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FEDERAL REGISTER

VOLUME 26 NUMBER 140

Washington, Saturday, July 22, 1961

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Title 3—THE PRESIDENT

Executive Order 10952

ASSIGNING CIVIL DEFENSE RESPONSIBILITIES TO THE SECRETARY OF DEFENSE AND OTHERS

WHEREAS the possibility of enemy attack upon the United States must be taken into account in developing our continental defense program; and

WHEREAS following a thorough review and consideration of our military and nonmilitary defense activities, I have concluded that adequate protection of the civilian population requires a substantial strengthening of the Nation's civil defense capability; and

WHEREAS the rapid acceleration of civil defense activities can be accomplished most effectively and efficiently through performance by the regular departments and agencies of government of those civil defense functions related to their established roles and capabilities; and

WHEREAS I have concluded that the undertaking of greatly accelerated civil defense activities, including the initiation of a substantial shelter program, requires new organizational arrangements:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States and Commander-in-Chief of the armed forces of the United States, including the authority contained in the Federal Civil Defense Act of 1950, as amended, and other authorities of law vested in me pursuant to Reorganization Plan No. 1 of 1958, it is hereby ordered as follows:

SECTION 1. *Delegation of Authority to the Secretary of Defense.* (a) Except as hereinafter otherwise provided and as is reserved to the Office of Civil and Defense Mobilization in section 2 of this order, the Secretary of Defense is delegated all functions (including as used in this order, powers, duties, and authority) contained in the Federal Civil Defense Act of 1950, as amended (hereinafter referred to as the Act), vested in me pursuant to Reorganization Plan No. 1 of 1958 (72 Stat. 1799), subject to the direction and control of the President. Such functions to be performed by the Secretary of Defense, working as necessary or appropriate through other agencies by contractual or other agreements, as well as with State and local leaders, shall include but not be limited to the development and execution of:

(i) a fallout shelter program;

(ii) a chemical, biological and radiological warfare defense program;

(iii) all steps necessary to warn or alert Federal military and civilian authorities, State officials and the civilian population;

(iv) all functions pertaining to communications, including a warning network, reporting on monitoring, instructions to shelters and communications between authorities;

(v) emergency assistance to State and local governments in a postattack period, including water, debris, fire, health, traffic police and evacuation capabilities;

(vi) protection and emergency operational capability of State and local government agencies in keeping with plans for the continuity of government; and

(vii) programs for making financial contributions to the States (including personnel and administrative expenses) for civil defense purposes.

(b) In addition to the foregoing, the Secretary shall:

(i) develop plans and operate systems to undertake a nationwide postattack assessment of the nature and extent of the damage resulting from enemy attack and the surviving resources, including systems to monitor and report specific hazards resulting from the detonation or use of special weapons; and

(ii) make necessary arrangements for the donation of Federal surplus property in accordance with section 203 (j)(4) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 484(j)(4)), subject to applicable limitations.

SEC. 2. *Civil Defense Responsibilities of the Office of Civil and Defense Mobilization.* The Director of the Office of Civil and Defense Mobilization shall

(a) advise and assist the President in:

(i) determining policy for, planning, directing and coordinating, including the obtaining of information from all departments and agencies, the total civil defense program;

(ii) reviewing and coordinating the civil defense activities of the Federal departments and agencies with each other and with the activities of the States and neighboring countries in accordance with section 201(b) of the Act;

(iii) determining the appropriate civil defense roles of Federal departments and agencies, and enlisting State, local and private participation, mobilizing national support, evaluating progress of programs, and preparing reports to the Congress relating to civil defense matters;

(iv) helping and encouraging the States to negotiate and enter into interstate civil defense compacts and enact reciprocal civil defense legislation in accordance with section 201(g) of the Act; and

(v) providing all practical assistance to States in arranging, through the Department of State, mutual civil defense aid between the States and neighboring countries in accordance with section 203 of the Act;

(b) develop plans, conduct programs and coordinate preparations for the continuity of Federal governmental operations in the event of attack; and

(c) develop plans, conduct programs and coordinate preparations for the continuity of State and local governments in the event of attack, which plans, programs and preparations shall be designed to assure the continued effective functioning of civilian political authority under any emergency condition.

SEC. 3. *Excluded Functions.* The following functions of the President under the provisions of the Act are excluded from delegations to the Secretary of Defense made by this order and are reserved to the President:

(a) Those under subsections (h) and (i) of section 201 of the Act (50 U.S.C. App. 2281 (h), (i)) to the extent that they pertain to medical stockpiles and food stockpiles.

(b) Those under the following provision of the Act: Sections 102(a), 201(b), and 402 and Title III.

SEC. 4. *Transfer of Property, Facilities, Personnel and Funds.* Subject to applicable law, there shall be hereby transferred to the Secretary of Defense such portion of the property, facilities, and personnel of the Office of Civil and Defense Mobilization engaged in the performance of the civil defense responsibilities herein assigned to the Secretary of Defense as shall be agreed upon by the Secretary and the Director of the Office of Civil and Defense Mobilization together with such portions of the funds currently available for those purposes as shall be approved by the Director of the Bureau of the Budget.

SEC. 5. *Reports.* The Secretary of Defense shall annually submit to the President a written report covering expenditures, contributions, activities, and accomplishments of the Secretary of Defense pursuant to this order.

SEC. 6. *Redelegation.* The Secretary of Defense is hereby authorized to redelegate within the Department of Defense the functions hereinabove delegated to him.

SEC. 7. *Amendment.* The Director of the Office of Civil and Defense Mobilization is hereby relieved of responsibilities under the Act except as otherwise provided herein, and the provisions of Executive Order No. 10773, as amended, are amended accordingly.

SEC. 8. *Prior actions.* (a) Except to the extent that they may be inconsistent with the provisions of this order, and except as particular Executive orders or other orders are amended, modified, or superseded by the provisions of this order, all determinations, authorizations, regulations, rulings, certificates, orders (including emergency preparedness orders), directives, contracts, agreements, and other actions made, issued, or en-

tered into with respect to any function affected by this order, and not revoked, superseded, or otherwise made inapplicable before the date of this order, shall continue in full force and effect until amended, modified, or terminated by the President or other appropriate authority; but, to the extent necessary to conform to the provisions of this order, any of the foregoing shall be deemed to refer to the Secretary of Defense or other appropriate officer or agency instead of, or in addition to, the Office of Civil and Defense Mobilization or the Director thereof.

(b) This order shall not terminate any delegation or assignment of any substantive (program) function to any delegate agency made by any emergency preparedness order heretofore issued by the Director of the Office of Civil and Defense Mobilization (26 F.R. 651–662; 835–840) (which emergency preparedness order shall remain in effect until amended or revoked by or at the specific direction of the President). No such emergency preparedness order shall limit the delegation or assignment of any substantive (program) function to the Secretary of Defense made by the foregoing sections of this order.

SEC. 9. *Effective Date.* This order shall become effective on the first day of August, 1961.

JOHN F. KENNEDY

THE WHITE HOUSE,
July 20, 1961.

[F.R. Doc. 61–6930; Filed, July 20, 1961; 2:48 p.m.]

Executive Order 10953

CREATING AN EMERGENCY BOARD TO INVESTIGATE A DISPUTE BETWEEN THE SOUTHERN PACIFIC COMPANY (PACIFIC LINES) AND CERTAIN OF ITS EMPLOYEES

WHEREAS a dispute exists between the Southern Pacific Company (Pacific Lines), a carrier, and certain of its employees represented by the Order of Railroad Telegraphers, a labor organization; and

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

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

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

The board shall report its findings to the President with respect to the dispute within thirty days from the date of this order.

As provided by section 10 of the Railway Labor Act, as amended, from this date and for thirty days after the board has made its report to the President, no change, except by agreement, shall be made by the Southern Pacific Company (Pacific Lines), or by its employees, in the conditions out of which the dispute arose.

JOHN F. KENNEDY

THE WHITE HOUSE,
July 20, 1961.

[F.R. Doc. 61–6984; Filed, July 21, 1961; 11:53 a.m.]

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

Federal Mediation and Conciliation Service

Effective upon publication in the FEDERAL REGISTER, section 6.146(a) is added to Part 6 as set out below.

§ 6.146 Federal Mediation and Conciliation Service.

(a) Executive Secretary of a Board of Inquiry appointed under section 206 of the Labor-Management Relations Act of 1947 (29 U.S.C. 176).

(R.S. 1753, sec. 2, 22 Stat. 403, as amended; 5 U.S.C. 631, 638)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] MARY V. WENZEL,
Executive Assistant to the Commissioners.

[F.R. Doc. 61-6874; Filed, July 21, 1961; 8:47 a.m.]

Chapter IV—The President's Committee on Equal Employment Opportunity

PART 401—NONDISCRIMINATION IN GOVERNMENT EMPLOYMENT

Executive Order 10925 of March 6, 1961 (26 F.R. 1977), establishes the President's Committee on Equal Employment Opportunity, and abolishes the President's Committee on Government Employment Policy created by Executive Order 10590 of January 18, 1955 (20 F.R. 409), as amended by Executive Order 10722 of August 5, 1957 (22 F.R. 6287). Executive Order 10925, however, reaffirms the policy expressed in Executive Order 10590 with respect to the exclusion and prohibition of discrimination against any employee or applicant for employment in the Federal Government because of race, color, religion, or national origin and that Order transfers the powers, functions, and duties of the Committee on Government Employment Policy to the Committee on Equal Employment Opportunity.

Executive Order 10925 also directs all executive departments and agencies to study government employment practices and to submit reports and recommendations to accomplish the objectives of the Order to the Executive Vice Chairman of the President's Committee on Equal Employment Opportunity. The regulations published herein are intended to provide a means of effectuating the policy expressed in Executive Order 10590 and reaffirmed in Executive Order 10925.

Therefore, pursuant to section 306 of Executive Order 10925 of March 6, 1961 (26 F.R. 1977), the present caption of Chapter IV of Title 5, Code of Federal Regulations, and all of Part 401 of that Chapter are hereby deleted. A revised Chapter IV is hereby substituted therefor, to read as follows:

Subpart A—Purpose and Scope of Regulations, Definitions, Powers and Duties

Sec.
401.1 Purpose and scope.
401.2 Definitions.
401.3 Duties of the head of each executive department or agency.
401.4 Duties of each Employment Policy Officer.
401.5 Duties of Civil Service Commission.

Subpart B—Complaint Procedure

401.15 Who may file.
401.16 Where to file.
401.17 Investigation.
401.18 Negotiation and settlement.
401.19 Opportunity for hearing and review.
401.20 Final decision by head of department or agency.
401.21 Review of cases by Executive Vice Chairman.
401.22 Processing of complaints by Executive Vice Chairman.
401.23 Assumption of jurisdiction by Executive Vice Chairman over cases before a department or agency.

Subpart C—Ancillary Matters

401.30 Right to counsel.
401.31 Reports on disposition of complaints.

AUTHORITY: §§ 401.1 to 401.31 issued under sec. 306, E.O. 10925, 26 F.R. 1977. Interpret or apply E.O. 10590, as amended, 20 F.R. 409, 3 CFR, 1955 Supp.

Subpart A—Purpose and Scope of Regulations, Definitions, and Duties

§ 401.1 Purpose and scope.

The purpose of the regulations in this part is to implement Part II of Executive Order 10925, which reaffirms the policy expressed in Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), with respect to the exclusion and prohibition of discrimination against any employee or applicant for employment in the Federal Government because of race, color, religion, or national origin. The regulations apply to all executive departments and agencies of the government of the United States wherever located and to all positions in such departments and agencies whether or not in competitive service, except aliens employed outside the limits of the United States. The regulations in this Part 401 also apply to cases pending under Executive Order 10590, as amended, and the regulations promulgated thereunder.

§ 401.2 Definitions.

(a) "Chairman" means Chairman of the Committee.

(b) "Committee" means the President's Committee on Equal Employment Opportunity.

(c) "Executive Vice Chairman" means the Executive Vice Chairman of the Committee.

(d) "Order" means Executive Order 10925 of March 6, 1961 (26 F.R. 1977).

§ 401.3 Duties of the head of department or agency.

(a) *Promulgation of regulations.* Each executive department or agency may prescribe, subject to the prior approval of the Executive Vice Chairman, regulations not inconsistent with those in this part for the administration of employment policies under Part II of Executive Order 10925 that will insure a complainant an appeal to the proper authorities within his department or agency, a fair hearing and a just disposition of his case. The regulations shall in all cases provide that, subsequent to the proposed recommendations of the Employment Policy Officer and prior to the final decision of the department or agency, the complainant's case may be referred to the Executive Vice Chairman for study and recommendations as provided in § 401.19.

(b) *Designation of Employment Policy Officer and Deputy Employment Policy Officers.* The head of each department or agency shall designate an Employment Policy Officer to carry out the duties prescribed in § 401.4. The head of each department or agency or the Employment Policy Officer may also designate, when appropriate, Deputy Employment Policy Officers for each of the field offices and major subdivisions of the department or agency to assist the Employment Policy Officer. The positions of the Employment Policy Officer and Deputy Employment Policy Officer shall be established outside the division handling the personnel matters of the department or agency concerned unless prior approval is received from the Executive Vice Chairman. In the discharge of his functions, each Employment Policy Officer shall be under the immediate supervision of the head of the department or agency. The name of each Employment Policy Officer, his official title, address and telephone number, and any changes made in his designation, shall be furnished to the Executive Vice Chairman.

(c) *Dissemination of information.* A copy of the regulations prescribed under paragraph (a) of this section by the agency shall be posted on all employee bulletin boards and all bulletin boards which are used to announce Federal examinations and job opportunities in each department or agency; where bulletin boards are not used the regulations will be made available to all personnel. Similar publication shall be made of the name and address of the Employment Policy Officer and that of any Deputy Employment Policy Officers in the field offices or subdivisions serviced by them. Information concerning the

department or agency nondiscrimination policy and procedures shall be published at least annually in any employee bulletins or newsletters that are issued.

(d) *Processing of complaints; time limitation.* Within 30 days from receipt of a complaint by the agency or within such additional time as may be allowed by the Executive Vice Chairman for good cause shown, the agency shall process the complaint and submit to the Executive Vice Chairman the report on disposition of the complaint required by § 401.31. Where the complainant requests a hearing under the provisions of § 401.19, the report on the disposition of the complaint may be submitted to the Executive Vice Chairman within 60 days after the receipt thereof.

§ 401.4 Duties of each Employment Policy Officer.

Each Employment Policy Officer shall:

(a) Advise the head of his department or agency with respect to the preparation of regulations, reports, and other matters dealing with the exclusion and prohibition of discrimination under the Order.

(b) Process complaints of alleged discrimination in personnel matters within his department or agency, and make recommendations to appropriate administrative officials for such corrective measures as he may deem necessary.

(c) Appraise the personnel operations of the department or agency at regular intervals to assure their continuing conformity to the policy expressed in the Order of excluding and prohibiting discrimination.

§ 401.5 Duties of the Civil Service Commission.

The Civil Service Commission shall issue such regulations as may be necessary to implement Part II of the Order.

Subpart B—Complaint Procedure

§ 401.15 Who may file.

Any aggrieved Federal employee or qualified applicant for Federal employment who believes he has been discriminated against because of race, creed, color or national origin may file a written signed complaint within 90 days from the date of the alleged discrimination, unless such time is extended by the agency or the Executive Vice Chairman for good cause shown. The complaint may be submitted by an authorized representative of the aggrieved individual.

§ 401.16 Where to file.

Complaints may be filed with the Employment Policy Officer or Deputy Employment Policy Officer, or with the Committee. Those filed with the Committee may be referred to the appropriate Employment Policy Officer for consideration, or may be processed in accordance with § 401.22. Where complaints are filed with the Employment Policy Officer or Deputy Employment Policy Officer, he shall transmit a copy of the complaint to the Executive Vice Chairman.

§ 401.17 Investigation.

The Employment Policy Officer shall institute a prompt investigation of each complaint, and shall be responsible for developing a complete case record, including an adequate transcript or agreed summary of any hearing held under § 401.19, sufficient to dispose of all relevant issues. Whenever necessary or appropriate for a full development of the case, the investigation shall include an appraisal of employment practices in the organizational segment or unit in which the alleged discrimination occurred. In those instances where no discrimination is found, the complainant shall be advised of such finding, of the results of the investigation, and of his right to secure a review by the Executive Vice Chairman, as provided in § 401.21.

§ 401.18 Negotiation and settlement.

After completion of the investigation, if the Employment Policy Officer or the Deputy Employment Policy Officer believes there is sufficient justification for the complaint to support an effort to dispose of the matter informally, an attempt should be made to resolve the matter by informal means.

§ 401.19 Opportunity for hearing and review.

In any case not disposed of by informal means, the complainant shall be afforded an opportunity for an oral hearing before the Employment Policy Officer, Deputy Employment Policy Officer, or someone designated by either of them, at a convenient time and place. At such hearing, the agency shall produce any witnesses under its jurisdiction, upon a showing satisfactory to the hearing officer of reasonable necessity therefor, and the rights of confrontation and of cross-examination (insofar as may be necessary for a development of the facts), shall be preserved. Any requests for the attendance of necessary witnesses shall be made in writing by the complainant at least 10 days prior to the date of the hearing. The complainant shall have the right to inspect any investigative report except where the Executive Vice Chairman shall determine that any report or portions thereof shall not be disclosed for reasons of national security. The hearing shall be informal and the hearing officer shall make his proposed findings and recommended conclusions upon the basis of the record before him. Where a complainant fails to appear without good cause shown or fails within 60 days to furnish requested information or to otherwise process his complaint, such case may be closed. The head of the department or agency or the Employment Policy Officer may refer cases to the Executive Vice Chairman for study and recommendation after the Employment Policy Officer has formulated his findings and recommendations and prior to any decision by the head of the department or agency or his designated representative.

§ 401.20 Final decision by head of department or agency.

The head of the department or agency, or his designated representative, shall make the final decision in the disposition of the case. Where the head of the department or agency, or his designated representative, has referred the case to the Executive Vice Chairman for review and advisory opinion, such final decision may be made only after receipt of the recommendations of the Executive Vice Chairman. Further, such final decisions shall be reconsidered whenever reconsideration is recommended or ordered by the Executive Vice Chairman under paragraph (b) of § 401.21.

§ 401.21 Review of cases by Executive Vice Chairman.

(a) The Executive Vice Chairman shall accept for review any case coming within the purview of Part II of Executive Order 10925, upon the specific request of the complainant made to the Employment Policy Officer of the department or agency concerned. Such request must be made by the complainant within 30 days of the date of final action by the agency, unless the Executive Vice Chairman shall waive such time limitation upon good cause shown.

(b) The Executive Vice Chairman may review any case reported to him under § 401.31, and may remand the case to the department or agency for reconsideration.

(c) In connection with his review, the Executive Vice Chairman may secure such additional information, hold such hearings, make such findings and issue such recommendations and orders, as may be necessary or appropriate to achieve the purposes of Part II of the Order.

§ 401.22 Processing of complaints by Executive Vice Chairman.

The Executive Vice Chairman may process complaints filed with him or over which he has assumed jurisdiction under § 401.23. When the Executive Vice Chairman processes complaints filed with him or assumes jurisdiction, he may conduct such investigations, hold such hearings, make such findings, and issue such recommendations and orders as may be necessary or appropriate to achieve the purposes of Part II of the Order.

§ 401.23 Assumption of jurisdiction by Executive Vice Chairman over cases before a department or agency.

The Executive Vice Chairman may inquire into the status of any case pending before a department or agency, and, where he considers it necessary or appropriate in the achievement of the purposes of Part II of the Order, he may assume jurisdiction of the case and proceed as provided in § 401.22.

Subpart C—Ancillary Matters

§ 401.30 Right to counsel.

Parties to proceedings under this part shall have the right to be accompanied, represented, and advised by counsel, or by other qualified representative.

§ 401.31 Report of disposition of complaints.

Each department or agency shall submit to the Executive Vice Chairman a

report of the final disposition of each complaint processed by it. The report shall contain the following:

(a) A copy of the complete case record, if requested by the Executive Vice Chairman.

(b) A summary of the complete case record, which shall include the following:

(1) The name and address of the complainant.

(2) The date on which the complaint was filed with or referred to the agency, and, where the complaint was filed with the agency, the name and title of the officer with whom it was filed.

(3) A summary of the complaint indicating the specific type or types of discrimination alleged.

(4) A summary of the results of any appraisal of employment practices and the significant facts disclosed by the investigation and any hearing.

(5) A statement describing disposition of the complaint. If the complaint was withdrawn, the reason for withdrawal should be included.

(6) The date of disposition of the complaint.

Effective date. Because the requirements of this chapter concern personnel matters excepted from the provisions of section 4 of the Administrative Procedure Act and because of the desirability of prompt implementation of the provisions of Executive Order 10925, this chapter shall become effective upon filing with the Office of the Federal Register.

Signed at Washington, D.C., this 20th day of July 1961.

JERRY R. HOLLEMAN,
Executive Vice Chairman.

[F.R. Doc. 61-6954; Filed, July 21, 1961; 8:51 a.m.]

Title 7—AGRICULTURE

Chapter VII—Agricultural Stabilization and Conservation Service (Agricultural Adjustment), Department of Agriculture

SUBCHAPTER B—FARM MARKETING QUOTAS AND ACREAGE ALLOTMENTS

PART 725—BURLEY, FLUE-CURED, FIRE-CURED, DARK AIR-CURED, AND VIRGINIA SUN-CURED TOBACCO

Subpart—Burley, Flue-Cured, Fire-Cured, Dark Air-Cured and Virginia Sun-Cured Tobacco Marketing Quota Regulations, 1962–63 Marketing Year

Correction

In F.R. Document 61-6722, appearing at page 6419 of the issue for Tuesday, July 18, 1961, the following corrections are made:

1. In § 725.1316, the first word of paragraph (i) is corrected to read: "Notwithstanding";

2. In § 725.1319, the second word appearing in line 49 of paragraph (f) is corrected to read: "production".

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

[Valencia Orange Reg. 237]

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

Limitation of Handling

§ 922.537 Valencia Orange Regulation 237.

(a) *Findings.* (1) Pursuant to the marketing agreement and Order No. 22, as amended (7 CFR Part 922), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said marketing agreement and order, as amended, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(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 Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on July 20, 1961.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., July 23, 1961, and ending at 12:01 a.m., P.s.t., July 30, 1961, are hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 575,000 cartons;

(iii) District 3: Unlimited movement.

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

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: July 20, 1961.

FLOYD F. HEDLUND,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 61-6981; Filed, July 21, 1961; 11:21 a.m.]

PART 934—FRESH PEACHES GROWN IN DESIGNATED COUNTIES IN WASHINGTON

Determination Relative to the Expenses and the Fixing of the Rate of Assessment for the 1961–62 Fiscal Period

Pursuant to the marketing agreement and Order No. 34 (7 CFR Part 934), regulating the handling of fresh peaches grown in designated counties in Washington, 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 proposals submitted by the Washington Fresh Peach Marketing Committee (established pursuant to said marketing agreement and order), it is hereby found and determined that:

§ 934.202 Expenses and rate of assessment for the 1961–62 fiscal period.

(a) Expenses: The expenses that are reasonable and likely to be incurred by the Washington Fresh Peach Marketing Committee, established pursuant to the provisions of the aforesaid marketing agreement and order, to enable such committee to perform its functions, in accordance with the provisions thereof, during the fiscal period beginning April 1, 1961, and ending March 31, 1962, will amount to $12,845.

(b) *Rate of assessment:* The rate of assessment, which each handler who first handles peaches shall pay as his pro rata share of the aforesaid expenses in accordance with the applicable provisions of said marketing agreement and order is hereby fixed at seventy-five cents

($0.75) per ton of peaches so handled by such handler during such fiscal period.

(c) It is hereby further found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice, and engage in public rule-making procedure, and good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that (1) shipments of peaches are now being made; (2) the relevant provisions of said marketing agreement and this part require that the rate of assessment fixed for a particular fiscal period shall be applicable to all assessable peaches from the beginning of such period; and (3) the current fiscal period began April 1, 1961, and the rate of assessment herein fixed will automatically apply to all assessable peaches beginning with such date.

Terms used in the marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: July 19, 1961.

FLOYD F. HEDLUND,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 61–6879; Filed, July 21, 1961; 8:47 a.m.]

[Lemon Reg. 909]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.1016 Lemon Regulation 909.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), 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 (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 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 regulation 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 July 18, 1961.

(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., July 23, 1961, and ending at 12:01 a.m., P.s.t., July 30, 1961, are hereby fixed as follows:

(i) District 1: Unlimited movement;
(ii) District 2: 372,000 cartons;
(iii) District 3: Unlimited movement.

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

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: July 20, 1961.

FLOYD F. HEDLUND,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 61–6924; Filed, July 21, 1961; 8:50 a.m.]

PART 1020—APRICOTS GROWN IN DESIGNATED COUNTIES IN WASHINGTON

Determination Relative to the Expenses and the Fixing of the Rate of Assessment for the 1961–62 Fiscal Period

Pursuant to the marketing agreement and Order No. 120 (7 CFR Part 1020), regulating the handling of apricots grown in designated counties in Washington, 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 proposals submitted by the Washington Apricot Marketing Committee (established pursuant to said marketing agreement and order), it is hereby found and determined that:

§ 1020.206 Expenses and rate of assessment for the 1961–62 fiscal period.

(a) Expenses: The expenses that are reasonable and likely to be incurred by the Washington Apricot Marketing Committee, established pursuant to the provisions of the aforesaid marketing agreement and order, to enable such committee to perform its functions, in accordance with the provisions thereof, during the fiscal period begining April 1, 1961, and ending March 31, 1962, will amount to $6,272.

(b) Rate of assessment. The rate of assessment, which each handler who first handles apricots shall pay as his pro rata share of the aforesaid expenses in accordance with the applicable provisions of said marketing agreement and order is hereby fixed at one dollar ($1.00) per ton of apricots so handled by such handler during such fiscal period.

(c) It is hereby further found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice, and engage in public rule-making procedure, and good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that (1) shipments of apricots are now being made; (2) the relevant provisions of said marketing agreement and this part require that the rate of assessment fixed for a particular fiscal period shall be applicable to all assessable apricots from the beginning of such period; and (3) the current fiscal period began on April 1, 1961, and the rate of assessment herein fixed will automatically apply to all assessable apricots beginning with such date.

Terms used in the marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: July 19, 1961.

FLOYD F. HEDLUND,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 61–6878; Filed, July 21, 1961; 8:47 a.m.]

Title 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[1961 C.C.C. Grain Price Support Bulletin 1, Supp. 1, Rice]

PART 421—GRAINS AND RELATED COMMODITIES

Subpart—1961-Crop Rice Loan and Purchase Agreement Program

Correction

A previous correction of F.R. Document 61–4924 (26 F.R. 4598) appearing

at page 5173 of the issue for Friday, June 9, 1961, is corrected by changing the reference in the third line to read: "73 Stat. 178."

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER C—INTERSTATE TRANSPORTATION OF ANIMALS AND POULTRY

PART 77—TUBERCULOSIS IN CATTLE

Restrictions on Interstate Movement of Cattle Because of Tuberculosis

Pursuant to § 77.3 of the regulations restricting the movement of cattle because of tuberculosis (9 CFR Part 77), issued under the provisions of sections 1 and 2 of the Act of February 2, 1903, as amended, and sections 4 and 5 of the Act of May 29, 1884, as amended (21 U.S.C. 111–113, 120, 121), and upon the basis of determinations made by the Director of the Animal Disease Eradication Division under said section, § 77.3a of Part 77, Subchapter C, Chapter I, Title 9, Code of Federal Regulations, is hereby amended to read:

§ 77.3a Modified accredited areas.

The following areas are hereby designated as modified accredited areas: The District of Columbia and all portions of all States and Territories of the United States, other than the State of Hawaii, Dewey County in South Dakota, and Branch County in Michigan.

(Secs. 4, 5, 23 Stat. 32, as amended, secs. 1, 2, 32 Stat. 791–792, as amended; 21 U.S.C. 111–113, 120, 121; 19 F.R. 74, as amended; 9 CFR 77.3)

Effective date. This amendment shall become effective upon publication in the FEDERAL REGISTER.

The amendment removes Branch County in the State of Michigan from the areas designated as modified accredited areas because it does not meet the qualifications of such an area as set out in § 77.3.

This amendment imposes certain restrictions necessary to prevent the spread of tuberculosis in cattle and should be made effective promptly in order to accomplish its purpose in the public interest. Therefore, under section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that notice and other public procedure with respect to this amendment are impracticable and good cause is found for making the amendment effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 20th day of July 1961.

R. J. ANDERSON,
Director, Animal Disease Eradication Division, Agricultural Research Service.

[F.R. Doc. 61-6918; Filed, July 21, 1961; 8:50 a.m.]

Title 12—BANKS AND BANKING

Chapter V—Federal Home Loan Bank Board

SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM

[No. 14, 776]

PART 545—OPERATIONS

Loans on Developed Building Lots and Sites

Correction

In F.R. Doc. 61-6716, appearing at page 6429 of the issue for Tuesday, July 18, 1961, the citation following paragraph (c) is corrected to read as follows:

(Sec. 5, 48 Stat, 132, as amended; 12 U.S.C. 1464. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1947 Supp.)

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 D—Food Additives Permitted in Food for Human Consumption

MODIFIED STARCH

The Commissioner of Food and Drugs, having evaluated the data submitted in petitions filed by National Starch and Chemical Corporation, 1700 West Front Street, Plainfield, New Jersey, and other relevant material, has concluded that the following amendment should issue in conformance with section 409 of the Federal Food, Drug, and Cosmetic Act with respect to the food additive modified starch, to provide for additional methods of modification. Therefore, pursuant to the provisions of the 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 (25 F.R. 8625), § 121.1031(a) of the food additive regulations (21 CFR 121.1031) (26 F.R. 188) is amended by adding thereto the following new subparagraphs:

§ 121.1031 Modified starch.

* * * * *

(a) * * *

(5) By treatment with not more than 4 percent succinic anhydride.

(6) By treatment with not more than 3 percent 1-octenyl succinic anhydride.

(7) By treatment with not more than 2 percent 1-octenyl succinic anhydride and not over 2 percent aluminum sulfate.

Any person who will be adversely affected by the foregoing order may at any time prior to the thirtieth day from the date of its publication in the FEDERAL REGISTER 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 the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1))

Dated: July 17, 1961.

[SEAL] JOHN L. HARVEY,
Deputy Commissioner of Food and Drugs.

[F.R. Doc. 61-6891; Filed, July 21, 1961; 8:49 a.m.]

Title 36—PARKS, FORESTS, AND MEMORIALS

Chapter I—National Park Service, Department of the Interior

PART 21—HOT SPRINGS NATIONAL PARK; BATHHOUSE REGULATIONS

Conduct of Registered Physicians

On page 2152 of the FEDERAL REGISTER of March 14, 1961, there was published a notice and text of a proposed amendment to section 21.14 of Title 36, Code of Federal Regulations. The purpose of the amendment is to extend the time registered physicians may be allowed to publish notices of change of address.

Interested persons were given 30 days within which to submit written comments, suggestions or objections with respect to the proposed amendment. No comments, suggestions, or objections have been received, and the proposed amendment is hereby adopted without change and is set forth below. This amendment shall become effective at the beginning of the 30th calendar day following the date of this publication in the FEDERAL REGISTER.

(60 Stat. 238; 5 U.S.C. 1003; 39 Stat. 535; 16 U.S.C. 3)

Paragraph (b) of § 21.14 is amended by revising the present text to read as follows:

§ 21.14 Conduct of registered physicians.

* * * * *

(b) No registered physician, upon removal of his offices from one location to another, may publish in any newspaper, or other periodical, notice to that effect for a longer period than 7 days. Notices of return from an absence may not be published for a longer period than 7 days or for any absence of less than 10 consecutive days. Such notices shall be simple in form and free of advertising elements, such as office hours, telephone

numbers, specialties, and prices for consultation.

STEWART L. UDALL,
Secretary of the Interior.

JULY 18, 1961.

[F.R. Doc. 61-6868; Filed, July 21, 1961; 8:46 a.m.]

Title 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 53—C.O.D.

C.O.D. Fees and Regulations for Unregistered Mail

A notice of proposed changes in collection on delivery fees, effective August 1, 1961, was published in the FEDERAL REGISTER of June 3, 1961, at page 4947. Interested persons were given 30 days in which to submit written comments with respect to the proposed changes.

Most careful consideration has been given to the comments received with respect to the proposed changes, and the Department has reached the conclusion to adopt the proposal as so published.

Therefore, Part 53 is amended to reflect the new adopted C.O.D. fees, and to state more clearly the present rules and regulations therein. (For the new proposed C.O.D. fees for registered mail, effective August 15, 1961, see the FEDERAL REGISTER of July 6, 1961, 26 F.R. 6029–6031.)

As so adopted, effective August 1, 1961, Part 53 reads as follows:

Sec.
53.1 Fees (in addition to postage).
53.2 Description.
53.3 Mailing.
53.4 Special services.
53.5 Delivery.

AUTHORITY: §§ 53.1 through 53.5 issued under R.S. 161, as amended, secs. 501, 507, 5006–5012, 74 Stat. 580, 581, 679, 680 (Pub. Law 86–682); 5 U.S.C. 22, 39 U.S.C. 501, 507, 5006–5012.

§ 53.1 Fees (in addition to postage).

Amount to be collected or insurance coverage desired:	*C.O.D. fees*
$0.01 to $5	$0.40
$5.01 to $10	.50
$10.01 to $25	.70
$25.01 to $50	.80
$50.01 to $100	.90
$100.01 to $200	1.00
Restricted delivery	.50
Notice of nondelivery	.05
Alteration of charges or delivery	.10

§ 53.2 Description.

(a) *Purpose.* Patrons may mail an article for which they have not been paid and have the price and the cost of the postage collected from the addressee when the article is delivered. This is collect-on-delivery service, which is usually called C.O.D. service. The amount collected is returned to the mailer by a postal money order. The fees for C.O.D. service include insurance against loss, rifling, or damage to the article and failure to receive the amount collected from the addressee.

(b) *Mail which may be sent C.O.D.* First-, third-, and fourth-class matter may be sent as C.O.D. mail. See § 51.4 of this chapter for registered C.O.D. fees.

(c) *Conditions.* (1) The mail must bear the complete names and addresses of sender and addressee.

(2) The largest amount that will be collected from the addressee is $200.

(3) The amount to be collected or the amount of insurance coverage desired, whichever is higher, determines the C.O.D. fee.

(4) The sender guarantees to pay any return and forwarding postage unless otherwise specified on the mail.

(d) *Prohibitions.* The C.O.D. service cannot be used for:

(1) Sending articles to addressees who have not ordered them or agreed to accept them.

(2) Collection agency purposes.

(3) Return of merchandise about which some dissatisfaction has arisen, unless the new addressee has consented in advance to such return.

(4) Sending only bills or statements of indebtedness, even though the sender may establish that the addressee has agreed to the collection in this manner. However, when a legitimate C.O.D. shipment consisting of merchandise, bill of lading, etc., is being mailed, the balance due on a past or anticipated transaction may be included in the charges on a C.O.D. article, provided the addressee has consented in advance to such action.

(5) Parcels containing moving-picture films mailed by exhibitors to moving picture manufacturers, distributors, or exchanges. Such parcels may be sent as insured mail, or, if sealed, by first-class registered mail.

(e) *Restrictions on C.O.D. service to military installations.* C.O.D. service is not available for articles having an APO or FPO designation as part of the address. This restriction applies also to official shipments and shipments to Armed Forces agencies.

(f) *Service with U.S. Possessions and Territories.* There is no C.O.D. service with the Canal Zone, Canton Island, Caroline Islands, Mariana Islands, or Marshall Islands or to Samoa. However, C.O.D. articles may be mailed from Pago Pago, Samoa.

§ 53.3 Mailing.

(a) *Payment of fees and postage.* Fees and postage must be prepaid. If the mailer includes in the charges to be remitted the postage and fee prepaid, the C.O.D. fee will be based on the total C.O.D. charges, which include the postage and fee.

(b) *Where to mail.* C.O.D. parcels must be mailed at a post office, branch, or station or through a rural carrier. They may not be placed in mail drops at post offices, nor in or on street mail boxes. They may not be left on, but may be placed in, rural mail boxes. (See also paragraph (h) of this section regarding mailing C.O.D. matter on rural routes.)

(c) *Individual receipts for mailing.* A receipt is issued for each C.O.D. parcel mailed.

(d) *Firm mailing books, C.O.D. tags, and address labels.* Firm mailing books, Form 3877–A, are furnished without charge to patrons who mail an average of three or more parcels at one time. Spaces are provided for entering the description of parcels to be sent C.O.D. The sheets of these books become the senders' receipts and the post office records. The books must be presented with the parcels to be mailed. Following are instructions for their use:

(1) The postmaster will assign a series of numbers. The mailer must number the articles and the items to correspond. Entries must be made in duplicate with carbon paper.

(2) A C.O.D. tag must be securely fixed by the sender to each C.O.D. article, showing article number, names and addresses of sender and addressee, amount due sender, and amount of money order fee necessary to make remittance. The necessary particulars must be filled in by sender. Stock tags are furnished by the post office without charge. There are three types of tags eyeletted for tying to parcels, and one uneyeletted type for attaching by gummed tape. Specially printed C.O.D. tags approved by the Postal Service are also used. The eyeletted tag, form 3816, composed of delivery office portion, delivering employee's coupon, mailing office record and the sender's receipt, is intended for use by patrons mailing less than three articles at one time.

(3) The particulars required on the tag must be filled in by the sender with ink, indelible pencil (not ordinary lead pencil), or typewriter. The Postal Service is not responsible for errors by senders in stating charges to be collected.

(4) When C.O.D. remittance is to be sent to someone other than the actual mailer, the name and address of the person to whom the money is to be sent must appear in the proper spaces on the address side of the C.O.D. tag. The name and address of the actual mailer must be placed on the back of the delivery office portion of the tag. The name and address of the person to whom the money is to be paid must be shown as sender on the C.O.D. parcel itself, together with directions as to return, if undeliverable.

(5) The package must bear the complete names and addresses of the sender and addressee, and the C.O.D. endorsement showing the amount due the sender and the money order fee necessary to make the remittance.

(6) When C.O.D. parcels are addressed to distant points or to overseas domestic destinations, the mailer may, if he desires to expedite remittance, attach an addressed, prepaid airmail reply envelope to the back of the C.O.D. tag at time of mailing.

(e) *Nursery stock shipments.* Firms mailing nursery stock may print special C.O.D. tags bearing instructions as to disposition of shipments that are not immediately delivered. These tags must contain a coupon that will be returned with the money order. The following rules apply:

(1) If the sender does not desire to have the parcel, if undeliverable, disposed of to the highest bidder, the sender's instructions on the back of the delivery-office portion of the C.O.D. tag (1), and the sender's coupon (2), should read:

(i) If addressee refuses to pay charges for any reason, deliver at once without collecting the charges. Notify sender at once if parcel is not delivered, and if no reply is received in 30 days, destroy parcel. See sender's coupon for further instructions.

(ii) Return this coupon with money order. If parcel is delivered without collection of charges, or is destroyed after 30 days, check disposition and send coupon to sender in penalty envelope.

☐ Delivered to addressee without collecting charges.
☐ Destroyed after 30 days.

(2) If sender desires to have the parcel, if undeliverable, disposed of to the highest bidder, the sender's instructions on the back of the delivery office portion of the C.O.D. tag (1), and on the sender's coupon (2), should read:

(i) If addressee refuses to pay charges for any reason, deliver at once without collecting the charges. Notify sender at once if parcel is not delivered, and if no reply is received in 30 days, sell to highest bidder and remit proceeds less commission. If sale cannot be made destroy parcel. See sender's coupon for further instructions.

(ii) Return this coupon with money order. If parcel is delivered without collection of charges, is destroyed after 30 days, or is sold, check disposition and send coupon to sender in penalty envelope.

☐ Delivered to addressee without collecting charges.
☐ Destroyed after 30 days.
☐ Sold for $_____. Remittance, less commission, herewith.

(f) *Multiple mailing forms.* Specially designed and privately printed multiple mailing forms are found by many mailers to be advantageous. They provide in one operation, by carbon or spot carbon process, address labels, firm mailing and post office records, and C.O.D. tags or labels to be stuck on stock C.O.D. tags. Specially designed recapitulation sheets are used for receipting purposes. Mailers desiring to use multiple forms should consult printers specializing in business forms, and submit specimen proofs to their local postmasters before printing.

(g) *Temporary receipts.* When, at the discretion of the postmaster, the number of articles presented for C.O.D. at one time warrants, a temporary receipt showing only the total number of parcels accepted may be issued. The permanent receipt will be issued as soon as possible.

(h) *Mailing on rural routes.* Patrons may present mail to rural carriers for C.O.D. service. For C.O.D. mail the sender must fill in a C.O.D. tag with ink, indelible pencil (not ordinary lead pencil), or typewriter. Patrons may leave mail in rural mail boxes for C.O.D. service provided sufficient stamps are fixed for postage and fee, or money for postage and fee is left in the box. If indemnity coverage for more than the C.O.D. charges is desired, a note should be left so stating. The Postal Service assumes no responsibility for articles or money left in rural mail boxes until the articles are receipted for.

§ 53.4 Special services.

(a) *Restricted delivery service.* Patrons may, at the time of mailing, direct that a C.O.D. parcel be delivered only to the addressee or to someone named by him in writing. The mail will be endorsed "Deliver to Addressee Only or Deliver to Addressee or Order."

(b) *Alteration or cancellation of C.O.D. charges or delivery.* Alteration or cancellation of C.O.D. changes or delivery to another addressee may be directed by the sender on payment of the prescribed additional fee. The request must be made at office of mailing on Form 3818, "Authorization to Cancel or Change Charges on a C.O.D. Article." Such change may be directed by telegram, the telegram being authorized and paid for by the sender but sent in the name of the postmaster.

§ 53.5 Delivery.

(a) *At letter carrier offices.* (1) A C.O.D. parcel will be tendered to the addressee at his home, or if he receives his mail in a post office box or through general delivery, he will be furnished a notice of the arrival of the parcel. If the parcel is undelivered after 5 days, a second notice will be sent to him. If the addressee does not accept the parcel when it is tendered, it will be returned to the post office and held for the length of time directed by the sender, but never more than 30 days. The addressee may go to the post office and obtain the parcel or he may request that it be delivered to his home. The mailer may also request that it be delivered again.

(2) A request that a second attempt be made by a carrier to deliver a C.O.D. parcel that was refused the first time must be accompanied by postage at the local rate. A parcel that was not refused will be tendered a second time only if the addressee gives assurance that it will be accepted; and no extra postage will be charged. A request by the sender for renewed delivery service must be accompanied by postage at the local rate.

(3) When delivery of a C.O.D. parcel has been attempted twice by carrier, postage at the local rate must be paid for each additional attempt.

(4) No local rate of postage is charged for renewed attempts to deliver C.O.D. mail prepaid at the letter rate of postage.

(5) The addressee must have the amount of the C.O.D. charges, as the carrier is not furnished change.

(b) *At offices not having carrier delivery service.* The addressee will be notified when a C.O.D. parcel is on hand for delivery. The notice is placed in the general delivery or in a post office box. A second notice is issued if the article is undelivered after 5 days.

(c) *On star routes affording delivery services.* C.O.D. mail will not be delivered by star route carrier unless the addressee so requests in a written order filed with the postmaster. When the order is given, the carrier is regarded as the addressee's representative, and the responsibility of the Postal Service ends when delivery has been made to the carrier. Delivery of C.O.D. mail is not made to a star route carrier until the C.O.D. charges are paid.

(d) *Type of delivery service.* C.O.D. parcels are delivered in accordance with the regulations for delivery of registered mail (see Part 51 of this chapter), except that when delivery has not been restricted, mail addressed to a person at a hotel, apartment house, or the like, may be delivered to any person in a supervisory or clerical capacity to whom the mail is customarily delivered. Delivery receipts are obtained by the delivering carrier.

(e) *Examination of mail.* The addressee or his representative may read and copy the name and address of the mailer from C.O.D. mail while it is in the possession of the postal employee. Examination of the contents may be made only after the C.O.D. charges have been paid and delivery has been made.

NOTE: The corresponding Postal Manual Part is 163.

LOUIS J. DOYLE,
General Counsel.

[F.R. Doc. 61-6956; Filed, July 21, 1961; 9:37 a.m.]

Title 41—PUBLIC CONTRACTS

Chapter 60—The President's Committee on Equal Employment Opportunity

PART 60-1—OBLIGATIONS OF GOVERNMENT CONTRACTORS AND SUBCONTRACTORS

On June 9, 1961, notice was published in the FEDERAL REGISTER (26 F.R. 5184) of proposed regulations relating to the promotion and insurance of equal employment opportunity on public contracts for all qualified persons without regard to race, creed, color, or national origin.

Interested persons were given an opportunity to submit written and oral data, views, and arguments concerning the proposal. After considering carefully all relevant matter that was presented and after making some changes upon the basis of such matter relating principally to exemptions from the regulations, the filing of compliance reports, and provisions for notice and hearing in enforcement actions, the President's Committee on Equal Employment Opportunity hereby amends Title 41 of the Code of Federal Regulations by adding thereto a new Chapter 60, which reads as follows:

Subpart A—Preliminary Matters; Contract Agreements; Exemptions; Compliance Reports

Sec.
60-1.1 Purpose and application.
60-1.2 Definitions.
60-1.3 Contract agreements; exemptions.
60-1.4 Duties of contracting agency.
60-1.5 Compliance reports.
60-1.6 Compliance by labor unions.
60-1.7 Use of compliance reports.

Subpart B—General Enforcement; Complaint Procedure

60-1.20 Compliance review by the contracting agency.
60-1.21 Who may file complaints.
60-1.22 Where to file.

AUTHORITY: §§ 60–1.1 to 60–1.65 issued under sec, 306, E.O. 10925, 26 F.R. 1977.

Subpart A—Preliminary Matters; Contract Agreements; Compliance Reports

§ 60–1.1 Purpose and application.

The purpose of the regulations in this part is to achieve the aims of Part III of Executive Order 10925 for the promotion and insuring of equal opportunity for all qualified persons, without regard to race, color, creed, or national origin, employed or seeking employment on government contracts. The regulations apply to all contracting agencies and contractors and subcontractors who perform government contracts, or work in connection therewith to the extent set forth in this part. The rights and remedies of the government hereunder are not exclusive and do not affect rights and remedies provided elsewhere by law, regulation, or contract; neither do the regulations limit the exercise by the Committee of powers not herein specifically set forth but granted to it by the Order.

§ 60–1.2 Definitions.

(a) "Committee" means the President's Committee on Equal Employment Opportunity.

(b) "Chairman" means the Chairman of the Committee.

(c) "Vice Chairman" means the Vice Chairman of the Committee.

(d) "Executive Vice Chairman" means the Executive Vice Chairman of the Committee.

(e) "Order" means Executive Order 10925 of March 6, 1961 (26 F.R. 1977).

(f) "Contract" means any binding legal relationship between the government and a contractor for supplies or services, including construction, or for the use of government property, in which the parties, respectively, do not stand in the relationship of employer and employee.

(g) "Contract modification" means any written alteration in the terms and conditions of an existing contract accomplished by bilateral action of the parties to the contract, including such bilateral actions as supplemental agreements and amendments.

(h) "Subcontract or purchase order" mean, respectively, any contract made or purchase order executed with a contractor or subcontractor where a material part of the supplies or services covered by such contract or purchase order is being obtained for use in the performance of any contract subject to the Order.

(i) "Prime contractor" means any contractor holding a contract with the government.

(j) "First-tier subcontractor" means any contractor holding a contract with a government prime contractor calling for supplies or services required for the performance of a government prime contract.

(k) "Contracting agency" means any department (including the Departments of the Army, the Navy, and the Air Force), agency and establishment in the executive branch of the government, including any wholly-owned government corporation, which enters into contracts.

(l) "Rules, regulations and relevant orders" of the Committee as used in paragraph 4 of the contract clause contained in section 301 of the Order mean rules, regulations and relevant orders issued pursuant to the Order and in effect at the time the particular contract or contract modification subject to the Order was entered into.

§ 60–1.3 Contract agreements; exemptions.

(a) *Requirements of the Order.* Each contracting agency shall include in each of its contracts or contract modifications the nondiscrimination provisions of section 301 of the Order unless the contract is exempt in accordance with the provisions of paragraph (b) of this section. Each contractor or first-tier subcontractor shall include paragraphs 1 through 6 of the contract clauses contained in section 301 of the Order in every subcontract or purchase order made in connection with the performance of the government contract, so that the provisions of section 301 will be binding upon each subcontractor or vendor, with whom the contractor or first-tier subcontractor deals. Such necessary modifications in language may be made as shall be appropriate to identify properly the parties and their undertakings. Subcontractors below the first-tier shall not be required to insert the nondiscrimination provisions of section 301 of the Order in any contract which they may make in connection with the performance of a government contract except upon special order of the contracting agency or the Executive Vice Chairman. Subcontracts or purchase orders may incorporate by reference the nondiscrimination provisions of section 301 of the Order.

(b) *Exemptions*—(1) *Specific contracts, subcontracts, or purchase orders.* The Executive Vice Chairman may exempt a contracting agency from requiring the inclusion of the contract provisions set forth in section 301 of the Order in any specific contract, subcontract, or purchase order when he deems that special circumstances in the national interest so require. Requests for such exemptions may be submitted in accordance with § 60–1.62.

(2) *Transactions of $10,000 or under.* Contracts, subcontracts, purchase orders, and other transactions not exceeding $10,000, other than government bills of lading, are exempt from the requirements of section 301 of the Order.

(3) *Combinations of subcontracts.* Any combination of subcontracts by a subcontractor under the same principal contract, none of which exceed $10,000 or in the aggregate exceed $50,000, shall be exempt from that requirement of paragraph 5 of the contract clauses provided for in section 301 of the Order as implemented by § 60–1.5, which provides for the submission of compliance reports under section 302 of the Order.

(4) *Government bills of lading.* Government bills of lading in any amount are subject to the Order, and the nondiscrimination provisions may be incorporated therein by reference. When acting pursuant to such bills of lading, carriers shall be exempt from complying with paragraphs 3 through 7 of the contract clauses contained in section 301 of the Order unless otherwise specifically ordered by the contracting agency or the Executive Vice Chairman.

(5) *Contracts outside the United States.* Contracts, subcontracts, purchase orders and other transactions are exempt from the requirements of section 301 of the Order where work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved. The provisions of section 301 of the Order shall nevertheless be applicable to the extent that work pursuant to such contracts is done within the limits of the United States.

(6) *Standard commercial supplies and raw materials.* Contracts, subcontracts, and purchase orders for standard commercial supplies or raw materials are exempt from the requirements of section 301 of the Order, except that the Executive Vice Chairman may from time to time by order provide that specified articles or raw materials shall be subject to the Executive Order and rules and regulations promulgated pursuant thereto, when he finds that the inclusion thereof is necessary or appropriate to achieve the purposes of the Order.

(7) *Withdrawal of exemption.* When any class of contracts, subcontracts, or purchase orders subject to the Order is exempted under this section, the Executive Vice Chairman may withdraw the exemption in the case of specific contracts, when in his judgment, the national interest does not require the exemption, and when such action is necessary or appropriate to achieve the purposes of the Order.

(8) *Effect of exemption.* Notwithstanding the inclusion in any contract of

the provisions set forth in section 301 of the Order, the contractor shall be exempt from compliance therewith if the contract containing such provisions of the Order is exempt under any exemption contained in the rules, regulations and relevant orders issued by the Committee.

(9) *Review of exemptions.* The Executive Vice Chairman shall report periodically to the Committee for its review any exemptions of a specific contract or class of contracts granted pursuant to these rules and regulations.

§ 60–1.4 Duties of contracting agency.

(a) *General responsibility.* The head of each contracting agency shall be primarily responsible for obtaining compliance with the contract provisions set forth in section 301 of the Order, the regulations in this part, and any orders of the Committee. Further, each contracting agency shall furnish the Committee such information and assistance as it may require in the performance of its functions under the Order.

(b) *Contracts Compliance Officers and Deputy Contracts Compliance Officers; designation; duties.* The head of each contracting agency shall appoint from among its personnel a Contracts Compliance Officer, who shall be subject to the immediate supervision of the head of the contracting agency for carrying out the responsibilities of the agency under this part. The head of the contracting agency or the Contracts Compliance Officer may also designate, when appropriate, Deputy Contracts Compliance Officers to assist the Contracts Compliance Officer in the performance of his duties. The name of each Contracts Compliance Officer and any Deputy Contracts Compliance Officers, their addresses, telephone numbers, and any changes made in their designation shall be furnished to the Executive Vice Chairman.

(c) *Regulations.* The head of each contracting agency may prescribe, subject to the prior approval of the Executive Vice Chairman, regulations not inconsistent with those in this part for the administration of the nondiscrimination provisions of Part III of the Order. Prior to receipt of the approval of the Executive Vice Chairman, as provided in this paragraph, current agency regulations relating to nondiscrimination in government procurement may be continued to the extent that they are not inconsistent with the regulations in this part and with Part III of the Order.

§ 60–1.5 Compliance reports.

(a) *Requirements for contractors and subcontractors*—(1) *General.* The contracting agency shall require each contractor having a contract containing the provisions prescribed in section 301 of the Order to file, and each contractor shall cause each of its first-tier subcontractors not exempted by § 60–1.3 to file, compliance reports with the contracting agency, which shall be subject to review by the Executive Vice Chairman upon request. The contractor's compliance report shall be filed within 30 days after the award of the contract and the contractor shall require that first-tier subcontractors' compliance reports be filed with the contractor within 30 days of the making of such first-tier subcontracts, and forwarded promptly by the contractor to the contracting agency, on forms prescribed by the Committee which may be obtained from the contracting agency. Among other things, the forms shall provide that whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or other representative of employees, information shall be furnished as to the labor union or other workers' representative's practices and policies affecting compliance, and in connection therewith, shall request the union or workers' representative for any necessary data within its possession. Where such information is within the exclusive possession of a labor union or other workers' representative and the labor union or other workers' representative shall fail or refuse to furnish such information, the contractor or subcontractor shall so certify in his report and shall set forth what efforts has has made to obtain such information. When such failure or refusal is certified, the contracting agency shall immediately advise the Executive Vice Chairman. Subsequent compliance reports shall be filed at such regular intervals as may be indicated upon the prescribed forms or at such other times as the Executive Vice Chairman may direct. The contracting agency, with the approval of the Executive Vice Chairman, may, in appropriate cases, extend the time for the filing of compliance reports.

(2) *When required on other current contracts.* Whenever a contractor or subcontractor is already currently engaged in the performance of any part or all of another contract with any contracting agency subject to the Order and these regulations, or has filed a compliance report within a current reporting period, the requirements of subparagraph (1) of this paragraph may be satisfied by the contractor or subcontractor filing a statement reciting the plants, facilites and activities to which the prior compliance report applies, and identifying by number and description the other contract or contracts under which compliance reports have already been and are being filed, or by filing a true copy or copies of compliance reports previously submitted (unless the contracting agency shall direct that more current compliance reports be filed), *provided, however,* that with regard to any such pre-existing compliance report, the contractor or subcontractor shall certify that such report continues to provide an accurate and current description of the employment practices and policies at all plants, facilities and activities of the contractor or subcontractor subject to the Order.

(b) *Requirements of bidders or prospective contractors*—(1) *Previous government contracts.* Each contracting agency shall require any bidder or prospective contractor, or any of their proposed subcontractors, to state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract subject to the provisions of section 301 of the Order. The agency may, or upon the direction of the Executive Vice Chairman, shall require the submission of a compliance report by any bidder or prospective contractor prior to the award of the contract upon which the contractor has bid. When a determination has been made to award a contract to a specific contractor, such contractor may be required, prior to award, to furnish the contracting agency with the names of its proposed subcontractors and to furnish such information regarding the employment policies and practices of such subcontractors as the contracting agency may require.

(2) *Union statement.* Each contracting agency may as a part of the bid or negotiation of the contract, or upon the direction of the Executive Vice Chairman, shall, direct any bidder, proposed contractor, or any of their proposed subcontractors to file a statement in writing (signed by an authorized officer or agent of any labor union or other workers' representative with which the bidder or prospective contractor, or subcontractor, deals or has reason to believe he will deal in connection with performance of the proposed contract), together with supporting information, to the effect that the said labor union's or other workers' representative's practices and policies do not discriminate on the grounds of race, color, creed, or national origin, and that the labor union or other workers' representative either will affirmatively cooperate, within the limits of its legal and contractual authority, in the implementation of the policy and provisions of the Order or that it consents and agrees that recruitment, employment and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the Order. In the event the union or other workers' representative fails or refuses to execute such a statement, the bidder or prospective contractor shall so certify, and state what efforts have been made to secure such a statement. When such failure or refusal has been certified, the contracting agency shall immediately advise the Executive Vice Chairman.

§ 60–1.6 Compliance by labor unions.

(a) The Executive Vice Chairman shall use his best efforts, directly and through contracting agencies, contractors, subcontractors, state and local officials, public and private agencies, and all other available instrumentalities, to cause any labor union, recruiting agency or other representative of workers who is or may be engaged in work under government contracts to cooperate with, and to comply in the implementation of the purposes of the regulations and the Order.

(b) In order to effectuate the purposes of paragraph (a) of this section, the Executive Vice Chairman may hold hearings, public or private, with respect to the practices and policies of any such labor organization.

(c) The Executive Vice Chairman may also notify any Federal, State, or local agency of his conclusions and recommendations with respect to any such labor organization which in his judgment has failed to cooperate with the Committee, contracting agencies, contrac-

tors, or subcontractors in carrying out the purposes of the regulations and the Order.

§ 60–1.7 Use of compliance reports.

The contracting agency and the Committee shall use the compliance reports only in connection with the administration of the Order.

Subpart B—General Enforcement; Complaint Procedure

§ 60–1.20 Compliance review by the contracting agency.

(a) *General.* The purpose of compliance reviews shall be to ascertain the extent to which the Order is being implemented by the creation of equal employment opportunity for all qualified persons in accordance with the national policy. They are not intended to interfere with the responsibilities of employers to determine the competence and qualifications of employees and applicants for employment. Both routine and special compliance reviews shall be conducted by the contracting agency to ascertain the extent to which contractors and subcontractors are complying with the Order, and to furnish information that may be useful to the contracting agency and the Committee in carrying out their functions under the Order. If the contractor has contracts with more than one contracting agency, the contracting agency having the predominant interest shall normally conduct compliance reviews. That contracting agency having the largest aggregate dollar value of contracts at the time of the filing of the most recent compliance report shall be deemed to have the predominant interest in any proceeding under this part.

(b) *Routine compliance review.* A routine compliance review consists of a general review of the practices of the contractor or subcontractor to ascertain compliance with the requirements of the Order. A routine compliance review shall be considered a normal part of contract administration.

(c) *Special compliance review.* A special compliance review consists of a comprehensive review of the employment practices of the contractor or subcontractor with respect to the requirements of the Order. Special compliance reviews shall be conducted by the Executive Vice Chairman; or the contracting agency (1) from time to time, (2) when special circumstances, including complaints which are processed under § 60–1.24, warrant, or (3) when requested by the Executive Vice Chairman. The contracting agency shall report the results of any special compliance review to the Executive Vice Chairman.

§ 60–1.21 Who may file complaints.

Any employee of any government contractor or subcontractor or applicant for employment with such contractor or subcontractor who believes himself to be aggrieved under the provisions of section 301 of the Order may, by himself or by an authorized representative, file in writing a complaint of alleged discrimination. Such complaint must be filed not later than 90 days from the date of the alleged discrimination, unless the time for filing is extended by the contracting agency or the Executive Vice Chairman upon good cause shown.

§ 60–1.22 Where to file.

Complaints may be filed with the contracting agency or with the Committee. Those filed with the Committee may be referred to the contracting agency for processing, or they may be processed in accordance with § 60–1.26. Where complaints are filed with the contracting agency, the Contracts Compliance Officer shall transmit a copy of the complaint to the Executive Vice Chairman within ten days after the receipt thereof and shall proceed with a prompt investigation of the complaint.

§ 60–1.23 Contents of complaint.

(a) The complaint should include the following information: The name and address (including telephone number) of the complainant; the name and address of the contractor or subcontractor committing the alleged discrimination; a description of the acts considered to be discriminatory; and any other pertinent information which will assist in the investigation and resolution of the complaint. The complaint shall be signed by the complainant.

(b) Where a complaint contains incomplete information, the contracting agency or the Executive Vice Chairman, (when acting pursuant to § 60–1.26), shall seek promptly the needed information from the complainant. In the event such information is not furnished to the contracting agency or the Executive Vice Chairman within 60 days of the date of such request, the case may be closed.

§ 60–1.24 Processing of complaints by the contracting agency.

(a) *Investigation.* (1) The contracting agency shall institute a prompt investigation of each complaint filed with it or referred to it, and shall be responsible for developing a complete case record. The investigation should include, where appropriate, a review of the pertinent personnel practices and policies of the contractor or subcontractor, the circumstances under which the alleged discrimination occurred, and other factors relevant to a determination as to whether the contractor or subcontractor has complied with the nondiscrimination provisions of the contract.

(2) When a complaint is filed against a contractor or subcontractor who has contracts with more than one contracting agency, the contracting agency having the predominant interest in such government contracts shall normally conduct the investigation and make such findings and determinations as shall be appropriate for the administration of the Order.

(b) *Resolution of complaint.* (1) If the investigation by the contracting agency shows no violation of the nondiscrimination provisions, the contracting agency shall so inform the Committee. The Executive Vice Chairman shall review the findings and upon concurrence therewith he shall so advise the contracting agency, which shall in turn notify the complainant and the appropriate contractors and subcontractors, and the case shall be closed. If upon review, the Executive Vice Chairman does not concur with the findings of the contracting agency, he may request further investigation by the contracting agency or may undertake such investigations by the Committee as he may deem appropriate.

(2) If the investigation indicates the existence of an apparent violation of the nondiscrimination provisions, the matter should be resolved by informal means whenever possible.

(3) If a case in which the investigation has shown apparent discrimination is not resolved by informal means, the contracting agency may afford the contractor or subcontractor complained against an opportunity for a hearing before reporting its findings and recommendations to the Executive Vice Chairman, as provided in paragraph (c) of this section; *Provided, however,* That whenever ineligibility for any government contract (i.e. debarment) of the contractor or subcontractor may be proposed by a contracting agency, such contractor or subcontractor shall be afforded an opportunity for a hearing under § 60–1.27 before the head of the contracting agency or his authorized representative; *Provided, further,* That the contracting agency shall not impose any sanction or penalty under section 312 of the Order, except under subsection (d) of that section relating to contract termination, without the prior approval of the Committee; *Provided, further,* That no case shall be referred to the Department of Justice as provided in section 312(b) of the Order and no contract shall be terminated in whole or in part under section 312(d) of the Order without compliance with § 60–1.29; *And provided, further,* When a contractor or subcontractor, without a hearing, shall have complied with the recommendations or orders of a contracting agency or the Executive Vice Chairman and believes such recommendations or orders to be erroneous, he shall, upon filing a request therefor, be afforded an opportunity for a hearing and review of the alleged erroneous action by the contracting agency or the Executive Vice Chairman, as the case may be.

(c) *Report to the Executive Vice Chairman.* Within 30 days after the completion of the case processing, the head of the contracting agency or his authorized representative shall submit to the Executive Vice Chairman the case record and a summary report containing the following information:

(1) Name and address of the complainant;

(2) Brief summary of findings;

(3) A statement of the disposition of the case, including any corrective action taken and any sanctions or penalties imposed under subsection (d) of section 312 of the Order, or, whenever appropriate, the recommended corrective action and sanctions or penalties.

§ 60–1.25 Assumption of jurisdiction by the Executive Vice Chairman over cases before contracting agency.

The Executive Vice Chairman may inquire into the status of any case pending before a contracting agency, and, where

he considers it necessary or appropriate to the achievement of the purposes of Part III of the Order he may assume jurisdiction over the case and proceed as provided in § 60–1.26.

§ 60–1.26 Processing of complaints by the Executive Vice Chairman.

(a) The Executive Vice Chairman may process complaints filed with him or over which he assumes jurisdiction under § 60–1.25. Whenever the Executive Vice Chairman processes complaints filed with him or he assumes jurisdiction, he may conduct, or have conducted, such investigations, hold such hearings, make such findings, and issue such recommendations and orders as may be necessary or appropriate to achieve the purposes of Part III of the Order: *Provided, however,* That whenever contract ineligibility of the contractor or subcontractor may be proposed, such contractor or subcontractor shall be afforded an opportunity for a hearing under § 60–1.27 before the head of the contracting agency or his authorized representative, or before a panel of the Committee: *And provided, further,* That no case shall be referred to the Department of Justice as provided in section 312(b) of the Order and no contract shall be terminated in whole or in part under section 312(d) of the Order without compliance with § 60–1.29.

(b) The Executive Vice Chairman shall promptly notify the contracting agency of any corrective action to be taken or any sanctions to be imposed by the contracting agency. The contracting agency shall take such action, and report the results thereof to the Chairman within the time specified in individual cases.

§ 60–1.27 Notice and hearings.

(a) *Notice.* Whenever a hearing is to be held pursuant to Subpart B of this part, reasonable notice of such hearing shall be given by registered mail, return receipt requested, to the contractor or subcontractor complained against. Such notice shall include (1) a convenient time and place of hearing, (2) a statement of the provisions of the Order and regulations pursuant to which the hearing is to be held, and (3) a concise statement of the matters pursuant to which the action forming the basis of the hearing has been taken or is proposed to be taken.

(b) *Hearings*—(1) *In general.* The Executive Vice Chairman, the head of the contracting agency or such other official or officials designated as hearing officer or officers shall regulate the course of the hearing. Hearings shall be informally conducted. Every party shall have the right to counsel, and a fair opportunity to present his case or defense including such cross-examination as may be appropriate in the circumstances. Hearing officers shall make their proposed findings and recommended conclusions upon the basis of the record before them.

(2) *Contract ineligibility cases.* When hearings are held pursuant to section 310(b) of the Order to declare a contractor or subcontractor ineligible for further government contracts, the procedures provided in subparagraph (1) of this paragraph shall be followed except as hereinafter set forth.

(i) *Notice.* Before any determination is made by the Committee or the contracting agency to declare any contractor or subcontractor ineligible for further contracts under sections 301 and 312 of the Order, a notice of the proposed determination in writing and signed by the Executive Vice Chairman or the head of the contracting agency, or his authorized representative, as the case may be, shall be sent to the last known address of the contractor or subcontractor by registered mail, return receipt requested.

(ii) *Hearing request.* Whenever a contractor or subcontractor has been notified by a contracting agency of a proposed determination of contract ineligibility under the Order, such contractor or subcontractor shall be entitled to request an opportunity to be heard by the contracting agency. When such notice is received from the Executive Vice Chairman, a request for an opportunity to be heard may be made to the Committee. The letter to the Executive Vice Chairman or the head of the contracting agency, or his authorized representative, as the case may be, may include a request for a written statement specifying charges in reasonable detail. The request for an opportunity to be heard shall be made within ten days from the date of the receipt of notice of the proposed determination. If at the end of such ten-day period, no request has been received, the Executive Vice Chairman or the head of the contracting agency, or his authorized representative, may assume that an opportunity to be heard is not desired, and the Executive Vice Chairman may enter an order declaring such contractor or subcontractor ineligible for further government contracts, or extension or other modifications of existing contracts until such contractor or subcontractor shall have satisfied the Committee that he has established and will carry out personnel and employment policies in compliance with the provisions of the Order.

(iii) *Hearing, time, and place.* Upon receipt of a request for an opportunity to be heard, the Executive Vice Chairman or the head of the contracting agency, or his authorized representative shall arrange a timely hearing. The hearing shall be conducted by the head of the contracting agency or his authorized representative or by a panel of the Committee consisting of not less than three members thereof appointed by the Chairman or Vice Chairman of the Committee. When the hearing is conducted by the contracting agency, no decision by the head of the contracting agency, or his authorized representative, shall be final without the prior approval of a panel of the Committee.

§ 60–1.28 Reinstatement of ineligible contractors or subcontractors.

Any contractor or subcontractor declared ineligible for further government contracts under the Order may request reinstatement in a letter directed to the Executive Vice Chairman. In connection with the reinstatement proceeding, the contractor or subcontractor shall be required to show that it has now complied with the Order or that it has a program of compliance acceptable to the Executive Vice Chairman.

§ 60–1.29 Opportunity to achieve compliance before referrals to the Department of Justice or contract termination.

No cases shall be referred to the Department of Justice under section 312(b) of the Order and no contract shall be terminated in whole or in part under section 312(d) of the Order until the expiration of 10 days (unless a longer period is fixed by the contracting agency with the approval of the Executive Vice Chairman) from the mailing of notice of such proposed referral or contract termination by the contracting agency to the contractor or subcontractor involved, affording him an opportunity to comply with the provisions of the Order. When the case involves a proposed referral to the Department of Justice, the mailing of notice shall be after receipt from the Executive Vice Chairman of approval of such proposed action. In addition, the contracting agency shall make reasonable efforts to persuade the contractor to comply with the provisions of the Order and to take such corrective action as may be appropriate.

§ 60–1.30 Notification of Comptroller General in cases of contract ineligibility or contract termination.

Whenever a contract is terminated or whenever a contractor is declared ineligible from receiving further contracts because of noncompliance with the nondiscrimination provisions, the Executive Vice Chairman shall notify the Comptroller General of the United States.

§ 60–1.31 Contract ineligibility list.

The Executive Vice Chairman shall distribute periodically a list to all executive departments and agencies giving the names of contractors or subcontractors who have been declared ineligible under these regulations and the Order. The Executive Vice Chairman may also publish such a list together with a list of those contractors or subcontractors who may have reestablished their eligibility in such form and in such places as he may deem appropriate.

Subpart C—Certificates of Merit

§ 60–1.40 By the Committee on its own initiative.

The Committee acting through the Chairman or Vice Chairman may award United States Government Certificates of Merit to employers or employee organizations which are or may hereafter be engaged in work under government contracts, if the Committee is satisfied that the personnel and employment practices of the employer, or that the personnel, training, apprenticeship, membership, grievance and representation, upgrading, and other practices and policies of the employee organization conform to the purposes and provisions of the Order.

§ 60–1.41 By the Executive Vice Chairman upon agency recommendation.

The Committee, acting through the Executive Vice Chairman, may award a United States Government Certificate of Merit upon the recommendation of a contracting agency. The recommendation should include a statement in sufficient detail to inform the Executive Vice Chairman of the basis for the proposed award.

§ 60–1.42 Benefits.

A United States Government Certificate of Merit shall entitle the recipient employer or employee organization to an exemption from the submission of the reports otherwise required by section 302 of the Order and the regulations. Holders of Certificates of Merit should notify each agency with whom they may seek contracts of their status and should clearly identify the Certificate by number or otherwise.

§ 60–1.43 Suspension or revocation.

The Committee acting through the Chairman or Vice Chairman may at any time review the continued entitlement of any employer or employee organization to a United States Government Certificate of Merit, and may suspend or revoke in the public interest the Certificate if the holder thereof, in the judgment of the Executive Vice Chairman, is no longer in compliance with the provisions of the regulations and those of the Order. The Executive Vice Chairman shall notify all contracting agencies of such suspension or revocation of the Certificate of Merit.

Subpart D—Ancillary Matters

§ 60–1.60 Solicitations or advertisements for employees.

In solicitations or advertisements for employees placed by or on behalf of a contractor or subcontractor, the requirements of paragraph (2) of the contract provisions contained in section 301 of the Order shall be satisfied whenever the contractor or subcontractor complies with any of the following:

(a) States expressly in the solicitations or advertising that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin;

(b) Uses display or other advertising, and the advertising includes an appropriate insignia prescribed by the Committee. The use of the insignia is considered subject to the provisions of 18 U.S.C. 701;

(c) Uses a single advertisement, and the advertisement is grouped with other advertisements under a caption which clearly states that all employers in the group assure all qualified applicants equal consideration for employment without regard to race, creed, color, or national origin;

(d) Uses single advertisement in which appears in clearly distinguishable type the phrase "an equal opportunity employer".

§ 60–1.61 Access to records of employment.

Each contractor and subcontractor shall permit access during normal business hours to his books, records, and accounts pertinent to compliance with the Order, and all rules and regulations promulgated pursuant thereto, by the contracting agency, the Committee, the Executive Vice Chairman, and the Secretary of Labor for purposes of investigation to ascertain compliance with the rules, regulations, and orders of the Committee. Information obtained in this manner shall be used only in connection with the administration of the Order.

§ 60–1.62 Requests for exemptions.

The head of the contracting agency may request an exemption of any specific contract, subcontract, or purchase order from the requirements of the provisions of section 301 of the Order. Any such request shall be directed to the Executive Vice Chairman, who shall rule upon the request in accordance with paragraph (b) of § 60–1.3.

§ 60–1.63 Rulings and interpretations.

(a) All questions arising in any contracting agency relating to the application and interpretation of the regulations contained in this part and in the Order shall be referred to the Executive Vice Chairman for appropriate ruling or interpretation. The rulings and interpretations of the Executive Vice Chairman, unless and until modified or revoked, shall be authoritative.

(b) Any bidder or prospective contractor, and any contractor, subcontractor or vendor holding a contract, subcontract or purchase order subject to the Order, who owns, operates or controls, one or more plants or facilities in addition to those engaged in the performance of work upon such contract, subcontract or purchase order, may file with the Executive Vice Chairman a request for a ruling as to the applicability of the Order to any plant or facility which he deems to be outside the scope of the Order; and the Executive Vice Chairman may rule that the Order does not apply to any such plant or facility if he finds that such plant or facility is in all respects separate and distinct from those activities of the contractor connected with the performance of the contract and that a ruling to that effect will not interfere with or impede the effectuation of the purposes of the Order and of the rules and regulations, or, through the contracting agency, may similarly submit for clarification and determination other questions concerning the applicability of the Order to such contract, subcontract or purchase order.

§ 60–1.64 Reports to the Committee.

The Executive Vice Chairman shall make monthly reports to the Committee and such other reports as may be requested by the Chairman or Vice Chairman of the Committee.

§ 60–1.65 Existing contracts, subcontracts, or purchase orders.

All contracts, subcontracts or purchase orders in effect prior to the Order and not modified, as provided in § 60–1.3, shall be administered in accordance with the nondiscrimination provisions of the prior applicable Executive Orders. Complaints received by, and violations coming to the attention of, contracting agencies, pursuant to the nondiscrimination contract clauses contained in such contracts, subcontracts, or purchase orders and inserted therein in accordance with such prior Executive Orders, shall be reported to the Executive Vice Chairman. The contracting agency shall, upon its own initiative, or upon the request of the Executive Vice Chairman, investigate such complaints or alleged violations and take such action as may be appropriate.

Effective date. Because the requirements of this chapter concern public contracts excepted from the provisions of section 4 of the Administrative Procedure Act and because of the desirability of prompt implementation of the provisions of Executive Order 10925, this chapter shall become effective upon filing with the Office of the Federal Register.

Signed at Washington, D.C., this 20th day of July 1961.

JERRY R. HOLLEMAN,
Executive Vice Chairman.

[F.R. Doc. 61–6955; Filed, July 21, 1961; 8:51 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

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

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 2436]

ARKANSAS AND NEW MEXICO

Reserving Lands Within the Quachita National Forest for Use of the Forest Service as the Dutch Creek Mountain Scenic Area; Correcting Public Land Order No. 1290 of April 24, 1956

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

1. Subject to valid existing rights, the following-described public lands within the Ouachita National Forest, Arkansas, are hereby withdrawn from all forms of appropriation under the public land laws, including disposals of materials under the Act of July 31, 1947 (61 Stat. 681; 30 U.S.C. 601–604), as amended, and including the mining and mineral leasing laws, except for oil and gas, provided that no part of the surface of the lands shall be used in connection with prospecting, mining, and removal of the oil and gas, and reserved for use of the

Forest Service, Department of Agriculture, as the Dutch Creek Mountain Scenic Area:

[BLM 051062]

FIFTH PRINCIPAL MERIDIAN

DUTCH CREEK MOUNTAIN SCENIC AREA

T. 3 N., R. 26 W.,
Sec. 1, S½NW¼, SW¼, and W½SW¼SE¼;
Sec. 2, SE¼NE¼ and E½NE¼SE¼.

The areas described aggregate 320.5 acres.

2. The withdrawal made by paragraph 1, hereof, shall take precedence over but not otherwise affect the existing reservation of the lands for national forest purposes.

NEW MEXICO

[69257]

3. In Federal Register Document 56–3302, appearing as Public Land Order No. 1290, in the issue of April 28, 1956, at page 2790, that part of the land description for the point of beginning of Tract B, reading "From the quarter corner common to sections 25 and 26," is hereby corrected to read "From the quarter corner common to sections 25 and 36,".

JOHN M. KELLY,
Assistant Secretary of the Interior.

JULY 18, 1961.

[F.R. Doc. 61–6864; Filed, July 21, 1961; 8:45 a.m.]

[Public Land Order 2437]

[Anchorage 053458]

ALASKA

Revoking Executive Order No. 9153–A of April 30, 1942

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

1. Executive Order No. 9153–A of April 30, 1942, which withdrew public lands in Alaska for use of the War Department for military purposes, and which was partially revoked by Public Land Orders No. 827 of May 16, 1952, and No. 1087 of March 8, 1955, is hereby revoked in its entirety. The lands affected by this order are as follows:

UGADAGA BAY FIRE CONTROL STATION

A tract of land on Ugadaga Bay and Beaver Inlet lying south of latitude 53°50'45" N., and east of longitude 166°25'00" W.
Containing approximately 800 acres.

CAPE WISLOW A.W.S. STATION

A tract of land at Cape Wislow lying between latitude 53°59'08" N., and the Bering Sea; and between longitude 166°43'11" W., and 166°46'14" W.
Containing approximately 2,000 acres.

FORT LEARNARD

A tract of land at Eider Point lying between latitudes 53°56'27" N., and 53°58'40" N., and between Unalaska Bay and longitude 166°38'41" W.
Containing approximately 2,200 acres.

FORT BRUMBACK

A tract of land on Summer Bay lying between latitudes 53°53'47" N., and 53°55'18" N., and lying west of longitude 166°25'00" W.
Containing approximately 1,500 acres.

ERSKINE POINT FIRE CONTROL STATION

A tract of land at Erskine Point between Kalekta Bay and Unalga Pass lying north of latitude 53°57'56" N.
Containing approximately 700 acres.

CONSTANTINE POINT BASE END STATION

A tract of land on Unalaska Bay lying north of latitude 53°56'22" N., and west of longitude 166°25'00" W.
Containing approximately 650 acres.

The foregoing areas aggregate a total of about 7,850 acres.

2. The tracts described are all located on the north-eastern portion of Unalaska Island which is extremely rough and mountainous. The only settlement of any size on the island is the town of Unalaska which serves as a distribution center for a considerable area of the Aleutian Islands chain.

3. Until 10:00 a.m. on July 18, 1962, the State of Alaska shall have a preferred right to select the lands in accordance with and subject to the limitations and requirements of the act of July 28, 1956 (70 Stat. 709; 48 U.S.C. 46–3b), section 6(g) of the Alaska Statehood Act of July 7, 1958 (72 Stat. 339), and the regulations in 43 CFR Part 76. Beginning at 10:00 a.m. on July 18, 1962, the lands shall be subject to operation of the public land laws generally including the mining laws subject to valid existing rights and equitable claims, the provisions of existing withdrawals, and the requirements of applicable law, rules, and regulations. The lands have been open to applications and offers under the mineral leasing laws.

Inquiries concerning the lands should be addressed to the Manager, Land Office, Bureau of Land Management, Anchorage, Alaska.

JOHN M. KELLY,
Assistant Secretary of the Interior.

JULY 18, 1961.

[F.R. Doc. 61–6865; Filed, July 21, 1961; 8:46 a.m.]

[Public Land Order 2438]

[BLM 053176]

MICHIGAN

Adding Lands to the Hiawatha and Marquette National Forests

By virtue of the authority vested in the President by section 24 of the act of March 3, 1891 (26 Stat. 1103; 16 U.S.C. 471), and the act of June 4, 1897 (30 Stat. 34, 36; 16 U.S.C. 473), and pursuant to Executive Order No. 10355 of May 26, 1952, and upon recommendation of the Secretary of Agriculture, it is ordered as follows:

Subject to valid existing rights, the following-described public lands are hereby added to and reserved as parts of the Hiawatha and Marquette National Forests, as hereafter indicated, and the boundaries of the said forests are adjusted accordingly:

HIAWATHA NATIONAL FOREST

MICHIGAN MERIDIAN

T. 41 N., R. 17 W.,
Sec. 12, SE¼NE¼.
T. 42 N., R. 17 W.,
Sec. 16, SW¼NW¼;
Sec. 21, SE¼NW¼;
Sec. 28, N½NE¼.
T. 43 N., R. 17 W.,
Sec. 3, SW¼SW¼;
Sec. 5, SE¼SW¼;
Sec. 23, SE¼SW¼.
T. 44 N., R. 17 W.,
Sec. 14, NE¼NE¼.
T. 45 N., R. 17 W.,
Sec. 11, S½;
Sec. 22, NE¼, N½SE¼;
Sec. 33, SW¼NE¼.
T. 41 N., R. 18 W.,
Sec. 12, NE¼NW¼.
T. 44 N., R. 18 W.,
Sec. 23, those parts of S½SW¼ and SW¼SE¼ lying south of Indian River;
Sec. 26, NW¼NW¼;
Sec. 34, SW¼NW¼.

The above areas aggregate approximately 1,122 acres.

MARQUETTE NATIONAL FOREST

MICHIGAN MERIDIAN

T. 42 N., R. 4 W.,
Sec. 3, S½SE¼.
T. 42 N., R. 5 W.,
Sec. 8, NW¼SW¼.
T. 43 N., R. 5 W.,
Sec. 14, NE¼NW¼;
Sec. 15, S½SE¼;
Sec. 16, SW¼NE¼;
Sec. 18, SW¼NW¼;
Sec. 21, NE¼NE¼;
Sec. 26, W½NW¼;
Sec. 28, SW¼NW¼.

The above described areas aggregate approximately 481.88 acres.

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

JULY 18, 1961.

[F.R. Doc. 61–6866; Filed, July 21, 1961; 8:46 a.m.]

[Public Land Order 2439]

[BLM 050451]

ARKANSAS

Withdrawing Lands for Use of the Forest Service as a Recreation Area

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

Subject to valid existing rights, the following-described public lands in the Ouachita National Forest, Arkansas, are hereby withdrawn from all forms of appropriation under the public land laws, including the mining but not the mineral leasing laws, nor disposals of materials under the Act of July 31, 1947 (61 Stat. 681; 30 U.S.C. 601–604), as amended, and reserved for use of the Forest Service, Department of Agriculture, as a recreation area:

5TH PRINCIPAL MERIDIAN

KNOPPERS FORD SITE

T. 4 N., R. 27 W.,
Sec. 9, NE¼NE¼;
Sec. 10, W½NW¼NW¼.
(60 acres)

This order shall take precedence over but not otherwise affect the existing res-

ervation of the lands for national forest purposes.

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

JULY 18, 1961.

[F.R. Doc. 61-6867; Filed, July 21, 1961; 8:46 a.m.]

Title 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

SUBCHAPTER B—CARRIERS BY MOTOR VEHICLE

[No. MC-C-2]

[Ex Parte No. MC-37]

PART 170—COMMERCIAL ZONES

Commercial Zones and Terminal Areas; New York, N.Y.

JULY 13, 1961.

Corrected order of May 10, 1961, 26 F.R. 4429, 5505.

The outstanding order in the above-entitled proceedings not yet having become effective, and an appropriate petition for reconsideration and oral argument of such order, by The Port of New York Authority, et al., having been filed on June 30, 1961, such order pursuant to section 17(8) of the Interstate Commerce Act, is stayed pending disposition of the matter.

[SEAL] HAROLD D. McCOY,
Secretary.

[F.R. Doc. 61-6877; Filed, July 21, 1961; 8:47 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

[7 CFR Part 906]

HANDLING OF MILK IN OKLAHOMA METROPOLITAN MARKETING AREA

Suspension of Certain Provisions of the Order

Notice is hereby given that, pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), the suspension, for the months of August and September 1961, of certain provisions of the order regulating the handling of milk in the Oklahoma Metropolitan marketing area is being considered.

The provisions proposed to be suspended are: § 906.51(a) (3) (ii) and (iii).

All persons desiring to submit data, views and arguments with respect to the foregoing proposed suspension may do so by forwarding four copies thereof postmarked not later than three days after publication of this notice in the FEDERAL REGISTER, to the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D.C.

Issued at Washington, D.C., July 20, 1961.

H. L. FOREST,
Director, Milk Marketing Orders Division, Agricultural Stabilization and Conservation Service.

[F.R. Doc. 61-6943; Filed, July 21, 1961; 8:51 a.m.]

[7 CFR Part 911]

HANDLING OF MILK IN TEXAS PANHANDLE MARKETING AREA

Suspension of Certain Provision of the Order

Notice is hereby given that, pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), the suspension, for the months of August and September 1961, of certain provision of the order regulating the handling of milk in the Texas Panhandle marketing area is being considered.

The provision proposed to be suspended is: "on not more than 15 days" appearing in § 911.7(b) (2) of the order.

All persons desiring to submit data, views and arguments with respect to the foregoing proposed suspension may do so by forwarding four copies thereof postmarked not later than three days after publication of this notice in the FEDERAL REGISTER, to the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D.C.

Issued at Washington, D.C., July 20, 1961.

H. L. FOREST,
Director, Milk Marketing Orders Division, Agricultural Stabilization and Conservation Service.

[F.R. Doc. 61-6944; Filed, July 21, 1961; 8:51 a.m.]

Agricultural Stabilization and Conservation Service

[7 CFR Part 990]

[Docket No. AO-302-A4]

MILK IN SOUTHEASTERN NEW ENGLAND MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Providence, Rhode Island on April 25, 1961 pursuant to notice thereof issued on April 5, 1961 (26 F.R. 3030).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Price and Production, Agricultural Stabilization and Conservation Service, on June 23, 1961 (26 F.R. 5818; F.R. Doc. 61-6081) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issue on the record of the hearing relates to the method of accounting for nonfat solids added to or contained in fortified milk, fortified skim milk and "dietary fluid milk products".

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

The method of accounting for nonfat milk solids added to or contained in fortified milk, fortified skim milk and "dietary fluid milk products" should be modified. Nonfat dry milk or condensed skim milk when used in fortified milk, fortified skim milk and dietary fluid milk products should continue to be classified as Class I milk. The nonfat milk solids so used should be Class I, however, only to the extent of their actual product weight rather than on their "skim milk equivalent" as presently provided.

Proponent's proposal would discontinue the skim equivalent method of accounting with respect to any nonfat dry milk or condensed skim milk used to fortify milk or skim milk, or in preparing dietary fluid milk products, and would classify such solids in Class II. The liquid whole milk or skim milk derived from producer milk and used in those products would continue to be classified in Class I. This proposal resulted from problems posed by differing accounting techniques contained in the Southeastern New England and Boston Federal milk orders.

The Boston, Springfield and Worcester orders (sometimes referred to as the three older orders) use identical accounting techniques, with no provision for converting nonfat milk solids to their "skim milk equivalent". The two more recent orders (Southeastern New England and Connecticut) use "butterfat and skim" accounting with provisions for computing the "skim milk equivalent" of nonfat dry milk solids. The two methods, which produce quite different results from an accounting standpoint in the classification of milk used in certain products, have created intermarket problems. This is particularly applicable to dietary products made from milk priced under the Boston order and disposed of in the Southeastern New England marketing area. Under the order for Southeastern New England, the application of the "skim milk equivalent" accounting technique provides for additional payments to be made to producers through the pool.

Under the present order, the skim milk equivalent provision applies to all nonfat solids in concentrated form for use both in processing reconstituted or recombined milk and in preparing fortified fluid milk products.

Fortified fluid milk products customarily result from the addition of concentrated nonfat milk solids to milk or skim milk in fluid form to yield a finished product of a higher nonfat solids content than that of an equivalent amount of whole (producer) milk. Reconstituted products, on the other hand, involve the process of "floating" concentrated milk solids in water to yield a weight of product approximately equal to the weight of milk from which the concentrated milk product was first made by the removal of water.

It is essential, of course, that proper safeguards be provided in the order to assure that current receipts of producer milk will not be displaced in the regulated market by unpriced milk or milk which was not classified and priced in a comparable class under another Federal milk order. One such safeguard is the skim equivalent accounting and pricing as applied to condensed skim milk or nonfat dry milk used in producing fluid milk products.

Nonfat dry milk and condensed milk are ordinarily derived from unpriced milk or milk which has been priced as surplus under a Federal order. These products are not necessarily processed from producer milk and may be made from ungraded milk. An economic incentive exists for handlers to substitute, where possible, reconstituted fluid milk products for fluid milk products processed from current receipts of producer milk. Since such substitution would displace an equivalent amount of producer milk in Class I, the application of skim equivalent pricing in this circumstance is economically sound and is necessary to maintain orderly marketing.

The same economic incentive does not exist, however, with respect to the use of nonfat dry milk or condensed skim milk to fortify a fluid milk product. The incentive for handlers to use solids to fortify fluid milk products, primarily derived from producer milk, is in being able to readily meet the specific demands of consumers and thereby to maintain or even increase Class I sales. Until recently, fortified fluid milk products represented a very small proportion of total fluid milk sales. The increased emphasis on low fat diets and the high nutritional value of nonfat solids in relation to their weight are the most often cited reasons for the recent and rapid increase in the demand for added nonfat solids in fluid milk products.

When the skim milk equivalent provision is applied to the fortified milk products, it inflates significantly the utilization and disposition of Class I milk. The added cost to handlers with respect to nonfat dry milk used in the fortification of dietary products approximates six cents per quart of product. This is in addition to the cost at which the handler obtained the nonfat dry milk.

The order should give proper recognition to the role played by fortified fluid milk products in the orderly marketing of producer milk in this market. The development of new fluid milk products in which producer milk may be utilized has had no evident adverse effect on the total Class I market even if in some instances they may represent for consumers a substitute for other fluid milk products with established markets. To the extent that such products add to the total demands for all fluid milk products, returns to producers are improved through the resulting higher Class I utilization.

Current receipts of producer milk are not utilized entirely for Class I purposes and any excess must be manufactured into lower-valued, storable milk products. The development of new fluid milk products in which such excess milk may be effectively utilized assists in the orderly disposition of producer milk. The use of nonfat solids in fortified fluid milk products represents an outlet of increasing importance in this regard. Pricing the fluid skim milk equivalent of nonfat solids at the Class I price tends to inhibit their use in such products, and thus in the long run may well have an adverse effect on producer returns.

It is concluded that the skim milk equivalent provision should not be applied to fluid milk products which have been fortified with nonfat dry milk or condensed skim milk. Such products would include dietary milk products containing fresh, fluid milk or skim milk, milk or skim milk and buttermilk from producer milk, which are fortified with nonfat milk solids.

No specific method was proposed for determining precisely the identity of producer milk utilized in a fortified milk product as compared with reconstituted milk. The order, however, authorizes the market administrator to ascertain and verify the use and classification of the milk products marketed by handlers under the order. The records compiled in the processing of dairy products are available to the market administrator for examination, study, evaluation and verification. From verification procedures, the administrator or his agent can ascertain whether reconstitution or recombining is involved in the processing of fortified milk products. Continued application of the skim equivalent provision in instances of reconstitution or recombining is justified. The integrity of the regulation can be safeguarded, in this manner, from the adverse effects of any unreported or misrepresented utilization.

Likewise, if a handler has nonfat dry milk in inventory, and fails to account in Class II utilization for some portion of it which disappears from inventory, some method must be provided in the order to account for the subsequent disposition of the entire product. In such instances, it is appropriate for the fluid skim equivalent of the nonfat milk solids, as contrasted with their actual weight, to be accounted for by the handler. No suggestion was made at the hearing that this practice, now in effect, be altered.

There was no proposal to alter the accounting or classification of so-called concentrated milk. It is marketed with the intent that the water removed in the processing may be added by the consumer. The principal handler witness testified that the skim equivalent technique applied to concentrated milk is appropriate.

An additional consideration involving the proposed amendment is the classification of the milk used for fortified milk products (Class I or Class II).

At the present time, liquid skim milk for fluid use, fortified skim, flavored milk drinks and fresh, liquid dietary products are in Class I. The dietary products are considered to be flavored milk drinks under the order. Identical classification prevails in the other New England Federal milk orders. Fortified skim milk is not approved by the applicable health authorities for distribution in Rhode Island, but is available and sold in the Massachusetts portion of the Southeastern New England marketing area.

The only basis presented at the hearing for classifying the fortified milk products in Class II was that the addition of nonfat milk solids is similar to adding non-dairy ingredients such as flavoring or vitamins. It is concluded that this is an insufficient basis for changing the classification of either the producer milk involved or the additional nonfat milk solids. The additional solids are derived from milk. When contained in the fluid milk products cited, they are indistinguishable either in form or use from the major portion of milk solids in those products which are derived from producer milk.

The principal whole milk sources for the products being considered are under the inspection of the local health authorities involved. While the applicable health ordinances do not specifically require inspected milk in their preparation, very little, if any, uninspected milk is available in the New England area for use in them. It is significant also that the products are marketed in fresh, fluid form, intended for consumption in this form, and that freshness is one of the marketing attributes.

The use of additional nonfat milk solids contained in fortified fluid milk products improves the palatability of the fluid skim milk contained in them. This may be compared with the product palatability resulting from the presence of butterfat in other fluid milk products. Thus the addition of such solids forms the basis for consumer acceptability, and is an integral part of, these relatively new products which are comparable in use and form to fluid milk. It is reasonable, appropriate and correct to attach a Class I value to the additional nonfat milk solids also when used in this manner.

One other consideration raised concerning the classification of fortified milk products, and more particularly the dietary fluid milk products, involves the nature of their competition with similar products not covered by the scope of the regulation. Other products for weight control which contain high proportions of milk solids are being marketed in drug stores and food stores. A distinguishing feature is that these products are contained in hermetically sealed containers and sometimes are not sold in fluid form.

The competition between these products and the dietary products in fresh fluid form is considered quite analogous to the competition between, say, evaporated milk and fresh whole milk. While one may be used for many of the same purposes as the other, the forms in which they are marketed are significantly different and call for different classification and price treatment under regulation.

It is concluded therefore that the fresh, fluid milk products fortified with nonfat dry milk or condensed skim milk should continue to be classified as Class I in order that producers may be properly reimbursed for milk so used in the same manner, and for substantially the same reasons, as for whole milk disposed of in fluid form.

A subordinate problem raised at the hearing concerned the need to devise, administratively, weight conversion factors for the products under consideration that more nearly represent their weights for given volumes, and that will produce reasonable uniformity of treatment under the various New England orders. It is concluded that the development of appropriate conversion factors for these products properly may be handled as a responsibility of the market administrator. Due regard should be

given, in this connection, to the objective of reasonable uniformity with other markets in the application of such factors. Thus, no action in this respect is taken herein.

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

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

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

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

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

An exceptor alleges that there was no specific notice concerning the classification of the fluid milk products under consideration. The hearing notice was broad enough to permit consideration of classification. No change in the classification of the products was made in the recommended decision, and none is made herein. For these reasons, the exception is hereby overruled.

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

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

Referendum order; determination of representative period; and designation of referendum agent. It is hereby directed that a referendum be conducted to determine whether the issuance of the attached order amending the order regulating the handling of milk in the Southeastern New England marketing area, is approved or favored by the producers, as defined under the terms of the order, as hereby proposed to be amended, and who, during the representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

The month of April 1961 is hereby determined to be the representative period for the conduct of such referendum.

Robert W. Cherry is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders (15 F.R. 5177), such referendum to be completed on or before the 30th day from the date this decision is issued.

Issued at Washington, D.C., July 19, 1961.

JAMES T. RALPH,
Assistant Secretary.

Order [1] Amending the Order Regulating the Handling of Milk in the Southeastern New England Marketing Area

§ 990.0 Findings and determinations.

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

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

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

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

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

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

1. Delete § 990.4(e) and substitute:

(e) "Fluid milk products" means milk, skim milk, flavored milk or flavored skim milk (including that marketed as a dietary weight control product), cultured skim milk, buttermilk, concentrated milk in fluid form, and any mixture in fluid form of milk, skim milk and cream containing less than 10 percent of butterfat (except eggnog, yogurt, ice cream mix, evaporated or condensed milk, and sterilized products in hermetically sealed containers).

2. Delete § 990.4(h)(1) and substitute the following:

(1) receipts (including any Class II milk product produced in the handler's plant during a prior month) in a form other than as fluid milk products which are reprocessed, converted or combined into another product during the month, including any disappearance of nonfat milk products not otherwise accounted for, and

3. Delete the proviso in § 990.24(a) and substitute the following: "Provided, That when nonfat milk solids derived from nonfat dry milk, condensed skim milk, or any other product condensed from milk or skim milk, are utilized or unaccounted for by the handler, the total pounds of skim milk computed shall reflect a volume equivalent to the skim milk used to produce such nonfat milk solids, except that for dietary weight control products and milk, skim milk or

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

buttermilk fortified, the actual weight of any such products shall be included in computing the total product weight."

[F.R. Doc. 61-6892; Filed, July 21, 1961; 8:50 a.m.]

[7 CFR Part 1027]

[Docket No. AO-312-A1]

MILK IN UPPER CHESAPEAKE BAY (MARYLAND) MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Baltimore, Maryland, on April 4-7, 1961, pursuant to notice thereof issued on March 15, 1961 (26 F.R. 2317).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Price and Production, Agricultural Stabilization and Conservation Service, on June 23, 1961 (26 F.R. 5822; F.R. Doc. 61-6079) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

This decision relates only to material issue No. 9 of the recommended decision (26 F.R. 5822; F.R. Doc. 61-6079) which is listed as "Pricing of Class I milk". The other material issues are reserved for a further decision on the record of this hearing.

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

9. *Price for Class I milk.* The Class I price formula in the order should be extended through September 1962.

A proposal was made by a cooperative association which represents a majority of the producers in the market that the Class I price formula in the order should be extended through June 1962. A handler also proposed that the formula be extended for that period subject to a proviso that the Class I price in any month would not exceed the most recent 12-month average of Midwestern Condenseries prices by more than $2.60 per hundredweight.

Official notice is taken of market statistics published by the market administrator since the inception of the order. The number of producers on the market in April was 269 less than in February 1960, the first month in which the order was effective. This was coincident with the withdrawal from the market of three pool handlers and a corresponding decline in the quantity of pooled Class I disposition. This circumstance tends to obscure the nature of changes in the supply-demand situation which might otherwise be revealed by production and utilization data. Production per farm, however, was at a higher level in February, March, and April of 1961 than during the same months a year earlier. The ratio of producer milk to Class I disposition of pool plants changed from 122 percent in February, 122 percent in March and 131 percent in April 1960, to 128, 130, and 138 percent in February, March, and April, respectively, of this year. In the fall month of shortest supply, November 1960, the ratio was 126 percent and in the spring month of greatest supply, May 1961, the ratio was 150 percent. The market is adequately supplied, but not over-supplied.

The pricing considerations for this market are clearly affected by conditions similar to those in the Washington, D.C., marketing area which is regulated by Federal Order No. 2. This market and the Washington market draw a large part of their milk supply from the same area, and handlers in the two markets compete both on route sales in the same areas and for substantial military contracts within the region. Official notice is taken of the decision of the Assistant Secretary issued April 6, 1961, on milk in the Washington, D.C., marketing area (26 F.R. 3106) in which it is concluded that the Class I price formula for the Washington market should be extended through September 1962 without other change in the price provisions.

The Class I price formulas under the Washington and Upper Chesapeake Bay orders are identical. These formulas establish the price for the months of July through February at $5.55 per hundredweight, and for the months of March through June at $5.10, subject to a schedule of adjustments based on the average of the Federal order Class I prices for the Philadelphia, New York-New Jersey and Chicago markets compared to such average in the corresponding month of 1958. Because of the similarity of conditions for the two markets and the continued need to co-ordinate the intermarket pricing, the Class I price formula for the Upper Chesapeake Bay market should be extended for the same period as for the Washington, D.C., order.

The proposal to limit the Class I price in relation to Midwestern Condenseries prices need not be a part of the temporary extension of the Class I price formula. The present Class I price formula provides a measure of recognition of the level of price for manufacturing milk through the price adjustment mechanism based on the three-market average. The Class I price under the Chicago order is based on a value for manufacturing milk. The Class I price under the Philadelphia order is limited in relation to the Midwestern Condenseries price. Under these circumstances it is unnecessary to include in a temporary price extension a further limitation in relation to manufacturing milk values.

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

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

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

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

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions. No exceptions were received relating to the issue of "Pricing for Class I milk".

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the Upper Chesapeake Bay (Maryland) Marketing Area", and "Order amending the order regulating the Handling of Milk in the Upper Chesapeake Bay (Maryland) Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

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

Determination of representative period. The month of May 1961 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order regulating the handling of milk in the Upper Chesapeake Bay (Maryland) marketing area, is approved or favored by producers, as defined under the terms of the order

as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Issued at Washington, D.C., July 19, 1961.

JAMES T. RALPH,
Assistant Secretary.

Order[1] Amending the order regulating the handling of milk in the Upper Chesapeake Bay (Maryland) marketing area

§ 1027.0 Findings and determinations.

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

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

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

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

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, That, on and after the effective date hereof, the handling of milk in the Upper Chesapeake Bay (Maryland) marketing area shall be in conformity to and in compliance with the terms and conditions of the order, as hereby amended:

In § 1027.50(a) delete the language preceding the headings of the Class I price adjustment schedule and substitute the following:

Class I price. During the period beginning with August 1961, and through and including September 1962, the price for Class I milk shall be $5.55 for the months of July through February and $5.10 for the months of March through June: *Provided,* That such price in any month shall be adjusted to reflect the deviation of the average of the Federal order Class I prices for the Philadelphia, New York-New Jersey, and Chicago markets for such month from such average price in the corresponding month of 1958, as follows:

[F.R. Doc. 61-6893; Filed, July 21, 1961; 8:50 a.m.]

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

DEPARTMENT OF COMMERCE

Great Lakes Pilotage Administration

[46 CFR Part 401]

GREAT LAKES PILOTAGE REGULATIONS

Notice of Proposed Rule Making

Notice is hereby given that the amendments to the Great Lakes Pilotage Regulations (26 F.R. 951) set forth in tentative form below are proposed to be promulgated by the Acting Administrator, Great Lakes Pilotage Administration. Prior to the adoption of such amendments, hearings will be held by the Acting Administrator at 10:00 a.m., on August 8 and 9, 1961, in the Federal Courthouse, at Cleveland, Ohio.

Interested persons may submit such written data, views, or arguments as they may desire directly to the Acting Administrator, Great Lakes Pilotage Administration, U.S. Department of Commerce, Washington 25, D.C., prior to completion of the hearings. Persons desiring to present their views at the hearings are requested to notify the Acting Administrator prior to the hearings.

The proposed amendments to the regulations are to be issued under the authority contained in sections 4 and 5 of the Great Lakes Pilotage Act of 1960 (74 Stat. 260, 261; 46 U.S.C. 216).

Dated: July 12, 1961.

[SEAL] A. T. MESCHTER,
Acting Administrator,
Great Lakes Pilotage Administration.

Approved:
LUTHER H. HODGES
Secretary of Commerce.

Explanatory statement. Pursuant to the authority of sections 4 and 5 of the Great Lakes Pilotage Act of 1960, the Acting Administrator, Great Lakes Pilotage Administration, on January 31, 1961, issued Great Lakes Pilotage Regulations. Certain amendments to the regulations are now proposed in order to have the regulations conform to the Memorandum of Arrangements, Great Lakes Pilotage, between the United States and Canada of May 1, 1961. Additional amendments are proposed, among other things, to establish a system of apprentice pilots for replacement purposes.

Part 401, Chapter III of Title 46 of the Code of Federal Regulations is amended as follows:

Subpart B—Registration of Pilots

Section 401.200 is amended to read as follows:

§ 401.200 Application for registration.

An application for registration as a U.S. registered pilot shall be made on the form to be prescribed by the Administrator. A registration fee of five dollars ($5.00) by check or money order, drawn to the order of the U.S. Department of Commerce, shall accompany an application for registration, which will be refunded if applicant is not registered.

Section 401.210 is amended to read as follows:

§ 401.210 Requirements and qualifications for registration.

(a) No person shall be registered as a United States registered pilot unless:

(1) He holds an unlimited master's license authorizing navigation on the Great Lakes and suitably endorsed thereon for pilotage on routes specified therein, issued by the head of the Department in which the Coast Guard is operating.

(2) He is a citizen of the United States.

(3) He is of good moral character and temperate habits.

(4) He passes a physical examination equivalent to that required for issuance of an original deck officer's license by the Coast Guard.

(5) He has not reached the age of 65.

(6) He possesses a validated Merchant Mariner's Document issued by the Coast Guard.

(7) He agrees that he will be continuously available for service under such terms and conditions as may be approved or prescribed by the Administrator.

(8) He agrees to comply with all applicable provisions of this part and amendments thereto.

(9) He has complied with the requirements set forth in § 401.220(b) for apprentice pilots, if applying for registration for waters in which a pilotage pool is authorized.

(b) Notwithstanding the provisions of subparagraph (5) of paragraph (a) of this section, the Administrator may, if he determines that it is in the public interest, issue a Certificate of Registration to a person who has reached the age of 65 if satisfactory evidence is furnished that such person is physically fit to perform the duties of a registered pilot.

Section 401.220 is amended to read as follows:

§ 401.220 Registration of pilots.

(a) The Administrator shall determine the number of pilots required to be registered in order to assure adequate and efficient pilotage service in the United States waters of the Great Lakes and to provide for equitable participation of United States registered pilots with

Canadian registered pilots in the rendering of pilotage services.

(b) Registration of pilots required in Districts 1, 2, and 3, and any other waters designated by the President pursuant to section 3 of the Great Lakes Pilotage Act of 1960, where pilotage pools have been authorized pursuant to Subpart C of this part shall be made from among those apprentice pilots who meet the requirements and qualifications for registration as prescribed in § 401.210 and who have (1) completed a minimum of twenty-five (25) round trips over the District for which application is made within one year of application; (2) served as an apprentice for a minimum of three (3) months within one year preceding the date of application; and (3) been recommended by member registered pilots of the association.

(c) Registration of pilots for waters of the Great Lakes other than those in which pilotage pools have been authorized pursuant to Subpart C of this part shall be made from among (1) pilots registered pursuant to the regulations of this part, (2) recognized apprentices of pilotage associations meeting the criteria set forth in paragraph (b) of this section, or (3) other pilots who have (i) the greatest number of years of experience in piloting oceangoing vessels over the waters for which application is made; (ii) actively engaged in pilotage services in those waters for which application is made; (iii) greatest number of trips as an observer pilot; (iv) the greatest number of years of experience in piloting oceangoing vessels in other waters; (v) the greatest number of years as a pilot.

(d) Subject to the provisions of paragraphs (a), (b) and (c) of this section, a pilot found to be qualified under this subpart shall be issued a Certificate of Registration, valid for a term of two (2) years or until the expiration of his unlimited master's license or until the pilot reaches age 65, whichever occurs first, provided however, a pilot who has reached the age of 65 may be issued a Certificate of Registration valid for a term of one (1) year or until the expiration of his unlimited master's license, whichever occurs first.

(e) Notwithstanding the provisions set forth in paragraphs (a), (b), (c), and (d) of this section the Administrator may when necessary to assure adequate and efficient pilotage services, issue a Certificate of Registration for a period of less than 2 years to an apprentice pilot qualified under § 401.221, in order to fill a vacancy when any United States registered pilot is suspended pursuant to § 401.250 or is unable to perform pilotage services due to illness or injury.

Part 401 is amended by adding § 401.221 which reads as follows:

§ 401.221 Apprentice pilots.

(a) The Administrator shall determine the number of apprentice pilots required to be in training by each Association authorized to form a pool in order to assure an adequate number of registered pilots. No apprentice pilot shall be selected for training unless:

(1) He meets the requirements and qualifications set forth under § 401.210;

(2) He has experience (on vessels of not less than 4,000 gross tons) as a master for one year (one season on enrolled vessels on the Great Lakes) or as first officer for two years (two seasons on enrolled vessels on the Great Lakes);

(3) He possesses a radar observer's competency certificate or equivalent U.S. Coast Guard endorsement.

Section 401.230 is amended to read as follows:

§ 401.230 Certificates of Registration.

(a) A Certificate of Registration shall describe the part or parts of the Great Lakes within which the pilot is authorized to perform pilotage services and such description shall not be inconsistent with the terms of the pilotage authorization in his unlimited master's license.

(b) A Certificate of Registration shall not authorize the holder to board any vessel, or to serve as a pilot of any vessel, without the permission of the owner or master. A Certificate of Registration shall be in the possession of a pilot at all times when he is in the service of a vessel, and shall be displayed upon demand of the owner or master, any United States Coast Guard officer or inspector, or a representative of the Administrator.

(c) A Certificate of Registration shall not be pledged, deposited, or surrendered to any person except as authorized by this part. A Certificate of Registration may not be photostated or copied.

(d) An application for replacement of a lost, damaged or defaced Certificate of Registration shall be made on the form to be prescribed by the Administrator. A replacement fee of five dollars ($5.00) by check or money order, drawn to the order of the U.S. Department of Commerce shall accompany any such application. A Certificate issued as a replacement for a lost, damaged or defaced certificate shall be marked so as to indicate that it is a replacement. Upon receipt of a certificate issued as a replacement, the damaged or defaced certificate shall be surrendered to the Administrator.

(e) A Certificate of Registration may be voluntarily surrendered to the Administrator by a registered pilot at any time such pilot no longer desires to perform pilotage services; however, in the event such registered pilot has been served with a notice of hearing pursuant to § 401.250, a voluntary surrender of the Certificate of Registration shall be at the option of the Administrator.

(f) The Administrator shall advise the Coast Guard of the name, Coast Guard license number, and registration number of each pilot who is issued a Certificate of Registration.

Section 401.240 is amended to read as follows:

§ 401.240 Renewal of Certificates of Registration.

(a) An application for renewal of a Certificate of Registration shall be made on the form to be prescribed by the Administrator, and shall be filed with the Administrator at least fifteen (15) days prior to the expiration date of the existing certificate. A renewal fee of five dollars ($5.00) by check or money order, drawn to the order of the U.S. Department of Commerce, shall accompany an application for renewal of registration, which will be refunded if registration is not renewed. Failure of a registered pilot to comply with this requirement may constitute cause for withholding renewal of the Certificate of Registration.

(b) No Certificate of Registration shall be renewed unless an applicant meets the requirements and qualifications set forth in § 401.210 for issuance of an original Certificate of Registration; excepting that compliance with § 401.210(a)(4) shall not be required if the examination was satisfactorily passed on a previous application for registration within six months next preceding date of renewal application.

(c) If the Administrator determines that there is good cause for withholding renewal of a Certificate of Registration, the applicant shall be notified in writing of such determination and the cause thereof. The applicant may thereupon apply within fifteen (15) days of such notice, for a hearing in regard to such cause for the withholding of a renewal of the certificate, which hearing shall be granted. Such hearing shall be subject to the procedures provided in § 401.250 with respect to suspension and revocation of Certificates of Registration.

(d) Upon receipt of a renewed Certificate of Registration, the expired certificate shall be surrendered to the Administrator.

Subpart C—Establishment of Pools by Voluntary Associations of United States Registered Pilots

Section 401.320 is amended to read as follows:

§ 401.320 Requirements and qualifications for authorization to establish pools.

No voluntary association shall be authorized to establish a pool unless:

(a) The Administrator determines that a pool is necessary for the efficient dispatching of vessels and the providing of pilotage services in the area concerned.

(b) The stock, equity or other financial interest, with right of control, is held only by individuals actually engaged in the operation or management of such association, and at least three-fourths of such stock, equity or other financial interest with right of control, is held by member registered pilots.

(c) The voluntary association establishes that it possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain an efficient and effective pilotage service.

(d) The voluntary association agrees that:

(1) Pilotage services will be provided on a first-come first-serve basis to vessels giving proper notice of arrival time to the pilot station, except that pilots will not be required to board vessels which do not provide safe boarding facilities.

(2) It will submit working rules for approval of the Administrator.

(3) It will adopt and use the uniform system of accounts, records and reports to be prescribed by the Administrator.

(4) It will be subject to audit and inspection by the Administrator, and will submit annually at its own expense an audit report prepared by an independent certified public accountant.

(5) It will be subject to such other provisions as may be prescribed by the Administrator governing the operation of pools.

(6) It will coordinate on a reciprocal basis with similar pool arrangements established by the Canadian Government and pursuant to the provisions of the United States-Canada Memorandum of Arrangements, Great Lakes Pilotage, effective May 1, 1961, and amendments thereto, or any other arrangements established by the United States and Canadian Governments.

Subpart D—Rates, Charges and Conditions for Pilotage Services

Section 401.400 is amended to read as follows:

§ 401.400 Rates and charges on designated waters.

(a) The following rates and charges shall be payable for all services performed by United States or Canadian registered pilots in the following areas of the United States waters of the Great Lakes described in § 401.300, pursuant to the written arrangements between United States and Canada of May 1, 1961:

(1) *District No. 1.* (i) Snell Lock to Cape Vincent	$200
(ii) Trips commencing or terminating at any intermediate point within the District, an amount computed on a pro-rata basis set forth in (i) according to the distance piloted shall be charged as pilotage dues with a minimum charge therefor of	50
(2) *District No. 2.* (i) The Welland Canal	125
(ii) Southeast Shoal (pilots board at the Welland Canal) to Lake Huron Lightship (includes direct transit of undesignated Lake Erie waters)	125
(iii) Southeast Shoal (pilots board at the Welland Canal) to any point on Lake Erie west of Southeast Shoal (includes direct transit of undesignated Lake Erie waters)	
(iv) Southeast Shoal (pilots board at the Welland Canal) to any point on the Detroit River (includes direct transit of undesignated Lake Erie waters	80
(v) Any point on Lake Erie west of Southeast Shoal to any point on the St. Clair River or to Lake Huron Lightship	125
(vi) Any point on Lake Erie west of Southeast Shoal to any point on the Detroit River	80
(vii) Any point on the Detroit River to any point on the St. Clair River or to Lake Huron Lightship	80
(viii) Any point on the Detroit River or the St. Clair River to any point on the same river, or from any point on Lake Erie west of Southeast Shoal to any other point on Lake Erie west of Southeast Shoal	50
(3) *District No. 3.* (i) Detour Reef Light to Gros Cap Reefs Light	200
(ii) Detour Reef Light to Sault Ste. Marie, Mich. or Sault Ste. Marie, Ontario	165
(iii) Harbour movement of vessels within District No. 3, per movement	$50

(b) When a vessel in transit of a District puts into a port for the purpose of loading or discharging cargo and the pilot remains on board for the convenience of the vessel, an additional charge of $5 per hour, with a maximum of $50 for each 24-hour period, shall be payable.

Section 401.410 is amended to read as follows:

§ 401.410 Rates and charges on undesignated waters.

The rates or charges for all pilotage services performed by United States or Canadian registered pilots in the undesignated waters, other than the direct transit of Lake Erie covered by the rates as specified in paragraph (a)(2) (ii), (iii), and (iv) of § 401.400, payable for each 24-hour period or part thereof, shall be $50 plus reasonable travel expenses of the pilot in returning to the port of origin, if incurred.

[F.R. Doc. 61-6898; Filed, July 21, 1961; 8:50 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 19]

[Docket No. FDC 66]

CHEESES; PROCESSED CHEESES; CHEESE FOODS; CHEESE SPREADS; AND RELATED FOODS; DEFINITIONS AND STANDARDS OF IDENTITY

Mozzarella Cheese, Scamorza Cheese; Part-Skim Mozzarella Cheese, Part-Skim Scamorza Cheese; Proposed Findings of Fact and Tentative Order

In the matter of establishing definitions and standards of identity for mozzarella cheese, scamorza cheese; part-skim mozzarella cheese, part-skim scamorza cheese:

Notice of the filing of a petition setting forth proposed definitions and standards of identity for mozzarella cheese, scamorza cheese, part-skim mozzarella cheese, and part-skim scamorza cheese was published in the FEDERAL REGISTER of January 23, 1957 (22 F.R. 428). By order published in the FEDERAL REGISTER of October 4, 1957 (22 F.R. 7906) the proposals were rejected. Objections were filed and a hearing was scheduled to take evidence on the proposals (22 F.R. 9731; 23 F.R. 1012, 1796).

On the basis of the evidence received at the hearing, and pursuant to the authority vested in the Secretary of Health, Education, and Welfare by the provisions of the Federal Food, Drug and Cosmetic Act (secs. 401, 701; 52 Stat. 1046, 1055 as amended 70 Stat. 919; 21 U.S.C. 341, 371) and delegated by the Secretary to the Commissioner of Food and Drugs (25 F.R. 8625), and after consideration of written arguments and suggested findings, which are adopted in part and rejected in part as is apparent from the detailed findings herein made, it is proposed that the following order be issued:

Findings of fact.[1] 1. Many years ago there originated in Italy a soft, uncured, moist, light-colored, bland, milky cheese of the pasta filata type which acquired the name mozzarella. Originally, this cheese was made from the milk of water buffaloes, but later cow's milk was used either in whole or in part. The curd was stretched in hot water and formed into various shapes, generally somewhat rounded. One shape acquired the name "scamorza," but with the passage of time the name "scamorza" came to be used alternatively with the name "mozzarella." Mozzarella cheese has continued to be made in Italy. An excerpt from the Italian book "Legislation on Foods—Farm Products and Products for Farm Uses * * * 6th Edition, March 1958" shows mozzarella and scamorza under the general category of "pasta filata cheese from cow's milk," and this reference shows that such cheese is required to have a minimum butterfat on the dry basis of 44 percent. An excerpt from another Italian book "Food Products—Analysis—Legislation" describes pasta filata type (drawn curd) cheeses currently made in Italy and lists mozzarella and scamorza. The fat content for mozzarella is prescribed as "minimum in dry matter 45%." (R. 16–19, 57, 132–133, 173, 301, 488, 516–517, 608, 862, 866, 882–884, 1057, 1317; Ex. 9, 38, 39)

2. Italian immigrants coming into the United States and settling in eastern cities, particularly New York, accounted for the development of a demand in this country for mozzarella cheese. Since mozzarella is a high-moisture, soft, uncured cheese it was not practical to import it from Italy. As early as 1900 and earlier, cheesemakers among the Italian immigrants began producing mozzarella cheese in this country. They used cow's milk and followed in general the procedures that had been developed in Italy. In many instances these procedures were handed down from father to son. In more recent years, there have been some developments that represent deviations from the older practices. One of these developments is a greater mechanization in the factories; another is pasteurization of the milk to comply with requirements of State and local laws. Also, the practice of using partly skimmed milk has developed, so that some producers distribute two or three so-called "grades" of mozzarella, depending on whether the starting mix consists of whole milk or of part-skim milk. These cheesemakers located in New York and some other Eastern States were represented at the hearing by the Italian Fresh Cheese Manufacturers Association, and their products were sometimes characterized as "eastern type." (R. 142, 157, 174, 402, 403,

[1] The citations following each finding of fact refer to the pages of the transcript of testimony and the exhibits received in evidence at the hearing.

488, 713, 753–755, 801–803, 860–866, 888, 889, 1059, 1099, 1135, 1162, 1199, 1236, 1237, 1274; Ex. 9)

3. The steps in the production of mozzarella cheese from whole milk, as this cheese is made in the Eastern States, are as follows: Whole milk, which in many instances is not adjusted to any particular fat content but which in some cases is adjusted by separating part of the fat or by adding skim milk or cream, is pasteurized. At a temperature of approximately 88° F., it is inoculated with a relatively small amount of starter, a culture of harmless lactic-acid-producing bacteria. It may be slightly acidified with vinegar. A small amount of liquid rennet may be added. After the curd forms, it is cut and then stirred to aid in separating the whey. The whey is drained, and cold water may be added and then drained off. The curd is collected, and as drainage progresses the curd ripens further, the rate depending in part on the temperature. The temperature may be controlled by using ice or holding the curd under refrigeration. The curd may be cut, and it is warmed in hot water or steam and is kneaded and stretched and then molded into the desired shape. The units are firmed by immersion in cold water and may be brined and drained. (R. 9, 699–702, 713–715, 746, 767, 1067, 1081, 1148–1161, 1237–1238, 1270, 1314, 1344; Ex. 6–9, 30)

4. The mozzarella cheese made in the eastern states is relatively high in moisture content. As a cheese that is used to some extent as a table cheese, the high moisture content is one of its important characteristics. The moisture ranges from 52 percent up to as high as 60 percent. The milk fat content varies with the fat of the starting mix. In most natural cheeses made from whole milk, the solids of the cheese contain not less than 50 percent fat. However, where cheeses are kneaded and stretched in hot water there is some loss of fat, and for such cheeses it is reasonable to require that the finished food have not less than 45 percent of milk fat, calculated on the solids basis. The method for determining the moisture and the fat content of cheese set out in the definition and standard of identity for cheddar cheese (21 CFR 19.500) is applicable to mozzarella cheese. (R. 126, 167, 177–178, 211–212, 226, 308–309, 436–443, 458, 720, 755, 781, 796, 865, 904, 1148–1149, 1245, 1253, 1294, 1299, 1308, 1350; Ex. 7, 9, 10, 31, 32, 38, 39)

5. In rare instances, the fat content of cheese is expressed on an "as is basis"—that is, on the basis of the entire weight of the cheese, including its moisture. However, Federal cheese standards generally prescribe the minimum fat content on the "dry basis"; that is, as the percent of fat in the solids of the cheese. The "dry basis" has the advantage that prescribing the minimum fat in the solids of the mozzarella cheese at the value that results from using whole milk starting mix (see finding 4) differentiates mozzarella cheese from cheese made from part-skim milk. Witnesses for the Italian Fresh Cheese Manufacturers Association recommended that the mozzarella cheese standard should prescribe the minimum milk fat requirement on an "as is basis" at 18 percent. To follow the recommendation of these witnesses would have the disadvantage of permitting mozzarella cheese, with a moisture content of 52 percent or slightly more, to be made from part-skim milk and to be labeled "mozzarella cheese" rather than "part-skim mozzarella cheese" (see finding 6). When the moisture content of a cheese is known, the fat content can be converted from the "as is basis" to the "dry basis" by a simple calculation. For example, if a mozzarella cheese with 60 percent moisture contains 18 percent fat on the "as is basis" it contains 18 parts of fat in 40 parts of solids and this amounts to 45 percent fat on the "dry basis." (R. 18, 22–24, 50–51, 165–167, 191–192, 197–198, 211–217, 226, 257–258, 306–311, 354, 754, 893–895, 914, 1050, 1058, 1114, 1239, 1245–1246, 1252–1253, 1280, 1294, 1299, 1308; Ex. 10, 30, 31, 38, 39)

6. In addition to the mozzarella cheese made from whole milk, either with or without adjustment, there has developed a mozzarella made by the same procedures but using part-skim milk as the starting mix. Generally, the fat content of the starting mix is reduced to about 2 percent, which is substantially lower than the fat content of whole milk reported by representatives of eastern manufacturers as 3.3 percent or higher. The proportion of milk fat to nonfat solids in a starting mix testing 2 percent fat yields a mozzarella cheese having a fat content of 30 percent or higher on the "dry basis." The product made in the Eastern States from part-skim milk is similar in its high moisture content to the mazzarella made from whole milk; that is, the moisture ranges between 52 percent and 60 percent. It is reasonable for the standard, in specifying the name for the article made from part-skim milk, to prescribe that the words "part-skim" be included in the name. (R. 22, 50, 126, 152, 164, 295, 310, 613, 676–677, 753–755, 792, 801, 816, 883, 1067, 1114–1115, 1148–1149, 1181, 1201, 1245, 1294, 1299, 1311, 1349, 1351, 1369; Ex. 9, 31)

7. To require that the milk or part-skim milk used be pasteurized for the purpose of destroying pathogenic micro-organisms is in the interest of consumers. Testimony by a public-health expert showed that some pathogens survive when milk is held for 30 minutes at 143° F. but are destroyed with the same holding period if the temperature is maintained at not less than 145° F. Most plants use so-called "flash pasteurizers" in which the milk is heated for a much shorter time but at a temperature sufficiently higher to be equally effective in destroying micro-organisms. An appropriate test for pasteurization is the phosphatase destruction test (provolone modification) set out in detail in the standard for cheddar cheese (21 CFR 19.500), and it is reasonable to prescribe that the finished cheese shall be deemed not to have been made from pasteurized milk when this test shows for 0.25 gram of the cheese a phenol equivalent of more than 3 micrograms. (R. 26, 42, 47–48, 157, 364, 392, 407, 416–417, 468–476, 519, 531, 538, 760–761, 809, 889, 1149, 1244, 1354; Ex. 11)

8. Except among those segments of the population of eastern cities having an Italian background the demand for mozzarella cheese in this country was not great until after World War II. This demand had been supplied by the eastern producers. Then there developed throughout the country a striking growth in popularity of a new food item known by the name "pizza," which is the italian word for pie. Cheese of a soft, bland, "stretching," pasta filata type is a characteristic ingredient of pizza, and so the demand for such cheese grew with the growth in popularity of pizza. To supply this geographically widened and substantially increased demand, cheesemakers in Wisconsin and some other Midwestern States rapidly built up their production of cheese suitable for making pizza. (R. 20–21, 56–57, 100–101, 132, 215, 221, 295, 354, 489, 500–501, 517–518, 521–522, 806, 822, 847, 876, 1163, 1317; Ex. 18, 33–36)

9. This cheese for pizza as made in the Midwest differed from eastern-type mozzarella cheese; it tended to be somewhat like an uncured provolone cheese. Its moisture content was intermediate between the lower range for eastern-type mozzarella and the maximum of 45 percent permitted by the standard for provolone cheese. In the standards advocated by midwestern producers several of the provisions to which objections were taken by eastern producers corresponded to provisions in the standard for provolone cheese. Among these, were the provision for reheating after cutting the curd, which reduces the moisture content of the cheese; the provision permitting the use of 0.02 percent of calcium chloride and rennet paste or extract of rennet paste; the provision permitting reconstituted skim milk to be used in adjusting the starting mix; and the provision permitting other procedures, provided that the finished cheese has the same physical and chemical properties.

The provision for optional use of unspecified enzyme preparations for curing and developing flavor, as permitted by the provolone standard, is not an appropriate provision of a standard for cheese for pizza because cheese for that usage is expected to be bland and not highly flavored. The proposals sponsored by midwestern producers provided for two products—a whole-milk cheese and a part-skim milk cheese, the former to have not less than 45 percent fat on the "dry basis" and the latter to be lower in fat but to have not less than 30 percent fat on the "dry basis." Finding 7 concerning pasteurization is applicable to both products. (R. 15, 22–23, 27, 40–50, 54–55, 80–83, 132–133, 248, 264–266, 313, 365, 367, 436–443, 490, 523, 535, 544, 563, 581, 612–613, 897, 1148–1158, 1246, 1249–1250, 1280, 1323, 1365; Ex. 4, 10)

10. The cheese produced in the Midwest to supply the demand occasioned by the wide popularity of pizza was often labeled "Mozzarella" or "Scamorza." Frequently, the labels showed that the product was for use in making pizza. Some labels conspicuously stated "cheese

for pizza," "for pizza," or "pizza cheese". The difference between the products as made in the East and in the Midwest are such that it will promote honesty and fair dealing in the interest of consumers for them to be distinctively labeled. Various names were suggested such as "high-moisture mozzarella" or "Italian-style mozzarella" for the eastern type cheese and "low-moisture mozzarella" or "American-style mozzarella" for the midwestern type. Avoidance of consumer confusion will be best served by establishing separate standards and prescribing distinctive names as follows:

"Mozzarella cheese" or alternatively "scamorza cheese" for the eastern-type product made from whole milk.

"Part-skim mozzarella cheese" or alternatively "part-skim scamorza cheese" for the eastern-type product made from part-skim milk.

"Pizza cheese" for the midwestern type product made from whole milk.

"Part-skim pizza cheese" for the midwestern type product made from part-skim milk. (R. 58, 84, 92–94, 102, 118, 122, 132, 196, 206–209, 217, 232, 272, 297–298, 313, 315, 346, 354–355, 369, 376, 478, 484, 521, 664, 814, 844, 847–848, 854, 874, 878, 1021, 1142, 1144, 1178, 1180, 1199, 1205, 1242, 1252, 1324, 1335, 1365; Ex. 23, 26–28)

Conclusions. On the basis of the foregoing findings of fact, and taking into consideration the substantial evidence of the entire record, it is concluded that it will promote honesty and fair dealing in the interest of consumers to establish definitions and standards of identity as follows:

§ 19.600 Mozzarella cheese, scamorza cheese; identity.

(a) Mozzarella cheese, scamorza cheese, is the food prepared from milk and other ingredients specified in this section, by the procedure set forth in paragraph (b) of this section. It may be molded into various shapes. It contains more than 52 percent but not more than 60 percent of moisture, and its milk fat content, calculated on the solids basis, is not less than 45 percent, as determined by the methods prescribed in § 19.500(c).

(b) Milk, which is pasteurized, is warmed to approximately 88° F. and subjected to the action of harmless lactic-acid-producing bacteria, which may be added thereto as starter. The milk may be acidified with vinegar. Liquid rennet may be added to aid in setting the milk to a semisolid mass. The mass is cut, and it may be stirred to facilitate separation of whey from the curd. The whey is drained and the curd may be washed with cold water and the water drained off. The curd may be collected in bundles for further drainage and for ripening. The curd may be iced, it may be held under refrigeration, and it may be permitted to warm to room temperature and ripen further. The curd may be cut. It is immersed in hot water or heated with steam and is kneaded and stretched until smooth and free of lumps. Then it is cut and molded. The molded curd is firmed by immersion in cold water and may be salted in brine and drained.

(c) For the purposes of this section:

(1) The word "milk" means cow's milk, which may be adjusted by separating part of the fat therefrom or by adding cream or skim milk or both.

(2) Milk shall be deemed to have been pasteurized if it has been held at a temperature of not less than 145° F. for a period of not less than 30 minutes, or for a time and temperature equivalent thereto in phosphatase destruction. The finished food shall be deemed not to have been made from pasteurized milk if 0.25 gram shows a phenol equivalent of more than 3 micrograms when tested by the method prescribed in § 19.500(f), provolone modification.

§ 19.601 Part-skim mozzarella cheese, part-skim scamorza cheese; identity.

Part-skim mozzarella cheese, part-skim scamorza cheese, conforms to the definition and standard of identity prescribed for mozzarella cheese by § 19.600, except that in its production part-skim milk is used and its milk fat content, calculated on the solids basis, is less than 45 percent but not less than 30 percent.

§ 19.605 Pizza cheese; identity.

(a) Pizza cheese is the food prepared from milk and other ingredients specified in this section, by the procedure set forth in paragraph (b) of this section, or by another procedure which produces a finished cheese having the same physical and chemical properties as the cheese produced when the procedure set forth in paragraph (b) of this section is used. It may be molded into various shapes. Its moisture content is more than 45 percent but not more than 52 percent, and its milk fat content, calculated on the solids basis, is not less than 45 percent, as determined by the methods prescribed in § 19.500(c).

(b) Milk, which is pasteurized, which may be clarified or homogenized or both, and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria, which may be added thereto as starter. The milk may be acidified with vinegar. Rennet, rennet paste, or extract of rennet paste (with or without purified calcium chloride in a quantity not more than 0.02 percent, calculated as anhydrous calcium chloride, of the weight of the milk) is added to aid in setting the milk to a semisolid mass. The mass is cut, stirred, and allowed to stand. It may be reheated and again stirred. The whey is drained, and the curd may be cut and piled to promote further separation of whey. It may be washed with cold water and the water drained off. The curd may be collected in bundles for further drainage and ripening. The curd may be iced, it may be held under refrigeration, and it may be permitted to warm to room temperature and ripen further. The curd may be cut. It is immersed in hot water or heated with steam and is kneaded and stretched until smooth and free of lumps. Then it is cut and molded. In molding, the curd is kept sufficiently warm to cause proper sealing of the surface. The molded curd is firmed by immersion in cold water and may be salted in brine and drained.

(c) For the purposes of this section:

(1) The word "milk" means cow's milk, which may be adjusted by separating part of the fat therefrom or by adding thereto one or more of the following: Cream, skim milk, concentrated skim milk, nonfat dry milk, and water in a quantity sufficient to reconstitute any concentrated skim milk or nonfat dry milk used.

(2) Milk shall be deemed to have been pasteurized if it has been held at a temperature of not less than 145° F. for a period of 30 minutes, or for a time and temperature equivalent thereto in phosphatase destruction. The finished food shall be deemed not to have been made from pasteurized milk if 0.25 gram shows a phenol equivalent of more than 3 micrograms when tested by the method prescribed in § 19.500(f), provolone modification.

§ 19.606 Part-skim pizza cheese; identity.

Part-skim pizza cheese conforms to the definition and standard of identity as prescribed for pizza cheese by § 19.605, except that in its production part-skim milk is used and its milk fat content, calculated on the solids basis, is less than 45 percent but not less than 30 percent.

Any interested person whose appearance was filed at the hearing may, within 30 days from the date of publication of this tentative order in the FEDERAL REGISTER, file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written exceptions thereto. Exceptions shall point out with particularity the alleged errors in the findings of fact and proposed order, and shall contain specific references to the pages of the transcript of testimony or to the exhibits on which the exceptions are based. Exceptions may be accompanied by briefs in support thereof. Exceptions and accompanying briefs should be submitted in quintuplicate.

Dated: July 17, 1961.

[SEAL] JOHN L. HARVEY,
Deputy Commissioner of Food and Drugs.

[F.R. Doc. 61-6889; Filed, July 21, 1961; 8:49 a.m.]

[21 CFR Part 120]

PESTICIDE RESIDUES IN OR ON CITRUS FRUITS

Notice of Filing of Petition

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(1), 68 Stat. 512; 21 U.S.C. 346a(d)(1)), notice is given that a petition has been filed by Union Carbide Corporation, 270 Park Avenue, New York 17, New York, proposing the establishment of tolerances for residues of 1-naphthyl *N*-methyl-carbamate in or on lemons and oranges at 10 parts per million.

The analytical method proposed in the petition for determining residues of 1-

naphthyl *N*-methylcarbamate is that published in the FEDERAL REGISTER of January 9, 1959 (24 F.R. 238), with minor modifications.

Dated: July 17, 1961.

[SEAL] J. K. KIRK,
Assistant Commissioner of Food and Drugs.

[F.R. Doc. 61-6890; Filed, July 21, 1961; 8:49 a.m.]

[21 CFR Part 121]

FOOD ADDITIVES

Notice of Filing of Petition

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348 (b)(5)), notice is given that a petition (FAP 528) has been filed by Merck and Company, Inc., Rahway, New Jersey, proposing the issuance of a regulation to provide for the safe use of streptomycin in chicken and turkey feed in an amount not more than 50 grams per ton nor less than 12 grams per ton of finished feed when used in combination with approved amounts of amprolium alone, or with a combination of amprolium and penicillin.

Dated: July 17, 1961.

[SEAL] J. K. KIRK,
Assistant Commissioner of Food and Drugs.

[F.R. Doc. 61-6888; Filed, July 21, 1961; 8:48 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Parts 600, 601]

[Airspace Docket No. 61-FW-31]

FEDERAL AIRWAYS AND CONTROLLED AIRSPACE

Alteration

In a notice of proposed rule making published in the FEDERAL REGISTER as Airspace Docket No. 61-FW-31 on April 28, 1961 (26 F.R. 3650), it was stated that the Federal Aviation Agency proposed to designate the control area associated with the segment of low altitude VOR Federal airway No. 18 proposed between Augusta, Ga., and Allendale, S.C., to extend upward from 1,200 feet above the surface, or if appropriate, 500 feet beneath the Instrument Flight Rules minimum en route altitude when established.

Subsequent to the publication of the notice, it has been determined that the application of Amendment 60-21 to Part 60 of the Civil Air Regulations to the control area associated with this segment of Victor 18 should be deferred until such time as all control areas associated with the other airways in the vicinity of Augusta and Allendale can be altered by applying Amendment 60-21. Accordingly, action is hereby taken to alter the original notice by proposing that the control area associated with the proposed segment of Victor 18 from Augusta to Allendale extend upward from 700 feet above the surface to the base of the continental control area.

In order to provide interested persons time to adequately evaluate this proposal, as modified herein, and an opportunity to submit additional written data, views or arguments, the date for filing such material will be extended to August 15, 1961.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator (14 CFR 409.13), I hereby give notice that the time within which comments will be received for consideration on Airspace Docket No. 61-FW-31 is extended to August 15, 1961. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C., on July 18, 1961.

CHARLES W. CARMODY,
Chief, Airspace Utilization Division.

[F.R. Doc. 61-6860; Filed, July 21, 1961; 8:45 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 60-LA-99]

FEDERAL AIRWAYS AND CONTROLLED AIRSPACE

Alteration of Federal Airway, Control Zone and Control Area Extension

Pursuant to the authority delegated to me by the Administrator (14 CFR 409.13), (notice is hereby given that the Federal Aviation Agency is considering amendments to §§ 600.6021, 601.1198, and 601.6021 of the regulations of the Administrator, the substance of which is stated below.

Low altitude VOR Federal airway No. 21 extends in part from the Pocatello, Idaho, VOR via the intersection of the Pocatello VOR 033° and the Dubois, Idaho, VOR 170° True radials to the Dubois VOR. The Federal Aviation Agency is considering the redesignation of this airway from the Pocatello VOR via the Idaho Falls, Idaho, VOR; to the Dubois VOR, including an east alternate from the Idaho Falls VOR to the Dubois VOR via the intersection of the Idaho Falls VOR 030° and the Dubois VOR 155° True radials (Rigby Intersection). The control areas associated with this segment of Victor 21 and Victor 21 east alternate would extend upward from 700 feet above the surface to the base of the continental control area. Action to implement Amendment 60-21 to the Civil Air Regulations will be initiated at a later date. The redesignation of Victor 21 via the Idaho Falls VOR would not change the present alignment of the airway. However, utilization of this facility would provide better navigational guidance along the airway. Designation of the east altertnate would permit aircraft destined to Idaho Falls from the northwest to execute straight in approaches to Fanning Field, Idaho Falls, from the Rigby Intersection.

The Idaho Falls control zone is designated within a 5-mile radius of Fanning Field. It is proposed to redesignate this control zone within a 5-mile radius of Fanning Field (Lat. 43°31'05' N., Long. 112°04'05'' W.), and within 2 miles either side of the Idaho Falls VOR 030° and 223° True radials extending from the 5-mile radius zone to 15 miles northeast and 12 miles southwest of the VOR, including the area within a one-mile radius of Rigby, Idaho, Airport (Lat. 43°38'45'' N., Long. 111°55'45'' W.). This would provide protection for aircraft executing the prescribed instrument approach procedures at Fanning Field and also provide protection for aircraft operating at both Fanning Field and Rigby Airport during weather conditions of less than VFR minimums. Although the Rigby Airport is a limited use airport having approximately 300 flight operations annually, it appears that its inclusion within the proposed Idaho Falls control zone northeast extension is required because of the proximity of the airport to the instrument approach flight path.

The Idaho Falls control area extension is designated from the Idaho Falls radio range station extending 5 miles either side of the northwest course of the radio range to its intersection with VOR Federal airway No. 257 and extending 5 miles either side of the northeast course of the radio range to its intersection with the east course of the Dubois, Idaho, radio range.

It is proposed to redesignate this control area extension as the area within 5 miles either side of the Idaho Falls VOR 030° True radial extending from the VOR to low altitude VOR Federal airway No. 298 and the area west of Idaho Falls bounded on the east and southeast by low altitude VOR Federal airway No. 21 and on the west by low altitude VOR Federal airway No. 257. This control area would extend upward from 700 feet above the surface to the base of the continental control area. Action to implement Amendment 60-21 to the Civil Air Regulations will be initiated at a later date. The altered control area extension would provide protection for aircraft arriving, departing, and executing holding procedures at Idaho Falls during Instrument Flight Rules weather conditions.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, 5651 West Manchester Avenue, P.O. Box 90007, Airport Station, Los Angeles 45, Calif. All communications received within forty-five 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

Air Traffic Management Field Division Chief, 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 Air Traffic Management Field Division Chief.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C., on July 17, 1961.

CHARLES W. CARMODY,
Chief, Airspace Utilization Division.

[F.R. Doc. 61–6861; Filed, July 21, 1961; 8:45 a.m.]

[14 CFR Part 600, 601]

[Airspace Docket No. 61–LA–24]

FEDERAL AIRWAYS, CONTROLLED AIRSPACE AND REPORTING POINTS

Designation, Alteration and Revocation of Federal Airways and Associated Control Area

Pursuant to the authority delegated to me by the Administrator (14 CFR 409.13), notice is hereby given that the Federal Aviation Agency is considering amendments to Parts 600 and 601 and §§ 600.6019, 601.6019, 600.6187, and 601.6187 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency has under consideration the following proposed actions:

1. Designate low altitude VOR Federal airway No. 505 and its associated control area from the Helena, Montana, VOR; via the intersection of the Helena VOR 089° and the Great Falls, Montana, VOR 180° True radials, to the Great Falls VOR. This airway would provide a route for aircraft en route to Great Falls from the south and east and would facilitate transition of these aircraft to the ILS serving the Great Falls Airport.

2. Alter VOR Federal airway No. 187 by extending it and its associated control area from the Billings, Montana, VOR, via the intersection of the Billings VOR 317° and the Great Falls, Montana, VOR 122° True radials; to the Great Falls VOR. This airway extension would provide a more direct route for aircraft operating between Billings and Great Falls and would facilitate the control of Instrument Flight Rules aircraft arriving and departing the Great Falls terminal area.

3. VOR Federal airway No. 19 presently extends, in part, from the Billings, Montana, VOR; intersection of the Billings VOR 347° True and the Lewiston, Montana, VOR 104° True radials; to the Lewiston VOR, including a west alternate from the Billings VOR direct to the Lewiston VOR. The Federal Aviation Agency is considering the alteration of Victor 19 by revoking the west alternate and its associated control area between Billings and Lewiston. This airway segment is seldom used in the routing of aircraft and the proposed alteration of Victor 187 would provide a more direct routing for aircraft operating between Billings and Great Falls. In addition, the Federal Aviation Agency IFR peakday airway traffic survey for 1960 shows one aircraft movement on this airway segment. Therefore, it appears that this segment of airway is an unnecessary assignment of airspace and should be revoked.

The control areas associated with these proposed airway segments would extend upwards from 700 feet above the surface to the base of the continental control area. Separate actions will be initiated to implement on an area basis Amendment 60–21 to Part 60 of the Civil Air Regulations.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, 5651 West Manchester Avenue, P.O. Box 90007, Airport Station, Los Angeles 45, Calif. All communications received within forty-five 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 Air Traffic Management Field Division Chief, 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 Air Traffic Management Field Division Chief.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C., on July 17, 1961.

CHARLES W. CARMODY,
Chief, Airspace Utilization Division.

[F.R. Doc. 61–6862; Filed, July 21, 1961; 8:45 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 60–LA–114]

CONTROLLED AIRSPACE

Alteration of Control Area Extensions

Pursuant to the authority delegated to me by the Administrator (14 CFR 409.13), notice is hereby given that the Federal Aviation Agency is considering amendments to §§ 601.1316 and 601.1177 of the regulations of the Administrator, the substance of which is stated below.

The Los Angeles, Calif., control area extension 1316 is designated as the airspace beginning at the Los Angeles, Calif., VOR and extending along the Los Angeles VOR 251° True radial to its intersection with the eastern boundary of the Oakland Oceanic Control Area, 10 miles in width from the VOR to a point where the 251° True radial intersects the Pacific ADIZ, then flaring 3° on each side of the 10-mile width to the Oceanic Control Area boundary. The portion of this control area which coincides with the Point Mugu Warning Area (W–289) shall be used only after obtaining prior approval from the Federal Aviation Agency Air Traffic Control. The Federal Aviation Agency is considering the redesignation of this control area extension as the area within 5 miles either side of the Los Angeles VOR 251° True radial extending from the VOR to the Oakland Oceanic Control Area boundary and including the additional area between lines diverging at an angle of 5° from the centerline extending westward from the Los Angeles VOR; excluding the airspace below 2000 feet MSL between the continental United States and the eastern boundary of the Point Mugu, Calif., Warning Area (W–289) and excluding the airspace below 5000 feet MSL within Warning Area (W–289).

The Long Beach, Calif., control area extension 1177 is designated as the airspace within tangent lines drawn from the circumference of a circle 5 miles in radius centered on the Long Beach, Calif., VOR to a circle 5 miles in radius centered at a point at Lat. 32°09'00" N., Long. 119°50'30" W., to a circle 14 miles in radius centered at a point at Lat. 32°00'00" N., Long. 120°00'00" W., thence to a circle 19 miles in radius centered on a point at Lat. 31°35'30" N., Long. 121°21'30" W., to the eastern boundary of the Oakland Oceanic Control Area, excluding the portion below 5000 feet MSL between a point 63 miles southwest of the Long Beach VOR at Lat. 33°06'50" N., Long. 118°48'00" W., and the eastern boundary of the Oakland Oceanic Control Area.

The Federal Aviation Agency is considering the redesignation of this control area extension, as the Santa Catalina, Calif., control area extension 1177, to include the area beginning at Lat. 33°25'50" N., Long. 118°28'50" W., thence to Lat. 33°19'00" N., Long. 118°21'45" W., thence to Lat. 32°44'30" N., Long. 119°07'00" W., thence to Lat. 31°41'00" N., Long. 120°15'00" W., thence to Lat. 31°18'40" N., Long. 121°11'30" W., thence to Lat. 31°54'00" N., Long. 121°34'30" W., thence to Lat. 32°10'45" N., Long. 120°16'15" W.,

thence to Lat. 32°52'15" N., Long. 119°12'30" W., thence to the point of beginning, excluding the airspace below 5000 feet MSL. The redesignation of these control area extensions, as proposed, would afford adequate protection for aircraft in transition between the Oceanic Control Area and the domestic control area. Control area extension 1177, as proposed, would coincide, to a slight extent, with the San Diego, Calif., Warning Area (W-291). Alteration of the warning area to exclude the airspace above 5,000 feet MSL which would coincide with the altered control area extension would be accomplished in accordance with established non-rule making procedures.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, 5651 West Manchester Avenue, P.O. Box 90007, Airport Station, Los Angeles 45, Calif. All communications received within forty-five 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 Air Traffic Management Field Division Chief, 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 Air Traffic Management Field Division Chief.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C. on July 18, 1961.

CHARLES W. CARMODY,
Chief, Airspace Utilization Division.

[F.R. Doc. 61-6858; Filed, July 21, 1961; 8:45 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 60-KC-86]

CONTROL AREAS AND CONTROL ZONES

Withdrawal of Proposal To Alter Control Zone and Control Area Extension

In a notice of proposed rule making published in the FEDERAL REGISTER in Airspace Docket No. 60-KC-86 on December 31, 1960 (25 F.R. 14048), it was stated that the Federal Aviation Agency proposed the alteration of the Springfield, Mo., control zone and the Springfield control area extension.

Subsequent to publication of the notice, a review of the requirements for controlled airspace in the Springfield area has indicated that, upon implementation of the provisions of Amendment 60-21 to Part 60 of the Civil Air Regulations, numerous changes will be required in the dimensions of the controlled airspace proposed in the notice. The need for these changes will be considered in an Amendment 60-21 implementation to be made on an area basis in which requirements for controlled airspace in the Springfield area will be correlated with requirements in adjacent areas. Accordingly, the notice is being withdrawn, and a new proposal will be issued upon completion of the study.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator (25 F.R. 12582), notice is hereby given that the proposal contained in Airspace Docket No. 60-KC-86 is withdrawn.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on July 18, 1961.

CHARLES W. CARMODY,
Chief, Airspace Utilization Division.

[F.R. Doc. 61-6859; Filed, July 21, 1961; 8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Parts 210, 240, 249]

[Release 33-4390]

FORM AND CONTENT OF FINANCIAL STATEMENTS; SECURITIES EXCHANGE ACT OF 1934

Extension of Time for Comments on Proposed Rulemaking

The Securities and Exchange Commission today announced an extension of time, from July 13 to September 1, 1961, within which comments on its proposed amendments to Form 10-K (described in § 249.310) and Regulation S-X (Part 210) and its proposed new Rule 15d-21 (§ 240.15d-21) may be submitted. These proposals relate to the filing of information and reports with respect to employee stock purchase, savings or similar plans. (FEDERAL REGISTER of June 22, 1961, 26 F.R. 5580.)

The extension was granted at the request of persons who desire additional time to study the proposals and submit comments thereon.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

JULY 12, 1961.

[F.R. Doc. 61-6871; Filed, July 21, 1961; 8:46 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Bureau of Customs

[418.16]

"LANOCERINA", A TREATED LANOLIN

Proposed Tariff Classification

JULY 18, 1961.

It appears that "Lanocerina" a treated lanolin consisting of a white odorless grease consisting of about 75 percent fatty alcohols and 25 percent hydrocarbons resulting from the treatment of wool grease or lanolin with hydrogen under high pressure and temperature, is properly classifiable as a fat, the composition and properties of which have been changed by chemical means, not specially provided for, under paragraph 56, Tariff Act of 1930, and dutiable at the statutory rate of 20 percent ad valorem. It has been the established and uniform practice to classify this product under paragraph 56 of the tariff act, as a hardened or hydrogenated fat or oil, dutiable at the statutory rate of 4 cents per pound, on the understanding based upon a prior customs laboratory analysis that the imported merchandise had the characteristics of hydrogenated fat.

Pursuant to § 16.10a(d) of the Customs Regulations (19 CFR 16.10a(d)), notice is hereby given that there is under review in the Bureau the existing uniform and established practice for classifying the treated lanolin as a hardened or hydrogenated fat or oil under paragraph 56, dutiable at the statutory rate of 4 cents per pound.

Consideration will be given to any relevant data, views, or arguments pertaining to the correct tariff classification of this merchandise which are submitted to the Bureau of Customs, Washington 25, D.C., in writing. To assure consideration, such communications must be received in the Bureau not later than 30 days from the publication of this notice. No hearings will be held.

[SEAL] PHILIP NICHOLS, Jr.,
Commissioner of Customs.

[F.R. Doc. 61-6880; Filed, July 21, 1961; 8:47 a.m.]

Foreign Assets Control

IMPORTATION OF CERTAIN MERCHANDISE DIRECTLY FROM KOREA

Available Certifications by the Republic of Korea

Notice is hereby given that certificates of origin issued by the Ministry of Commerce and Industry of the Republic of Korea under procedures agreed upon between that Government and the Foreign Assets Control are now available with respect to the importation into the United States directly, or on a through bill of lading, from Korea of the following additional commodity: Walnuts.

[SEAL] MARGARET W. SCHWARTZ,
Acting Director,
Foreign Assets Control.

[F.R. Doc. 61-6844; Filed, July 21, 1961; 8:45 a.m.]

Office of the Secretary

[AA 643.3-W]

PORTLAND GRAY CEMENT FROM PORTUGAL

Determination of Sales at Less Than Fair Value

JULY 12, 1961.

A complaint was received that portland gray cement from Portugal was being sold in the United States at less than fair value within the meaning of the Antidumping Act of 1921.

I hereby determine that portland gray cement from Portugal is being, or is likely to be, sold at less than fair value within the meaning of section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)).

The United States Tariff Commission is being advised of this determination.

Statement of reasons. It was determined that for fair value purposes the purchase price of the imported cement should be compared with the weighted-average adjusted home market price.

Purchase price was computed on the basis of the C&F east coast port price per 94-pound bag. From this price ocean freight, inland freight and stowage, and port expenses were deducted. The weighted-average adjusted home market price was computed on the basis of the weighted-average price, ex-factory, unpacked, per metric ton in Portugal, and the weighted-average price, packed, f.o.b. Lisbon per metric ton on sales to Portuguese ultramarine provinces. From such prices were deducted, as applicable, commission, cost of credit risk, technical assistance, advertising, and quantity discount. In connection with the ultramarine sales, cost of packing, inland freight and stowage, and port expenses were also deducted. A weighted-average price per metric ton, exfactory, unpacked, was then calculated on the basis of the total quantity sold in Portugal and to the ultramarine provinces. The costs of export packing and of spare bags included in the shipments to the United States were added. Advertising was disallowed as to importations entered on or after July 5, 1960.

Purchase price was found to be lower than the weighted-average adjusted home market price as to importations both before and after July 5, 1960.

This determination and the statement of reasons therefor are published pursuant to section 201(c) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(c)).

[SEAL] HENRY H. FOWLER,
Under Secretary of the Treasury.

[F.R. Doc. 61-6881; Filed, July 21, 1961; 8:48 a.m.]

[Dept. Circ. 570, 1961 Rev. Supp. No. 5]

NORTHERN ASSURANCE COMPANY OF AMERICA

Surety Company Acceptable on Federal Bonds

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company under the Act of Congress approved July 30, 1947, 6 U.S.C., secs. 6–13, as an acceptable surety on Federal bonds.

An underwriting limitation of $937,000.00 has been established for the company. Further details as to the extent and localities with respect to which the company is acceptable as surety on Federal bonds will appear in the next revision of Department Circular 570, to be issued as of May 1, 1962. Copies of the circular, when issued, may be obtained from the Treasury Department, Bureau of Accounts, Surety Bonds Branch, Washington 25, D.C.

State in Which Incorporated, Name of Company and Location of Principal Executive Office

Massachusetts, The Northern Assurance Company of America, Boston, Mass.

[SEAL] ROBERT V. ROOSA,
Under Secretary for Monetary Affairs.

[F.R. Doc. 61-6882; Filed, July 21, 1961; 8:48 a.m.]

[Dept. Circ. 570, 1961 Rev. Supp. No. 4]

COMMERCIAL UNION INSURANCE COMPANY OF NEW YORK

Surety Company Acceptable on Federal Bonds

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company under the Act of Congress approved July 30, 1947, 6 U.S.C., secs. 6–13, as an acceptable surety on Federal bonds.

An underwriting limitation of $673,000.00 has been established for the company. Further details as to the extent and localities with respect to which the company is acceptable as surety on Federal bonds will appear in the next revision of Department Circular 570, to be issued as of May 1, 1962. Copies of the circular, when issued, may be obtained from the Treasury Department, Bureau of Accounts, Surety Bonds, Branch, Washington 25, D.C.

State in Which Incorporated, Name of Company and Location of Principal Executive Office

New York, Commercial Union Insurance Company of New York, New York, N.Y.

[SEAL] ROBERT V. ROOSA,
Under Secretary for Monetary Affairs.

[F.R. Doc. 61-6883; Filed, July 21, 1961; 8:48 a.m.]

[1961 Dept. Cir. No. 1062]

3¼ PERCENT TREASURY NOTES OF SERIES H–1962

Offering of Notes

JULY 17, 1961.

I. *Offering of notes.* 1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for notes of the United States, designated 3¼ percent Treasury Notes of Series H–1962, in exchange for which any of the following eligible securities, singly or in combinations aggregating $1,000 or multiples thereof, may be tendered:

3⅛ percent Treasury Certificates of Indebtedness of Series C–1961, maturing August 1, 1961.
4 percent Treasury Notes of Series A–1961, maturing August 1, 1961.
2¾ percent Treasury Bonds of 1961, maturing September 15, 1961.
1½ percent Treasury Notes of Series EO–1961, maturing October 1, 1961.

Interest will be adjusted in the case of the 2¾ percent Treasury Bonds of 1961, and in the case of the 1½ percent Treasury Notes of Series EO–1961, as set forth in section IV hereof. The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. The books will be open only on July 17 through July 19, 1961, for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the eligible securities are offered the privilege of exchanging all or any part of such securities for

3¾ percent Treasury Notes of Series E–1964, or
3⅞ percent Treasury Bonds of 1968 (additional issue).

which offerings are set forth in Department Circulars Nos. 1063 and 1064, respectively, issued simultaneously with this circular.

II. *Description of notes.* 1. The notes will be dated August 1, 1961, and will bear interest from that date at the rate of 3¼ percent per annum, payable on a semiannual basis on November 15, 1961, and on May 15 and November 15, 1962. They will mature November 15, 1962, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of $1,000, $5,000, $10,000, $100,000, $1,000,000, $100,000,000, and $500,000,000. Provision will be made for the interchange of notes of different denominations and of coupon and registered notes, and for the transfer of registered notes, under rules and regulations prescribed by the Secretary of the Treasury.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. *Subscription and allotment.* 1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington, D.C. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of notes applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. *Payment.* 1. Payment at par for notes allotted hereunder must be made on or before August 1, 1961, or on later allotment, and may be made only in the securities of the four issues enumerated in Section I hereof, which will be accepted at par, and should accompany the subscription.

2. Coupons dated August 1, 1961, should be detached from the 3⅛ percent Certificates of Indebtedness of Series C–1961, and the 4 percent Treasury Notes of Series A–1961, maturing August 1, 1961, by holders and cashed when due.

3. Coupons dated September 15, 1961, must be attached to the 2¾ percent Treasury Bonds of 1961 in coupon form when surrendered, and accrued interest from March 15, 1961, to August 1, 1961 ($10.38723 per $1,000), will be paid to subscribers. Payment to subscribers will be made in the case of bearer bonds following their acceptance and in the case of registered bonds following discharge of registration. In the case of registered bonds, the payment will be made by check drawn in accordance with the assignments on the bonds surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

4. Coupons dated October 1, 1961, must be attached to the 1½ percent Treasury Notes of Series EO–1961 when surrendered, and accrued interest from April 1, 1961, to September 1, 1961 ($6.27049 per $1,000), will be credited; accrued interest from August 1, 1961, to September 1, 1961 ($2.73777 per $1,000), on the notes to be issued will be charged, and the difference ($3.53272 per $1,000), will be paid to subscribers following acceptance of the notes.

V. *Assignment of registered bonds.* 1. The 2¾ percent Treasury Bonds of 1961 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignment for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be surrendered with the subscription to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington, D.C. The bonds must be delivered at the expense and risk of the holder. If the notes are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 3¼ percent Treasury Notes of Series H–1962"; if the notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 3¼ percent Treasury Notes of Series H–1962 in the name of _____"; if notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 3¼ percent Treasury Notes of Series H–1962 in coupon form to be delivered to _____".

VI. *General provisions.* 1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

[SEAL] DOUGLAS DILLON,
Secretary of the Treasury.

[F.R. Doc. 61-6884; Filed, July 21, 1961; 8:48 a.m.]

[1961 Dep. Cir. No. 1063]

3¾ PERCENT TREASURY NOTES OF SERIES E–1964

Offering of Notes

JULY 17, 1961.

I. *Offering of notes.* 1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for notes of the United States, designated 3¾ percent Treasury Notes of Series E–1964, in exchange for which any of the following eligible

securities, singly or in combinations aggregating $1,000 or multiples thereof, may be tendered:

3⅛ percent Treasury Certificates of Indebtedness of Series C–1961, maturing August 1, 1961.
4 percent Treasury Notes of Series A–1961, maturing August 1, 1961.
2¾ percent Treasury Bonds of 1961, maturing September 15, 1961.
1½ percent Treasury Notes of Series EO–1961, maturing October 1, 1961.

Interest will be adjusted in the case of the 2¾ percent Treasury Bonds of 1961, and in the case of the 1½ percent Treasury Notes of Series EO–1961, as set forth in section IV hereof. The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. The books will be open only on July 17 through July 19, 1961, for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the eligible securities are offered the privilege of exchanging all or any part of such securities for:

3¼ percent Treasury Notes of Series H–1962, or,
3⅞ percent Treasury Bonds of 1968 (additional issues).

which offerings are set forth in Department Circulars Nos. 1062 and 1064, respectively, issued simultaneously with this circular.

II. *Description of notes.* 1. The notes will be dated August 1, 1961, and will bear interest from that date at the rate of 3¾ percent per annum, payable on a semiannual basis on February 15 and August 15, 1962, and thereafter on February 15 and August 15 in each year until the principal amount becomes payable. They will mature August 15, 1964, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of $1,000, $5,000, $10,000, $100,000, $1,000,000, $100,000,000, and $500,000,000. Provision will be made for the interchange of notes of different denominations and of coupon and registered notes, and for the transfer of registered notes, under rules and regulations prescribed by the Secretary of the Treasury.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. *Subscription and allotment.* 1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington, D.C. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of notes applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. *Payment.* 1. Payment at par for notes allotted hereunder must be made on or before August 1, 1961, or on later allotment, and may be made only in and securities of the four issues enumerated in Section I hereof, which will be accepted at par, and should accompany the subscription.

2. Coupons dated August 1, 1961, should be detached from the 3⅛ percent Certificates of Indebtedness of Series C–1961, and the 4 percent Treasury Notes of Series A–1961, maturing August 1, 1961, by holders and cashed when due.

3. Coupons dated September 15, 1961, must be attached to the 2¾ percent Treasury Bonds of 1961 in coupon form when surrendered, and accrued interest from March 15, 1961, to August 1, 1961 ($10.38723 per $1,000), will be paid to subscribers. Payment to subscribers will be made in the case of bearer bonds following their acceptance and in the case of registered bonds following discharge of registration. In the case of registered bonds, the payment will be made by check drawn in accordance with the assignments on the bonds surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

4. Coupons dated October 1, 1961, must be attached to the 1½ percent Treasury Notes of Series EO–1961 when surrendered, and accrued interest from April 1, 1961, to September 1, 1961 ($6.27049 per $1,000), will be credited; accrued interest from August 1, 1961, to September 1, 1961 ($3.18261 per $1,000), on the notes to be issued will be charged, and the difference ($3.08788 per $1,000) will be paid to subscribers following acceptance of the notes.

V. *Assignment of registered bonds.* 1. The 2¾ percent Treasury Bonds of 1961 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be surrendered with the subscription to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington, D.C. The bonds must be delivered at the expense and risk of the holder. If the notes are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 3¾ percent Treasury Notes of Series E–1964"; if the notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 3¾ percent Treasury Notes of Series E–1964 in the name of _____"; if notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 3¾ percent Treasury Notes of Series E–1964 in coupon form to be delivered to _____".

VI. *General provisions.* 1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

[SEAL] DOUGLAS DILLON,
Secretary of the Treasury.

[F.R. Doc. 61–6885; Filed, July 21, 1961; 8:48 a.m.]

[1961 Dept. Cir. No. 1064]

3⅞ PERCENT TREASURY BONDS OF 1968

Offering of Bonds

JULY 17, 1961.

I. *Offering of bonds.* 1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at 99.375 percent of their face value and accrued interest, from the people of the United States for bonds of the United States, designated 3⅞ percent Treasury Bonds of 1968, in exchange for which any of the following securities may be tendered:

3⅛ percent Treasury Certificates of Indebtedness of Series C–1961, maturing August 1, 1961.
4 percent Treasury Notes of Series A–1961, maturing August 1, 1961.
2¾ percent Treasury Bonds of 1961, maturing September 15, 1961.
1½ percent Treasury Notes of Series EO–1961, maturing October 1, 1961.

A cash adjustment, as provided in section IV hereof will be made in favor of subscribers for the discount from the face value of the new bonds. Interest will be adjusted in the case of the 2¾ percent Treasury Bonds of 1961, and in the case of the 1½ percent Treasury Notes of Series EO–1961, as set forth in section IV hereof. The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. The books will be open only on July 17 through July 19, 1961, for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the eligible securities are offered the privilege of ex-

changing all or any part of such securities for

3¼ percent Treasury Notes of Series H–1962, or
3¾ percent Treasury Notes of Series E–1964,

which offerings are set forth in Department Circulars Nos. 1062 and 1063, respectively, issued simultaneously with this circular.

II. *Description of bonds.* 1. The bonds now offered will be an addition to and will form a part of the series of 3⅞ percent Treasury Bonds of 1968 issued pursuant to Department Circulars Nos. 1044 and 1049, dated June 8 and August 1, 1960, respectively. They will be freely interchangeable therewith, and are identical in all respects therewith except that interest on the bonds to be issued under this circular will accrue from August 1, 1961, in the case of the certificates and notes maturing August 1 and the bonds maturing September 15, and from September 1, 1961, in the case of the notes maturing October 1. Subject to the provisions for the accrual of interest on the bonds now offered, the bonds are described in the following quotation from Department Circular No. 1044:

1. The bonds will be dated June 23, 1960, and will bear interest from that date at the rate of 3⅞ percent per annum, payable on a semiannual basis on November 15, 1960, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature May 15, 1968, and will not be subject to call for redemption prior to maturity.

2. The income derived from the bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000, and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. *Subscription and allotment.* 1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington, D.C. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of bonds applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. *Payment.* 1. Payment at 99.375 percent of their face value and accrued interest for bonds allotted hereunder must be made on or before August 1, 1961, or on later allotment. Payment for the face amount of the bonds allotted may be made only in the securities of the four issues enumerated in section I hereof, which will be accepted at par, and should accompany the subscription. Accrued interest on the bonds alloted will be collected from, and interest on the securities to be exchanged and the cash adjustment for the discount on the bonds to be allotted will be paid to, subscribers as follows:

3⅛ percent Certificates of Indebtedness of Series C–1961. Coupons dated August 1, 1961, must be attached to the certificates when surrendered. Accrued interest from February 1, 1961, to August 1, 1961 ($15.625 per $1,000), on the certificates surrendered plus the discount ($6.25 per $1,000) on the bonds allotted will be credited; accrued interest from May 15, 1961, to August 1, 1961 ($8.21332 per $1,000), on the bonds allotted will be charged, and the difference ($13.66168 per $1,000) will be paid to subscribers following acceptance of the certificates.

4 percent Treasury Notes of Series A–1961. Coupons dated August 1, 1961, must be attached to the notes when surrendered. Accrued interest from February 1, 1961, to August 1, 1961 ($20.00 per $1,000), on the notes surrendered plus the discount ($6.25 per $1,000) on the bonds allotted will be credited; accrued interest from May 15, 1961, to August 1, 1961 ($8.21332 per $1,000), on the bonds allotted will be charged, and the difference ($18.03668 per $1,000) will be paid to subscribers following acceptance of the notes.

2¾ percent Treasury Bonds of 1961. Coupons dated September 15, 1961, must be attached to the bonds in coupon form when surrendered. Accrued interest from March 15, 1961, to August 1, 1961 ($10.38723 per $1,000), on the bonds surrendered plus the discount ($6.25 per $1,000) on the bonds allotted will be credited; accrued interest from May 15, 1961, to August 1, 1961 ($8.21332 per $1,000), on the bonds allotted will be charged, and the difference ($8.42391 per $1,000) will be paid to subscribers. Payment to subscribers will be made in the case of bearer bonds following their acceptance and in the case of registered bonds following discharge of registration. In the case of registered bonds, the payment will be made by check drawn in accordance with the assignments on the bonds surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

1½ percent Treasury Notes of Series EO–1961. Coupons dated October 1, 1961, must be attached to the notes when surrendered. Accrued interest from April 1, 1961, to September 1, 1961 ($6.27049 per $1,000), on the notes surrendered plus the discount ($6.25 per $1,000) on the bonds allotted will be credited; accrued interest from May 15, 1961, to September 1, 1961 ($11.47758 per $1,000), on the bonds allotted will be charged, and the difference ($1.04291 per $1,000) will be paid to subscribers.

V. *Assignment of registered bonds.* 1. 2¾ percent Treasury Bonds of 1961 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be surrendered with the subscription to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington, D.C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ percent Treasury Bonds of 1968"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ percent Treasury Bonds of 1968 in the name of _____"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ percent Treasury Bonds of 1968 in coupon form to be delivered to _____".

VI. *General provisions.* 1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

[SEAL] DOUGLAS DILLON,
Secretary of the Treasury.

[F.R. Doc. 61–6886; Filed, July 21, 1961; 8:48 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

OUTER CONTINENTAL SHELF

Calling for Nominations for Areas To Be Offered for Phosphate Leasing

JULY 17, 1961.

Pursuant to the authority prescribed in 43 CFR 201.20, notice is hereby given that nominations of areas for prospective phosphate leasing on the Outer Continental Shelf off the coast of California in the San Diego area and identified by leasing blocks as shown on the official leasing map of the said area approved by the Bureau of Land Management on March 3, 1961, may be submitted

to the Director, Bureau of Land Management, Washington 25, D.C., not later than September 15, 1961. Copies of such nominations must be sent to the Regional Oil and Gas Supervisor, U.S. Geological Survey, Room 1012, Bartlett Building, 215 West 7th Street, Los Angeles 14, California. Envelopes should be marked "Nomination for phosphate leasing on the Outer Continental Shelf."

Nominated areas must be identified by leasing blocks as shown on the official leasing map. Properly described subdivisions of blocks may be nominated. Copies of the official leasing map may be procured from the Assistant to the State Director, Bureau of Land Management, Bartlett Building, 215 West 7th Street, Los Angeles, California, or the Director, Bureau of Land Management, Washington 25, D.C., at a cost of $1 per map.

Any area selected to be offered for competitive bidding will be described and published in the FEDERAL REGISTER and other publications. The published notice of lease offer will state the conditions and terms for leasing and the place, date, and hour at which the bids will be opened. It is proposed that any leases offered for the selected areas will be subject to the following terms and conditions:

Bonus bid. A minimum of $5 per acre.

Term. 10 years and so long thereafter as phosphate is being produced from the leased area or other operations for the production of phosphate as approved by the Secretary are being conducted.

Rental. 50 cents per acre for first and second years of the lease and $1 per acre for each year thereafter.

Minimum royalty. After commencement of production, $2 per acre each year in lieu of rental.

Royalty. 5 percent (but not less than 30 cents a short ton) of the gross value at the unloading point on shore for each ton (2000 pounds) of phosphate produced, such gross value to be computed without deduction for transportation, loading or unloading or any other costs incident to delivery on shore.

KARL S. LANDSTROM,
Director.

[F.R. Doc. 61-6863; Filed, July 21, 1961; 8:45 a.m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

CALIFORNIA

Designation of Area for Production Emergency Loans

For the purpose of making production emergency loans pursuant to section 2(a) of Public Law 38, 81st Congress (12 U.S.C. 1148a-2(a)), as amended, it has been determined that in the following counties in the State of California a production disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

CALIFORNIA

Alameda.	Plumas.
Alpine.	Riverside.
Butte.	San Benito.
Calaveras.	San Bernardino.
Colusa.	San Diego.
Contra Costa.	San Francisco.
Del Norte.	San Luis Obispo.
El Dorado.	San Mateo.
Glenn.	Santa Barbara.
Humboldt.	Santa Clara.
Imperial.	Santa Cruz.
Inyo.	Shasta.
Lake.	Sierra.
Lassen.	Siskiyou.
Los Angeles.	Solano.
Mariposa.	Sutter.
Modoc.	Tehama.
Mono.	Trinity.
Monterey.	Tuolumne.
Nevada.	Ventura.
Orange.	Yolo.
Placer.	Yuba.

Pursuant to the authority set forth above, production emergency loans will not be made in the above-named counties after June 30, 1962, except to applicants who previously received such assistance and who can qualify under established policies and procedures.

Done at Washington, D.C., this 18th day of July 1961.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 61-6894; Filed, July 21, 1961; 8:50 a.m.]

WYOMING

Designation of Area for Production Emergency Loans

For the purpose of making production emergency loans pursuant to section 2 (a) of Public Law 38, 81st Congress (12 U.S.C. 1148a-2(a)), as amended, it has been determined that in the following counties in the State of Wyoming a production disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

WYOMING

Campbell.	Sweetwater.
Crook.	Uinta.
Lincoln.	Weston.
Niobrara.	

Pursuant to the authority set forth above, production emergency loans will not be made in the above-named counties after June 30, 1962, except to applicants who previously received such assistance and who can qualify under established policies and procedures.

Done at Washington, D.C., this 18th day of July 1961.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 61-6895; Filed, July 21, 1961; 8:50 a.m.]

CIVIL AERONAUTICS BOARD

PAUL MANTZ AIR SERVICES

[Docket 12076]

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference in the above-entitled matter is assigned to be held on August 7, 1961, at 10 a.m., e.d.s.t., in Room 1029, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Harley G. Moorhead.

Dated at Washington, D.C., July 19, 1961.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 61-6896; Filed, July 21, 1961; 8:50 a.m.]

[Docket No. 11908 etc.; Order No. E-17190]

TRANSATLANTIC CHARTER INVESTIGATION

Supplemental Order of Investigation and Consolidation

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 18th day of July 1961.

By Order E-16023, November 14, 1960, we instituted this investigation to determine whether the public convenience and necessity require the certification of one or more air carriers to conduct transatlantic passenger charters from or to points in the United States and, if so, under what terms and conditions. By that order, we also consolidated herein two pending applications for certificates of public convenience and necessity to perform passenger charter flights, namely those of Overseas National Airways, Inc. (ONA), in Docket 8056, and of United States Overseas Airlines, Inc. (USOA), in Docket 8951. More recently, we have consolidated seven other pending applications herein, namely those of Saturn Airways, Inc. (Saturn), in Docket 11962, President Airlines, Inc. (President), in Docket 11931, Capitol Airways, Inc. (Capitol), in Docket 11982, Imperial Airlines, Inc. (Imperial), in Docket 11965, Airline Transport Carriers, Inc. d/b/a California-Hawaiian Airlines (California-Hawaiian), in Docket 11999, The Flying Tiger Line Inc. (Flying Tiger), in Docket 6668, and Seaboard World Airlines, Inc. (formerly Seaboard & Western Airlines, Inc.) (Seaboard), in Docket 11971.[1]

It was our intention to consolidate such applications only insofar as they sought authority to conduct charter service within the appropriate geographical

[1] The pertinent orders were: Saturn—Order E-16967, June 20, 1961; President—Order E-17048, June 29, 1961; Capitol—Order E-17049, June 29, 1961; Imperial—Order E-17050, June 29, 1961; California-Hawaiian—Order E-17051, June 29, 1961; Flying Tiger—Order E-17133, July 10, 1961; and Seaboard—Order E-17134, July 10, 1961.

scope of this case, which we conclude should be defined by the traditional boundaries of transatlantic route proceedings. Since certain of the applications previously or hereby consolidated entail requests for authority beyond those boundaries, it appears desirable at this time to specifically limit this proceeding to a consideration of applications for certificated transatlantic passenger charter authority within the following area: between points within the 48 contiguous states, on the one hand, and points in Greenland, Iceland, the Azores, Europe, Africa and Asia as far east as (and including) India, on the other hand. Consideration of applications for authority beyond that area would unduly expand this already broad proceeding and would, in our judgment, be premature. Therefore, we shall sever out of the previously consolidated applications of ONA, USOA, Saturn, Capitol, California-Hawaiian, and Seaboard, requests for authority beyond the geographical limits of this proceeding. In view of our desire to bring the Board's docket to a reasonably current basis and thus insure that important formal proceedings may be passed upon promptly, we shall dismiss the severed portions of the applications, without prejudice to the right of those carriers to file new applications for such further and specific authority as they may desire.

The Board also issued a notice of proposed rule making (EDR–21, Docket 11907, Part 295) contemporaneously with Order E–16023. That rule-making proceeding was concluded on April 20, 1961, by the issuance of a revised Part 295 (ER–326) which establishes the requirements governing applications for, and operations under, temporary (seasonal) blanket exemption authority for transatlantic passenger charter flights. One of the requirements of the amended Part 295 is that applicants for authority thereunder must be applicants in good standing for transatlantic charter authority in the instant proceeding (§ 295.5(a)).[2] To establish such eligibility to apply for the exemption authority, we shall consolidate all remaining pending applications for certificates of public convenience and necessity to perform transatlantic passenger charter flights. Consistent with our action herein with regard to the previously consolidated applications, we shall sever out of all such applications requests for authority beyond the geographical limits of this proceeding, and dismiss the severed portions without prejudice. In total, 31 applications will be totally or partially consolidated in this proceeding by the instant order and Orders E–16023, E–16967, E–17048, E–17049, E–17050, E–17051, E–17133, and E–17134.

The issues to be considered in the instant investigation are those which arise under section 401 of the Federal Aviation Act of 1958, as amended, namely: (a) Whether the public convenience and necessity require the certification of one or more transatlantic passenger charter carriers and, if so, which carrier or carriers should be selected to perform such transportation; (b) whether the various applicants are fit, willing, and able properly to perform the proposed transportation and to conform to the provisions of the Act and the rules, regulations, and requirements of the Board thereunder; and (c) what terms, conditions or limitations should be attached to any certificates which the Board might grant.

In placing in issue the terms, conditions and limitations which would attach to any authority ultimately granted herein, we contemplate a full consideration of the rules which should govern such operations. This includes, but is not limited to, further consideration of rules established by our recent amendment of Part 295 (ER–326, supra). As we stated in issuing that amended regulation, the hearing herein will be directed to the long-range needs and authorizations in the transatlantic passenger charter field (ER–326, supra, at p. 9). In determining rules to govern the broader and more permanent operations which may be authorized herein, it is patent that the Board should have the benefit of a full evidentiary hearing. We, therefore, invite the applicants and all parties not only to offer any suggestions which they may have with regard to the suitability of the rules of Part 295 for a long-range program, but also to come forward with any new concepts which they may consider appropriate. *Therefore, it is ordered:*

1. That the investigation in Docket 11908, instituted by Order E–16023, November 14, 1960, be and hereby is limited to the consideration of applications for certificates of public convenience and necessity to conduct transatlantic passenger charter services between points within the 48 contiguous states, on the one hand, and points in Greenland, Iceland, the Azores, Europe, Africa, and Asia as far east as (and including) India, on the other hand;

2. That the investigation in Docket 11908 shall entail consideration of the following issues:

(a) Whether the public convenience and necessity require the certification of one or more air carriers to perform transatlantic passenger charter flights as delineated in ordering paragraph No. 1 and, if so, which carrier or carriers should be selected to perform such transportation, and what terms, conditions or limitations should be attached to such certificates;

(b) Whether the various applicants for transatlantic passenger charter authority are fit, willing and able to perform such transportation properly, and to conform to the provisions of the Federal Aviation Act of 1958, as amended, and the rules, regulations, and requirements of the Board thereunder;

3. That the applications of Overseas National Airways, Inc., in Docket 8056, United States Overseas Airlines, Inc., in Docket 8951, Saturn Airways, Inc., in Docket 11962, Capitol Airways, Inc., in Docket 11982, Airline Transport Carriers, Inc. d/b/a California-Hawaiian Airlines, in Docket 11999, and Seaboard World Airlines, Inc. (formerly Seaboard and Western Airlines, Inc.), in Docket 11971, insofar as they request authority to conduct passenger charter services via other than transatlantic routings or between points not within the geographical limits of this proceeding as defined by ordering paragraph No. 1, above, be and they hereby are severed and dismissed without prejudice;

4. That Order E–16023, and Orders E–16967, June 20, 1961, E–17049, June 29, 1961, E–17051, June 29, 1961, and E–17134, July 10, 1961, insofar as they consolidated with this investigation the portions of the applications severed and dismissed by ordering paragraph No. 3 hereof, be and they hereby are rescinded;

5. That the applications of the following named carriers in the dockets noted, insofar as they entail requests for transatlantic passenger charter authority within the geographical limits established in ordering paragraph No. 1 above, be and they hereby are consolidated with the investigation in Docket 11908;

Applicant	*Docket No.*
Resort Airlines, Inc	6964
Modern Air Transport, Inc	11930
Quaker City Airways, Inc	11943
Associated Air Transport, Inc	11947
General Airways, Inc.[3]	11948
Trans-Alaskan Airlines, Inc.[4]	11951
Currey Air Transport Ltd.[4]	11954
Great Lakes Airlines, Inc.[4]	11955
National Airlines, Inc	11958
Standard Airways, Inc	11963
Southern Air Transport, Inc	11966
Sourdough Air Transport	11968
World Airways, Inc	11981
Paul Mantz Air Services	11984
Slick Airways, Inc	11985
Aerovias Sud Americana, Inc	11989
Trans International Airlines, Inc	11997
Central Air Transport, Inc	11998
Coastal Air Lines	12106
World Wide Airlines, Inc	12125
Riddle Airlines, Inc	12152
Blatz Airlines, Inc	12194

[2] Our recent actions in consolidating the applications of Saturn, President, Capital, Imperial, California-Hawaiian, Flying Tiger and Seaboard were grounded on this prerequisite to the award of temporary (seasonal) blanket exemption authority.

[3] Inasmuch as we understand that certain assets of General Airways, including the right, title and interest in certificates or other documents of authoirty held by that carrier were sold in a bankruptcy proceeding held in the United States District Court for the District of Oregon (in the Matter of General Airways, Inc., Bankrupt, No. B–44813), and no application has been made for a transfer of the certificate pursuant to section 401(h) of the Act, we shall consider General Airways to be an applicant currently holding no operating authority.

[4] In consolidating the applications of Trans-Alaskan, Currey, and Great Lakes for hearing herein, we wish to make it clear that we thereby take no action inconsistent with our action in Orders E–16050, November 22, 1960, and E–16140, December 15, 1960. In those orders, we dismissed applications by these three carriers under the specific circumstances therein presented. However, as we then stated, our action did not constitute any permanent barrier to the filing of applications by those carriers (Order E–16050, at p. 7, fn. 6). The applicants will, of course, have the burden of establishing that they are now fit, willing and able within the meaning of the Act.

6. That the applications listed in ordering paragraph No. 5, above insofar as they request authority to conduct passenger charter services via other than

transatlantic routings or between points not within the geographical limits established in ordering paragraph No. 1, above, be and they hereby are severed and dismissed without prejudice;

7. That this proceeding be set down promptly for prehearing conference before an Examiner of the Board; and

8. That this proceeding shall be expedited as much as possible.

This Order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 61-6897; Filed, July 21, 1961; 8:50 a.m.]

FEDERAL AVIATION AGENCY

[OE Docket No. 61-LA-8]

PROPOSED HOSPITAL BUILDING

Notice of No Airspace Objection

The Federal Aviation Agency has circularized the following proposal to the aviation industry for comment and has conducted an aeronautical study to determine its effect upon the utilization of airspace: The County of San Diego, California, proposes to erect a Hospital Building in San Diego, California, at latitude 32°45'17" north, longitude 117°09'53" west. The overall height of the structure would be 475 feet above mean sea level (185 feet above ground).

No aeronautical objections were made in response to the circularization. The proposed structure would be located approximately 2 miles northeast of the center of the San Diego Municipal Airport (Lindbergh Field), San Diego, California, and would penetrate the horizontal surfaces of the Agency's TSO-N18, and the Joint Industry/Government Tall Structures Committee criteria by 310 feet as applied to this airport. However, the Agency study revealed that these factors would have no substantial adverse effect on air traffic operations at Lindbergh Field.

No other aeronautical operations, procedures or minimum flight altitudes would be affected by the proposed structure.

Therefore, I find that this proposed structure at the location and mean sea level elevation specified herein, would have no substantial adverse effect upon aeronautical operations, procedures or minimum flight altitudes and conclude that no objection thereto from an airspace utilization standpoint be interposed by this Agency, provided that the structure be obstruction lighted.

Issued in Washington, D.C., on July 17, 1961.

This finding will be effective upon publication in the FEDERAL REGISTER.

D. D. THOMAS,
Director, Air Traffic Service.

[F.R. Doc. 61-6857; Filed, July 21, 1961; 8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File 812-1410]

IVEST FUND, INC.

Notice of Filing of Application for an Order Exempting Proposed Transactions

JULY 18, 1961.

Notice is hereby given that Ivest Fund, Inc. ("Applicant"), a registered open-end non-diversified investment company chartered under the laws of Massachusetts, has filed an amended application pursuant to section 17(b) of the Investment Company Act of 1940 ("Act") for an order of the Commission exempting from the provisions of section 17(a) of the Act proposed transactions hereinafter described.

As a means of providing Applicant with the initial net worth of $100,000 required by section 14(a) of the Act, a voluntary association ("Transferor") known as Professional Investors and controlled by four individuals, proposes to transfer all of its assets, which as of April 30, 1961, amounted to $278,697, including securities with an aggregate market value of $234,476, to the Applicant in exchange for shares of Applicant's common stock. Shares of Applicant's common stock will be issued to the 26 shareholders of Transferor proportionately in accordance with their interests therein, each of whom will be acquiring such shares for investment and not with a view to, or in connection with, the distribution or redemption thereof. Messrs. William Nicholas Thorndike, Robert W. Doran, Stephen D. Paine and George Lewis are officers and accordingly are affiliated persons of the Applicant. They are also the controlling shareholders of Transferor, and it accordingly is an affiliated person of each of them. It is anticipated by Applicant that the transfer will be considered a tax-free exchange and that the basis of the securities received by Applicant will be their basis in the hands of the Transferor. The total tax cost of such securities is $158,422.

Applicant intends to offer its capital stock to the public on a continuous basis through its principal underwriter. At the present time and for an indeterminate time in the future Applicant will not be able to meet the requirements of Subchapter M of the Internal Revenue Code of 1954 so that its net income and realized capital gains will be subject to Federal income taxes. In order to insure that the public investors will not bear an unfair tax burden in the event of the sale of the appreciated securities obtained in the tax-free exchange, Applicant intends to set up on its books, immediately upon receipt of such securities, a reserve equal to 25 percent of the net unrealized appreciation on such securities on the date of transfer. Thereafter, and until such time as Applicant elects to become subject to Subchapter M of the Internal Revenue Code of 1954, if and when any of the securities are sold, the reserve will be reduced by the amount of the taxes payable on securities held. At the time Applicant elects to become subject to Subchapter M it will maintain a reserve equal to 12½ percent of the unrealized gains on the securities acquired from Transferor which will be reduced pro tanto by the amount allocable to any of such securities sold. Transferor, in exchange for its securities, will receive from Applicant, shares of its capital stock equal in number to the value of the securities transferred less the tax reserve on the date of transfer.

Section 17(a) of the Act, in relevant part, prohibits the sale of securities to a registered investment company by an affiliated person or promoter of such company, or by an affiliated person of such a person. Under section 17(b) of the Act the Commission shall grant an exemption from the prohibitions of section 17(a) if it finds that the terms of the proposed transactions are reasonable and fair and do not involve overreaching on the part of any person concerned; and that the proposed transactions are consistent with the policy of the registered investment company concerned as recited in its registration statement and reports filed under the Act, and with the general purposes of the Act.

Notice is hereby given that any interested person may, not later than August 3, 1961, at 5:30 p.m., e.d.s.t., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, as provided by Rule O-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the showing contained in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 61-6869; Filed, July 21, 1961; 8:46 a.m.]

[File No. 24-NY-4751]

NORTHEAST TELECOMMUNICATIONS, INC.

Order Temporarily Suspending Exemption, Statement of Reasons Therefor, and Notice of Opportunity for Hearing

JULY 18, 1961.

I. Northeast Telecommunications, Inc. (issuer), a Delaware corporation, 122 East 42d Street, New York, New York,

filed with the Commission on October 20, 1958 a notification on Form 1–A, an offering circular, and other material relating to a proposed public offering of 300,000 shares of its 10 cent par value common stock at $1 per share for an aggregate public offering of $300,000 for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3(b) and Regulation A.

II. The Commission has reasonable cause to believe that:

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

1. The issuer failed to meet the requirements of Rule 253 in that the securities offered by controlling persons were not included in the computation of the amount of securities to be offered to the public;

2. Sales of securities were made in jurisdictions other than those specified in the notification; and

3. The issuer filed a false and misleading report of sales on Form 2–A, particularly with respect to the statement that the offering was completed on February 10, 1959, when in fact sales continued to be made after that date.

B. Regulation A is unavailable to the issuer in that the aggregate amount of the securities offered to the public, computed in accordance with Rules 253 and 254, exceeded $300,000.

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

1. The failure to disclose adequately and accurately the actual educational background and business experience of Richmond Lisle-Cannon, officer, director, principal stockholder, and promoter of the issuer;

2. The failure to set forth adequately and accurately the proposed use of proceeds from the sale of the securities; and

3. The failure to disclose accurately the consideration given by officers and directors of the issuer for outstanding stock of the issuer in that the shares were not issued for the amount of cash stated in the offering circular.

D. Shares granted to the underwriter were distributed in violation of the commitment expressed in the underwriting agreement and in the offering circular.

E. The offering was made in violation of section 17(a) of the Securities Act of 1933, as amended.

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

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

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 61–6870; Filed, July 21, 1961; 8:46 a.m.]

SMALL BUSINESS ADMINISTRATION

[Delegation of Authority No. 30–V–33]

BRANCH COUNSEL, NASHVILLE, TENNESSEE

Delegation Relating to Legal Functions

I. Pursuant to the authority delegated to the Branch Manager by Delegation of Authority No. 30–V–32, dated June 10, 1961, there is hereby redelegated to the Branch Counsel, Nashville Branch Office, the following authority:

A. *Legal.* To disburse all approved loans.

II. The authority delegated herein may not be redelegated.

III. The authority delegated herein may be exercised by any SBA employee designated as Acting Branch Counsel.

Effective date July 16, 1961.

LANDON J. GOODSON,
Branch Manager,
Nashville Branch Office.

[F.R. Doc. 61–6872; Filed, July 21, 1961; 8:46 a.m.]

[Delegation of Authority No. 30–X–24]

MANAGER, DISASTER FIELD OFFICE, HARRISON, ARKANSAS

Recision of Delegation

Notice is hereby given that this delegation is rescinded in its entirety.

(Disaster Field Office closed COB 6–23–61)

Dated: June 26, 1961.

C. W. FERGUSON,
Regional Director,
Dallas Regional Office.

[F.R. Doc. 61–6873; Filed, July 21, 1961; 8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 522]

MOTOR CARRIER TRANSFER PROCEEDINGS

JULY 19, 1961.

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 64245. By order of July 17, 1961, The Transfer Board approved the transfer to Pyramid Van Lines, Inc., 9420 Sandusky Ave., Cleveland, Ohio, of portion of Certificate No. MC 88447, issued May 15, 1958, to Frank Jacobs, doing business as Jacob Van Lines, 7627 Cottage Grove Ave., Chicago, Ill., authorizing the transportation of: Household goods, between specified points in Illinois, Indiana, Michigan, and Wisconsin, on the one hand, and, on the other, points in Alabama, Arkansas, Florida, Georgia, Iowa, Louisiana, Minnesota, Mississippi, Nebraska, and specified portions of Michigan and Wisconsin. Dan J. Lutkenhouse, 184 Harbor Way, South San Francisco, Calif., president, Pyramid Van Lines, Inc.

No. MC–FC 64310. By order of July 17, 1961, The Transfer Board approved the transfer to N. J. Matlock and L. E. Whiting, a partnership, doing business as Alaska Auto Transport, Fairbanks, Alaska, of Certificate No. MC 117137, issued December 10, 1959, to N. J. Matlock, doing business as Alaska Auto Transport, Fairbanks, Alaska, authorizing the transportation, over irregular routes, of automobiles and pickup trucks, in truckaway service, in secondary movements, between Seattle, Wash., and Fairbanks, Alaska. James T. Johnson, 609 Norton Building, Seattle 4, Wash., attorney for applicants.

No. MC–FC 64344. By order of July 12, 1961, The Transfer Board approved the transfer to Charles A. Groepper, Menomonie, Wis., of Certificate No. MC 29119, issued August 11, 1953, to Robert Brown, Menomonie, Wis., authorizing the transportation of general commodities, excluding household goods and commodities in bulk, between points in the Towns of Menomonie, Lucas, Stanton (not including the Village of Knapp), and Weston, Dunn County, Wis., and those in the Town of Cady, St. Croix County, Wis., on the one hand, and, on the other, Hastings, Minneapolis, Newport, St. Paul, South St. Paul, and Still-

water, Minn. A. R. Fowler, 2286 University Avenue, St. Paul 14, Minn., applicants' representative.

No. MC-FC 64348. By order of July 12, 1961, The Transfer Board approved the transfer to Kenneth E. Davis, Gregory, S. Dak., of Certificate No. MC 95214, issued April 29, 1949, to H. C. Grim, Gregory, S. Dak., authorizing the transportation of livestock, over irregular routes, from Gregory, S. Dak., and farms and sales pavilions in South Dakota within 30 miles of Gregory, to Sioux City, Iowa; and feed, farm machinery, and farm tractors, over irregular routes, from Sioux City, Iowa, to Gregory, S. Dak. Don A. Bierle, 308 Walnut Street, Yankton, S. Dak., attorney for applicants.

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

[F.R. Doc. 61-6876; Filed, July 21, 1961; 8:47 a.m.]

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