Office Department, in each region concerned, and three with the claim for the mail transportation.

(c) *Flight movement.* Carriers should operate designated flights as nearly as practicable at the times indicated in published schedules. Whenever earlier or later departures are required, sufficient advance notice should be given the local postal representatives in order that appropriate adjustments may be made in the dispatch schedules.

(d) *Extra sections.* Extra sections of a designated scheduled flight may be used for the transportation of mail.

(e) *Emergency flights.* Emergency flights operated by a carrier may be used for the transportation of mail. However, carriers should not accept mail for any country served by the emergency flight if they are not authorized to serve that country regularly.

(f) *Omission of service.* If a scheduled stop is to be omitted on a designated flight, the carrier must immediately notify the local postal representatives concerned. If the service is to be suspended for one week or more, the carrier must notify the Director, International Service, Post Office Department, Washington 25, D.C., and the local postal representative at the point involved. The same officials should be notified when the service is resumed.

(g) *Canceled flights.* When a flight is canceled at the initial terminal or any point en route, the carrier should promptly notify the local postal representatives concerned.

(h) *Delayed departures.* If a flight is delayed after accepting mail and the delay is estimated to be six hours or less beyond the scheduled departure, the mail will be retained aboard the flight. If the flight is delayed over six hours, the dispatching postal unit should be informed of the delay and the probable time of departure. In such cases, the postal representative will determine whether the mail should be returned to the postal unit.

(i) *Accidents.* Carriers will immediately inform the Post Office Department, Washington, D.C., of any accident re-

sulting in possible damage to or loss of United States mail. When an accident occurs in the United States, the distribution and traffic manager, Post Office Department, in the region concerned should also be notified. Accidents occurring outside the United States must be reported to the postal administration of the country to which the carrier belongs and to the postal administration of the country in which the accident occurs. (See § 96.33.)

§ 96.32 Transportation of mail.

(a) *Tender of mail.* When authorized to transport mail, carriers shall provide necessary and adequate facilities and service for its transportation and will be held strictly accountable for the proper care of mail and postal equipment while in their custody.

(b) *Priority of mail and allocations*—(1) *Priority.* Air carriers shall transport all mail available for each flight designated by the Department. If the mail available for dispatch exceeds the weight allocation or normal load, the excess shall have priority of transportation over all unconfirmed and non-revenue traffic. (See § 96.1(a)(1) for normal mail load.)

(2) *Allocations and estimates.* Weight allocations are for planning purposes to assist the Postal Service as well as air carriers to fully realize the maximum payload on each flight. Postal units will give air carriers an advance estimate of the mail anticipated for the flight, which may be above or below the weight allocation already agreed upon. If the estimate is in excess of the allocation, the air carrier may refuse the excess if confirmed traffic prevents its acceptance. If the air carrier refuses mail, Form 2759 "Report of Irregular Handling of Airmail," should be prepared for the difference between the amount accepted and the allocation or normal load. (See § 96.33.)

(3) *Backlog.* Carriers will be expected to provide sufficient lift to accommodate any backlog of mail which has accumulated due to irregular operations or cancellations.

(4) *Removal or refusal.* When it becomes necessary to reduce the load of an aircraft due to weather or other cause, the following order of removal or refusal shall prevail:

(i) Company material

(ii) Express and cargo

(iii) All categories of mail other than letters and cards (LC)

(iv) Diplomatic pouches not carried as first-class mail

(v) Company mail

(vi) LC mail after removal of all other traffic except revenue passengers with space confirmed prior to knowledge that the load must be reduced.

(c) *Delivery of mail to carriers*—(1) *Documentation.* The postal unit delivering mail must prepare the AV–7s "Delivery List of Air Mail Dispatches" listing the origin, destination, weight of the mail, and dispatch and routing instructions. One set of AV–7s must be prepared for each stop point on the flight where mail is available for transportation.

(2) *Verification by carriers.* The carriers shall verify all mail tendered for transportation against the entries appearing on the AV–7s—Mail Waybills. If an irregularity in the condition of the mail is observed at the time of acceptance, it should be brought to the attention of the postal unit before signing the AV–7s.

(d) *Delivery of mail to carriers on delayed flights and extra sections*—(1) *Delayed flights.* After flight documents have been completed for imminent departure and a delay occurs additional mail should not be accepted by carriers unless it can be done without detriment and cause no further delay in departure of the flight. Additional mail will be tendered if space is available and it will not cause removal of passengers or cargo already manifested on the aircraft documents.

(2) *Extra sections.* Mail may be conveyed on extra sections of a designated flight. Mail carried on extra sections shall be considered as having been conveyed on the regular scheduled flights for purposes of arriving at the base weight for the flight.

(e) *Transfer between flights.* Each carrier must transfer mail between its own flights whenever the transfer is shown on the AV–7s. It must transfer mail at points in the United States, its territories or possessions with domestic air carriers as directed by the Department. It must transport Form 2733, "Interline Airmail Record" from the point of despatch to the point of transfer, delivering the forms to the receiving air carrier with the mail. The receiving air carrier must accept and receipt for all mail listed on Form 2733. If the mail does not agree with the listing on the form, the delivering air carrier must prepare Form 2734, "Airmail Exception Record." Actual mail transferred must be listed by on-line destination. In case of failure to connect the trip prescribed in Form 2733, air carrier should deliver the mail, together with the forms, to the local postal unit.

(f) *Retaining mail in foreign countries.* In a foreign country, carriers may retain custody of United States civilian mail aboard a flight when the departure is delayed up to 24 hours. On delays over 24 hours, or upon cancellation, civilian mail must be delivered to the local post office for disposition. The original documents, properly endorsed, must accompany the mail. Military airmail must be held in the custody of the air carrier, and the Post Office Department, Washington 25, D.C., should be promptly requested by wire to furnish instructions for disposition. Under no circumstances should military airmail be turned over to a foreign post office or to a foreign air carrier.

(g) *Delivery of mail by carriers to postal representatives.* Upon arrival of a flight, the carrier must unload the mail and make delivery as soon as possible to the authorized postal representative at such point as may be designated.

(1) *AV–7s, Delivery list of air mail dispatches.* One copy of each set of AV–7s and additional copies which are required for receipt to the carrier must be delivered with the mail. Any irregularities must be noted on all copies of the AV–7.

(2) *No documents in the United States.* Carriers delivering mail to United States postal installations without AV–7s will obtain receipt on P.O. Form 2753 "Receipt to Airline" for all mail delivered to the postal unit. The receipt will show only the total number of pieces being delivered. If a postal unit is not located at the airport, Form 2753 must be prepared by the carrier for signature by the postal service motor vehicle driver.

(3) *No documents in foreign countries.* Carriers delivering mail to foreign postal installations without AV–7s will obtain receipt on such form as may be prescribed in that country.

(4) *Delivery of all mail aboard an aircraft.* At terminal points of flights, all mail on board the aircraft will be delivered to the postal unit unless there is an agreement to the contrary between carriers and the governments concerned.

(5) *Irregular stops.* Carriers making irregular landings in the United States due to weather or other causes may retain the mail for six hours while holding for clearance to proceed to the designated terminal point. If the flight cannot proceed within the six hours, the mail on board, together with the mail documents, shall be delivered to the local postal unit.

(h) *Irregularities*—(1) *Labels lost in transit.* When a dispatch has lost its label in transit, the carrier may transport the dispatch to its off-loading point if it can be identified from the mail documents. Otherwise, the dispatch should be delivered to a postal unit for identification and re-labeling. Receipt should be obtained by the carrier from the accepting postal unit.

(2) *Damaged mail dispatches.* When mail is discovered in a damaged condition, it should be offloaded at the first stop or at the destination of the dispatch whichever occurs first. The damaged mail should be tendered to the local post office for handling and a receipt obtained therefor.

(3) *Mail depredations.* All sealed mail containers that have been tampered with while in a carrier's custody should be surrendered immediately to the local post office with a statement of facts for action deemed appropriate according to the laws of the country where the depredations or tampering of the mail occurred.

(i) *Refusals and removals of mail.* Refusals and removals of mail by a carrier may result in diversion of the mail to another carrier and in the imposition of fines.

§ 96.33 Mail transportation irregularities.

(a) *Deductions and fines.* Carriers transporting mail will observe all applicable rules and regulations issued by the Department. The Department may impose a penalty against air carriers for failure to comply.

(b) *Reporting of irregularities.* It is the responsibility of postal personnel at international exchanges offices to report all instances of irregularities that come to their attention. These reports should be made on Form 2759 "Report of the Irregular Handling of Air Mail," the

original and first copy of which will be sent to the distribution and traffic manager having jurisdiction over that unit; the second copy to the local station manager of the carrier concerned; and the third copy retained at the office preparing the report. Reports of irregularities not chargeable to a carrier should be forwarded to the distribution and traffic manager; with the usual copy being retained for files of the reporting unit.

(c) *Processing Form 2759.* If it is determined that a penalty is in order, the 2759 will be sent to the fining region with recommendation by the 20th of the month following that in which the irregularity occurred.

(d) *Notification to the air carrier.* The copy of Form 2759 sent to the air carrier serves as notice of the irregularity. It is not contemplated that there will be a letter of acceptance of responsibility by the air carrier. Failure to inform the distribution and traffic manager in whose region the 2759 was prepared by the 10th of the following month will be considered as an acceptance of the facts as stated in the report.

(e) *Assessing penalties.* All irregularities occurring during a month will be processed as a unit and cleared by the end of the following month. It is not intended that a penalty be imposed if the irregularity is the result of weather conditions or other circumstances beyond the control of the air carrier. The following schedule shall be used to determine the amount of each penalty:

(1) *Refusal and removal.* Air carriers using pre-determined weight allocations need not submit Form 2760 "Refusal and/or Removal of Air Mail." In such cases, an explanation should be furnished the distribution and traffic manager within 15 days after the irregularity occurs but no later than the 10th of the following month, including such facts as the weight of company material and cargo carried on the flight. Failure to accept the allocation or advance estimate, if any is given, will be analyzed to determine whether a penalty should be imposed. The basis for such penalty shall be $1 for each kilogram or fraction.

(2) *Failure to notify postal authorities.* Failure to notify postal authorities of non-operation, late departure, additional sections, additional stops, omission of scheduled stops, etc., will be subject to a penalty if in the opinion of the distribution and traffic manager there is significant failure to cooperate. Such penalties should be in multiples of $25 for each offense.

(3) *Delayed delivery to postal unit.* Air carriers delivering mail to the postal unit at the airport in excess of the prescribed time limit shall be assessed a penalty of $3 for each piece unless appropriate explanation is furnished.

(4) *Non-receipt of mail documents.* Air carriers delivering mail without AV-7s, "Delivery list of Air Mail Dispatches," or mail manifest will be penalized on the basis of $10 for each such occurrence unless a satisfactory explanation is given.

(5) *Serious infractions.* In the event of a serious infraction which requires punitive action not specifically mentioned herein, the distribution and traffic manager will communicate these facts to the Director, International Service, for decision.

(f) *Computing penalties.* After computing penalties for a month and the total penalties amount to $50 or less, the cases shall be filed and no penalty imposed for that month.

(g) *Appeal by air carrier.* If an air carrier should appeal the amount of the penalty on any particular irregularity, all papers should be forwarded to the Director, International Service, for review.

(h) *Notification to the office settling the accounts.* The distribution and traffic manager will advise the office settling the accounts as indicated below, the total deduction to be made from mail pay due the air carrier. A copy of such advice should also be sent to the Director, International Service. Also a copy should be sent to the air carrier concerned, together with a copy of Form 2759 "Report of the Irregular Handling of Air Mail," on which penalties have been assessed.

Name of carrier	Route No.	Region assessing fines	Office settling accounts
American Airlines, Inc.	FAM 26	Fort Worth	Reg. Controller, Wichita.
Braniff Airways, Inc.	FAM 34	Fort Worth	(*).
Delta Airlines, Inc.	FAM 31	Atlanta	(*).
Eastern Air Lines, Inc.	FAMs 33 & 35	New York	Reg. Controller, Richmond.
National Airlines, Inc.	FAM 32	Washington	Reg. Controller, Atlanta.
Northwest Airlines, Inc.	FAM 28	Minneapolis	(*).
Pan American Airways, Inc. (Latin American Div.).	FAM 5	Atlanta	(*).
Pan American Airways, Inc. (Pacific Division).	FAM 14	San Francisco	(*).
Pan American Airways, Inc. (Atlantic Division).	FAM 18	New York	(*).
Pan-American-Grace Airways, Inc.	FAM 9	New York	(*).
Seaboard & Western Air Lines, Inc.	FAM 38	New York	(*).
Trans World Airlines, Inc.	FAM 27	Chicago	(*).
United Air Lines, Inc.	FAM 30	Denver	Reg. Controller, Denver.
Western Air Lines, Inc.	FAM 36	San Francisco	Reg. Controller, San Francisco.

*Post Office Department, Bureau of Finance, International Accounts Section, Washington 25, D. C.

§ 96.34 Records and reports.

(a) *FORM 2759, "Report of irregular handling of airmail."* Postal employees must prepare Form 2759 promptly to report all irregularities in the handling of mail, including refusals by carriers. The form serves as a basis for assessing penalties against air carriers whenever the circumstances warrant.

(b) *FORM 2753, "Receipt to airline."* Form 2753 is a receipt prepared by postal personnel and given carriers delivering mail without AV-7s. The receipt is prepared in duplicate and will show only the total number of pieces and flight data.

(c) *FORM 2734, Airmail exception record.* Form 2734 will be prepared by air carriers due to effect transfer of airmail to a United States domestic air carrier when circumstances prevent following the original routing, loss of papers, etc. (See § 96.21.)

§ 96.35 Rates of compensation.

(a) *Rates for air carriers; United States mail.* Rates of compensation due air carriers for the transportation of mail are fixed by the Civil Aeronautics Board and amounts due them are paid by the Department from appropriations for the transportation of mail by aircraft.

(b) *Rates for air carriers; foreign mail.* The Department will fix from time to time the rates of compensation that are charged foreign countries for the conveyance of their mail by air carriers.

(c) *Rates for foreign air carriers; United States mail.* The Department will not pay to a foreign air carrier or his national government, a rate for transporting mail between the United States and such country, higher than that paid to air carriers by foreign governments for transporting their mail between such foreign countries and the United States.

§ 96.36 Payment for transportation of mail.

(a) *Air carrier accounts; payment for foreign mail.* All revenue received from foreign governments for the transportation of their mail by air carriers is for their account. Collections of amounts due from foreign countries may be effected from such foreign conutries direct by air carriers (with prior approval of the Department) or by the Department.

(b) *Air carrier accounts; payment for United States mail.* Air carriers will submit their claims, prepared and supported according to instructions furnished by the Department, to the offices named below:

Carrier	FAM Route No.	Office settling accounts
American Airlines, Inc.	FAM 26	Reg. Controller, POD, Wichita.
Eastern Air Lines, Inc.	FAMs 33 & 35	Reg. Controller, POD, Richmond.
National Airlines, Inc.	FAM 32	Reg. Controller, POD, Atlanta.
United Air Lines, Inc.	FAM 30	Reg. Controller, POD, Denver.
Western Airlines, Inc.	FAM 36	Reg. Controller, POD, San Francisco.
Braniff Airways, Inc.	FAM 34	Post Office Department, Bureau of Finance, International Accounts Section, Washington 25, D. C.
Delta Air Lines, Inc.	FAM 31	
Northwest Airlines, Inc.	FAM 28	
Pan American World Airways, Inc.:		
(Latin American Division)	FAM 5	
(Pacific Division)	FAM 14	
(Atlantic Division)	FAM 18	
Pan American Grace Airways, Inc.	FAM 9	
Seaboard & Western Air Lines, Inc.	FAM 38	
Trans World Airlines, Inc.	FAM 27	

(c) *Foreign air carrier accounts—payment for mail loaded in the United States.* Foreign flag air carriers authorized by their governments to collect direct from the United States Post Office Department will submit their claims prepared and supported according to instructions furnished by the Post Office Department, Washington 25, D.C. Transportation charges for mail enplaned in the United States will be claimed from the United States Post Office Department irrespective of actual origin of the mail transported from the United States by foreign air carriers.

§ 96.37 International air handbook.

Exchange offices will be governed by instructions contained in Transportation Handbook Series T–1, Instructions for Handling and Reporting of International Airmail at Exchange Offices, together with such special instructions as may be issued from time to time.

NOTE: The corresponding Postal Manual sections are 542.1 through 542.8.

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

[F.R. Doc. 59–10519; Filed, Dec. 11, 1959; 8:47 a.m.]

Title 7—AGRICULTURE

Chapter I—Agricultural Marketing Service (Standards, Inspection, Marketing Practices), Department of Agriculture

PART 47—RULES OF PRACTICE UNDER THE PERISHABLE AGRICULTURAL COMMODITIES ACT

Miscellaneous Amendments

Notice of rule making regarding proposed amendments to the rules of practice (7 CFR Part 47) effective under the Perishable Agricultural Commodities Act, 1930 (46 Stat. 531 et seq., as amended; 7 U.S.C. 499a et seq.), was published in the FEDERAL REGISTER of November 4, 1959 (24 F.R. 8974). The notice afforded interested persons opportunity to submit written data, views, or arguments for consideration in connection with the proposed amendments within twenty days after publication in the FEDERAL REGISTER. None was submitted.

Pursuant to the authority contained in sec. 15, 46 Stat. 537, as amended; 7 U.S.C. 499o, the rules of practice (7 CFR Part 47) under the Perishable Agricultural Commodities Act, 1930, are hereby amended, as follows:

1. In § 47.2 amend paragraph (i) to read as follows:

§ 47.2 Definitions.

* * * * *

(i) "Examiner" means, when used herein in connection with a disciplinary proceeding, any examiner in the Office of Hearing Examiners, United States Department of Agriculture; and, when used herein in connection with a reparation proceeding, "examiner" is synonymous with "presiding officer," and means any attorney employed in the Office of the General Counsel of the Department.

2. Amend § 47.4 to read as follows:

§ 47.4 Service; proof of service.

Service of all papers and documents required to be served on the parties in any proceeding under these rules shall be made by the Division, unless otherwise provided herein or directed by an examiner or the Secretary, and shall be made either (a) by registering or certifying and mailing a copy of the document or paper, addressed to the individual, partnership, corporation, organization, or association, or to his or its attorney or agent of record, at his or its last known principal office, place of business, or residence; or (b) if such registered or certified matter is returned undelivered for any reason, by mailing by regular mail a copy of the document or paper, addressed to such individual, partnership, corporation, organization, or association, or to his or its attorney or agent of record, at his or its last known principal office, place of business, or residence; or (c) by leaving a copy of the document or paper at the principal office, or place of business, or residence, of such individual, partnership, corporation, organization, or association, or of his or its attorney or agent of record and by mailing by regular mail another copy to such person at such address; or (d) by delivering a copy of the document or paper to the individual to be served, or to a member of the partnership to be served, or to the president, secretary, or other executive officer or any director of the corporation, organization, or association to be served, or to the attorney or agent of record of such individual, partnership, corporation, organization, or association. Proof of service hereunder by a person other than an employee of the Department or a United States Marshal or his deputy shall be made by the affidavit of the person who actually made the service. Proof of service hereunder by an employee of the Department or a United States Marshal or his deputy shall be made by the certificate of the person who actually made the service: *Provided,* That if the service be made by registered or certified mail, as outlined in paragraph (a) of this section, proof of service shall be made by the return post-office receipt, except that, if the registered or certified matter is returned undelivered for any reason, proof of service may be made by the certificate of the person who thereafter mailed the same matter by regular mail. The affidavit, certificate, or post-office receipt contemplated herein shall be filed with the hearing clerk.

3. Amend § 47.7 to read as follows:

§ 47.7 Report of investigation.

Where the facts and circumstances are deemed by the Director to warrant such action, the Division shall serve upon each of the parties a copy of the report made by the Division in connection with its investigation of the informal or formal complaint. Whenever the Secretary, or the Director, or the examiner deems it necessary, a supplemental investigation shall be made by the Division and a copy of the report thereon shall be served upon the parties. If an answer is filed by respondent, a copy of any report or reports of investigation served upon the parties shall be filed with the hearing clerk and shall be considered as part of the evidence in the proceeding: *Provided,* That either party shall be permitted to submit evidence in rebuttal in the same manner as is provided in the regulations in this part for the submission of other evidence in the proceeding.

4. In § 47.8 add paragraph (d) to read as follows:

§ 47.8 The answer.

* * * * *

(d) *Procedure upon admission of facts.* Upon the admission, in the answer or by failure to file an answer, of all the material allegations of fact contained in the complaint, an order may be issued without further procedure, official notice being taken of the license status of the respondent and the date of filing of the informal complaint, as disclosed by the records of the Department.

5. In § 47.11 amend paragraph (a) to read as follows:

§ 47.11 Examiners.

(a) *Disqualification.* No person who (1) has any pecuniary interest in any matter of business involved in the proceeding, or (2) is related within the third degree by blood or marriage to any of the persons involved in the proceeding shall serve as examiner in such proceeding.

§ 47.15 [Amendment]

6. In § 47.15 delete subparagraph (7) of paragraph (f).

7. In § 47.25 amend the heading and add a new paragraph (f) as follows:

§ 47.25 Filing; extensions of time; effective date of filing; computations of time; reopening after default; official notice.

* * * * *

(f) *Official notice.* In any proceeding official notice may be taken of (1) such matters as are judicially noticed by the courts of the United States; (2) any other matter of technical, scientific, or commercial fact of established character; and (3) relevant publications and records of the Department.

§ 47.45 [Deletion]

8. Delete § 47.45.

It is hereby found that good cause exists for not postponing the effective date of these amendments beyond the date of publication in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that the amendments clarify and facilitate procedures applicable to reparation cases under the act and compliance therewith will not require any special preparation on the part of interested persons.

(Sec. 15, 46 Stat. 537, as amended; 7 U.S.C. 499o)

Dated: December 8, 1959, to become effective upon publication in the FEDERAL REGISTER.

ROY W. LENNARTSON,
Deputy Administrator,
Agricultural Marketing Service.

[F.R. Doc. 59-10521; Filed, Dec. 11, 1959; 8:47 a.m.]

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

[Amdt. 1]

PART 722—COTTON

Subpart—Regulations Pertaining to Acreage Allotments for the 1960 Crop of Upland Cotton

COUNTY ALLOTMENT; ALLOCATIONS TO COUNTIES FROM STATE'S SHARE OF NATIONAL RESERVE AND FROM STATE RESERVE; REMAINDER OF THE STATE RESERVE; ALLOTMENTS FOR OLD COTTON FARMS

Correction

In F.R. Document 59-10074, appearing in the issue for Friday, December 4, 1959, at page 9693, make the following changes:

1. In the heading for column (1) wherever the word "allorment" appears, it should read "allotment".

2. In the heading for column (6) wherever the word "forms" appears, it should read "farms".

3. Under Mississippi, following the entry for "Winston", the county should read "Yalobusha".

4. Under Mississippi, column (5), opposite Webster, the figure should read "8,635.0".

5. Under Texas, following "Comal," the county should read "Comanche" and in the same line, column 2, the figure should read "835.6".

6. Under Texas, opposite Washington, column (5), the figure should read "23,231.0".

7. Under Texas, opposite Sabine, column (7), the figure should read "83.7".

8. Under Virginia in c. following the leaders, the figure "93" should read "936". Delete the figure "6" in the line below.

[Amdt. 1]

PART 722—COTTON

Subpart—Regulations Pertaining to Acreage Allotments for the 1960 Crop of Extra Long Staple Cotton

COUNTY ALLOTMENT; ALLOCATIONS TO COUNTIES FROM STATE RESERVE; AND REMAINDER OF THE STATE RESERVE

Correction

In F.R. Document 59-10073, appearing in the issue for Friday, December 4, 1959, at page 9703, make the following change: Under Arizona, b., at the end of the line the figure "3" should read "30".

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

[Navel Orange Reg. 175]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 914.475 Navel Orange Regulation 175.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of navel 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. 601-674), and upon the basis of the recommendation and information submitted by the Navel Orange 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 navel oranges 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 (5 U.S.C. 1001-1011) 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 navel 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 navel 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 December 10, 1959.

(b) *Order.* (1) The respective quantities of navel 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., December 13, 1959, and ending at 12:01 a.m., P.s.t., December 20, 1959, are hereby fixed as follows:

(i) District 1: 500,000 cartons;

(ii) District 2: 100,000 cartons;

(iii) District 3: Unlimited movement;

(iv) District 4: Unlimited movement.

(2) All navel oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "District 1," "District 2," "District 3," "District 4," and "carton" have the same meaning as when used in said amended marketing agreement and order.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: December 11, 1959.

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

[F.R. Doc. 59-10623; Filed, Dec. 11, 1959; 11:31 a.m.]

[Orange Reg. 366]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.994 Orange Regulation 366.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the bases of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, including Temple oranges, 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 thereof 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; 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. Shipments of oranges, including Temple oranges, grown in the production area, are presently subject to regulation by grades and

sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 1, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–29, 1959, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning the recommended provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of oranges, including Temple oranges, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the amended United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title; 22 F.R. 6676).

(2) During the period beginning at 12:01 a.m., e.s.t., December 14, 1959, and ending at 12:01 a.m., e.s.t., January 11, 1960, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada or Mexico:

(i) Any oranges, including Temple oranges, grown in the production area, which do not grade at least U.S. No. 1 Bronze;

(ii) Any oranges, except Temple oranges, grown in the production area, which are of a size smaller than $2\frac{8}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title): *Provided*, That in determining the percentage of oranges in any lot which are smaller than $2\frac{8}{16}$ inches in diameter, such percentage shall be based only on those oranges in such lot which are of a size $2\frac{4}{16}$ inches in diameter or smaller; or

(iii) Any Temple oranges, grown in the production area, which are of a size smaller than $2\frac{8}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of Temple oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title).

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 9, 1959.

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

[F.R. Doc. 59–10542; Filed, Dec. 11, 1959; 8:50 a.m.]

[Grapefruit Reg. 318]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.995 Grapefruit Regulation 318.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, 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 thereof 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; 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. Shipments of all grapefruit, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 1, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–29, 1959, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning the recommended provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Grapefruit (§§ 51.750 to 51.790 of this title); and the term "mature" shall have the same meaning as set forth in section 601.16 Florida Statutes, Chapters 26492 and 28090, known as the Florida Citrus Code of 1949, as supplemented by section 601.17 (Chapters 25149 and 28090) and also by section 601.18, as amended June 22, 1955 (Chapter 29760).

(2) During the period beginning at 12:01 a.m., e.s.t., December 14, 1959, and ending at 12:01 a.m., e.s.t., January 11, 1960, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any seeded grapefruit, grown in the production area, which are not mature and do not grade at least U.S. No. 1 Bronze;

(ii) Any white seeded grapefruit, grown in the production area, which are smaller than $3\frac{15}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit;

(iii) Any pink seeded grapefruit, grown in the production area, which are smaller than $3\frac{13}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit;

(iv) Any seedless grapefruit, grown in the production area, which are not ma-

ture and do not grade at least U.S. No. 1: *Provided*, That such grapefruit may have discoloration to the extent permitted under the U.S. No. 2 Russet grade, and may have slightly rough texture caused only by speck type melanose; or

(v) Any seedless grapefruit, grown in the production area, which are smaller than 3$^{9}/_{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seedless grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 9, 1959.

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

[F.R. Doc. 59–10541; Filed, Dec. 11, 1959; 8:50 a.m.]

[Tangelo Reg. 19]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.996 Tangelo Regulation 19.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangelos, 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 thereof 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; 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. Shipments of tangelos, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 1, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–29, 1959, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such tangelos; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangelos, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used in this section, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box as used in this section, shall have the same meaning as is given to the respective term in the amended United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title; 22 F.R. 6676).

(2) During the period beginning at 12:01 a.m., e.s.t., December 14, 1959, and ending at 12:01 a.m., e.s.t., January 11, 1960, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any tangelos, grown in the production area, which do not grade at least U.S. No. 1 Bronze; or

(ii) Any tangelos, grown in the production area, which are of a size smaller than 2$^{5}/_{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of tangelos smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title).

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 9, 1959.

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

[F.R. Doc. 59–10543; Filed, Dec. 11, 1959; 8:50 a.m.]

[Lemon Reg. 824]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.931 Lemon Regulation 824.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 23 F.R. 9053), 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 become 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 December 9, 1959.

(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., December 13, 1959, and ending at 12:01 a.m., P.s.t., December 20, 1959, are hereby fixed as follows:

(i) District 1: 27,900 cartons;
(ii) District 2: 116,250 cartons;
(iii) District 3: 60,450 cartons.

(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.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 10, 1959.

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

[F.R. Doc. 59–10601; Filed, Dec. 11, 1959; 9:12 a.m.]

[Grapefruit Reg. 128]

PART 955—GRAPEFRUIT GROWN IN THE STATE OF ARIZONA; IN IMPERIAL COUNTY, CALIFORNIA; AND IN THAT PART OF RIVERSIDE COUNTY, CALIFORNIA, SITUATED SOUTH AND EAST OF WHITE WATER, CALIFORNIA

Limitation of Shipments

§ 955.389 **Grapefruit Regulation 128.**

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 55, as amended (7 CFR Part 955), regulating the handling of grapefruit grown in the State of Arizona; in Imperial County, California; and in that part of Riverside County, California, situated south and east of White Water, California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the Administrative Committee (established under the aforesaid amended marketing agreement and order), and upon other available information, it is hereby found that the limitation of shipments of grapefruit, 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 thereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) 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 date. The Administrative Committee held an open meeting on December 3, 1959, to consider recommendations for a regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; information regarding the provisions of the regulation recommended by the committee has been disseminated to shippers of grapefruit, grown as aforesaid, and this section, including the effective time thereof, is identical with the recommendation of the committee; it is necessary, in order to effectuate the declared policy of the act, to make this section effective on the date hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed on or before the effective date hereof.

(b) *Order.* (1) During the period beginning at 12:01 a.m., P.s.t., December 13, 1959, and ending at 12:01 a.m., P.s.t., January 31, 1960, no handler shall handle:

(i) Any grapefruit of any variety grown in the State of Arizona; in Imperial County, California; or in that part of Riverside County, California, situated south and east of White Water, California, unless such grapefruit are fairly well colored, and otherwise grade at least U.S. No. 2; or

(ii) From the State of California or the State of Arizona to any point outside thereof in the United States, any grapefruit, grown as aforesaid, which measure less than $3^{11}/_{16}$ inches in diameter, except that a tolerance of 5 percent, by count, of grapefruit smaller than the foregoing minimum size shall be permitted which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in the revised United States Standards for Grapefruit (California and Arizona), 7 CFR 51.925–51.955: *Provided,* That, in determining the percentage of grapefruit in any lot which are smaller than $3^{11}/_{16}$ inches in diameter, such percentage shall be based only on the grapefruit in such lot which are of a size $4^{2}/_{16}$ inches in diameter and smaller.

(2) As used herein, "handler," "variety," "grapefruit," and "handle" shall have the same meaning as when used in said amended marketing agreement and order; the terms "U.S. No. 2" and "fairly well colored" shall each have the same meaning as when used in the aforesaid revised United States Standards for Grapefruit; and "diameter" shall mean the greatest dimension measured at right angles to a line from the stem to blossom end of the fruit.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 8, 1959.

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

[F.R. Doc. 59–10522; Filed, Dec. 11, 1959; 8:47 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 59–WA–220; Amdt. 151]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Modification of Control Area Extension

The purpose of this amendment to § 601.1284 of the regulations of the Administrator is to modify the Oklahoma City, Okla., control area extension.

The northern portion of the Oklahoma City control area extension includes that area within a 25-mile radius of the Oklahoma City radio range station. The Federal Aviation Agency is modifying this portion of the control area extension by including additional controlled airspace north of Oklahoma City for improving air traffic management for the terminal operations at Will Rogers Field and Tinker AFB. Such action will result in the addition of approximately 85 square miles being included in the Oklahoma City control area extension.

That airspace east of Oklahoma City bounded on the northwest by VOR Federal airway No. 14 and on the south and southeast by VOR Federal airway No. 14 S is designated as controlled airspace in § 601.6014. Reference to this airspace has, therefore, been deleted from § 601.1284.

This action has been coordinated with the Army, the Navy, the Air Force, and interested civil aviation organizations. Accordingly, compliance with the Notice, and public procedures provisions of Section 4 of the Administrative Procedure Act have, in effect, been complied with. However, since it is necessary that sufficient time be allowed to permit appropriate changes to be made on aeronautical charts, this amendment will become effective more than 30 days after publication.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) § 601.1284 (14 CFR, 1958 Supp., 601.1284, 24 F.R. 8720) is amended to read:

§ 601.1284 **Control area extension (Oklahoma City, Okla.).**

That airspace within a 25-mile radius of the Oklahoma City, Okla., RR; that airspace N of Oklahoma City bounded on the SW by VOR Federal airway No. 17, on the N by VOR Federal airway No. 140, and on the E by VOR Federal airway No. 77; that airspace NE of Oklahoma City bounded on the W by VOR Federal airway No. 77, on the NE by VOR

Federal airway No. 74 S and on the S by VOR Federal airway No. 14 N.

This amendment shall become effective 0001 e.s.t., February 11, 1960.

(Secs. 307(a) and 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10494; Filed, Dec. 11, 1959; 8:45 a.m.]

[Airspace Docket No. 59-WA-417; Amdt. 165]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL, AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Modification of Control Zone

The purpose of this amendment to § 601.2130 of the regulations of the Administrator is to modify the Atlanta, Ga., control zone.

The Atlanta control zone presently includes an extension on the southeast course of the Atlanta radio range extending from the radio range station to the Jonesboro, Ga., fan marker. The Jonesboro fan marker is no longer needed for air traffic management and has been decommissioned. As a result of this decommissioning, the new description of the control zone extension to the southeast will be described in miles from the radio range station. This point will coincide with the former location of the fan marker.

Since this amendment imposes no additional burden on the public, compliance with the notice, public procedure, and effective date requirements of Section 4 of the Administrative Procedure Act is unnecessary.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) § 601.2130 (14 CFR, 1958 supp., 601.2130) is amended as follows:

In the text of § 601.2130 *Atlanta, Ga., control zone,* delete "the Jonesboro fan marker," and substitute therefor "a point 11 miles southeast of the radio range station,".

This amendment shall become effective 0001 e.s.t. February 11, 1960.

(Secs. 307(a) and 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10496; Filed, Dec. 11, 1959; 8:45 a.m.]

[Airspace Docket No. 59-WA-349; Amdt. 122]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Revocation of Reporting Point

The purpose of this amendment to § 601.5001 of the regulations of the Administrator is to revoke the South Pass West Jetty, La., radio beacon as a reporting point.

The South Pass West Jetty radio beacon is presently used as a reporting point on Control 1226 that extends from Egmont Key, Fla., to Grand Isle, La. The United States Coast Guard, which operates this navigational aid, has advised the Federal Aviation Agency that this radio beacon is being changed from a continuous station to a sequence station. Therefore, this facility can no longer be used as a reporting point. Such action will result in South Pass West Jetty being revoked as a designated reporting point.

Since this amendment eliminates a burden on the public, compliance with the Notice, public procedure, and effective date requirements of section 4 of the Administrative Procedure Act is unnecessary.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) § 601.5001 (14 CFR, 1958 Supp., 601.5001) is amended as follows:

In the text of § 601.5001 *Other reporting points,* delete "South Pass West Jetty, La., RBN."

This amendment shall become effective upon the date of publication in the FEDERAL REGISTER.

(Secs. 307(a) and 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10495; Filed, Dec. 11, 1959; 8:45 a.m.]

Title 20—EMPLOYEES' BENEFITS

Chapter III—Bureau of Old-Age and Survivors Insurance, Social Security Administration, Department of Health, Education, and Welfare

[Regs. No. 4, further amended]

PART 404—FEDERAL OLD-AGE AND SURVIVORS INSURANCE (1950–)

Provisions for Filing of Applications

Regulations No. 4, as amended (20 CFR 404.1 et seq.) are further amended as follows:

1. Section 404.601 is amended to read:

§ 404.601 Meaning of terms.

For purposes of this subpart:

(a) Unless otherwise specified, the term "application" refers only to an application on a form prescribed in § 404.602, and includes an application for monthly benefits, the establishment of a period of disability, lump-sum death payment, and recomputation of a primary insurance amount (see Subpart C of this part).

(b) The term "claimant" refers to the individual who is applying for monthly benefits, the establishment of a period of disability, lump-sum death payment, or recomputation of a primary insurance amount, and with respect to whom an application for such benefits, establishment of a period of disability, lump-sum death payment, or recomputation is filed or, as authorized by the provisions of this subpart, may be filed.

(c) Except as provided in §§ 404.611, 404.613, and 404.614, an individual has not "filed an application" for purposes of sections 202, 216(i), or 223 of the act or for purposes of recomputation of a primary insurance amount until an application on a form prescribed in § 404.602 has been filed in accordance with the regulations in this subpart.

2. Section 404.603 is amended to read:

§ 404.603 Execution of applications.

Where a claimant has attained the age of 18, is mentally competent, and is physically able to execute the application, the application shall be executed by him. In all other situations, the Administration shall determine who is the proper party to execute the application. Such determinations will be made in accordance with the following general rules:

(a) If the claimant (regardless of his age) has a legally appointed guardian, committee, or other legal representative, the application may be executed by such guardian, committee, or representative. For authority to file an application on behalf of an estate which is equitably entitled, see § 404.341.

(b) If the claimant is between the ages of 16 and 18, is mentally competent, has no guardian, committee, or other legal representative, and is not in the care of any person, such claimant may execute the application upon filing a statement on the prescribed form, indicating capacity to act on his own behalf.

(c) If the claimant is mentally incompetent (regardless of his age), or is mentally competent, but has not attained the age of 18, the application may be executed by the person who has the claimant in his care.

(d) If the claimant is physically unable (regardless of his age) to execute the application, the application may be executed by the person who has the claimant in his care.

Where the proper person to execute the application is an institution, the manager or principal officer of such institution may execute such application.

For good cause shown and for purposes of paragraph (a), (b), (c), or (d) of this section, the Administration may accept an application executed by a person other than one described above, but only if the claimant (other than an equitably entitled estate) is alive when the application is executed by such other person.

3. Section 404.606 is amended to read:

§ 404.606 Filing of application for monthly benefits in advance of entitlement to such benefits.

An application for monthly benefits (other than an application for monthly disability insurance benefits or an application for recomputation of a primary insurance amount) will be accepted as an application for such benefits for the purposes of title II of the act if it is filed not more than 3 months prior to the first month for which the claimant could become entitled to such benefits, and any application filed within such 3-month period shall be deemed filed in such first month. An application for monthly disability insurance benefits will be accepted as an application for such benefits for the purposes of title II of the act if it is filed not more than 9 months prior to the first month for which the claimant could become entitled to such benefits and while the claimant is under a disability, and any application filed within such 9-month period while the claimant is under a disability shall be deemed filed in such first month. This section shall not apply, however, where any of the provisions in this part become effective on the basis of an application filed after a specific date (see, for example, §§ 404.322(f) and 404.107(b)).

4. Section 404.607 is amended to read:

§ 404.607 Filing of application for monthly benefits after first month in which individual can become entitled to such benefits.

(a) *In general.* An application for monthly benefits (except an application for monthly disability insurance benefits or an application for recomputation of a primary insurance amount) filed at any time after the first month for which the claimant could have been entitled to such benefits will be accepted as an application for such benefits for the purposes of title II of the act, beginning with any of the following:

(1) 6 months immediately preceding the month in which it is filed, if such application is filed prior to September 1954, or

(2) 12 months immediately preceding the month in which it is filed, if such application is filed after August 1954, except that:

(i) In such a case the application cannot be accepted as an application for any month prior to February 1954;

(ii) If the application is for actuarially reduced monthly insurance benefits by a woman otherwise entitled thereto, the application cannot be accepted as an application for any month prior to November 1956;

(iii) If the application is for monthly child's insurance benefits by or on behalf of a person age 18 or over it cannot be accepted as an application for benefits payable to a person age 18 or over for any month prior to January 1957.

For purposes of determining whether the individual has met all conditions of eligibility in such prior months, the application shall have the same effect as though it has been filed in such months.

(b) *Disability insurance benefits.* (a) An application for monthly disability insurance benefits filed at any time after the first month for which the claimant could have been entitled to such benefits will be accepted as an application for such benefits for the purposes of title II of the Act, beginning with 12 months immediately preceding the month in which it is filed but not for any month prior to July 1957.

(b) For purposes of determining whether the individual has met all conditions of eligibility in such prior months, the application shall have the same effect as though it has been filed in such months.

5. A new § 404.607a, is added to read:

§ 404.607a Filing of application for the establishment of period of disability.

(a) *After beginning of period.* An application may be filed after December 31, 1954, and prior to July 1, 1961, to establish a period of disability commencing at any time subsequent to September 30, 1941, and prior to the filing of the application. An application may be filed after June 30, 1961, to establish a period of disability commencing at any time prior to such filing but subsequent to the day preceding the day 18 months prior to such filing.

(b) *Before beginning of period.* An application to establish a period of disability will be accepted as an application for such purpose if it is filed not more than 3 months before the first day on which a period of disability can begin for the claimant, but no application filed prior to January 1, 1955, shall be so accepted.

6. Section 404.610 is amended to read:

§ 404.610 Execution and filing of requests and notices.

Except as otherwise provided in this part, any request for a determination or decision relating to a person's right to monthly benefits, the establishment of a period of disability, a lump-sum death payment, or a recomputation of a primary insurance amount, or relating to the revision of records of earnings, or any notice, provided for by the regulations in this part, shall be in writing and shall be signed by the person authorized to execute an application under § 404.603. Such requests and notices shall be filed at an office of the Bureau or with an employee of the Administration who is authorized to receive them, or, in cases of persons who are not residing in the United States, they may be filed at an office maintained outside the United States by the United States Foreign Service. In cases of persons having 10 or more years of service in the railroad industry (see Subpart O of this part) or of persons entitled to annuities on the basis of awards under the Railroad Retirement Act prior to October 30, 1951, who have filed applications to establish periods of disability under section 216(i) of the Act, requests and notices with respect to such applications may be filed at an office of the Railroad Retirement Board.

7. Section 404.613(a) is amended to read:

§ 404.613 Written statement considered an application on a prescribed form.

(a) Where a claimant files with the Bureau (or, in the case of a claimant who is not residing in the United States, with an office maintained outside the United States by a United States foreign service office) a written statement which indicates an intention to claim monthly benefits, or the establishment of a period of disability, or a lump-sum death payment, or a recomputation of a primary insurance amount, and such statement bears his signature or his mark properly witnessed, such claimant shall, unless he otherwise indicates, be deemed to have "filed an application" for purposes of section 202, or 216(i), or 223 of the act or a recomputation of a primary insurance amount, as appears from such written statement. No initial determination, as required by § 404.901 (§ 403.706(a) of this chapter, Regulations No. 3), shall be made by the Bureau with respect to such application until the claimant files an application on a form prescribed in § 404.602. The Bureau shall notify the claimant in writing that an initial determination will be made with respect thereto only if a prescribed application form is filed within 6 months from the date of such notification. If the claimant does not file such prescribed application form within such 6-month period, the claimant shall be deemed to have indicated that the filing of such written statement is not to be considered the filing of an application for purposes of section 202, or 216(i), or 223 of the act or a recomputation of a primary insurance amount, as appears from such written statement.

(Sec. 205(a), 53 Stat. 1368 as amended, sec. 1102, 49 Stat. 647 as amended; 42 U.S.C. 405(a), 1302; sec. 5 of Reorg. Plan No. 1 of 1953, 67 Stat. 18. Applies section 205(a), 53 Stat. 1368 as amended; 216(i), 68 Stat. 1080 as amended; sec. 223, 70 Stat. 815 as amended; 42 U.S.C. 405(a), 416(i), 423)

[SEAL] W. L. MITCHELL,
Commissioner of Social Security.

Approved: December 8, 1959.

ARTHUR S. FLEMMING,
Secretary of Health, Education, and Welfare.

[F.R. Doc. 59-10528; Filed, Dec. 11, 1959; 8:49 a.m.]

Title 21—FOOD AND DRUGS

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

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart C—Food Additives Permitted in Animal Feed or Animal-Feed Supplements

1,2-DIHYDRO-6-ETHOXY-2,2,4-TRIMETHYLQUINOLINE IN FORAGE CROPS AND POULTRY FEED

In accordance with the Federal Food, Drug, and Cosmetic Act (sec. 409(h), 72 Stat. 1788; 21 U.S.C. 348(h)), Monsanto Chemical Company, St. Louis, Missouri, has submitted requests for the amendment of the food additive regulations by adding to the list of forage crops on which 1,2-dihydro-6-ethoxy-2,2,4-trimethylquinoline may safely be used the additional crops corn, sorghums, and Sudan grass, and for an amendment of these regulations, which restricts the addition of 1,2-dihydro-6-ethoxy-2,2,4-trimethylquinoline to forage crops and poultry feed except for the purpose of retarding oxidative destruction of certain naturally occurring vitamins and nutrients. The petitioner has supplied information showing that he has a substantial interest in these regulations and has furnished data justifying their amendment to permit the use of this chemical preservative on the additional forage crops named and in poultry feed, for the purpose of retarding oxidative destruction of both added and naturally occurring vitamins A and E.

Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409 (c)(1), (h), 72 Stat. 1786, 1788; 21 U.S.C. 348 (c)(1), (h), and under the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (23 F.R. 9500): *It is ordered*, That the food additive regulations (24 F.R. 1095) be amended as set forth below:

§ 121.201 [Amendment]

1. Section 121.201 *1,2-Dihydro-6-ethoxy-2,2,4-trimethylquinoline in certain dehydrated forage crops* is amended by adding to the list of forage crops in paragraph (a) the following:

Corn	Zea mays.
Sorghums	Sorghum vulgare, vars. feterita, shallu, kaoliang, broomcorn.
Sudan grass	Sorghum vulgare sudanense.

2. Section 121.202 is amended by changing paragraphs (a) and (d)(1) to read as follows:

§ 121.202 1,2-Dihydro-6-ethoxy-2,2,4-trimethylquinoline in poultry feed.

* * * * *

(a) Such additive is used only as a chemical preservative for the purpose of retarding oxidative destruction of carotene, xanthophylls, and vitamins A and E in the poultry feed.

* * * * *

(d) * * *

(1) "Contains ethoxyquin (1,2-dihydro-6-ethoxy-2,2,4 - trimethylquinoline), a chemical preservative."

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 become effective upon publication in the FEDERAL REGISTER.

(Sec. 409(c), 72 Stat. 1786; 21 U.S.C. 348(c))

Dated: December 8, 1959.

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

[F.R. Doc. 59-10525; Filed, Dec. 11, 1959; 8:48 a.m.]

PART 121—FOOD ADDITIVES

Subpart C—Food Additives Permitted in Animal Feed or Animal-Feed Supplements

Subpart D—Food Additives Permitted in Food for Human Consumption

MANGANESE BACITRACIN; PERMITTED ADDITION TO CERTAIN ANIMAL FEED

The Commissioner of Food and Drugs, having evaluated the data submitted in a petition filed by Grain Processing Corporation, Muscatine, Iowa, and other relevant material, has concluded that the addition of the food additive manganese bacitracin to feed for swine or chickens will present no hazard to the health of such animals when the additive is incorporated in the feed in the amount, for the purpose, and under the conditions set forth in the amendment covered by this order. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1), and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (23 F.R. 9500): *It is ordered*, That Part 121 be amended by adding to Subpart C the following new section:

§ 121.203 Manganese bacitracin in chicken feed and swine feed.

Manganese bacitracin may be safely used in swine and chicken feed when incorporated therein in accordance with the conditions prescribed in this section:

(a) It is intended for use solely as an aid in stimulating the growth and improving the feed efficiency of chickens and swine.

(b) The maximum quantity of the additive permitted to be used or to remain in or on the treated chicken feed and swine feed shall not exceed that amount which is equivalent to 11 parts per million (0.0011 percent) of bacitracin master standard, as defined in § 146.1 of this chapter.

(c) To assure safe use of the additive, the label of the market package shall contain, in addition to other information required by the act, the following:

(1) The name of the additive as specified in this section; and

(2) Directions for the incorporation of the additive in chicken and swine feed, including a statement that the additive should be incorporated at the rate of not more than 10 grams (activity bacitracin master standard) per ton of final manufactured feed.

(d) The label of any chicken or swine feed in which the additive is incorporated, shall, in addition to other information required by the act, bear the following statements:

(1) "Manganese bacitracin added to promote growth and improve feed efficiency of chickens and swine"; and

(2) "For use as a chicken or swine feed only."

Based upon an evaluation of the data before him, and proceeding under the authority of section 409(c)(4) of the Federal Food, Drugs, and Cosmetic Act (sec. 409(c)(4), 72 Stat. 1786; 21 U.S.C. 348(c)(4)), the Commissioner of Food and Drugs has further concluded that a tolerance limitation is required in order to assure that the use of the food additive manganese bacitracin will not cause the meat or meat byproducts or eggs of chickens, or the meat or meat byproducts of swine to which are fed foods treated with the additive in accordance with § 121.203 of this chapter to be unsafe. Therefore, the following tolerances are established, and Part 121 is further amended by adding the following new section to Subpart D:

§ 121.1005 Tolerances for residues of manganese bacitracin in eggs from chickens and in meat from chickens or swine.

(a) A tolerance of zero is established for residues of the food additive manganese bacitracin in or on the uncooked meat or meat products of chickens or swine that have been fed chicken or swine feed treated with the additive pursuant to § 121.203.

(b) A tolerance of zero is established for residues of the food additive manganese bacitracin in the eggs of chickens that have been fed chicken feed treated with the additive pursuant to § 121.203.

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 ob-

jections, and request a public hearing. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

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

(Sec. 409(c), 72 Stat. 1786; 21 U.S.C. 348(c). Interprets or applies secs. 201, 402, 52 Stat. 1042, 1046, as amended 68 Stat. 511, 72 Stat. 1785; 21 U.S.C. 321, 342)

Dated: December 8, 1959.

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

[F.R. Doc. 59-10524; Filed, Dec. 11, 1959; 8:48 a.m.]

SUBCHAPTER C—DRUGS

PART 141e—BACITRACIN AND BACITRACIN-CONTAINING DRUGS; TESTS AND METHODS OF ASSAY

PART 146—GENERAL REGULATIONS FOR THE CERTIFICATION OF ANTIBIOTIC AND ANTIBIOTIC-CONTAINING DRUGS

PART 146e—CERTIFICATION OF BACITRACIN AND BACITRACIN-CONTAINING DRUGS

Feed Grade Manganese Bacitracin Powder Oral Veterinary; Manganese Bacitracin Medicated Animal Feed

Under the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463, as amended; sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 357, 371) and delegated to the Commissioner of Food and Drugs by the Secretary (22 F.R. 1045, 23 F.R. 9500), the regulations for tests and methods of assay and certification of antibiotic and antibiotic-containing drugs (21 CFR Parts 141e, 146e) are amended as follows:

1. Part 141e is amended by adding thereto the following new section:

§ 141e.431 Feed grade manganese bacitracin powder oral veterinary.

(a) Proceed as directed in § 141e.401 (a), except in lieu of subparagraph (1) (ii) prepare the sample as follows:

(1) Place 2 grams of the sample in a 150-milliliter beaker, add 5 milliliters of 10 percent HCl and stir 1 minute. Check pH with test paper. If pH is greater than 2 add more acid until pH 2 is reached. Add 45 milliliters of pyridine-buffer solution (mix 9 volumes pyridine and 31 volumes pH 6.0 buffer) and transfer the mixture to a centrifuge tube. Shake well for 5 minutes then centrifuge for 15 minutes at 2,000 r.p.m. Dilute an aliquot of the clear solution with enough pH 6.0 buffer to obtain an estimated concentration of 0.20 unit per milliliter.

(2) Prepare the following dilutions in 0.1 *M* pH 6 buffer from the stock solution for the standard curve: 0.025, 0.05, 0.1, 0.2, 0.4, and 0.8 unit per milliliter with 0.2 unit per milliliter as the reference concentration. Also add 10 milliliters of agar to each petri dish instead of 21 milliliters.

Its potency is satisfactory if it contains not less than 85 percent of the number of grams of manganese bacitracin per pound that it is represented to contain.

(b) *Moisture.* Proceed as directed in § 141a.5(a) of this chapter.

(c) *Maganese bacitracin used in making the batch*—(1) *Potency.* Proceed as directed in § 141e.418(a).

(2) *Moisture.* Proceed as directed in § 141a.5(a) of this chapter.

(3) *Manganese content*—(i) *Reagents.*

Nitric acid (69.0 percent–71.0 percent) A.C.S.[1]
Sulfuric acid (95.0 percent–98 percent) A.C.S.
Phosphoric acid (85 percent) A.C.S.
Potassium periodate (99.8 percent).

(ii) *Manganese standard solution.* Dissolve in a flask about 300 milligrams of potassium permanganate (A.C.S.) in 100 milliliters of water and boil the solution for about 15 minutes. Stopper the flask, allow it to stand for at least 2 days, and filter through asbestos. Standardize the solution as follows: Weigh accurately about 20 milligrams of sodium oxalate, previously dried at 110° C. to constant weight, and dissolve it in 25 milliliters of water. Add 1 milliliter of sulfuric acid, heat to about 70° C., and slowly add the permanganate solution from a buret, with constant stirring until a pale-pink color is produced that persists for 15 seconds. The temperature at the conclusion of the titration should not be less than 60° C. Calculate the concentration of the manganese in the standard. Store it in a glass-stoppered, amber-colored bottle.

(iii) *Procedure.* Accurately weigh 200 milligrams to 300 milligrams of the sample into a 30-milliliter kjeldahl flask. Add 5 milliliters of nitric acid and 2 milliliters of sulfuric acid, and heat with a full flame, adding nitric acid dropwise as needed to prevent charring of sample until SO_3 fumes appear. Cool, dilute with water, and boil until SO_3 fumes reappear. After cooling, dilute the sample to 50 milliliters. To a 5-milliliter aliquot add 3 milliliters of phosphoric acid, 3 milliliters of sulfuric acid, 0.3 gram of potassium periodate and water to a volume of 75 milliliters. Boil for 5 minutes and continue heating in a boiling water bath for an additional 30 minutes. When cool, dilute the sample to 100 milliliters and determine the permanganate color on a spectrophotometer against a water blank at 525 millimicrons. The amount of manganese that is present can be determined by comparing the absorbance to a standard curve prepared by pipetting 3.0-, 5.0-, 10.0-, and 15.0-milliliter aliquots of the manganese standard solution into separate 100-milliliter volumetric flasks. Add 3.0 milliliters of phosphoric acid and 3.0 milliliters of sulfuric acid to each, and dilute to mark. In a suitable spectrophotometer, determine the absorbance of the solutions at 525 millimicrons, using water as a blank.

[1] American Chemical Society.

2. Part 146 is amended by adding thereto the following new section:

§ 146.13 Manganese bacitracin medicated animal feed.

Animal feed containing feed grade manganese bacitracin powder oral veterinary, with or without added suitable vitamin substances, shall be exempt from the requirements of section 502(*l*) and 507 of the act, under the following conditions:

(a) It is intended for use solely as an aid in stimulating the growth and improving the feed efficiency of chickens and swine.

(b) It contains, per ton of feed, the equivalent of not more than 10 grams of the bacitracin master standard as feed grade manganese bacitracin powder oral veterinary.

3. Part 146e is amended by adding thereto the following new section:

§ 146e.431 Feed grade manganese bacitracin powder oral veterinary.

(a) *Standards of identity, strength, quality, and purity.* Feed grade manganese bacitracin powder oral veterinary is a mixture of the manganese salt of a kind of bacitracin or a mixture of two or more such salts, with or without one or more essential vitamins and mineral substances for nutritive purposes and with or without one or more suitable and harmless diluents. It contains the equivalent of not less than 5 grams of the bacitracin master standard per pound. Its moisture content is not more than 8.0 percent. The manganese bacitracin used in making the batch has a potency of not less than 2.0 units per milligram, it contains not more than 1.0 gram of manganese for each gram of bacitracin, and its moisture content is not more than 6.0 percent. Each other substance used, if its name is recognized in the U.S.P. or N.F., conforms to the standards prescribed therefor by such official compendium.

(b) *Packaging; labeling; request for certification, samples; fees; exemption of feed grade manganese bacitracin powder oral veterinary from certification.* Feed grade manganese bacitracin powder oral veterinary conforms to all requirements and procedures prescribed for feed grade zinc bacitracin powder oral veterinary by § 146e.427(b), except:

(1) Its expiration date shall be 12 months.

(2) Its labeling is such that when it is mixed with animal feed according to the directions contained therein such medicated feed complies with the requirements of § 146e.13, for manganese bacitracin medicated feed.

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since it was drawn in collaboration with interested members of the affected industry, since it relaxes existing requirements, and since it would not be in the public interest to delay providing for the amendments covered by this order.

Effective date. This order shall become effective on the date of its publication in the FEDERAL REGISTER, since both the public and the affected industry

will benefit by the earliest effective date, and I so find.

(Secs. 701, 52 Stat. 1055, as amended; 21 U.S.C. 371. Interprets or applies 59 Stat. 463, as amended; 21 U.S.C. 357)

Dated: December 8, 1959.

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

[F.R. Doc. 59-10523; Filed, Dec. 11, 1959; 8:47 a.m.]

Title 29—LABOR

Chapter IV—Bureau of Labor-Management Reports

SUBCHAPTER B—STATEMENTS OF GENERAL POLICY OR INTERPRETATION NOT DIRECTLY RELATED TO REGULATIONS

PART 451—LABOR ORGANIZATIONS AS DEFINED IN THE LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959

In accordance with section 3 of the Administrative Procedure Act (60 Stat. 238, 5 U.S.C. 1002), and pursuant to authority hereinafter cited, Title 29 Code of Federal Regulations, Chapter IV, is hereby amended by adding thereto Part 451 to read as follows:

Sec.
451.1 Introductory statement.
451.2 General.
451.3 Requirements of section 3(i).
451.4 Labor organizations under section 3(j).
451.5 "State or local central body."
451.6 Extraterritorial application.

AUTHORITY: §§ 451.1 to 451.6 issued under 73 Stat. 519.

§ 451.1 Introductory statement.

(a) This part discusses the meaning and scope of sections 3(i) and 3(j) of the Labor-Management Reporting and Disclosure Act of 1959[1] (hereinafter referred to as the Act). These provisions define the terms "labor organization" and "labor organization * * * in an industry affecting commerce" for purposes of the Act.[2]

(b) The Act imposes on labor organizations various obligations and prohibitions relating generally, among other things, to the reporting of information and election and removal of officers. Requirements are also imposed on the officers, representatives, and employees of labor organizations. In addition, certain rights are guaranteed the members thereof. It thus becomes a matter of importance to determine what organizations are included within the applicability of the Act.

(c) The provisions of the Act, other than Title I and amendments to other statutes contained in section 505 and Title VII, are subject to the general investigatory authority of the Secretary of Labor embodied in section 601,[3] which empowers him to investigate whenever he believes it necessary in order to determine whether any person has violated or is about to violate such provisions. The correctness of an interpretation of these provisions can be determined finally and authoritatively only by the courts. It is necessary, however, for the Secretary to reach informed conclusions as to the meaning of the law to enable him to carry out his statutory duties of administration and enforcement. The interpretations of the Secretary contained in this part, which are issued upon the advice of the Solicitor of Labor, indicate the construction of the law which will guide him in performing his duties unless and until he is directed otherwise by authoritative rulings of the courts or unless and until he subsequently decides that his prior interpretation is incorrect. However, the omission to discuss a particular problem in this part, or in interpretations supplementing it, should not be taken to indicate the adoption of any position by the Secretary with respect to such problem or to constitute an administrative interpretation or practice. Interpretations of the Secretary with respect to the meaning of the terms "labor organization" and "labor organization * * * in an industry affecting commerce," as used in the Act, are set forth in this part to provide those affected by the provisions of the Act with "a practical guide * * * as to how the office representing the public interest in its enforcement will seek to apply it."[4]

(d) To the extent that prior opinions and interpretations relating to the meaning of "labor organization" and "labor organization * * * in an industry affecting commerce" are inconsistent or in conflict with the principles stated in this part, they are hereby rescinded and withdrawn.

§ 451.2 General.

A "labor organization" under the Act must qualify under section 3(i). It must also be engaged in an industry affecting commerce as defined in section 3(j). In accordance with the broad language used in these definitions and the manifest congressional intent, the language will be construed broadly to include all labor organizations of any kind other than those clearly shown to be outside the scope of the Act.

§ 451.3 Requirements of section 3(i).

(a) *Organizations which deal with employers.* (1) The term "labor organization" includes "any organization of any kind, any agency, or employee representation committee, group, association, or plan * * * in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours, or other terms or conditions of employment, * * *." The quoted language is deemed sufficiently broad to encompass any labor organization irrespective of size or formal attributes. While it is necessary for employees to participate therein, such participating employees need not necessarily be the employees of the employer with whom the organization deals. In determining who are "employees" for purposes of this provision, resort must be had to the broad definition of "employee" contained in section 3(f) of the Act.[5] It will be noted that the term includes employees whose work has ceased for certain specified reasons, including any current labor dispute.

(2) To come within the quoted language in section 3(i) the organization must exist for the purpose, in whole or in part, of dealing with employers concerning grievances, etc. In determining whether a given organization exists wholly or partially for such purpose, consideration will be given not only to formal documents, such as its constitution or bylaws, but the actual functions and practices of the organization as well. Thus, employee committees which regularly meet with management to discuss problems of mutual interest and handle grievances are "labor organizations", even though they have no formal organizational structure.[6]

(3) Since the types of labor organizations described in subparagraph (2) of this paragraph are those which deal with employers, it is necessary to consider the definition of "employer" contained in section 3(e) of the Act in determining the scope of the language under consideration.[7] The term "employer" is broadly defined to include "any employer or any group or association of

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[1] 73 Stat. 520, 521.

[2] It should be noted that the definition of the term "labor organization," as well as other terms, in section 3 are for purposes of those portions of the Act included in Titles I, II, III, IV, V (except section 505) and VI. They do not apply to Title VII, which contains amendments of the National Labor Relations Act, as amended, nor to section 505 of Title V, which amends Section 302 (a), (b), and (c) of the Labor Management Relations Act, 1947, as amended. The terms used in Title VII and Section 505 of Title V have the same meaning as they have under the National Labor Relations Act, as amended, and the Labor Management Relations Act, 1947, as amended.

[3] Sec. 601, 73 Stat. 539.

[4] Skidmore v. Swift & Co., 323 U.S. 134, 138.

[5] Sec. 3(f) reads: " 'Employee' means any individual employed by an employer, and includes any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice or because of exclusion or expulsion from a labor organization in any manner or for any reason inconsistent with the requirements of this Act."

[6] National Labor Relations Board v. Cabot Carbon Co., 360 U.S. 203.

[7] Sec. 3(e) reads: " 'Employer' means any employer or any group or association of employers engaged in an industry affecting commerce, (1) which is, with respect to employees engaged in an industry affecting commerce, an employer within the meaning of any law of the United States relating to the employment of any employees or (2) which may deal with any labor organization concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work, and includes any person acting directly or indirectly as an employer or as an agent of an employer in relation to an employee but does not include the United States or any corporation wholly owned by the Government of the United States or any State or political subdivision thereof."

employers engaged in an industry affecting commerce" which is "an employer within the meaning of any law of the United States relating to the employment of any employees * * *." Such laws would include, among others, the Railway Labor Act, as amended, the Fair Labor Standards Act, as amended, the Labor Management Relations Act, as amended, and the Internal Revenue Code. The fact that employers may be excluded from the application of any of the foregoing acts would not preclude their qualification as employers for purposes of this Act. For example, employers of agricultural labor who are excluded from the application of the Labor Management Relations Act, as amended, would appear to be employers within the meaning of this Act.

(4) In defining "employer," section 3(e) expressly excludes the "United States or any corporation wholly owned by the Government of the United States or any State or political subdivision thereof." The term "political subdivision" includes, among others, counties and municipal governments. A labor organization composed entirely of employees of the governmental entities excluded by section 3(e) would not be a labor organization for the purposes of the Act. However, in the case of a national or international labor organization composed both of government locals and non-government or mixed locals, the parent organization as well as its mixed and non-government locals would be "labor organizations" and subject to the Act. In such case, the locals which are composed entirely of government employees would not be subject to the Act, although elections in which they participate for national officers or delegates would be so subject.[8]

(b) *Organizations which may or may not deal with employers.* Regardless of whether it deals with employers concerning terms and conditions of employment and regardless of whether it is composed of employees, any conference, general committee, joint or system board, or joint council engaged in an industry affecting commerce and which is subordinate to a national or international labor organization is a "labor organization" for purposes of the Act. Included are the area conferences and the joint councils of the International Brotherhood of Teamsters and similar units of other national and international labor organizations.

§ 451.4 Labor organizations under section 3(j).

(a) *General.* Section 3(j) sets forth five categories of labor organizations which "shall be deemed to be engaged in an industry affecting commerce" within the meaning of the Act. Any organization which qualifies under section 3(i) and falls within any one of these categories listed in section 3(j) is subject to the requirements of the Act.

(b) *Certified employee representatives.* This category includes all organizations certified as employee representatives under the Railway Labor Act, as amended, or under the National Labor Relations Act, as amended.

(c) *Labor organizations recognized or acting as employee representatives though not certified.* This category includes local, national, or international labor organizations which, though not formally certified, are recognized or acting as the representatives of employees of an employer engaged in an industry affecting commerce. Federations, such as the American Federation of Labor and Congress of Industrial Organizations, are included in this category,[9] although expressly excepted from the election provisions of the Act.[10]

(d) *Organizations which have chartered local or subsidiary bodies.* This category includes any labor organization that has chartered a local labor organization or subsidiary body which is within either of the categories discussed in paragraph (b) or (c) of this section. Under this provision, a labor organization not otherwise subject to the Act, such as one composed of Government employees, would appear to be "engaged in an industry affecting commerce" and, therefore, subject to the Act if it charters one or more local labor organizations which deal with an "employer" as defined in section 3(c).[11] This category includes, among others, a federation of national or international organizations which directly charters local bodies.[12]

(e) *Local or subordinate bodies which have been chartered by a labor organization.* This category includes any labor organization that has been chartered by an organization within either of the categories discussed in paragraph (b) or (c) of this section as the local or subordinate body through which such employees may enjoy membership or become affiliated with the chartering organization.

(f) *Intermediate bodies.* Included in this category is any conference, general committee, joint or system board, or joint council, subordinate to a national or international labor organization, which includes a labor organization engaged in an industry affecting commerce within the categories discussed in paragraphs (b), (c), (d) and (e) of this section. Excluded from this definition, however, are State or local central bodies.[13] The following is a description of typical intermediate bodies:

(1) *Conference.* A conference is an organic body within a national or international labor organization formed on a geographical area, trade division, employer-wide or similar basis and composed of affiliate locals of the parent national or international organization. The various conferences of the International Brotherhood of Teamsters, for example, are in this category.

(2) *General committees.* Typical of those bodies are the general committees of the railroad labor organizations. The term includes any subordinate unit of a national railroad labor organization, regardless of the title or designation of such unit, which under the constitution and bylaws of the organization of which it is a unit, is authorized to represent that organization on a particular railroad or portion thereof in negotiating with respect to wages and working conditions.[14] General committees are sometimes known as system boards of adjustment, general grievance committees, and general committees of adjustment. They are to be distinguished from system boards of adjustment established under the Railway Labor Act, which are composed of management and labor members. These joint labor-management boards are not included within the definition of a labor organization under the Act.

(3) *Joint or system boards.* As mentioned above, in connection with railroad labor organizations the term "general committee" includes system boards. However, as used here the term has a broader meaning and includes, among others, boards which have members from more than one labor organization.

(4) *Joint councils.* A joint council is composed of locals not necessarily of the same national or international labor organization located in a particular area, such as a city or county. These bodies are sometimes called joint boards, joint executive boards, joint councils, or district councils. Included, for example, are councils of building and construction trades labor organizations.

§ 451.5 "State or local central body."

The definition of "labor organization" in section 3(i) and the examples of a labor organization deemed to be engaged in an industry affecting commerce in section 3(j)(5) both except from the term "labor organization" a "State or local central body." As used in these two subsections, it is apparent that Congress was using the phrase as words of art. In trade union usage, State and local central bodies are those organizations which are now chartered directly by the American Federation of Labor and Congress of Industrial Organizations, and which are required to admit to membership all local unions of national and international unions and organizing committees affiliated with that federation together with other local or other subordinate bodies having such affiliation.[15] Pending complete merger of all State Federations of Labor, formerly affiliated with the American Federation of Labor, and State Industrial Union Councils, formerly affiliated with the Congress of Industrial Organizations, the State and local central bodies of the two federations were permitted to continue to exist as State and local central bodies representing the local unions or organizations affiliated with each. There is no counterpart of State and local central bodies subordinate to the labor organizations representing the railway workers

[8] See, also, § 452.3 of Part 452 which discusses the election provisions of the Act.

[9] See National Labor Relations Board v. Highland Park Mfg. Co., 341 U.S. 322. See, also, paragraph (d) of this section.

[10] Act, sec. 401(a).

[11] See § 451.3(a) above.

[12] See, also, paragraph (c) of this section.

[13] For discussion of State and local central bodies see § 451.5.

[14] See definition of term "General Committee" under Railroad Retirement Act in 20 CFR 202.1(k).

[15] Article XIV, Constitution of the AFL-CIO, December 5, 1955.

in the United States. State, district, or local councils of national or international labor organizations or of departments of the AFL–CIO, such as the Building and Construction Trades Department, are not included in the phrase "State or local central body" as used in sections 3 (i) and (j).

§ 451.6 Extraterritorial application.

(a) It is not the purpose of the Act to impose on foreign labor organizations any regulation of the activities they carry on under the laws of the countries in which they are domiciled or have their principal place of business. The applicability of the Act is limited to the activities of persons or organizations within the territorial jurisdiction of the United States. The foregoing would be applicable, for example, to Canadian locals affiliated with international labor organizations organized within the United States.

(b) On the other hand, labor organizations otherwise subject to the Act are not relieved of the requirements imposed upon them with respect to actions taken by them in the United States or which will have effect in the United States, by virtue of the fact that they have foreign members or affiliates that participate in these actions. For example, a national or international labor organization which conducts its required election of officers by referendum or at a convention of delegates must comply with the election provisions of the Act,[16] even though members of foreign locals participate in the balloting, or delegates of foreign locals participate in the election at the convention.

(c) Similarly, the provisions of the Act with respect to imposition of trusteeships[17] are applicable to United States national or international labor organizations subject to this Act even though the action of the United States organization is taken with respect to a foreign local.

Signed at Washington, D.C., this 8th day of December 1959.

JAMES P. MITCHELL,
Secretary of Labor.

[F.R. Doc. 59–10533; Filed, Dec. 11, 1959; 8:49 a.m.]

PART 452—GENERAL STATEMENT CONCERNING THE ELECTION PROVISIONS OF THE LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959

In accordance with section 3 of the Administrative Procedure Act (60 Stat. 238, 5 U.S.C. 1002), and pursuant to authority hereinafter cited, Title 29 Code of Federal Regulations, Chapter IV, is hereby amended by adding thereto Part 452 to read as follows:

GENERAL CONSIDERATIONS

Sec.
452.1 Introductory statement.
452.2 Other provisions of the Act affecting Title IV.

COVERAGE OF ELECTION PROVISIONS

452.3 Organizations to which election provisions apply.
452.4 Offices that must be filled by election.

FREQUENCY AND KINDS OF ELECTIONS

452.5 Frequency of elections.
452.6 Elections which must be held by secret ballot.

CANDIDACY FOR OFFICE

452.7 Persons who may be candidates and hold office.
452.8 Nomination procedures.
452.9 Campaign safeguards.

CONDUCT OF ELECTIONS

452.10 Persons eligible to vote.
452.11 General election safeguards.
452.12 Secret ballot elections.
452.13 Elections at conventions.
452.14 Elections of officers of intermediate bodies.

SPECIAL ENFORCEMENT PROCEDURES

452.15 Complaints of members.
452.16 Investigation of complaint and court action by the Secretary.

DATES AND SCOPE OF APPLICATION

452.17 Effective dates.
452.18 Application of other laws.

AUTHORITY: §§ 452.1 to 452.18 issued under 73 Stat. 519.

GENERAL CONSIDERATIONS

§ 452.1 Introductory statement.

(a) This part discusses the meaning and scope of the provisions of Title IV of the Labor-Management Reporting and Disclosure Act[1] (hereinafter referred to as the Act), which deal with the election of officers of labor organizations. These provisions require periodic election of union officers, and prescribe minimum standards to insure that such elections will be fairly conducted. Although there are specific requirements in the title regarding the right to vote, nominate and run for office, notice of elections, secret ballots, preservation of election records, and other safeguards to insure a fair election, the Act does not attempt to prescribe the complete, detailed procedure for nomination and election of officers which all unions must follow. Elections required to be held as provided in the title are to be conducted in accordance with the constitution and bylaws of the labor organizations insofar as they are not inconsistent with the provisions of the Act.

(b) The provisions of Title IV are subject to the general investigatory authority of the Secretary of Labor embodied in section 601 of the Act which empowers him to investigate whenever he believes it necessary in order to determine whether any person has violated or is about to violate any provisions of the Act (except Title I or amendments to other statutes made by section 505 or Title VII). The Secretary is also charged with enforcement of the substantive requirements concerning election of officers, upon a valid complaint by a member that a violation has occurred and has not been remedied.[2] He may issue rules and regulations relating to elections which the Federal courts may direct to be held under his supervision.[3] Title IV also empowers the Secretary to issue rules and regulations prescribing minimum standards and procedures for determining the adequacy of removal procedures in the constitution and bylaws of local labor organizations and provides a remedy for the enforcement of the removal provisions.[4] However, this part is limited to a discussion of elections and related procedures. The removal provisions will be treated separately.

(c) Interpretations of the Secretary with respect to the election provisions are set forth in this part to provide those affected by these provisions of the Act with "a practical guide * * * as to how the office representing the public interest in its enforcement will seek to apply it."[5] The correctness of an interpretation can be determined finally and authoritatively only by the courts. It is necessary, however, for the Secretary to reach informed conclusions as to the meaning of the law to enable him to carry out his statutory duties of administration and enforcement. The interpretations of the Secretary contained in this part, which are issued upon the advice of the Solicitor of Labor, indicate the construction of the law which will guide him in performing his duties unless and until he is directed otherwise by authoritative rulings of the courts or unless and until he subsequently decides that his prior interpretation is incorrect. However, the omission to discuss a particular problem in this part, or in interpretations supplementing it, should not be taken to indicate the adoption of any position by the Secretary with respect to such problem or to constitute an administrative interpretation or practice.

(d) To the extent that prior opinions and interpretations relating to the election of officers of labor organizations under the Act are inconsistent or in conflict with the principles stated in this part, they are hereby rescinded and withdrawn.

§ 452.2 Other provisions of the Act affecting Title IV.

(a) The provisions of Title I, "Bill of Rights of Members of Labor Organizations"[6] (particularly section 101 (a) (1) "Equal Rights," section 101(a) (2) "Freedom of Speech and Assembly," and section 101(a)(5) "Safeguards against Improper Disciplinary Action") are related to the rights pertaining to elections. Direct enforcement of Title I rights, as such, is limited to civil suit in a district court of the United States by the person whose rights have been infringed.[7] The exercise of particular rights of members is subject to reasonable rules and regulations of the labor organization's constitution and bylaws.[8] Title I also requires a secret ballot vote, or vote by delegates at a regular convention, on the question of increases in dues,

[16] See § 452.12, Part 452 of this chapter.
[17] See Title III of the Act.

[1] 73 Stat. 532–535.
[2] Act, sec. 402(a).

[3] Act, sec. 402(b).
[4] Act, sec. 401 (h) and (i), and sec. 402.
[5] Skidmore v. Swift & Co., 323 U.S. 134, 138.
[6] 73 Stat. 522.
[7] But the Secretary may bring suit to enforce section 104.
[8] Act, sec. 101(a)(1), 101(a)(2), and 101(b).

initiation fees and assessments.[9] However, the requirements of Title IV are not directly applicable to elections under that provision of Title I.

(b) There are other provisions of the Act which have a direct bearing on Title IV. Among the safeguards for labor organizations provided in Title V is a prohibition against the holding of office by certain classes of persons.[10] This provision makes it a crime for any person willfully to serve as an officer or employee of a labor organization (other than exclusively as a clerical or custodial employee) within five years after conviction or imprisonment for the commission of specified offenses, conspiracy to commit such offenses, or violation of Titles II or III of the Act, or during or within five years after termination of membership in the Communist Party. It is likewise a crime for any labor organization or officer knowingly to permit such a person to serve in such positions. Persons subject to the prohibition applicable to convicted criminals may serve if their citizenship rights have been fully restored after being taken away by reason of the conviction, or if the Federal Board of Parole determines that their service would not be contrary to the purposes of the Act.

(c) Section 609,[11] which prohibits labor organizations or their officials from disciplining members for exercising their rights under the Act, and section 610,[12] making it a crime for any person to use or threaten force or violence for the purpose of interfering with or preventing the exercise of any rights protected under the Act, apply to rights relating to the election of officers under Title IV.

COVERAGE OF ELECTION PROVISIONS

§ 452.3 Organizations to which election provisions apply.

(a) Title IV of the Act contains election provisions applicable to national and international labor organizations, except federations of such organizations, to intermediate bodies such as general committees, conferences, system boards, joint boards, or joint councils, and to local labor organizations.[13] The provisions do not apply to State and local central bodies, which are explicitly excluded from the definition of "labor organization." The organizations now chartered as State and local central bodies under the constitution of the American Federation of Labor and Congress of Industrial Organizations are thus excluded.[14]

(b) An organization composed entirely of government employees is not subject to the election provisions of the Act. Section 3(e) of the Act, defining the term "employer", specifically excludes the United States Government, its wholly owned corporations, and the States and their political subdivisions from the scope of that term, and section 3(f), defines an "employee" as an individual employed by an "employer". Since a "labor organization" is defined in section 3(i) as one in which "employees" participate and which exists in whole or in part for the purpose of "dealing with employers", an organization composed entirely of government employees would not be a "labor organization" as that term is defined in the Act. However, where an international or national labor organization has some locals of government employees and other locals which are mixed or are composed entirely of non-government employees, the parent organization and its mixed and non-government locals would be subject to the election requirements of the Act. The requirements would not apply to locals composed entirely of government employees, except with respect to the election of officers of a parent organization which is subject to those requirements or the election of delegates to a convention of such parent organization or to an intermediate body to which the requirements apply. This is in accordance with the general principles discussed in § 451.3(a) of this chapter.

(c) Although the application of the Act is limited to the activities of persons and organizations within the territorial jurisdiction of the United States,[15] an international or intermediate body is not exempted from the requirements of the Act by virtue of the participation of its foreign locals or foreign membership in its elections. For example, votes received from Canadian members in referendum elections held by an international body must have been cast under procedures meeting the minimum requirements of the Act, and Canadian delegates participating at conventions of the international body must have been elected by secret ballot.

§ 452.4 Offices that must be filled by election.

(a) Section 401 of the Act identifies the types of labor organizations whose officers must be elected and prescribes minimum standards and procedures for the conduct of such elections. Under this section officers of national or international labor organizations (except federations of such organizations), of local labor organizations, and of intermediate bodies such as general committees, system boards, joint boards, joint councils and conferences (e.g., the regional conferences of an international labor organization and other similar subsidiary labor organizations) must be elected.[16]

(b) Section 3(n) of the Act defines the word "officer" and it is this definition which must be used as a guide in determining what particular positions in a labor organization are to be filled in the manner prescribed in the Act. For purposes of the Act, "officer" means "any constitutional officer, any person authorized to perform the functions of president, vice president, secretary, treasurer, or other executive functions of a labor organization, and any member of its executive board or similar governing body."

(c) As defined in the Act, the term "officer" is not limited to individuals in positions identified or provided for in the constitution or other organic law of the labor organization.[17] The term includes members of the labor organization's executive board or similar governing body.

(d) The election requirements are not limited to officers designated as such by the labor organization's constitution. They apply as well to all positions vested with the "functions of president, vice president, secretary, treasurer, or other executive functions of a labor organization." The functions of such officers can not be precisely defined. They are the functions typically performed by officers holding those titles in current labor union practice. Decisions in each case will require a practical judgment. As a general rule, a person will be regarded as being authorized to perform the functions of president if he is the chief or principal executive officer of the labor organization. Similarly, he will be regarded as being authorized to perform the functions of treasurer if he has principal responsibility for control and management of the organization's funds and fiscal operations. The name or title that the labor organization assigns to the position will not be controlling.

(e) The purpose of the election requirements is to assure that persons in positions of control in labor organizations will be responsive to the desires of the members.[18] Professional and other staff members of the labor organization who do not determine the organization's policies and who are employed to implement policy decisions and managerial directives established by the governing officials of the organization are not required to be elected.

(f) If delegates to a convention of a national or international labor organization, at which there is an election of officers of such organization, are to participate, they must be elected by secret ballot among the members in good standing of the labor organization they represent. The same is true of individuals who represent members in elections of officers of intermediate bodies who are not elected by direct secret ballot of the members.

FREQUENCY AND KINDS OF ELECTIONS

§ 452.5 Frequency of elections.

(a) The Act requires that all national and international labor organizations (other than federations of such labor organizations) shall elect their officers not less often than every five years. Officers of intermediate bodies, such as general committees, system boards, joint boards, joint councils and conferences, must be elected at least every four years,

[9] Act, sec. 101(a)(3).
[10] Act, sec. 504(a). See text at footnote 22, below.
[11] Act, sec. 609.
[12] Act, sec. 610.
[13] For the scope of the term "labor organization," see Part 451 of this chapter.
[14] Act, sec. 3(i) and (j). See § 451.5 of this chapter.
[15] See § 451.6 of this chapter.
[16] See § 452.5 below for a discussion of the frequency with which the different types of labor organizations must conduct elections of officers. See Part 451 of this chapter for the scope of the term "labor organization."
[17] Cf. NLRB v. Coca-Cola Bottling Co., 350 U.S. 264. See also, Daily Cong. Rec. 5867, Sen., Apr. 23, 1959.
[18] See, for example, S. Rept. 187, 86th Cong., 1st sess., p. 7.

and officers of local labor organizations not less often than every three years.

(b) The prescribed maximum period of three, four, or five years is measured from the date of the last election or from the date Title IV becomes applicable to the particular labor organization, whichever is later.[19] Thus, a local labor organization which elected its president to a five-year term on August 1, 1959, is required to conduct an election for that office not later than three years after the date the election provisions of this Act become applicable to it, rather than three years from the date of the officer's election.

§ 452.6 Elections which must be held by secret ballot.

(a) The elections required by the Act to be held by local labor organizations[20] must be conducted by such organizations by secret ballot among the members in good standing. National and international labor organizations which are required to hold periodic elections[21] may elect their officers by secret ballot among the members in good standing or at a convention of delegates chosen by secret ballot. Intermediate bodies, such as general committees, system boards, joint boards, joint councils or conferences, are authorized to hold the periodic elections of officers required of them either by secret ballot among the members in good standing or by officers representative of such members who have been elected by secret ballot.

(b) A secret ballot must be taken in an election required by the Act to be held by a local labor organization even if the election is uncontested. Similarly, if a required election of officers of a national or international labor organization or of an intermediate body is conducted by secret ballot among the members in good standing (rather than by the alternative methods provided for such organizations by the Act), a secret ballot vote is necessary even though the office is uncontested.

Candidacy for Office

§ 452.7 Persons who may be candidates and hold office.

(a) Section 401(e) provides that in any election required by the Act which is held by secret ballot, every member in good standing, except as mentioned below, shall be eligible to be a candidate and to hold office. This provision is applicable not only to the election of officers in local labor organizations, but also applies to elections held by secret ballot among the members in good standing of international and national labor organizations or of intermediate bodies, even though the Act does not require elections by such labor organizations to be by secret ballot. The eligibility of members of labor organizations to be candidates and hold office in such organizations is subject only to the provisions of section 504(a),[22] which bars certain individuals from holding office in labor organizations, and to reasonable qualifications uniformly imposed.

(b) The question of whether a qualification is reasonable is a matter which is not susceptible to precise definition and in the last analysis will be determined by the courts. Under certain circumstances a prerequisite for such candidacy may on its face appear to be reasonable, but this would not be controlling if, as a matter of fact, the effect of its application would be unreasonable and inharmonious with the intent of the Act's election provisions. For example, a requirement that to be eligible to be a candidate for office an individual must have been a "member in good standing" for a prescribed period of time, such as two or three years, would not be, in many instances, an unreasonable qualification. However, should the actual effect of such qualification in a particular case be to disqualify from holding office all but a handful of the labor organization's members, its reasonableness would be subject to serious question.

(c) In the case of a position which is representative of a unit defined on a geographic, craft, shift, or similar basis, a labor organization may by its constitution or bylaws limit eligibility for candidacy and for holding office to members of the represented unit. For example, a national or international labor organization may establish regional vice-presidencies and require that each vice-president be a member of his respective region.

§ 452.8 Nomination procedures.

Subsection 401(e) provides that in any election required by section 401, which is to be held by secret ballot, a reasonable opportunity shall be given for the nomination of candidates. To meet this requirement, the labor organization must give reasonable notice of the offices to be filled by the election and of the time, place, and proper form of submitting nominations. Such notice must be given in a manner reasonably calculated to inform all members in good standing and in sufficient time to permit such members to nominate the candidates of their choice. Mailing such notice to the last known address of each member within a reasonable time prior to the date for making nominations would satisfy this requirement. Labor organizations may use other means of giving notice, in accordance with the provisions of their constitution and bylaws insofar as they are not inconsistent with the terms of the Act, as by timely publication in the union newspaper, so long as the method used is reasonably calculated to reach all members and actually provides a reasonable opportunity for nominations to be made.

(b) The Act does not prescribe particular forms of nomination procedures. It requires only that the procedures employed afford reasonable opportunity for making nominations and that they be in accordance with the provisions of the organization's constitution and bylaws insofar as they are not inconsistent with the requirements for reasonable opportunity. Whether a particular procedure is sufficient to satisfy the requirements of the Act is a question which will in each case depend upon the particular facts. While a particular procedure may not on its face violate the requirements of the Act, its application in a given instance may make nomination so difficult as to deny reasonable opportunity to nominate.

§ 452.9 Campaign safeguards.

(a) The Act, section 401 (c) and (g), imposes upon labor organizations and their officers a number of duties with respect to election campaigns for the purpose of insuring fair elections. National, international, and local labor organizations and their officers are under a duty to comply with all reasonable requests of any candidate to distribute by mail or otherwise at the candidate's expense campaign literature in aid of his candidacy to all members in good standing. If any such labor organization or its officers authorize the distribution of campaign literature on behalf of any candidate or of such labor organization itself with reference to an election, similar distribution at the request of any other bona fide candidate must be made

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[19] See § 452.17 below for discussion of effective dates.

[20] See § 452.4, above ("Offices that must be filled by election").

[21] The requirements of the election provisions of the Act are not applicable to federations of national or international labor organizations because they are expressly excepted. Act, sec. 401(a).

[22] Section 504(a) of the Act reads: "No person who is or has been a member of the Communist Party or who has been convicted of, or served any part of a prison term resulting from his conviction of, robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, assault with intent to kill, assault which inflicts grievous bodily injury, or a violation of title II or III of this Act, or conspiracy to commit any such crimes, shall serve—

"(1) As an officer, director, trustee, member of any executive board or similar governing body, business agent, manager, organizer, or other employee (other than as an employee performing exclusively clerical or custodial duties) of any labor organization, or

"(2) As a labor relations consultant to a person engaged in an industry or activity affecting commerce, or as an officer, director, agent, or employee (other than as an employee performing exclusively clerical or custodial duties) of any group or association of employers dealing with any labor organization,

during or for five years after the termination of his membership in the Communist Party, or for five years after such conviction or after the end of such imprisonment, unless prior to the end of such five-year period, in the case of a person so convicted or imprisoned, (A) his citizenship rights, having been revoked as a result of such conviction, have been fully restored, or (B) the Board of Parole of the United States Department of Justice determines that such person's service in any capacity referred to in clause (1) or (2) would not be contrary to the purposes of this Act. Prior to making any such determination the Board shall hold an administrative hearing and shall give notice of such proceeding by certified mail to the State, county, and Federal prosecuting officials in the jurisdiction or jurisdictions in which such person was convicted. The Board's determination in any such proceeding shall be final. No labor organization or officer thereof shall knowingly permit any person to assume or hold any office or paid position in violation of this subsection."

by the labor organization and its officers with equal treatment as to the expense of such distribution. Thus, if the labor organization or its officers distribute the campaign literature of one candidate at the candidate's expense, any other bona fide candidate is entitled to have the labor organization or its officers distribute the candidate's campaign literature at his expense. If the distribution for one candidate is without charge, then the distribution for other bona fide candidates must also be without charge.[23] It should be noted, however, that section 401(g) prohibits any labor organization from using funds received by way of dues, assessments, or similar levy to promote the candidacy of any person in a labor organization election. Employers are forbidden from contributing any funds for such purposes.

(b) Each bona fide candidate for office has a right, once within 30 days prior to any election in which he is a candidate, to inspect a list containing the names and last known addresses of all members of the labor organization who are subject to a collective bargaining agreement requiring membership therein as a condition of employment. It is the duty of the labor organization and its officers to refrain from discrimination in favor of or against any candidate with respect to the use of lists of members. Thus, although the right to "inspect" membership lists granted by section 401(c) does not include a right to copy such lists,[24] if any candidate is permitted to make a copy all bona fide candidates must be accorded the same privilege.[25]

CONDUCT OF ELECTIONS

§ 452.10 Persons eligible to vote.

(a) All members in good standing are entitled to vote in required elections which are held by secret ballot.[26] Members in good standing are persons who have fulfilled the requirements for membership and who have neither voluntarily withdrawn nor been expelled or suspended from membership [27] after appropriate proceedings consistent with lawful provisions of the constitution and bylaws.[28] A labor organization may, however, prescribe reasonable rules and regulations with respect to voting eligibility.[29] Thus, it may, in appropriate circumstances, defer eligibility to vote by requiring a reasonable period of prior membership, such as 6 months or a year, or by requiring apprentice members to complete their apprenticeship training, as a condition of voting. While the right to vote may thus be deferred within reasonable limits, a union may not create special classes of nonvoting members.

(b) A member in good standing whose dues are checked off by his employer pursuant to his voluntary authorization and to a collective bargaining agreement may not be disqualified from voting (or from being a candidate) by reason of alleged delay or default in the payment of dues.[30]

§ 452.11 General election safeguards.

In every election of officers, delegates, or representatives, each candidate must be permitted to have an observer at the polls and at the counting of the ballots. These and such other safeguards must be provided as will be adequate to assure a fair election.[31]

§ 452.12 Secret ballot elections.

(a) A "secret ballot" is defined by the Act as "the expression by ballot, voting machine, or otherwise, but in no event by proxy, of a choice with respect to any election or vote * * * cast in such a manner that the person expressing such choice cannot be identified with the choice expressed." [32]

(b) In every election required by the Act which is to be held by secret ballot among members in good standing to choose officers, delegates, or representatives, notice of the election must be mailed to each member at his last known home address not less than fifteen days prior to the election.[33] The notice must include a specification of the time and place of the election and of the offices to be filled. Every such election is required to be conducted in accordance with the constitution and bylaws of the labor organization insofar as they are not inconsistent with the election provisions of the Act.[34] The Act does not, however, prescribe the particular election procedures which must be followed. Thus, a local labor organization which conducts an election of its officers, delegates, or representatives by secret ballot may by its constitution and bylaws provide for the election of the candidate who receives the greatest number of votes, although he does not have a majority of all the votes cast. Alternatively, it may by its constitution and bylaws provide that when no candidate receives a majority of all the votes cast, a run-off election be held between the two candidates having the highest vote. Similarly, a labor organization conducting an election to choose five members of an executive board may, if its constitution and bylaws so provide, designate as elected from among all the nominees for the five positions, the five candidates who receive the highest vote. Other methods which may be provided for by a labor organization's constitution and bylaws are not prohibited by the Act so long as they permit the members to support the candidates of their choice. In the exercise of this right to support candidates of their choice, members may not be subjected to penalty, discipline, or improper interference or reprisal of any kind by the labor organization or any of its members.

(c) In every election required by the Act which is held by secret ballot as provided in Title IV, the votes cast by members of each local labor organization must be counted, and the results published, separately.[35]

(d) In every election required by the Act which is held by secret ballot as provided in Title IV, all election records, including ballots, must be preserved for one year by the election officials designated in the constitution and bylaws of the labor organization conducting the election or by the secretary of such organization if no other official is designated.[36]

§ 452.13 Elections at conventions.

(a) Elections of officers of national or international labor organizations may be held either by secret ballot of the members or at conventions of delegates elected by secret ballot.[37] Where the elections of such officers are by secret ballot of the members, all of the requirements of the Act relating to secret ballot elections must be complied with. Whether such elections are conducted in open convention or by direct secret ballot among the members, the convention or the secret ballot, as the case may be, must be conducted in accordance with the constitution and bylaws of the labor organization, insofar as they are not inconsistent with the election requirements of the Act.

(b) So long as officers of a national or international labor organization are elected "at a convention of delegates chosen by secret ballot," and in accordance with provisions of the constitution and bylaws which are consistent with Title IV and Title I of the Act, the manner in which the vote of the delegates is cast is not subject to special limitations. There is no prohibition on delegates in a convention voting by proxy, if the constitution and bylaws permit.

(c) The credentials of delegates, and all minutes and other records pertaining to the election of officers at conventions, must be preserved for one year by the officials designated in the constitution and bylaws or by the secretary of the national or international labor organization, if no such official is designated.

§ 452.14 Elections of officers of intermediate bodies.

(a) Elections of officers of intermediate bodies such as conferences, general committees, joint or system boards or joint councils, may be either by secret ballot among the members in good standing of the labor organizations which are represented in such intermediate bodies or by the officers or delegates representing such members. The officers or delegates who represent the members of particular labor organizations in the election of officers of intermediate bodies must have been elected by secret ballot of their

[23] Daily Cong. Rec., 86th Congress, 1st sess., pp. 6031–6032, April 25, 1959.
[24] H. Rept. No. 114, 86th Cong., 1st sess., p. 34.
[25] See Daily Cong. Rec., 86th Cong., 1st sess., pp. 6031–6032, April 25, 1959.
[26] Act, sec. 401(e).
[27] Act, sec. 101(a)(5) prohibits the expulsion or suspension of members without a hearing upon specific written charges and after reasonable time for preparation of defense, except for non-payment of dues.
[28] Act, sec. 3(o).
[29] Act, sec. 101(a)(1).
[30] Act, sec. 401(e).
[31] Act, sec. 401(e).
[32] Act, sec. 3(k).
[33] Act, sec. 401(e).
[34] Act, sec. 401(e).
[35] Act, sec. 401(e). See also S. Rept. 187, 86th Cong., 1st sess., p. 47; Daily Cong. Rec., p. 13682, Aug. 3, 1959, and p. A6573, July 29, 1959.
[36] Act, sec. 401(e).
[37] Act, sec. 401(a).

respective memberships. Officers of labor organizations so elected, who by virtue of election to office are also delegates to such intermediate bodies, would qualify to vote in the election of officers of the intermediate bodies where the constitution and bylaws of the labor organizations so provide.

(b) The elections in these intermediate bodies are to be conducted in accordance with the constitution and bylaws of such organizations insofar as they are not inconsistent with the provisions of Title IV [38] and Title I.

SPECIAL ENFORCEMENT PROVISIONS

§ 452.15 Complaints of members.

(a) Any member of a labor organization may file a complaint with the Secretary alleging that there have been violations of requirements of the Act concerning the election of officers, delegates, and representatives (including violations of election provisions of the organization's constitution and bylaws that are not inconsistent with the Act).[39] The complaint may not be filed until one of the two following conditions has been met: (1) The member must have exhausted the remedies available to him under the constitution and bylaws of the organization and its parent body, or (2) he must have invoked such remedies without obtaining a final decision within three calendar months after invoking them.

(b) If the member obtains an unfavorable final decision within three calendar months after invoking his available remedies, he must file his complaint within one calendar month after obtaining the decision. If he has not obtained a final decision within three calendar months, he has the option of filing his complaint or of waiting until he has exhausted the available remedies within the organization. In the latter case, if the final decision is ultimately unfavorable, he will have one month in which to file his complaint.

§ 452.16 Investigation of complaint and court action by the Secretary.

(a) The Secretary is required to investigate each complaint of a violation filed in accordance with the requirements of the Act and, if he finds probable cause to believe that a violation has occurred and has not been remedied, he is directed to bring, within 60 days after the complaint has been filed, a civil action against the labor organization in a Federal district court. In any such action brought by the Secretary the statute provides that if, upon a preponderance of the evidence after a trial upon the merits, the court finds (1) that an election has not been held within the time prescribed by the election provisions of the Act or (2) that a violation of these provisions "may have affected the outcome of an election", the court shall declare the election, if any, to be void and direct the conduct of an election under the supervision of the Secretary and, so far as is lawful and practicable, in conformity with the constitution and bylaws of the labor organization.

(b) Violations of the election provisions of the Act which occurred in the conduct of elections held within the prescribed time are not grounds for setting aside an election unless they "may have affected the outcome." The Secretary, therefore, will not institute court proceedings upon the basis of a complaint alleging such violations unless he finds probable cause to believe that they "may have affected the outcome of an election."

(c) Elections challenged by a member are presumed valid pending a final decision. The statute provides that until such time, the affairs of the labor organization shall be conducted by the elected officers or in such other manner as the union constitution and bylaws provide. However, after suit is filed by the Secretary, the court has power to take appropriate action to preserve the labor organization's assets.

DATES AND SCOPE OF APPLICATION

§ 452.17 Effective dates.

(a) Section 404 states when the election provisions of the Act become applicable.[40] In the case of labor organizations whose constitution and bylaws can be lawfully modified or amended by action of the organization's "constitutional officers or governing body," the election provisions become applicable 90 days after the enactment of the statute (December 14, 1959). Where the modification of the constitution and bylaws of a local labor organization requires action by the membership at a general meeting or by referendum, the general membership would be a "governing body" within the meaning of this provision. In the cases where any necessary modification of the constitution and bylaws can be made only by a constitutional convention of the labor organization, the election provisions become applicable not later than the next constitutional convention after the enactment of the statute, or one year after the enactment of the statute whichever is sooner.

(b) The statute does not require the calling of a special constitutional convention to make such modifications. However, if no convention is held within the one-year period, the executive board or similar governing body that has the power to act for the labor organization between conventions is empowered by the statute to make such interim constitutional changes as are necessary to carry out the provisions of Title IV of the Act. Any election held thereafter would have to comply with the requirements of the Act.

§ 452.18 Application of other laws.

(a) Section 403 [41] provides that no labor organization shall be required by law to conduct elections of officers with greater frequency or in a different form or manner than is required by its own constitution or bylaws, except as otherwise provided by the election provisions of the Act.

(b) The remedy [42] provided in the Act for challenging an election already conducted is exclusive.[43] However, existing rights and remedies to enforce the constitutions and bylaws of such organizations before an election has been held are unaffected by the election provisions.[44] Section 603,[45] which applies to the entire Act, states that except where explicitly provided to the contrary, nothing in the Act shall take away any right or bar any remedy of any union member under other Federal law or law of any State.

Signed at Washington, D.C., this 8th day of December 1959.

JAMES P. MITCHELL,
Secretary of Labor.

[F.R. Doc. 59-10534; Filed, Dec. 11, 1959; 8:49 a.m.]

PART 453—GENERAL STATEMENT CONCERNING THE BONDING REQUIREMENTS OF THE LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959

In accordance with section 3 of the Administrative Procedure Act (60 Stat. 238, 5 U.S.C. 1002), and pursuant to authority hereinafter cited, Title 29 Code of Federal Regulations, Chapter IV, is hereby amended by adding thereto Part 453 to read as follows:

INTRODUCTION

CRITERIA FOR DETERMINING WHO MUST BE BONDED

SCOPE OF THE BOND

AMOUNT OF BONDS

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[38] Act, sec. 402(a)(2).
[39] Act, sec. 402(a).
[40] Act, sec. 404.
[41] Act, sec. 403.
[42] Act, sec. 402. See § 452.14, above.
[43] Act, sec. 403. See Daily Cong. Rec., 86th Cong., 1st sess., pp. 9115, June 8, 1959, pp. 13017 and 13090, July 27, 1959. H. Rept. No. 741, p. 17; S. Rept. No. 187, pp. 21-22, 101, 104. Hearings, House Comm. on Education and Labor, 86th Cong., 1st sess., pt. 1, p. 1611.
[44] Act, sec. 403.
[45] Act, sec. 603.

AUTHORITY: §§ 453.1 to 453.25 issued under 73 Stat. 519.

INTRODUCTION

§ 453.1 Scope and significance of this part.

(a) *Functions of the Secretary of Labor.* This part discusses the meaning and scope of section 502 of the Labor-Management Reporting and Disclosure Act of 1959 [1] (hereinafter referred to as the Act), which requires the bonding of certain officials, representatives, and employees of labor organizations and of trusts in which labor organizations are interested. The provisions of section 502 are subject to the general investigatory authority of the Secretary of Labor embodied in section 601 of the Act which empowers him to investigate whenever he believes it necessary in order to determine whether any person has violated or is about to violate any provisions of the Act (except Title I or amendments to other statutes made by section 505 or Title VII). The Secretary is also authorized, under the general provisions of section 607, to forward to the Attorney General, for appropriate action, any evidence of violations of section 502 developed in such investigations, as may be found to warrant criminal prosecution under the Act or other Federal law.

(b) *Purpose and effect of interpretations.* Interpretation of the Secretary with respect to the bonding provisions are set forth in this part to provide those affected by these provisions of the Act with "a practical guide * * * as to how the office representing the public interest in its enforcement will seek to apply it." [2] The correctness of an interpretation can be determined finally and authoritatively only by the courts. It is necessary, however, for the Secretary to reach informed conclusions as to the meaning of the law to enable him to carry out his statutory duties of administration and enforcement. The interpretations of the Secretary contained in this part, which are issued upon the advice of the Solicitor of Labor, indicate the construction of the law which will guide him in performing his duties unless and until he is directed otherwise by authoritative rulings of the courts or unless and until he subsequently decides that his prior interpretation is incorrect. However, the omission to discuss a particular problem in this part, or in interpretations supplementing it, should not be taken to indicate the adoption of any position by the Secretary with respect to such problem or to constitute an administrative interpretation or practice.

(c) *Earlier interpretations superseded.* To the extent that prior opinions and interpretations under the Act, relating to the bonding of certain officials, representatives, and employees of labor organizations and of trusts in which labor organizations are interested, are inconsistent or in conflict with the principles stated in this part, they are hereby rescinded and withdrawn.

CRITERIA FOR DETERMINING WHO MUST BE BONDED

§ 453.2 Provisions of the statute.

(a) Section 502(a) requires that—

Every officer, agent, shop steward, or other representative or employee

of any labor organization (other than a labor organization whose property and annual financial receipts do not exceed $5,000 in value), or of a trust in which a labor organization is interested,

who handles funds or other property thereof shall be bonded for the faithful discharge of his duties.

(b) This section sets forth, in the above language and in its further provisions, the minimum requirements regarding the bonding of the specified personnel. There is no provision in the Act which precludes the bonding of such personnel in amounts exceeding those specified in section 502(a). Similarly, the Act contains no provision precluding the bonding of such personnel as are not required to be bonded by this section. Such excess coverage may be in any amount and in any form otherwise lawful and acceptable to the parties to such bonds.

§ 453.3 Labor organizations within the coverage of section 502(a).

Any labor organization as defined in sections 3(i) and 3(j) of the Act [3] is a labor organization within the coverage of section 502(a) unless its property and annual financial receipts do not exceed $5,000 in value. The determination as to whether a particular labor organization is excepted from the application of section 502(a) is to be made at the beginning of each of its fiscal years on the basis of the total value of all its property at the beginning of, and its total financial receipts during, the preceding fiscal year of the organization.

§ 453.4 Trusts (in which a labor organization is interested) within the coverage of section 502(a).

Section 3(l) of the Act defines a "trust in which a labor organization is interested" as:

* * * a trust or other fund or organization (1) which was created or established by a labor organization, or one or more of the trustees or one or more members of the governing body of which is selected or appointed by a labor organization, and (2) a primary purpose of which is to provide benefits for the members of such labor organization or their beneficiaries.

Both the language and the legislative history [4] make it clear that this definition covers pension funds, health and welfare funds, profit sharing funds, vacation funds, apprenticeship and training funds, and funds or trusts of a similar nature which exist for the purpose of, or have as a primary purpose, the providing of the benefits specified in the definition. This is so regardless of whether these trusts, funds, or organizations are administered solely by labor organizations, or jointly by labor organizations and employers, or by a corporate trustee, unless they were neither created or established by a labor organization nor have any trustee or member of the governing body who was selected or appointed by a labor organization.

§ 453.5 Officers, agents, shop stewards, or other representatives or employees of a labor organization.

With respect to labor organizations, the term "officer, agent, shop steward, or other representative" is defined in section 3(q) of the Act to include "elected officials and key administrative personnel, whether elected or appointed (such as business agents, heads of departments or major units, and organizers who exercise substantial independent authority)". Other individuals employed by a labor organization, including salaried non-supervisory professional staff, stenographic, and service personnel are "employees" and must be bonded if they handle [5] funds or other property of the labor organization.

§ 453.6 Officers, agents, shop stewards or other representatives or employees of a trust in which a labor organization is interested.

(a) *Officers, agents, shop stewards or other representatives.* While the definition of the collective term "Officer, agent, shop steward, or other representative" in section 3(q) of the Act is expressly applicable only "when used with respect to a labor organization", the use of this term in connection with trusts in which a labor organization is interested makes it clear that, in that connection, it refers to personnel of such trusts in positions similar to those enumerated in the definition. Thus, the term covers trustees and key administrative personnel of trusts, such as the administrator of a trust, heads of departments or major units, and persons in similar positions. It covers such personnel, including trustees, regardless of whether they are representatives of or selected by labor organizations, or representatives of or

[1] 73 Stat. 536.
[2] Skidmore v. Swift & Co., 323 U.S. 134, 138.
[3] See Part 451 of this chapter.
[4] Daily Cong. Rec., pp. 5858–59, Senate, April 23, 1959.
[5] For discussion of "handle", see § 453.8.

selected by employers,[6] and such personnel must be bonded if they handle funds or other property of the trust within the meaning of section 502(a).

(b) *Independent institutions not included.* The analogy to the definition of the term "officer, agent, shop steward, or other representative," when used with respect to a labor organization, shows that banks and other qualified financial institutions in which trust funds are deposited are not to be considered as "agents" or "representatives" of trusts within the meaning of section 502 and thus are not subject to the bonding requirement, even though they may also have administrative or management responsibilities with respect to such trusts. Similarly, the bonding requirement does not apply to brokers or other independent contractors who have contracted with trusts for the performance of functions which are normally not carried out by officials or employees of such trusts such as the buying of securities, the performance of other investment functions, or the transportation of funds by armored truck.

(c) *Employees of a trust in which a labor organization is interested.* As in the case of labor organizations, all individuals employed by a trust in which a labor organization is interested are "employees", regardless of whether, technically, they are employed by the trust, by the trustees, by the trust administrator, or by trust officials in similar positions.

§ 453.7 "Funds or other property" of a labor organization or of a trust in which a labor organization is interested.

The affirmative requirement for bonding the specified personnel is applicable only if they handle "funds or other property" of the labor organization or trust concerned. A consideration of the purpose of section 502 and a reading of the section as a whole, including provisions for fixing the amount of bonds, suffice to show that the term "funds or other property", as used in this section of the Act, encompasses more than cash alone but that it does not embrace all of the property of a labor organization or of a trust in which a labor organization is interested. The term does not include property of a relatively permanent nature, such as land, buildings, furniture, fixtures and office and delivery equipment used in the operations of a labor organization or trust. It does, however, include items in the nature of quick assets, such as checks and other negotiable instruments, government obligations and marketable securities, as well as cash, and other property held, not for use, but for conversion into cash or for similar purposes making it substantially equivalent to funds.

§ 453.8 Personnel who "handle" funds or other property.

(a) *General considerations.* Section 502(a) requires "every" person specified in its bonding requirement "who handles" funds or other property of the labor organization or trust to be bonded. It does not contain any exemption based on the amount of the funds or other property handled by particular personnel. Therefore, if the bonding requirement is otherwise applicable to such persons, the amount of the funds or the value of the property handled by them does not affect such applicability. In determining whether a person "handles" funds or other property within the meaning of section 502(a), however, it is important to consider the term "handles" in the light of the basic purpose which Congress sought to achieve by the bonding requirement and the language chosen to make that purpose effective. Thus, while it is clear that section 502(a) should be considered as representing the minimum requirements which Congress deemed necessary in order to insure the reasonable protection of the funds and other property of labor organizations and trusts within the coverage of the section, it is equally clear from the legislative history[7] and the language used that Congress was aware of cost considerations and did not intend to require unreasonable, unnecessary or duplicative bonding. In terms of these general considerations, more specific content may be assigned to the term "handles" by reference to the prohibition in section 502(a) against permitting any person not covered by an appropriate bond "to receive, handle, disburse, or otherwise exercise custody or control" of the funds or other property of a labor organization or of a trust in which a labor organization is interested. The phrase "receive, handle, disburse, or otherwise exercise custody or control" is not to be considered as expanding the scope of the term "handles" but rather as indicating facets of "handles" which, in a specific prohibition, Congress believed should be clearly set forth.

(b) *Persons included generally.* The basic objective of section 502(a) is to provide reasonable protection of funds or other property rather than to insure against every conceivable possibility of loss. Accordingly, persons who "handle" funds or other property, within the meaning of the section, will ordinarily be those whose duties with respect to the receipt, safekeeping or disbursement of funds or property are such that some significant risk of loss would result if these duties were not faithfully discharged.

(c) *Physical contact as criterion of "handling".* Physical dealing with funds or other property is, under the principles above stated, not necessarily a controlling criterion in every case for determining the persons who "handle" within the meaning of section 502(a). For example, in the case of shop stewards who personally collect dues from members, a significant risk of loss of the collections would result from failure to faithfully discharge the duties involved in performing such a function. Accordingly, a bond would normally be required unless the risk were adequately covered by the bonding of other personnel as required by section 502(a). On the other hand, bonding may not be required for office personnel who from time to time perform counting, packaging, tabulating or similar duties which involve physical contact with checks, securities, or other funds or property but which are performed under conditions that cannot reasonably be said to give rise to significant risks with respect to the receipt, safekeeping or disbursement of funds or property. This may be the case where significant risks of mishandling in the performance of duties of an essentially clerical character are precluded by the closeness of the supervision provided or by the nature of the funds or other property handled.

(d) *"Handling" funds or other property without physical contact.* Personnel who do not physically handle funds or property may nevertheless "handle" within the meaning of section 502(a) where they have or perform significant duties with respect to the receipt, safekeeping or disbursement of funds or other property, and bonds for such personnel would be required where their failure to faithfully discharge such duties would not be covered by other bonds meeting the requirements of this section. For example, persons who have access to a safe deposit box or similar depository for the purpose of adding to, withdrawing, checking or otherwise dealing with its contents may be said to "handle" these contents within the meaning of section 502(a) even though they do not at any time during the year actually secure such access for such purposes. Similarly, those charged with general responsibility for the safekeeping of funds or other property, such as the treasurer of a labor organization, should be considered as handling funds or other property. It should also be noted that the extent of actual authority to deal with funds or property may be immaterial where custody or other functions have been granted which create a substantial risk of mishandling. Thus, if a bank account were maintained in the name of a particular officer or employee whose signature the bank were authorized to honor, it could not be contended that he did not "handle" funds merely be-

[6] See the contrast between section 308 of S. 1555 as passed by the Senate ("All officers, agents, representatives, and employees of any labor organization engaged in an industry affecting commerce who handle funds of such organization or of a trust in which such organization is interested shall be bonded * * *") and section 502 of the Act as finally enacted. The change between the two versions originated in the House Committee on Education and Labor. Prior to the reporting of the bill (H.R. 8342) by that Committee, a joint subcommittee of that Committee held extensive hearings, during the course of which witnesses including President Meany of the AFL–CIO criticized the bonding provision of the Senate bill on the ground that it required only union personnel of joint employer-union trusts to be bonded. (See Record of Hearings before a Joint Subcommittee of the Committee on Education and Labor, House of Representatives, 86th Congress, 1st Session, on H.R. 3540, H.R. 3302, H.R. 4473 and H.R. 4474, pp. 1493–94, 1979.

[7] House Report No. 1147, 86th Congress, 1st Session, p. 35; Daily Cong. Record 16419, Senate, Sept. 3, 1959; Hearings Before the Subcommittee on Labor of the Senate Committee on Labor and Public Welfare on S. 505, S. 748, S. 76, S. 1002, S. 1137, and S. 1311, 86th Congress, 1st Session, p. 709.

cause he had been forbidden by the organization or by his superiors to make deposits or withdrawals.

(e) *Disbursement of funds or other property.* It is clear from both the purpose and language of section 502(a) that personnel described in the section who actually disburse funds or other property, such as officers or trustees authorized to sign checks or persons who make cash disbursements, must be considered as handling such funds and property. Whether others who may influence, authorize or direct disbursements must also be considered to handle funds or other property can be determined only by reference to the specific duties or responsibilities of these persons in a particular labor organization or trust.

§ 453.9 "Handling" of funds or other property by personnel functioning as a governing body.

(a)(1) *General considerations.* For many labor organizations and trusts special problems involving disbursements will be presented by those who, as trustees or members of an executive board or similar governing body, are, as a group, charged with general responsibility for the conduct of the business and affairs of the organization or trust. Often such bodies may approve contracts, authorize disbursements, audit accounts and exercise similar responsibilities.

(2) It is difficult to formulate any general rule for such cases. The mere fact that a board of trustees, executive board or similar governing body has general supervision of the affairs of a trust or labor organization, including investment policy and the establishment of fiscal controls, would not necessarily mean that the members of this body "handle" the funds or other property of the organization. On the other hand, the facts may indicate that the board or other body exercises such close, day-to-day supervision of those directly charged with the handling of funds or other property that it might be unreasonable to conclude that the members of such board were not, as a group, also participating in the handling of such funds and property.[8] Also, whether or not the members of a particular board of trustees or executive board handle funds or other property in their capacity as such, certain of these members may hold other offices or have other functions involving duties directly related to the receipt, safekeeping or disbursement of the funds or other property of the organization so that it would be necessary that they be bonded for the faithful discharge of these duties irrespective of their board membership.

(b) *Nature of responsibilities as affecting "handling".* With respect to particular responsibilities of boards of trustees, executive boards and similar bodies in disbursing funds or other property, much would depend upon the system of fiscal controls provided in a particular trust or labor organization. The allocation of funds or authorization of disbursements for a particular purpose is not necessarily handling of funds within the meaning of the section. If the allocation or authorization merely permits expenditures by a disbursing officer who has responsibility for determining the validity or propriety of particular expenditures, then the action of the disbursing officer and not that of the board would constitute handling. But if pursuant to a direction of the board, the disbursing officer performed only ministerial acts without responsibility to determine whether the expenditures were valid or appropriate, then the board's action would constitute handling. In such a case, the faithful discharge of the duties of the disbursing officer alone would not necessarily prevent unauthorized, illegal, or irregular disbursements. The person or persons who are charged with or exercise responsibility for determining whether specific disbursements are bona fide, regular, and in accordance with the applicable constitution, trust instrument, resolution or other laws or documents governing the disbursement of funds or other property should be considered to handle such funds and property and be bonded accordingly.

[8] As to group coverage, see § 453.16.

SCOPE OF THE BOND

§ 453.10 The statutory provision.

The only specific statutory provision as to the scope of the bond required by section 502(a) of the Act is that every covered person "shall be bonded for the faithful discharge of his duties." It thus becomes necessary to consider the nature of the duties to which this bonding requirement is applicable and the type of bond which is necessary to protect against their unfaithful discharge.

§ 453.11 The nature of the "duties" to which the bonding requirement relates.

The bonding requirement in section 502(a) relates only to duties of the specified personnel in connection with their handling of funds or other property to which this section refers. It does not have reference to the special duties imposed upon representatives of labor organizations by virtue of the positions of trust which they occupy, which are dealt with in section 501(a), and for which civil remedies for breach of the duties are provided in section 501(b). The fact that the bonding requirement is limited to personnel who handle funds or other property indicates the correctness of these conclusions. They find further support in the differences between sections 501(a) and 502(a) of the Act which sufficiently indicate that the scope of the two sections is not coextensive.

§ 453.12 Required coverage of the bonds.

The bonds required by section 502(a) must be conditioned upon "the faithful discharge" by the covered personnel of their duties relating to the handling of funds or other property. Since they would be confined to covering losses resulting from unfaithfulness in the discharge of duties to the extent reasonably necessary for the protection of funds or other property, a bond under this section need not provide insurance against loss to the same extent as might be required in the case of the bond of a public official. The question of precisely what would constitute unfaithfulness in the discharge of duties relating to the handling of funds or other property in any given case is a question of fact to be determined in the light of the existing circumstances. The conditions of the bond should, in any event, be adequate to cover significant risks of loss from any unfaithfulness of the bonded personnel in discharging whatever duties of handling funds or other property (as those terms are used in section 502(a)) such personnel may have by reason of holding the specified positions with the labor organization or trust.

AMOUNT OF BONDS

§ 453.13 The statutory provision.

Section 502(a) of the Act requires that the bond of each "person" handling "funds or other property" who must be bonded be fixed "at the beginning of the organization's fiscal year * * * in an amount not less than 10 percentum of the funds handled by him and his predecessor or predecessors, if any, during the preceding fiscal year, but in no case more than $500,000." If there is no preceding fiscal year, the amount of each required bond is set at not less than $1,000 for local labor organizations and at not less than $10,000 for other labor organizations or for trusts in which a labor organization is interested.

§ 453.14 The meaning of "funds".

While the protection of bonds required under the Act must extend to any actual loss from the unfaithful discharge of duties relating to the handling of "funds or other property" (§ 453.7), the amount of the bond depends upon the "funds" handled by the personnel bonded and their predecessors, if any. "Funds" as here used is not defined in the Act. As in the case of "funds or other property" discussed earlier in § 453.7, the term would not include property of a relatively permanent nature such as land, buildings, furniture, fixtures, or property similarly held for use in the operations of the labor organization or trust rather than as quick assets. In its normal meaning, however, "funds" would include, in addition to cash, items other than cash such as bills and notes, government obligations and marketable securities, and in a particular case might well include all the "funds or other property" handled during the year in the positions occupied by the particular personnel for whom the bonding is required. In any event, it is clear that bonds fixed in the amount of 10 percent or more of the total "funds or other property" handled by the occupants of such positions during the preceding fiscal year would be in amounts sufficient to meet the statutory requirement. Of course, in situations where a significant saving in bonding costs might result from computing separately the amounts of "funds" and of "other property" handled, criteria for distinguishing particular items to be included in the quoted terms would prove useful. While the

criteria to be applied in a particular case would depend on all the relevant facts concerning the specific items handled, it may be assumed as a general principle that at least those items which may be handled in a manner similar to cash and which involve a like risk of loss should be included in computing the amount of "funds" handled.

§ 453.15 The meaning of funds handled "during the preceding fiscal year".

The funds handled by personnel required to be bonded and their predecessors during the course of a fiscal year would ordinarily include the total of whatever such funds were on hand at the beginning of the fiscal year plus any items received or added in the form of funds during the year for any reason, such as dues, fees and assessments, trust receipts, or items received as a result of sales, investments, reinvestments, or otherwise. It would not, however, be necessary to count the same item twice in arriving at the total funds handled by personnel during a year. Once an item properly within the category of "funds" had been counted as handled by personnel during a year, there would be no need to count it again should it subsequently be handled by the same personnel during the same year in some other connection.

§ 453.16 Funds handled by more than one person.

The amount of any required bond is determined by the total funds handled during a fiscal year by each "person" bonded, and any predecessors of such "person". The term "person", however, is defined in section 3(d) of the Act to include "one or more" of the various individuals or entities there listed, so that there may be numerous instances where the bond of a "person" may include several individuals. Wherever this is the case, the amount of the bond for that "person" would, of course, be based on the total funds handled by all who comprise the "person" included in the bond, without regard to the precise extent to which any particular individual might have handled such funds. This would be the situation, for example, in many cases of joint or group activity in the performance of a single function. It would also be true where various individuals performed the same type of function for an organization, even though they acted independently of one another. There would, however, be no objection to bonding each individual separately, and fixing the amount of his bond on the basis of the total funds which he individually handled during the year.

§ 453.17 Term of the bond.

The amount of any required bond must in each instance be based on funds handled "during the preceding fiscal year," and must be fixed "at the beginning" of an organization's fiscal year—that is, as soon after the date when such year begins as the necessary information from the preceding fiscal year can practicably be ascertained. This does not mean, however, that a new bond must be obtained each year. There is nothing in the Act which prohibits a bond for a term longer than one year, with whatever advantages such a bond might offer by way of a lower premium, but at the beginning of each fiscal year during its term the bond must be in at least the requisite amount. If it is below that level at that time for any reason, it would then be necessary either to modify the existing bond to increase it to the proper amount or to obtain a supplementary bond. In either event, the terms upon which this could best be done would be left to the parties directly concerned.

Form of Bonds

§ 453.18 Bonds "individual or schedule in form".

(a) *General considerations.* In addition to such substantive matters as the personnel who must be bonded and the scope and the amount of the prescribed bonds, which have been discussed previously, the form of the bonds is the subject of a specific provision of section 502(a). Under this provision, a bond meeting the substantive requirements of the section may be either "individual or schedule in form." These terms are not specially defined and could be descriptive of a variety of possible forms of bonds. According to trade usage, an individual bond is a single bond covering a single named individual to a designated amount, and bonds "schedule in form" may include either name schedule or position schedule bonds. A name schedule bond is typically a single bond covering a series or list of named individuals, each of whom is bonded separately to a designated amount. A position schedule bond is typically a single bond providing coverage with respect to any occupant or holder of one or more specified positions during the term of the bond, each office or position being covered to a designated amount. In a statute relating to trade or commerce, it is frequently helpful to consider whatever trade or commercial usages may have developed with respect to the statutory terms.[9] References to individual, schedule and position schedule bonds may be found in other acts of Congress and indicate a clear awareness of trade usages and terminology in this field.[10]

(b) *Particular forms of bonds.* If the phrase "individual or schedule in form" is considered in light of the trade usages, section 502(a) at least permits bonds which are individual, name schedule or position schedule in form. Of course, section 502(a) does not require any particular type of individual or schedule bonds where different types exist or may be developed. It could not be said, for example, that a bond which schedules positions according to similarities in duties, risks, or required amounts of coverage is not "schedule in form" within the meaning of section 502(a) merely because the particular form of scheduling involved was not employed in bonds current at the time the section became law. A more specific illustration would be a bond scheduling shop stewards as a group because of the similar duties they perform in collecting dues, or members of an executive board as a group because of the fact that duties are imposed upon the board as such. A bond of this type would be "schedule in form" within the meaning of section 502(a) and, assuming adequacy of amount and coverage of all persons whom it is necessary to bond, such a bond would be in conformity with the statute. Also, a bond scheduling positions or groups of positions according to amounts of funds handled by occupants of the positions could be viewed as "schedule in form."

(c) *Additional bonding.* Section 502(a) neither prevents additional bonding beyond that required by its terms nor prescribes the form in which such additional coverage may be taken. Thus, so long as a particular bond is schedule in form as to the personnel required to be bonded and schedules coverage of these persons in at least the minimum required amount, additional coverage either as to personnel or amount may be taken in any form either in the same or in separate bonds. A bond which provided name or position schedule coverage for all persons required to be bonded under section 502(a), each scheduled person or position being bonded in at least the required minimum amount, would clearly be "schedule in form" within the meaning of section 502(a) regardless of the extent or form of additional schedule or blanket coverage provided in the same bond.

§ 453.19 The designation of the "insured" on bonds.

Since section 502 is intended to protect the funds or other property of labor organizations and trusts in which labor organizations are interested, bonds under this section should allow for enforcement or recovery for the benefit of the labor organization or trust concerned by those ordinarily authorized to act for it in such matters. For example, in the case of a local labor organization, a bond would not be appropriate under section 502 if it protected only the interests of a national or international labor organization with which the local labor organization is affiliated or if it designated as the insured only some particular officer of the organization who does not legally represent it in similar formal instruments.

Qualified Agents, Brokers, and Surety Companies for the Placing of Bonds

§ 453.20 Corporate sureties holding grants of authority from the Secretary of the Treasury.

The provisions of section 502(a) require that any surety company with which a bond is placed pursuant to that section must be a corporate surety which holds a grant of authority from the Secretary of the Treasury under the Act of July 30, 1947 (6 U.S.C. 6–13), as an acceptable surety on Federal bonds. That Act provides, among other things, that in order for a surety company to be eligible for such grant of authority, it must be incorporated under the laws of the

[9] See 2 Sutherland, Statutory Construction (3d ed. 1943) § 4919.

[10] Act of August 24, 1954, 68 Stat. 335, 12 U.S.C. 1766(g); Act of August 9, 1955, 69 Stat. 618, 6 U.S.C. 14.

United States or of any State and the Secretary of the Treasury shall be satisfied of certain facts relating to its authority and capitalization. Such grants of authority are evidenced by Certificates of Authority which are issued by the Secretary of the Treasury and which expire on the April 30 following the date of their issuance. A list of the companies holding such Certificates of Authority is published annually in the FEDERAL REGISTER, usually in May or June. (The list of companies holding Certificates of Authority, valid from May 1, 1959, to April 30, 1960, appears in the FEDERAL REGISTER for June 3, 1959, at 24 F.R. 4525–4529.) Changes in the list, occurring between May 1 and April 30, either by addition to or removal from the list of companies, are also published in the FEDERAL REGISTER following each such change.

§ 453.21 Interests held in agents, brokers, and surety companies.

(a) Section 502(a) of the Act prohibits the placing of bonds required therein through any agent or broker or with any surety company in which any labor organization or any officer, agent, shop steward, or other representative of a labor organization has any direct or indirect interest. The purpose of this provision, as shown by its legislative history, is to insure against the existence of any "financial or other influential" interests which would affect the objectivity of the action of agents, brokers, or surety companies in bonding the personnel specified in the section.[11] It appears, therefore, that is was the intent of Congress to prevent the placing of bonds through agents or brokers, and with surety companies, in which any labor organization or any officer, agent, shop steward, or other representative of a labor organization holds more than a nominal interest.

(b) Since the statute provides that either a direct or indirect interest by a labor organization or by the specified persons may disqualify an agent, broker, or surety company from having a bond placed through or with it, the disqualification would be effective if a labor organization or any of the specified persons are in a position to influence or control the activities or operations of such brokers, agents, or surety companies, by virtue of interests held either directly by them or by relatives or third parties which they own or control. The question of whether the relationship between the labor organization or the specified persons on the one hand, and another party or parties holding an interest in a broker, agent, or surety company on the other hand, is so close as to put the former in a position to influence or control the activities or operations of such broker, agent, or surety company through the latter, presents a question of fact which must necessarily be determined in each case in the light of all the pertinent circumstances.

(c) It is also to be noted that the statute does not appear to restrict the disqualification to cases in which a direct or indirect interest is held by a labor organization as a whole, or by a substantial number of officers, agents, shop stewards, or other representatives of a labor organization, but provides for the disqualification also in cases where any one officer, agent, shop steward, or other representative of a labor organization holds such an interest.

[11] Daily Cong. Rec. 9114, Senate, June 8, 1959; Record of Hearings before a Joint Subcommittee of the Committee on Education and Labor, House of Representatives, 86th Congress, 1st Session, on H.R. 3540, H.R. 3302, H.R. 4473 and H.R. 4474, p. 1607.

MISCELLANEOUS PROVISIONS

§ 453.22 Prohibition of certain activities by unbonded persons.

(a) Section 502(a) provides that persons who are not covered by bonds as required by that section shall not be permitted to receive, handle, disburse, or otherwise exercise custody or control of the funds or other property of a labor organization or of a trust in which a labor organization is interested. This prohibits personnel who are required to be bonded, as explained in § 453.8, from performing any of these acts without being covered by the required bonds. In addition, this provision makes it unlawful for any person with power to do so to delegate or assign the duties of receiving, handling, disbursing, or otherwise exercising custody or control of such funds or property to any person who is not bonded in accordance with the provisions of section 502(a).

(b) The legislative history of the Act indicates, however, that it was not the intent of Congress to make compliance with the bonding requirements of section 502(a) a condition on the right of banks or other financial institutions to serve as the depository of the funds of labor organizations or trusts. Similarly, it appears that the provisions of that section do not require the bonding of brokers or other independent contractors who have contracted with labor organizations or trusts for the performance of functions which are normally not carried out by such labor organizations' or trusts' own officials or employees, such as the buying of securities, the performance of other investment functions, or the transportation of funds by armored truck.[12]

§ 453.23 Persons becoming subject to bonding requirements during fiscal year.

Considering the purpose of section 502, the language of the prohibition should be considered to apply to persons who because of election, employment or change in duties begin to handle funds or other property during the course of a particular fiscal year. Bonds should be secured for such persons, in an amount based on the funds handled by their predecessors during the preceding fiscal year, before they are permitted to engage in any of the fund-handling activities referred to in the prohibition, unless coverage with respect to such persons is already provided by bonds in force meeting the requirements of section 502(a).

[12] See § 453.6(b).

§ 453.24 Payment of bonding costs.

The Act does not prohibit payment of the cost of the bonds, required by section 502(a), by labor organizations or by trusts in which a labor organization is interested. The decision whether such costs are to be borne by the labor organization or trust or by the bonded person is left to the duly authorized discretion and agreement of the parties concerned in each case.

§ 453.25 Effective date of the bonding requirement.

While the bonding provision in section 502(a) became effective on September 14, 1959, its requirement for obtaining bonds does not become applicable to a labor organization or a trust in which a labor organization is interested, or to the personnel of any such organization, until the subsequent date when such organization's next fiscal year begins. This is so because the Act requires each such bond to be fixed at the beginning of the organization's fiscal year in an amount based on funds handled in the preceding fiscal year, and it could not well have been intended that the obtaining of a bond would be necessary in advance of the time when it would be possible to meet this requirement.

Signed at Washington, D.C., this 8th day of December 1959.

JAMES P. MITCHELL,
Secretary of Labor.

[F.R. Doc. 59–10535; Filed, Dec. 11, 1959; 8:49 a.m.]

Title 32A—NATIONAL DEFENSE, APPENDIX

Chapter X—Oil Import Administration, Department of the Interior

[Oil Import Reg. 1 (Rev. 1) Amdt. 2]

OIL IMPORT REGULATION

Miscellaneous Amendments

1. Section 10 of Oil Import Regulation 1 (Revision 1) (24 F.R. 4654) is amended to read as follows:

Sec. 10. Allocations of crude oil and unfinished oils; Districts I–IV.

(a) The quantity of imports of crude oil and unfinished oils determined to be available for allocation in Districts I–IV for the allocation period January 1, 1960, through June 30, 1960, shall be allocated by the Administrator among eligible applicants as provided in paragraphs (b) and (c) of this section.

(b) Except as provided in paragraph (c) of this section, each eligible applicant shall receive an allocation based on refinery inputs for the year ending September 30, 1959 and computed according to the following schedule:

Average B/D input:	Percent of input
0–10,000	13.0
10–20,000	11.9
20–30,000	10.8
30–60,000	9.7

Average B/D input—Con.	Percent of input
60–100,000	8.7
100–150,000	7.5
150–200,000	6.5
200–300,000	5.3
300,000 plus	4.3

(c) If an eligible applicant has been importing crude oil pursuant to an allocation under the Voluntary Oil Import Program and if an allocation computed under paragraph (b) of this section would be less than 75.7 percent of the applicant's last allocation of imports of crude oil under the Voluntary Oil Import Program, the applicant shall nevertheless receive an allocation under this section equal to 75.7 percent of his last allocation of imports of crude oil under the Voluntary Oil Import Program.

(d) No allocation made pursuant to this section shall entitle a person to a license which will allow the importation of unfinished oils in excess of 10 percent of the allocation.

(e) No allocation made pursuant to this section may be sold, assigned, or otherwise transferred.

2. Section 11 of Oil Import Regulation 1 (Revision 1) is amended to read as follows:

Sec. 11. Allocations of crude oil and unfinished oils; District V.

(a) The quantity of imports of crude oil determined to be available for allocation in District V for the allocation period January 1, 1960 through June 30, 1960 shall be allocated by the Administrator among eligible applicants as provided in paragraphs (b) and (c) of this section.

(b) Except as provided in paragraph (c) of this section, each eligible applicant shall receive an allocation based on refinery inputs for the year ending September 30, 1959 and computed according to the following schedule:

Average B/D input:	Percent of input
0–10,000	35.4
10–20,000	28.3
20–30,000	21.2
30–60,000	14.1
60–100,000	11.3
100–150,000	10.3
150–200,000	9.4
200,000 plus	7.5

(c) If an eligible applicant has been importing crude oil pursuant to an allocation under the Voluntary Oil Import Program and if an allocation computed under paragraph (b) of this section would be less than 75.5 percent of the applicant's last allocation of imports of crude oil under the Voluntary Oil Import Program, the applicant shall nevertheless receive an allocation under this section equal to 75.5 percent of his last allocation of imports of crude oil under the Voluntary Oil Import Program.

(d) Allocations made pursuant to this section shall not permit the importation of unfinished oils in excess of 10 percent of the permissible imports of crude oil. With respect to any allocation made pursuant to this section, the Administrator upon request shall issue a license permitting the importation of unfinished oils in an amount not in excess of 10 percent of the allocation. If the total quantity of unfinished oils applied for is less than 10 percent of the permissible imports of crude oils, the Administrator may to that extent increase the percentage amount of unfinished oils specified in licenses of persons who request such increases. Each person making such a request shall receive an increase in the proportion that his allocation bears to the total of allocations made to all persons requesting increases. Each barrel of unfinished oil imported shall be deemed to be the equivalent of one barrel of crude oil and will be so charged against the person's license by the respective Collectors of Customs. The permissible percentage of imports of unfinished oils and the equivalence of unfinished oils to crude oil may be changed during the allocation period, if necessary to prevent impairing accomplishment of the purposes of the program. Such a change will be made only after notice of proposed rule making and will not become effective until the 30th calendar day following publication in the FEDERAL REGISTER of the amendment making such change.

(e) No allocation made pursuant to this section may be sold, assigned, or otherwise transferred.

3. Paragraph (b) of section 18 of Oil Import Regulation 1 (Revision 1) is amended to read as follows:

Sec. 18. Reports.

* * * * *

(b) Each person who exchanges oil pursuant to section 17 of this regulation shall report the exchange to the Administrator on such forms as he shall prescribe. In addition, any changes occurring during an allocation period in the types of oils or the exchange ratio shall be reported.

4. Section 21 of Oil Import Regulation 1 (Revision 1) is revised to read as follows:

Sec. 21. Appeals.

(a) There is hereby established an Oil Import Appeals Board, comprised of a representative each from the Departments of Commerce, Defense, and Interior, of the rank of Deputy Assistant Secretary or higher, designated, respectively, by the Secretaries of such Departments. The Board shall elect a Chairman from its own membership.

(b) The Appeals Board shall consider petitions by persons affected by this regulation and may, within the limits of the maximum levels of imports established in section 2 of Proclamation 3279, as amended:

(1) Modify any allocation made to any person under this regulation on the grounds of exceptional hardship or error;

(2) Grant allocations of crude oil and unfinished oils in special circumstances to persons with importing histories who do not qualify for allocations under this regulation;

(3) Grant allocations of finished products on the grounds of exceptional hardship to persons who do not qualify for allocations under this regulation; and

(4) Review the revocation or suspension of any allocation or license.

(c) The modification or grant of an allocation of finished products by the Appeals Board shall become effective in the allocation period succeeding the period for which the appeal or petition was filed.

(d) The Appeals Board may take such action on petitions as it deems appropriate; and it may adopt, promulgate, and publish such rules and procedures as it deems appropriate for the conduct of its business. The decisions of the Appeals Board on petitions shall be final.

5. Paragraph (c) of section 22 of Oil Import Regulation 1 (Revision 1) is amended to read as follows:

Sec. 22. Definitions.

* * * * *

(c) "District V" means the States of Arizona, Nevada, California, Oregon, Washington, Alaska, and Hawaii.

Allocations for the next allocation period must be made, applications for licenses submitted, and licenses issued before January 1, 1960. Accordingly, it would be impractical to give notice of proposed rule making with respect to the amendments to section 10 and section 11 and the amendments to these sections shall become effective immediately. The amendment to section 22 recognizes Hawaiian statehood and shall also become effective immediately. As the amendment to section 18 merely provides for a form in reporting exchanges and as the amendment to section 21 revises the jurisdiction of the Oil Import Appeals Board in conformity with the recent amendment to section 4 of Proclamation 3279, such notice is deemed unnecessary with respect to these amendments and the amendments to these sections shall become effective on January 1, 1960.

FRED A. SEATON,
Secretary of the Interior.

DECEMBER 11, 1959.

[F.R. Doc. 59–10603; Filed, Dec. 11, 1959; 10:37 a.m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 914]

HANDLING OF NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Approval of Expenses and Fixing of Rate of Assessment for 1959–60 Fiscal Year

Consideration is being given to the following proposals submitted by the Navel Orange Administrative Committee, established under Marketing Agreement No. 117, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of Navel 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. 601–674), as the agency to administer the terms and provisions thereof: (1) That the Secretary of Agriculture find that expenses not to exceed $184,000 will be necessarily incurred during the fiscal year November 1, 1959, through October 31, 1960, for the maintenance and functioning of the committee established under the aforesaid amended marketing agreement and order, and (2) that the Secretary of Agriculture fix, as the share of such expenses which each handler who first handles oranges shall pay during the fiscal year in accordance with the aforesaid marketing agreement and order, the rate of assessment of eight mills ($0.008) per carton of oranges handled by such handler as the first handler thereof during such fiscal year.

All persons who desire to submit written data, views, or arguments in connection with the aforesaid proposals should file the same with the Director, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Room 2077, South Building, Washington 25, D.C., not later than the 10th day after the publication of this notice in the FEDERAL REGISTER. All documents should be filed in quadruplicate.

As used in this section, "handle," "handler," "oranges," "fiscal year," and "carton" shall have the same meaning as is given to each such term in said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended, 7 U.S.C. 601–674)

Dated: December 9, 1959.

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

[F.R. Doc. 59–10540; Filed, Dec. 11, 1959; 8:50 a.m.]

Agricultural Research Service

[9 CFR Part 78]

INTERSTATE MOVEMENT OF CATTLE BECAUSE OF BRUCELLOSIS

Notice of Proposed Rule Making

Pursuant to section 4 of the Administrative Procedure Act (5 U.S.C. 1003), notice is hereby given that the Agricultural Research Service, under the provisions of the Acts of May 29, 1884, as amended, February 2, 1903, as amended, and March 3, 1905, as amended (21 U.S.C. 111–115, 117, 120, 121, 125), is proposing to amend the regulations in 9 CFR Part 78, as amended, restricting the interstate movement of cattle because of brucellosis, in the following respects:

1. Wherever in Part 78 the phrase "modified certified brucellosis-free area" or "modified certified brucellosis-free areas" or "modified brucellosis-free areas" appears (whether capitalized or not), it would be deleted and the phrase "modified certified brucellosis area" or "modified certified brucellosis areas," respectively, would be substituted therefor, with like capitalization as now provided in Part 78.

2. Section 78.5 would be amended by adding thereto a new paragraph (c) to read:

(c) Reactors moved under this section for immediate slaughter to a slaughtering establishment or to a public stockyard for sale to such an establishment shall not be disposed of other than by slaughter at such an establishment.

3. Section 78.12 would be amended as follows:

a. Paragraph (b) would be amended by adding at the end of said paragraph the following sentence: "Cattle moved under this paragraph for immediate slaughter to a slaughtering establishment shall not be disposed of other than by slaughter at such an establishment."

b. Paragraph (c) would be amended by inserting between the word "section" and the following comma the words "except the provisions of paragraph (f)".

c. Paragraph (d) would be amended by inserting the words "from herds" between the words "classes," and "not"; by deleting subparagraph (4); and by amending subparagraph (6) to read as follows:

(6) Bulls and female cattle of the beef type moved interstate, only for feeding or grazing purposes or for sale for such purposes, to a State which has laws, rules, or regulations, which provide for the segregation or quarantine of such cattle brought into the State, and under a permit from the appropriate livestock sanitary official of such State of destination.

d. The introductory paragraph of paragraph (e) would be amended to read as follows:

(e) *Movement of cattle into modified certified brucellosis areas.* Cattle of the following classes, from herds not known to be affected with brucellosis, may be moved interstate under this subpart into the modified certified brucellosis areas specified in §78.13, if the provisions of paragraph (f) of this section are complied with and such cattle are accompanied by a certificate issued by a Federal or State inspector or an accredited veterinarian showing the name and address of the consignor and consignee, the identification tag, tatoo, or registration number of each animal or other proper identification, and showing the specific class in which the cattle fall:

e. Paragraph (e) would be further amended by deleting subparagraph (4); by inserting the words "nor more than 90 days" between the words "days" and "after" in subparagraph (5); and by amending subparagraph (7) by deleting the words "for feeding or grazing purposes only" and substituting the words "only for feeding or grazing purposes or for sale for such purposes."

f. Paragraph (f) would be redesignated as paragraph (g) and a new paragraph (f) would be added to read as follows:

(f) *Handling of cattle in transit to modified certified brucellosis areas.* Cattle, not known to be affected with brucellosis, except those moved under paragraph (a), (b), or (e) (7) of this section, shall be moved interstate into any modified certified brucellosis area only in clean vehicles and, if unloaded in the course of such movement, shall be handled only in clean pens at public stockyards or specifically approved stockyards, or in clean pens at feed, water, and rest stations.

Any interested person who wishes to submit written data, views, or arguments on the proposed amendments may do so by filing them with the Director of the Animal Disease Eradication Division, Agricultural Research Service, United States Department of Agriculture, Washington 25, D.C., not later than January 20, 1960.

Done at Washington, D.C., this 9th day of December 1959.

M. R. CLARKSON,
Acting Administrator, Agricultural Research Service.

[F.R. Doc. 59–10544; Filed, Dec. 11, 1959; 8:50 a.m.]

DEPARTMENT OF LABOR

Division of Public Contracts

[41 CFR Part 202]

METAL BUSINESS FURNITURE AND STORAGE EQUIPMENT INDUSTRY

Notice of Hearing To Determine Prevailing Minimum Wages

Pursuant to the provisions of section 1(b) of the Walsh-Healey Public Con-

tracts Act (49 Stat. 2036, as amended; 41 U.S.C. 35 et seq.) and section 4(a) of the Administrative Procedure Act (60 Stat. 238; 5 U.S.C. 1003), notice is hereby given that a public hearing to determine the prevailing minimum wages in the Metal Business Furniture and Storage Equipment Industry will be held before a duly assigned Hearing Examiner on January 5, 1960, beginning at 10:00 a.m. in Room 1214, United States Department of Labor Building, 14th Street and Constitution Avenue NW., Washington, D.C.

For the purpose of this hearing the Metal Business Furniture and Storage Equipment Industry is defined as that industry which manufactures or furnishes metal business furniture or storage equipment, including but not limited to the following metal products:

(1) Bank counters; benches; stools; bookcases; chairs; desks; desk trays; filing boxes; cabinets and cases; cabinets for printers' type; storage cabinets; cabinet partitions; tables; visible business equipment; wardrobes; and waste baskets;

(2) Lockers; racks, and industrial and general-purpose shelving;

(3) Rotating bins and sectional bins; tool boxes, tool cabinets and tool chests; metal boxes, metal chests and metal cases.

Excluded from the definition are merchandise display racks, showcases, and display stands; restaurant furniture, carts, and food wagons; telephone booths; and all consumable office supply items.

Any interested persons may appear at the time and place specified herein and submit evidence, views, and arguments as to the following subjects and issues: (1) The appropriateness of the proposed definition of the industry; (2) what are the prevailing minimum wages in the industry; (3) whether a single determination for all the area in which the industry operates or separate determinations for smaller geographic areas (including the appropriate limits for such areas) should be determined for this industry; and (4) whether there should be included in any determination for this industry provision for the employment of beginners or probationary workers at wages lower than the prevailing minimum wages and on what terms or limitations, if any, such employment should be permitted.

Employment and wage data in this industry for the payroll period ending February 15, 1959, has been gathered by the Department of Labor. Data relating to the competition in this industry for Government contracts has also been collected. This information will be submitted for consideration at the hearing and is now available to interested persons on request.

Written statements may be filed with the Chief Hearing Examiner at any time prior to the hearing by persons who cannot appear personally. An original and three copies of any such statement shall be filed and shall include the reason or reasons for non-appearance. Such statement shall be under oath or affirmation, and will be offered in evidence at the hearing. If objection is made to the admission of any such statement, the Presiding Officer shall determine whether it will be received in evidence.

To the extent possible, the evidence of each witness and the sworn or affirmed statements of persons who cannot appear personally, should permit evaluation on a plant-by-plant basis, and state: (1) (a) The number and location of establishments in the industry to which the testimony of such witness or such written statement is applicable, (b) the number of workers in each such establishment, (c) the minimum rates paid to covered workers, the number of covered workers at each such establishment receiving such rates and the occupations in which they are employed, (d) the minimum wages paid to beginners or probationary workers in each such establishment, the scale of wages paid during probationary periods, the length of such periods, the number of workers receiving such wages, and the occupations in which they are employed; (2) the identity of any product not now included in the definition of the industry which should be included and of any product now included which should not be included; (3) the geographic area or areas of competition for Government contracts within this industry; and (4) the changes in the minimum wages paid since February 1959, for persons employed in this industry.

The hearing will be conducted pursuant to the rules of practice for minimum wage determinations under the Walsh-Healey Public Contracts Act codified in 41 CFR Part 203.

Signed at Washington, D.C., this 8th day of December 1959.

JAMES P. MITCHELL,
Secretary of Labor.

[F.R. Doc. 59-10536; Filed, Dec. 11, 1959; 8:50 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 53]

CANNED TOMATOES

Confirmation of Order Denying Amendment of Definition and Standard of Identity

In the matter of amending the definition and standard of identity for canned tomatoes to provide for the addition of citric acid as an optional ingredient:

No objections fully meeting the requirements set out in section 701(e) of the Federal Food, Drug, and Cosmetic Act were filed to the order published in the FEDERAL REGISTER on October 20, 1959 (24 F.R. 8467), in the above-identified matter. Therefore, no public hearing will be held.

Dated: December 8, 1959.

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

[F.R. Doc. 59-10526; Filed, Dec. 11, 1959; 8:48 a.m.]

Public Health Service

[42 CFR Part 71]

FOREIGN QUARANTINE

Fumigating Vessels

Notice is hereby given that the Surgeon General of the Public Health Service, with the approval of the Secretary of Health, Education, and Welfare, proposes to amend § 71.103 of the Public Health Service Regulations as indicated below to require the owner or agent of a vessel to arrange for and bear the expense of fumigation of the vessel when such fumigation is required under the regulations in this part. Interested persons may submit written data, views, or arguments (in duplicate) in regard to the proposed amendments to the Surgeon General of the Public Health Service, Washington 25, D.C. All relevant material received not later than 30 days after the publication of this notice in the FEDERAL REGISTER will be considered.

Section 71.103 would be amended by changing the heading and adding paragraph (c) as follows:

§ 71.103 Disinsecting and disinfesting vessels; fumigating vessels.

* * * * *

(c) *Fumigating (general).* If a vessel is infected or suspected within the meaning of § 71.84(a) (1) and (2), or if the medical officer in charge determines that exceptional circumstances of an epidemiological nature are present, the medical officer in charge may require the owner or agent of the vessel to arrange for and bear the expense of adequate fumigation of the vessel.

(Sec. 215, 58 Stat. 690, as amended; 42 U.S.C. 216. Interpret or apply secs. 361-369, 58 Stat. 703-706; 42 U.S.C. 264-272)

Dated: November 23, 1959.

[SEAL] ARNOLD B. KURLANDER,
Acting Surgeon General.

Approved: December 8, 1959.

ARTHUR S. FLEMMING,
Secretary.

[F.R. Doc. 59-10527; Filed, Dec. 11, 1959; 8:48 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-FW-42]

FEDERAL AIRWAYS AND CONTROL AREAS

Revocation of a Segment of Federal Airway, Associated Control Areas and Reporting Points

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to §§ 600.14, 601.14, and 601.4014 of the regulations of the Administrator, the substance of which is stated below.

Green Federal airway No. 4 extends in part from Tucumcari, N. Mex., to Kansas City, Mo. The Federal Aviation

Agency has under consideration the revocation of a segment of Green 4 between Amarillo, Tex., and Wichita, Kans. The Federal Aviation Agency IFR peak day airway traffic survey for each half of calendar year 1958 showed less than 7 aircraft movements on this segment of Green 4. On the basis of this survey, it appears that the retention of this airway segment and its associated control areas is unjustified as an assignment of airspace and that the revocation thereof would be in the public interest.

If this action is taken, the segment of Green 4 from Amarillo, Tex., to Wichita, Kans., and its associated control areas would be revoked. Concurrent with this action, the Gage, Okla., radio range station would be revoked as a reporting point on Green 4.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10500; Filed, Dec. 11, 1959; 8:45 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-FW-47]

FEDERAL AIRWAYS AND CONTROL AREAS

Revocation of Federal Airway and Associated Control Areas

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Parts 600 and 601 of the regulations of the Administrator, the substance of which is stated below.

Blue Federal airway No. 30 presently extends from Big Springs, Tex., to Pueblo, Colo. The Federal Aviation Agency has under consideration the revocation of Blue 30 and its associated control areas. The Federal Aviation Agency IFR peak day airway traffic survey for each half of calendar year, 1958, showed less than 6 aircraft movements between any 2 reporting points on Blue 30. On the basis of this survey, it appears that the retention of this airway and its associated control areas is unjustified as an assignment of airspace and that the revocation thereof would be in the public interest.

If this action is taken, Blue 30 and its associated control areas would be revoked. Concurrent with this action, the Dalhart, Tex., nondirectional radio beacon would be revoked as a designated reporting point.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10501; Filed, Dec. 11, 1959; 8:45 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-FW-71]

FEDERAL AIRWAYS AND CONTROL AREAS

Revocation of Federal Airway, Associated Control Areas and Reporting Point

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Parts 600 and 601 of the regulations of the Administrator, the substance of which is stated below.

Blue Federal airway No. 55 presently extends from Crestview, Fla., to Montgomery, Ala. The Federal Aviation Agency has under consideration the revocation of Blue 55 and its associated control areas. The Federal Aviation Agency IFR peak day airway traffic survey for the period July 1, 1958, to June 30, 1959, showed less than 11 aircraft movements on Blue 55. On the basis of this survey, it appears that the retention of this airway and its associated control areas is unjustified as an assignment of airspace and that the revocation thereof would be in the public interest.

If this action is taken, Blue 55 and its associated control areas would be revoked. Concurrent with this action, the intersection of the north course of the Crestview radio range and the northeast course of the Whiting NAS, Fla., radio range (Andalusia, Ala., intersection) would be revoked as a reporting point.

Interested person may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10502; Filed, Dec. 11, 1959; 8:45 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-LA-58]

FEDERAL AIRWAYS AND CONTROL AREAS

Modification of Federal Airways and Associated Control Areas

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to §§ 600.6004, 600.6089, 600.6207, and 601.6207 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency has under consideration the modification of those segments of airways north of Denver, Colo., presently designated via the Gill, Colo., intersection, by realigning these segments via the Gill VOR to provide more precise navigational guidance. These segments are: the north alternate to VOR Federal airway No. 4 from Denver to Laramie, Wyo.; the east alternate to VOR Federal airway No. 89 from Denver to Cheyenne, Wyo.; and VOR Federal airway No. 207, which is presently designated from Denver to Egbert, Wyo. It is proposed to further modify Victor 207 by redesignating the segment north of Gill, direct from the Gill VOR to the Scottsbluff, Nebr., VOR, with associated control areas, to provide a direct interconnecting route for air traffic operating between the Denver terminal area and Scottsbluff. Victor 207 would also serve as a bypass airway for routing traffic around the Cheyenne terminal area. The control areas associated with the alternates to Victor 4 and Victor 89 are so designated that they will automatically conform to the modified airways. Accordingly, no amendment relating to such control areas is necessary.

If these actions are taken, the north alternate to VOR Federal airway No. 4 from Denver, Colo., to Laramie, Wyo., would be designated via the Gill, Colo., VOR; the east alternate to VOR Federal airway No. 89 from Denver, Colo., to Cheyenne, Wyo., would be designated via the Gill, Colo., VOR and the intersection of the Gill VOR 003° and the Cheyenne VOR 131° radials; and VOR Federal airway No. 207 with associated control areas would be designated from Denver, Colo., to Scottsbluff, Nebr., via Gill, Colo., VOR.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, 5651 West Manchester Avenue, P.O. Box 90007, Airport Station, Los Angeles 45, Calif. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10504; Filed, Dec. 11, 1959; 8:46 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-WA-284]

FEDERAL AIRWAYS AND CONTROL AREAS

Extension of Federal Airway and Associated Control Areas

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 600.6050 and § 601.6050 of the regulations of the Administrator, the substance of which is stated below.

VOR Federal airway No. 50 presently extends from St. Joseph, Mo., to Dayton, Ohio. The Federal Aviation Agency has under consideration the extension of Victor 50 westerly from St. Joseph to Pawnee City, Nebr. The extension of Victor 50 from the St. Joseph VOR to the Pawnee City VOR would provide an alternate route for air traffic to and from the Kansas City, Mo.-Topeka, Kans., terminal area, and a bypass route for en route traffic to avoid the Kansas City-Topeka area.

If this action is taken, VOR Federal airway No. 50 and its associated control areas would be extended westerly from St. Joseph, Mo., to Pawnee City, Nebr.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10505; Filed, Dec. 11, 1959; 8:46 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-WA-306]

FEDERAL AIRWAYS AND CONTROL AREAS

Modification of Federal Airways

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 600.6129, § 600.6024 and § 601.6024 of the regulations of the Administrator, the substance of which is stated below.

VOR Federal airway No. 129 presently extends from Polo, Ill., to Eau Claire, Wis., VOR Federal airway No. 24 presently extends in part from Rochester, Minn., to Lone Rock, Wis. The Federal Aviation Agency is considering revoking the segment of Victor 129 between Polo and Lone Rock, redesignating Victor 129 from the Polo, VOR, to the Eau Claire, VOR, via the Rewey, Wis., VOR, a VOR to be installed approximately Dec. 15, 1959, near Waukon, Iowa, at latitude 43°16'47" N., longitude 91°32'20" W., and the Nodine, Minn., VOR, and designating a south alternate with associated control areas to Victor 24 from Rochester to Lone Rock via Waukon. These actions are a part of the over-all plan for a dual airway structure between Chicago, Ill., and Minneapolis, Minn., with provisions for transition airways between these routes. The control areas associated with Victor 129 are so designated that they will automatically con-

form to the modified airway. Accordingly, no amendment relating to such control areas is necessary.

If these actions are taken, the segment of VOR Federal airway No. 129 from Polo, Ill., to Lone Rock, Wis., would be revoked; Victor 129 would be redesignated from Polo to Eau Claire, Wis., via Rewey, Wis., Waukon, Iowa, and Nodine, Minn.; and a south alternate to VOR Federal airway No. 24 would be designated from Rochester, Minn., to Lone Rock, Wis., via Waukon, Iowa.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10506; Filed, Dec. 11, 1959; 8:46 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 59-AN-2]

CONTROL ZONES AND CONTROL AREAS

Modification of Control Zone and Control Area Extension

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Part 601 and § 601.1114 and § 601.1984 of the regulations of the Administrator, the substance of which is stated below.

The present Bettles, Alaska, control zone is designated within a 5-mile radius of Bettles Airport, Bettles, Alaska. The present Bettles control area extension is designated within 5 miles either side of the southeast course of the Bettles radio range extending from the radio range to a point 25 miles southeast. The Federal Aviation Agency is considering modifying the Bettles control zone by designating extensions to the south and southeast, based on the Bettles radio range, to provide protection for aircraft conducting radio range and ADF instrument approach procedures. The Federal Aviation Agency also has under consideration the designation of an additional control area extension at Bettles to the south to provide protection for aircraft executing missed approach procedures in connection with ADF approaches. In addition, § 601.1984, relating to 5-mile radius zones would be amended to delete, "Bettles, Alaska: Bettles Airport.".

If this action is taken, the Bettles, Alaska, control zone would be designated within a 5-mile radius of the Bettles Airport, Bettles, Alaska, within 2 miles either side of the southeast course of the Bettles radio range from the 5-mile radius zone to a point 12 miles southeast of the radio range, and within 2 miles either side of a line bearing 211° from the Bettles radio range from the 5-mile radius zone to a point 12 miles south of the radio range; and the Bettles, Alaska, control area extension would be designated within 5 miles either side of a line bearing 211° from the Bettles radio range to a point 25 miles south of the radio range, and within 5 miles either side of the southeast course of the Bettles radio range to a point 25 miles southeast of the radio range.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, P.O. Box 440, Anchorage, Alaska. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10497; Filed, Dec. 11, 1959; 8:45 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 59-FW-5]

CONTROL ZONES

Modification of Control Zone

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 601.2332 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency has under consideration the modification of the Beaumont, Tex., control zone by revoking the extension to the north and adding an extension to the southeast. The Beaumont control zone is presently designated within a 5-mile radius of the Jefferson County Airport with a 10-mile extension to the north based on the radio range; a 10-mile extension to the northwest based on the ILS localizer course; and a 10-mile extension to the southwest based on the VOR. The Beaumont radio range is scheduled to be decommissioned in the near future and the instrument approach procedures based thereon will be cancelled. Accordingly it appears that the retention of the control zone extension to the north based on the radio range is unjustified as an assignment of airspace and that the revocation thereof would be in the public interest. Concurrent with this action it is proposed to designate an extension to the southeast to provide protection for aircraft conducting IFR approaches using the back course of the ILS localizer.

If this action is taken the Beaumont, Tex., control zone would be designated to include the airspace within a 5-mile radius of Jefferson County Airport, within 2 miles either side of the 244° radial of the Beaumont VOR extending from the 5-mile radius zone to a point 10 miles southwest of the VOR, within 2 miles either side of the Beaumont ILS localizer northwest course extending from the 5-mile radius zone to a point 10 miles northwest of the airport, and within 2 miles either side of the Beaumont ILS localizer southeast course extending from the 5-mile radius zone to a point 10 miles southeast of the airport.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but

arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B–316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59–10498; Filed, Dec. 11, 1959; 8:45 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 59–FW–22]

CONTROL ZONES AND CONTROL AREAS

Modification of Control Zone and Control Area Extension

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to §§ 601.1417 and 601.2398 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency has under consideration the modification of the El Dorado, Ark., control area extension and control zone. The El Dorado control zone presently includes that airspace within a 5-mile radius of Goodwin Field, and within 2 miles either side of the 317° bearing, extending from the El Dorado nondirectional radio beacon to a point 10 miles northwest, and within 2 miles either side of the 037° radial of the El Dorado VOR extending from the VOR to a point 10 miles northeast. The El Dorado control area extension presently includes that airspace within 5 miles either side of the 137° and 317° bearings extending from the El Dorado nondirectional radio beacon to points 25 miles southeast and 15 miles northwest, and within 5 miles either side of the 037° radial of the El Dorado VOR extending from the VOR to a point 15 miles northeast. The Federal Aviation Agency proposes to discontinue operation of the El Dorado nondirectional radio beacon in the near future. Coincident therewith, the instrument approach procedures based on the El Dorado radio beacon would be cancelled. Accordingly, it appears that retention of the control zone extension to the northwest and the control area extensions to the northwest and southeast based on the El Dorado radio beacon would be unjustified as an assignment of airspace and that the revocation thereof would be in the public interest. A control zone within a 5-mile radius of Goodwin Field with an extension 10 miles northeast and a control area extension 15 miles northeast would then provide adequate protection for aircraft conducting instrument approaches to Goodwin Field.

If these actions are taken, the El Dorado, Ark., control area extension would be designated to include that airspace within 5 miles either side of the 037° radial of the El Dorado VOR, extending from the VOR to a point 15 miles northeast. The El Dorado control zone would be designated to include that airspace within a 5-mile radius of Goodwin Field, El Dorado, Ark., and within 2 miles either side of the 037° radial of the El Dorado VOR extending from the VOR to a point 10 miles northeast.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B–316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59–10499; Filed, Dec. 11, 1959; 8:45 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 59–FW–73]

CONTROL ZONES

Modification of Control Zone

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 601.2031 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency has under consideration the modification of the Houston, Tex., control zone by deleting the extension to the northeast. The present Houston control zone includes that airspace within a 10-mile radius of Houston International Airport, and within a 5-mile radius of Ellington, Tex., Air Force Base, and within 2 miles either side of a direct line extending from the Houston International Airport to the Monument, Tex., nondirectional radio beacon. This radio beacon is scheduled to be relocated in the near future from its present location, which is approximately 13 miles northeast of the airport, to a point 4.6 miles northeast of the airport. A control zone within a 10-mile radius of Houston International Airport and within a 5-mile radius of Ellington Air Force Base would then provide adequate protection for aircraft conducting instrument approaches to these airports. Accordingly it appears that retention of the control zone extension beyond the 10-mile radius is unjustified as an assignment of airspace and that the revocation thereof would be in the public interest.

If this action is taken, the Houston, Tex., control zone would be designated as that airspace within a 10-mile radius of Houston International Airport and within a 5-mile radius of Ellington Air Force Base, Houston, Tex.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B–316, 1711 New York Avenue NW., Washington 25, D.C. An

informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on December 8, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-10503; Filed, Dec. 11, 1959; 8:45 a.m.]

NOTICES

DEPARTMENT OF THE TREASURY

Office of the Secretary

[Treasury Dept. Order 150-50]

INTERNAL REVENUE DISTRICTS, CINCINNATI, CLEVELAND, COLUMBUS, AND TOLEDO

Alteration

By virtue of the authority vested in me as Secretary of the Treasury by Reorganization Plan No. 26 of 1950, Reorganization Plan No. 1 of 1952, section 7621 of the Internal Revenue Code of 1954, as amended, and Executive Order 10289, approved September 17, 1951, made applicable to the Internal Revenue Code of 1954 by Executive Order 10574, approved November 5, 1954, it is hereby ordered:

1. *Internal Revenue Districts of Columbus and Toledo and district directors' offices thereof abolished.* The Internal Revenue District, Columbus, and Internal Revenue District, Toledo, and the office of district director of each such district are abolished.

2. *Boundaries of Internal Revenue Districts of Cincinnati and Cleveland extended.* For all purposes authorized by the internal revenue laws of the United States:

(a) *Cincinnati.* The boundaries of the Internal Revenue District, Cincinnati, are extended to include within such district the area comprising the Internal Revenue District, Columbus, and

(b) *Cleveland.* The boundaries of the Internal Revenue District, Cleveland, are extended to include within such district the area comprising the Internal Revenue District, Toledo

as each such district existed immediately prior to the effective date of this order.

3. *Effective date.* This order shall be effective January 1, 1960.

Dated: December 3, 1959.

[SEAL] ROBERT B. ANDERSON,
Secretary of the Treasury.

[F.R. Doc. 59-10538; Filed, Dec. 11, 1959; 8:50 a.m.]

DEPARTMENT OF THE INTERIOR

Office of the Secretary

IMPORTS OF RESIDUAL FUEL OIL TO BE USED AS FUEL; DISTRICTS I-IV

Second Adjustment in Maximum Level

Pursuant to paragraph (e) of section 2 of Presidential Proclamation 3279, as amended, the maximum level of imports into Districts I-IV of residual fuel oil to be used as fuel shall be 425,000 barrels daily for the allocation period January 1, 1960, through June 30, 1960. This action constitutes an adjustment upward of the maximum level (365,000 barrels daily) now in effect in those Districts. Neither the present level nor the adjusted level includes residual fuel oil withdrawn from bonded warehouse for ships' supplies or for exportation.

In accordance with Proclamation 3279, however, the situation with respect to supply and demand for residual fuel oil will be kept under surveillance, and if circumstances warrant, appropriate adjustments will be made.

The basic allocations established as a result of 425,000 barrels daily maximum level of imports of residual fuel oil are, of course, for a six-month period, and individual importers may import all or any part of its allocation at any time during the period January 1-June 30, 1960. Imports may be accelerated well above the daily average during the first months of the period if, in the judgment of the importer, its own situation makes such action prudent and necessary.

Stock levels of residual fuel oil on the East and Gulf Coasts, while somewhat less, are comparable with those in recent years, and it is expected that such stocks, together with permissible imports and domestic production will be adequate to meet seasonal demands.

Stocks at the end of October for each of the three years of 1957, 1958, and 1959 on the East Coast and the Gulf Coast were:

	Barrels
1957	33,917,000
1958	35,634,000
1959	32,311,000

FRED A. SEATON,
Secretary of the Interior.

DECEMBER 11, 1959.

[F.R. Doc. 59-10604; Filed, Dec. 11, 1959; 10:37 a.m.]

CIVIL AERONAUTICS BOARD

[Docket 10963]

LAKE CENTRAL CERTIFICATE AMENDMENT

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference in the above-entitled proceeding is assigned to be held on December 17, 1959, at 10:00 a.m., e.s.t., in Room 1027, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Herbert K. Bryan.

Dated at Washington, D.C., December 9, 1959.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 59-10539; Filed, Dec. 11, 1959; 8:50 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 12604 etc.; FCC 59-1225]

BLUE ISLAND COMMUNITY BROADCASTING CO., INC., ET AL.

Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of Blue Island Community Broadcasting Co., Inc., Blue Island, Illinois, req. 105.9 Mc, No. 290; 22.2 kw; 226.56 ft., Docket No. 12604, File No. BPH-2458; The News-Sun Broadcasting Co., Waukegan, Illinois, req. 106.7 Mc, No. 294; 34.7 kw; 258 ft., Docket No. 13292, File No. BPH-2543; William O. Barry and H. C. Young, Jr. d/b as Hi-Fi Broadcasting Company, Chicago, Illinois, req. 106.7 Mc, No. 294; 10.8 kw; 555 ft., Docket No. 13293, File No. BPH-2589; Elmwood Park Broadcasting Corporation, Elmwood Park, Illinois, req. 105.9 Mc, No. 290; 32 kw; 246 ft., Docket No. 13294, File No. BPH-2636; Patrick Henry, David D. Larsen, Stewart B. Kett and James D. Glenn, Jr. d/b as Suburban Broadcasters, Berwyn, Illinois, req. 106.3 Mc, No. 292; 1 kw; 72.75 ft., Docket No. 13295, File No. BPH-2748; Evelyn R. Chauvin Schoonfield, Elmwood Park, Illinois, req. Renewal of license of Station WXFM(FM) (105.9 Mc, No. 290; 32 kw; 250 ft.), Docket No. 13296, File No. BRH-179; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 2d day of December 1959;

The Commission having under consideration the above-captioned and described applications;

It appearing that except as indicated by the issues specified below, each of the applicants herein, is legally, technically, financially, and otherwise qualified to construct and operate its instant proposal with the exception that Evelyn R. Chauvin Schoonfield may not be legally, financially or otherwise qualified; and

It further appearing that pursuant to section 309(b) of the Communications Act of 1934, as amended, the Commission, in letters dated September 23, 1959, June 30, 1959, June 24, 1959, February 11, 1959, and August 6, 1958, and incorporated herein by reference, notified the instant applicants, and any other known parties in interest, of the grounds and reasons for the Commission's inability to make a finding that a grant of any one of the applications would serve the public interest, convenience, and necessity; and that copies of the aforementioned letters are available for public

inspection at the Commission's offices; and

It further appearing that the instant applicants filed timely replies to the aforementioned letters, which replies have not, however, entirely eliminated the grounds and reasons precluding a grant of the said applications, and requiring an evidentiary hearing on the particular issues hereinafter specified; and

It further appearing that the Commission letter of June 30, 1959, raised questions as to the qualifications of Skywave, Inc., applicant for a Class B FM channel in Chicago, Illinois (BPH-2514), to be a licensee, and requested that Skywave, within 30 days, submit a detailed statement under oath by a person having personal knowledge, as to what connection, if any, Miss Doris Keane had with Station WSEL, Chicago, Illinois; that counsel for Skywave asked for additional time to reply to the letter of June 30, 1959; that the Commission in its letter of September 23, 1959, gave Skywave 30 days from the date thereof to file an answer to its letter of June 30, 1959; that Skywave failed to submit an answer within the extended time granted to it; and that, in view of the foregoing, Skywave was advised by a Commission letter of October 30, 1959, that its application had been dismissed for failure to prosecute pursuant to the provisions of § 1.312(b) of the Commission rules; and

It further appearing that in response to the Commission letter of September 23, 1959, Mrs. Schoonfield, licensee of WXFM, which has had a renewal application on file since November 12, 1958, requested an extension of time until November 23, 1959, to answer the questions raised therein; but that the Commission is of the opinion that further time should be denied for the reasons that Mrs. Schoonfield has had sufficient time to submit an answer and that the Commission is of the opinion that further delay in the considerations of the above-captioned applications is not warranted; and

It further appearing that Mrs. Schoonfield had an application pending to assign the license of WXFM (BALH-348) to Edward Krupkowski, who had been a party in interest in the Skywave application for FM facilities in Chicago, Illinois, but who had severed his connection therewith prior to seeking the subject license assignment; that in a letter received October 16, 1959, Mrs. Schoonfield requested that her assignment application be dismissed; and that the Commission dismissed the application (BALH-348) on October 22, 1959; and

It further appearing that Commission records indicate that Miss Doris Keane and her associates may presently be or may have been associated with the operation of WXFM; that WXFM may have been in default in payment of notes and may have become insolvent as a result of which Elmwood Park Broadcasting Corporation may have repossessed all the FM broadcasting equipment from WXFM; that, in view of the foregoing, questions obtain as to the actual control and ownership of WXFM; as to whether there has been any misrepresentation of the facts with respect thereto; as to what connection, if any, Miss Doris Keane and her associates have, or have had, with WXFM; and as to whether Mrs. Schoonfield is financially qualified to operate WXFM; and

It further appearing that The News-Sun Broadcasting Co., File No. BPH-2543, licensee of standard broadcast station WKRS, Waukegan, Ill., proposes to mount the FM antenna on one of the two towers of the directional antenna system of Station WKRS, and that, in the event of a grant of this application it should contain the condition hereinafter ordered; and

It further appearing that after consideration of the foregoing and the applicants' replies, the Commission is still unable to make the statutory finding that a grant of the applications would serve the public interest, convenience, and necessity; and is of the opinion that the applications must be designated for hearing in a consolidated proceeding on the issues specified below;

It further appearing that pursuant to section 309(b) of the Communications Act of 1934, as amended, the instant applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent order, upon the following issues:

1. To determine whether the licensee of Station WXFM is financially qualified to own and operate said station.

2. To determine what, if any, connection Doris Keane and her associates have or have had with Station WXFM and whether such connection amounted to an unauthorized transfer of the control of said station.

3. To determine whether Evelyn R. Chauvin Schoonfield has made misrepresentations to the Commission concerning the ownership and/or control of Station WXFM.

4. To determine whether, in the light of the evidence adduced under the foregoing issues, Evelyn R. Chauvin Schoonfield possesses the requisite character qualifications to be the licensee of a broadcast station.

5. To determine the areas and populations within the 1 mv/m contours of each of the instant proposals, and the availability of other such FM broadcast service to the said areas and populations.

6. To determine the nature and extent of the interference, if any, that each of the instant proposals would cause to and receive from each other and all other existing FM broadcast stations, the areas and populations affected thereby, and the availability of other FM service to areas and populations involved in the interference between the proposals.

7. To determine whether considerations with respect to section 307(b) of the Communications Act of 1934, as amended, are applicable to the instant proceeding, and, if so, whether a choice between the applications herein can be reasonably based thereon, and, if so, whether a grant to one or the other of the applicants would provide the more fair, efficient and equitable distribution of radio service.

8. To determine, in the event it is concluded pursuant to the foregoing issue that one of the proposals for Elmwood Park, Illinois should be granted, which of the proposals of Elmwood Park Broadcasting Corporation and Mrs. Evelyn R. Chauvin Schoonfield would better serve the public interest in the light of the evidence adduced pursuant to the foregoing issues and the record made with respect to the significant differences between the applicants as to:

(a) The background and experience of each having a bearing on the applicant's ability to own and operate the proposed station.

(b) The proposals of each of the instant applicants with respect to the management and operation of the proposed station.

(c) The programming service proposed in each of the instant applications.

9. To determine, in the light of the evidence adduced, pursuant to the foregoing issues which, if any, of the instant applications should be granted.

It is further ordered, That the request of Mrs. Evelyn Schoonfield for additional time to answer the Commission letter of September 23, 1959, is denied; and

It is further ordered, That in the event of a grant of the application of The News-Sun Broadcasting Co., the construction permit shall contain a condition requiring that Station WKRS request permission from the Commission to determine power of WKRS by the indirect method; that during the installation of the FM antenna WKRS shall maintain the directional antenna system as closely as possible to values appearing in the license; and that upon completion of the installation WKRS shall submit sufficient data to show that the directional antenna pattern remains substantially unchanged, but if there is any change in the antenna or common point resistance, WKRS shall submit Forms 302 to report the change; and

It is further ordered, That, to avail themselves of the opportunity to be heard, the instant applicants, pursuant to § 1.140 of the Commission rules, in person or by attorney, shall, within 20 days of the mailing of this order, file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

It is further ordered, That, the issues in the above-captioned proceeding may be enlarged by the Examiner, on his own motion or on petition properly filed by a party to the proceeding, and upon sufficient allegations of fact in support thereof, by the addition of the following issue: To determine whether the funds available to the applicant will give reasonable assurance that the proposals set forth in the application will be effectuated.

Released: December 9, 1959.

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

[F.R. Doc. 59-10545; Filed, Dec. 11, 1959; 8:51 a.m.]

[Docket Nos. 13197, 13198; FCC 59M-1668]

LAWRENCE W. FELT AND INTERNATIONAL GOOD MUSIC, INC.

Order Continuing Hearing

In re applications of Lawrence W. Felt, Carlsbad, California, Docket No. 13197, File No. BPH-2499; International Good Music, Inc., San Diego, California, Docket No. 13198, File No. BPH-2695; for construction permits.

On the oral request of counsel for applicant Felt, and without objection by counsel for the other parties: *It is ordered*, This 7th day of December 1959, that:

(1) The hearing previously scheduled for December 17, 1959, is continued to Thursday, January 28, 1960, at 10 a.m., in the offices of the Commission, Washington, D.C.

(2) The date for exchanging written cases is extended from December 9, 1959, to January 7, 1960.

(3) The date for notice of the witnesses desired for cross-examination is extended from December 14, 1959, to January 21, 1960.

Released: December 8, 1959.

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

[F.R. Doc. 59-10546; Filed, Dec. 11, 1959; 8:51 a.m.]

[Docket Nos. 13191, 13192; FCC 59M-1673]

HI-FI BROADCASTING CO. AND RADIO HANOVER, INC.

Order Following Pre-Hearing Conference

In re applications of William F. Mahoney and C. W. Altland, d/b as Hi-Fi Broadcasting Co., York-Hanover, Pennsylvania, Docket No. 13191, File No. BPH-2663; Radio Hanover, Inc., York-Hanover, Pennsylvania, Docket No. 13192, File No. BPH-2689; for construction permits (FM).

At a pre-hearing conference held on December 7, 1959, it was agreed by all of the parties that the procedures described below should be effected on the dates there specified.

On or before December 11, 1959: Informal Engineering Conference.

January 25, 1960: Exchange of direct written presentations. Engineering and non-engineering presentations are not subject to change after this date.[1]

February 1, 1960: Informal Engineering Conference. At this conference the parties' engineers will ascertain such facts concerning the manner in which the other parties' engineering presentations are prepared as is deemed necessary in order to provide a basis for determining whether or not objection to such presentations will be made at hearing. In short, at the conference, the engineers are to dispose of those technical questions concerning the composition of engineering presentations as would otherwise be asked through counsel as qualifying questions at hearing.

February 10, 1960: Engineering presentations "frozen." The direct engineering presentations of the applicants will not be subject to change after this date.[1]

February 15, 1960: A further Pre-Hearing Conference will be held. This conference, like all formal conferences, will be a part of the hearing record. Objections to the admissibility into evidence of the parties' direct presentations will be heard and ruling thereon will be made at this conference.

February 17, 1960: Hearing.

All parties are entitled to request that any principal of an applicant party be available at the hearing for cross-examination. This right is subject to the condition that due and timely notification be given the party the presence of whose principal is requested.

So ordered, This 8th day of December 1959.

Released: December 8, 1959.

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

[F.R. Doc. 59-10547; Filed, Dec. 11, 1959; 8:51 a.m.]

[1] The agreement not to change presentations following these two dates is subject to the exception that, where error is demonstrably inadvertent and committed notwithstanding the exercise of reasonable prudence and diligence, correction may be allowed by the Hearing Examiner.

[Docket Nos. 13266-13270; FCC 59M-1665]

MONTANA-IDAHO MICROWAVE, INC.

Order Continuing Hearing

In re applications of Montana-Idaho Microwave, Inc., Bozeman, Montana: for construction permit for new fixed radio station near Pocatello, Idaho, Docket No. 13266, File No. 413-C1-P-60, Call Sign KPJ33; for construction permit for new fixed radio station near Monida Pass, Idaho, Docket No. 13267, File No. 414-C1-P-60, Call Sign KPJ34; for construction permit for new fixed radio station near Armstead, Montana, Docket No. 13268, File No. 415-C1-P-60, Call Sign KPJ35; for construction permit for new fixed radio station near Whitehall, Montana, Docket No. 13269, File No. 416-C1-P-60, Call Sign KPJ36; for construction permit for new fixed radio station near Bozeman Pass, Montana, Docket No. 13270, File No. 417-C1-P-60, Call Sign KPJ37.

The Hearing Examiner having under consideration the informal request of Television Montana for continuance of the dates for the prehearing conference and of the hearing herein presently scheduled for December 14 and December 22, 1959, respectively;

It appearing that all parties have consented to immediate consideration and grant of the said request and that good cause for a grant thereof is present in that exploratory steps are being taken looking toward possible termination of the proceeding:

It is ordered, This 4th day of December 1959 that said request is granted and the prehearing conference presently scheduled for December 14, 1959, is continued to March 29, 1960;

It is further ordered, That the hearing herein presently scheduled for December 22, 1959, is continued to a date to be subsequently specified.

Released: December 8, 1959.

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

[F.R. Doc. 59-10548; Filed, Dec. 11, 1959; 8:51 a.m.]

[Docket No. 12813; FCC 59M-1669]

SOUTHBAY BROADCASTERS

Order Continuing Hearing

In re application of Burr Stalnaker, John B. Stodelle and Molva G. Chernoff, d/b as Southbay Broadcasters, Chula Vista, California, Docket No. 12813, File No. BP-11469; for construction permit for a new standard broadcast station.

The Hearing Examiner having under consideration the petition for continuance of hearing filed in the above-entitled proceeding on November 30, 1959, by South Bay Broadcasters;

It appearing, that all parties have consented to grant of the said petition and that good cause for a grant thereof is shown in that questions have arisen as to the availability of the transmitter site specified in the Southbay Broadcasters' application which may materially affect the proceeding herein.

It is ordered, This 7th day of December, 1959 that the said petition for continuance of hearing is granted and the hearing herein presently scheduled to commence on December 7, 1959, is continued to February 8, 1960.

Released: December 8, 1959.

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

[F.R. Doc. 59-10549; Filed, Dec. 11, 1959; 8:51 a.m.]

[Docket Nos. 13289, 13290; FCC 59-1223]

WALMAC CO.

Order Designating Applications for Hearing on Stated Issues

In re applications of Howard W. Davis, tr/as The Walmac Company, San Antonio, Texas, Docket No. 13289, File No. BR-411, and Docket No. 13290, File No. BRH-691; For renewal of licenses of Stations KMAC(AM) and KISS(FM).

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 2d day of December 1959;

The Commission having under consideration (1) the above-entitled applica-

tions; (2) the application and related exhibits (BPCT-1836) filed by said Howard W. Davis for a new television station at San Antonio, Texas, and his testimony and the exhibits offered by him in the proceedings entitled Mission Telecasting Corp., et al., (Dockets 11000 and 11001); (3) the Commission's Decision in said comparative television case adopted May 23, 1956 (12 Pike & Fischer RR 496); (4) the Commission's letter of July 23, 1958, sent to the above-named applicant pursuant to section 309(b) of the Communications Act of 1934, as amended; (5) the reply thereto filed by the applicant on November 4, 1958; (6) the Commission's supplemental letter of May 13, 1959, sent to said applicant; and (7) the reply filed by the applicant on June 25, 1959; and

It appearing that in its letters to the applicant of July 23, 1958 and May 13, 1959, the Commission notified the applicant of the grounds and reasons for its inability to grant his applications; that the Commission was unable to find that a grant of the above-entitled applications would serve the public interest; that, accordingly, it appeared that said applications must be designated for hearing; that the applicant was being afforded the opportunity to reply; and that, in said replies, the applicant set forth the facts and reasons why he believed that said applications should be granted; and

It further appearing, that upon due consideration of the above applications, proceedings, letters and replies the Commission is unable to find that a grant of said renewal applications would serve the public interest; that, therefore, a hearing is required; and that no questions exist as to the qualifications of the applicant except as to the matters involved in the issues set forth below;

It is ordered, That pursuant to section 309(b) of the Communications Act of 1934, as amended, the above-entitled applications are designated for hearing at a time and place to be specified in a subsequent order, upon the following issues:

1. To determine whether the applicant is financially qualified to own and operate the above-captioned broadcast stations.

2. To determine whether the applicant, in his application (BPCT-1836) and related attachments, and in his testimony and exhibits in the proceedings in Docket Nos. 11000 and 11001 made misrepresentations of fact to the Commission, failed to disclose information and/or was lacking in candor.

3. To determine whether, in the light of the evidence adduced under the foregoing issues, a grant of the above-entitled applications for renewal of licenses of Stations KMAC (AM) and KISS (FM) would serve the public interest, convenience or necessity.

Released: December 9, 1959.

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

[F.R. Doc. 59-10550; Filed, Dec. 11, 1959; 8:51 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-19334]

CONSOLIDATED GAS UTILITIES CORP.

Notice of Application and Date of Hearing

DECEMBER 7, 1959.

Take notice that on August 28, 1959, as amended on October 29, 1959, Consolidated Gas Utilities Corporation (Applicant) filed in Docket No. G-19334 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of field facilities to enable Applicant to take into its certificated main transmission pipeline system natural gas which will be purchased from time to time during the fiscal year ending October 31, 1960, at a total cost not in excess of $750,000, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The purpose of this "budget-type" proposal is to augment Applicant's ability to act with reasonable dispatch in contracting for and connecting to its pipeline system new supplies of gas in various producing areas generally coextensive with its system.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 14, 1960, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 31, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-10507; Filed, Dec. 11, 1959; 8:46 a.m.]

[Docket Nos. G-10907, G-17913]

DUNN-MAR OIL AND GAS CO. AND W. G. SAMPSON ET AL.

Notice of Application and Date of Hearing

DECEMBER 7, 1959.

Take notice that, on August 13, 1956, Dunn-Mar Oil and Gas Company (Dunn-Mar) in Docket No. G-10907 and on February 24, 1959, W. G. Sampson, et al.,[1] (Sampson) in Docket No. G-17913 filed companion applications, pursuant to section 7 of the Natural Gas Act, for:

(1) Dunn-Mar to abandon its sales of natural gas to Hope Natural Gas Company (Hope) from certain acreage in the Washington District, Calhoun County, West Virginia, dedicated to the contract dated October 27, 1936, as amended, between Dunn-Mar, seller, and Hope, buyer.

(2) Sampson to continue to render the service to Hope from the aforesaid acreage acquired from Dunn-Mar.

By instrument of assignment dated July 2, 1956, Dunn-Mar assigned to Sampson approximately 267 acres in the Washington District, Calhoun County, West Virginia, including the acreage dedicated to the subject contract.

Concurrently with its application in Docket No. G-17913, Sampson filed a notice of succession to Dunn-Mar Oil and Gas Company FPC Gas Rate Schedule No. 5, as supplemented, together with the above-mentioned assignment of July 2, 1956.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 14, 1960, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before January 4, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and

[1] "Et al." parties are Lowell Sampson and Curt Hicks, assignees of Dunn-Mar under instrument of assignment dated July 2, 1956.

concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-10508; Filed, Dec. 11, 1959; 8:46 a.m.]

[Project 2249]

LEWIS-CLARK G AND T COOPERATIVE, INC.

Notice of Application for Amendment of Preliminary Permit

DECEMBER 8, 1959.

Public notice is hereby given that Lewis-Clark G and T Cooperative, Inc., of Walla Walla, Washington, has filed application under the Federal Power Act (16 U.S.C. 791a–825r) for amendment of its preliminary permit for proposed Project No. 2249, known as Long Meadows Project, to be located on Yaak River, a tributary of Kootenai River, in Lincoln County, Montana, affecting lands of the United States within Kootenai National Forest. The proposed amendment would include in the preliminary permit for Project No. 2249 three additional sites to be located downstream from the proposed Long Meadows reservoir now covered by the permit, namely, (1) at Yaak Falls damsite, river mile 9.1, a 105 foot concrete arch dam creating a reservoir with normal pool elevation of 2540 feet; a powerhouse with installed capacity of 17,000 kilowatts operating under a maximum gross head of 140 feet; (2) at Six Mile damsite, river mile 6.5, a 200-foot concrete arch dam creating a reservoir with normal pool elevation of 2400 feet; a powerhouse with installed capacity of 25,000 kilowatts operating under a maximum gross head of 200 feet; and (3) at One Mile damsite, river mile 0.7, a 325 foot concrete arch dam creating a reservoir with normal pool elevation of 2200 feet; a powerhouse with installed capacity of 40,000 kilowatts operating under a maximum gross head of 325 feet. The above-described three additional sites are presently included in a preliminary permit for Project No. 2208 issued to Northern Lights, Inc., of Sandpoint, Idaho, which has filed an application for surrender of its preliminary permit.

No construction is authorized under a preliminary permit. A permit, if issued, gives the permittee, during the period of the permit, the right to priority of application for license while the permittee undertakes the necessary studies and examinations, including the preparation of maps and plans, in order to determine the economic feasibility of the proposed project, the means of securing the necessary financial arrangements for construction, the market for the project power, and all other information necessary for inclusion in an application for license, should one be filed.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure of the Commission (18 CFR 1.8 or 1.10). The last date upon which protests or petitions may be filed is January 18, 1960. The application is on file with the Commission for public inspection.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-10509; Filed, Dec. 11, 1959; 8:46 a.m.]

[Docket Nos. G-5671—G-5678]

W. B. OSBORN, JR., ET AL.

Notice of Applications and Date of Hearing

DECEMBER 8, 1959.

In the matters of W. B. Osborn, Jr., Docket No. G-5671; Betty Osborn Biedenharn, Docket No. G-5672; Charlotte Osborn Barrett, Docket No. G-5673; W. B. Osborn, Jr., Executor of the Estate of W. B. Osborn, Sr., Deceased,[1] Docket No. G-5674; Jewel Osborn, Docket No. G-5675; Lee Minton, Docket No. G-5676; Delia Minton, Docket No. G-5677; Winnie Lou Jones, Docket No. G-5678.

Take notice that each of the above Applicants filed on November 23, 1954, an application for a certificate of public convenience and necessity and a supplement thereto on March 6, 1958, pursuant to section 7 of the Natural Gas Act, authorizing each to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully described in the respective applications which are on file with the Commission and open to public inspection.

Applicants in Docket Nos. G-5671 through G-5675 to sell gas to:

(1) Colorado Interstate Gas Company (Colorado) from the Hugoton Field, Kearny, Grant, Haskell and Finney Counties, Kansas, under contracts between Applicants as sellers, and Colorado, as buyer, dated August 26, 1947, and August 1, 1949.

(2) Lone Star Gas Company (Lone Star), from the Katie Field, Garvin County, Oklahoma, under contracts dated January 1, 1953, and January 1, 1954, between Applicants, as sellers, and Lone Star, as buyer.

(3) Tennessee Gas Transmission Company (Tennessee), from the Zim Field, Starr County, Texas, under contract dated April 1, 1954, between Applicants, as sellers, and Tennessee, as buyer.

(4) Northern Natural Gas Company (Northern Natural), from the Hugoton Field, Kearny, Grant, Haskell, and Finney Counties, Kansas, under contract dated September 29, 1950, between Applicants, as sellers, and Northern Natural, as buyer.

(5) The Altex Corporation (Altex) from the Alice Area, Jim Wells County, Texas, under a contract dated December 10, 1953, between Applicants, as sellers (except W. B. Osborn, Jr.), and Altex, as buyer, and a contract of the same date between W. B. Osborn, Jr., as seller, and Altex, as buyer.

Applicants in Docket Nos. G-5674 and G-5675 also sell gas to Tennessee from the Agua Dulce Field, Nueces County, Texas, under contracts dated November 16, 1953, between W. B. Osborn, and Jewel Osborn, as sellers, and Tennessee, as buyer.

Applicants in Docket Nos. G-5676 through G-5678 sell gas to Tennessee, from the Zim Field, Starr County, Texas, under contract dated April 1, 1954, between Applicants as seller, and Tennessee as buyer.

By assignments made on October 31, 1955, and January 16, 1956, W. B. Osborn assigned a portion of the acreage subject to his sales contract dated August 26, 1947, with Colorado Interstate Gas Company, to W. F. Bakke, namely the northeast quarter of Section 20–23S–37W and the south half of the south half of Section 24–23S–38W, Hugoton Field, Kearny County, Kansas.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by section 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 14, 1960, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before January 4, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-10510; Filed, Dec. 11, 1959; 8:46 a.m.]

[1] Application originally filed in the name of W. B. Osborn, Sr. Present Applicant was substituted by amendment to the original application filed on May 26, 1958.

[Docket No. G-19954]

PANHANDLE EASTERN PIPELINE CO.

Notice of Application and Date of Hearing

DECEMBER 7, 1959.

Take notice that on October 20, 1959, supplemented on November 6, 1959, Panhandle Eastern Pipeline Company (Ap-

plicant) filed in Docket No. G–19954 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of 3.5 miles of 4-inch lateral pipeline, and necessary appurtenant facilities, extending from a point on Applicant's main line "200" north to the Newport Chemical Plant of Food Machinery and Chemical Corporation in Vermillion County, Indiana, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to deliver through the subject facilities up to a maximum of 304 Mcf of natural gas per hour to Newport on an interruptible basis for use in the production of certain classified materials for the Department of Defense under a contract dated September 1, 1959, which guarantees the purchase of a minimum of 1,688,500 Mcf of gas by Newport from Applicant.

The estimated cost to Applicant of the proposed facilities is $85,000, to be defrayed from cash on hand.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 12, 1960, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings, pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 31, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59–10511; Filed, Dec. 11, 1959; 8:46 a.m.]

[Docket No. G–18429]

SLADE, INC.

Notice of Application and Date of Hearing

DECEMBER 7, 1959.

Take notice that on April 22, 1959, Slade, Inc., Plant Operator (Applicant), filed an application for a certificate of public convenience and necessity in Docket No. G–18429 requesting authorization to continue the sale of residue gas, previously made by Livezey Gas Corporation (Livezey), to Tennessee Gas Transmission Company (Tennessee) from a dehydration plant located in San Patricio County, Texas, pursuant to a gas sales contract dated May 5, 1953, as amended between Livezey, seller, and Tennessee, buyer, all as more fully represented in the application which is on file with the Commission and open to public inspection.

Applicant states it will purchase subject gas for processing and resale from sixteen producers, listed in the application, in the West Sinton and South Sinton Fields, San Patricio County, Texas, on a "percentage sales" basis, as defined in Section 154.91(e) of the Commission's Regulations.

By instrument of assignment dated November 21, 1956, effective as of November 1, 1956, Livezey conveyed to Slade Oil & Gas, Inc. (now Slade, Inc.), all of its interest in the subject dehydration plant and related facilities, the aforementioned gas sales contract dated May 5, 1953, as amended, and the gas purchase contracts with the producers.

Livezey was authorized in Docket No. G–3908 to render the service proposed to be continued by Slade, Inc.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 13, 1960, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before January 4, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59–10512; Filed, Dec. 11, 1959; 8:46 a.m.]

[Docket Nos. G–7440, G–18278]

CLAYTON N. SMITH AND LANDA OIL CO.

Notice of Application and Date of Hearing

DECEMBER 7, 1959.

Take notice that on April 10, 1959, Landa Oil Company (Applicant), nonoperator, filed in Docket No. G–18278 an application for a certificate of public convenience and necessity under section 7(c) of the Natural Gas Act, authorizing it to continue the sale of natural gas previously made to Texas Eastern Transmission Corporation (Texas Eastern) by its predecessor-in-interest, Clayton N. Smith (Smith), from its 6.47 percent working interest in the Humble-Jones Unit in the Carthage Field, Panola County, Texas, under a gas sales contract dated April 27, 1953, as amended, between Texas Eastern, as buyer, and Smith, as seller, previously accepted for filing as Clayton N. Smith FPC Gas Rate Schedule No. 1, as supplemented, all as more fully represented in the application which is on file with the Commission and open to public inspection.

By instrument of assignment executed December 28, 1956, Smith conveyed his interest in the subject acreage to Landa.

Smith was authorized in Docket No. G–7440 on June 4, 1956, to render the service now proposed to be continued by Landa.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 13, 1960 at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before January 4, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59–10513; Filed, Dec. 11, 1959; 8:46 a.m.]

[Docket Nos. 18877 etc.]

TENNESSEE GAS TRANSMISSION CO. ET AL.

Order Postponing Hearing

DECEMBER 7, 1959.

In the matters of Tennessee Gas Transmission Company, Dockets No. G–18877, G–19042, G–16843 and G–15826; Pennsylvania & Southern Gas Company, Docket No. G–18140; Tennessee Natural Gas Lines, Inc., Docket No. G–19302; Alabama-Tennessee Natural Gas Company, Docket No. G–19132; Honesdale Gas Company, Docket No. G–19021; Monson Gas Company, Docket No. G–17756.

Upon consideration of the appeal filed December 3, 1959, by Counsel for The Manufacturers Light and Heat Company, The Ohio Fuel Gas Company and United Fuel Gas Company, from the Presiding Examiner's ruling providing for resumption of the hearing on December 9, 1959, in the above-designated matters;

The Commission orders: The hearing now scheduled for December 9, 1959, is hereby postponed to January 18, 1960, at 10:00 a.m., e.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C.

By the Commission (Commissioner Kline dissenting).

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59–10514; Filed, Dec. 11, 1959; 8:46 a.m.]

[Docket No. G–19670]

TEXAS EASTERN TRANSMISSION CORP.

Notice of Application and Date of Hearing

DECEMBER 7, 1959.

Take notice that on October 8, 1959, Texas Eastern Transmission Corporation (Applicant) filed in Docket No. G–19670 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of field facilities to enable Applicant to take into its certificated main pipeline system natural gas which will be purchased from producers in the general area of its existing transmission system from time to time during the calendar year 1960, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The purpose of this "budget-type" proposal is to augment Applicant's ability to act with reasonable dispatch in contracting for and connecting to its existing pipeline system new supplies of gas in various producing areas generally coextensive with said system.

The total cost of the facilities proposed herein is not to exceed $4,000,000, which is Applicant's estimate, for budget purposes, of its investment to be made in field facilities during the calendar year 1960, exclusive of such facilities as are the subject of existing certificate authorizations or pending certificate applications. Applicant has agreed to a limitation of $500,000 as the maximum cost of any single project under this proposal.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 14, 1960 at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 31, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59–10515; Filed, Dec. 11, 1959; 8:46 a.m.]

[Docket No. G–19531]

TRANSCONTINENTAL GAS PIPE LINE CORP. AND MANUFACTURERS LIGHT AND HEAT CO.

Notice of Application and Date of Hearing

DECEMBER 7, 1959.

Take notice that on September 24, 1959, supplemented on November 5, 1959, Transcontinental Gas Pipe Line Corporation (Transco) and The Manufacturers Light and Heat Company (Manufacturers) filed in Docket No. G–19531 a joint application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the exchange of natural gas between Applicants at three existing points of interconnection of their two systems, namely, at Downingtown, Chester County, at Martin's Creek, Northampton County, and at Tamarack, Clinton County, all in Pennsylvania, and at a proposed fourth point near Muncy, Lycoming County, Pennsylvania, all as more fully set forth in the application, as supplemented, which is on file with the Commission and open to public inspection.

Pursuant to an agreement dated September 3, 1959, Transco and Manufacturers desire to exchange volumes of natural gas as may be necessary to maintain adequate service to their respective existing customers in the areas involved herein.

Transco also seeks herein authority to construct and operate metering and regulating facilities near Muncy where Transco's Leidy Line passes close to the system of Scranton-Spring Brook Water Service Company, a customer of Manufacturers, at a cost of approximately $18,000, and to enlarge Transco's metering station at Martin's Creek at an estimated cost of $38,000, all in order to carry out the proposed exchanges of gas.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 12, 1960, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 1.10) on or before December 31, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59–10516; Filed, Dec. 11, 1959; 8:46 a.m.]

[Docket No. E–6910]

VIRGINIA ELECTRIC AND POWER CO.

Order To Show Cause

DECEMBER 7, 1959.

The 1958 Annual Report (FPC Form No. 1) of Virginia Electric and Power Company (Company), a Virginia corporation with its principal place of business at Richmond, Virginia, indicates that Company is currently accounting and reporting, for general corporate and public reporting purposes, certain credits arising from accounting procedures for deferred taxes on income in a manner contrary to the requirements of the Com-

mission's Uniform System of Accounts prescribed for Public Utilities and Licensees.

Company is both a public utility and licensee within the meaning of those terms as used in the Federal Power Act.

Company's Annual Report to the Commission for 1958 shows a credit of $21,840,000, in Account 266—Accumulated Deferred Taxes on Income, as of December 31, 1958. This amount represents the accumulation to December 31, 1958, of annual accruals of deferred taxes resulting from the Company's five-year amortization of a portion of $95,000,000 for certain electric facilities, pursuant to section 124A of the Federal Internal Revenue Act of 1950. Company's annual charges to income for the federal income taxes thus deferred have been charged to Account 507A—Provision for Deferred Taxes on Income. These two accounts constitute the balance sheet and income accounts, respectively, prescribed by this Commission's Order 204 (19 FPC 837) as the appropriate accounting classification for federal income taxes deferred by reason of accelerated amortization and liberalized depreciation practices under sections 168[1] and 167, respectively, of the Internal Revenue Code of 1954.

Notwithstanding these applicable accounting classifications, Company's 1958 Annual Report to stockholders shows that Company is currently reporting, for general corporate purposes, the accumulated accruals of deferred taxes on income which the Commission has required to be set forth in Account 266, through another balance sheet account, Account No. 271A—Earned surplus-restricted.[2] Company's annual report to stockholders is required to be appended as a part of Company's FPC Form No. 1, Annual Report to the Commission.[3]

Correspondence between Company representatives and this Commission's staff has failed to show any justification for Company's departure from the requirements of this Commission's Uniform System of Accounts. Moreover, Company's representatives have indicated that Company proposes to continue the aforementioned accounting practices.

In view of the foregoing, it is necessary and appropriate for the purposes of the Federal Power Act (particularly sections 301(a), 304 and 309 thereof), that Company show cause, if there be any, for its past and continuing departure from the requirements of this Commission's Uniform System of Accounts; all in the manner hereinafter provided.

The Commission orders:

Company shall show cause, if there be any, in writing and within sixty days from the issuance of this order, why the Commission should not find and determine:

(1) That Company is reporting the financial data set forth in Account 266 (i.e., accumulated deferred taxes on income), otherwise than through the Commission's prescribed Account 266, all as indicated above, and therefore that it has and continues to violate the accounting and reporting requirements prescribed by the Commission through its Uniform System of Accounts;

(2) That this action by Company constitutes a willful and knowing violation of the Federal Power Act;

(3) That the Company be required to make, keep, and preserve its accounts in the manner prescribed by this Commission in the Uniform System of Accounts for Public Utilities and Licensees;

(4) That the Company be ordered to file such substitute pages of its Annual Report for 1958 (FPC Form No. 1), to make the reporting of accumulated deferred taxes on income therein consistent, and in compliance with the requirements for such report as prescribed by the Commission.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-10517; Filed, Dec. 11, 1959; 8:46 a.m.]

[1] Formerly Section 124A of the Federal Internal Revenue Act of 1950.

[2] Not prescribed as part of this Commission's Uniform System of Accounts for Public Utilities and Licensees. Order No. 204 (19 FPC 837) finds that surplus, even though restricted, is not an appropriate account for the classification of deferred taxes on income.

[3] Registration Statements heretofore filed by Company under the Securities Act of 1933 reflect this same practice.

[Docket No. G-18644]

KEITH F. WALKER ET AL.

Notice of Application and Date of Hearing

DECEMBER 8, 1959.

Take notice that on May 26, 1959, Keith F. Walker, et al.[1] (Applicant) filed an application in Docket No. G-18644, pursuant to section 7(b) of the Natural Gas Act to abandon service to Lone Star Gas Company (Lone Star) subject to the jurisdiction of the Commission all as more fully represented in the application which is on file with the Commission and open to public inspection.

Applicant requests authorization to abandon service to Lone Star from the Harris Lease located in Robberson Field, Garvin County, Oklahoma, covered by a gas sales contract dated May 20, 1958, between Applicant, as seller, and Lone Star, as buyer, on file as Keith F. Walker (Operator), et al., FPC Gas Rate Schedule No. 1.

Applicant states that gas from the subject lease has been depleted and is no longer of sufficient pressure to enter Lone Star's pipeline.

Applicant was authorized on May 1, 1959 in Docket No. G-15338 to render the service now proposed to be abandoned.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 13, 1960, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before January 4, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-10518; Filed, Dec. 11, 1959; 8:46 a.m.]

[1] "Et al.", signatory parties are F. M. Petree, W. R. Johnston, and Reuel W. Little.

[Docket No. G-12197, etc.]

MANUFACTURERS LIGHT AND HEAT CO.

Order Omitting Intermediate Decision Procedure and Fixing Date for Oral Argument

DECEMBER 7, 1959.

At the close of the hearings in the above entitled proceedings on November 19, 1959, The Manufacturers Light and Heat Company (Manufacturers) moved for waiver and omission of the intermediate decision procedure as permitted by § 1.30(c) of the rules of practice and procedure and requested the opportunity to file briefs and for oral argument before the Commission on the issue of rate of return. In support of the motion, it was stated that prompt determination of these proceedings was necessary to aid Manufacturers, and its parent the Columbia Gas System, Inc., to proceed with its financing programs. Staff counsel concurred in the motion and no objection thereto and to the requests were made by any other party to the proceeding.

The Presiding Examiner's certification of the motion to the Commission sets forth that the record herein consists of oral testimony and exhibits on the issue of rate of return, a stipulation of agreement between Manufacturers and its wholesale customers on all other issues, and objections of the Staff to certain phases of that stipulation. The Presiding Examiner also fixed the dates for filing of simultaneous main and reply

briefs on December 11 and 21, 1959, respectively.

The Commission finds:

(1) Due and timely execution of its functions imperatively and unavoidably requires that the intermediate decision in these consolidated proceedings be omitted.

(2) It is appropriate in carrying out the provisions of the Natural Gas Act that oral argument be held as hereinafter provided on the issue of rate of return and the Staff's objections to the stipulation agreement.

The Commission orders:

(A) The intermediate decision procedure hereby is omitted in these consolidated proceedings.

(B) The time and manner of filing of main and reply briefs shall be as fixed by the Presiding Examiner.

(C) Oral argument before the Commission on the issue of rate of return and the objections of the Staff to the stipulation agreement shall be held on January 7, 1960, at 10:00 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washinton, D.C.

(D) All parties to these proceedings shall notify the Secretary of the Commission on or before December 28, 1959, of their intent to participate in the oral argument herein provided and the amount of time they require for argument.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-10537; Filed, Dec. 11, 1959; 8:50 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3835]

GENERAL PUBLIC UTILITIES CORP.

Notice of Proposed Issuance and Sale of Additional Shares of Common Stock Pursuant to Rights Offering

DECEMBER 7, 1959.

Notice is hereby given that General Public Utilities Corporation ("GPU"), a registered holding company, has filed an application-declaration pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(a), 7 and 12(c) of the Act and rules 42 and 50 thereunder as applicable to the proposed transactions which are summarized as follows:

GPU proposes to offer 1,087,071 shares of its common stock ("additional common stock") for subscription by the holders of its outstanding shares of common stock on the basis of one share of the additional common stock for each twenty shares of common stock held on the record date. The record date will be December 30, 1959, or such later date as GPU's registration statement under the Securities Act of 1933 may become effective. The subscription price will be not more than the closing price of GPU common stock on the New York Stock Exchange on the day prior to the record date should be later than December thereof. The subscription period will expire January 19, 1960, unless the record date should be later than December 31, 1959, in which event the expiration date will be specified by amendment.

Rights to subscribe to the additional common stock will be evidenced by transferable subscription warrants which will be issued to all record holders of GPU common stock outstanding on the record date. Fractional shares of additional common stock will not be issued. However, a warrant evidencing less than twenty rights will entitle the holder thereof to purchase, at the subscription price, one share of additional common stock without furnishing additional rights. Likewise, any holder of a warrant or warrants evidencing a total number of rights which are in excess of, and not an exact multiple of, twenty, who fully exercises the warrant or warrants accompanying his subscription, will be permitted to purchase, at the subscription price, one extra share of additional common stock for such excess rights without furnishing any additional rights. GPU will also, upon request of initial record holders of warrants, purchase such number of the rights represented thereby as such holders do not desire to exercise, at a price per right equal to one-twentieth of the excess of the market price of GPU stock over the subscription price. GPU will utilize a commercial bank as subscription agent in connection with the rights offering.

GPU proposes to offer to full-time employees, including officers, of GPU and its subsidiaries a non-transferable privilege to purchase, during a period expiring approximately 10 days prior to the expiration of the subscription period, such shares of additional common stock as may remain unsubscribed for by warrant holders, but not exceeding 54,353 shares, or 5 percent of the total additional common stock. The purchase price which is to be equal to the subscription price, will be payable in full at the time of subscription by the employees. Employee subscriptions will be limited to one share for each $250 of basic annual salary, with no employee being permitted to subscribe to less than 10 nor more than 250 shares pursuant to this offering.

The rights offering will not be underwritten, but GPU will utilize the services of security dealers ("participating dealers") to solicit the exercise of rights by the initial holders thereof. In addition, during the rights period and for not more than 30 business days thereafter, GPU may sell to participating dealers shares, if any, of GPU stock not subscribed or otherwise disposed of by GPU under the terms of the rights offering. Such sales to participating dealers will be made at prices, to be fixed by GPU, not less than the higher of (1) the subscription price or (2) 90 percent of the last sale price of GPU shares on the New York Stock Exchange immediately preceding such sales by GPU, and not more than 25 cents plus the higher of (1) the last sale price or (2) the current quoted asked price of GPU shares, on the New York Stock Exchange, less the participating dealers' fee (to be fixed by GPU at not less than 55 cents or more than 70 cents per share).

In connection with the rights offering GPU may effect stabilization transactions in its common stock or rights, but at no time will GPU acquire a net long position exceeding 108,707 shares of its common stock.

GPU proposes to use the net proceeds from the sale of the additional common stock to repay its presently outstanding bank loans of $4,500,000, and to make additional investments in its domestic subsidiaries to carry out their construction programs.

The fees and expenses (other than participating dealers' fees) to be incurred by GPU are estimated at $171,786, including $15,000 counsel fees and $10,000 accountants' fees. Compensation of the subscription agent and miscellaneous expenses (not included in the above total) will be supplied by amendment. The compensation for participating dealers for the successful solicitation of the exercise of warrants by the initial record holders thereof, will be fixed by GPU within a range of 30 cents to 40 cents per share.

GPU requests that the Commission grant an exemption from the competitive bidding requirements of rule 50 to the extent such rule may be applicable to the proposed sale of unsubscribed shares.

The application-declaration states that no State or Federal regulatory body, other than this Commission, has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than December 22, 1959, request this Commission in writing that a hearing be held in respect of such matters, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by the application-declaration which he desires to controvert; or he may request that he be notified if the Commission orders a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date the application-declaration as filed or as it may be amended, may be granted and permitted to become effective as provided in rule 23 of the rules and regulations promulgated under the Act, or the Commission may grant exemption from its rules as provided in rules 20(a) and 100 thereof, or take such other action as it may deem appropriate.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 59-10520; Filed, Dec. 11, 1959; 8:47 a.m.]

TARIFF COMMISSION

[7-84]

TYPEWRITERS

Notice of Investigation and Date of Hearing

Investigation instituted. Upon application of Smith-Corona Marchant, Inc.,

Syracuse, N.Y., and Royal McBee Corporation, Port Chester, N.Y., received November 10, 1959, the United States Tariff Commission, on the 9th day of December 1959, under the authority of section 7 of the Trade Agreements Extension Act of 1951, as amended, instituted an investigation to determine whether typewriters provided for in paragraph 1791 of the Tariff Act of 1930 are, as a result in whole or in part of the customs treatment reflecting concessions granted thereon under the General Agreement on Tariffs and Trade, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

Public hearing ordered. A public hearing in this investigation will be held beginning at 10 a.m., e.s.t., on March 29, 1960, in the Hearing Room, Tariff Commission Building, Eighth and E Streets NW., Washington, D.C. Interested parties desiring to appear and to be heard at the hearing should notify the Secretary of the Commission, in writing, at least three days in advance of the date set for the hearing.

Inspection of application. The application filed in this case (except data submitted in confidence) is available for public inspection at the office of the Secretary, United States Tariff Commission, Eighth and E Streets NW., Washington, D.C., and at the New York City office of the Tariff Commission located in Room 437 of the Custom House, where it may be read and copied by persons interested.

Issued: December 9, 1959.

By order of the Commission.

[SEAL] DONN N. BENT,
Secretary.

[F.R. Doc. 59-10551; Filed, Dec. 11, 1959; 8:51 a.m.]

[AA1921-11]

RAYON STAPLE FIBER FROM FRANCE

Determination of No Injury or Likelihood Thereof

DECEMBER 9, 1959.

On October 7, 1959, the United States Tariff Commission was advised by the Acting Secretary of the Treasury that Rayon Staple Fiber from France is being, or is likely to be, sold in the United States at less than fair value within the meaning of the Antidumping Act, 1921. In accordance with the requirements of section 201(a) of the Antidumping Act (19 U.S.C. 160(a)), the Tariff Commission instituted an investigation to determine whether an industry in the United States is being, or is likely to be, injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

No public hearing in connection with the investigation was ordered by the Commission, but interested parties were advised of the provisions of the Commission's rules of practice and procedure specifying that they could request a hearing within 15 days after date of the publication of the Commission's notice of investigation in the FEDERAL REGISTER. The notice of the investigation was published in 24 F.R. 8310. Interested parties were granted opportunity to submit written statements pertinent to the subject matter of the investigation.

No request for a hearing was made by any interested party, but written statements were received from the importers concerned and from an association representing domestic firms accounting for more than 95 percent of the domestic production of rayon staple fiber. The written statements of interested parties were given due consideration by the Commission in arriving at a determination in this case.

On the basis of the investigation, the Commission has determined that an industry in the United States is not being, and is not likely to be, injured, or prevented from being established, by reason of the importation of rayon staple fiber from France at less than fair value within the meaning of the Antidumping Act, 1921.[1]

Statement of reasons. In the Treasury Department's statement of reasons for the determination of sales of rayon staple fiber from France at less than fair value, the following was included:

> It was determined that as to all rayon staple fiber from France entered prior to January 1, 1959, the proper fair value comparison is between exporter's sales price and the home market price because of the relationship between the person who handled the exports and the person by whom the merchandise was imported into the United States * * *. Subsequent thereto the importer dealt directly with the producer, with whom the importer was not related, and purchase price became the appropriate basis for a fair value comparison. * * *
>
> The purchase price of the rayon staple fiber purchased after January 1, 1959, was found not to be lower than the home market price. * * * (24 F.R. 8240).

The Treasury file, which was made available to the Tariff Commission, discloses that throughout the Treasury's inquiry the French producer cooperated with the Department in an effort to avoid sales below fair value. No suspicion of predatory or systematic dumping is indicated. The question as to whether or not there were sales below fair value turned on the question as to the proper deductions allowable in arriving at "fair value". After careful consideration, the Treasury decided that, because of the relationship between the person who handled the exports and the person by whom the merchandise was imported into the United States, the "exporter's sales price" had to be used in determining fair value, with the result that the allowable deductions were considerably less than the foreign producer had thought to be allowable, and appraisement was withheld on three shipments totaling approximately 1.1 million pounds which entered just prior to the close of 1958.

[1] Commissioner Overton did not participate in this determination because he was abroad on official business.

As the Treasury's "Statement of Reasons", supra, indicates, the importer discontinued making his purchases through a shipper and purchased directly from the foreign producer, thus making the "purchase price" the appropriate basis for a fair value comparison. The deductions from price which had been erroneously thought to be allowable under the former purchasing method became allowable under the new purchasing method. Since this change in purchasing method, all entries of rayon staple fiber from France after January 1, 1959 have been free of the taint of a "dumping" price. Moreover, the importer's sales prices of rayon staple fiber to users in the United States remained unchanged in the period immediately before, during, and after the time during which the Treasury found rayon staple fiber from France to have been sold at "dumping" prices. Thus the case involved purely "technical" dumping prices.

The domestic industry, in its written statement, discounted any basis for a finding that the industry is being or is likely to be injured in the circumstances of this case. The domestic producers further stated that for the industry to urge a finding of injury in this case would only be vindictive and that the Antidumping Act was intended to be preventive rather than punitive. The Commission agrees.

The Commission is of the view that a case of this kind should not be presented to the Tariff Commission for determination of injury.

This determination and statement of reasons are published pursuant to section 201(c) of the Antidumping Act, 1921, as amended.

By the Commission.

[SEAL] DONN N. BENT,
Secretary.

[F.R. Doc. 59-10552; Filed, Dec. 11, 1959; 8:51 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-6]

BATTELLE MEMORIAL INSTITUTE

Amendment To Facility License

Please take notice that the Atomic Energy Commission has issued to Battelle Memorial Institute, Amendment No. 5, set forth below, to Facility License No. R-4 authorizing an increase in the permissible concentrations of radioactive materials which may be released from the reactor stack. Under the amendment an atmospheric dilution factor of 10^{-4} will be used to determine the permissible average concentration of the effluent released from the stack. Atmospheric air containing diluted effluent released, pursuant to this amendment, at any occupied point beyond the site controlled by Battelle Memorial Institute will not expose individuals to concentrations of airborne radioactive materials in excess of those annual maximum permissible concentrations established in AEC Regulation, 10 CFR Part 20.

The Commission has found that operation of the reactor in accordance with the terms and conditions of the license, as amended, will not present undue hazard to the health and safety of the public.

In accordance with the Commission's rules of practice (10 CFR Part 2) the Commission will direct the holding of a formal hearing on the matter of issuance of the license amendment upon receipt of a request therefor from the licensee or an intervener within 30 days after the issuance of the license amendment. Requests for formal hearing should be addressed to the Secretary at the AEC's office in Germantown, Maryland, or at the AEC Public Document Room 1717 H Street NW., Washington, D.C.

For further details see (1) the applications for license amendment dated September 14, 1959 and November 13, 1959, submitted by Battelle Memorial Institute and (2) a hazards analysis of the amendment prepared by the Chief, Hazards Evaluation Branch, Division of Licensing and Regulation, all on file at the Commission's Public Document Room, 1717 H Street NW, Washington, D.C.

Dated at Germantown, Md., this 8th day of December 1959.

For the Atomic Energy Commission.

R. L. KIRK,
Deputy Director,
Division of Licensing and Regulation.

[License No. R-4, Amdt. 5]

Effective as of the date of issuance specified below, paragraph 3. of License No. R-4, is amended to read as follows:

3. This license applies to the facility which is owned by Battelle Memorial Institute and located at West Jefferson, Ohio, and described in Battelle Memorial Institute's application dated May 4, 1955, and amendments thereto dated April 15, 1956, June 5, 1956, March 19, 1957, April 10, 1957, May 10, 1957, May 20, 1957, June 3, 1957, June 13, 1957, July 3, 1957, October 9, 1957, January 10, 1958, September 15, 1958, October 1, 1958, September 14, 1959, and November 13, 1959 (herein referred to as "the application").

Date of issuance: December 8, 1959.

For the Atomic Energy Commission.

R. L. KIRK,
Deputy Director,
Division of Licensing and Regulation.

[F.R. Doc. 59-10493; Filed, Dec. 11, 1959; 8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

[Rev. S.O. 562, Taylor's I.C.C. Order 109]

PITTSBURGH & WEST VIRGINIA RAILWAY CO.

Rerouting or Diversion of Traffic

In the opinion of Charles W. Taylor, Agent, The Pittsburgh & West Virginia Railway Company, because of work stoppage, is unable to transport traffic routed over and to points on its lines: *It is ordered,* That:

(a) Rerouting traffic: The Pittsburgh & West Virginia Railway Company, and its connections, is hereby authorized to divert or reroute such traffic over any available route to expedite the movement, regardless of routing shown on the waybill. The billing covering all such cars rerouted shall carry a reference to this order as authority for the rerouting.

(b) Concurrence of receiving roads to be obtained: The railroads desiring to divert or reroute traffic under this order shall confer with the proper transportation officer of the railroad or railroads to which such traffic is to be diverted or rerouted, and shall receive the concurrence of such other railroads before the rerouting or diversion is ordered.

(c) Notification to shippers: The carriers rerouting cars in accordance with this order shall notify each shipper at the time each car is rerouted or diverted and shall furnish to such shipper the new routing provided under this order.

(d) Inasmuch as the diversion or rerouting of traffic by said Agent is deemed to be due to carrier's disability, the rates applicable to traffic diverted or rerouted by said Agent shall be the rates which were applicable at the time of shipment on the shipments as originally routed.

(e) In executing the directions of the Commission and of such Agent provided for in this order, the common carriers involved shall proceed even though no contracts, agreements, or arrangements now exist between them with reference to the divisions of the rates of transportation applicable to said traffic; divisions shall be, during the time this order remains in force, those voluntarily agreed upon by and between said carriers; or upon failure of the carriers to so agree, said divisions shall be those hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act.

(f) Effective date: This order shall become effective at 11:00 p.m., December 3, 1959.

(g) Expiration date: This order shall expire at 11:59 p.m., December 17, 1959, unless otherwise modified, changed, suspended or annulled.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement and by filing it with the Director, Office of the Federal Register.

Issued at Washington, D.C., December 3, 1959.

INTERSTATE COMMERCE COMMISSION,
CHARLES W. TAYLOR,
Agent.

[F.R. Doc. 59-10531; Filed, Dec. 11, 1959; 8:49 a.m.]

[Notice 234]

MOTOR CARRIER TRANSFER PROCEEDINGS

DECEMBER 9, 1959.

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 62741. By order of November 30, 1959, the Transfer Board approved the transfer to L. L. Allen, doing business as L. L. Allen Motor Lines, Cashiers, N.C., of Certificate No. MC 110375 Sub 1 issued January 14, 1953, in the name of Glynn M. Lookabill, ac-

quired by Mary J. Lookabill, doing business as Lookabill Trucking Company, Asheville, N.C., pursuant to No. MC–FC 61537, which certificate authorizes the transportation of leather, from Brevard and Rosman, N.C., to New York, N.Y., Philadelphia, Pa., Louisville, Ky., Northcross, Ga., and Bristol and Kingsport, Tenn.; cotton yarn, from Brevard, N.C., to New York, N.Y., and Greenville and Laurens, S.C.; hides, tanning extracts and tanning greases, from New York, N.Y., and Philadelphia, Pa., to Brevard and Rosman, N.C.; leather filler (powder compound), from Pinegrove, Pa., to Brevard and Rosman, N.C.; petroleum products, from Baltimore, Md., to Hendersonville and Asheville, N.C.; malt beverages, from Newark, N.J., to Asheville, N.C., and Spartanburg, S.C.; livestock feed, grain and seed from Louisville, Ky., and Atlanta, Ga., to Brevard and Rosman, N.C.; fertilizer, livestock feed and cotton, from Greenville, S.C., to Brevard, N.C.; and poultry, livestock and produce, from Brevard, N.C., to Atlanta, Ga., and Greenville, S.C. Boyce A. Whitmire, Attorney at Law, Hendersonville, N.C., for applicants.

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

[F.R. Doc. 59–10529; Filed, Dec. 11, 1959; 8:49 a.m.]

[Rev. S.O. 562; Taylor's I.C.C. Order 109–A]

PITTSBURGH & WEST VIRGINIA RAILWAY CO.

Rerouting or Diversion of Traffic

Upon further consideration of Taylor's I.C.C. Order No. 109 and good cause appearing therefor: *It is ordered,* That:

(a) Revised Taylor's I.C.C. Order No. 109, be, and it is hereby vacated and set aside.

(b) *Effective date:* This order shall become effective at 11:00 a.m., December 7, 1959.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement and by filing it with the Director, Office of the Federal Register.

Issued at Washington, D.C., December 7, 1959.

INTERSTATE COMMERCE COMMISSION, CHARLES W. TAYLOR, *Agent.*

[F.R. Doc. 59–10530; Filed, Dec. 11, 1959; 8:49 a.m.]

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