FEDERAL REGISTER

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Pages 8503–8560

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Agricultural Research Service
Agricultural Stabilization and Conservation Service
Agriculture Department
Civil Aeronautics Board
Civil Service Commission
Coast Guard
Commerce Department
Commodity Credit Corporation
Commodity Exchange Authority
Consumer and Marketing Service
Defense Department
Federal Aviation Agency
Federal Communications Commission
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Forest Service
General Services Administration
Interagency Textile Administrative Committee
Interstate Commerce Commission
Land Management Bureau
Library of Congress
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Volume 78

UNITED STATES STATUTES AT LARGE

[88th Cong., 2d Sess.]

Contains laws and concurrent resolutions enacted by the Congress during 1964, the twenty-fourth amendment to the Constitution, and Presidential proclamations. Included is a numerical listing of bills enacted into public and private law, and a guide to the legislative history of bills enacted into public law.

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UNITED STATES SECRET SERVICE WEEK

By the President of the United States of America

A Proclamation

WHEREAS July 5, 1965, marks the one-hundredth anniversary of the establishment of the United States Secret Service; and

WHEREAS for a century the United States Secret Service has stood as guardian of the integrity of the securities and money of the United States; and

WHEREAS for nearly two-thirds of a century the United States Secret Service has borne the responsibility for protecting the Chief Executives of our Nation; and

WHEREAS the responsibilities entrusted to the small and dedicated force of the Secret Service are today of greatest importance to the orderly functioning of our system of government:

NOW, THEREFORE, I, LYNDON B. JOHNSON, President of the United States of America, do hereby designate the week of July 5 through July 11, 1965, as United States Secret Service Week; and I urge communities, civic organizations, and all citizens to participate in appropriate commemoration of the contributions which the Secret Service has made during its existence, and, especially, I ask that the appreciation of the Nation be extended to the men of the Secret Service, and to their families, for the spirit and standards of selfless service which have won the esteem and respect of the Nation during the century of the Service's discharge of the high duty assigned to it.

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

DONE at the City of Washington this first day of July in the year of our Lord nineteen hundred and sixty-five, and of the Independence of the United States of America the one hundred and eighty-ninth.

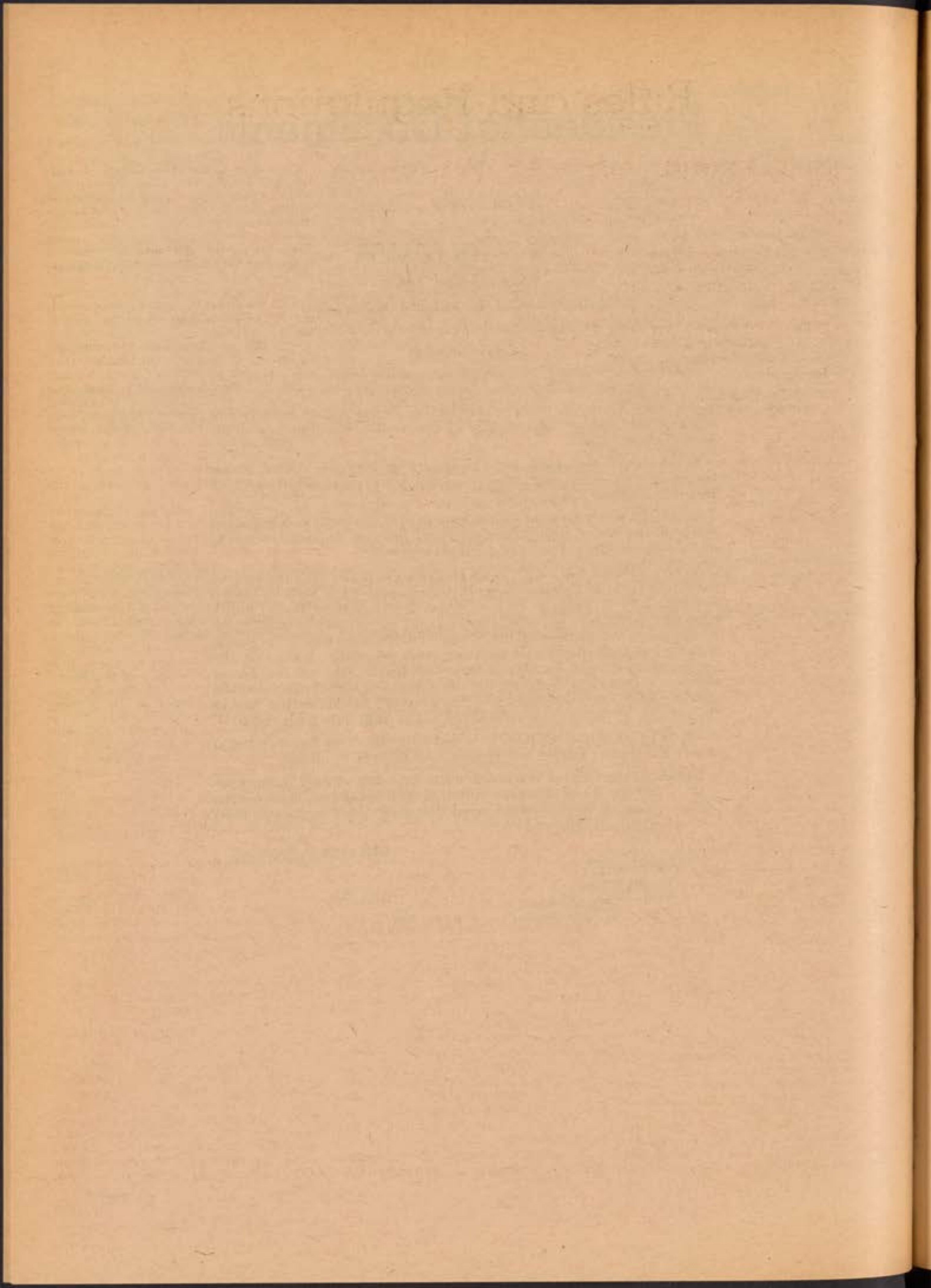
[SEAL]

LYNDON B. JOHNSON

By the President:

DEAN RUSK,
Secretary of State.

[F.R. Doc. 65-7140; Filed, July 2, 1965; 11:54 a.m.]



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Chapter III—Agricultural Research Service, Department of Agriculture

[Interpretation 22, Revision 1]

PART 362—REGULATIONS FOR ENFORCEMENT OF THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

Interpretation With Respect to Registration of Thallium Products for Control of Insect and Rodent Pests in Household

On September 12, 1964, there was published in the FEDERAL REGISTER (29 F.R. 12875) a notice of a proposed revision of Interpretation 22 under the Federal Insecticide, Fungicide, and Rodenticide Act with respect to pesticides (economic poisons) containing thallium compounds intended for household use. After consideration of all relevant matters presented by interested persons, a second proposal was published in the FEDERAL REGISTER (30 F.R. 4201) on March 31, 1965, proposing greater restrictions on the household use of products containing thallium than were set forth in the first notice. Interested persons were given 30 days in which to submit data, views, or comments with respect to the proposed interpretation.

After consideration of all material submitted in connection with the notices of proposed rule making, pursuant to the authority of section 362.3 of the regulations (9 CFR 362.3) under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135–135k), Interpretation 22 with respect to registration of thallium products for the control of insect and rodent pests in the household is hereby revised to read as follows:

§ 362.120 Interpretation with respect to registration of thallium products for the control of insect and rodent pests in the household.

(a) Labels and other labeling accepted in connection with registration of thallium-containing products for household use must bear clearly and prominently a statement to the effect that the product is for use only by governmental personnel trained in the proper use and management of such products. This includes qualified personnel in Federal, State, or local governments. An example of acceptable wording of such a limiting statement is as follows:

For use by Government agencies only.

In addition to the above statement, the label must also bear clearly and prominently a warning against sale to the general public and the labeling must otherwise comply with the current requirements of the Act and regulations.

(b) All applications for registration shall include five copies of all labels, circulars, or other literature which may be associated with or accompany the product at any time. A statement of the full formula shall be included giving each ingredient (including those in the bait) by percent.

Effective date. This interpretation shall become effective August 1, 1965, on which date procedures set forth in section 4 of the Act (7 U.S.C. 135b) shall be instituted for the cancellation of the registration of any product failing to comply with this interpretation.

Done at Washington, D.C., this 30th day of June, 1965.

JUSTUS C. WARD,
Director,
Pesticides Regulation Division.

[F.R. Doc. 65-7033; Filed, July 2, 1965; 8:47 a.m.]

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

SUBCHAPTER C—SPECIAL PROGRAMS

[Amdt. 2]

PART 778—EXPORT WHEAT MARKETING CERTIFICATE REGULATIONS

Miscellaneous Amendments

Basis and purpose. The following amendment is issued pursuant to the Agricultural Adjustment Act of 1938, as amended by the Food and Agriculture Act of 1962 and the Agricultural Act of 1964 (secs. 379a to 379j, 52 Stat. 31, as amended by 76 Stat. 626 and 78 Stat. 178, 7 U.S.C. 1379a to 1379j). The Act provides, with certain exceptions, that during any marketing year for which a wheat marketing allocation program is in effect, all persons exporting wheat shall, prior to such export, acquire export wheat marketing certificates equivalent to the number of bushels of wheat exported. In addition to the current marketing allocation program for the year ending June 30, 1965, a marketing allocation program is also in effect for the year beginning July 1, 1965, and ending June 30, 1966. The amendment provides that exporters shall, with certain exceptions, acquire and surrender certificates valued at 30 cents per bushel (25 cents per bushel for the current marketing year ending June 30, 1965) for all wheat exported on and after July 1, 1965. The amendment also provides the basis for determining rates for refunds or credits against the amount payable for certificates for the new marketing year so as to make U.S. wheat generally competitive in the world markets, avoid disruption of world market prices, and fulfill the international obligations of the United States.

In addition, the amendment provides that if certificates are surrendered to CCC later than the 15th calendar day after the date of exportation, the exporter will pay interest at 6 percent per annum on the face value of the certificates beginning on the 16th day after the date of export rather than having such interest begin to run on the date of export as heretofore provided. Another provision of the amendment authorizes the Director, Procurement and Sales Division, ASCS, Washington, D.C., to delegate authority vested in him under the regulations.

Provision is also made for requiring exporters to acquire certificates at a face value of 30 cents per bushel for any wheat exported to Canada in bond prior to July 1, 1965, if the wheat is exported from Canada on or after that date. Refunds provided on exports of such wheat from Canada take into consideration certificate costs of 30 cents per bushel.

Other miscellaneous changes of a minor nature are also included in the amendment.

In accordance with requirements of the Administrative Procedures Act (60 Stat. 238; 5 U.S.C. 1003) exporters of wheat were afforded the opportunity to present for consideration written comments, suggestions, or arguments regarding this amendment. For this purpose a notice of proposed rule making was published in the FEDERAL REGISTER (30 F.R. 7043) on May 26, 1965. Since these requirements must be acted on immediately by exporters of wheat, it is hereby found and determined that compliance with the 30-day effective date requirements of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U.S.C. 1003) is impracticable and contrary to the public interest and that this amendment shall be effective on filing with the Director, Office of the Federal Register.

The amendment reads as follows:

1. Section 778.3 *Definitions* is amended to change paragraph (j) to read as follows:

§ 778.3 Definitions.

* * * * *

(j) "Director," means the Director, Procurement and Sales Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, or his designee.

* * * * *

2. Section 778.4 *Wheat Marketing Certificate (Export)* is amended to change paragraph (a) to read as follows:

§ 778.4 Wheat Marketing Certificate (Export).

(a) *Description.* Wheat Marketing Certificates (Export), hereinafter called "export certificates" or "certificates," shall be represented by Form CCC-145, Wheat Marketing Certificate (Export) issued by CCC or a certificate credit established by CCC in favor of an exporter for certificates purchased from CCC pursuant to these regulations.

Form CCC-145 is a serially numbered form entitled "Wheat Marketing Certificate." A valid Form CCC-145 export certificate will be identified as "export"; will show date of issuance, marketing year for which issued, bushel quantity, face value and name and address of person to whom issued; and will bear the signature of a representative of CCC authorized to sign certificates.

* * * * *

3. Section 778.5 *Requirement for export certificates*, is amended to change paragraphs (a) and (c) (1) and (2) and the first sentence of (f) to read as follows:

§ 778.5 Requirement for export certificates.

(a) *General.* Any exporter who exports wheat on or after 12:01 a.m. local time, July 1, 1964, shall acquire and surrender certificates to CCC prior to export for the wheat so exported except as provided in the following paragraphs of this section. This requirement shall apply to all wheat exported irrespective of whether the wheat was sold prior to export or was exported prior to sale. The cost of export certificates (i.e., their face value) for the marketing year beginning July 1, 1964, shall be 25 cents per bushel, and for the marketing year beginning July 1, 1965, shall be 30 cents per bushel. After exportation, the exporter may claim a refund against the amount paid by him for certificates as provided in § 778.6.

* * * * *

(c) *Undertaking to secure purchase and payment.* * * *

(1) He will acquire certificates from CCC and surrender the certificates for the wheat exported on or before the 45th calendar day after the date of exportation or such later date as may be approved by the Director for good cause shown by the exporter.

(2) If certificates are acquired and surrendered to CCC later than the 15th calendar day after the date of exportation, the cost of certificates acquired from CCC will be the face value of the certificates plus interest at the rate of 6 percent per annum beginning with the 16th calendar day after the date of exportation until the date of surrender of the certificates.

* * * * *

(f) *Exports to Canada in bond.* Except as to wheat exempt under paragraph (b) of this section, (1) any exporter who exports from Canada on and after July 1, 1964, but prior to July 1, 1965, to any destination outside the United States any wheat which had been exported from the United States to Canada in bond prior to July 1, 1964, shall acquire certificates having a face value of 25 cents per bushel for the wheat so exported and shall surrender such certificates to CCC and (2) any exporter who exports from Canada on and after July 1, 1965, to any destination outside the United States any wheat which had been exported from the United States to Canada in bond prior to July 1, 1965, shall acquire certificates having a face value of 30 cents per bushel for the wheat so exported and shall surrender such certificates to CCC. * * *

4. Section 778.6 *Refunds or credits for export certificates*, is amended to read as follows:

§ 778.6 Refunds or credits for export certificates.

(a) *General.* CCC shall upon the exportation from the United States of wheat make refund to the exporter or allow him a credit against the amount payable by him for certificates in such amount as CCC determines will make United States wheat generally competitive in the world market, avoid disruption of world market prices and fulfill the international obligations of the United States. The provisions of GR-345 with respect to export payments shall apply in the determination of refunds and credits to be made or allowed the exporter unless the export is made under GR-261. If the amount of the export payment under GR-345 exceeds the cost of certificates for the wheat, a part of the export payment equal to the cost of such export certificates shall constitute the refund or credit. If the amount of the export payment does not exceed the cost of the certificates, the entire amount of the payment shall constitute the refund or credit. Notwithstanding the foregoing:

(1) A refund or credit in the amount of 25 cents per bushel against the amount payable for certificates shall be made or allowed to the exporter in addition to the applicable payment rate, if any, determined under GR-345 on any wheat (other than durum wheat) exported on or after July 1, 1964, pursuant to an export sale which was made April 11, 1964, or earlier, for export in such period and which had been registered for export payment under GR-345.

(2) If (i) an exportation of wheat is made pursuant to an export sale which had been registered under GR-345 and which at the time of sale provided for export prior to July 1, 1964, or in the case of durum, if exportation is made pursuant to a contract with CCC for an export payment which provided for export prior to July 1, 1964, and (ii) if the exporter establishes to the satisfaction of the Director that exportation had been delayed until on or after July 1, 1964, for causes without his fault or negligence, a refund or credit in the amount of 25 cents per bushel shall be made or allowed the exporter in addition to the applicable export payment, if any determined under GR-345.

(3) On any wheat (other than durum wheat) exported on or after July 1, 1965, pursuant to an export sale which was made later than 3:30 p.m., e.s.t., December 16, 1964, but earlier than 3:31 p.m., e.s.t., February 8, 1965, for export in such period and which had been registered for export payment under GR-345, a refund or credit in the amount of 5 cents per bushel against the amount payable for certificates shall be made or allowed to the exporter in addition to a refund or credit which consists of a part of the export payment determined under GR-345 equivalent to 25 cents per bushel, or if the amount of the export payment does not equal at least 25 cents per bushel, the entire amount of such export payment.

(4) If (i) an exportation of wheat is made pursuant to an export sale which had been registered under GR-345 and which at the time of sale provided for export prior to July 1, 1965, or in the case of durum, if exportation is made pursuant to a contract with CCC for an export payment which provided for export prior to July 1, 1965, and (ii) if the exporter establishes to the satisfaction of the Director that exportation had been delayed until on or after July 1, 1965, for causes without his fault or negligence, a refund or credit in the amount of 5 cents per bushel against the amount payable for certificates shall be made or allowed the exporter in addition to a refund or credit which consists of a part of the export payment determined under GR-345 equivalent to 25 cents per bushel or if the amount of the export payment does not equal at least 25 cents per bushel, the entire amount of such export payment.

(b) *GR-261.* In the case of wheat acquired from CCC under GR-261, at competitive world prices, a credit to the extent of the full cost of certificates required to be surrendered to CCC will be allowed the exporter on wheat exported in fulfillment of the exporter's obligations under GR-261.

(c) *Methods of obtaining refunds or credits.* If an exporter is entitled to a refund or credit against the amount payable by him for certificates, he may (except in the case of exports pursuant to GR-261) elect any of the following:

(1) The exporter may request CCC to issue him Export Commodity Certificates (Form CCC-341) for both the refund or credit to which he is entitled and the balance of the export payment, if any, due him under GR-345 on the exportation. CCC will issue the Export Commodity Certificate (Form CCC-341) after it has received payment for the cost of certificates required to be acquired and surrendered to CCC on the wheat exported.

(2) If he does not request Export Commodity Certificates as provided in subparagraph (1) of this paragraph, the amount of refund or credit shall be offset against the amount payable by him for certificates, and the balance of the export payment due him on the exportation, if any, will be paid to him in Export Commodity Certificates under GR-345.

(3) If the certificates have already been purchased and surrendered by him and he does not request Export Commodity Certificates as provided in subparagraph (1) of this paragraph, the refund will be paid to him in cash, and the balance of the export payment due him on the exportation will be paid to him in Export Commodity Certificates under GR-345.

§ 778.7 [Amended]

5. Section 778.7, *Report of intention to export*, is amended to change the first two sentences of paragraph (a) to read as follows: "Each exporter shall make a report to the Director of all wheat which he intends to export except that in the case of wheat to be exported under GR-261 the report shall be sent to the Director, Kansas City Commodity Office.

The report may be made by letter, telegraph or by telephone and shall be submitted so that it is received on or before the time of exportation unless an extension of such time is approved in writing by the Director for good cause shown by the exporter."

(Secs. 379a to 379j, 52 Stat. 31, as amended by 76 Stat. 626 and 78 Stat. 178, 7 U.S.C. 1379a to 1379j)

Effective date: Date of filing with the Director, Office of the Federal Register.

Signed at Washington, D.C., on June 29, 1965.

JOHN A. SCHNITTKER,
Acting Secretary.

[F.R. Doc. 65-6997; Filed, June 30, 1965; 1:00 p.m.]

Chapter IX—Consumer and Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Tree Nuts), Department of Agriculture

[Valencia Orange Reg. 127]

PART 908—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 908.427 Valencia Orange Regulation 127.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 908, as amended (7 CFR Part 908), 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 amended marketing agreement and order, 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 1, 1965.

(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 4, 1965, and ending at 12:01 a.m., P.s.t., July 11, 1965, are hereby fixed as follows:

(i) District 1: 200,000 cartons;

(ii) District 2: 350,000 cartons;

(iii) District 3: Unlimited movement.

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

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

Dated: July 2, 1965.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 65-7110; Filed, July 2, 1965; 11:24 a.m.]

[Lemon Reg. 168]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 910.468 Lemon Regulation 168.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), 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 recommendations 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 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 June 29, 1965.

(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 4, 1965, and ending at 12:01 a.m., P.s.t., July 11, 1965, are hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 279,000 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 1, 1965.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 65-7081; Filed, July 2, 1965; 8:48 a.m.]

PART 946—IRISH POTATOES GROWN IN WASHINGTON

Limitation of Shipments

Findings. (a) Pursuant to Marketing Agreement No. 113, and Order No. 946 (7 CFR Part 946), regulating the handling of Irish potatoes grown in the State of Washington, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and upon the basis of recommendations and information submitted by the State of Washing-

ton Potato Committee, established pursuant to the said marketing agreement and order, and other available information, it is hereby found that the limitation of shipments regulation as hereinafter established, limiting the grade, size, and quality of such potatoes will tend to effectuate the declared policy of the act and will maintain orderly marketing conditions tending to increase returns to producers of such potatoes.

(b) It is hereby found that it is impracticable and contrary to the public interest to give preliminary notice, and engage in public rule making procedure, and postpone the effective date of this regulation until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1003) in that (1) shipments of 1965 crop potatoes grown in the production area will begin in early July, (2) to maximize benefits to growers, this regulation should apply to all shipments during the 1965 season, (3) producers and handlers have operated under the marketing order program since 1949 so special preparation on the part of handlers is not required, and (4) information regarding the Committee's recommendation containing the same requirements and effective period as herein prescribed has been disseminated to producers and handlers in the production area.

§ 946.320 Limitation of shipments.

During the period July 5, 1965, through June 30, 1966, no person shall handle any lot of potatoes unless such potatoes meet the requirements of paragraphs (a) and (b) of this section or unless such potatoes are handled in accordance with paragraphs (c), (d), (e), (f), and (g) of this section.

(a) *Minimum quality requirements*—(1) *Grade*. All varieties—U.S. No. 2, or better grade.

(2) *Size*. (i) *Round varieties*—1⅞ inches minimum diameter.

(ii) *Long varieties*—2 inches minimum diameter or 4 ounces minimum weight.

(3) *Cleanliness*. All varieties—at least "fairly clean."

(b) *Minimum maturity requirements*—(1) *Round and long white (White Rose) varieties*. "Moderately skinned" which means that not more than 10 percent of the potatoes in the lot may have more than one-half of the skin missing or "feathered."

(2) *Other long varieties (including but not limited to Russets, Early Gems, and Norgolds)*. "Slightly skinned" which means that not more than 10 percent of the potatoes in the lot have more than one-fourth of the skin missing or "feathered."

(c) *Special purpose shipments*. The minimum grade, size, cleanliness, and maturity requirements set forth in paragraphs (a) and (b) of this section shall not be applicable to shipments of potatoes for any of the following purposes:

(1) Certified seed;
(2) Livestock feed;
(3) Charity;
(4) Starch;
(5) Canning or freezing;
(6) Dehydration;
(7) Export;
(8) Potato chipping; or
(9) Prepeeling.

(d) *Safeguards*. Each handler making shipments of potatoes for canning or freezing, dehydration, export, potato chipping, or prepeeling pursuant to paragraph (c) of this section shall:

(1) First, apply to the Committee for and obtain a Certificate of Privilege to make such shipments;

(2) Pay assessments on such shipments, except shipments for canning or freezing;

(3) Obtain a Washington State Shipping Permit as issued by the Washington State Department of Agriculture, except shipments for export on which the handler shall obtain a Federal-State Inspection Certificate;

(4) Upon request by the Committee, furnish reports of each shipment pursuant to the applicable Certificate of Privilege;

(5) At the time of applying to the Committee for a Certificate of Privilege, or promptly thereafter, furnish the Committee with a receiver's or buyer's certification that the potatoes so handled are to be used only for the purpose stated in such application and that such receiver will complete and return to the Committee such periodic receiver's reports that the Committee may require;

(6) Mail to the office of the Committee a copy of the bill of lading for each Certificate of Privilege shipment promptly after the date of such shipment, except when shipments are made by private carriers direct to processing plants, a schedule of weights will be accepted in lieu of a copy of the bill of lading.

(7) Before diverting any such shipment to another receiver or buyer apply to the Committee for and obtain a new Certificate of Privilege authorizing such diversion, and such handler shall also comply with requirements prescribed by subparagraphs (4) and (5) of this paragraph with respect to such diverted shipments;

(e) *Shipments of bulk potatoes*. In the case of shipments of bulk potatoes, or any shipments within the district where grown, for canning, freezing, dehydration, potato chipping, or prepeeling, where such processor signs an agreement with the Committee agreeing to meet such reporting and other marketing order requirements as may be specified by the Committee, the shipper of such potatoes shall be exempt from those safeguard requirements set forth in paragraph (d).

(f) *Potatoes for regrading, resorting, or repacking*. Pursuant to § 946.50, the inspection requirements of § 946.53 applicable to the handling of regraded, resorted, or repacked potatoes are suspended during the effective time of this section with respect to any such potatoes which prior to regrading, resorting, or repacking thereof, were inspected pursuant to § 946.53(a).

(g) *Minimum quantity exception*. Each handler may ship up to, but not to exceed 5 hundredweight of potatoes any day without regard to the inspection and assessment requirements of this part, but this exception shall not apply to any portion of a shipment over 5 hundredweight of potatoes.

(h) *Definitions*. The terms "U.S. No. 2," "fairly clean," "slightly skinned" and "moderately skinned," shall have the same meaning as when used in the U.S. Standards for Potatoes (§§ 51.1540—51.1556 of this title), including the tolerances set forth therein.

The term "prepeeling" means potatoes which are clean, sound, fresh tubers prepared commercially in the prepeeling plant by washing, removal of the outer skin or peel, trimming, and sorting preparatory to sale in one or more of the styles of peeled potatoes described in § 52.2422 (U.S. Standards of Grades of Peeled Potatoes §§ 52.2421—52.2433 of this title). Other terms used in this section shall have the same meaning as when used in Marketing Agreement No. 113 and Order No. 946.

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

Dated: June 29, 1965, to become effective July 5, 1965.

PAUL A. NICHOLSON,
Acting Director,
Fruit and Vegetable Division.

[F.R. Doc. 65-7012; Filed, July 2, 1965; 8:45 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

PART 1464—TOBACCO

Subpart—Tobacco Loan Program

Set forth below is a schedule of advance rates, by grades, for the 1965 crop of types 11–14 flue-cured tobacco, under the tobacco price support loan program.

§ 1464.1701 1965 Crop—Flue-Cured Tobacco, Types 11–14, Advance Schedule.[1]

[Dollars per hundred pounds, farm sales weight]

Grade	*Advance rate*	*Grade*	*Advance rate*
A1F	86.25	B6FR	54.25
A2F	84.25	B1R	64.25
A1R	83.25	B2R	60.25
A2R	82.25	B3R	56.25
B1L	80.25	B4R	51.25
B2L	75.25	B5R	45.25
B3L	71.25	B6R	38.25
B4L	68.25	B5D	39.25
B5L	63.25	B6D	32.25
B6L	59.25	B3LV	65.25
B1F	80.25	B4LV	60.25
B2F	75.25	B5LV	56.25
B3F	71.25	B3FV	65.25
B4F	68.25	B4FV	60.25
B5F	63.25	B5FV	56.25
B6F	59.25	B4KV	51.25
B1FR	79.25	B5KV	45.25
B2FR	73.25	B6KV	38.25
B3FR	69.25	B4K	62.25
B4FR	64.25	B5K	58.25
B5FR	59.25	B6K	52.25

[1] The advance rates listed above are applicable only to tied flue-cured tobacco identified on a 1965 Flue-Cured marketing card which does not bear either the notation "No Price Support" or "Discount Variety Limited Support" and which does not, together with all other tobacco previously marketed and currently being offered for marketing on a single warehouse bill, exceed 110 percent of the applicable farm marketing quota. Rates for tobacco identified on a marketing card which bears the notation "Discount Variety Limited Support", which does not bear the notation "No Price Support" and which does not, together with all other tobacco previously marketed and currently being offered

Grade	Advance rate	Grade	Advance rate
B3KL	53.25	C5F	74.25
B4KL	51.25	C4LV	69.25
B5KF	47.25	C4FV	69.25
B6KL	41.25	C4KL	64.25
B3KF	53.25	C4KF	64.25
B4KF	51.25	C4KM	64.25
B5KF	47.25	C4LS	61.25
B6KF	41.25	C5LS	59.25
B3KM	56.25	C4FS	61.25
B4KM	54.25	C5FS	59.25
B5KM	50.25	X1L	76.25
B6KM	44.25	X2L	75.25
B4GL	51.25	X3L	74.25
B5GL	47.25	X4L	71.25
B6GL	41.25	X5L	65.25
B4GF	51.25	X1F	76.25
B5GF	47.25	X2F	75.25
B6GF	41.25	X3F	74.25
B4GR	46.25	X4F	71.25
B5GR	42.25	X5F	65.25
B6GR	34.25	X3FV	64.25
B4GK	46.25	X4FV	61.25
B5GK	43.25	X4KV	51.25
B6GK	36.25	X5KV	40.25
B4GG	34.25	X4KL	58.25
B5GG	31.25	X5KL	49.25
B3LS	56.25	X4KF	58.25
B4LS	54.25	X5KF	49.25
B5LS	50.25	X3KM	62.25
B6LS	44.25	X4KM	57.25
B3FS	56.25	X3LS	59.25
B4FS	54.25	X4LS	56.25
B5FS	50.25	X3FS	59.25
B6FS	44.25	X4FS	56.25
B5RR	40.25	X4G	48.25
B5RG	36.25	X5G	41.25
H1L	81.25	X4GK	46.25
H2L	77.25	P2L	69.25
H3L	76.25	P3L	67.25
H4L	75.25	P4L	61.25
H5L	72.25	P5L	52.25
H6L	68.25	P2F	69.25
H1F	81.25	P3F	67.25
H2F	77.25	P4F	61.25
H3F	76.25	P5F	49.25
H4F	75.25	P4G	42.25
H5F	72.25	P5G	34.25
H6F	68.25	H4K	66.25
H3FR	70.25	H5K	62.25
H4FR	67.25	H6K	56.25
H5FR	64.25	X3LV	64.25
H6FR	60.25	X4LV	61.25
C1L	81.25	N1L	31.25
C2L	77.25	N1XL	42.25
C3L	76.25	N1F	36.25
C4L	75.25	N1R	29.25
C5L	74.25	N1GL	25.25
C1F	81.25	N1GF	31.25
C2F	77.25	N1GR	26.25
C3F	76.25	N1GG	23.25
C4F	75.25	N1K	44.25

for marketing on a single warehouse bill, exceed 110 percent of the applicable farm marketing quota, are 50 percent plus twelve and one-half cents ($0.125) per hundred pounds of the advance rates listed above. Rates for untied flue-cured tobacco are three dollars ($3.00) per hundred pounds less for each grade than for tied tobacco similarly identified. Tobacco is eligible for advances only if consigned by the original producer and only if produced on a cooperating farm.

In the Georgia-Florida area price supports will be available only on untied tobacco as in past years. On all markets except in the Georgia-Florida area, price support on untied tobacco will be available for the first 7 market days on lugs, primings, and nondescript grades thereof, and price support for tied tobacco will be available for all grades during the first 7 sale days as well as during the remainder of the marketing season.

Tobacco graded "W" (unsafe order), "U" (unsound), N2, No-G or scrap will not be accepted. The Cooperative Association through which price support is made available is authorized to deduct 25 cents per hundred pounds to apply against overhead cost.

(Sec. 4, 62 Stat. 1070, as amended, sec. 5, 62 Stat. 1072, secs. 101, 106, 401, 403, 63 Stat. 1051, as amended, 1054, sec. 125, 70 Stat. 198, 74 Stat. 6; 7 U.S.C. 1441, 1445, 1421, 1423, 7 U.S.C. 1813, 15 U.S.C. 714b, 714c)

Effective date: Date of filing with Office of Federal Register.

Signed at Washington, D.C., on June 29, 1965.

H. D. Godfrey,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 65-7034; Filed, July 2, 1965; 8:47 a.m.]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter II—Consumer and Marketing Service (Packers and Stockyards Division), Department of Agriculture

PART 201—REGULATIONS UNDER PACKERS AND STOCKYARDS ACT

Bonding Requirements

On October 31, 1964, December 31, 1964, and May 6, 1965, notices of proposed rule making were published in the Federal Register (29 F.R. 14855, 19261; 30 F.R. 6360) concerning amendments to §§ 201.27 through 201.34 (9 CFR 201.27–201.34) of the regulations under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.). Interested persons were given an opportunity to submit written data, views, and arguments with respect to the proposed amendments. After consideration of all relevant matter submitted by interested persons, §§ 201.27 through 201.34, Part 201, Chapter II, Title 9 of the Code of Federal Regulations are hereby amended to read as follows:

General Bonding Provisions

§ 201.27 Underwriter; equivalent in lieu of bonds.

(a) The surety on bonds maintained under the regulations in this part shall be a surety company (1) which is currently approved by the United States Treasury Department for bonds executed to the United States, and (2) which has not failed or refused to satisfy its legal obligations under bonds issued under said regulations.

(b) A bond equivalent may be filed or maintained in lieu of a bond. A bond equivalent shall be in the form of a trust fund agreement based upon cash or fully negotiable bonds of the United States Government. The provisions of §§ 201.28 through 201.38 shall be applicable to such trust fund agreements.

§ 201.28 Duplicates of bonds or equivalents to be filed with Area Supervisor.

Fully executed duplicates of bonds or trust fund agreements maintained under the regulations in this part, and duplicates of all endorsements, amendments, riders, indemnity agreements, and other attachments thereto, shall be filed with the Area Supervisor for the area in which the registrant or licensee, or person applying for registration or a license resides, or in the case of a corporation, where the corporation has its home office: *Provided,* That if such registrant or licensee or person does not engage in business in such area, the foregoing documents shall be filed with the Area Supervisor for the area in which the registrant's or licensee's or person's principal place of business is located.

Market Agency and Dealer Bonds

§ 201.29 Market agencies and dealers required to file and maintain bonds.

(a) Every market agency and dealer, except packer buyers registered as dealers to purchase livestock for slaughter only, shall execute and maintain, or cause to be executed and maintained, a reasonable bond to secure the performance of obligations incurred as such market agency or dealer, and no market agency or dealer shall conduct his operations unless there is on file and in effect a bond complying with the regulations in this part.

(b) Any person registered, or applying for registration as a market agency selling on a commission basis and as a market agency buying on a commission basis or as a dealer, shall file and maintain separate bonds to cover his selling and buying operations. Any person registered, or applying for registration, as a market agency buying on a commission basis or as a dealer, or both, shall file and maintain a single bond to secure the performance of his buying obligations for his own account and for the accounts of others.

(c) Each market agency and dealer whose buying operations are cleared by another market agency shall be named as clearee in the bond filed and maintained by the market agency registered to provide clearing services. Each market agency selling livestock on an agency basis shall file and maintain its own bond: *Provided,* That any market agency selling livestock which was named prior to September 1, 1957, as clearee in the bond filed and maintained by a market agency registered to provide clearing services may continue to be named as a clearee in the bond filed by such market agency.

§ 201.30 Amount of market agency and dealer bonds.

(a) Except as hereinafter otherwise provided, the amount of each bond shall be not less than the next multiple of $2,000 above the average amount of sales of livestock by a market agency, or purchases of livestock by a person buying livestock as a market agency or dealer, or both, during a period equivalent to 2 business days based on the total number of business days, and the total amount of such transactions in the preceding 12 months, or in such substantial part thereof in which such market agency or dealer did business, if any: *Provided,* That bonds above $26,000 shall be not less than the next multiple of $5,000 above the average amount of sales of livestock by a market agency or purchases of livestock by a person buying livestock as a market agency or dealer, or both, computed as set out in this section. For the purpose of this computation, 260 shall be deemed the number of business days

in any year. When the principal part of the livestock handled by a market agency selling livestock on a commission basis is sold at public auction, the amount of the bond shall be not less than the next multiple of $2,000 for those bonds of $26,000 or less and the next multiple of $5,000 for those bonds in excess of $26,000, above an amount determined by dividing the total value of the livestock sold by the market agency during the preceding 12 months, or such substantial part thereof as the market agency was engaged in business, by the actual number of auction sales at which livestock was sold by the market agency, but in no instance shall the divisor be greater than 130. When the amount of a bond for any market agency or dealer, calculated as hereinbefore specified, exceeds $50,000, the amount of the bond need not exceed $50,000 plus 10 percent of the excess, unless the Director has reason to believe a bond in such amount to be inadequate pursuant to paragraph (f) of this section.

(b) In no case shall a bond covering the buying operations of a market agency or dealer be less than $5,000, or such higher amount as may be required to comply with the laws of any State.

(c) In no case shall a bond covering the selling operations of a market agency be less than $10,000, or such higher amount as may be required to comply with the laws of any State.

(d) In no case shall the amount of bond filed by a market agency acting in the capacity of a clearing agency be less than $10,000, or the sum of the bonds computed in accordance with this action, whichever is greater: *Provided*, That in computing the amount of such bonds the provisions of paragraph (a) of this section relating to the maximum amount of bonds shall apply to the aggregate bond so determined rather than to the individual bonds of the clearees.

(e) If a person applying for registration as a market agency or dealer has been engaged in the business of handling livestock in such capacity prior to the date of the application, the value of the livestock so handled, if representative of his future operations, shall be used in computing the amount of bond. If the applicant for registration is a successor in business to a registrant formerly subject to these regulations, the bond of such applicant shall be in an amount not less than that required of the prior registrant, unless otherwise determined by the Director.

(f) Whenever the Director has reason to believe that any bond filed or maintained under the regulations in this part is inadequate to secure the performance of the obligations of the market agency or dealer covered by such bond, he shall notify the market agency or dealer to adjust such bond to meet the requirements of this section or, if such bond is inadequate because of the volume of business conducted on a seasonal or otherwise irregular basis, to meet such requirements as may be determined by the Director to be reasonable based upon such seasonal or irregular operation.

§ 201.31 Conditions in market agency and dealer bonds.

Each market agency and dealer bond shall contain conditions applicable to the activity or activities in which the person or persons named as principal or clearees in the bond propose to engage, which conditions shall be as follows or in terms to provide equivalent protection:

(a) *Condition Clause No. 1: When the principal sells livestock for the accounts of others.* If the said principal shall pay when due to the person or persons entitled thereto the gross amount, less lawful charges, for which all livestock is sold for the accounts of others by said principal.

(b) *Condition Clause No. 2: When the principal buys livestock for his own account or for the accounts of others.* If the said principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said principal for his own account or for the accounts of others, and if the said principal shall safely keep and properly disburse all funds, if any, which come into his hands for the purpose of paying for livestock purchased for the accounts of others.

(c) *Condition Clause No. 3: When the principal clears other registrants buying livestock and thus is responsible for the obligations of such other registrants.* If the said principal, acting as a clearing agency responsible for the financial obligations of other registrants engaged in buying livestock, viz: (Insert here the names of such other registrants as they appear in the application for registration), or if such other registrants, shall (1) pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by such other registrants for their own account or for the accounts of others; and (2) safely keep and properly disburse all funds coming into the hands of such principal or such other registrants for the purpose of paying for livestock purchased for the accounts of others.

(d) *When the principal clears other registrants selling livestock and thus is responsible for the obligations of such other registrants.* The condition clauses now in effect in bonds written prior to September 1, 1957, naming market agencies selling livestock on commission as clearees shall remain the same until such bonds are terminated or modified to delete such selling agency clearees.

§ 201.32 Trustee in market agency and dealer bonds.

Bonds may be in favor of a trustee who shall be a financially responsible, disinterested person satisfactory to the Director. State officials, secretaries or other officers of livestock exchanges or of similar trade associations, attorneys at law, banks and trust companies, or their officers, are deemed suitable trustees. If a trustee is not designated in the bond and action is taken to recover damages for breach of any condition thereof, the Director shall designate a person to act as trustee. In those States in which a State official is required by statute to act or has agreed to act as trustee, such official shall be designated by the Director as trustee when a designation by the Director becomes necessary.

§ 201.33 Persons damaged may maintain suit to recover on market agency and dealer bonds; Director to be notified of claims; disclosure of information.

(a) Each bond shall contain provisions that (1) any person damaged by failure of the principal to comply with the condition clauses of the bond may maintain suit to recover on the bond even though such person is not a party named in the bond, (2) the surety shall notify the Director of any claim filed with it under such bond at the time of receipt of such claim, and (3) the Director is authorized to designate a trustee pursuant to § 201.32.

(b) Representatives of the Packers and Stockyards Division are authorized to disclose to principals on bonds, clearees, trustees, claimants, and bonding companies, such information as may be necessary to facilitate the settlement of claims made upon a bond filed pursuant to the regulations in this part.

§ 201.34 Termination of market agency and dealer bonds.

Each bond shall contain a provision requiring that, prior to terminating such bond, at least 30 days' notice in writing shall be given to the Director, Packers and Stockyards Division, Consumer and Marketing Service, U.S. Department of Agriculture, Washington, D.C., 20250, by the party terminating the bond. Such provision may state that in the event the surety writes a replacement bond, the 30-day notice requirement may be waived and the bond will be terminated as of the effective date of the replacement bond.

The purposes of these amendments are to simplify and clarify the bonding requirements and procedures under the Packers and Stockyards Act, establish a single uniform condition clause for all registrants buying livestock, increase to $10,000 the minimum bond for market agencies selling livestock on commission or providing clearing services, provide for increasing bonds of seasonal operators, provide that all bonds must meet minimum State bond requirements, provide for the acceptance of bonds in which trustees have not been named, provide for the filing of increases and decreases in multiples of $2,000 in bonds not exceeding $26,000, provide for increases and decreases in multiples of $5,000 in bonds exceeding $26,000, and require separate bonds for market agencies who sell livestock and who buy livestock for their own account or for the accounts of others.

The proposal to permit an exemption from the bonding requirements for dealers whose volume of purchases is less than $100,000 per year has not been adopted.

Objections were filed relating to the proposals to amend the "separate bonds" requirement so as to require any person registered or applying for registration, as

a market agency selling on a commission basis and as a market agency buying on a commission basis or as a dealer, to file and maintain separate bonds to cover his selling and buying operations, and to amend the condition clauses of bonds so that a single condition clause would cover all buying activities either as a market agency or as a dealer. Some of the objections were based on the view that this would further confuse the distinction between buying livestock as a market agency and buying livestock as a dealer. The view was expressed in the objections that the two types of buying operations should not be fused together. Notwithstanding the fact that the proposals referred to to have been adopted in these regulations, these changes do not alter in any manner the legal distinction between buying livestock as a market agency and buying livestock as a dealer. The Consumer and Marketing Service will, therefore, continue to require persons determined to be buying livestock as a market agency to comply with all the requirements of the Act and regulations relating to market agencies and to require persons determined to be buying livestock as a dealer to comply with all of the requirements applicable to dealers.

The language of the amendments differs in certain respects from that contained in the notices of proposed rule making published in the FEDERAL REGISTER. The changes are not of a substantive nature. It is found, therefore, that further notice and public procedure thereon are unnecessary.

These amendments shall become effective on September 1, 1965: *Provided, however*, That except as provided in paragraph (f) of § 201.30, market agencies and dealers who have bonds in effect on September 1, 1965, shall have until the next anniversary date of such bonds to modify such bonds in accordance with these amendments and market agencies and dealers who have bond equivalents in effect on September 1, 1965, shall have until January 1, 1966, to modify such bond equivalents in accordance with these amendments.

Done at Washington, D.C., this 29th day of June 1965.

CLARENCE H. GIRARD,
Deputy Administrator,
Consumer and Marketing Service.

[F.R. Doc. 65-7036; Filed, July 2, 1965; 8:47 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Docket No. 5099; Amdt. 61-19]

PART 61—CERTIFICATION: PILOTS AND FLIGHT INSTRUCTORS

Clarification of Status of FAA Inspectors or Other Authorized Flight Examiners

The purpose of this amendment is to clarify the status of an FAA inspector or other authorized flight examiner conducting a flight test aboard an aircraft. Under this amendment he is not considered to be pilot in command of the aircraft while conducting a flight test unless he acts in that capacity by prior arrangement with the applicant (or other person who would otherwise be pilot in command of the flight).

The substance of this action was proposed in Notice No. 64-33 (29 F.R. 7150) issued May 26, 1964. As explained in the notice, the need for clarification arose out of the improper application, to an inspector or examiner conducting a flight test, of the concept "pilot in command", in an effort to avoid the passenger limitations of the regulations.

Many comments were received in response to the notice. Generally, they supported the objective of clarification, but were in conflict as to what the status of the inspector or examiner should be. As to the status, some comments urged that in the case of nonair carrier aircraft, the inspector or examiner should always be pilot in command, while others urged that in the case of air carrier aircraft the inspector or examiner should never be the pilot in command. Even if the inspector or examiner is not the pilot in command, as proposed in the notice, some comments indicated that it was contradictory to state that he could assume that capacity at any time by taking over the controls or exercising authority over the applicant by direct command.

Many of the comments urging that the inspector or examiner should always be the pilot in command were based upon the opinion that an unrated pilot is not qualified to be the pilot in command. The Agency does not agree with this position. As stated in the notice, the duty of the inspector or examiner during the flight test is to observe, for the Administrator, the competence of the applicant to perform the airman functions authorized by the certificate or rating sought. Part 61 prescribes appropriate experience standards, including dual instruction and solo flight, that must be accomplished prior to the flight test for a particular airman certificate and rating. Moreover, during the solo flights the applicant is for all purposes the pilot in command of the aircraft. Although he is not authorized to carry passengers without the certificate or rating for which the flight test is conducted, he is qualified to be the pilot in command of the aircraft during solo flights. Therefore, to make the inspector or examiner the pilot in command during a flight test to avoid a passenger carrying prohibition or responsibility is unnecessary and defeats the purpose of the test. In addition, under amendments to Part 61 proposed by Notice No. 64-18, endorsement by the flight instructor of the applicant's readiness to take the flight test would be required in certain cases prior to the flight test.

Those comments urging that, in the case of air carrier aircraft, the inspector or examiner should never be the pilot in command, were based upon a belief that the duties of the inspector or examiner while conducting a flight test do not require him to be the pilot in command. The comments from the associations for both the airlines and the airline pilots point out that certification or rating checks for air carrier pilots are usually conducted with the FAA inspector acting in the capacity of an observer while heated in the jump seat, and the company pilot or check pilot acting as the pilot in command while seated at one of the pilot stations. This practice, it is contended, could not be continued if the inspector may become the pilot in command at such time as he "assumes control of its operation by taking command of the controls or by exercising authority over the applicant by direct command." Comments from other persons directed to this provision expressed a belief that it conflicts with § 91.3(a) of the Federal Aviation Regulations, which provides that the pilot in command is "directly responsible for, and is the final authority as to, the operation of the aircraft". It was contended that if the inspector or examiner can take command at any time, the inspector or examiner has the final authority as to the operation of the aircraft and would be the pilot in command whether he assumes control of the aircraft or not.

This provision of the proposed amendment was intended to indicate the circumstances under which the inspector or examiner could be considered as the pilot in command of a particular flight or portion thereof. It was not intended to place in the inspector or examiner authority to supersede the authority of the applicant or other person who would otherwise be the pilot in command of the flight. However, after further consideration of these comments, it appears that the language of the proposal should be changed to preclude a misunderstanding of the proposed provision. Therefore, the amendment as adopted herein unequivocally states that during the flight test the inspector or examiner does not serve as pilot in command of the flight, or any portion thereof, unless by prior arrangement with the applicant or other person who would otherwise be pilot in command of the flight. In a situation where life or property is endangered during the flight, the inspector or examiner will, of course, give advice to the applicant, or assist the applicant in the manipulation of the flight controls if he is seated at a pilot station of the aircraft. However, the amended language makes it clear that giving this advice or other assistance to the applicant does not in itself change the status of the inspector or examiner to that of the pilot in command. This change in language will allow continuance of the present air carrier practices, and preclude any misunderstanding as to the intent of the rule.

The last sentence of the proposed section met with no objection. However, it appears that it did not take into account a situation in which an authorized observer is aboard as required by § 91.21 to supplement the safety pilot's vision during an instrument test under simulated instrument conditions. As issued, therefore, this provision has been expanded to remove the passenger limitations of the regulations from not only the FAA inspector or other authorized

flight examiner but also from other occupants, such as that named, authorized by the examiner.

Interested persons have been afforded an opportunity to participate in the making of this amendment, and due consideration has been given to all matter presented.

Paragraph (a) of § 61.27, as a recodification of § 20.13 of Part 20 of the Civil Air Regulations inadvertently omitted a clear indication that an applicant for a certificate or rating under Part 61 (other than an airline transport or lighter-than-air pilot certificate or rating) who fails a written test may apply, in the alternative, (1) after 30 days or (2) upon presenting a statement of readiness from the specified ground or flight instructor. Prior to recodification, these requirements were in the alternative, as evidenced by § 20.13, and this is now implemented by the addition of the word "or" in paragraph (a)(1) of § 61.27 to clearly indicate this intention.

In consideration of the foregoing, Part 61 of the Federal Aviation Regulations is amended, effective September 1, 1965, as follows:

1. By adding a new § 61.26 to read as follows:

§ 61.26 Flight tests; status of FAA inspectors and other authorized flight examiners.

An FAA inspector or other authorized flight examiner conducts the flight test of an applicant for a pilot certificate or rating for the purpose of observing the applicant's ability to perform satisfactorily the procedures and maneuvers on the flight test. The inspector or other examiner is not pilot in command of the aircraft during the flight test unless he acts in that capacity for the flight, or portion of the flight, by prior arrangement with the applicant or other person who would otherwise act as pilot in command of the flight, or portion of the flight. Notwithstanding the type of aircraft used during a flight test, the applicant and the inspector or other examiner are not, with respect to each other (or other occupants authorized by the inspector or other examiner), subject to the requirements or limitations for the carriage of passengers specified in this chapter.

2. By adding the word "or" at the end of paragraph (a)(1) of § 61.27.

(Secs. 313(a), 601, and 602 of the Federal Aviation Act of 1958; 49 U.S.C. 1354, 1421, 1422)

Issued in Washington, D.C., on June 28, 1965.

N. E. HALABY,
Administrator.

[F.R. Doc. 65-6999; Filed, July 2, 1965; 8:45 a.m.]

[Regulatory Docket No. 3038; Amdt. 91-22]

PART 91—GENERAL OPERATING AND FLIGHT RULES

Emergency Exits for Airplanes Carrying Passengers for Hire

The purpose of this amendment to Part 91 of the Federal Aviation Regulations is to set forth more definitive rules concerning the number of additional occupants that may be carried on a transport category airplane carrying passengers for hire for each additional approved exit installed, to provide for a corresponding decrease for each such exit eliminated, and to specify the order in which existing exits may be eliminated.

This amendment is based on a notice of proposed rule making (Notice 64-1) issued on January 3, 1964, and published in the FEDERAL REGISTER on January 10, 1964 (29 F.R. 266).

As stated in Notice 64-1, the Agency believes that the present requirements of § 91.47 (formerly Special Civil Air Regulation SR-369B) have proved to be inadequate for several reasons such as—

(1) The necessity to determine "comparability" with Type II or Type IV exits prescribed in section 25.807 (former CAR § 4b.362); and

(2) The equal weight given to exits of unequal effectiveness in determining the additional number of occupants authorized.

The Agency proposed to amend these provisions so that in determining the additional number of occupants authorized for each added exit effect would be given to factors such as exit size, location, and access to the main aisle. For example, the Agency proposed to allow 12 additional occupants for each additional floor level exit whereas for the less effective window exits either 8 or 5 additional occupants would be authorized depending on whether the exit was over a wing.

Except for the specific comments hereinafter discussed, all of the comments received were favorable to the proposed amendment.

One comment objected to permitting any increase in passenger occupancy based on the addition of window-type exits. This commentator also objected to permitting increased occupancy based on additional door-type exits unless each such exit is manned by a qualified flight attendant. The Agency agrees that window-type exits are much less effective than door-type exits and this amendment reflects this belief by allowing only 5 or 8 additional occupants for each such exit as compared to 12 additional occupants for a door-type exit. However, the Agency does not agree that no consideration should be given to additional window-type exits since such exits have proved to be of value in actual emergencies and in emergency evacuation demonstrations that were made in connection with the recent general amendments on that subject (Amendments 25-1, 91-13, and 121-2, published in the FEDERAL REGISTER on March 9, 1965, 30 F.R. 3200). These amendments also require the fitting of ropes or an equivalent approved device at such exits to facilitate emergency egress.

With regard to floor level exits, current regulations (§ 121.309) require a chute or equivalent device suitable for rapid evacuation of passengers for each such exit. However, the Agency does not agree that a flight attendant should be required for each floor level exit. As pointed out in response to a similar comment made in connection with the recent emergency evacuation amendments, in survivable accidents one or more flight crewmembers likely would be available to assist in the emergency evacuation of occupants.

One comment proposed that a provision be added prohibiting the removal of any approved exit that would be required by the current applicable transport category airworthiness standards (FAR § 25.807). It was stated that this change would assure that progress already made would not be lost and that the minimum level of safety would continue to be provided. The Agency does not agree that such a complete prohibition is necessary but rather believes that the priority schedule for removal of exits included in this amendment will accomplish basically the same purpose.

One commentator stated that this amendment should not be adopted unless there is an effective regulatory requirement for evacuation demonstration of the kind and quality suggested by the same commentator in connection with the emergency evacuation amendment referred to above. The Agency believes that with the adoption of the emergency evacuation amendment there are now such realistic regulatory requirements.

One commentator addressed two comments to alleged deficiencies in current regulations that are outside the scope of this notice and that would require further regulatory action. However, the Agency believes that the recent emergency evacuation amendment will overcome the first of these alleged deficiencies since any seating configuration that would prevent compliance with the evacuation demonstration requirements would necessary have to be changed. The second alleged deficiency relates to the present exit requirements of § 25.807. Since this comment is outside the scope of this amendment, it will be considered by the Agency in connection with current studies it is making to determine whether further regulatory action is needed in that area.

In addition the word "effective", which was inadvertently omitted when the section was recodified, is being inserted in the parenthetical clause in paragraph (a). This amendment makes it clear that this section also applies to each large airplane type certificated after April 8, 1957, on the basis of an application submitted before that date.

Interested persons have been afforded an opportunity to participate in the making of this regulation and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, § 91.47 of Part 91 of the Federal Aviation Regulations is hereby amended effective August 2, 1965, to read as follows:

§ 91.47 Emergency exits for airplanes carrying passengers for hire.

(a) Notwithstanding any other provision of this chapter, no person may operate a large airplane (type certificated under the Civil Air Regulations effective before April 9, 1957) in passenger-carrying operations for hire, with more than the number of occupants:

(1) Allowed under Civil Air Regulation § 4b.362(a), (b), and (c) of this chapter, as in effect on December 20, 1951; or

(2) Approved under Special Civil Air Regulations SR-387, SR-389, SR-389A, or SR-389B, or under this section as in effect.

However, an airplane type listed in the following table may be operated with up to the listed number of occupants (including crewmembers) and the corresponding number of exits (including emergency exits and doors) approved for the emergency exit of passengers or with an occupant-exit configuration approved under paragraph (b) or (c) of this section:

Airplane type	Maximum number of occupants including all crewmembers	Corresponding number of exits authorized for passenger use
B-307	61	4
B-377	96	9
C-46	67	4
CV-240	53	6
CV-340 and CV-440	53	6
DC-3	35	4
DC-3(Super)	39	5
DC-4	86	5
DC-6	87	7
DC-6B	112	11
L-18	17	3
L-049, L-649, L-749	87	7
L-1049 series	96	9
M-202	53	6
M-404	53	7
Viscount 700 series	53	7

(b) Occupants in addition to those authorized under paragraph (a) of this section may be carried as follows:

(1) For each additional floor-level exit at least 24 inches wide by 48 inches high, with an unobstructed 20-inch wide access aisleway between the exit and the main passenger aisle: 12 additional occupants.

(2) For each additional window exit located over a wing that meets the requirements of the airworthiness standards under which the airplane was type certificated or that is large enough to inscribe an ellipse 19 x 26 inches: Eight additional occupants.

(3) For each additional window exit that is not located over a wing but that otherwise complies with subparagraph (2) of this paragraph: Five additional occupants.

(4) For each airplane having a ratio (as computed from the table in paragraph (a) of this section) of maximum number of occupants to number of exits greater than 14:1, and for each airplane that does not have at least one full-size door-type exit in the side of the fuselage in the rear part of the cabin, the first additional exit must be a floor-level exit that complies with subparagraph (1) of this paragraph and must be located in the rear part of the cabin on the opposite side of the fuselage from the main entrance door. However, no person may operate an airplane under this section carrying more than 115 occupants unless there is such an exit on each side of the fuselage in the rear part of the cabin.

(c) No person may eliminate any approved exit except in accordance with the following:

(1) The previously authorized maximum number of occupants must be reduced by the same number of additional occupants authorized for that exit under this section.

(2) Exits must be eliminated in accordance with the following priority schedule: First, non-over-wing window exits; second, over-wing-window exits; third, floor-level exits located in the forward part of the cabin; fourth, floor-level exits located in the rear of the cabin.

(3) At least one exit must be retained on each side of the fuselage regardless of the number of occupants.

(4) No person may remove any exit that would result in a ratio of maximum number of occupants to approved exits greater than 14:1.

(d) This section does not relieve any person operating under Part 121 of this chapter from complying with § 121.291 of this chapter.

(Secs. 313(a), 603, and 604 of the Federal Aviation Act of 1958; 49 U.S.C. 1354, 1423, 1424)

Issued in Washington, D.C., on June 28, 1965.

N. E. HALABY,
Administrator.

[F.R. Doc. 65-7000; Filed, July 2, 1965; 8:45 a.m.]

Title 26—INTERNAL REVENUE

Chapter II—Tax Court of the United States

PART 701—RULES OF PRACTICE

Admission to Practice

Section 701.2, as amended, is as follows:

§ 701.2 Admission to practice.

(a) An applicant who establishes to the satisfaction of the Court that he or she is a citizen of the United States, of good moral character and repute, and possessed of the requisite qualifications to represent others in the preparation and trial of cases, may be admitted to practice before the Court subject to the specific requirements stated hereafter in this section.

(b) Each application must be on the form provided by the Court. Application forms and other necessary information will be furnished upon request addressed to the Admissions Clerk of this Court, Box 70, Washington, D.C., 20044.

(c) An attorney at law may be admitted to practice upon filing with the Admissions Clerk a completed application accompanied by the admission fee of $10 and a current certificate from the Clerk of the appropriate court, showing that the applicant has been admitted to practice before and is a member in good standing of the Bar of the Supreme Court of the United States, or of the highest or other appropriate court of any State, or territory, or of the District of Columbia. A current court certificate is one executed within 60 calendar days preceding the date of the filing of the application.

(d) An applicant, not an attorney at law, as a condition of being admitted to practice, must pass a written examination given by the Court and the Court may require such person, in addition, to take an oral examination. Any person who has thrice failed such examinations shall not thereafter be eligible to take another examination for admission.

(e) An applicant for admission by examination must be sponsored by at least three persons theretofore admitted to practice before this Court, and each sponsor must send a letter of recommendation directly to the Admissions Clerk of the Court where it will be treated as a confidential communication. The sponsor shall send in his letter promptly, stating therein fully and frankly the extent of his acquaintance with the applicant, his opinion of the moral character and repute of the applicant, and his opinion of the qualifications of the applicant to practice before this Court. The Court may in its discretion accept an applicant with less than three such sponsors.

(f) The Court will hold a written examination for applicants at its offices in Washington, D.C., on the last Wednesday in October of each year, and at such other times and places as it may designate. The Court will notify each applicant, whose application is in order, of the time and place at which he is to present himself for examination, and the applicant must present that notice to the examiner as his authority for taking an examination. An applicant seeking to qualify by examination must accompany his application with a fee of $15.

(g) A check or money order, submitted in payment of a required admission fee, shall be made payable to the "Treasurer of the United States."

(h) Upon approval of an application for admission and the taking and subscribing of an oath or affirmation in such form as may be prescribed by the Court, each applicant shall be admitted and shall thereupon be entitled to a certificate of admission.

(i) Corporations and firms will not be admitted or recognized.

(j) Practitioners before this Court shall carry on their practice in accordance with the letter and spirit of the canons of professional ethics as adopted by the American Bar Association.

(k) The Court may deny admission to, suspend, or disbar any person who in its judgment does not possess the requisite qualifications to represent others, or who is lacking in character, integrity, or proper professional conduct. No person shall be suspended for more than 60 days or disbarred until he has been afforded an opportunity to be heard. A Judge of the Court may immediately suspend any person for not more than 60 days for contempt or misconduct during the course of any trial or hearing.

(l) The Court may require any practitioner before it to furnish a statement under oath of the terms and circumstances of his employment in any case. (See § 701.24.)

(m) Each person admitted to practice before the Court shall promptly notify

the Admissions Clerk of any change in office address for mailing purposes.

Effective: September 1, 1965.

Dated: June 30, 1965.

By the Court.

JOHN E. MULRONEY,
Acting Chief Judge, Tax Court of the United States.

[F.R. Doc. 65-7003; Filed, July 2, 1965; 8:45 a.m.]

Title 32—NATIONAL DEFENSE

Chapter I—Office of the Secretary of Defense

SUBCHAPTER B—PERSONNEL; MILITARY AND CIVILIAN

PART 90—NATURALIZATION OF ALIEN SPOUSES AND/OR ALIEN ADOPTED CHILDREN OF MILITARY AND CIVILIAN PERSONNEL ORDERED OVERSEAS

The Assistant Secretary of Defense (Manpower) approved the following revision to Part 90 on December 15, 1964:

Sec.
90.1 Purpose.
90.2 Applicability and scope.
90.3 Policy.
90.4 Procedure.

AUTHORITY: The provisions of this Part 90 issued under R.S. 161; 5 U.S.C. 22.

§ 90.1 Purpose.

This part establishes uniform procedures, acceptable to the Immigration and Naturalization Service of the Department of Justice, for military certification of alien dependents seeking naturalization under the Immigration and Nationality Act of 1952, as amended, sections 319(b) and 323(c) (8 U.S.C. 1430(b) and 1434(c)).

§ 90.2 Applicability and scope.

The provisions of this part apply to the Military Departments and cover alien spouses and/or alien adopted children of military and civilian personnel of the Department of Defense who are authorized to accompany or join their sponsors overseas and who wish to obtain United States citizenship prior to departure.

§ 90.3 Policy.

(a) Military installation commanders will give maximum assistance to alien dependents of personnel ordered overseas to expedite naturalization of the dependents in order to permit them to accompany or join their sponsors, when such travel has been authorized by regulation and is approved by the oversea commander.

(b) The certification as to dependents' authority to accompany or join their sponsors abroad will be uniform for all Services and will be issued only at the times and in the manner described in § 90.4.

§ 90.4 Procedure.

The following procedure has been developed in conjunction with the Immigration and Naturalization Service, Department of Justice, to effect the timely and orderly processing of alien dependents eligible for naturalization under the Immigration and Nationality Act of 1952, as amended, sections 319(b) and 323(c) (8 U.S.C. 1430(b) and 1434(c)). Deviation from prescribed procedure, use of nonstandard forms of certification, or failure to submit required documentation may result in delay in the attainment of citizenship prerequisite to the issuance of passport, which will in turn delay the dependents' overseas movement:

(a) *Application for petition for naturalization* will be made by the alien dependent on Immigration and Naturalization Form N-400 (adult) or N-402 (child), as applicable. These forms may be obtained from any office of the Immigration and Naturalization Service, or from any court having naturalization jurisdiction.

(1) The application may be filed when it is definitely established that the sponsor is being assigned overseas, or may be deferred until date of scheduled departure of the dependent is certified by the appropriate military commander (see § 90.4(b)).

(2) Application for petition for naturalization will be submitted to the nearest Immigration and Naturalization Service office, and must be accompanied by:

(i) Three identical photographs.

(ii) Form FD 258, Fingerprint Card, bearing fingerprints of the applicant.

(3) No further action in naturalization proceedings can be taken until certification of the dependents' scheduled departure for overseas is made by the appropriate military commander.

(b) *Certification of dependents' authorization to proceed overseas.* DD Form 1278,[1] "Certificate of Oversea Assignment to Support Application to File Petition for Naturalization," will be issued to alien dependents by military commanders at the times indicated in § 90.4(b) (1), (2), and (3) in order that the alien may file such certificate with the nearest Immigration and Naturalization Service office to initiate naturalization proceedings. Only DD Form 1278 will be accepted by the Immigration and Naturalization Service, and military commanders will not issue memoranda or letters of any kind in lieu thereof.

(1) When dependents are authorized automatic concurrent travel, DD Form 1278 will be issued not earlier than 90 days prior to the dependents' scheduled date of travel.

(2) When advance application for concurrent travel is required, DD Form 1278 will be issued after approval is received and not earlier than 90 days prior to the dependents' scheduled date of departure.

(3) When concurrent travel is not authorized, DD Form 1278 will be issued after authorization for dependents' movement is received, and not earlier than 90 days prior to scheduled date of dependents' travel.

(c) *Filing with Immigration and Naturalization Service.* Upon receipt of DD Form 1278, the alien will file this form, together with the application for petition for naturalization if not previously filed, with the nearest office of the Immigration and Naturalization Service. Further processing of the application for citizenship is as prescribed by the Immigration and Naturalization Service. Upon completion of the naturalization process immediate application for passport should be made, in order that it can be issued prior to scheduled departure of the dependent for overseas.

MAURICE W. ROCHE,
Director, Correspondence and Directives Division OASD (Administration).

[F.R. Doc. 65-7004; Filed, July 2, 1965; 8:45 a.m.]

[1] Filed as part of original document.

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter I—Coast Guard, Department of the Treasury

SUBCHAPTER G—REGATTAS AND MARINE PARADES

[CGFR 65-32]

PART 100—SAFETY OF LIFE ON NAVIGABLE WATERS

Patrol of the Regatta or Marine Parade

In carrying out the general purpose of the requirements governing regattas and marine parades, which is to insure safety of life in the regatta or marine parade area, it is necessary to have a patrol capable of performing assistance work, effecting rescues if necessary, and directing the movement of spectator craft and other craft in the vicinity of such a regatta or marine parade. The amendment to 33 CFR 100.40(c) in this document authorizes the District Commander to permit Coast Guard Auxiliary vessels, operating under official Coast Guard orders for the purpose of patrolling a specific event, to have the necessary authority to direct the movement of vessels in the area specified by the special local regulations issued for the event. This is in addition to having such vessels perform assistance work and effecting rescues if necessary which is presently authorized. In performing this patrol service, the Auxiliarists are not authorized to board, cite or arrest. Because this amendment constitutes a statement of policy and describes a practice followed by the Coast Guard, it is hereby found that compliance with the Administrative Procedure Act (respecting notice of proposed rule making, public rule making procedures thereon, and effective date requirements) is impracticable and contrary to the public interest.

By virtue of the authority vested in me as Commandant, U.S. Coast Guard, by Treasury Department Order 120 dated July 31, 1950 (15 F.R. 6521), as well as the act of April 28, 1908, as amended, § 100.40(c) is amended to read as follows and shall be effective on date of approval:

§ 100.40 Patrol of the regatta or marine parade.

* * * * *

(c) The Commander of a Coast Guard District may also utilize any private vessel or vessels placed at the disposition of the Coast Guard pursuant to section 826 in Title 14, U.S. Code, by any member of the Coast Guard Auxiliary, or any corporation, partnership, or association, or by any State or political subdivision thereof, to patrol the course of the regatta or marine parade for the purpose of promoting safety by performing assistance work, effecting rescues, and directing the movement of vessels in the vicinity of the regatta or marine parade. Vessels utilized under the authority of this paragraph are not authorized to enforce the special local regulations or laws generally.

(Sec. 1, 35 Stat. 69, as amended; 46 U.S.C. 454. Treasury Department Order 120, July 31, 1950, 15 F.R. 6521)

Dated: July 1, 1965.

[SEAL] W. D. SHIELDS, *Vice Admiral, U.S. Coast Guard, Acting Commandant.*

[F.R. Doc. 65-7097; Filed, July 2, 1965; 8:48 a.m.]

Title 36—PARKS, FORESTS, AND MEMORIALS

Chapter II—Forest Service, Department of Agriculture

[Reg. S-7]

PART 221—TIMBER

Appraisal and Contract Conditions

Section 221.7 of Title 36, Code of Federal Regulations, is amended to read as follows:

§ 221.7 Appraisal and contract conditions.

(a) The objective of National Forest timber appraisals is to establish fair market value. The basic procedure will be analytical appraisal under which stumpage value is a residual value determined by subtracting from the selling value of the products normally manufactured from the timber the sum of estimated operating costs, including costs to the purchaser for construction of roads or other developments needed by the purchaser for removal of the timber, and margins for profit and risk. Costs and product values shall be those of an operator of average efficiency and related to the operating difficulties and to size and quality of the timber. All pertinent factors affecting market value shall be considered including but not limited to prices paid in transactions and valuations established for other purposes for comparable timber. Consideration of such prices and valuation shall recognize and adjust for factors which are not normal market influences.

(b) The Chief, Forest Service, shall establish minimum stumpage rates for species and products on individual National Forests, or groups of National Forests. No timber may be sold or cut under commercial timber sales for less than such minimum rates.

(c) Appraisal may also establish stumpage value as if unconstructed roads or other developments needed by the purchaser for removal of the timber were in place. When timber is appraised and sold on such basis, the estimated cost of construction of such roads or other developments specified in the timber sale contract shall, when such construction is accomplished by Purchaser, be deducted from stumpage payments made by or due from Purchaser under the timber sale contract for other than minimum stumpage rates and required deposits for slash disposal. Such estimated construction costs may be adjusted during the period of the contract in accordance with contract terms to reflect agreed to changes in location, construction specifications, physical conditions, or other circumstances which (1) either justify a reestimate of work quantities, or (2) result in variance between the estimate of construction quantities and those needed and accomplished by the Purchaser.

(d) Timber shall be advertised for sale at its appraised value, but at not less than minimum stumpage rates. If advertised at its appraised value based on an assumption roads are in place, the advertised rate shall include an equivalent to the amortization rate for the estimated cost of such roads expected to be constructed by the Purchaser.

(e) Timber may be appraised and sold at a lump-sum value or at a rate per unit of measure which rate may be adjusted during the period of the contract and as therein specified in accordance with formulas or other equivalent specifications for the following reasons: (1) Variations in lumber or other product value indices between the price index base specified in the contract and the price index actually experienced during the cutting of the timber; (2) variance between advertised rates and rates redetermined by appraisal at dates specified in the contract; (3) variance between redetermined rates and rates appropriate for changes in costs or selling values subsequent to the rate redetermination which reduce conversion value to less than such redetermined rates; and (4) substantial loss of value due to physical deterioration of green timber.

(f) All sale contracts exceeding 5 years in duration, and those of shorter duration to the extent found desirable by the officer authorizing the sale, will provide for the redetermination of rates for stumpage and for required deposits at intervals of not more than 5 years, exclusive of any period allowed for the construction of improvements; but contracts for large sales in Alaska, involving installation of extensive manufacturing facilities, may provide that the first redetermination of rates and deposits will be made after not more than 10 years, exclusive of any period allowed for the construction of improvements.

(30 Stat. 35, as amended, 16 U.S.C. 476, 551)

Done at Washington, D.C., this 29th day of June 1965.

ORVILLE L. FREEMAN, *Secretary.*

[F.R. Doc. 65-7015; Filed, July 2, 1965; 8:46 a.m.]

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 11—Coast Guard, Department of the Treasury

[CGFR 64-46]

PART 11-2—PROCUREMENT BY FORMAL ADVERTISING

PART 11-7—CONTRACT CLAUSES

Miscellaneous Amendments

Pursuant to authority vested in me as Commandant, United States Coast Guard, by Treasury Department Order 167-17 (20 F.R. 4976) and Treasury Department Order 167-50 (28 F.R. 530):

1. In § 11-2.201, paragraphs (b)(53), and (56) are revoked.

Section 11-2.201(b)(53) is reserved; new § 11-2.201.51 is added, as follows:

§ 11-2.201-51 Ship repair, alteration or conversion contracts.

Invitations for bids for ship repair, alteration or conversion shall contain the following provisions:

(a) Bid evaluation will be based only on those items accepted at time of award.

(b) Ship repairer's legal liability insurance in the amount of $______ will be required to insure the contractor against his liability as ship repairer for the work to be performed on ____________ (Name of vessel) under this invitation for bid.

(c) As evidence of compliance with the insurance requirements of the Liability and Insurance clause (11-7.5001-4), the contractor shall furnish the contracting officer with a certificate or certificates executed by an officer or employee of the insurer authorized to execute such certificates. The certificate or certificates shall be furnished (1) upon award of contract; (2) prior to commencing work under the contract, or (3) prior to arrival of the vessel at the contractor's yard, or (4) as otherwise prescribed by the contracting officer. Each certificate shall set forth that ______________ (Name of insurer) has insured ______________________ (Name of contractor), contractor awarded Coast Guard Contract No. ______ for repair, alteration or conversion of ____________ (Name of vessel), in accordance with the requirements of the Liability and Insurance clause (11-7.5001-4) for (1) ship repairers legal liability insurance in the amount of $______, (2) comprehensive general liability insurance with limits of $300,000 on account of any one accident or occurrence in respect of any one vessel (3) full coverage in accordance with the State Workmen's Compensation

law and the United States Longshoremen's and Harbor Workers' Act. Each certificate shall set forth that each policy of insurance represented thereby will expire on ---------- (Date) and that each policy contains the following clause:

It is agreed that in the event of cancellation, or any material change in the policy adversely affecting the interest of the Government in this insurance, thirty (30) days prior written notice will be given to the Contracting Officer, ----------- (Address)

(d) A bidder who is a self-insurer for any or all of the risks set forth in the Liability and Insurance clause (11-7.5001-4) shall submit satisfactory evidence to permit the contracting officer to determine that the bidder's assets are sufficient for the risks set forth in paragraphs (b) and (c) of 11-7.5001-4. The bidder shall submit with his bid two certified copies of documents listing his assets and liabilities and such other information as deemed necessary by the bidder or as required by the contracting officer. For approval of self-insurance under the State Workmen's Compensation law and, the United States Longshoremen's and Harbor Workers' Act, evidence of qualification as a self-insurer under the applicable compensation statute must be furnished to the contracting officer.

(f) Invitations covering dry docking or hauling out of vessels incident to repair work shall include an item for the cost of lay days.

2. Section 11-7.5001-4, paragraph (g) is revoked.

[SEAL] W. D. SHIELDS,
Vice Admiral, U.S. Coast Guard, Acting Commandant.

JUNE 25, 1965.

[F.R. Doc. 65-7022; Filed, July 2, 1965; 8:45 a.m.]

Chapter 101—Federal Property Management Regulations

SUBCHAPTER D—PUBLIC BUILDINGS AND SPACE

PART 101-18—ACQUISITION OF REAL PROPERTY

Subpart 101-18.1—Acquisition by Lease

UPDATED LIST OF URBAN CENTERS

Section 101-18.104(a) is amended to read as follows:

§ 101-18.104 Acquisition by other agencies.

(a) The Departments of Agriculture, Commerce, and Defense may lease their own building space, and land incidental to its use, and provide for its operation, maintenance, and custody when the space is situated outside an urban center. Urban centers are:

Aberdeen, S. Dak.:
  Brown County.
Abilene, Tex.:
  Jones County.
  Taylor County.
Akron, Ohio:
  Portage County.
  Summit County.
Alaska:
  The entire State.
Albany, Ga.:
  Dougherty County.
Albany, Ill.:
  Whiteside County.
Albany, Oreg.:
  Linn County.
Albany-Schenectady-Troy, N.Y.:
  Albany County.
  Rensselaer County.
  Saratoga County.
  Schenectady County.
Albuquerque, N. Mex.:
  Bernalillo County.
Alexandria, La.:
  Rapides Parish.
Allentown-Bethlehem-Easton, Pa.-N.J.:
  Lehigh County, Pa.
  Northampton County, Pa.
  Warren County, N.J.
Altoona, Pa.:
  Blair County.
Amarillo, Tex.:
  Potter County.
  Randall County.
Anaheim-Santa Ana-Garden Grove, Calif.:
  Orange County.
Ann Arbor, Mich.:
  Washtenaw County.
Asheville, N.C.:
  Buncombe County.
Athens, Ga.:
  Clarke County.
Atlanta, Ga.:
  Clayton County.
  Cobb County.
  DeKalb County.
  Fulton County.
  Gwinnett County.
Atlantic City, N.J.:
  Atlantic County.
Augusta, Ga.-S.C.:
  Richmond County, Ga.
  Aiken County, S.C.
Augusta, Maine:
  Kennebec County.
Austin, Tex.:
  Travis County.
Bakersfield, Calif.:
  Kern County.
Baltimore, Md.:
  Baltimore City.
  Anne Arundel County.
  Baltimore County.
  Carroll County.
  Howard County.
Baton Rouge, La.:
  East Baton Rouge Parish.
Battle Creek, Mich.:
  Calhoun County.
Bay City, Mich.:
  Bay County.
Beaumont-Port Arthur, Tex.:
  Jefferson County.
  Orange County.
Billings, Mont.:
  Yellowstone County.
Binghamton, N.Y.-Pa.:
  Broome County, N.Y.
  Tioga County, N.Y.
  Susquehanna County, Pa.
Birmingham, Ala.:
  Jefferson County.
Bismarck, N. Dak.:
  Burleigh County.
Boise, Idaho:
  Ada County.
Boston, Mass.:
  Essex County.
  Middlesex County.
  Norfolk County.
  Plymouth County.
  Suffolk County.
Bridgeport, Conn.:
  Fairfield County.
  New Haven County.
Brockton, Mass.:
  Bristol County.
  Norfolk County.
  Plymouth County.
Brownsville-Harlingen-San Benito, Tex.:
  Cameron County.
Buffalo, N.Y.:
  Erie County.
  Niagara County.
Burlington, Vt.:
  Chittenden County.
Butte, Mont.:
  Silver Bow County.
Calexico-El Centro, Calif.:
  Imperial County.
Canton, Ohio:
  Stark County.
Casper, Wyo.:
  Natrona County.
Cedar Rapids, Iowa:
  Linn County.
Champaign-Urbana, Ill.:
  Champaign County.
Charleston, S.C.:
  Berkeley County.
  Charleston County.
Charleston, W. Va.:
  Kanawha County.
Charlotte, N.C.:
  Mecklenburg County.
  Union County.
Charlottesville, Va.:
  Charlottesville city.
  Albemarle County.
Chattanooga, Tenn.-Ga.:
  Hamilton County, Tenn.
  Walker County, Ga.
Cheyenne, Wyo.:
  Laramie County.
Chicago, Ill.:
  Cook County.
  Du Page County.
  Kane County.
  Lake County.
  McHenry County.
  Will County.
Cincinnati, Ohio-Ky.-Ind.:
  Clermont County, Ohio.
  Hamilton County, Ohio.
  Warren County, Ohio.
  Boone County, Ky.
  Campbell County, Ky.
  Kenton County, Ky.
  Dearborn County, Ind.
Cleveland, Ohio:
  Cuyahoga County.
  Geauga County.
  Lake County.
  Medina County.
Clinton, Okla.:
  Custer County.
Cody, Wyo.:
  Park County.
Colorado Springs, Colo.:
  El Paso County.
Columbia, Mo.:
  Boone County.
Columbia, S.C.:
  Lexington County.
  Richland County.
Columbus, Ga.-Ala.:
  Chattahoochee County, Ga.
  Muscogee County, Ga.
  Russell County, Ala.
Columbus, Ohio:
  Delaware County.
  Franklin County.
  Pickaway County.
Concord, N.H.:
  Merrimack County.
Corpus Christi, Tex.:
  Nueces County.
Dallas, Tex.:
  Collin County.
  Dallas County.
  Denton County.
  Ellis County.
Davenport-Rock Island-Moline, Iowa-Ill.:
  Scott County, Iowa.
  Henry County, Ill.
  Rock Island County, Ill.

Dayton, Ohio:
Greene County.
Miami County.
Montgomery County.
Preble County.
Decatur, Ill.:
Macon County.
Denver, Colo.:
Adams County.
Arapahoe County.
Boulder County.
Denver County.
Jefferson County.
Des Moines, Iowa:
Polk County.
Detroit, Mich.:
Macomb County.
Oakland County.
Wayne County.
Dubuque, Iowa:
Dubuque County.
Duluth-Superior, Minn.-Wis.:
St. Louis County, Minn.
Douglas County, Wis.
Durango, Colo.:
La Plata County.
Durham, N.C.:
Durham County.
Elkins, W. Va.:
Randolph County.
El Paso, Tex.:
El Paso County.
Erie, Pa.:
Erie County.
Eugene, Oreg.:
Lane County.
Evansville, Ind.-Ky.:
Vanderburgh County, Ind.
Warrick County, Ind.
Henderson County, Ky.
Fall River, Mass.-R.I.:
Bristol County, Mass.
Newport County, R.I.
Fargo-Moorhead, N. Dak.-Minn.:
Cass County, N. Dak.
Clay County, Minn.
Fayetteville, N.C.:
Cumberland County.
Fitchburg-Leominster, Mass.:
Middlesex County.
Worcester County.
Flint, Mich.:
Genesee County.
Lapeer County.
Fort Collins, Colo.:
Larimer County.
Fort Lauderdale-Hollywood, Fla.:
Broward County.
Fort Smith, Ark.-Okla.:
Crawford County, Ark.
Sebastian County, Ark.
Le Flore County, Okla.
Sequoyah County, Okla.
Fort Wayne, Ind.:
Allen County.
Fort Worth, Tex.:
Johnson County.
Tarrant County.
Frankfort, Ky.:
Franklin County.
Fresno, Calif.:
Fresno County.
Gadsden, Ala.:
Etowah County.
Gainseville, Fla.:
Alachua County.
Galveston-Texas City, Tex.:
Galveston County.
Gary-Hammond-East Chicago, Ind.:
Lake County.
Porter County.
Grand Forks, N. Dak.:
Grand Forks County.
Grand Island, Nebr.:
Hall County.
Grand Junction, Colo.:
Mesa County.
Grand Rapids, Mich.:
Kent County.
Ottawa County.
Great Falls, Mont.:
Cascade County.
Greeley, Colo.:
Weld County.
Green Bay, Wis.:
Brown County.
Greensboro-High Point, N.C.:
Guilford County.
Greenville, S.C.:
Greenville County.
Pickens County.
Greenwood, Miss.:
Le Flore County.
Hamilton-Middletown, Ohio:
Butler County.
Harrisburg, Pa.:
Cumberland County.
Dauphin County.
Perry County.
Hartford, Conn.:
Hartford County.
Middlesex County.
Tolland County.
Hawaii
The entire State.
Helena, Mont.:
Lewis and Clark County.
Hot Springs, Ark.:
Garland County.
Houston, Tex.:
Harris County.
Huntington-Ashland, W. Va.-Ky.-Ohio:
Cabell County, W. Va.
Wayne County, W. Va.
Boyd County, Ky.
Lawrence County, Ohio.
Huntsville, Ala.:
Limestone County.
Madison County.
Huron, S. Dak.:
Beadle County.
Idaho Falls, Idaho:
Bonneville County.
Indianapolis, Ind.:
Hamilton County.
Hancock County.
Hendricks County.
Johnson County.
Marion County.
Morgan County.
Shelby County.
Jackson, Mich.:
Jackson County.
Jackson, Miss.:
Hinds County.
Rankin County.
Jackson, Tenn.:
Madison County.
Jacksonville, Fla.:
Duval County.
Jefferson City, Mo.:
Cole County.
Jersey City, N.J.:
Hudson County.
Johnstown, Pa.:
Cambria County.
Somerset County.
Kalamazoo, Mich.:
Kalamazoo County.
Kansas City, Mo.-Kans.:
Cass County, Mo.
Clay County, Mo.
Jackson County, Mo.
Platte County, Mo.
Johnson County, Kans.
Wyandotte County, Kans.
Kenosha, Wisc.:
Kenosha County.
Klamath Falls, Oreg.:
Klamath County.
Knoxville, Tenn.:
Anderson County.
Blount County.
Knox County.
Lafayette, La.:
Lafayette Parish.
Lake Charles, La.:
Calcasieu Parish.
Lancaster, Pa.:
Lancaster County.
Lansing, Mich.:
Clinton County.
Eaton County.
Ingham County.
Laredo, Tex.:
Webb County.
Las Vegas, Nev.:
Clark County.
Lawrence-Haverhill, Mass.-N.H.:
Essex County, Mass.
Rockingham County, N.H.
Lawton, Okla.:
Comanche County.
Lewiston-Auburn, Maine:
Androscoggin County.
Lexington, Ky.:
Fayette County.
Lima, Ohio:
Allen County.
Lincoln, Nebr.:
Lancaster County.
Little Rock-North Little Rock, Ark.:
Pulaski County.
Logan, Utah:
Cache County.
Lorain-Elyria, Ohio:
Lorain County.
Los Angeles-Long Beach, Calif.:
Los Angeles County.
Louisville, Ky.-Ind.:
Jefferson County, Ky.
Clark County, Ind.
Floyd County, Ind.
Lowell, Mass.:
Middlesex County.
Lubbock, Tex.:
Lubbock County.
Lynchburg, Va.:
Lynchburg city.
Amherst County.
Campbell County.
Macon, Ga.:
Bibb County.
Houston County.
Madison, Wis.:
Dane County.
Manchester, N.H.:
Hillsborough County.
Merrimack County.
Manhattan, Kans.:
Riley County.
McCook, Nebr.:
Red Willow County.
Medford, Oreg.:
Jackson County.
Memphis, Tenn.-Ark.:
Shelby County, Tenn.
Crittenden County, Ark.
Meriden, Conn.:
New Haven County.
Meridian, Miss.:
Lauderdale County.
Miami, Fla.:
Dade County.
Midland, Tex.:
Midland County.
Milwaukee, Wis.:
Milwaukee County.
Ozaukee County.
Waukesha County.
Minneapolis-St. Paul, Minn.:
Anoka County.
Dakota County.
Hennepin County.
Ramsey County.
Washington County.
Missoula, Mont.:
Missoula County.
Mobile, Ala.:
Baldwin County.
Mobile County.
Monroe, La.:
Ouachita Parish.
Montgomery, Ala.:
Elmore County.
Montgomery County.
Morgantown, W. Va.:
Monongalia County.
Muncie, Ind.:
Delaware County.
Muskegon-Muskegon Heights, Mich.:
Muskegon County.
Muskogee, Okla.:
Muskogee County.

Nashville, Tenn.:
Davidson County.
Sumner County.
Wilson County.
Newark, N.J.:
Essex County.
Morris County.
Union County.
New Bedford, Mass.:
Bristol County.
Plymouth County.
New Britain, Conn.:
Hartford County.
New Haven, Conn.:
New Haven County.
New London-Groton-Norwich, Conn.:
New London County.
New Orleans, La.:
Jefferson Parish.
Orleans Parish.
St. Bernard Parish.
St. Tammany Parish.
Newport News-Hampton, Va.:
Hampton city.
Newport News city.
York County.
New York, N.Y.:
Bronx County.
Kings County.
New York County.
Queens County.
Richmond County.
Nassau County.
Rockland County.
Suffolk County.
Westchester County.
Norfolk-Portsmouth, Va.:
Chesapeake city.
Norfolk city.
Portsmouth city.
Virginia Beach city.
Norwalk, Conn.:
Fairfield County.
Odessa, Tex.:
Ector County.
Ogden, Utah:
Weber County.
Oklahoma City, Okla.:
Canadian County.
Cleveland County.
Oklahoma County.
Olympia, Wash.:
Thurston County.
Omaha, Nebr.-Iowa:
Douglas County, Nebr.
Sarpy County, Nebr.
Pottawattamie County, Iowa.
Orlando, Fla.:
Orange County.
Seminole County.
Parkersburg, W. Va.:
Wood County.
Paterson-Clifton-Passaic, N.J.:
Bergen County.
Passaic County.
Pensacola, Fla.:
Escambia County.
Santa Rosa County.
Peoria, Ill.:
Peoria County.
Tazewell County.
Woodford County.
Philadelphia, Pa.-N.J.:
Bucks County, Pa.
Chester County, Pa.
Delaware County, Pa.
Montgomery County, Pa.
Philadelphia County, Pa.
Burlington County, N.J.
Camden County, N.J.
Gloucester County, N.J.
Phoenix, Ariz.:
Maricopa County.
Pierre, S. Dak.:
Hughes County.
Pittsburgh, Pa.:
Allegheny County.
Beaver County.
Washington County.
Westmoreland County.

Pittsfield, Mass.:
Berkshire County.
Portland, Maine:
Cumberland County.
Portland, Oreg.-Wash.:
Clackamas County, Oreg.
Multnomah County, Oreg.
Washington County, Oreg.
Clark County, Wash.
Portsmouth, N.H.:
Rockingham County.
Providence-Pawtucket-Warwick, R.I.-Mass.:
Bristol County, R.I.
Kent County, R.I.
Newport County, R.I.
Providence County, R.I.
Washington County, R.I.
Bristol County, Mass.
Norfolk County, Mass.
Worcester County, Mass.
Provo-Orem, Utah:
Utah County.
Pueblo, Colo.:
Pueblo County.
Puerto Rico:
The entire Commonwealth.
Racine, Wis.:
Racine County.
Raleigh, N.C.:
Wake County.
Rapid City, S. Dak.:
Pennington County.
Reading, Pa.:
Berks County.
Reno, Nev.:
Washoe County.
Richmond, Va.:
Richmond city.
Chesterfield County.
Hanover County.
Henrico County.
Roanoke, Va.:
Roanoke city.
Roanoke County.
Rochester, N.Y.:
Livingston County.
Monroe County.
Orleans County.
Wayne County.
Rockford, Ill.:
Boone County.
Winnebago County.
Rolla, Mo.:
Phelps County.
Rome, Ga.:
Floyd County.
Sacramento, Calif.:
Placer County.
Sacramento County.
Yolo County.
Saginaw, Mich.:
Saginaw County.
St. Albans, Vt.:
Franklin County.
St. Joseph, Mo.:
Buchanan County.
St. Louis, Mo.-Ill.:
St. Louis City, Mo.
Jefferson County, Mo.
St. Charles County, Mo.
St. Louis County, Mo.
Madison County, Ill.
St. Clair County, Ill.
Salina, Kans.:
Saline County.
Salisbury, Md.:
Wicomico County.
Salt Lake City, Utah:
Davis County.
Salt Lake County.
San Angelo, Tex.:
Tom Green County.
San Antonio, Tex.:
Bexar County.
Guadalupe County.
San Bernardino-Riverside-Ontario, Calif.:
Riverside County.
San Bernardino County.
San Diego, Calif.:
San Diego County.

San Francisco-Oakland, Calif.:
Alameda County.
Contra Costa County.
Marin County.
San Francisco County.
San Mateo County.
San Jose, Calif.:
Santa Clara County.
Santa Barbara, Calif.:
Santa Barbara County.
Santa Fe, N. Mex.:
Santa Fe County.
Savannah, Ga.:
Chatham County.
Scottsbluff, Nebr.:
Scotts Bluff County.
Scranton, Pa.:
Lackawanna County.
Seattle-Everett, Wash.:
King County.
Snohomish County.
Sheridan, Wyo.:
Sheridan County.
Shreveport, La.:
Bossier Parish.
Caddo Parish.
Sioux City, Iowa-Nebr.:
Woodbury County, Iowa.
Dakota County, Nebr.
Sioux Falls, S. Dak.:
Minnehaha County.
South Bend, Ind.:
St. Joseph County.
Marshall County.
Spartanburg, S.C.:
Spartanburg County.
Spokane, Wash.:
Spokane County.
Springfield-Chicopee-Holyoke, Mass.:
Hampden County, Mass.
Hampshire County, Mass.
Worcester County, Mass.
Springfield, Ill.:
Sangamon County.
Springfield, Mo.:
Greene County.
Springfield, Ohio:
Clark County.
Stamford, Conn.:
Fairfield County.
Steubenville-Wierton, Ohio-W. Va.:
Jefferson County, Ohio.
Brooke County, W. Va.
Hancock County, W. Va.
Stillwater, Okla.:
Payne County.
Stockton, Calif.:
San Joaquin County.
Syracuse, N.Y.:
Madison County.
Onondaga County.
Oswego County.
Tacoma, Wash.:
Pierce County.
Tallahassee, Fla.:
Leon County.
Tampa-St. Petersburg, Fla.:
Hillsborough County.
Pinellas County.
Temple, Tex.:
Bell County.
Terre Haute, Ind.:
Clay County.
Sullivan County.
Vermillion County.
Vigo County.
Texarkana, Tex.-Ark.:
Bowie County, Tex.
Miller County, Ark.
Toledo, Ohio-Mich.:
Lucas County, Ohio.
Wood County, Ohio.
Monroe County, Mich.
Topeka, Kans.:
Shawnee County.
Trenton, N.J.:
Mercer County.
Tucson, Ariz.:
Pima County.

Tulsa, Okla.:
- Creek County.
- Osage County.
- Tulsa County.

Tuscaloosa, Ala.:
- Tuscaloosa County.

Tyler, Tex.:
- Smith County.

Utica-Rome, N.Y.:
- Herkimer County.
- Oneida County.

Vallejo-Napa, Calif.:
- Napa County.
- Solano County.

Vicksburg, Miss.:
- Warren County.

Virgin Islands:
- The entire Territory.

Waco, Tex.:
- McLennan County.

Walla Walla, Wash.:
- Walla Walla County.
- Benton County.

Washington, D.C.-Md.-Va.:
- District of Columbia.
- Montgomery County, Md.
- Prince Georges County, Md.
- Alexandria city, Va.
- Fairfax city, Va.
- Falls Church city, Va.
- Arlington County, Va.
- Fairfax County, Va.

Waterbury, Conn.:
- Litchfield County.
- New Haven County.

Waterloo, Iowa:
- Black Hawk County.

Wenatchee, Wash.:
- Chelan County.

West Palm Beach, Fla.:
- Palm Beach County.

Wheeling, W. Va.-Ohio:
- Marshall County, W. Va.
- Ohio County, W. Va.
- Belmont County, Ohio.

Wichita, Kans.:
- Butler County.
- Sedgwick County.

Wichita Falls, Tex.:
- Archer County.
- Wichita County.

Wilkes Barre-Hazleton, Pa.:
- Luzerne County.

Wilmington, Del.-N.J.-Md.:
- New Castle County, Del.
- Salem County, N.J.
- Cecil County, Md.

Wilmington, N.C.:
- New Hanover County.

Winston-Salem, N.C.:
- Forsyth County.

Worcester, Mass.:
- Worcester County.

Yakima, Wash.:
- Yakima County.

York, Pa.:
- Adams County.
- York County.

Youngstown-Warren, Ohio:
- Mahoning County.
- Trumbull County.

Yuma, Ariz.:
- Yuma County.

* * * * *

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c))

Effective date. This amendment is effective on the date of its publication in the FEDERAL REGISTER.

Dated: June 28, 1965.

LAWSON B. KNOTT, Jr.,
Administrator of General Services.

[F.R. Doc. 65-7006; Filed, July 2, 1965; 8:45 a.m.]

SUBCHAPTER F—TELECOMMUNICATIONS AND PUBLIC UTILITIES

PART 101-35—TELECOMMUNICATIONS

Subpart 101-35.1—General Provisions

APPLICABILITY

In Subpart 101-35.1, § 101-35.102(a) is amended by addition of a sentence which provides that the Statement of Understanding between the General Services Administration and the Atomic Energy Commission, dated May 1, 1965, shall govern the applicability of Part 101-35 to the Atomic Energy Commission, as follows:

§ 101-35.102 Applicability.

* * * * *

(a) The Statement of Areas of Understanding between the Department of Defense and General Services Administration (15 F.R. 8226) shall govern the applicability of this Part 101-35 to the Department of Defense. The Statement of Understanding between the General Services Administration and the Atomic Energy Commission, dated May 1, 1965, shall govern the applicability of this Part 101-35 to the Atomic Energy Commission.

* * * * *

Effective date. The provisions of this subpart, as amended, are effective upon publication in the FEDERAL REGISTER.

Dated: June 28, 1965.

LAWSON B. KNOTT, Jr.,
Administrator of General Services.

[F.R. Doc. 65-7016; Filed, July 2, 1965; 8:46 a.m.]

Title 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[Service Order No. 961]

PART 95—CAR SERVICE

Terminal Railway Alabama State Docks Authorized To Operate Additional Lines of Railroad in Mobile County, Ala.

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D.C., on the 29th day of June A.D. 1965.

It appearing, that the Terminal Railway Alabama State Docks, an agency of the State of Alabama, has filed application, Finance Docket No. 23689, for a certificate authorizing the operation of an existing line of track not now operated by a common carrier, between a point of connection with the Louisville and Nashville Railroad Co. near Theodore, Ala., and an existing deep water ocean terminal on Mobile Bay, together with existing classification yard tracks and branchline and side and other tracks; all of which are within the bounds of a parcel of property acquired by the Alabama State Docks Department from the General Services Administration, located entirely within the County of Mobile in the State of Alabama near the unincorporated town of Theodore, Ala. The tracks are completely usable and in good condition. The Commission is of the opinion that there is need for service over this line of railroad pending decision in Finance Docket No. 23689 and that operation of this line will best promote the service in the interest of the public and the commerce of the people. Accordingly the Commission finds that notice and public procedure are impracticable and contrary to the public interest, and that good cause exists for making this order effective upon less than 30 days' notice.

It is ordered, That:

§ 95.961 Terminal Railway Alabama State Docks authorized to operate additional lines of railroad in Mobile County, Alabama.

(a) The Terminal Railway Alabama State Docks be, and it is hereby authorized to operate over and perform service over approximately 5.61 miles of main line between a point of connection with the Louisville and Nashville Railroad Co. near Theodore, Ala., and an existing deep water ocean terminal on Mobile Bay and approximately 8.39 miles of branchline and side track of an existing railroad not at this time operated by a common carrier, so as to provide rail transportation facilities to existing public wharves and to industries that will locate within the bounds of a parcel of property acquired by the Alabama State Docks Department, located entirely within the County of Mobile in the State of Alabama, pending final disposition of the application filed under section 1 (18) to (20), Finance Docket No. 23689.

(b) Application: The provisions of this order shall apply to intrastate and foreign traffic as well as to interstate traffic.

(c) Rules and regulations suspended: The operation of all rules and regulations insofar as they conflict with the provisions of this order is hereby suspended.

(d) Effective date: This order shall become effective at 12:01 a.m., July 1, 1965.

(e) Expiration date: The provisions of this order shall expire at 11:59 p.m., December 31, 1965, unless otherwise modified, changed, suspended, or annulled by order of this Commission.

(Secs. 1, 12, 15, 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15. Interprets or applies Secs. 1(10-17), 15(4), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4))

It is further ordered, That copies of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of

all railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Division 3.

[SEAL] BERTHA F. ARMES, *Acting Secretary.*

[F.R. Doc. 65-7084; Filed, July 2, 1965; 8:48 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

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

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 3662]

[Misc. 1788908]

NEW MEXICO

Modification of Grazing District No. 7

Correction

In F.R. Doc. 65-6072, appearing in the issue for Friday, June 11, 1965, at page 7606, in the second column of land description under "T. 16N., R. 14W.", delete the line reading "Secs. 4 to 9, inclusive;".

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

[9 CFR Part 78]

INTERSTATE MOVEMENT OF ANIMALS BECAUSE OF BRUCELLOSIS

Notice of Proposed Rule Making

Notice is hereby given in accordance with section 4 of the Administrative Procedure Act (5 U.S.C. 1003) that, pursuant to the provisions of sections 4, 5, and 13 of the Act of May 29, 1884, as amended, sections 1 and 2 of the Act of February 2, 1903, as amended, and section 3 of the Act of March 3, 1905, as amended (21 U.S.C. 111-113, 114a-1, 120, 121, 125), it is proposed to amend § 78.20 of Part 78, Title 9, Code of Federal Regulations, by adding a new paragraph (c) to read as follows:

§ 78.20 **Movement of bison for purposes other than slaughter.**

* * * * *

(c) Bison may be moved interstate under this subpart directly to stockyards specifically approved in accordance with § 78.16(b) for the purposes of this paragraph, if accompanied by a permit issued by the appropriate livestock sanitary official of the State of destination, providing that the animals will be maintained in quarantine in such State separate from cattle and other bison until all bison in the shipment over 4 months of age are negative to two blood agglutination tests, recognized by the Secretary of Agriculture for brucellosis, under the supervision of a Federal or State veterinary official, conducted not less than 30 days nor more than 90 days apart, or until their death by slaughter or from natural causes; that the first such test will be conducted within 10 days following interstate movement, except that official vaccinates may be held for the first such test until they are 18 months of age; that if reactors or suspects are disclosed, they shall be immediately identified with reactor eartags and removed to a slaughter establishment operating in accordance with § 78.18; and that all bison remaining shall be maintained in such quarantine until negative to one such blood agglutination test conducted not less than 30 days nor more than 90 days following removal of the reactors and suspects, or until their death by slaughter or from natural causes. Bison moving interstate under this subpart shall be accompanied by a certificate issued by a State or Federal inspector or an accredited veterinarian showing (1) the brucellosis status of the herd of origin; (2) whether or not the animals have been officially vaccinated against brucellosis; (3) the eartag number, brand or other positive identification of each animal, except that specific identification may be provided at destination for animals not bearing such identification at time of shipment; (4) the name and address of the consignor and of the consignee of the animals; and (5) the specifically approved destination of the animals.

The proposed amendment would provide for establishing specifically approved stockyards to receive bison moving interstate. The brucellosis status of the animals would be established at destination by the conducting of appropriate tests. Disposal of the animals for slaughter or breeding purposes would depend upon the outcome of such tests.

Any person who wishes to submit written data, views, or arguments concerning the proposed amendment may do so by filing them with the Director, Animal Disease Eradication Division, Agricultural Research Service, U.S. Department of Agriculture, Washington, D.C., within 60 days after publication of this notice in the FEDERAL REGISTER.

All written submissions made pursuant to this notice will be made available for public inspection at such times and places and in a manner convenient to the public business (7 CFR 1.27(b)).

Done at Washington, D.C., this 30th day of June 1965.

R. J. ANDERSON,
Acting Administrator,
Agricultural Research Service.

[F.R. Doc. 65-7037; Filed, July 2, 1965; 8:47 a.m.]

Consumer and Marketing Service

[7 CFR Part 922]

APRICOTS GROWN IN DESIGNATED COUNTIES IN WASHINGTON

Proposed Expenses and Rate of Assessment for 1965-66 Fiscal Year

Consideration is being given to the following proposals submitted by the Washington Apricot Marketing Committee, established under the marketing agreement, as amended, and Order No. 922, as amended (7 CFR Part 922), 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), as the agency to administer the terms and provisions thereof: (1) That the expenses that are reasonable and likely to be incurred by the Washington Apricot Marketing Committee during the period from April 1, 1965, through March 31, 1966, will amount to $4,110 and (2) that there be fixed, at $0.80 per ton of apricots, the rate of assessment payable by each handler in accordance with § 922.41 of the aforesaid marketing agreement and order.

All persons who desire to submit written data, views, or arguments in connection with the aforesaid proposals should file same in quadruplicate with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C., 20250, not later than the 10th day after publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

Dated: June 29, 1965.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 65-7013; Filed, July 2, 1965; 8:45 a.m.]

[7 CFR Parts 1135, 1137]

[Docket Nos. AO-300-A9, AO-329-A7]

MILK IN COLORADO SPRINGS-PUEBLO AND EASTERN COLORADO MARKETING AREAS

Notice of Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreements and to Orders

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), notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreements and orders regulating the handling of milk in the Colorado Springs-Pueblo and Eastern Colorado marketing areas. Interested parties may file written exceptions to this decision with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C., 20250, by the 15th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

Preliminary statement. The joint hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreements and to the orders, were formulated, was conducted at Denver, Colo., on February 24-26, 1965, pursuant to notice thereof which was issued February 4, 1965 (30 F.R. 1802).

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

1. Combining the orders into a single order;
2. Milk to be priced and pooled;

3. Classification and allocation;

4. Class I price and location adjustments; and

5. Miscellaneous administrative and conforming changes.

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

1. *Combining the orders into a single order.* Order No. 135, regulating the handling of milk in the Colorado Springs-Pueblo marketing area, and Order No. 137, regulating the handling of milk in the Eastern Colorado marketing area, should be merged into a single regulation.

There no longer exists any basis for considering the two marketing areas as separate entities. Milk moves freely between the two markets both from the farm and in processed form. More milk is distributed in the Colorado Springs-Pueblo marketing area by Eastern Colorado handlers than is distributed there by locally regulated handlers.

Of seven distributing plants which were located in the marketing area and regulated by the Colorado Springs-Pueblo order at the date of the issuance of the Eastern Colorado order, only two are still pool plants under that order. In January 1962 a plant of the Carnation Co. located in Colorado Springs became subject to regulation under the Eastern Colorado order because of its greater distribution in that area. Subsequently, this plant was closed and its distribution was assumed by other Eastern Colorado handlers. In October 1962 Scotland Pride Dairy of Colorado Springs became a pool plant under the Eastern Colorado order because of its greater sales in that marketing area. It has been regulated under the Eastern Colorado order continuously since that time. During 1963 the Borden Co. closed its Colorado Springs plant and transferred the business to its Denver plant which is regulated under the Eastern Colorado order. In 1963, also, the Beatrice Foods Co. closed its plants at Pueblo and Colorado Springs and transferred the business to its plants at Denver and Greeley, both Eastern Colorado pool plants.

The closing of pool plants formerly regulated by Order No. 135 and the transfer of the distribution from these plants to Eastern Colorado pool plants has resulted in more sales being made in the Colorado Springs-Pueblo marketing area, at this time, by Eastern Colorado pool plants than are being made by Colorado Springs-Pueblo handlers. During 1961 pool plants regulated by the Eastern Colorado order accounted for 31,082,697 pounds of the Class I sales made in the Colorado Springs-Pueblo marketing area compared to 47,635,761 pounds of Class I sales in this same area by Colorado Springs-Pueblo pool plants.

During 1964, Eastern Colorado pool handlers distributed 51,771,926 pounds of Class I milk in the Colorado Springs-Pueblo marketing area as compared to 48,015,900 pounds of Class I distribution by Colorado Springs-Pueblo handlers. Thus, Class I sales made by Eastern Colorado pool plant handlers within the Colorado Springs-Pueblo marketing area have increased from 40 percent in 1961 to 52 percent in 1964 of the total sales made within such area by handlers regulated by the separate orders.

Some milk processed and packaged in a plant regulated under the Colorado Springs-Pueblo order is distributed in the Eastern Colorado marketing area.

In addition to the overlapping of route distribution in both marketing areas, many of the dairy farmers who are located either in the Colorado Springs-Pueblo marketing area or in close proximity to such marketing area are producers under both orders. Some of these dairy farmers are producers under the Colorado Springs-Pueblo order during much or most of the month and during the remainder of the month are producers under the Eastern Colorado order.

The Inter-Mountain Dairymen, a cooperative association, represents most of the producers supplying the Colorado Springs-Pueblo marketing area. It also operates two pool plants regulated by the Eastern Colorado order. One of these is a supply plant and the other a distributing plant. Since the milk may move directly from the farm to plants under either order, this association can influence the returns to its member producers by receiving at its Eastern Colorado pool plants, milk which is surplus to the needs of the Colorado Springs-Pueblo market. This milk then becomes producer milk under the Eastern Colorado order and shares in its marketwide pool.

Most of the handlers and Denver Milk Producers, the principal cooperative association in the Eastern Colorado marketing area, favored merging the two orders. The witness for Inter-Mountain Dairymen opposed the merger. His principal objection to merging the orders was that producers of the Colorado Springs-Pueblo order would not benefit since the merger would result in their receiving a lower blend price for their milk. As previously indicated, the blend prices to Colorado Springs-Pueblo producers have been more favorable in most instances than the blend prices to producers of the Eastern Colorado order.

The blend price advantage accruing to Colorado Springs-Pueblo producers undoubtedly has resulted, in part, from Inter-Mountain Dairymen's ability to pool under the Eastern Colorado order milk of its members which is surplus to the fluid requirements of the Colorado Springs-Pueblo marketing area. This cooperative association, as the operator of both a pool distributing plant and a pool supply plant which are regulated by the Eastern Colorado order, is in a position to receive the reserve milk supplies of Colorado Springs-Pueblo handlers at the Eastern Colorado pool plants which it operates. The Colorado Springs-Pueblo reserve milk supply which is delivered to the Denver pool plants as producer milk is pooled under the Eastern Colorado order. As a result the uniform price is lowered, since the percentage of Class I utilization of producer milk under the Eastern Colorado order is reduced by the amount of the receipts from Colorado Springs-Pueblo producers. At the same time, shifting the reserve milk of Colorado Springs-Pueblo handlers to the other order enhances the Class I utilization of the producer milk remaining in the Colorado Springs order.

This is borne out by a comparison of the uniform prices paid to producers under the separate orders. From the inception of the Eastern Colorado order in November 1961 through January 1965, producers of the Colorado Springs-Pueblo order received a higher uniform price than Eastern Colorado producers, except for 5 months during 1963 and 2 months during 1964. The differences in the simple average blend prices of the two orders were 15, 6, and 14 cents in 1962, 1963, and 1964, respectively. May 1964 was the month in which the greatest disparity, 40 cents per hundredweight, occurred between the uniform prices of the two orders. These variations between the uniform prices of the two orders have been a cause for dissatisfaction among producers.

Since the producers of the two orders are supplying handlers distributing milk in a common sales area, the two marketing areas should be combined under a single regulation. A single marketwide pool will return to all producers uniform prices reflecting the use of milk within the common sales area.

For the reasons set forth above it is concluded that the two orders should be combined into a single order with a marketwide pool. The recommended order adopts many of the provisions of the Eastern Colorado order, No. 137. The combined marketing area embraces all but three of the counties in the eastern half of the State. Therefore it is appropriate that the amended order No. 137 continue to be designated as the "Eastern Colorado marketing area".

Many provisions of the Eastern Colorado and Colorado Springs-Pueblo orders are either identical or essentially the same. For convenience, therefore, in preparing this decision, the provisions of the Eastern Colorado order are generally adopted. Particular findings are limited to those matters on which there were differences in views expressed at the hearing or where there is a substantial difference between the terms of the two orders.

The marketing area set forth herein is identical with that contained in the separate orders. It includes all the territory within the Colorado counties of Adams, Arapahoe, Boulder, Cheyenne, Clear Creek, Crowley, Custer, Denver, Douglas, Elbert, El Paso, Gilpin, Huerfano, Jefferson, Kiowa, Kit Carson, Las Animas, Larimer, Lincoln, Logan, Morgan, Otero, Park, Phillips, Pueblo, Sedgwick, Teller, Washington, Weld, and Yuma; and the Kansas counties of Cheyenne, Logan, Sherman, and Wallace.

These counties form a distinct marketing area that is served primarily by the plants which are regulated. No proposals were submitted to expand the area. There is no evidence to support dropping from the combined marketing area any portion of the separate areas now regulated.

The handling of milk in the counties included in the marketing area is in the current of, or burdens, obstructs or affects, interstate commerce. Milk re-

ceived from producers located in States outside of Colorado is received at pool plants within the marketing area, is commingled with Colorado-produced milk and distributed on routes in Colorado, Nebraska, and Kansas. Plants located outside the marketing area and within the States of Kansas and Nebraska distribute fluid milk products on routes in the combined marketing area.

To accomplish the merger effectively and most equitably, the assets in the custody of the market administrator in the administrative, marketing service, and producer-settlement funds under the two orders should be combined when the merger of the two orders is effective. Any liabilities of such funds under the individual orders should be paid from the new funds so created and obligations due to the funds under the separate orders should be paid to the combined funds under the merged order. To distribute such funds under one order to producers and handlers under that order would unduly burden the producers and handlers now regulated by the other order. To distribute the funds under both orders and again accumulate the necessary reserve would entail unnecessary administrative detail at considerable cost with no advantage to either handlers or producers. When the merger is effective, Order No. 135 should be revoked.

2. *Milk to be priced and pooled.* The sanitary requirements relative to the production, processing, and sale of fluid milk are substantially the same throughout the expanded marketing area. Fluid milk products sold under a Grade A label must be approved by health authorities who are governed by health ordinances and practices patterned after those prescribed by the U.S. Public Health Service Ordinance and Code.

The extensive overlapping of distribution routes of plants located in the two marketing areas demonstrates the comparability of sanitary standards in the two areas. In addition, milk produced primarily for one market may move directly from the farm to plants in the other market. Grade A milk processed under the supervision of health authorities in Kansas and Nebraska is also distributed in the marketing area.

In view of the obvious similarity of the health regulations and the free movement of milk, any dairy farmer whose milk is produced in compliance with the Grade A requirement of any duly constituted health authority should be eligible to share in the marketwide pool if his milk is received at a plant having sufficient association with the market to qualify as a pool plant.

The provision of the Colorado Springs-Pueblo order as it relates to the definition of a pool distributing plant should be continued in the merged order. It varies from the Eastern Colorado order in that it defines such a plant as one approved for "processing or packaging" fluid milk products. The Eastern Colorado order requires that both functions be performed. Witnesses raised the question as to whether the provisions of the Eastern Colorado order would regulate a plant, the sole distribution from which

was in cans or other bulk units to dining halls and similar outlets. Under the Colorado Springs-Pueblo order it is clear such a plant would fall within the definition of distributing plant and thus be subject to regulation.

The performance standards for a pool distributing plant, however, should be changed to provide that such a plant dispose of, as fluid milk products on routes in the marketing area, not less than 10 percent of its receipts of Grade A milk (except receipts from other pool distributing plants), or an average of 12,000 pounds per day, whichever amount is less. At the present time both orders require disposition within the marketing area of 20 percent of the plant's total Class I route disposition.

There is no new plant which would be brought under regulation immediately as a result of this change. There is, however, an unregulated plant located at Concordia, Kans., which has some distribution in the eastern part of the marketing area. The exact volume of milk handled by this plant is uncertain, but it is known to be relatively large and most of the milk handled, reportedly, is disposed of as Class I milk. The present 20-percent requirement would permit such a plant to acquire an unduly large volume of sales in the market without becoming subject to full regulation.

Any plant which disposes of 10 percent of its total receipts on routes in the marketing area has established an association with the market sufficient to warrant its being included in the marketwide pool under the order. Likewise, a plant which distributes an average of 12,000 pounds per day of fluid milk products in the marketing area is an important factor in the market and should be fully regulated regardless of the percentage represented by the 12,000 pounds. Since total Class I sales in the marketing area will approximate 40 million pounds per month, 12,000 pounds per day is equivalent to approximately one percent of the total Class I milk in the market.

The 12,000 pounds per day limitation provides assurance that a large volume distributing plant located outside of the marketing area will not disrupt the orderly marketing of milk in a portion of the marketing area. It further limits the degree to which such a plant can distribute fluid milk products in the marketing area before becoming regulated as a pool plant. Sales within the marketing area by presently partially regulated plants are not great enough, at the present time, to regulate any of these plants as pool plants. None meets either the 10 percent or the 12,000 pound volume requirement adopted herein.

The amended order should contain the provision of the Colorado Springs-Pueblo order which exempts, from all except the reporting provisions of the order, any plant disposing of an average of less than 300 pounds per day of fluid milk products on routes in the marketing area. Plants having sales of less than 300 pounds per day in the marketing area have not been found to be a disruptive force in the market. Such plants, however, should be required to file reports with the market administrator for the purpose of verifying their continued exempt status.

The provisions of the Eastern Colorado order defining a supply pool plant should be continued in the combined order. These provisions require a supply pool plant to move 50 percent or more of its dairy farm supply of Grade A milk to distributing pool plants and provide automatic pooling status during March through August for any plant which qualified as a pool supply plant in each of the preceding months of September through February. The order should also provide that a supply plant which was regulated as a pool supply plant under the existing order in each of the months of September 1964 through February 1965 should continue to be a pool plant under the amended orders through August 1965 if the amended order is made effective in the interim.

The proponent cooperative association proposed the elimination of the portion of the pool plant definition which permits the exclusion, under certain circumstances, of that part of a plant used for manufacturing. It was contended that the present provision, which excludes a portion of a plant which is physically separated from the remainder of the plant, is operated separately and does not have approval of health authorities, serves no purpose since there is now no plant to which it is applicable.

The evidence does not indicate that this provision would be inappropriate in the event a plant with separate manufacturing facilities were to become regulated. Hence, th• provision should be continued in the amended order.

The order should be amended to permit milk to be diverted from Eastern Colorado pool plants to plants fully regulated under other orders without losing its identity as producer milk in the Eastern Colorado market. There are many producers whose farms are located a considerable distance from any pool plant. When this milk is not required for Class I use, it now may be diverted to nonpool plants. Many of the Utah producers are located close to plants with manufacturing facilities which are pool plants under the Great Basin order. Under present order provisions their milk may not be diverted to these plants. As a consequence, in order to maintain producer milk status, it sometimes has been necessary to haul this milk to pool plants in Denver and its environs.

Manufacturing facilities in eastern Colorado are very limited. A condensery at Johnstown and a cheese plant in Denver are virtually the only outlets for reserve milk. Hence, it is often necessary after receiving the Utah milk in Denver, to haul it back to Utah to be manufactured in Great Basin pool plants. Handling milk in this manner is inefficient and costly. The order should be amended to permit such milk to be pooled in the Eastern Colorado market even though diverted directly from the farm to manufacturing facilities which are regulated under another order. Such movements, however, should be subject to the limitations described below.

The proposal as made would apply only to diversions to Great Basin plants. It is

in Utah that this situation has most frequently occurred. However, there are other distant producers located in or adjacent to other marketing areas where the same conditions could prevail. Accordingly, diversions should be permitted to a pool plant under any order which has a reciprocal provision whereby such milk is excluded from pooling in the market of actual receipt.

Also, the original proposals would have limited such diversion privilege to cooperative associations since at the present time all the Utah producers are members of cooperative associations. There are many nonmember producers on the market, however. At times it might be to the advantage of the market to permit proprietary handlers to divert the milk of nonmember producers to pool plants under an other order for manufacturing uses. Therefore, the provisions should permit such diversions by any handler on the market, proprietary or cooperative.

The order should also be amended to permit milk diverted by handlers under other orders to Eastern Colorado pool plants for manufacturing to be pooled under the originating order. At the present time Grade A milk received at a pool plant directly from the farm where produced is considered producer milk and pooled, even though it is the weekend surplus of another market. With the merger of the Colorado Springs-Pueblo order and the Eastern Colorado order, the need for this provision will not be great. Its adoption, however, will act as a safeguard to protect the market from the surplus of nearby markets which might be diverted to Eastern Colorado plants.

Since it is possible for the same farmer to be a producer under two orders during the month, provision should be made to preclude pooling the same milk under two orders. As a general rule, when order provisions permit, the milk should be priced and pooled in the market with which it is primarily assolcated. Therefore, if more of a producer's milk is delivered to Eastern Colorado pool plants than is delivered to plants regulated by another order during the month, the milk should be priced and pooled in the Eastern Colorado market. Contrariwise, if the greater volume is delivered to other order plants, the milk should be priced and pooled under the other order. This rule should not apply in the case of milk diverted for Class III use and so designated.

The allocation provisions of most orders provide that bulk milk received from an other order plant can be designated for use in the lowest class by both handlers, if so reported. Otherwise, such other source milk is allocated pro rata to the handler's use in the same manner as producer milk. This provision is applicable to the milk which is diverted between markets. If milk is diverted to other order plants for Class III use, it would be appropriate to retain such milk as producer milk in the Eastern Colorado market even though more of the producer's milk were delivered to the other order plant than to pool plants. As noted above a portion of the Eastern Colorado supply is located much closer to other order plants than to pool plants. In the period of greatest production it may be much more convenient to dispose of the greater percentage of such production to other order plants for manufacture into dairy products. Similarly, should milk of producers of another order which is surplus to its needs be diverted from an other order plant to an Eastern Colorado pool plant for manufacturing use, the milk should continue to be pooled in the market from which diverted even though, during the month, the majority of such producers' milk was received at the pool plant.

If the provisions of a neighboring order do not exclude from pooling milk which might be diverted from the Eastern Colorado market, then milk so diverted will be excluded from pooling in Eastern Colorado and will be pooled in the market where physically received. In order to avoid duplication of pooling it is provided that milk diverted to another order plant will lose its status as pool milk under the Eastern Colorado order immediately upon becoming subject to pooling under the order as producer milk defined therein.

The limitations on the amount of milk which may be diverted under the present Eastern Colorado and Colorado Springs-Pueblo orders are different. The Eastern Colorado order provides that milk of a producer must be received at pool plants for 3 days during the month. Diversions of producer milk may not exceed 30 percent of the total producer milk received at the plant during the months of March, April, May, June, July, and December and 20 percent in other months. The Colorado Springs-Pueblo order provides that milk of a producer must be received at pool plants for 5 days during the month. Diversions of producer milk may not exceed 50 percent of the total producer milk received at the plant in April, May, June, and July and 25 percent in other months. Under both orders the percentage limitations on diversions by cooperative associations apply to receipts of member milk at all pool plants. Also, the diversion provisions of the present Eastern Colorado order allow two or more cooperatives to have their diversions computed on the basis of their combined deliveries if such request is made to the market administrator.

Denver Milk Producers supported continuation of the diversion provisions of the present Eastern Colorado order as appropriate for the combined order. The only objection to such proposal was raised by the cooperative association supplying Colorado Springs-Pueblo handlers. It objected to allowing two or more cooperatives to have diversions computed on the basis of the combined deliveries of such cooperatives. Its objection to this provision was based on the fear that these provisions would permit more milk to become associated with this market. The percentage of milk which may be diverted under the Eastern Colorado order is much less than may be diverted under the Colorado Springs-Pueblo order; therefore, it does not increase the possibility of associating additional milk with the market. Rather, it could prove to be a deterrent. Neither does the fact that two cooperatives may have their deliveries combined in calculating the percentage of allowable diversions encourage additional milk to become associated with the market. It does provide, however, a means by which one cooperative may divert an amount of milk equal to the separate diversions allowable to two or more cooperatives. This will permit the milk of producer-members of the cooperative located nearest to manufacturing outlets to be diverted in preference to that of other producers who are members of another cooperative association but whose farms are located closer to the central market. This will permit more efficient disposal of the market's surplus by eliminating unnecessary handling. This provision has proved advantageous in the Eastern Colorado market and it should be continued in the expanded marketing area.

One witness suggested the need to clarify the diversion provisions as they apply to a cooperative association in its capacity as the operator of a pool distributing plant. He feared that such a cooperative might be in a position to divert member milk in excess of the percentages otherwise permitted. The order language is clear that a cooperative association diverting its member milk in its capacity as a cooperative association supplying milk to distributing plants may not divert milk of its members in its capacity as the operator of a pool distributing plant. Thus, no further amendment in this respect is necessary.

Presently, all producer milk disposed of both within the marketing area and outside such area is fully regulated and priced under the separate orders. It is necessary that this arrangement be continued under the expanded Eastern Colorado order. Otherwise, the effect of the order would be nullified and the orderly marketing process would be jeopardized.

If only his "in-area" sales were subject to classification, pricing, and pooling, a pool handler with Class I sales both inside and outside the marketing area could assign any value he chose to his outside sales. He thereby could reduce his average cost of all of his Class I milk below that of other pool handlers having all, or substantially all, of their Class I sales within the marketing area. In short, unless all milk of such a handler is fully regulated under the order, he in effect would not be subject to effective price regulation. The absence of effective classification, pricing and pooling of such milk would disrupt orderly marketing conditions within the regulated marketing area and could lead to a complete breakdown of the order. If a pool handler were free to value a portion of his milk at any price he chose, it would be impossible to enforce uniform prices to all fully regulated handlers or a uniform basis of payment to the producers who supply the market. It is essential, therefore, that the order price all the producer milk received at a pool plant regardless of the point of disposition.

Limited quantities (as provided) of Class I milk may be sold within the regulated marketing area from plants not under any Federal order. There is, of course, no way to treat such unregulated milk uniformly with regulated milk other than to regulate it fully. Nevertheless, it has been concluded that the application of "partial" regulation to plants having less association than required for market pooling would not jeopardize marketing conditions within the regulated marketing area. Official notice is taken of the June 19, 1964, decision (29 F.R. 9213) supporting amendments to several orders, including the Eastern Colorado and Colorado Springs-Pueblo orders.

The operator of the partially regulated plant is afforded the options of: (1) Paying an amount equal to the difference between the Class I price and the uniform price with respect to all Class I sales made in the marketing area; (2) Purchasing at the Class I price under any Federal order sufficient Class I milk to cover his limited disposition within the marketing area; or (3) Paying his dairy farmers an amount not less than the value of all their milk computed on the basis of the classification and pricing provisions of the order (the latter representing an amount equal to the order obligation for milk which is imposed on fully regulated handlers).

While all fluid milk sales of the partially regulated plant are not necessarily priced on the same basis as fully regulated milk, the provisions described are, however, adequate under most circumstances to prevent sales of milk not fully regulated (pooled) from adversely affecting operation of the order and the fully regulated milk.

3. *Classification and allocation.* A proposal to classify certain soft uncured cheeses as Class II products was abandoned by proponents at the hearing. In the absence of any testimony in support of reclassifying such cheeses, the Class III classification should be retained in the merged order.

The order should be amended to classify sour cream which is not disposed of under a Grade A label as Class II. Handlers originally proposed a Class III classification for such use. Most of those who testified, however, indicated they would not oppose a Class II classification. Many urged that all sour cream, regardless of its labeling, be classified as Class III or Class II.

Sour cream from both pool and nonpool plants is distributed in the marketing area. Some bears a Grade A label and some does not. Most health departments in the area require that sour cream be made from Grade A milk. Few, if any, require that the finished product be labeled Grade A. The proponents of reclassification claimed that sour cream sales were declining, particularly in the wholesale trade to bakeries and restaurants. Their principal competition comes from non-Grade A products. Since these outlets are not required to use Grade A sour cream, sour cream when disposed of to such outlets without a Grade A label should be classified as Class II.

Competition from non-Grade A products has not developed to any great extent at the retail level. Most sour cream disposed of at retail carries a Grade A label. Since the product is required to be produced from Grade A milk and merchandised to consumers on the basis of its Grade A quality, producers should be paid on the same basis as for other fluid milk products disposed of under a Grade A label.

The definition of other source milk should be amended to exclude Class II products received from other pool plants. Under present order provisions such a receipt would be allocated to Class III use in the transferee plant. Its disposition from the transferee plant, however, would be a Class II disposition. Thus the transferee handler would be assessed the difference between the Class II and Class III prices on milk which had already been classified and priced as Class II in the transferor plant. This situation will be avoided by excluding from the definition of other source milk, Class II products received from other pool plants.

Handlers should be permitted actual shrinkage up to 0.5 percent on milk diverted to a nonpool plant. The order recognizes that some loss occurs between the farm and the pool plant of receipt when milk is moved in bulk tanks. Shrinkage up to 0.5 percent is permitted to compensate for the difference between the weight of the milk in the tank at the farm and the weight of the milk when received at a pool plant. When the milk is moved directly from the farm to a nonpool plant, however, both orders now deny the diverting handler, proprietary or cooperative, credit for shrinkage on the loss incurred between farm and nonpool plant.

When milk moved from the farm to the plant in cans, it was weighed at the plant of receipt. The plant operator was obligated for the pounds of milk he received in his plant. Any loss between the farm and the plant scale was borne by the producer. The only shrinkage allowance was for loss incurred in the processing operation. When bulk tanks came into use and the milk was measured on the farm, it became apparent that some loss occurred between farm and plant. As a result the 2 percent shrinkage allowance generally permitted was divided between the receiving and processing operations. While no shrinkage is incurred in the processing operation by the handler who diverts milk to a manufacturing plant, the farm to plant shrinkage is the same as on movements to pool plants. Accordingly, the handler should be permitted a shrinkage allowance of up to 0.5 percent on milk diverted in bulk tanks.

Butterfat which is contained in fluid milk products, cottage cheese, and sour cream which are dumped should be classified as a Class III use. Presently only the skim milk in fluid milk products dumped receives a Class III utilization. However, handlers who dispose of these products as animal feed receive a Class III classification on both the butterfat and the skim milk contained therein. It is no more economically feasible to remove the butterfat from fluid milk products, such as homogenized milk, flavored milk and milk drinks, prior to dumping than it is prior to sales of such products as animal feed.

Both orders now require that the market administrator be notified in advance in order that verification of the dumping of skim milk may be made. It is concluded that the butterfat in dumped fluid milk products should be classified as Class III milk subject to the same prior notice and verification as is now required for skim milk.

Several handlers proposed that fluid milk products disposed of "in bulk form" to commercial food processing establishments for use in food products prepared for consumption off the premises should be redefined to mean fluid milk products in containers of 2 gallons or more. Presently, the market administrator's interpretation of "in bulk form" means containers of 10 gallons or more. The reason given for wanting the decrease in container size was because female employees of the food processing establishments were not able to lift or handle the 10-gallon containers.

One of the objections raised to decreasing the container size to 2 gallons or more is that dispenser units for both home and commercial use are normally two and one-half gallons or more in size. The order should specify that such deliveries be in containers of 2 gallons or more, other than home dispenser or commercial milk dispenser units used to serve milk for fluid consumption. It should also be specified that any delivery of a fluid milk product to an establishment which disposes of dairy products or any other type of food for consumption on the premises should be a Class I disposition regardless of the size of the container.

The inventory provisions should be changed to classify as Class III only that portion of the ending inventory which is in bulk storage in the plant. All fluid milk products on hand in packaged form in the plant should be classified as Class I.

Handlers have had difficulty in reconciling their accounting with that of the market administrator. The market administrator has classified as inventory (Class III) only those products which were on hand in the plant itself. Products on trucks on or off the premises and products in distribution outlets or in transit have been considered as disposed of and therefore have been classified as Class I. Most handlers consider products on loaded trucks as still in inventory. The treatment of products in distribution points or in transit appears to differ with the individual handlers.

The original proposal of handlers was to consider fluid milk products on trucks stored on or adjacent to the plant premises as being in inventory and classified as Class III. This proposal was modified to suggest that all inventory in packaged form be classified as Class I. This would result in all packaged fluid milk products on hand, either in the plant, on loaded trucks, or in distribution points, being classified uniformly as Class I regardless of whether they were considered as being

in inventory or as being already disposed of.

No one opposed the adoption of the modified proposal. In the long run it will affect neither handlers' costs nor producers' returns. In the first month in which it is effective it will increase handlers' cost by the difference between the Class I and Class III prices on the volume of packaged milk classified as inventory. This difference will be recovered in subsequent months since there will be no reclassification charge on inventories of packaged fluid milk products allocated to Class I in subsequent months.

To insure that all handlers pay the current month's Class I price for producer milk disposed of during the month, it is provided that if the Class I price increases, the handler will be charged the difference between the Class I price for the current month and the Class I price for the preceding month on the quantity of ending inventory assigned to Class I in the preceding month. Likewise, if the Class I price decreases, the handler will receive a corresponding credit.

To accommodate this change the allocation section should provide that inventory of packaged fluid milk products on hand at the beginning of the month be subtracted from Class I utilization before making the other assignments therein provided. Inventory of fluid milk products in bulk form would continue to be handled as under the present orders.

Some changes are necessary in the provisions relating to transfers between pool plants. At the present time if other source milk is received at a pool plant which transfers milk to another pool plant, the transfer is classified as though it had been a direct receipt of other source at the transferee plant. Application of this provision results in numerous reclassifications and minor audit adjustments between handlers. In most cases these adjustments in no way affect the total classification or value of the producer milk in the pool. Neither do they affect the classification of the other source milk.

The provision was intended to prevent a handler operating a pool plant with a low utilization from receiving a high Class I classification on receipts of other order milk or milk from unregulated supply plants, by having such milk received first at a high utilization plant and then transferred to the low utilization plant. In application, however, the provision has resulted in numerous adjustments which affect the pool not at all, but involve a great deal of bookkeeping and revision of records. In order to prevent meaningless adjustments, but effectuate the purpose for which the provision was designed, the order should provide that, if the transferor plant has received other source milk, the transferred milk shall be classified at both plants so as to assign the greatest possible Class I utilization to producer milk. The subsequent application of the allocation provisions will result in the same total classification of other source milk and producer milk as is provided by the present order.

The order should be amended also to provide that receipts from a cooperative association which is a handler be considered a receipt of producer milk for purposes of allocation. This would apply both to receipts from a supply plant operated by the cooperative and to milk which it causes to be delivered from producers' farms in bulk tanks in its capacity as the handler for such milk.

Under both orders at the present time, receipts from a cooperative's supply plant are classified by agreement just as are any other interplant transfers. In the absence of agreement such milk is classified as Class I. Receipts from the farms in bulk tanks may be classified by agreement, but, in the absence of such agreement, are classified pro rata.

Assigning different classifications to the two types of receipt from a cooperative association involves extra accounting procedures which affect neither the handler's total obligation or the ultimate classification of milk in the pool. It can cause additional inconvenience at times since the handler who purchases all or substantially all of his milk from a cooperative association may not know whether a particular load came directly from producers' farms or through a supply plant. If the handler fails to receive such information prior to the filing of his report, audit adjustments may be involved which affect the individual pool obligations of the handler and the cooperative association but have no effect on the classification or value of the pool. Allocating such milk over the handler's utilization as producer milk will eliminate these problems.

The order should also specify that handlers shall pay a cooperative association which is a handler at the uniform price for milk received from it regardless of whether the milk came directly from producers' farms or was first received at a supply plant operated by the cooperative association. Any audit adjustments arising in connection with such milk would be made through the handler rather than through the cooperative association. At the present time when an audit adjustment is made, the market administrator must bill the cooperative which, in turn, must bill the handler for the money due the producer-settlement fund. If a refund is due a handler, such refund must now be made to the cooperative association, which in turn, passes it on to the handler. This is a cumbersome procedure and, in case of default by a handler, it would be necessary to institute action against the cooperative association as well as the handler. Requiring payment at the uniform price instead of class prices will remove this difficulty.

The amended order should retain the provision, currently in both orders, whereby it is at the option of the cooperative association whether it becomes the handler for its member milk delivered from the farm in tank trucks owned and operated by the association.

4. *Class I price and location adjustments.* The Class I price should be maintained at its present level. Both orders currently provide a Class I differential of $2.10 over the basic formula which is the Minnesota-Wisconsin price series. This price is subject to adjustment as supply and demand vary from specified norms.

The Class I prices under both orders were reviewed and continued at their present levels as a result of hearings held in Denver on December 1, 1964, and in Colorado Springs on December 2, 1964. Although the notice of this hearing contained a proposal by certain handlers to reduce the Class I differential to $2.00, this proposal was abandoned and no testimony was presented in support of any change in the present level.

However, both of the major cooperative associations and most of the handlers in the combined marketing area supported a proposal that a limit be placed on the movement of the supply-demand adjustment. They recommended that its effect be limited to an adjustment of not more than 20 cents in either direction. Presently, neither of the separate orders has a limit on the amount of the increase or decrease in the Class I price which could result from the action of the supply-demand adjustor.

The cooperative associations and handlers stated that it was necessary to limit the supply-demand adjustor to preserve price alignment between this order and surrounding Federal order markets. One of the cooperative associations felt that a limit on the supply-demand adjustor would be an aid to handlers in preparing bids on long-term contracts.

A limit should be placed on the action of the supply-demand. It should be sufficiently wide, however, to permit the supply-demand adjustor to function up to a point where it will have sufficient effect to bring about a substantial response in the supply-demand relationship. This is particularly true in view of the gradual changes which can be expected from the present adjustor which is much less sensitive than those generally in use. A limit of 50 cents is appropriate in this market. Any persistent adjustment approaching this level would indicate a need for consideration of changing the Class I differential through the hearing process.

The pattern of location adjustments in the Eastern Colorado order should be maintained at both the handler and producer levels. Colorado Springs and Pueblo should be added as basing points from which location differentials are computed. This will maintain the present pricing patterns of the separate orders throughout the combined marketing areas.

Some handlers urged the elimination of location differentials within 180 miles of Denver or, in the alternative, at any point in the several counties adjacent to Interstate Highway 25. This highway runs from north to south through the entire market just east of the mountains. Denver, Colorado Springs, and Pueblo are all located on this highway. Their principal concern, however, is the elimination of the 10-cent location differential at Greeley, Colo., which is approximately 53 miles from Denver.

At Greeley there is a relatively large distributing plant. Milk from this plant is distributed over most of the marketing area either directly from Greeley or through distribution points at Colorado Springs and Pueblo. Throughout this area this plant competes with plants located in Denver and Colorado Springs.

The entire question of location differentials was reviewed at a hearing as recently as January 1964. A final decision on that hearing was issued in June of 1964.

The facts relating to the production and movement of milk are essentially the same today as they were at the time of the prior hearing. The primary purpose of the location adjustment is to encourage the movement of milk to the primary market—in this case—Denver and, to a lesser extent, Colorado Springs.

Approximately 40 percent of the producer milk for the enlarged marketing area is produced in Larimer and Weld Counties in the vicinity of Greeley and Fort Collins. Most of these producers are so located that the cost of hauling their milk to Denver is 10 cents more than the cost of hauling to Greeley in the case of daily deliveries, and 12 cents more in the case of every other day deliveries. Actual costs for farm to plant haul were not given for the Fort Collins area, but a witness estimated that it would cost producers in that vicinity 8 or 9 cents more to have their milk hauled to Denver.

If the location differentials were removed, producers would be unwilling to ship their milk to Denver since they would receive a net return at Denver plants approximately 10 cents less on the average than at plants in Greeley or Fort Collins. Denver handlers would undoubtedly be forced to pay a 10-cent premium to get the milk delivered to Denver. The rate of the location differential for the 50–75 mile zone is virtually identical to the extra cost incurred in moving milk to Denver from the Greeley-Fort Collins area. No showing was made that the present schedule is inappropriate at other points where milk is received from producers. Accordingly, the present schedule of location differentials should be retained.

The Colorado Springs-Pueblo order provides for a 10-cent location differential for milk received at a pool plant located in Otero County. The only pool plant in Otero County is located in Rocky Ford. Rocky Ford is 53 miles from Pueblo. Therefore, under the adopted rate of location differentials with Pueblo added as a basing point, the location differential at Rocky Ford under the amended order will be the same as it is now under the Colorado Springs-Pueblo order.

5. *Miscellaneous administrative and conforming changes.* The definition of "Department" should be identical with that contained in the Colorado Springs-Pueblo order. This definition of Department includes any other Federal agency which might be authorized to perform the price reporting functions specified in the order.

A handler proposed that milk be priced at the farm rather than at the plant of receipt. From his testimony it is evident that he sought to establish the point at which title to the milk passed from the producer to the handler rather than to effect any change in the present method of pricing. Milk may be picked up at the farm by the handler or may be hauled to the plant by the producer. It may also be transported by a public hauler under contract to either the handler or the producer. In the case of producers who are members of a cooperative association the milk in most instances is hauled in trucks owned by or under contract to the cooperative association. Under such diverse circumstances it would be difficult to define the point at which title passes to the handler.

Since the evidence does not establish a need for making such a determination the proposal is denied.

The "handler" definition of the Eastern Colorado order with slight modification is appropriate for the combined order. The provision "any person in his capacity as the operator of a pool plant" should be revised to read "any person in his capacity as the operator of one or more pool plants". This revision is a conforming change necessitated by changes made in the language of the allocation section.

The handler definition should be further revised to provide that bulk tank milk for which the cooperative is the handler shall be deemed to have been received by such cooperative association at the location of the pool plant to which such milk was delivered. Neither of the present orders specifies the point at which bulk tank milk for which the cooperative association is the handler, shall be considered to have been received by the cooperative association for pricing purposes. Both orders have been so interpreted. Since it is necessary to determine the point of receipt for applying location differentials (not for determining the point at which title passes) the amended order should state that the milk is to be priced at the location of the plant of physical receipt, regardless of whether the cooperative association or the plant operator is the handler for such milk.

A proposal to further amend the handler definition to mean "any person or business unit in his capacity as the operator of one or more pool or nonpool plants located in the marketing area" should not be adopted. The proponent of such proposal indicated that the intent of this proposal, and of one relative to reporting, was for the purpose of obtaining reports from nonpool plants which are affiliated with a pool plant. One of the primary concerns of the proponent was whether transfers between a pool plant and an affiliated nonpool plant could be properly classified in the absence of a complete report and audit of the affiliated nonpool plant.

The proposed modifications of the handler definition and of the reporting section are unnecessary. Any nonpool plant with route distribution in the marketing area at the present time must file reports with the market administrator and permit the market administrator to verify such reports. The operator of such plant is a handler operating a partially regulated distributing plant. There is no reason why reports should be required of a nonpool plant which does not process or package fluid milk products and has no route distribution within the marketing area since the operator of such a plant would not be obligated to make payments to the producer-settlement fund of this order. In addition, the order requires that all transfers to a nonpool plant which is neither an other order plant nor a producer-handler plant shall be Class I unless books and records of the nonpool plant are made available for purposes of verification. This provides assurance that if the transfers to nonpool plants are subsequently moved to another plant for fluid use they will receive a Class I classification.

A proposal to combine one or more distributing plants or supply plants for the purpose of filing a single report is denied. The primary objective in combining one or more pool plants appeared to be for the purpose of allocating milk receipts on the basis of the total receipts of the combined operation of such plants. The order herein set forth provides that pool plant operators shall submit a report for each of their pool plants in order that classification and shrinkage may be computed separately for each plant. Such procedure will insure that shrinkages occurring in one pool plant may not be offset by overages in another pool plant of the same handler.

The allocation provisions of the separate orders now provide for individual plant accounting. However, if one of the pool plants of a handler has received bulk fluid milk products from an unregulated supply plant or an other plant, which are to be assigned pro rata utilization, such assignment is based on the overall utilization of all the pool plants of the handler. This is accomplished by "borrowing" utilization from one plant for assignment in another.

This procedure is simplified in the amended order by providing that after computing the classification of milk at each of a handler's pool plants, the market administrator shall combine the totals before allocating other source milk, if any of the plants has received other source milk which is subject to a pro rata assignment.

The fluid milk product definition should be revised to exclude sterilized products in hermetically sealed containers. Both orders now exclude from the fluid milk product definition any milk product which is either sterilized or in hermetically sealed containers. Certain types of paper or plastic milk cartons might be considered hermetically sealed containers. Nonsterile fluid milk products contained in such a carton have been, and should continue to be, considered as fluid milk products. Thus, the fluid milk product definition should be clarified by limiting the exclusion to products (which otherwise would be fluid milk products) which are sterile and in hermetically sealed containers.

This will preclude handlers from attempting to gain a Class III utilization for fresh fluid milk products disposed of in cartons allegedly with a hermetic seal.

The report filed by the operator for each of his plants and by a cooperative association as a handler pursuant to § 1137.9(c) should include the quantities of skim and butterfat contained in milk of producers diverted pursuant to § 1137.10. Although the separate orders are not specific as to when a report on diversions is to be submitted, it certainly is implied that diversions must be reported at the time the handler submits his report of receipts and utilization. To facilitate efficient and orderly administration of the order provisions, it is concluded that a report of the diversions should be included in handler's reports due by the 7th day of the month. This report should also contain the names of the producers whose milk is diverted. This will permit a quick verification of whether milk moved to an other order plant retains its producer milk status or falls under the pooling provisions of the other order.

The interest charge on accounts overdue the producer-settlement fund of the combined order should not be changed from that provided in the Eastern Colorado order. A proponent asked that interest charges on such accounts begin on the 18th day of the month in which the payments were due in order to encourage prompt payment by handlers. Presently, the Eastern Colorado order provides that interest shall be charged on overdue accounts beginning on the 1st day of the following month. The Colorado Springs-Pueblo order does not assess interest charges. Since payments to the producer-settlement fund are due on the 14th day of the month in the merged order, a handler would have only 3 days grace in which to make payment without penalty if interest charges were to be made effective on the 18th day of the month. It is essential that payments to the producer-settlement fund be made promptly in order that the market administrator may make payments due handlers from such fund. However, no evidence was presented that handlers were habitually late in making payments to the producer-settlement fund. If late payments to the producer-settlement fund become a frequent occurrence, then it may become necessary to amend the order to provide for the application of interest earlier than the 1st day of the next month following the due date of payment.

Payments into the producer-settlement fund, the marketing service fund, and administrative expense fund should be made by the 14th day of the month. The Eastern Colorado order provides for payments into these funds by the 13th of the month. The Colorado Springs-Pueblo order provides for payment into the producer-settlement fund by the 14th day of the month and payments into the other two accounts by the 16th day of the month. One handler asked that payments into these funds not become due until the 15th of the month. Testimony was offered that some handlers do not receive their billing until the 13th day of the month which is the due date for mailing of payment for such obligation. Since the market administrator has until the 12th day of the month to publicly announce the uniform price, it is quite possible that handlers in some months would not receive their billing until the 13th or 14th of the month if the 12th were to fall on a holiday or on a weekend.

Making the 14th day of the month the due date for payment into all three funds of the merged order will permit handlers regulated by the present Eastern Colorado order an extra day in which to make such payments. A due date of the 14th for payments into the marketing service and administrative expense fund advances the date of these obligations for handlers previously regulated by the Colorado Springs-Pueblo order by 2 days. There was no evidence that these handlers would be unable to comply with the dates set forth in the amended order. Therefore, the 14th should be established as the due date for the producer-settlement fund, the marketing service, and administrative expense funds in order to provide a uniform date for the payment of all three funds and to provide as late a date as practicable for payment by handlers into the producer-settlement fund.

The maximum marketing service assessment in the merged order should be 6 cents per hundredweight on milk of producers who are not members of a qualified cooperative association. The Colorado Springs-Pueblo order presently provides for a 6-cent assessment while the Eastern Colorado order provides for a 5-cent assessment on such producer milk. The assessment charge specified in the order for marketing service provided by the market administrator is the maximum which may be charged. Within such limit the Secretary may determine the effective rate needed to defray the expense incurred in performing marketing services.

The number of producers in the combined marketing area who are not members of a cooperative association is decreasing. In addition, these same producers are widely dispersed throughout the combined marketing area. The small number receiving marketing services furnished by the market administrator and their wide dispersion throughout the marketing area has resulted in an increased cost per individual receiving marketing services. A deficit was incurred in the Colorado Springs-Pueblo marketing service fund for 1964, whereas a small balance remained in a like fund of the Eastern Colorado order during this same period. The combined expense of providing marketing services for the two orders during 1964 approximated the combined income provided by such funds. Thus, it is apparent that a 5-cent maximum rate for both orders might not be sufficient to finance the marketing service program. It is concluded that a maximum rate of 6 cents per hundredweight should be established in the merged order to provide sufficient funds to verify the weights and tests of milk for producers who are not members of a cooperative association and to furnish other marketing services for such producers. If this amount provides more than the amount necessary to pay for such services, it may be reduced at any time without amendment of the order.

The administrative expense assessment should be fixed at a maximum of 4 cents per hundredweight. This is the rate which is provided in the present Eastern Colorado order. The Colorado Springs-Pueblo order has a maximum assessment rate of 5 cents per hundredweight.

Two handlers supported a maximum assessment of 3 cents per hundredweight. They indicated a belief that a 3-cent rate would be sufficient, if the auditing procedures of the market administrator were less intensive. Other proponent handlers offered no testimony at the hearing to lower the assessment rate to 3 cents but supported such lower assessment in their brief. It is not practical to lower the quality of the auditing program merely to obtain a savings in administrative cost.

The administrative expense assessment rate, like the marketing service rate, is the maximum amount which may be charged. After a sufficient reserve is accumulated, a rate of assessment is established by the market administrator to meet the expense of administering the order. Handlers under the Colorado Springs-Pueblo order were assessed 3 cents per hundredweight during 1964 to pay expenses of administering the order even though the maximum rate is 5 cents. Handlers under the Eastern Colorado order (which has been in existence a lesser period of time) were assessed the maximum rate of 4 cents during the same period. The reason for a higher assessment rate during the first few years an order is in existence is that part of the assessment is used each month to increase a reserve capital fund for operational expenses. Once the necessary reserve has been established the assessment rate to handlers is held at whatever level is needed to meet operating expenses. Since the order provisions only establish a maximum which will be adjusted downward when conditions permit, it is concluded that a 4-cent per hundredweight maximum rate should be established in the merged order.

Proposals contained in the notice of hearing which have not been discussed heretofore and which would have provided for a "nonfluid milk product" definition and an increased assignment of Class III use to shrinkage of certain other source milk were not supported at the hearing. No further discussion of these proposals is warranted since no basis exists for making findings or conclusions on this record.

The order has been drafted to incorporate the conforming and clarifying changes necessary to effectuate the findings and the conclusions made herein. Except for those amendments specifically discussed above, these changes will not affect the scope of the order or its application to any handler subject thereto.

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 in-

consistent 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 determination 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;

(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;

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

(e) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, as his prorata share of such expense, 4 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to:

(1) Producer milk (including such handler's own production);

(2) Other source milk allocated to Class I pursuant to § 1137.46(a)(4) and (8) and the corresponding steps of § 1137.46(b); and

(3) Class I milk disposed of from a partially regulated distributing plant on routes in the marketing area that exceeds Class I milk received during the month at such plant from pool plants and other order plants.

Recommended marketing agreement and order amending the order. The following order amending and consolidating the orders as amended regulating the handling of milk in the Colorado Springs-Pueblo and Eastern Colorado marketing areas (redefined therein as the "Eastern Colorado marketing area") is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

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1137.90 Effective time.
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MISCELLANEOUS PROVISIONS

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DEFINITIONS

§ 1137.1 Act.

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

§ 1137.2 Department.

"Department" means the Department of Agriculture or such other Federal agency authorized to perform the price reporting functions specified in this part.

§ 1137.3 Secretary.

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

§ 1137.4 Person.

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

§ 1137.5 Cooperative association.

"Cooperative association" means any cooperative marketing association of producers which the Secretary determines:

(a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act";

(b) To have full authority in the sale of milk of its members; and

(c) To be engaged in making collective sales, or marketing milk or its products for its members.

§ 1137.6 Eastern Colorado marketing area.

"Eastern Colorado marketing area" hereinafter called the "marketing area" means all the territory within the perimetric boundaries of the counties listed below, including all territory (municipal, State, or Federal) installations, institutions and other establishments:

COLORADO COUNTIES

Adams.	Kit Carson.
Arapahoe.	Las Animas.
Boulder.	Larimer.
Cheyenne.	Lincoln.
Clear Creek.	Logan.
Crowley.	Morgan.
Custer.	Otero.
Denver.	Park.
Douglas.	Phillips.
Elbert.	Pueblo.
El Paso.	Sedgwick.
Gilpin.	Teller.
Huerfano.	Washington.
Jefferson.	Weld.
Kiowa.	Yuma.

KANSAS COUNTIES

Cheyenne.	Sherman.
Logan.	Wallace.

§ 1137.7 Pool plant.

"Pool plant" means any plant meeting the conditions of paragraph (a) or (b) of this section except the plant of a producer-handler or the plant of a handler exempt pursuant to § 1137.61. If a portion of a plant is physically separated from the Grade A portion of such plant, is operated separately and is not approved by any health authority for the receiving, processing or packaging of any fluid milk products for Grade A disposi-

tion, it shall not be considered as part of a pool plant pursuant to this section.

(a) Any plant, hereinafter referred to as a "distributing pool plant", in which during the month fluid milk products are processed or packaged and from which (1) an amount equal to 50 percent or more of the total receipts of Grade A milk (except receipts from distributing pool plants) is disposed of as fluid milk products on routes, and (2) 10 percent or more of such receipts, or 12,000 pounds per day, whichever is less, are disposed of on routes in the marketing area; and

(b) Any plant, hereinafter referred to as a "supply pool plant" from which 50 percent of its dairy farm supply of Grade A milk is moved to distributing pool plant(s). Any supply plant which has qualified as a pool plant in each of the months of September through February shall be a pool plant in each of the following months of March through August unless written request for nonpool status for any such month(s) is furnished in advance to the market administrator. A plant withdrawn from supply pool plant status may not be reinstated for any subsequent month of March through August unless it fulfills the shipping requirements of this paragraph for such month.

§ 1137.8 Nonpool plant.

"Nonpool plant" means any milk receiving, manufacturing or processing plant other than a pool plant. The following categories of nonpool plants are further defined as follows:

(a) "Other order plant" means a plant that is fully subject to the pricing and pooling provisions of another order issued pursuant to the Act.

(b) "Producer-handler plant" means a plant operated by a producer-handler as defined in any order (including this part) issued pursuant to the Act.

(c) "Partially regulated distributing plant" means a nonpool plant that is neither an other order plant nor a producer-handler plant, from which fluid milk products labeled Grade A in consumer-type packages or dispenser units are distributed on routes in the marketing area during the month.

(d) "Unregulated supply plant" means a nonpool plant which is neither an other order plant nor a producer-handler plant and from which Grade A fluid milk products are moved during the month to a pool plant qualified pursuant to § 1137.7.

§ 1137.9 Handler.

"Handler" means:

(a) Any person in his capacity as the operator of one or more pool plants;

(b) Any person who operates a partially regulated distributing plant;

(c) A cooperative association with respect to the milk of its member producers which is diverted from a pool plant to a nonpool plant for the account of such cooperative association;

(d) A cooperative association with respect to the milk of its member producers which is received from the farm for delivery to the pool plant of another handler in a tank truck owned and operated by or under contract to such cooperative association, if the cooperative association notifies the market administrator and the operator of the pool plant to whom the milk is delivered, in writing prior to the first day of the month in which the milk is delivered, that it elects to be the handler for all such milk. Such milk shall be deemed to have been received by such cooperative association at the location of the pool plant to which delivered; or

(e) A producer-handler, or any person who operates an other order plant described in § 1137.61.

§ 1137.10 Producer.

"Producer" means any person (other than a producer-handler as defined in any Federal order including this part) who produces milk eligible for distribution as Grade A milk in compliance with the fluid milk product requirements of a duly constituted health authority, whose milk is received at a pool plant or diverted to a nonpool plant within the limits set forth in paragraphs (a) and (b) of this section. The term shall include such person with respect to milk diverted to a pool plant from an other order plant (unless designated for Class III use) during any month in which the quantity diverted is greater than the quantity of milk physically received from such person at the plant from which diverted and such milk is exempt from the pooling provisions of the other order;

(a) A cooperative association may divert for its account the milk of any member-producer whose milk is received at a distributing pool plant for at least 3 days during the month, except that milk may not be diverted to a plant which is an other order plant for more days than it is physically received at pool plants, unless designated for Class III use. The total quantity of milk so diverted may not exceed 30 percent in the months of March, April, May, June, July, and December and 20 percent in other months of its member producer milk received at distirbuting pool plants during the month. Diversions in excess of such percentages shall not be considered producer milk, and the diverting cooperative shall specify the dairy farmers whose milk is ineligible as producer milk. Two or more cooperative associations may have their allowable diversions computed on the basis of the combined deliveries of milk by their member producers if each association has filed such a request in writing with the market administrator on or before the first day of the month the agreement is effective. This request shall specify the basis for assigning over-diverted milk to the producer members of each cooperative according to a method approved by the market administrator.

(b) A handler in his capacity as the operator of a distributing pool plant may divert for his account the milk of any producer, other than a member of a cooperative association which has diverted milk pursuant to paragraph (a) of this section, whose milk is received at his distributing pool plant for at least 3 days during the month, except that milk may not be diverted to a plant which is an other order plant for more days than it is physically received at pool plants, unless designated for Class III use. The total quantity of milk so diverted may not exceed 30 percent in the months of March, April, May, June, July, and December and 20 percent in other months of the milk received at such distributing pool plant during the month from producers who are not members of a cooperative association which has diverted milk pursuant to paragraph (a) of this section. Diversions in excess of such percentages shall not be considered producer milk, and the diverting handler shall specify the dairy farmers whose milk is ineligible as producer milk.

(c) For the purposes of the requirements of § 1137.7, milk diverted for the account of the operator of a distributing pool plant, except an operator which is also a cooperative association diverting milk in the same month pursuant to paragraph (a) of this section, shall be included in the receipts of the pool plant from which diverted.

(d) For purposes of location adjustments pursuant to §§ 1137.52 and 1137.81, milk diverted to a nonpool plant shall be considered to have been received at the location of the nonpool plant to which diverted.

§ 1137.11 Producer-handler.

"Producer-handler" means any person who operates a dairy farm and a milk processing plant which distributes fluid milk products on routes in the marketing area and who receives no fluid milk products during the month from dairy farmers or any other source except by transfer from a pool plant. Such person must provide proof satisfactory to the market administrator that the care and management of all the dairy animals and other resources necessary to produce the entire volume of fluid milk products (excluding transfers from pool plants) and the operation of the processing and distribution business is the personal enterprise of and at the personal risk of such person.

§ 1137.12 Producer milk.

"Producer milk" means all skim milk and butterfat in milk produced by a producer. This definition shall not include milk diverted to an other order plant if such milk is fully subject to the pricing and pooling provisions of the other order.

(a) With respect to receipts at a pool plant for which the handler operating such plant is to be responsible pursuant to § 1137.70:

(1) Received directly from such producer; and

(2) Diverted from such pool plant to a nonpool plant for the account of the operator of the pool plant, subject to the limitations and conditions provided in § 1137.10;

(b) With respect to the additional receipts of a cooperative association for which the cooperative association is the handler pursuant to § 1137.9(c), subject to the limitations and conditions provided in § 1137.10.

§ 1137.13 Other source milk.

"Other source milk" means all skim milk and butterfat contained in:

(a) Receipts during the month in the form of fluid milk products from any source except (1) producer milk; (2) fluid milk products received from other

pool plants; and (3) receipts from a cooperative association pursuant to § 1137.9(d); and

(b) Products (except Class II products, received from pool plants) other than fluid milk products, from any source (including those produced at the plant) which are reprocessed or converted to another product in the plant during the month, and any disappearance of products other than fluid milk products, which are in a form in which they may be converted into fluid milk products and which are not otherwise accounted for pursuant to § 1137.33.

§ 1137.14 Fluid milk product.

"Fluid milk product" means milk, skim milk, buttermilk, flavored milk, flavored milk drinks, concentrated milk, reconstituted milk or skim milk, fortified milk or skim milk (including "diet" foods), sweet cream, sour cream (except sour cream not disposed of under a Grade A label), half and half, or any mixture in fluid form of milk or skim milk and cream (except ice cream mix, frozen dessert mix, aerated cream, frozen cream, plastic cream, eggnog, sterilized products packaged in hermetically sealed containers, cultured sour mixtures to which cheese or any food substance other than a milk product has been added in an amount not less than three percent by weight of the finished product).

§ 1137.15 Route.

"Route" means any delivery to retail or wholesale outlets (including a delivery by a vendor or a sale from a plant or plant store) of any fluid milk product, other than a delivery to a pool plant or a nonpool plant.

Market Administrator

§ 1137.20 Designation.

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

§ 1137.21 Powers.

The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

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

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

(d) To recommend amendments to the Secretary.

§ 1137.22 Duties.

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

(a) Within 45 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon his duties; in an amount and with surety thereon satisfactory to the Secretary;

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

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

(d) Pay out of the funds received by § 1137.88, the cost of his bond and those of his employees, his own compensation, and all other expenses (except those incurred under § 1137.87) necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

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

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

(g) Verify all reports and payments of each handler, by audit of such handler's records and the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends; and by such other means as are necessary;

(h) Publicly announce, at his discretion, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, within 10 days after the date upon which he is required to perform such acts, has not made (1) reports pursuant to §§ 1137.30 and 1137.31; or (2) payments pursuant to §§ 1137.80 through 1137.88;

(i) Publicly announce by posting in a conspicuous place in his office and by such other means as he deems appropriate, and mail to each handler at his last known address, the prices determined for each month as follows:

(1) On or before the sixth day of each month, the Class I price and Class I butterfat differential for the month, computed pursuant to §§ 1137.51(a) and 1137.53(a), respectively;

(2) On or before the sixth day of each month, the Class II and Class III prices and the Class II and Class III butterfat differentials for the preceding month computed pursuant to §§ 1137.51 (b) and (c) and 1137.53 (b) and (c), respectively; and

(3) On or before the 12th day of each month, the uniform price for producer milk computed pursuant to § 1137.71, and the butterfat differential computed pursuant to § 1137.82, for the preceding month;

(j) On or before the 12th day after the end of each month, report to each cooperative association which so requests the amount and class utilization of producer milk delivered by members of such association to each handler receiving such milk. For the purpose of this report, the milk so received shall be prorated to each class in accordance with the total utilization of producer milk by such handler;

(k) Prepare and make available for the benefit of producers, consumers, and handlers, such general statistics and such information concerning the operations hereof as are appropriate to the purpose and functioning of this part and which do not reveal confidential information:

(l) Whenever required for purpose of allocating receipts from other order plants pursuant to § 1137.46(a)(9) and the corresponding step of § 1137.46(b), the market administrator shall estimate and publicly announce the utilization (to the nearest whole percentage) in each class during the month of skim milk and butterfat, respectively, in producer milk of all handlers. Such estimate shall be based upon the most current available data and shall be final for such purpose;

(m) Report to the market administrator of the other order, as soon as possible after the report of receipts and utilization for the month is received from a handler who has received fluid milk products from an other order plant, the classification to which such receipts are allocated pursuant to § 1137.46 pursuant to such report, and thereafter any change in such allocation required to correct errors disclosed in verification of such report; and

(n) Furnish to each handler operating a pool plant who has shipped fluid milk products to an other order plant, the classification to which the skim milk and butterfat in such fluid milk products were allocated by the market administrator of the other order on the basis of the report of the receiving handler; and, as necessary, any changes in such classification arising in the verification of such report.

Reports, Records and Facilities

§ 1137.30 Reports of receipts and utilization.

On or before the seventh day after the end of each month each cooperative association in its capacity as a handler pursuant to § 1137.9 (c) and (d) and each handler, except a producer-handler, with respect to each of his plants shall report to the market administrator in the detail and on forms prescribed by the market administrator as follows:

(a) The receipts of producer milk at each plant from each producer, the average butterfat test, and the pounds of butterfat contained therein and, in the case of a nonpool plant, the same information with respect to receipts of milk from approved dairy farmers;

(b) The quantities of skim milk and butterfat contained in producer milk diverted pursuant to § 1137.10, the names of the producers so diverted, and the plant to which diverted;

(c) The quantities of skim milk and butterfat contained in (or used in the production of) fluid milk products received from other pool plants and from a cooperative association in its capacity as a handler pursuant to § 1137.9(d);

(d) The quantities of skim milk and butterfat contained in receipts of other source milk;

(e) The pounds of skim milk and butterfat contained in all fluid milk prod-

ucts on hand both in bulk and in packages at the beginning and at the end of the month;

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

(g) Such other information with respect to receipts and utilization as the market administrator may prescribe; and

(h) For a handler operating a partially regulated distributing plant, a separate statement showing the respective amounts of skim milk and butterfat disposed of in the marketing area as Class I milk on routes.

§ 1137.31 Payroll reports.

On or before the 23d day of each month, each handler except a producer-handler or a handler making payments pursuant to § 1137.62(b), shall submit to the market administrator his payroll for receipts of milk at each of his pool plants during the preceding month which shall show:

(a) The total pounds of milk, the average butterfat test thereof, and the pounds of butterfat received from each producer and cooperative association;

(b) The amount of payment to each producer and cooperative association;

(c) The nature and amount of any deductions or charges involved in such payments; and

(d) Each handler who operates a partially regulated distributing plant and elects to make payments pursuant to § 1137.62(a) shall report as required in this section except that receipts of Grade A milk from dairy farmers shall be reported in lieu of receipts from producers.

§ 1137.32 Other reports.

Each producer-handler, each handler required to report pursuant to § 1137.61 and each handler making payments pursuant to § 1137.62(b) shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe.

§ 1137.33 Records and facilities.

Each handler shall maintain and make available to the market administrator during the usual hours of business such accounts and records of his operations and such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipts and utilization of all skim milk and butterfat handled in any form;

(b) The weights and tests for butterfat and other content of all products handled;

(c) The pounds of skim milk and butterfat contained in or represented by all items of products on hand at the beginning and end of each month; and

(d) Payments to producers, including any deductions, and the disbursement of money so deducted.

§ 1137.34 Retention of records.

All books and records required under this order to be made available to the market administrator shall be retained by the handler for a period of 3 years to begin at the end of the month to which such books and records pertain: *Provided*, That if within such 3-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c(15)(A) of the Act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case, the market administrator shall give further notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 1137.40 Skim milk and butterfat to be classified.

All skim milk and butterfat at each pool plant which is required to be reported pursuant to § 1137.30 shall be classified by the market administrator pursuant to the provisions of §§ 1137.41 through 1137.46. In any of the water contained in the milk from which a product is made is removed before the product is utilized or disposed of by a handler, the pounds of skim milk used or disposed of in such product shall be considered to be an amount equivalent to the nonfat milk solids contained in such product, plus all the water originally associated with such solids.

§ 1137.41 Classes of utilization.

Subject to the conditions set forth in §§ 1137.42 through 1137.46, the classes of utilization shall be as follows:

(a) *Class I milk*. Class I milk shall be all skim milk and butterfat.

(1) Disposed of in the form of a fluid milk product except:

(i) Any products fortified with added nonfat milk solids shall be Class I in an amount equal only to the weight of an equal volume of milk, skim milk, or cream of the same butterfat content; and

(ii) As classified pursuant to paragraph (c) (2), (3) and (5) of this section;

(2) In inventory of fluid milk products in packaged form on hand at the end of the month; or

(3) Not specifically accounted for as Class II or Class III.

(b) *Class II milk*. Class II milk shall be all skim milk and butterfat used to produce cottage cheese and sour cream not disposed of under a Grade A label, except as classified pursuant to paragraph (c) (2) and (3) of this section.

(c) *Class III milk*. Class III milk shall be all skim milk and butterfat:

(1) Used to produce any product other than a fluid milk product or a Class II product;

(2) In fluid milk products, cottage cheese, or sour cream disposed of in bulk form for livestock feed;

(3) In fluid milk products, cottage cheese, or sour cream which are dumped after prior notification to and opportunity for verification by the market administrator;

(4) Contained in any fortified fluid milk product in excess of the pounds of skim milk in such product classified as Class I milk pursuant to paragraph (a) (1) (i) of this section;

(5) Disposed of in fluid milk products in 2-gallon containers or larger (other than those designed for use in fluid milk dispensing machines) to any commercial food processing establishment, which does not dispose of fluid milk products for fluid consumption, for use in food products prepared for consumption off the premises;

(6) In inventory of bulk fluid milk products on hand at the end of the month;

(7) In shrinkage at each pool plant allocated pursuant to § 1137.42(b) (1), not to exceed the following:

(i) Two percent of receipts of producer milk described in § 1137.12(a); plus

(ii) 1.5 percent of receipts from a cooperative association in its capacity as a handler pursuant to § 1137.9(d), except that if the handler operating the pool plant files with the market administrator notice that he is purchasing such milk on the basis of farm weights determined by farm bulk tank calibrations and butterfat tests determined from farm bulk tank samples, the applicable percentage shall be two percent; plus

(iii) 1.5 percent of receipts in bulk tank lots from other pool plants; plus

(iv) 1.5 percent of receipts of fluid milk products in bulk tank lots from an other order plant, exclusive of the quantity for which Class III utilization was requested by the operator of such plant and the handler; plus

(v) 1.5 percent of receipts of fluid milk products in bulk tank lots from unregulated supply plants, exclusive of the quantity for which Class III utilization was requested by the handler; less

(vi) 1.5 percent of disposition in bulk tank lots to other milk plants either by transfers or diversions; plus

(vii) 0.5 percent of receipts of producer milk by a cooperative association which is the handler pursuant to § 1137.9 (c) or (d) unless the exception provided in subdivision (ii) of this subparagraph applies; and

(8) In shrinkage allocated pursuant to § 1137.42(b) (2).

§ 1136.42 Shrinkage.

The market administrator shall allocate shrinkage over a handler's receipts at each of his pool plants as follows:

(a) Compute the total shrinkage of skim milk and butterfat, respectively, for each handler at each plant; and

(b) If the pool plant has receipts of other source milk, shrinkage shall be prorated between:

(1) Skim milk and butterfat in amounts respectively equal to 50 times the maximum amount that may be computed pursuant to § 1137.41(c) (7); and

(2) Skim milk and butterfat in other source milk in the form of fluid milk products exclusive of that specified in § 1137.41(c) (7).

§ 1137.43 Responsibility of handlers and reclassification of milk.

(a) Except as provided in paragraph (b) of this section, all skim milk and butterfat shall be Class I milk unless the

handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified otherwise;

(b) For the purposes of §§ 1137.41 through 1137.46, 1137.50 through 1137.54, and 1137.70 through 1137.72, milk delivered by a cooperative association in its capacity as a handler pursuant to § 1137.9(d) and milk delivered to a pool plant from a supply pool plant operated by a cooperative association shall be classified and allocated as producer milk according to the use or disposition by the receiving handler and the value thereof at class prices shall be included in the receiving handler's net pool obligations pursuant to § 1137.70. For purposes of location adjustments pursuant to § 1137.52, such milk shall be treated as producer milk by the receiving handler; and

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

§ 1137.44 **Transfers.**

Skim milk and butterfat disposed of in the form of a fluid milk product (or a Class II product moved between pool plants) by a handler, including a handler pursuant to § 1137.9 (c) and (d), either by transfers or diversions, shall be classified as follows:

(a) At the utilization indicated by the operator of both plants, otherwise as Class I milk, if transferred or diverted from a pool plant to another pool plant except as provided in § 1137.43(b), subject in either event to the following conditions:

(1) The skim milk or butterfat so assigned to any class shall be limited to the amount thereof remaining in such class in the transferee plant after computations pursuant to § 1137.46(a)(9) and the corresponding step of § 1137.46(b);

(2) If the transferor plant received during the month other source milk to be allocated pursuant to § 1137.46(a)(4) and the corresponding step of § 1137.46(b), the skim milk and butterfat so transferred or diverted shall be classified so as to allocate the least possible Class I utilization to such other source milk; and

(3) If the transferor handler received during the month other source milk to be allocated pursuant to § 1137.46(a)(8) and (9) and the corresponding step of § 1137.46(b), the skim milk and butterfat so transferred or diverted shall be classified so as to assign to producer milk the greatest possible Class I utilization at both plants.

(b) As Class I milk, if transferred from a pool plant to a producer-handler;

(c) As Class I milk, if transferred or diverted in bulk to a nonpool plant that is neither an other order plant nor a producer-handler plant unless the requirements of subparagraphs (1) and (2) of this paragraph are met, in which case the skim milk and butterfat so transferred or diverted shall be classified in accordance with the assignment resulting from subparagraph (3) of this paragraph, except that cream so transferred may be classified as Class III if the handler claims classification of such cream in Class III in his report pursuant to § 1137.30, the handler tags the container of such cream as for manufacturing purposes, and the handler gives the market administrator sufficient notice to allow him to verify the shipment:

(1) The transferring or diverting handler claims classification pursuant to the assignment set forth in subparagraph (3) of this paragraph in his report submitted to the market administrator pursuant to § 1137.30 for the month within which such transaction occurred;

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

(3) The skim milk and butterfat so transferred or diverted shall be classified on the basis of the following assignment of utilization at such nonpool plant in excess of receipts of packaged fluid milk products from all pool plants and other order plants:

(i) Any Class I utilization disposed of on routes in the marketing area shall be first assigned to the skim milk and butterfat in the fluid milk products so transferred or diverted from pool plants, next pro rata to receipts from other order plants and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of Grade A milk for such nonpool plant;

(ii) Any Class I utilization disposed of on routes in the marketing area of another order issued pursuant to the Act shall be first assigned to receipts from plants fully regulated by such order, next pro rata to receipts from pool plants and other order plants not regulated by such order, and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of supply for such nonpool plant;

(iii) Class I utilization in excess of that assigned pursuant to subdivisions (i) and (ii) of this subparagraph shall be assigned first to remaining receipts from dairy farmers who the market administrator determines constitute the regular source of supply for such nonpool plant and Class I utilization in excess of such receipts shall be assigned pro rata to unassigned receipts at such nonpool plant from all pool and other order plants;

(iv) To the extent that Class I utilization is not so assigned to it, the skim milk and butterfat so transferred or diverted shall be classified as Class II milk to the extent of such uses at the plant and then as Class III milk; and

(v) If any skim milk or butterfat is transferred to a second plant under this paragraph, the same conditions of audit, classification and allocation shall apply;

(d) If transferred or diverted to an other order plant in excess of receipts from such plant in the same category as described in subparagraph (1), (2), or (3) of this paragraph:

(1) If transferred in packaged form, classification shall be in the classes to which allocated as a fluid milk product under the other order;

(2) If transferred or diverted in bulk form, classification shall be in Class I if allocated as a fluid milk product under the other order to Class I, in Class II if allocated to Class II under an order which provides three classes and in Class III if allocated to Class III under the other order or if allocated to Class II under an order which provides only two classes (including allocation under the conditions set forth in subparagraph (3) of this paragraph);

(3) If the operators of both the transferor and transferee plants so request in the reports of receipts and utilization filed with their respective market administrators, transfers or diversions in bulk form shall be classified as Class III to the extent of the Class III utilization (or comparable utilization under such other order) available for such assignment pursuant to the allocation provisions of the transferee order;

(4) If information concerning the classification to which allocated under the other order is not available to the market administrator for purposes of establishing classification pursuant to this paragraph, classification shall be as Class I, subject to adjustment when such information is available;

(5) For purposes of this paragraph, if the transferee order provides for only two classes of utilization, milk allocated to a class consisting primarily of fluid milk products shall be classified as Class I, and milk allocated to another class shall be classified as Class III; and

(6) If the form in which any fluid milk product is transferred to an other order plant is not defined as a fluid milk product under such other order, classification shall be in accordance with the provisions of § 1137.41.

§ 1137.45 **Computation of skim milk and butterfat in each class.**

For each month the market administrator shall correct for mathematical and other obvious errors, the reports of receipts and utilization submitted pursuant to § 1137.30 and shall compute the skim milk and butterfat in each class as follows:

(a) If no fluid milk products to be assigned pursuant to § 1137.46(a) (8) or (9) were received at any pool plant of the handler, allocation pursuant to § 1137.46 and computation of obligation pursuant to § 1137.70 shall be made separately for each pool plant of a handler operating two or more pool plants;

(b) Unless the conditions specified in paragraph (a) of this section apply, the market administrator will compute the pounds of skim milk and butterfat in each class at all pool plants of such handler, exclusive of any classification based upon movements between such plants, and allocation pursuant to § 1137.46 and computation of obligation pursuant to § 1137.70 shall be based upon the combined utilization so computed; and

(c) Producer milk for which a cooperative association is the responsible handler pursuant to § 1137.9 (c) or (d) shall be treated separately from the operations of any pool distributing plant(s) operated by such cooperative association for the purpose of allocation

pursuant to § 1137.46 and computation of obligation pursuant to § 1137.70.

§ 1137.46 Allocation of skim milk and butterfat classified.

After making the computations pursuant to § 1137.45, the market administrator shall determine the classification of producer milk for each handler (or pool plant, if applicable) as follows:

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

(1) Subtract from the total pounds of skim milk in Class III the pounds of skim milk classified as Class III pursuant to § 1137.41(c)(7);

(2) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk in fluid milk products received in packaged form from other order plants as follows:

(i) From Class III milk, the lesser of the pounds remaining or 2 percent of such receipts; and

(ii) From Class I milk, the remainder of such receipts;

(3) Except for the first month this order is effective, subtract from the remaining pounds of skim milk in Class I, the pounds of skim milk in inventory of fluid milk products in packaged form on hand at the beginning of the month;

(4) Subtract in the order specified below from the pounds of skim milk remaining in each class, in series beginning with Class III, the pounds of skim milk in each of the following:

(i) Other source milk in a form other than that of a fluid milk product;

(ii) Receipts of fluid milk products for which Grade A certification is not established, or which are from unidentified sources; and

(iii) Receipts of fluid milk products from a producer-handler, as defined under this or any other Federal order;

(5) Subtract, in sequence beginning with Class III in the order specified below, from the pounds of skim milk remaining in Class III and Class II:

(i) The pounds of skim milk in receipts of fluid milk products from unregulated supply plants for which the handler requests Class III utilization, but not in excess of the pounds of skim milk remaining in Class III and Class II;

(ii) The pounds of skim milk remaining in receipts of fluid milk products from unregulated supply plants which are in excess of the pounds of skim milk determined as follows:

(*a*) Multiply the pounds of skim milk remaining in Class I by 1.25; and

(*b*) Subtract from the result the sum of the pounds of skim milk at all such plants in producer milk, in receipts from pool plants of other handlers (or other pool plants, if applicable) and in receipts in bulk from other order plants;

(iii) The pounds of skim milk in receipts of fluid milk products in bulk from an other order plant in excess of similar transfers to such plant, but not in excess of the pounds of skim milk remaining in Class III (and Class II), if Class III utilization was requested by the transferee handler and the operator of the transferor plant requests the lowest class utilization under the other order;

(6) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class III, the pounds of skim milk in inventory of bulk fluid milk products (and, for the first month the order is effective the pounds of fluid milk products in packaged form) on hand at the beginning of the month;

(7) Add to the remaining pounds of skim milk in Class III milk the pounds subtracted pursuant to subparagraph (1) of this paragraph;

(8) Subtract from the pounds of skim milk remaining in each class, pro rata to the total pounds of skim milk remaining in each class the pounds of skim milk in receipts of fluid milk products from unregulated supply plants that were not subtracted pursuant to subparagraph (5) (i) or (ii) of this paragraph;

(9) Subtract, beginning with Class III, from the pounds of skim milk remaining in each class the pounds of skim milk in receipts of fluid milk products in bulk from an other order plant, in excess in each case of similar transfers to the same plant, that were not subtracted pursuant to subparagraph (5)(iii) of this paragraph pursuant to the following procedure:

(i) Such subtraction shall be pro rata to whichever of the following represents the higher proportion of Class III and Class II milk combined;

(*a*) The estimated utilization of skim milk in each class, by all handlers, as announced for the month pursuant to § 1137.22(1); or

(*b*) The pounds of skim milk remaining in each class at the pool plant (or pool plants, if applicable) of the handler;

(10) Subtract from the pounds of skim milk remaining in each class the pounds of skim milk received from pool plants of other handlers (or other pool plants, if applicable) according to the classification assigned pursuant to § 1137.44(a); and

(11) If the remaining pounds of skim milk in all classes exceed the pounds of skim milk contained in milk received from producers, subtract such excess from the remaining pounds of skim milk in series beginning with Class III. Any amount so subtracted shall be known as "overage".

(b) Butterfat shall be allocated in accordance with the procedure outlined for skim milk in paragraph (a) of this section; and

(c) Combine the amounts of skim milk and butterfat determined pursuant to paragraphs (a) and (b) of this section into one total for each class and determine the weighted average butterfat content of producer milk in each class.

MINIMUM PRICES

§ 1137.50 Basic formula price.

The basic formula price shall be the average price per hundredweight for manufacturing grade milk, f.o.b. plants in Wisconsin and Minnesota, as reported by the Department for the month, adjusted to a 3.5 percent basis by a butterfat differential rounded to the nearest one-tenth cent computed at 0.12 times the simple average of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter per pound at Chicago, as reported by the Department for the month. The basic formula price shall be rounded to the nearest full cent.

§ 1137.51 Class prices.

Subject to the provisions of §§ 1137.52 and 1137.53, the class prices per hundredweight for the month shall be as follows:

(a) *Class I milk.* The Class I price shall be the basic formula for the preceding month plus $2.10, plus or minus a supply-demand adjustment calculated for each month as follows:

(1) For each month calculate a utilization ratio as follows:

(i) Calculate a utilization ratio for the 12-month period ending with the second preceding month by dividing the total receipts of producer milk by the total gross volume of Class I milk (excluding interhandler transfers and any intermarket transfers that would result in the same milk being accounted for the second time as Class I milk) under this part and under Part 1134 of this chapter regulating the handling of milk in the Western Colorado marketing area, and multiply by 100;

(ii) Add or subtract, respectively, any amount by which the percentage computed pursuant to subdivision (i) of this subparagraph is greater or less than a comparable utilization percentage calculated using the 12-month period ending with the fourth preceding month; and

(iii) The resultant figure rounded to the nearest whole percentage shall be known as the utilization ratio.

(2) For each percentage by which the utilization ratio calculated for the month pursuant to subparagraph (1) of this paragraph exceeds 136, subtract from, or for each percentage by which it is less than 130, add to, the Class I price, 2 cents: *Provided*, That any additions or subtractions shall be limited to 50 cents per hundredweight.

(b) *Class II milk.* The Class II price shall be the basic formula price for the month plus 15 cents; and

(c) *Class III milk.* The Class III price shall be the basic formula price for the month.

§ 1137.52 Location adjustment to handlers.

(a) For milk received from producers at a pool plant, or diverted to a nonpool plant, located more than 50 miles by shortest highway distance as measured by the market administrator, from the plant to the nearest County Courthouse located in Denver, Colo.; Pueblo, Colo.; or Colorado Springs, Colo., and classified as Class I milk or assigned Class I location adjustment credit pursuant to paragraph (b) of this section, and for other source milk for which a location adjustment is applicable, the price computed pursuant to § 1137.51(a) shall be reduced by 10 cents if such plant is located more than 50 miles but not more than 75 miles from such courthouse, and by an additional 1.5 cents for each 10 miles or frac-

tion thereof that such distance exceeds 75 miles; and

(b) For purposes of calculating such adjustment, transfers between pool plants shall be assigned to Class I disposition at the transferee plant, in excess of the sum of receipts at such plant from producers and cooperative associations pursuant to § 1137.9(d), and the pounds assigned as Class I to receipts from other order plants and unregulated supply plants. Such assignment is to be made first to transferor plants at which no location adjustment credit is applicable and then in sequence beginning with the plant at which the least location adjustment would apply.

§ 1137.53 Butterfat differentials to handlers.

For milk containing more or less than 3.5 percent butterfat, the class prices pursuant to § 1137.51 shall be increased or decreased, respectively, for each one-tenth of 1 percent of butterfat by the appropriate rate, rounded in each case to the nearest one-tenth cent, determined as follows:

(a) *Class I milk.* Multiply the butter price specified in § 1137.50 for the preceding month by 1.30 and divide the result by 10;

(b) *Class II milk.* Multiply the butter price specified in § 1137.50 by 1.20 and divide the result by 10; and

(c) *Class III milk.* Multiply the butter price specified in § 1137.50 by 1.20 and divide the result by 10.

§ 1137.54 Use of equivalent prices.

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

APPLICATION OF PROVISIONS

§ 1137.60 Producer-handler.

Sections 1137.40 through 1137.46, 1137.50 through 1137.54, 1137.70 through 1137.72, and 1137.80 through 1137.88, shall not apply to a producer-handler.

§ 1137.61 Exempt plants.

The provisions of this part shall not apply with respect to the operation of any plant specified in paragraph (a), (b), or (c) of this section except that the operator shall, with respect to total receipts of skim milk and butterfat at such plant, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

(a) A plant meeting the requirements of § 1137.7(a) which also meets the pooling requirements of another Federal order and from which, the Secretary determines, a greater quantity of Class I milk was disposed of during the month on routes in such other Federal order marketing area than was disposed of on routes in this marketing area, except that if such plant was subject to all the provisions of this part in the immediately preceding month, it shall continue to be subject to all the provisions of this part until the third consecutive month in which a greater proportion of its Class I disposition is made in such other marketing area unless, notwithstanding the provisions of this paragraph, it is regulated under such other order;

(b) A plant meeting the requirements of § 1137.7(a) which also meets the pooling requirements of another Federal order on the basis of distribution in such other marketing area and from which, the Secretary determines, a greater quantity of Class I milk is disposed of during the month on routes in this marketing area than is so disposed of in such other marketing area but which plant is, nevertheless, fully regulated under such other Federal order; and

(c) Any distributing plant from which less than an average of 300 pounds of Class I milk per day is disposed of on routes in the marketing area during the month.

§ 1137.62 Obligations of handler operating a partially regulated distributing plant.

Each handler who operates a partially regulated distributing plant shall pay to the market administrator for the producer-settlement fund on or before the 25th day after the end of the month either of the amounts (at the handler's election) calculated pursuant to paragraph (a) or (b) of this section. If the handler fails to report pursuant to §§ 1137.30 and 1137.31(d) the information necessary to compute the amount specified in paragraph (a) of this section, he shall pay the amount computed pursuant to paragraph (b) of this section:

(a) An amount computed as follows:

(1) (i) The obligation that would have been computed pursuant to §1137.70 at such plant shall be determined as though such plant were a pool plant. For purposes of such computation, receipts at such nonpool plant from a pool plant or an other order plant shall be assigned to the utilization at which classified at the pool plant or other order plant and transfers from such nonpool plant to a pool plant or an other order plant shall be classified as Class III (or Class II) milk if allocated to such class at the pool plant or other order plant and be valued at the uniform price of the respective order if so allocated to Class I milk. There shall be included in the obligation so computed a charge in the amount specified in § 1137.70(e) and a credit in the amount specified in § 1137.84(b)(2) with respect to receipts from an unregulated supply plant, unless an obligation with respect to such plant is computed as specified in subdivision (ii) of this subparagraph;

(ii) If the operator of the partially regulated distributing plant so requests, and provides with his reports pursuant to §§ 1137.30 and 1137.31(d) similar reports with respect to the operations of any other nonpool plant which serves as a supply plant for such partially regulated distributing plant by shipments to such plant during the month equivalent to the requirements of § 1137.7(b), with agreement of the operator of such plant that the market administrator may examine the books and records of such plant for purposes of verification of such reports, there will be added the amount of the obligation computed at such nonpool supply plant in the same manner and subject to the same conditions as for the partially regulated distributing plant;

(2) From this obligation there will be deducted the sum of:

(i) The gross payments made by such handler for Grade A milk received during the month from dairy farmers at such plant and like payments made by the operator of a supply plant(s) included in the computations pursuant to subparagraph (1) of this paragraph; and

(ii) Any payments to the producer-settlement fund of another order under which such plant is also a partially regulated distributing plant.

(b) An amount computed as follows:

(1) Determine the respective amounts of skim milk and butterfat disposed of as Class I milk on routes in the marketing area;

(2) Deduct the respective amounts of skim milk and butterfat received as Class I milk at the partially regulated distributing plant from pool plants and other order plants except that deducted under a similar provision of another order issued pursuant to the Act;

(3) Combine the amounts of skim milk and butterfat remaining into one total and determine the weighted average butterfat content; and

(4) From the value of such milk at the Class I price applicable at the location of the nonpool plant, subtract its value at the uniform price applicable at such location (not to be less than the Class III price).

DETERMINATION OF UNIFORM PRICE

§ 1137.70 Computation of the net pool obligation of each pool handler.

The net pool obligation of each pool handler (at each pool plant, if applicable) during each month shall be a sum of money computed by the market administrator as follows:

(a) Multiply the quantity of producer milk in each class, as computed pursuant to § 1137.46(c), by the applicable class prices (adjusted pursuant to §§ 1137.52 and 1137.53);

(b) Add the amount obtained from multiplying the pounds of overage deducted from each class pursuant to § 1137.46(a)(11) and the corresponding step of § 1137.46(b), by the applicable class prices;

(c) Add the amounts computed under subparagraphs (1) and (2) of this paragraph:

(1) Multiply the difference between the appropriate Class III price for the preceding month and the appropriate Class I price for the current month by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 1137.46(a)(6) and the corresponding step of § 1137.46(b), for the current month;

(2) Multiply the difference between the appropriate Class III price for the preceding month and the appropriate Class II price for the current month by the hundredweight of skim milk and butterfat subtracted from Class II milk

pursuant to § 1137.46(a)(6) and the corresponding step of § 1137.46(b), for the current month, or the hundredweight of skim milk remaining in Class III milk after the calculation pursuant to § 1137.46(a)(9) and the corresponding step of § 1137.46(b), for the preceding month, less the hundredweight used in the computation pursuant to subparagraph (1) of this paragraph, whichever is less; and

(3) Multiply the difference between the appropriate Class I price for the preceding month and the appropriate Class I price for the current month by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 1137.46(a)(3) and the corresponding step of § 1137.46(b). If the Class I price for the current month is less than the Class I price for the preceding month the result shall be a minus amount.

(d) Add an amount equal to the difference between the value at the Class I price applicable to the pool plant and the value at the Class III price, with respect to skim milk and butterfat in other source milk subtracted from Class I pursuant to § 1137.46(a)(4) and the corresponding step of § 1137.46(b); and

(e) Add an amount equal to the value at the Class I price, adjusted for location of the nearest nonpool plant(s) from which an equivalent weight was received, with respect to skim milk and butterfat subtracted from Class I pursuant to § 1137.46(a)(8) and the corresponding step of § 1137.46(b).

§ 1137.71 Computation of uniform price.

For each month the market administrator shall compute the uniform price per hundredweight of milk received from producers as follows:

(a) Combine into one total the values computed pursuant to § 1137.70 for all handlers who filed the reports prescribed by § 1137.30 for the month and who made the payments pursuant to §§ 1137.80 and 1137.84 for the preceding month;

(b) Add an amount equal to the total value of the location differentials computed pursuant to § 1137.81;

(c) Subtract, if the average butterfat content of the milk specified in paragraph (e) of this section is more than 3.5 percent, or add, if such butterfat content is less than 3.5 percent, an amount computed by multiplying the amount by which the average butterfat content of such milk varies from 3.5 percent by the butterfat differential computed pursuant to § 1137.82 and multiplying the result by the total hundredweight of such milk;

(d) Add an amount equal to not less than one-half of the unobligated balance in the producer-settlement fund;

(e) Divide the resulting amount by the sum of the following for all handlers included in these computations:

(1) The total hundredweight of producer milk; and

(2) The total hundredweight for which a value is computed pursuant to § 1137.70(e); and

(f) Subtract not less than 4 cents nor more than 5 cents per hundredweight. The result shall be the "uniform price" per hundredweight of producer milk of 3.5 percent butterfat content delivered to plants at which no location adjustment is applicable.

§ 1137.72 Notification of handlers.

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

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

(b) The uniform price computed pursuant to § 1137.71 and the producer location and butterfat differentials computed pursuant to §§ 1137.81 and 1137.82; and

(c) The amount to be paid by such handler pursuant to §§ 1137.84, 1137.86, 1137.87, and 1137.88 and the amount due such handler pursuant to § 1137.85.

Payments

§ 1137.80 Payment to producers.

Each handler (except a cooperative association) shall make payment as follows:

(a)(1) Except as provided in paragraphs (b) and (c) of this section on or before the last day of the month, to each producer who had not discontinued shipping milk to such handler before the 18th day of the month, an advance payment with respect to milk received during the first 15 days of the month at the Class III price for the preceding month;

(2) On or before the 16th day after the end of each month, for milk received during such month, an amount computed at not less than the uniform price per hundredweight pursuant to § 1137.71, subject to the butterfat differential computed pursuant to § 1137.82 and location adjustment computed pursuant to § 1137.81, plus or minus adjustments for errors made in previous payments to such producers and less:

(*a*) Payments made pursuant to subparagraph (1) of this paragraph;

(*b*) Marketing service deductions pursuant to § 1137.87; and

(*c*) Proper deductions authorized in writing by such producer: *Provided*, That if by such date such handler has not received full payment for such delivery period pursuant to § 1137.85 he may reduce his total payment to all producers uniformly by not more than the amount of reduction in payment from the market administrator; the handler shall, however, complete such payments not later than the date for making such payments pursuant to this paragraph next following receipt of the balance from the market administrator;

(b)(1) Upon receipt of a written request from a cooperative association which the market administrator determines is authorized by its members to collect payment for their milk and receipt of a written promise to reimburse the handler the amount of any actual loss incurred by him because of any improper claim on the part of the cooperative association each handler shall pay to the cooperative association on or before the second day prior to the date of payment to producers in lieu of payments pursuant to paragraph (a) of this section an amount equal to the sum of the individual payments otherwise payable to such producers. The foregoing payment shall be made with respect to milk of each producer whom the cooperative association certifies is a member effective on and after the first day of the calendar month next following receipt of such certification through the last day of the month next preceding receipt of notice from the cooperative association of a termination of membership or until the original request is rescinded in writing by the cooperative association; and

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

(c) For milk received from a supply pool plant operated by a cooperative association or by bulk tank delivery pursuant to § 1137.9(d), each handler shall on or before the second day prior to the date payments are due individual producers, pay such cooperative association for such milk as follows:

(1) An advance payment for milk received during the first 15 days of the month at not less than the Class III price for the preceding month; and

(2) In final settlement, the value of such milk at the applicable uniform price, less payment made pursuant to subparagraph (1) of this paragraph.

(d) In making the payments to producers pursuant to paragraphs (a)(2) and (b) of this section, each handler shall furnish each producer or cooperative association from whom he has received milk with a supporting statement which shall show for each month:

(1) The month and the identity of the handler and of the producer;

(2) The total pounds and the average butterfat content of milk received from such producer;

(3) The minimum rate or rates at which payment to such producer is required pursuant to this part;

(4) The rate which is used in making the payment if such rate is other than the applicable minimum rate;

(5) The amount or the rate per hundredweight and nature of each deduction claimed by the handler; and

(6) The net amount of payment to such producer.

§ 1137.81 Location differentials to producers and on nonpool milk.

(a) The uniform price for producer milk received at a pool plant shall be reduced according to the location of the pool plant, and the uniform price for producer milk diverted to a nonpool plant shall be reduced according to the location of such nonpool plant, each at the rates set forth in § 1137.52; and

(b) For purposes of computations pursuant to §§ 1137.84 and 1137.85 the uniform price shall be adjusted at the rates set forth in § 1137.52 applicable at the location of the nonpool plant from which the milk was received.

§ 1137.82 Butterfat differential to producers.

The applicable uniform price to be paid producers pursuant to § 1137.80 shall be increased or decreased for each one-tenth of 1 percent which the butterfat content of milk is above or below 3.5 percent, respectively, by a butterfat differential equal to the average of the butterfat differentials determined pursuant to paragraphs (a), (b), and (c) of § 1137.53, weighted by the pounds of butterfat in producer milk in each class and the result rounded to the nearest tenth of a cent.

§ 1137.83 Producer-settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to §§ 1137.62, 1137.84, and 1137.86 and out of which he shall make all payments pursuant to §§ 1137.85 and 1137.86: *Provided*, That any payments due to any handler shall be offset by any payments due from such handler.

§ 1137.84 Payments to the producer-settlement fund.

On or before the 14th day after the end of the month each handler shall pay to the market administrator the amount, if any, by which the total amount (for each pool plant, if applicable) specified in paragraph (a) of this section exceed the amounts specified in paragraph (b) of this section:

(a) The sum of:

(1) The total of the net pool obligation computed pursuant to § 1137.70 for such handler; and

(2) In the case of a cooperative association which is a handler the minimum amounts due from other handlers pursuant to § 1137.80(c).

(b) The sum of:

(1) The value of such handler's producer milk at the applicable uniform prices specified in § 1137.80; and

(2) The value at the uniform price(s) applicable at the location of the plant(s) from which received (not to be less than the value at the Class III price) with respect to other source milk for which a value is computed pursuant to § 1137.70(e).

§ 1137.85 Payments out of the producer-settlement fund.

On or before the 15th day after the end of each month the market administrator shall pay to each handler the amount (for each pool plant, if applicable), if any, by which the amount computed pursuant to § 1137.84(b) exceeds the amount computed pursuant to § 1137.84(a). If at such time the balance in the producer-settlement fund is insufficient to make all payments pursuant to this section, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the funds are available.

§ 1137.86 Adjustment of accounts.

(a) Whenever audit by the market administrator of any handler's reports, books, records, or accounts or other verification discloses errors resulting in moneys due a producer or the market administrator from such handler or due such handler from the market administrator, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made on or before the next date for making payments as set forth in the provisions under which such error occurred.

(b) Any unpaid obligation of a handler pursuant to § 1137.84 or paragraph (a) of this section relative to payments to the producer-settlement fund shall be increased one-half of 1 percent on the first day of the month next following the due date of such obligation and on the first day of each month thereafter until such obligation is paid.

§ 1137.87 Marketing services.

(a) Except as set forth in paragraph (b) of this section, each handler in making payments to producers for milk (other than milk of his own production) pursuant to § 1137.80, shall deduct 6 cents per hundredweight, or such lesser amount as may be prescribed by the Secretary, and shall pay such deductions to the market administrator on or before the 14th day after the end of the month. Such money shall be used by the market administrator to provide market information and to check the accuracy of the testing and weighing of their milk for producers who are not receiving such services from a cooperative association.

(b) In the case of producers who are members of a cooperative association which the Secretary has determined is actually performing the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deduction specified in paragraph (a) of this section, such deductions from the payments to be made to producers as may be authorized by the membership agreement or marketing contract between the cooperative association and its members, and on or before the 16th day after the end of each month, the handler shall pay the aggregate amount of such deductions to the cooperative association, furnishing a statement showing the amount of the deductions and the quantity of milk on which the deduction was computed from each producer.

§ 1137.88 Expense of administration.

As his pro rata share of the expense of administration of the order, each handler shall pay to the market administrator on or before the 14th day after the end of the month 4 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to:

(a) Producer milk (including that classified pursuant to § 1137.43(b)) and such handler's own production;

(b) Other source milk allocated to Class I pursuant to § 1137.46(a) (4) and (8) and the corresponding steps of § 1137.46(b); and

(c) Class I milk disposed of from a partially regulated distributing plant on routes in the marketing area that exceeds Class I milk received during the month at such plant from pool plants and other order plants.

§ 1137.89 Termination of obligation.

The provisions of this section shall apply to any obligation under this part for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section terminate 2 years after the last day of the month during which the market administrator received the handler's utilization report on the milk involved in such obligation, unless within such 2-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation;

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

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

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books and records required by this part to be made available, the market administrator may, within the 2-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said 2-year period with respect to such obligation shall not begin to run until the first day of the month following the month during which all such books and records pertaining to such obligations are made available to the market administrator or his representatives;

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

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate 2 years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or 2 years after the end of the month during which the payment (including deduction or offset by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files pursuant to section 8c(15)(A) of the Act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION, OR TERMINATION

§ 1137.90 Effective time.

The provisions of this part or any amendment thereto, shall become effec-

tive at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 1137.91 **Suspension or termination.**

The Secretary shall, whenever he finds that this part or any provision of this part obstructs or does not tend to effectuate the declared policy of the Act, terminate or suspend this part or such provision of this part. This part shall terminate in any event whenever the provisions of the Act authorizing it cease to be in effect.

§ 1137.92 **Continuing obligations.**

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

§ 1137.93 **Liquidation.**

(a) Upon the suspension or termination of any or all provisions of this part, the market administrator, or such other liquidating agent as the Secretary may designate, shall if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition; and

(b) If a liquidating agent is so designated, all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidating and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 1137.100 **Agents.**

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

§ 1137.101 **Separability of provisions.**

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

Signed at Washington, D.C., on June 30, 1965.

CLARENCE H. GIRARD,
Deputy Administrator.

[F.R. Doc. 65-7035; Filed, July 2, 1965; 8:47 a.m.]

[9 CFR Part 201]

PACKERS AND STOCKYARDS ACT REGULATIONS

Proposed Employment of Suspended Registrant

Notice is hereby given that, pursuant to Section 407(a) of the Packers and Stockyards Act (7 U.S.C. 228(a)), the Consumer and Marketing Service proposes to amend § 201.81 (9 CFR 201.81) of the regulations under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), so as not to preclude the gainful employment of a person who has been suspended as a registrant for an indefinite period of time because of his insolvent financial condition, or failure to obtain bond coverage.

Statement of considerations. When it has been found in a proceeding under the Packers and Stockyards Act, 1921, as amended, that a market agency or dealer is insolvent or has operated without obtaining the amount of bond required under the Act and the regulations, an order has been issued suspending such person as a registrant until such time as he demonstrates that he no longer is insolvent, or until he obtains the required amount of bond. If other violations are involved, the order may include a specific suspension period in addition to such indefinite suspension. On numerous occasions during the past several years the Packers and Stockyards Division, Consumer and Marketing Service, has been asked whether present § 201.81 of the regulations would preclude a stockyard owner, market agency, or other person subject to the Act, from employing such a suspended registrant. In those cases where it appeared that (1) the suspended registrant would clearly be operating under the registration and bond of his proposed employer, or if the proposed employer was a packer subject to the requirements of the Act and the regulations, that such employer would be responsible for any financial obligations resulting from the suspended registrant's livestock operations, and (2) any specified period of suspension had expired, the Packers and Stockyards Division did not object to the modification of the order to permit such employment.

Consideration is being given to the amendment of present § 201.81 of the regulations to provide that the prohibition covering the employment of suspended registrants would not apply to a case where the registrant is under indefinite suspension because of the registrant's insolvent financial condition or because of the registrant's failure to obtain adequate bond coverage. Consideration is also being given to the amendment of such section by the deletion of the last sentence thereof, which provides that no person subject to the Act shall "furnish services or facilities or sell livestock or live poultry to or buy livestock or live poultry from any person required by the Act and these regulations to be registered and bonded, or licensed, who is not so registered and bonded, or licensed, or whose registration or license is suspended or revoked." This provision would appear to place too great a burden upon persons subject to the Act to assist in the policing of the Act and the orders issued thereunder.

It is proposed that § 201.81 of the regulations under the Packers and Stockyards Act be amended to read as follows:

§ 201.81 **Suspended registrants and persons whose licenses have been suspended or revoked.**

No stockyard owner, packer, market agency, dealer, or licensee shall employ any person who has been suspended as a registrant or whose license has been suspended or revoked, to perform activities in connection with livestock or live poultry transactions in commerce, during the period of such suspension or revocation: *Provided*, That the provisions of this section shall not be construed to prohibit the employment of any person who has been suspended as a registrant until such time as he demonstrates that he is no longer insolvent or until such time as he obtains the bond required under the Act and regulations. No such person shall be employed, however, until after the expiration of any specified period of suspension contained in the order of suspension.

Any person who wishes to submit written data, views, or arguments concerning the proposed amendment may do so by filing them in duplicate with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C., on or before July 23, 1965.

All written submissions made pursuant to this notice will be made available for public inspection at such times and places and in a manner convenient to the public business (7 CFR 1.27(b)).

Done at Washington, D.C., this 29th day of June 1965.

CLARENCE H. GIRARD,
Deputy Administrator,
Consumer and Marketing Service.

[F.R. Doc. 65-7014; Filed, July 2, 1965; 8:45 a.m.]

FEDERAL HOME LOAN BANK BOARD

[12 CFR Part 545]

[19,240]

SERVICE CORPORATIONS

Withdrawal of Proposed Amendment

JUNE 29, 1965.

Whereas, by Resolution No. 18,732 dated January 8, 1965, and duly published in the FEDERAL REGISTER on January 13, 1965 (30 F.R. 447) this Board proposed, pursuant to Part 508 of the general regulations of the Federal Home

Loan Bank Board (12 CFR Part 508) and § 542.1 of the rules and regulations for the Federal Savings and Loan System (12 CFR 542.1), that Part 545 of the rules and regulations for the Federal Savings and Loan System be amended by an amendment the substance of which was set out in said publication, and

Whereas, all relevant material presented or available having been considered by it;

It is resolved that, this Board hereby determines not to adopt the amendment proposed by said Resolution No. 18,732.

(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.)

By the Federal Home Loan Bank Board.

[SEAL] HARRY W. CAULSEN, *Secretary.*

[F.R. Doc. 65-7047; Filed, July 2, 1965; 8:48 a.m.]

[12 CFR Part 563]

[FSLIC-2,184]

LOANS TO ONE BORROWER

Notice of Proposed Rule Making

JUNE 29, 1965.

Resolved that, pursuant to Part 508 of the general regulations of the Federal Home Loan Bank Board (12 CFR Part 508) and § 567.1 of the rules and regulations for Insurance of Accounts (12 CFR 567.1), it is hereby proposed that § 563.9-3 of the rules and regulations for Insurance of Accounts (12 CFR 563.9-3) be amended by an amendment the substance of which is as follows:

Amend paragraph (b) of § 563.9-3 of the rules and regulations for Insurance of Accounts to read as follows:

§ 563.9-3 Loans to one borrower.

* * * * *

(b) *Limitations.* An insured institution shall not make a loan on the security of real estate to one borrower, as defined in paragraph (a) of this section, if the sum of (1) the amount of such loan and (2) the total balances of all outstanding loans on the security of real estate owed to such institution by such borrower exceeds an amount equal to 5 percent of such institution's withdrawable accounts or an amount equal to the sum of such institution's nonwithdrawable accounts, surplus, undivided profits, and reserves for losses, whichever amount is less: *Provided,* That, notwithstanding any other limitation of this sentence, any such loan may be made if the sum of subparagraphs (1) and (2) of this paragraph does not exceed $100,000.

* * * * *

(Secs. 402, 403, 48 Stat. 1256, 1257, as amended; 12 U.S.C. 1725, 1726. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1947 Supp.)

Resolved further that all interested persons are hereby given the opportunity to submit written data, views, or arguments on the following subjects and issues: (1) Whether said proposed amendment should be adopted as proposed; (2) whether said proposed amendment should be modified and adopted as modified; (3) whether said proposed amendment should be rejected. All such written data, views, or arguments must be received through the mail or otherwise at the Office of the Secretary, Federal Home Loan Bank Board, Federal Home Loan Bank Board Building, 101 Indiana Avenue NW., Washington, D.C., 20552, not later than August 3, 1965, to be entitled to be considered, but any received later may be considered in the discretion of the Federal Home Loan Bank Board.

By the Federal Home Loan Bank Board.

[SEAL] HARRY W. CAULSEN, *Secretary.*

[F.R. Doc. 65-7051; Filed, July 2, 1965; 8:48 a.m.]

[12 CFR Part 545]

[19,241]

INVESTMENT IN SERVICE CORPORATIONS

Notice of Proposed Rule Making

JUNE 29, 1965.

Resolved that, pursuant to Part 508 of the general regulations of the Federal Home Loan Bank Board (12 CFR Part 508) and § 542.1 of the rules and regulations for the Federal Savings and Loan System (12 CFR 542.1), it is hereby proposed that Part 545 of the rules and regulations for the Federal Savings and Loan System (12 CFR Part 545) be amended by an amendment, the substance of which is as follows:

Amend Part 545 of the rules and regulations for the Federal Savings and Loan System by adding immediately after § 545.9 a new section as follows:

§ 545.9-1 Service corporations.

(a) *General service corporations.* Subject to the provisions of this section, a Federal association may, if permitted by the terms of its charter, invest in the capital stock, obligations, or other securities of any service corporation organized under the laws of the State, District, Commonwealth, territory, or possession in which the home office of such association is located if:

(1) The entire capital stock of such service corporation is available for purchase by, and only by, any and all savings and loan associations with a home office in that State, District, Commonwealth, territory, or possession, and the capital stock is owned by more than one savings and loan association;

(2) Not more than 10 percent of the outstanding capital stock of such service corporation is, or may be, owned by any savings and loan association, except that in any State, District, Commonwealth, territory or possession in which the home offices of less than 15 savings and loan associations are located, not more than 33⅓ percent of the outstanding capital stock of such service corporation is, or may be, owned by any savings and loan association;

(3) Every eligible savings and loan association is permitted to own an equal amount of the capital stock of such service corporation or, on such uniform basis as may be fixed by such corporation, each such association is permitted to own an amount of capital stock that is a stated percentage of its assets or savings capital at the time of any purchase by it of such stock, but capital stock outstanding on December 31, 1964, may be disregarded in determining compliance with this requirement; and

(4) Substantially all of the activities of such service corporation consist of originating, purchasing, selling and servicing loans upon real estate and participating interests therein, and/or clerical, bookkeeping, accounting, statistical, or similar functions performed primarily for savings and loan associations, plus such other activities as the Board may approve.

(b) *Approved service corporations.* A Federal association may form a service corporation or invest in the capital stock, obligations or other securities of a service corporation other than as set forth in paragraph (a) of this section only with the prior specific approval of the Board. Each application for approval to invest in a service corporation pursuant to this paragraph (b) shall contain a statement setting forth the need for such corporation, the services to be performed by the corporation, the names of all institutions participating in the formation of the corporation, the amount of capital stock investment by each such institution, and such other information as the Board may require. The Board hereby approves, without application therefor, the investment by any Federal association in a service corporation which meets the requirements of § 545.14-4 if the entire capital stock of such service corporation is available for purchase only by savings and loan associations of the same State, District, Commonwealth, territory, or possession in which any such investing Federal association has its home office.

(c) *Limitations.* A Federal association may make any investment under this section if its aggregate outstanding investment in the capital stock, obligations, or other securities of service corporations would not thereupon exceed 1 percent of the association's assets. For the purposes of this section, the term "aggregate outstanding investment" means the sum of amounts paid for the acquisition of capital stock or securities and amounts invested in obligations of service corporations less amounts received from the sale of capital stock or securities of service corporations and amounts paid to the Federal association to retire obligations of service corporations. The authority conferred by or under this section shall not permit Federal associations to invest in a service corporation established or operated as a business venture primarily serving other than savings and loan associations.

(d) *Examination.* No Federal association may invest in the capital stock, obligations, or other securities of any service corporation unless there has been obtained a written agreement with the Board by such service corporation that:

(1) In the case of a service corporation described in paragraph (a) of this

section, such corporation will permit and pay the cost of such examination of the corporation by the Board as the Board from time to time deems necessary to determine the propriety of any investment by a Federal association under this section; and

(2) In the case of a service corporation approved by the Board under paragraph (b) of this section, such corporation, if not one which meets the requirements of § 545.14-4, will permit and pay the cost of such examination and/or audit by the Board as the Board may from time to time deem necessary.

(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.)

Resolved further that all interested persons are hereby given the opportunity to submit written data, views, or arguments on the following subjects and issues: (1) Whether said proposed amendment should be adopted as proposed; (2) whether said proposed amendment should be modified and adopted as modified; (3) whether said proposed amendment should be rejected. All such written data, views, or arguments must be received through the mail or otherwise at the Office of the Secretary, Federal Home Loan Bank Board, Federal Home Loan Bank Board Building, 101 Indiana Avenue NW., Washington, D.C., 20552, not later than August 3, 1965, to be entitled to be considered, but any received later may be considered in the discretion of the Federal Home Loan Bank Board.

By the Federal Home Loan Bank Board.

[SEAL] HARRY W. CAULSEN, *Secretary.*

[F.R. Doc. 65-7048; Filed, July 2, 1965; 8:48 a.m.]

[12 CFR Part 545]

[19,242]

LOAN PAYMENTS

Notice of Proposed Rule Making

JUNE 29, 1965.

Resolved that, pursuant to Part 508 of the general regulations of the Federal Home Loan Bank Board (12 CFR Part 508) and § 542.1 of the rules and regulations for the Federal Savings and Loan System (12 CFR 542.1), it is hereby proposed that § 545.6-12 of the rules and regulations for the Federal Savings and Loan System (12 CFR 545.6-12) be amended to read as follows:

§ 545.6-12 Loan payments.

Payments on the principal indebtedness of all loans on real estate security shall be applied direct to the reduction of such indebtedness, but prepayments made on an installment loan may be reapplied from time to time in whole or in part by a Federal association to offset payments which subsequently accrue under the loan contract. Payments on all monthly installment loans, other than construction loans, insured loans, and guaranteed loans, shall begin not later than 60 days after the advance of the loan; insured loans and guaranteed loans may be repayable upon terms acceptable to the insuring or guaranteeing agency and the Board hereby approves for use by any Federal association a loan plan wherein payments on any construction loans that such association may otherwise make under §§ 545.6 to 545.6-13 shall begin not later than 12 months after the date of the first advance. Borrowers from Federal associations shall have the right to prepay their loans without penalty except that the Board hereby approves for use by any Federal association, other than Federal associations that have Charter E, a loan plan wherein the association may require payment of not more than 6 months' advance interest on that part of the aggregate amount of all prepayments made on a loan in any 1 year which exceeds 20 percent of the original principal amount of the loan: *Provided*, That the loan contract makes express provision therefor.

(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.)

Resolved further that all interested persons are hereby given the opportunity to submit written data, views, or arguments on the following subjects and issues: (1) Whether said proposed amendment should be adopted as proposed; (2) whether said proposed amendment should be modified and adopted as modified; (3) whether said proposed amendment should be rejected. All such written data, views, or arguments must be received through the mail or otherwise at the Office of the Secretary, Federal Home Loan Bank Board, Federal Home Loan Bank Board Building, 101 Indiana Avenue NW., Washington, D.C., 20552, not later than August 3, 1965, to be entitled to be considered, but any received later may be considered in the discretion of the Federal Home Loan Bank Board.

By the Federal Home Loan Bank Board.

[SEAL] HARRY W. CAULSEN, *Secretary.*

[F.R. Doc. 65-7049; Filed, July 2, 1965; 8:48 a.m.]

[12 CFR Part 545]

[19,243]

OFFICES AND RECORDS

Proposed Miscellaneous Amendments

JUNE 29, 1965.

Resolved that, pursuant to Part 508 of the general regulations of the Federal Home Loan Bank Board (12 CFR Part 508) and § 542.1 of the rules and regulations for the Federal Savings and Loan System (12 CFR 542.1), it is hereby proposed that Part 545 of the rules and regulations for the Federal Savings and Loan System (12 CFR Part 545) be amended by amendments, the substance of which are as follows:

1. Amend § 545.13 to read as follows:

§ 545.13 Home office.

All operations of a Federal association shall be subject to direction from its home office.

2. Amend Part 545 of the rules and regulation for the Federal Savings and Loan System by adding immediately after § 545.14-2 two new sections, §§ 545.14-3 and 545.14-4, as follows:

§ 545.14-3 Data Processing Service Office.

Subject to the provisions of § 545.10, a Federal association may establish or maintain, at a location separate and apart from any other office or offices maintained by the association, a service office the functions, facilities, and operations of which are limited to the providing of data processing services, primarily for such association; such service office shall be located within 100 miles of the home office of the association. A Federal association shall not provide data processing facilities or services to others as a business venture. As used in this and succeeding sections, the term "data processing services" means the maintenance of bookkeeping, accounting, or other records primarily by mechanical or electronic methods.

§ 545.14-4 Data Processing Service Center.

(a) *General provisions.* Subject to the provisions of this section, a Federal association may participate only with one or more institutions, each of which (1) is insured by the Federal Savings and Loan Insurance Corporation and (2) has legal power to do so, in the establishment or maintenance of a service center the functions, facilities, and operations of which are limited to the providing of data processing services, primarily for such participating institutions.

(b) *Participation arrangements.* Participation in the establishment or maintenance of such a service center may be by means of a partnership or other noncorporate arrangement between or among the participating institutions or by arrangement for capital investment in a service corporation approved by the last sentence of paragraph (b) of § 545.9-1, but a Federal association shall not be a participating institution if:

(1) Its investments, costs, and profit or loss in connection with such service center, as a percentage of the total investment, costs, and profit or loss in connection with such service center, is substantially greater than the facilities and services that are to be used by such Federal association, as a percentage of the total facilities and services provided by such service center; or

(2) Such service center is established or maintained to provide data processing facilities or services to others as a business venture.

(c) *Maintenance of records and examinations.* Any arrangement under this section shall include a written agreement with the Board by each participating institution and the legal entity, if any, which establishes or maintains a service center under this section requiring the service center to:

(1) Establish and maintain such books, records, and accounting practices as will clearly and fully disclose its operations in relation to paragraph (b) of this section;

(2) Permit such examination and/or audit by the Board's examiners of the operations and affairs of such service center as the Board may from time to time deem necessary, and to pay the cost thereof as determined by the Board; and

(3) Make available to the Board's examiners upon request, for purposes of examination and/or audit, all books and records of such service center and any books and records of any participating institution which, at the time of such request, are physically in the possession of the service center.

3. Amend the undesignated center head appearing in Part 545 immediately preceding § 545.20 by the addition of the word "Accounting" so that such head will read "ACCOUNTING, RECORDS AND REPORTS".

4. Amend § 545.20 to read as follows:

§ 545.20 **Accounting; records.**

A Federal association shall use such forms and follow such accounting practices as the Board may from time to time require, and shall close its books as of June 30 and December 31 of each year. The fiscal year of a Federal association shall be the calendar year. A Federal association shall maintain a complete record of all business transacted by it, and shall maintain either at its home office, or at a branch or service office located within 100 miles of the home office, all general accounting records, including all control records, of all business transacted by such association at each of its offices and agencies. Neither the general accounting or control records nor the maintenance thereof shall be transferred by a Federal association from its home office to a branch or service office, or from a branch or service office to its home office or to another branch or service office, unless and until (a) the board of directors of the association has by resolution authorized such transfer or maintenance, and (b) the association has sent a certified copy of such resolution to the Chief Examiner of the Federal home loan bank district in which the home office of the association is located. A Federal association which determines to maintain any of its records by means of data processing services shall so notify the Chief Examiner of the Federal home loan bank district in which the home office of such association is located, in writing, at least 90 days prior to the date on which such maintenance of records will begin. Such notification shall include identification of the records to be maintained by data processing services and a statement as to the location at which such records will be maintained. Any contract, agreement, or arrangement made by a Federal association pursuant to which data processing services are to be performed for such association shall be in writing and shall expressly provide that the records to be maintained by such services shall at all times be available for examination and audit.

(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.)

Resolved further that all interested persons are hereby given the opportunity to submit written data, views, or arguments on the following subjects and issues: (1) Whether said proposed amendment should be adopted as proposed; (2) whether said proposed amendment should be modified and adopted as modified; (3) whether said proposed amendment should be rejected. All such written data, views, or arguments must be received through the mail or otherwise at the Office of the Secretary, Federal Home Loan Bank Board, Federal Home Loan Bank Board Building, 101 Indiana Avenue NW., Washington, D.C., 20552, not later than August 3, 1965, to be entitled to be considered, but any received later may be considered in the discretion of the Federal Home Loan Bank Board.

By the Federal Home Loan Bank Board.

[SEAL] HARRY W. CAULSEN, *Secretary.*

[F.R. Doc. 65-7050; Filed, July 2, 1965; 8:48 a.m.]

Notices

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Fairbanks 034620]

ALASKA

Notice of Proposed Withdrawal and Reservation of Lands

JUNE 28, 1965.

The Department of the Air Force has filed an application, Serial Number Fairbanks 034620, for withdrawal of the lands described below, from all forms of appropriation under the public land laws, including the mining laws, mineral leasing laws, grazing laws, and disposal of materials under the Material Act of 1947, as amended. The applicant desires the land for military purposes as authorized by the Act of June 25, 1910, 36 Stat. 847; 43 U.S.C. 141, and the Act of October 31, 1951, 3 U.S.C.A. 301; 65 Stat. 712.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, Department of the Interior, Fairbanks District and Land Office, Post Office Box 1150, Fairbanks, Alaska.

The authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's and to reach agreement on the concurrent management of the lands and their resources.

He will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn as requested by the Department of the Air Force.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

INDIAN MOUNTAIN, ALASKA

A parcel of land located at Indian Mountain Air Force Station, approximately 195 miles NW of Fairbanks, Alaska, in the Fourth State Judicial District, and being more specifically described as follows:

Commencing at U.S.E.D. Station "Strip No. 2," Thence N. 9°55'40" E., 2,007.05 feet to the center of the AFTAC Site; Thence N. 23°12'30" E., 2,640 feet to a point, said point being the True Point of Beginning for this description; Thence S. 61°47'30" E., 2,640 feet to a point; Thence S. 28°12'30" W., 1,860 feet, more or less, to a point; thence N. 79°25'27" E., 3,225 feet, more or less, to a point; thence N. 73°45' E., 4,220 feet, more or less, to a point that is 1,425 feet from the centerline of the airstrip as extended eastward and measured at right angles thereto; thence S. 10°34'33" E., 2,850 feet, more or less, to a point; thence S. 85°15' W., 4,220 feet, more or less, to a point that is 1,000 feet from the centerline of the aforementioned air strip as extended and measured at right angles thereto; thence S. 79°25'27" W., 4,820 feet, more or less, to a point; thence S. 28°12'30" W., 850 feet, more or less, to a point; thence N. 61°47'30" W., 5,280 feet to a point; thence N. 28°12'30" E., 5,280 feet to a point; thence S. 61°47'30" E., 2,640 feet to the Point of Beginning.

The area described aggregates approximately 1,058.51 acres.

ROSS A. YOUNGBLOOD,
Manager, Fairbanks District and Land Office.

[F.R. Doc. 65-7027; Filed, July 2, 1965; 8:46 a.m.]

Fish and Wildlife Service

[Docket No. Sub-C-4]

GINA KAREN FISHING, INC.

Notice of Hearing

Gina Karen Fishing, Inc., San Diego, Calif., has applied for a fishing vessel construction differential subsidy to aid in the construction of a 144-foot overall steel vessel to engage in the fishery for tuna and tuna-like fishes, for demersal fish such as flounder, hake, redfish, and pollock in the Pacific Ocean, for crab and shrimp in the Pacific Ocean and for pelagic fish such as anchovies and jack mackerel.

Notice is hereby given pursuant to the provisions of the U.S. Fishing Fleet Improvement Act (P.L. 88-498) and Notice and Hearing on Subsidies (50 CFR Part 257) that a hearing in the above-entitled proceedings will be held on August 10, 1965, at 10 a.m., e.d.s.t., in Room 3356, Interior Building, 18th and C Streets NW., Washington, D.C. Any person desiring to intervene must file a petition of intervention with the Director, Bureau of Commercial Fisheries, as prescribed in 50 CFR Part 257 at least 10 days prior to the date set for the hearing. If such petition of intervention is granted, the place of the hearing may be changed to a field location. Telegraphic notice will be given to the parties in the event of such a change along with the new location.

RALPH C. BAKER,
Acting Director,
Bureau of Commercial Fisheries.

JUNE 29, 1965.

[F.R. Doc. 65-7007; Filed, July 2, 1965; 8:45 a.m.]

[Docket No. Sub-C-7]

HOPE FISHING, INC.

Notice of Hearing

Hope Fishing, Inc., San Diego, Calif., has applied for a fishing vessel construction differential subsidy to aid in the construction of a 144-foot overall steel vessel to engage in the fishery for tuna and tuna-like fishes, for demersal fish such as flounder, hake, redfish, and pollock in the Pacific Ocean, for crab and shrimp in the Pacific Ocean and for pelagic fish such as anchovies and jack mackerel.

Notice is hereby given pursuant to the provisions of the U.S. Fishing Fleet Improvement Act (P.L. 88-498) and Notice and Hearing on Subsidies (50 CFR Part 257) that a hearing in the above-entitled proceedings will be held on August 10, 1965, at 10 a.m., e.d.s.t., in Room 3356, Interior Building, 18th and C Streets NW., Washington, D.C. Any person desiring to intervene must file a petition of intervention with the Director, Bureau of Commercial Fisheries, as prescribed in 50 CFR Part 257 at least 10 days prior to the date set for the hearing. If such petition of intervention is granted, the place of the hearing may be changed to a field location. Telegraphic notice will be given to the parties in the event of such a change along with the new location.

RALPH C. BAKER,
Acting Director,
Bureau of Commercial Fisheries.

JUNE 29, 1965.

[F.R. Doc. 65-7008; Filed, July 2, 1965; 8:45 a.m.]

[Docket No. Sub-C-5]

LOU JEAN II FISHING, INC.

Notice of Hearing

Lou Jean II Fishing, Inc., San Diego, Calif., has applied for a fishing vessel construction differential subsidy to aid in the construction of a 144-foot overall steel vessel to engage in the fishery for tuna and tuna-like fishes, for demersal fish such as flounder, hake, redfish, and pollock in the Pacific Ocean, for crab and shrimp in the Pacific Ocean and for pelagic fish such as anchovies and jack mackerel.

Notice is hereby given pursuant to the provisions of the U.S. Fishing Fleet Improvement Act (P.L. 88-498) and Notice and Hearing on Subsidies (50 CFR Part 257) that a hearing in the above-entitled proceedings will be held on August 10, 1965, at 10 a.m., e.d.s.t., in Room 3356, Interior Building, 18th and C Streets NW., Washington, D.C. Any person desiring to intervene must file a petition of intervention with the Director, Bureau of Commercial Fisheries, as prescribed in 50 CFR Part 257 at least 10 days prior to the date set for the hearing.

If such petition of intervention is granted, the place of the hearing may be changed to a field location. Telegraphic notice will be given to the parties in the event of such a change along with the new location.

RALPH C. BAKER,
Acting Director,
Bureau of Commercial Fisheries.

JUNE 29, 1965.

[F.R. Doc. 65-7009; Filed, July 2, 1965; 8:45 a.m.]

[Docket No. Sub-C-2]

MARILYN M. FISHING, INC.

Notice of Hearing

Marilyn M. Fishing, Inc., San Diego, Calif., has applied for a fishing vessel construction differential subsidy to aid in the construction of a 144-foot overall steel vessel to engage in the fishery for tuna and tuna-like fishes, for demersal fish such as flounder, hake, redfish, and pollock in the Pacific Ocean, for crab and shrimp in the Pacific Ocean and for pelagic fish such as anchovies and jack mackerel.

Notice is hereby given pursuant to the provisions of the U.S. Fishing Fleet Improvement Act (P.L. 88-498) and Notice and Hearing on Subsidies (50 CFR Part 257) that a hearing in the above-entitled proceedings will be held on August 10, 1965, at 10 a.m., e.d.s.t., in Room 3356, Interior Building, 18th and C Streets NW., Washington, D.C. Any person desiring to intervene must file a petition of intervention with the Director, Bureau of Commercial Fisheries, as prescribed in 50 CFR Part 257 at least 10 days prior to the date set for the hearing. If such petition of intervention is granted, the place of the hearing may be changed to a field location. Telegraphic notice will be given to the parties in the event of such a change along with the new location.

RALPH C. BAKER,
Acting Director,
Bureau of Commercial Fisheries.

JUNE 29, 1965.

[F.R. Doc. 65-7010; Filed, July 2, 1965; 8:45 a.m.]

[Docket No. Sub-C-3]

VIVIAN ANN FISHING, INC.

Notice of Hearing

Vivian Ann Fishing, Inc., San Diego, Calif., has applied for a fishing vessel construction differential subsidy to aid in the construction of a 144-foot overall steel vessel to engage in the fishery for tuna and tuna-like fishes, for demersal fish such as flounder, hake, redfish, and pollock in the Pacific Ocean, for crab and shrimp in the Pacific Ocean and for pelagic fish such as anchovies and jack mackerel.

Notice is hereby given pursuant to the provisions of the U.S. Fishing Fleet Improvement Act (P.L. 88-498) and Notice and Hearing on Subsidies (50 CFR Part 257) that a hearing in the above-entitled proceedings will be held on August 10, 1965, at 10 a.m., e.d.s.t., in Room 3356, Interior Building, 18th and C Streets NW., Washington, D.C. Any person desiring to intervene must file a petition of intervention with the Director, Bureau of Commercial Fisheries, as prescribed in 50 CFR Part 257 at least 10 days prior to the date set for the hearing. If such petition of intervention is granted, the place of the hearing may be changed to a field location. Telegraphic notice will be given to the parties in the event of such a change along with the new location.

RALPH C. BAKER,
Acting Director,
Bureau of Commercial Fisheries.

JUNE 29, 1965.

[F.R. Doc. 65-7011; Filed, July 2, 1965; 8:45 a.m.]

DEPARTMENT OF DEFENSE

Office of the Secretary of Defense

SETTLEMENT AND PAYMENT OF CLAIMS

Delegation of Authority

The Deputy Secretary of Defense approved the following delegation of authority June 17, 1965:

References: (a) Military Personnel and Civilian Employees' Claims Act of 1964 (31 U.S.C. 240-242).

(b) Section 133(d) of title 10, United States Code.

(c) Department of Defense Directive 5515.1, "Delegation of Authority with respect to the Military Personnel Claims Act of 1945, as amended," October 31, 1952 (canceled herein).

I. *Delegation of authority.* By virtue of the authority vested in the Secretary of Defense by references (a) and (b), the authorities of the Secretary of Defense to prescribe regulations governing the settlement and payment of claims under reference (a), to settle and pay those claims, and to report once a year to Congress thereon, are delegated to the Secretary of the Army, or his designee, as to civilian officers or employees of the Department of Defense who are not officers or employees of a military department, and to the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, or their designees, as to members of the Armed Forces under their respective jurisdiction and civilian officers or employees of their respective military departments.

II. *Cancellation.* Reference (c) is canceled effective September 1, 1966.

III. *Effective date and implementation.* Except as provided in section II, this directive becomes effective immediately. Insofar as practicable, uniform regulations shall be prescribed by the secretaries of military departments to govern the settlement and payment of claims under reference (a). Two copies of the regulations of each military department shall be forwarded to the General Counsel, Department of Defense, within 120 days after the date of this directive.

MAURICE W. ROCHE,
Director, Correspondence and Directives Division, OASD (Administration).

[F.R. Doc. 65-7005; Filed, July 2, 1965; 8:45 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

DIRECTOR OR ACTING DIRECTOR, KANSAS CITY ASCS COMMODITY OFFICE

Delegation of Authority

Pursuant to the authority vested in me by the Export Wheat Marketing Certificate Regulations, I hereby delegate to the Director or Acting Director, Kansas City ASCS Commodity Office, the responsibility to (a) approve an exporter's request for extension of the period of 45 days after date of exportation during which he shall acquire and surrender export wheat marketing certificates as provided in § 778.5(c)(1), (b) determine whether or not an exporter should be required to furnish a bond or letter of credit prior to export in order to secure the purchase of and payment for export wheat marketing certificates and, the form and amount of any such bond or letter of credit as provided in § 778.5(c)(3) and (c) approve an exporter's request for extension of the period during which he shall submit a Report of Wheat Exported, Form CCC-518, to the Kansas City ASCS Commodity Office as provided in § 778.9. The authority herein delegated shall be exercised in conformity with the requirements of the Export Wheat Marketing Certificate Regulations and may not be redelegated.

(Secs. 379a to 379j 52 Stat. 31, as amended by 76 Stat. 626 and 78 Stat. 178; 7 U.S.C. 1379a to 1379j)

Signed at Washington, D.C., on June 29, 1965.

CLIFFORD G. PULVERMACHER,
Director,
Procurement and Sales Division.

[F.R. Doc. 65-6998; Filed, June 30, 1965; 1:00 p.m.]

Commodity Exchange Authority

NORTHERN CALIFORNIA GRAIN EXCHANGE

New Name for Board of Trade Designated as Contract Market

Notice is hereby given that under the authorization and direction contained in the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), the order of April 19, 1939, designating the San Francisco Grain Exchange as a contract market for wheat and barley has been amended to show the name Northern California Grain Exchange instead of San Francisco Grain Exchange, effective

on October 5, 1964. Headquarters of the exchange are in Stockton, Calif.

Done at Washington, D.C., this 30th day of June 1965.

A. R. GROSSTEPHAN,
Acting Administrator.

[F.R. Doc. 65-7038; Filed, July 2, 1965; 8:47 a.m.]

Office of the Secretary

NEW MEXICO

Extension of Designation of Areas for Emergency Loans

For the purpose of making emergency loans pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), it has been determined that in the hereinafter-named counties in the State of New Mexico new disasters have caused a continuing need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

New Mexico	*Present designation*
Colfax	29 F.R. 12325
Harding	29 F.R. 12325
Lincoln	29 F.R. 11934
Santa Fe	29 F.R. 13406
Torrance	29 F.R. 13406

Pursuant to the authority set forth above, emergency loans will not be made in the above-named counties after December 31, 1966, except to applicants who previously received emergency or special livestock loan assistance and who can qualify under established policies and procedures.

Done at Washington, D.C., this 30th day of June 1965.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 65-7031; Filed, July 2, 1965; 8:46 a.m.]

NORTHERN CALIFORNIA GRAIN EXCHANGE

Order Amending Designation as Contract Market

The San Francisco Grain Exchange which was designated as a contract market for wheat and barley on April 19, 1939, has certified that it has changed its name to the Northern California Grain Exchange. The exchange has requested that the order of designation as a contract market be amended to show the name as Northern California Grain Exchange.

Pursuant to the authorization and direction contained in the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), the designation of the San Francisco Grain Exchange as a contract market, effective April 19, 1939, is hereby amended to show, instead of the name San Francisco Grain Exchange, the name Northern California Grain Exchange, effective October 5, 1964.

Copies of the said request and of this order shall be sent to all other contract markets.

Issued this the 29th day of June 1965.

GEORGE L. MEHREN,
Assistant Secretary of Agriculture.

[F.R. Doc. 65-7032; Filed, July 2, 1965; 8:46 a.m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

[Department Order 194-B]

COMMUNITY RELATIONS SERVICE

Organization and Functions

SECTION 1. *Purpose.* .01 The purpose of this order is to prescribe the organization and to assign functions within the Community Relations Service.

SEC. 2. *Organization.* .01 The Community Relations Service shall consist of the following organizational units:

a. Office of the Director—
1. Director.
2. Deputy Director.
3. Chief Counsel.
4. Administrative Office.
b. Office of Conciliation.
c. Office of Community Action.
d. Office of Media Relations.

SEC. 3. *Functions of the organization units.* .01 In the Office of the Director:

a. The Director determines policy, directs the programs, and is responsible for all activities of the Community Relations Service;

b. The Deputy Director shall be the principal assistant to the Director; he coordinates activities of the various staff offices and performs the duties of the Director during the latter's absence;

c. The Chief Counsel shall serve as the legal officer of the Community Relations Service, rendering advice and opinions to the Director and the various offices thereof as required. He shall also assist the Office of Conciliation where necessary in the performance of that office's functions in obtaining voluntary compliance in actions referred to the Service by the U.S. Courts pursuant to the Civil Rights Act of 1964. Subject to the requirements concerning the handling of legislation and congressional relations set forth in Department and Administrative Orders, he shall be the focal point within the Community Relations Service and responsible for the handling of matters concerned with the legislation, orders, regulations, and congressional relations of the Service; and

d. The Administrative Office shall conduct all administrative management activities including budget, personnel and organization planning; and shall secure administrative services provided to the Community Relations Service through the Staff Service Offices reporting to the Assistant Secretary for Administration.

.02 The Office of Conciliation shall direct all conciliation activities. The principal functions of the Office of Conciliation are to assist communities, groups, and court referred parties to achieve voluntary compliance with the applicable provisions of the Civil Rights Act of 1964, and other pertinent legislation; to plan and carry out efforts to assist communities and persons therein in the resolution of disputes, difficulties and disagreements as described in Title X of the Civil Rights Act of 1964; to review, evaluate and, when appropriate, service complaints; to recruit and train conciliators for either continuous or intermittent service; and to select conciliators for specific assignments.

.03 The Office of Community Action shall have central responsibility in the endeavor of the Community Relations Service to plan and promote long-range programs designed to improve intergroup relations. More specifically, the Office of Community Action shall develop programs to prevent racial crises through activities designed to promote racial progress; and to help continue progress which has been initiated by the Office of Conciliation. Where feasible, functions shall be carried out in cooperation with established organizations, both public and private, at the national, State and community level. Further, full use shall be made of the capabilities and good offices of the National Citizens Committee for Community Relations.

.04 The Office of Media Relations prepares and disseminates information and material in support of the objectives of the Community Relations Service subject to the requirements of applicable Department and Administrative Orders. In this role, the Office of Media Relations shall cooperate with individuals and organizations representing the press and radio-TV in programs aimed at ending discrimination; prepare publications and audiovisual materials for use in support of CRS program activities; and initiate positive educational campaigns to promote wider understanding and acceptance of both the provisions and principles of the Civil Rights Act of 1964.

Effective date: June 24, 1965.

DAVID R. BALDWIN,
Acting Assistant Secretary for Administration.

[F.R. Doc. 65-7020; Filed, July 2, 1965; 8:46 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 15481 etc.; Order E-22387]

CALIFORNIA TIME AIRLINES, INC., ET AL.

Order Denying Exemptions, Deferring Action on Motion, and Instituting Investigation

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 30th day of June 1965.

By application filed August 21, 1964, and amended September 24, 1964, Cali-

fornia Time Airlines, Inc. (California Time) requests exemption authority to engage in the transportation with large aircraft of persons and their baggage between all points in California and Lake Tahoe, Calif. California Time alleges that it holds the requisite FAA authority and has complied with the requirements of the California Public Utilities Commission. Although applicant seeks authority to serve Lake Tahoe from all points in California, its allegations as to need relate principally to the Los Angeles-Lake Tahoe markets. Applicant alleges that Lake Tahoe offers many recreational facilities, including summer and winter sports lodges, for Southern Californians; that many of them own summer homes in the Lake Tahoe area; that Lake Tahoe is isolated through absence of any rail service, limited bus service, and hazardous highway conditions resulting from frequent rock slides. The applicant also alleges that Pacific Air Lines, Inc.'s (Pacific) existing Los Angeles-Lake Tahoe service, one daily 4-hour flight making four intermediate stops, is insufficient.

As proof of its fitness, willingness, and ability to provide the proposed transportation, California Time cites its FAA operating authorization, its purchase of a radar-equipped Martin 202 aircraft, and successful completion of proving runs to Lake Tahoe Airport, the installation of radio, teletype, TWX, and other facilities at Lake Tahoe in conformity with the rules and regulations of the FAA, and its leasing of ticket space at Lake Tahoe Airport. But it submitted no evidence of the experience of its managerial personnel, adequacy of financial resources, or any data on past operating experience. Moreover, we are advised by the FAA that California Time is not now using its intrastate authority from the California Public Utilities Commission and is in the process of refinancing.

Although California Time has sought exemption authority it contends that its operation will be wholly intrastate and, therefore, it does not come within the Board's jurisdiction. Applicant seeks to preserve its right to request a disclaimer of jurisdiction at some future date. In support of its jurisdictional contention, applicant alleges that its aircraft will physically operate wholly within California and that it has no agreement or understanding with anyone relative to the carriage of its passengers to or from Nevada once they deplane or before they enplane on the California side of the border.

Answers to California Time's application were filed by Pacific and the Lake Tahoe South Shore Chamber of Commerce (South Shore). Pacific alleges that it presently provides service between various points in California and Lake Tahoe, and that grant of California Time's application might cause traffic diversion which would tend to increase its dependency upon subsidy.

Pacific argues that California Time's proposal involves the transportation of passengers in interstate commerce because their ultimate origin or destination is the gambling casinos across the border in Nevada. According to Pacific, complicated legal issues are presented by the application which cannot be disposed of pursuant to the exemption procedure in section 416(b).

South Shore in support of California Time's application, alleges that tremendous demand exists for the service proposed by California Time; that the Lake Tahoe area has become one of the major recreational areas of the west;[1] that construction of new hotels, motels, and homesites is proceeding rapidly,[2] and that airport statistics show a traffic growth of 13 percent between 1962 and 1963, and more than 14 percent for the first 9 months of 1964 over the corresponding months in 1963.[3] According to South Shore, much of this traffic originated at, or was destined for points in Southern California.

In Docket 15727, California Airlines, Inc. (California), requests a disclaimer of jurisdiction over a proposed operation of large equipment between Los Angeles, San Jose, Oakland, and Lake Tahoe, Calif., and such other relief as may be appropriate. It alleges that its proposed service will be intrastate and, therefore, outside the Board's jurisdiction. California submitted no evidence of managerial fitness, adequacy of financial resources or proposed plans of operation.

Answers in response to the California motion were filed by Pacific and California Time. Pacific alleges that air transportation is involved since some portion of the passengers are ultimately destined for the gambling casinos in Nevada while California Time requests that no action be taken upon the motion until the Board has acted upon its application in Docket 15481. Alternatively, California Time requests that the motion be denied and states that if a disclaimer should be granted, the disclaimer should apply equally well to its proposed Lake Tahoe operation. On December 21, 1964, California filed a motion for leave to file an unauthorized pleading, a reply to Pacific's and California Time's answers. On the same date California moved to dismiss the aforementioned answers on the grounds that they were late filed. In the interest of developing as complete a record as possible on a highly complex matter we shall grant California's motion and accept its reply but deny its motion to dismiss the answers.

The Board has stated that transportation between two points wholly within the same State is air transportation if in those operations the carrier transports more than a de minimis volume of traffic moving as a part of a continuous journey in interstate commerce.[4]

Since the gambling casinos, a major attraction in the area, are located in Stateline, Nev., we must assume for present purposes that a significant number of both California Time's and California's passengers would be, in fact, destined for Nevada, and, therefore, moving in interstate commerce. Absent a full evidentiary hearing, we cannot determine the volume of passengers which will, in fact, move between points in California and Stateline, Nev. Consequently, we shall defer action on California's request for disclaimer of jurisdiction and California Time's attempt to preserve its right to contest our jurisdiction. This matter will be considered in the Service to Lake Tahoe Investigation which we are instituting herein.

Turning to the requests for exemption authority, we believe that the applications should be denied. Complex and controversial questions of fact, law and policy are raised by the applications which cannot be resolved without following our customary hearing procedures. We therefore are unable to conclude that enforcement of section 401 of the Act would be an undue burden on the applicants by reason of the limited extent of, or unusual circumstances affecting the applicants' operations and would not be in the public interest.

However, California Time's uncontroverted allegations supported by the civic party are that a substantial unfilled need exists for improved air service to Lake Tahoe, particularly from the Los Angeles metropolitan area. Based on the information contained in the pleadings, it is apparent that the subject area has become a major tourist attraction. At present the only scheduled air carrier service to Lake Tahoe is that offered by Pacific. In the Los Angeles-Lake Tahoe market, this service consists of one four- or five-stop round trip, averaging 4 hours one way, while in the San Francisco-Lake Tahoe market, the carrier provides one daily one-stop round trip.

Viewed in the context of Lake Tahoe's historical and anticipated growth and its current air service and lack of rail service, there may be a need for certificated air service. We shall, therefore, institute a Service to Lake Tahoe Investigation, to determine whether a need, in fact, exists for service between points in California, on the one hand, and Lake Tahoe, on the other. At issue also will be whether air transportation as defined by the Act is involved. We shall consolidate into the Investigation Pacific's certificate Amendment application filed in Docket 16203. The Investigation shall also include the question of whether any awards made should be eligible for subsidy.

Accordingly, it is ordered:

1. That the applications of California Time in Docket 15481 for an exemption and of California in Docket 15727, insofar as it requests an exemption through its general prayer for relief, be and they hereby are denied;

2. That an investigation to be called the Service to Lake Tahoe, California Investigation, Docket 16312, be and it hereby is instituted to determine whether the public convenience and necessity require the certification of a carrier or carriers to provide service between points

[1] The number of winter vacation visitors increased 450 percent between 1950 and 1960, and 742,214 individuals visited the South Shore area in 1963, an increase of 105,014 over 1962. (South Shore's answer, p. 5.)

[2] South Shore's population in 1955 was 2,450 and grew to 14,500 in 1961. Estimated population in January 1964 was 20,250. (South Shore's answer, p 6.)

[3] Airport Activity Statistics disclose that 25,886 passengers used Lake Tahoe Airport in 1962 and 29,378 in 1963. Totals for the first 9 months of 1963 and 1964 are 22,593 and 26,799, respectively. (South Shore's answer, p. 8.)

[4] Order E-18023, dated Feb. 14, 1962.

in California and Lake Tahoe, Calif., and whether any such awards should be eligible for subsidy;

3. That Pacific's application in Docket 16203 be and it hereby is consolidated into the Service to Lake Tahoe Investigation, Docket 16312;

4. That the motion of California in Docket 15727 and California Time's reservation of right to contest the Board's jurisdiction be and hereby are consolidated into the Service to Lake Tahoe Investigation, Docket 16312;

5. That the investigation instituted in Docket 16312, be assigned to an Examiner of the Board for hearing at a time and place hereafter to be designated; and

6. That California's motion for leave to file an unauthorized document be and it hereby is granted and its motion to dismiss certain answers be and it hereby is denied.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON, *Secretary*.

[F.R. Doc. 65-7024; Filed, July 2, 1965; 8:46 a.m.]

[Docket No. 16236; Order No. E-22378]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Relating to Specific Commodity Rates

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 30th day of June 1965.

Pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations, there has been filed with the Board an agreement between various air carriers, foreign air carriers, and other carriers, embodied in the resolutions of Traffic Conference 1 of the International Air Transport Association (IATA). The agreement, which has been assigned the above-designated CAB Agreement number, relates to specific commodity rates adopted under Resolution 590a.

By Order E-22303 of June 14, 1965, the Board approved an agreement adopted by the carriers at the Venice Cargo Conference which, among other things, named a rate of 19 cents per kilogram for shipments of electrical and gas appliances (Item 4397) at a minimum weight of 1,500 kilograms from Miami to San Salvador. This instant agreement, promulgated by IATA Memorandum TC1/Resolution 562, names an additional rate from Miami to San Salvador of 26 cents per kilogram at a minimum weight of 500 kilograms.

The Board, acting pursuant to sections 102, 204(a) and 412 of the Act, does not find the subject agreement to be adverse to the public interest or in violation of the Act, provided that approval thereof is conditioned as hereinafter ordered.

Accordingly, it is ordered, That Agreement CAB 18397 be approved, provided that such approval shall not constitute approval of the specific commodity descriptions contained therein for purposes of tariff publication.

Any air carrier party to the agreement, or any interested person, may, within 15 days from the date of service of this order, submit statements in writing containing reasons deemed appropriate, together with supporting data, in support of or in opposition to the Board's action herein. An original and 19 copies of the statement should be filed with the Board's Docket section. The Board may, upon consideration of any such statements filed, modify or rescind its action herein by subsequent order.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON, *Secretary*.

[F.R. Doc. 65-7025; Filed, July 2, 1965; 8:46 a.m.]

CIVIL SERVICE COMMISSION

SOCIOLOGY SERIES

Minimum Educational Requirements

In accordance with section 5 of the Veterans' Preference Act of 1944, as amended, the Civil Service Commission has decided that minimum educational requirements are necessary for positions in the Sociology Series, GS-184. These requirements, the duties of the positions, and the reasons for the Commission's decision that these requirements are necessary are set forth below.

SOCIOLOGY SERIES, GS-184 (ALL GRADES)

Minimum educational requirements. For all positions applicants for all grades must have successfully completed one of the following:

A. A full 4-year course in an accredited college or university leading to a bachelor's or higher degree which included or was supplemented by at least 24 semester hours of sociology, with course work including theory and methods of social research.

B. Courses in an accredited college or university consisting of 24 semester hours in sociology with course work including theory and methods of social research, plus additional appropriate experience or education, which, when combined with the specific course work, will total 4 years of education and experience and give the applicant a technical knowledge comparable to that which would have been acquired through the successful completion of the 4-year college course described in A above.

Duties. The duties of these positions involve advising on, administering, supervising, or performing research or other professional work which requires knowledge of sociology, sociological theory and methods of social research. The work involves studies of: The culture, structure, and organization of groups; the relationships between groups, organizations or social systems; collective human behavior in social situations; or the demographic characteristics and ecological patterning of communities and societies. The work may be of a generalized or specialized nature requiring extensive knowledge in a particular area. Illustrative of a specific assignment is the development of tools to measure and evaluate inter-group relationships and methods of communication in a hospital environment.

Reasons for establishing requirements. The duties of these positions cannot be performed successfully without, at the minimum, formalized training in sociology which provides the fundamental professional knowledges needed to perform the duties covered by this series. The applicants must have the ability to apply their professional knowledges to their work in order to advise on or solve specific problems, interpret, and apply the results of research, or promote, direct, or do further research in sociology. These knowledges can be acquired only through a planned and directed course of study in an accredited college or university which provides adequate library facilities, and thoroughly trained instructors who can give specific guidance and evaluate the progress of the professional training competently.

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

[F.R. Doc. 65-7023; Filed, July 2, 1965; 8:46 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 16072; FCC 65-554]

AMERICAN TELEPHONE AND TELEGRAPH CO.

Memorandum Opinion and Order Instituting Investigation

1. On May 17, 1965, the American Telephone and Telegraph Co. filed 20th Revised Page 18 of its Tariff FCC No. 134, General Regulations for Private Line Services and Channels originally to become effective June 17, 1965, but later postponed to become effective June 30, 1965. Petitions requesting that the Commission suspend this tariff were received from the Administrator of General Services and The Associated Press. A.T. & T. replied to the petition on June 23, 1965.

2. The revision in the tariff added the following to the definition of "service point":

> Where a customer for a base capacity furnished under this Company's Tariff FCC No. 250 orders a service or channel under another tariff of this Company to be furnished as an extension of a channel included in such base capacity, the TELPAK service point from which the customer orders such extension is considered to be a service point on the service or channel furnished under such other tariff.

The result of the revision is that a channel terminal charge applies at such redefined service point; whereas, as we interpret the tariff, none now applies.

3. It appears from our analysis of the tariffs and the petitions filed in opposition to tariff that such channel terminal charge would, under the revision in question, apply in many cases where, in fact, there is no channel termination involved. This gives rise to a question as to whether the revenue to be derived from the channel terminal charge is justified by any corresponding revenue requirement, and if not, whether any other rate making consideration would justify such a charge. In view of this question, it appears that the interest of the public would be adversely affected if the revision were to become effective on the date scheduled.

4. *Accordingly, it is ordered*, That pursuant to the provisions of section 204 of the Communications Act of 1934, the operation of 20th Revised Page 18 of American Telephone and Telegraph Co. Tariff FCC No. 134 is hereby suspended until the 30th day of September 1965, unless otherwise ordered by the Commission; and that during such period no changes should be made unless authorized by special permission of the Commission; and

It is further ordered, That, in the event a decision as to the lawfulness of the tariff schedule herein suspended has not been made during the suspension period, and such tariff schedule goes into effect, A.T. & T. and its connecting and concurring carriers shall, in case of all increased charges and until further order of the Commission, keep accurate account of all amounts received by reason of such increase, specifying by whom and in whose behalf such amounts were paid; and

It is further ordered, That pursuant to the provisions of sections 201, 202, 204, 205, and 403 of the Communications Act of 1934, as amended, an investigation is hereby instituted into the lawfulness of the above-mentioned tariff; and

It is further ordered, That A.T. & T. and all companies listed as concurring carriers in the above-mentioned tariff schedules are made parties respondent and the Administrator of General Services and The Associated Press are granted leave to intervene upon filing a notice of intention to intervene in this investigation.

It is further ordered, That without limiting the scope of the investigation, inquiry shall be made into the following:

(a) Whether the charges, classifications, regulations, and practices contained in the above-mentioned tariff revision are or will be unjust and unreasonable within the meaning of section 201(b) of the Communications Act of 1934, as amended;

(b) Whether this tariff revision will subject any person or class of persons to unjust or unreasonable discrimination or give any undue or unreasonable preference or advantage to any person, class of persons, or locality, or subject any person, class of persons, or locality to any undue or unreasonable prejudice or disadvantage within the meaning of section 202(a) of the Communications Act of 1934, as amended;

(c) Whether the Commission should prescribe just and reasonable connection charges or prescribe appropriate service points to be governed by the above-mentioned tariff and, if so, what charges, classifications, regulations, and practices should be prescribed; and

It is further ordered, That a hearing shall be held at the Commission's offices in Washington, D.C., at a time to be hereafter specified, and that the Hearing Examiner designated to preside at the hearing shall certify the record to the Commission for decision without preparing either an initial decision or a recommended decision; and that the Chief, Common Carrier Bureau, shall prepare and issue a recommended decision;

It is further ordered, That the above-mentioned petitions are granted to the extent indicated and in all other respects are denied.

Adopted: June 29, 1965.

Released: June 30, 1965.

FEDERAL COMMUNICATIONS COMMISSION,[1]
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7044; Filed, July 2, 1965; 8:48 a.m.]

[Docket Nos. 15812, 15813; FCC 65M-849]

NEBRASKA RURAL RADIO ASSN. (KRVN) AND TOWN & FARM CO., INC. (KMMJ)

Order Scheduling Prehearing Conference

In re applications of Nebraska Rural Radio Association (KRVN), Lexington, Nebr., Docket No. 15812, File No. BP-15348; Town & Farm Co., Inc. (KMMJ), Grand Island, Nebr., Docket No. 15813, File No. BP-15354; for construction permits.

A further prehearing conference in the above-entitled proceeding will be held on Tuesday, July 13, 1965, beginning at 9 a.m., in the offices of the Commission, Washington, D.C.

The matters to be discussed and considered at that time include but will not be limited to the following:

1. Petition filed by Town & Farm Co., Inc., for leave to amend, and all pleadings filed in response thereto together with such other pleadings or comments as may be filed on this matter.

2. The type of material which either applicant would seek to introduce in evidence should it appear that the 307(b) issue will not be controlling, and the date for the exchange of such material.

3. The establishment of a new time schedule in lieu of the previous schedule which was rendered impractical by the filing of various and sundry pleadings.

It is so ordered, This the 28th day of June 1965.

Released: June 29, 1965.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7045; Filed, July 2, 1965; 8:48 a.m.]

[1] Commissioners Lee and Wadsworth absent.

[Docket Nos. 16025, 16026; FCC 65M-850]

WEBSTER COUNTY BROADCASTING CO. AND HOLMES COUNTY BROADCASTING CO. (WXTN)

Order Regarding Procedural Dates

In re applications of William E. Hardy and James E. Myers, doing business as Webster County Broadcasting Co., Eupora, Miss., Docket No. 16025, File No. BP-16372; Marvin L. Mathis, Robin H. Mathis, Ralph C. Mathis, & John B. Skelton, Jr., doing business as Holmes County Broadcasting Co. (WXTN), Lexington, Miss., Docket No. 16026, File No. BP-16601; for construction permits.

To formalize the agreements and rulings made on the record at a prehearing conference held on June 28, 1965, in the above-entitled matter concerning the future conduct of this proceeding;

It is ordered, This 28th day of June 1965, that:

Preliminary exchange of engineering exhibits is scheduled for September 8, 1965;

Preliminary exchange of lay exhibits is scheduled for September 15, 1965;

Final exchange of all exhibits is scheduled for September 28, 1965;

Notification of witnesses is scheduled for October 5, 1965; and

Hearing presently scheduled for July 19, 1965, is continued to October 12, 1965.

Released: June 29, 1965.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7046; Filed, July 2, 1965; 8:48 a.m.]

FEDERAL MARITIME COMMISSION

DELTA STEAMSHIP LINES, INC., AND LYKES BROS. STEAMSHIP CO., INC.

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreement at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. W. J. Amoss, Jr., Vice President—Traffic, Lykes Bros. Steamship Co., Inc., New Orleans, La.

Agreement 9452-1, between Delta Steamship Lines, Inc. and Lykes Bros. Steamship Co., Inc. modifies proposed agency Agreement 9452 to include the port of Mobile, Ala., as a port at which "Lykes" will act as agent for "Delta" in the performance of all acts and functions and at the rates of compensation as set forth in the basic agreement.

Dated: June 30, 1965.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 65-7039; Filed, July 2, 1965; 8:47 a.m.]

ISRAEL/U.S. NORTH ATLANTIC PORTS WESTBOUND FREIGHT CONFERENCE

Notice of Petition Filed for Approval

Notice is hereby given that the following petition has been filed with the Commission for approval pursuant to section 14b of the Shipping Act, 1916, as amended (75 Stat. 762, 46 U.S.C. 814).

Interested parties may inspect a copy of the proposed contract form and of the petition at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to the proposed contract form and the petition including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the proposed contract form and of the petition (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of application to institute a dual rate system filed by:

Mr. S. Breitner, Secretary, Israel/U.S. North Atlantic Ports Westbound Freight Conference, Ha'atsmaut Road 7-9, Post Office Box 1723, Haifa, Israel.

A proposed form of dual rate contract has been filed and application has been made for permission to institute a dual rate contract system on all cargo transported on vessels of the carriers, members of the Israel/U.S. North Atlantic Ports Westbound Freight Conference, from Mediterranean ports of Israel to North Atlantic ports of the United States (Hampton Roads/Portland, Maine, range).

The contract form provides that (1) the merchant ship or cause to be shipped all of its ocean shipments for which contract and noncontract rates are offered in the trade on vessels of the carrier members unless otherwise provided in the contract, and (2) the noncontract rates shall in no case be 15 percent above the contract rates, in addition to other terms and conditions set forth therein.

Dated: June 30, 1965.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 65-7040; Filed, July 2, 1965; 8:47 a.m.]

REPUBLIC INTEROCEAN CORP.

Revocation of License

Whereas, Republic Interocean Corp., 64 Worth Street, New York, N.Y., has requested cancellation of its Independent Ocean Freight Forwarder License No. 292 to become effective July 1, 1965; and

Whereas, Republic Interocean Corp. has advised that it will return its license to the Commission.

Now, therefore, by virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 201.1 (Amended), Supplement 4, § 6.03.

It is ordered, That the independent ocean freight forwarder license of Republic Interocean Corp. be and is hereby canceled, effective 12:01 a.m., July 1, 1965.

It is further ordered, That a copy of this order be published in the FEDERAL REGISTER and served on the licensee.

[SEAL] EDWARD SCHMELTZER,
Director,
Bureau of Domestic Regulation.

Attest:

THOMAS LISI,
Secretary, Federal Maritime Commission.

[F.R. Doc. 65-7041; Filed, July 2, 1965; 8:47 a.m.]

SATELLITE SHIPPING CORP.

Revocation of License

Whereas, Satellite Shipping Corp., 24 Stone Street, New York, N.Y., 10004, has ceased to operate as an independent ocean freight forwarder; and

Whereas, Satellite Shipping Corp. has returned its Independent Ocean Freight Forwarder License No. 1045 to the Commission.

Now, therefore, by virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 201.1 (Amended), Supplement 4, § 6.03;

It is ordered, That the independent ocean freight forwarder license of Satellite Shipping Corp. be and is hereby revoked, effective June 28, 1965.

It is further ordered, That a copy of this order be published in the FEDERAL REGISTER and served on the licensee.

[SEAL] EDWARD SCHMELTZER,
Director,
Bureau of Domestic Regulation.

Attest:

THOMAS LISI,
Secretary, Federal Maritime Commission.

[F.R. Doc. 65-7042; Filed, July 2, 1965; 8:47 a.m.]

[Docket No. 65-25]

SOUTH ATLANTIC AND CARIBBEAN LINE, INC., AND TRANSCARLOADING CORP.

Order of Investigation

On October 21, 1964, Agreement DC-16 was filed with the Federal Maritime Commission by South Atlantic and Caribbean Line, Inc. (SACL), a common carrier by water, and Transcarloading Corp. (Transcarloading), a non-vessel operating common carrier by water, for approval pursuant to section 15 (46 U.S.C. 814) of the Shipping Act, 1916.

Agreement DC-16 proposes to establish an arrangement for the transportation by SACL of Freight All-Kinds in container loads from San Juan, P.R. to Miami and Jacksonville, Fla. Under the terms of the agreement, Transcarloading will pay SACL a minimum of $350 per high-cube container (exceeding 1,800 cubic feet capacity), subject to the requirement that Transcarloading tender at least four containers per week; otherwise, the $350 rate will not apply. The charge per container covers transportation from place of rest at SACL's terminal at port of loading to place of rest at SACL's terminal at port of discharge and includes wharfage, handling, and arrimo charges. Transcarloading, at its expense, will load and unload SACL's containers and will deliver and remove the containers from SACL's terminals. SACL will not be liable for loss or damage due to improper loading of its containers. SACL's current tariff rate on container loads of Freight All-Kinds is $700.

Sea-Land Service, Inc., a common carrier by water operating in the South Atlantic/Puerto Rico trade, filed a protest alleging that if Agreement DC-16 be approved (1) the proposed $350 rate would be noncompensatory and (2) SACL will perform substantially the same service for Transcarloading at $350 per container that it performs for other shippers at $700 per container, thereby preferring Transcarloading and subjecting other shippers and carriers to prejudice and unjust and unfair discrimination.

International Packers Limited, an international ocean freight forwarder in the foreign commerce of the United States, filed a protest alleging that approval of Agreement DC-16 would be illegal unless said Agreement is required to be published in SACL's tariff and is made available to all forwarders and shippers on equal terms.

Therefore it is ordered, That an investigation is hereby instituted pursuant to sections 15 and 22 (46 U.S.C. 814, 821) of the Shipping Act, 1916 (the Act), and section 3 (46 U.S.C. 814) of the Intercoastal Shipping Act, 1933 (1933 Act), to determine whether: (1) Agreement DC-16 should be disapproved or modified pursuant to section 15 because it would be unjustly discriminatory or unfair as between carriers or shippers, or because it would operate to the detriment of the commerce of the United States, or be contrary to the public interest, or be otherwise in violation of the Act; (2) Agreement DC-16 would make or give any undue or unreasonable preference or advantage to any particular person,

locality, or description of traffic in any respect whatsoever, or subject any particular person, locality, or description of traffic to any undue or unreasonable prejudice or disadvantage in any respect whatsoever, in violation of section 16, First of the Act; (3) Agreement DC-16 should be required to be filed with the Commission as a part of SACL's tariff pursuant to section 2 of the 1933 Act; (4) the $350 rate as set forth in DC-16 is a just and reasonable rate as required by sections 3 and 4 of the 1933 Act.

It is further ordered, That (I) the investigation herein ordered be assigned by the Chief Examiner for public hearing before an examiner of the Commission at a date and place to be announced; (II) South Atlantic and Caribbean Line, Inc. and Transcarloading Corp., be and they are hereby made respondents in this proceeding; (III) a copy of this order be forthwith served upon said respondents; (IV) the said respondents be duly notified of the time and place of the hearing herein ordered; and (V) this order be published in the FEDERAL REGISTER.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies) having an interest in this proceeding and desiring to intervene therein, should file with the Secretary of the Commission petitions for leave to intervene in accordance with Rule 5(n) (46 CFR 502.73) of the Commission's rules of practice and procedure, with copy to respondents.

By the Commission.

[SEAL] THOMAS LISI, *Secretary*.

[F.R. Doc. 65-7043; Filed, July 2, 1965; 8:48 a.m.]

FEDERAL TRADE COMMISSION

IRON PIPE FITTINGS AND UNIONS INDUSTRY

Notice of Public Hearing

Notice is hereby given that the Federal Trade Commission will hold a hearing on July 23, 1965, to afford all members of the Iron Pipe Fittings and Unions Industry and other interested persons, including members of the trade and the public, an opportunity to present their views, suggestions, and comments concerning practices used in the marketing of industry products.

Members of this industry are persons, firms, corporations, and organizations engaged in the manufacture and sale of industry products as hereinafter defined, and in addition, those nonmanufacturers engaged in the marketing of such products to wholesalers.

Industry products include pipe fittings, unions, union fittings, flanges, flanged fittings, flanged unions, union boiler fittings, railing fittings, rod couplings, and drainage fittings made of iron, including but not limited to malleable, cast iron and ductile iron, but not including any fittings for soil pipe, sprinkler fittings (other than standard malleable or cast iron pipe fittings), sprinkler heads, sockets, or other sprinkler equipment, ceiling plates and pipe hangers, or supports, pipe chairs, pipe saddles, pipe rolls, brackets or clamps, mechanical joint fittings, or dresser type couplings or fittings. The subject iron fittings may be threaded or not threaded and of any finish or pressure rating.

All views, comments, and suggestions received by the Commission will be given consideration with a view to determining whether the promulgation of trade practice rules or other action may be warranted in the public interest.

Among the practices which have been suggested as subjects of the hearing are: The sale of industry products to favored customers at lower prices than those charged other customers for merchandise of like grade and quality; the granting of special discounts known as "preferentials" to certain favored customers; the circulation of net discount sheets to prospective purchasers purporting to reflect the industry member's currently prevailing discount schedule but which in fact reflect discounts not currently in effect; the use of quantity discount schedules which have no relation to cost savings; allowing to certain favored customers significant variations in terms of payment not granted other customers; granting to some customers so-called "price protection," not granted to other customers; and the furnishing of special promotions or services not made available to competing customers on proportionally equal terms.

Additional practices which have been suggested as subjects for discussion are: Misrepresentation as to character of business; misrepresenting that products conform to a standard; substitution of products; false invoicing; defamation of competitors or false disparagement of their products; inducing breach of contract; commercial bribery; enticing away employees of competitors; coercing of purchases; and exclusive dealing.

Interested persons are invited to submit information, either verbally or in writing, pertinent to any of the foregoing practices or to other practices used in the marketing of products of this industry. Such information, views, or suggestions may be submitted by letter, memorandum, or other communication to be filed with the Commission not later than August 23, 1965. Opportunity to be heard orally will be afforded at the hearing beginning at 10 a.m., e.d.t. on July 23, 1965, in Room 532, Federal Trade Commission Building, Pennsylvania Avenue and Sixth Street NW., Washington, D.C.

Approved: June 22, 1965.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary*.

[F.R. Doc. 65-7028; Filed, July 2, 1965; 8:46 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-8052, etc.]

HUSKY OIL CO.

Findings and Order Amending Orders

JUNE 24, 1965.

Husky Oil Co., Docket No. G-8052, et al.[1], Husky Oil Co., Docket No. G-19722[2], Husky Oil Co., Haynes & V. T. Drilling Co., and Reserve Oil and Gas Co., Docket No. RI60-13[2], Husky Oil Co., Docket No. RI65-64.

On February 15, 1965, Husky Oil Co. (Applicant), formerly Husky, Inc., filed in Docket No. G-8052, et al., an application pursuant to section 7(c) of the Natural Gas Act to amend the orders issuing certificates of public convenience and necessity in said dockets by substituting Applicant as certificate holder, all as more fullly set forth in the application.

Certificates were issued in the subject dockets to Husky Oil Co. Husky Oil Co. was merged by Husky, Inc., effective December 31, 1964, and Husky, Inc., changed its name to Husky Oil Co. Details of the sales proposed to be continued are set forth in the Appendix below.

Applicant will continue to sell natural gas under the predecessor Husky Oil Co. rate schedules and has filed notices of succession to said rate schedules. Applicant has also filed copies of the assignment as a supplement to each of said rate schedules.

The presently effective rates under the predecessor's FPC Gas Rate Schedule Nos. 3 and 9 are in effect subject to refund in Docket Nos. G-19722 and RI60-13, respectively. The predecessor has filed subsequent increased rates under said rate schedules which rates have been suspended in Docket No. RI65-64 and have not been made effective. Applicant has filed an agreement and undertaking in Docket No. G-19722 to assure the refund of any amount collected in excess of the amount determined to be just and reasonable in said docket. Accordingly, Applicant will be substituted in lieu of the predecessor Husky Oil Co. as respondent in each of the rate proceedings, the agreement and undertaking submitted in Docket No. G-19722 will be accepted for filing, and Applicant will be required to file an agreement and undertaking in Docket No. RI60-13.

After due notice no petition to intervene, notice of intervention or protest to the granting of the application has been received.

The Commission finds:

(1) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the orders issuing certificates in the dockets listed in the Appendix hereto should be amend-

[1] Additional certificate dockets are listed in the Appendix below.

[2] Consolidated with Docket No. AR61-1, et al.

ed by substituting Applicant as certificate holder and that the related rate filings should be accepted.

(2) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Applicant should be substituted in lieu of the predecessor Husky Oil Co. as party respondent in the proceedings pending in Docket Nos. G-19722, RI60-13, and RI65-64, that the agreement and undertaking filed in Docket No. G-19722 should be accepted for filing, and that Applicant should be required to submit an agreement and undertaking in Docket No. RI60-13.

The Commission orders:

(A) The orders issuing certificates in the dockets listed in the Appendix below be and the same are hereby amended by substituting Applicant as certificate holder in lieu of the predecessor Husky Oil Co., and in all other respects said orders shall remain in full force and effect.

(B) The notices of succession and assignment are hereby accepted for filing and the predecessor's rate schedules are redesignated as those of Applicant, all effective as of January 1, 1965, as described in the Appendix below.

(C) Applicant be and it is hereby substituted in lieu of the predecessor Husky Oil Co. as party respondent in the proceedings pending in Docket Nos. G-19722, RI60-13, and RI65-64, and the agreement and undertaking submitted in Docket No. G-19722 is hereby accepted for filing.

(D) Within 30 days from the issuance of this order, Applicant shall execute, in the form set out below,[3] and shall file with the Secretary of the Commission an acceptable agreement and undertaking in Docket No. RI60-13 to assure the refund of any amount, together with interest at the rate of 7 percent per annum, collected by the predecessor Husky Oil Co. and by itself in excess of the amount determined to be just and reasonable in said docket. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of submission, such agreement and undertaking shall be deemed to have been accepted for filing.

(E) Applicant shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and Applicant's agreements and undertakings filed in Docket Nos. G-19722 and RI60-13 shall remain in full force and effect until discharged by the Commission.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

APPENDIX

Docket No.	New designation—Husky Oil Co.		Former designation, description, and date of instrument	Purchaser	Location
	Rate schedule	Supplement			
G-8062	1		Husky Oil Co., FPC Gas Rate Schedule No. 1.	Mountain Fuel Supply Co.	Ace Unit Field, Moffat County, Colo.
	1	1-2	Supplement Nos. 1-2.		
			Notice of succession 2-12-65.		
	1	3	Assignment 1-1-65.		
G-8063	4		Husky Oil Co., FPC Gas Rate Schedule No. 4.	do	Salt Wells Field Sweetwater County, Wyo.
	4	1-2	Supplement Nos. 1-2.		
			Notice of succession 2-12-65.		
	4	3	Assignment 1-1-65.		
G-8056	3		Husky Oil Co., FPC Gas Rate Schedule No. 3.	El Paso Natural Gas Co.	Langlie-Mattix Field, Lea County, N. Mex.
	3	1-7	Supplement Nos. 1-7.		
			Notice of succession 2-12-65.		
	3	8	Assignment 1-1-65.		
G-8057	5		Husky Oil Co., FPC Gas Rate Schedule No. 5.	do	Do.
	5	1-3	Supplement Nos. 1-3.		
			Notice of succession 2-12-65.		
	5	4	Assignment 1-1-65.		
CI60-423	8		Husky Oil Co. (Operator), et al., FPC Gas Rate Schedule No. 8.	do	Do.
	8	1-8	Supplement Nos. 1-8.		
			Notice of succession 2-12-65.		
	8	9	Assignment 1-1-65.		
CI60-423	9		Husky Oil Co. (Operator), et al., FPC Gas Rate Schedule No. 9.	do	Do.
	9	1-10	Supplement Nos. 1-10.		
			Notice of succession 2-12-65.		
	9	11	Assignment 1-1-65.		
CI61-186	10		Husky Oil Co. (Operator), et al., FPC Gas Rate Schedule No. 10.	Montana-Dakota Utilities Co.	Manderson-Slick, Creek Area, Big Horn County, Wyo.
			Notice of succession 2-12-65.		
	10	1	Assignment 1-1-65.		
CI61-1574	11		Husky Oil Co. (Operator), et al., FPC Gas Rate Schedule No. 11.	do	Do.
			Notice of succession 2-12-65.		
	11	1	Assignment 1-1-65.		
CI64-1097	12		Husky Oil Co., FPC Gas Rate Schedule No. 12.	Mountain Fuel Supply Co.	Little Snake Unit, Area, Moffat County, Colo., and Sweetwater County Wyo.
			Notice of succession 2-12-65.		
	12	1	Assignment 1-1-65.		

[F.R. Doc. 65-6950; Filed, July 2, 1965; 8:45 a.m.]

[3] Filed as part of the original document.

[Docket Nos. RI65-636 etc.]

ROCK ISLAND OIL & REFINING CO., INC., ET AL.

Order Providing for Hearing on and Suspension of Proposed Changes in Rates, and Allowing Rate Changes To Become Effective Subject to Refund [1]

JUNE 24, 1965.

The Respondents named herein have filed proposed changes in rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A below.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders: (A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however*, That the supplements to the rate schedules filed by Respondents, as set forth herein, shall become effective subject to refund on the date and in the manner herein prescribed if within 20 days from the date of the issuance of this order Respondents shall each execute and file under its above-designated docket number with the Secretary of the Commission its agreement and undertaking to comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, accompanied by a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Respondents are advised to the contrary within 15 days after the filing of their respective agreements and undertakings, such agreements and undertakings shall be deemed to have been accepted.

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

[1] Does not consolidate for hearing or dispose of the several matters herein.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before August 11, 1965.

By the Commission.

[SEAL]

JOSEPH H. GUTRIDE,
Secretary.

APPENDIX A

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in Docket Nos.
RI65-636	Rock Island Oil & Refining Co., Inc. (Operator), et al., 321 West Douglas, Wichita 2, Kans.	2	7	El Paso Natural Gas Co. (San Juan County, N. Mex.) (San Juan Basin Area).	$1,998	5-27-65	[1] 6-27-65	[3] 6-28-65	13.0	[4 5 6] 14.0	
	do	5	4	do	4,504	5-27-65	[1] 6-27-65	[3] 6-28-65	13.0	[4 5 6] 14.0	
	do	6	7	do	2,838	5-27-65	[1] 6-27-65	[3] 6-28-65	13.0	[4 5 6] 14.0	
	do	8	7	do	958	5-27-65	[1] 6-27-65	[3] 6-28-65	13.0	[4 5 6] 14.0	
RI65-637	National Cooperative Refinery Association, c/o Haskell, Helmick, Carpenter & Evans. Attention: Mr. W. V. Carpenter, 1110 Denver Club Bldg., Denver, Colo.	4	1	El Paso Natural Gas Co. (Basin-Dakota Gas Pool, Rio Arriba County, N. Mex.) (San Juan Basin Area).	1,923	5-28-65	[7] 6-28-65	[3] 6-29-65	13.0	[4 5 6 8] 14.053625	
RI65-638	Rock Island Oil & Refining Co., Inc.	10	2	El Paso Natural Gas Co. (San Juan County, N. Mex.) (San Juan Basin Area).	639	6-2-65	[1] 7-3-65	[3] 7-4-65	[5] 13.0	[4 5 6] 14.0	
RI65-639	Fred Koch, 321 West Douglas, Wichita 2, Kans.	1	3	do	1,684	6-2-65	[1] 7-3-65	[3] 7-4-65	[5] 13.0	[4 5 6] 14.0	
	do	3	2	do	1,972	6-2-65	[1] 7-3-65	[3] 7-4-65	[5] 13.0	[4 5 6] 14.0	

[1] The stated effective date is the effective date proposed by respondent.
[3] The suspension period is limited to 1 day.
[4] Periodic rate increase.
[5] Pressure base is 15.025 p.s.i.a.
[6] Includes 1.0 cent per Mcf added to reflect minimum guarantee for liquids.
[7] The stated effective date is the first day after expiration of the required statutory notice.
[8] Includes partial reimbursement for 0.55 percent increase in New Mexico Emergency School Tax.

National Cooperative Refinery Association (National) requests an effective date of January 1, 1964, the contractually provided effective date, for its proposed rate increase. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit an earlier effective date for National's rate filing and such request is denied.

The proposed rate increases filed by Rock Island Oil & Refining Co., Inc. (Operator), et al., Rock Island Oil & Refining Co., Inc., and Fred Koch did not include as part of their proposed rate the contractually provided for 1.0 cent per Mcf minimum guarantee for liquids. The addition of this minimum guarantee of 1.0 cent per Mcf to the base rate results in a total rate in excess of the 13.0 cents per Mcf area ceiling for increased rates in the San Juan Basin area as set forth in the Commission's Statement of General Policy No. 61-1, as amended (18 CFR Ch. I, Part 2, § 2.56). National's proposed increased rate exceeds the San Juan Basin area ceiling by the 1.0 cent per Mcf minimum guarantee for liquids and tax reimbursement. Under the circumstances, we believe that the aforementioned producers' rate filings should be suspended for 1 day from the date shown in the "Effective Date" column of Appendix "A" hereto.

[F.R. Doc. 65-6952; Filed, July 2, 1965; 8:45 a.m.]

[Docket Nos. RI65-640 etc.]

RIP C. UNDERWOOD ET AL.

Order Providing for Hearings on and Suspension of Proposed Changes in Rates [1]

JUNE 24, 1965.

The Respondents named herein have filed proposed increased rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A below.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

[1] Does not consolidate for hearing or dispose of the several matters herein.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act.

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before August 11, 1965.

By the Commission.

[SEAL]

JOSEPH H. GUTRIDE,
Secretary.

APPENDIX A

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in docket Nos.
RI65-640	Rip C. Underwood, 213 First National Bank Bldg., Amarillo, Tex.	2	5	Colorado Interstate Gas Co. (Keyes Dome Field, Texas and Cimarron Counties, Okla.) (Panhandle Area).	$781	5-28-65	[2] 6-28-65	11-28-65	[5] 15.0	[3] [4] [5] 17.0	
	do	5	1	Northern Natural Gas Co. (Hansford Field, Hansford and Ochiltree Countries, Tex.) (R.R. District No. 10).	2,352	5-28-65	[2] 6-28-65	11-28-65	[7] 16.5	[3] [4] [7] 17.5	
RI65-641	Western Oil Fields, Inc. (Operator), et al., 1220 Denver Club Bldg., Denver, Colo., 80202.	7	3	Colorado Interstate Gas Co. (NW Eva Field, Texas County, Okla.) (Panhandle Area).	322	5-27-65	[8] 7-1-65	12-1-65	[5] 16.0	[3] [4] [5] 17.0	G-17321.
RI65-642	Pan American Petroleum Corp., Post Office Box 591, Tulsa, Okla., 74102.	221	7	Panhandle Eastern Pipe Line Co. (Enns Camrick Field, Texas County, Okla.) (Panhandle Area).	1,308	6-1-65	[2] 7-2-65	12-2-65	17.2	[9] [4] 17.4	RI64-787.
RI65-643	Rock Island Oil & Refining Co., Inc., 321 West Douglas, Wichita 2, Kans.	9	2	Cities Service Gas Co. (Seward County, Kans.).	95	6-2-65	[8] 7-3-65	12-3-65	[7] 16.0	[6] [4] [7] 17.0	
RI65-644	Shell Oil Co., 50 West 50th Street, New York, N.Y.	282	3	Cities Service Gas Co. (Hobart Ranch Field, Hemphill County, Tex.) (R.R. District No. 10).	4,982	6-1-65	[8] 7-2-65	12-2-65	[7] [11] 17.0	[9] [4] [10] 17.595	
	Shell Oil Co.	275	4	El Paso Natural Gas Co. (Mocane Field, Beaver County, Okla.) (Panhandle Area).	219	6-1-65	[8] 7-2-65	12-2-65	[11] 17.0	[12] [4] [13] 19.5	
RI65-645	Shell Oil Co. (Operator), et al.	289	5	Arkansas Louisiana Gas Co. (North Carter Field, Beckham County, Okla.) (Oklahoma "Other" Area).	16,797	6-4-65	[8] 7-5-65	12-5-65	[15] 15.0	[14] [4] [15] 17.0	

[2] The stated effective date is the first day after expiration of the required statutory notice.
[3] Renegotiated rate increase.
[4] Pressure base is 14.65 p.s.i.a.
[5] Subject to upward and downward B.t.u. adjustment for gas containing more or less than 1,000 B.t.u. (Present B.t.u. content of gas is less than 1,000 B.t.u.)
[6] Periodic rate increase.
[7] Subject to a downward B.t.u. adjustment.
[8] The stated effective date is the effective date requested by respondent.
[9] Tax reimbursement increase.
[10] Initial contract rate which provided for 17.0 cents per Mcf base rate plus tax reimbursement.
[11] Initial certificated rate.
[12] Fractured rate increase.
[13] Seller contractually due 23.0 cents per Mcf, which includes 21.0 cents initial contract rate plus 2.0 cents periodic increase as of Nov. 1, 1964.
[14] Seller filing from initial certificated rate to initial contract rate.
[15] Subject to a deduction up to a maximum of 0.5 cent per Mcf by buyer for cost of treating gas to bring gas up to contract specifications.

Rip C. Underwood requests that his proposed rate increases be permitted to become effective "immediately." Pan American Petroleum Corp. requests an effective date of July 1, 1965, for its proposed rate filing. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit an earlier effective date for the aforementioned producers' rate filings and such requests are denied.

The notices of change filed by Shell Oil Co. under Supplement Nos. 3 and 4 to its FPC Gas Rate Schedule Nos. 282 and 275, respectively, represent changes in rate from permanently certificated rates to initial contract rates.

Shell Oil Co. (Operator), et al., (Shell) proposes a "fractured" rate increase from 17.0 cents to 19.5 cents per Mcf (contractual due rate is 23.0 cents per Mcf). The proposed rate, being lower than the contractually authorized rate, is considered to be a "fractured" rate. Shell states that it has limited the amount of the proposed increased rate so as not to exceed the level of rate charges it has filed in the area in which the gas is produced.

All of the proposed increased rates and charges exceed the applicable area price level for increased rates as set forth in the Commission's Statement of General Policy No. 61-1, as amended (18 CFR Ch. I, Part 2, § 2.56).

[F.R. Doc. 65-6953; Filed, July 2, 1965; 8:45 a.m.]

LIBRARY OF CONGRESS

FEDERAL LIBRARY COMMITTEE

Establishment and Functions

MARCH 23, 1965.

In recognition of the need for cooperation and concerted action among Federal libraries, a Federal Library Committee is hereby established. The permanent members of the Committee shall be the Librarian of Congress, the Director of the National Agricultural Library, the Director of the National Library of Medicine, and a representative of each of the Executive departments. Six other members, representing six of the independent agencies selected on a rotating basis by the permanent members of the Committee, shall serve 2-year terms. Representatives of departments and agencies shall be designated by the Secretary of the department or the head of the agency concerned and shall be authorized to speak for the department or agency on library matters. A representative of the Bureau of the Budget, designated by the Budget Director, will meet with the Committee as an observer. Other regular observers shall be the Deputy Librarian of Congress, the Assistant Librarian, the Chief, Library Services Division, U.S. Office of Education, and the Technical Assistant to the Director, Office of Science and Technology, Executive Office of the President.

The Chairman of the Committee shall be the Librarian of Congress. The Chairman may make provision for another member of the Committee, with the consent of the members, to act temporarily as Chairman. The Chairman may name other observers and may invite representatives of other agencies not represented on the Committee to attend meetings or parts of meetings of the Committee concerned with matters of interest to the agency and may invite other persons to attend as appropriate. The Committee shall meet regularly once each month, and additional meetings may be called by the Chairman as necessary. In addition, the Chairman shall convene librarians of all agencies from time to time to consider and discuss common problems.

Functions of the Committee. The Committee shall on a Government-wide basis (1) consider policies and problems relating to Federal libraries, (2) evaluate existing Federal library programs and resources, (3) determine priorities among library issues requiring attention, (4)

examine the organization and policies for acquiring, preserving, and making information available, (5) study the need for and potential of technological innovation in library practices, (6) study library budgeting and staffing problems, including the recruiting, education, training, and remuneration of librarians.

Within these areas the Committee shall recommend policies and other measures (1) to achieve better utilization of Federal library resources and facilities, (2) to provide more effective planning, development, and operation of Federal libraries, (3) to promote optimum exchange of experience, skill, and resources among Federal libraries, and as a consequence (4) to promote more effective service to the Nation at large. The Committee shall consider and recommend measures for the implementation of Federal library policies and programs, and shall serve as a forum for the communication of information among Federal librarians and library users.

Working groups. For the purpose of conducting studies and making reports, the Committee may establish working groups. Such groups shall be composed of Federal librarians and other persons appointed by the Chairman of the Committee with the advice of the members.

Termination. Continuance of the Committee shall be subject to biennial review.

Library of Congress, Washington, D.C.

L. QUINCY MUMFORD,
Librarian of Congress and Chairman, Federal Library Committee.

[F.R. Doc. 65-7080; Filed, July 2, 1965; 8:48 a.m.]

INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

CERTAIN COTTON TEXTILES AND COTTON TEXTILE PRODUCTS PRODUCED OR MANUFACTURED IN PAKISTAN

Consumption and Withdrawal From Warehouse

JUNE 29, 1965.

On February 26, 1965, the U.S. Government, in furtherance of the objective of, and under the terms of, the Long Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, concluded a bilateral agreement with the Government of Pakistan concerning exports of cotton textiles from Pakistan to the United States over a 3-year period. Under this agreement the Government of Pakistan has undertaken to limit its exports to the United States of certain cotton textiles and cotton textile products to specified annual amounts. The second year of the agreement will commence on July 1, 1965, and extend through June 30, 1966. The categories which are subject to specific export limitation under the agreement are as follows: 9, print cloth (18-19 and part of 26), 22 and bark cloth type fabric (part of 26).

There is published below a letter of June 29, 1965, from the Chairman of the President's Cabinet Textile Advisory Committee to the Commissioner of Customs directing that the amounts of cotton textiles and cotton textile products in all the aforementioned categories, produced or manufactured in Pakistan which may be entered, or withdrawn from warehouse, for consumption in the United States from July 1, 1965, through June 30, 1966, be limited to certain designated levels. The levels set forth in this letter have been adjusted to take account of deductions as provided for in arrangements between the United States and Pakistan.

JAMES S. LOVE, Jr.,
Chairman, Interagency Textile Administrative Committee, and Deputy to the Secretary of Commerce for Textile Programs.

THE SECRETARY OF COMMERCE
WASHINGTON 25, D.C.

President's Cabinet Textile Advisory Committee

JUNE 29, 1965.

COMMISSIONER OF CUSTOMS
DEPARTMENT OF THE TREASURY
Washington, D.C.

Dear Mr. COMMISSIONER:

Under the terms of the Long Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, and in accordance with the procedures outlined in Executive Order 11052 of September 28, 1962, as amended, you are directed to prohibit, effective July 1, 1965, and for the 12-month period extending through June 30, 1966, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton textiles and cotton textile products in Categories 9, 18-19, 22, and parts of 26, produced or manufactured in Pakistan, in excess of an adjusted aggregate level of restraint of 22,181,322 square yards. Within this aggregate level the following levels will apply:

Category	12-month levels of restraint	Adjusted levels of restraint
	Square yards	*Square yards*
9	16,800,000	14,001,850
18-19, and part of 26 [1]	7,350,000	6,079,472
22	2,100,000	2,100,000
Part of 26 [2]	3,150,000	3,150,000

In carrying out this directive, entries of cotton textiles and cotton textile products in Categories 9, 18-19, and part of 26,[1] 22, and a further part of 26,[2] produced or manufactured in Pakistan, which have been exported to the United States from Pakistan prior to July 1, 1965, shall, to the extent of any unfilled balances be charged against the adjusted levels of restraint established for such goods for the period ending June 30, 1965. In the event that the level of restraint established for the period ending June 30, 1965, has been exhausted by previous entries, such goods shall be subject to the directives set forth in this letter.

[1] T.S.U.S.A. Nos. 320.—34 and 326.—34.

[2] T.S.U.S.A. Nos.: 320.—88, 321.—88, 322.—88, 323.—88, 324.—88, 325.—88, 326.—88, 327.—88, 328.—88, 329.—88, 330.—88, 331.—88, 320.—92, 321.—92, 322.—92, 323.—92, 324.—92, 325.—92, 326.—92, 327.—92, 328.—92, 329.—92, 330.—92, 331.—92.

A detailed description of the categories in terms of T.S.U.S.A. numbers was published in the FEDERAL REGISTER on October 1, 1963 (28 F.R. 10551), and amendments thereto on March 24, 1964 (29 F.R. 3679).

In carrying out the above directions, entry into the United States for consumption shall be construed to include entry for consumption into the Commonwealth of Puerto Rico.

The actions taken with respect to the Government of Pakistan and with respect to imports of cotton textiles and cotton textile products from Pakistan have been determined by the President's Cabinet Textile Advisory Committee to involve foreign affairs functions of the United States. Therefore, the directions to the Commissioner of Customs, being necessary to the implementation of such actions, fall within the foreign affairs exception to the notice provisions of section 4 of the Administrative Procedure Act. This letter will be published in the FEDERAL REGISTER.

Sincerely yours,

JOHN T. CONNOR,
Secretary of Commerce, and Chairman, President's Cabinet Textile Advisory Committee.

[F.R. Doc. 65-6996; Filed, July 2, 1965; 8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[24S-1983]

INTERNATIONAL HYDROCARBONS LTD.

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

Correction

In F.R. Doc. 65-6822, appearing in the issue for Wednesday, June 30, 1965, at page 8344, the order's date of permanency appearing in the sixth line from the bottom of the next to last paragraph and now reading "the 13th day" is corrected to read "the 30th day".

[812-1796]

ELECTRONICS INTERNATIONAL CAPITAL, LTD., AND BEAR, STEARNS & CO.

Notice of Filing of Application for Order, or Alternatively for Order for Exemption

JUNE 29, 1965.

Notice is hereby given that Electronics International Capital Ltd. ("EICL"), The Bank of Bermuda Building, Hamilton, Bermuda, a Bermuda Corporation and a registered closed-end nondiversified investment company, and Bear, Stearns & Co. ("Bear, Stearns"), 1 Wall Street, New York, N.Y., a New York limited partnership broker-dealer have filed an application pursuant to section 17(e) (2) of the Act, or in the alternative under section 6(c), for an order of the Commission permitting the payment of

$100,000 to Bear, Stearns for its services in connection with the sale of certain of EICL's investments, to Theodoor Gilissen, N.V. ("Gilissen"), a private Netherlands Bank. All interested persons are referred to the application as filed with the Commission for a complete statement of the representations therein, which are summarized below.

Prior to April 2, 1965, EICL owned the following securities of Novak Electronics S.A. ("Novak"), a privately owned Belgian corporation engaged in the manufacture and sale of televisions and radio sets in Western Europe: (i) 100,000 shares of common stock (i.e., 67 percent of such stock outstanding) and a right to acquire 430 additional shares of such stock, (ii) 7.8 percent debenture due 1968, in the principal amount of 10,000,000 Belgian francs (approximately $200,000), and (iii) 9.42 percent note, due 1966, in the principal amount of $590,000.

The Banque de Bruxelles ("Banque"), had extended an open-line of credit to Novak, and in connection therewith EICL agreed, among other things, to subordinate its claims for payment of Novak's debenture and note; to advance to Novak the annual installments on certain other outstanding debentures of Novak, and, unless certain conditions obtain concerning Novak's net worth, EICL could not seek repayment, prior to 1968, of its holdings of Novak debenture, note or advances. The application states that, in the opinion of the Banque, such conditions did not obtain.

Novak also has outstanding: (i) 6.25 percent debenture in the principal amount of $750,000, due in annual installments of $250,000, and (ii) $865,200 of advances under the open-line of credit extended by the Banque. EICL has guaranteed the payment of the principal and interest on these debentures and advances.

On April 2, 1965, EICL sold its holdings of Novak securities to Gilissen in consideration of the payment by Gilissen of $3,500,000 in cash and the assumption by Gilissen, and indemnification of EICL against, any liability on its guarantees of the securities of Novak, which have a face amount of $1,615,000. As a result of Gilissen's cooperation, the Banque has released EICL from its obligations under the subordination agreements, including its guarantee of advances made by the bank to Novak.

The application states that the proposed payment to Bear, Stearns is reasonable in view, among other things, of the nature of the securities sold, the consideration paid therefor, and the efforts of Bear, Stearns in connection with the sale. In connection with the nature of the securities sold, the application states that EICL, in the past, has been required to advance funds to Novak to provide working capital and to enable it to pay indebtedness; and in the near future a further advance of $750,000 would be required. From a long range point of view Novak would also require additional working capital. EICL's management was not favorably inclined toward adding significantly toward its investment in Novak for various reasons, including the illiquid nature of such investment. In this regard it is stated that Novak's securities are not listed on any exchange, are not traded over the counter, and thus there is no public market for them in the United States or abroad. In addition, under the provisions of the subordination agreements, the advances which EICL are required to make, or otherwise might make or contribute, could not be repaid or withdrawn unless the Banque first had been repaid, and such additional loans were therefore, "locked in" and considered, in effect, a contribution to capital.

The application shows various efforts made in 1962 and 1963 by Bear, Stearns to discover persons interested in purchasing EICL's interests in Novak, or merging with Novak. In October and November 1964, particular efforts and negotiations for these purposes were undertaken by Bear, Stearns, at its own expense, in Europe and in the United States. As a result of Bear, Stearns efforts in Europe, negotiations were begun, in which Bear, Stearns participated and advised, and which culminated in the sale to Gilissen.

The application also states that during early 1965 EICL had contacted several other investment banking firms and business consultants with a view to disposing of its investment in Novak and none of them was able to find a buyer ready, willing and able to acquire the same on terms, as favorable to EICL as those ultimately obtained by Bear, Stearns.

Mr. Jerome Kohlberg, Jr., a director of EICL, is also a general partner of Bear, Stearns. Section 17(e)(1) of the Act, insofar as here pertinent, provides that it shall be unlawful for any affiliated person (Kohlberg) of a registered investment company (EICL), or any affiliated person (Bear, Stearns) of such a person, acting as agent, to accept from any source any compensation for the sale of any property for such registered company except in the course of such person's business as broker; and section 17(e)(2) provides, in pertinent part, that the commission received as a broker, unless permitted by order of the Commission, may not exceed 1 percent of the purchase price, if the transaction is not a secondary distribution and is not effected on a securities exchange.

Section 6(c) of the Act authorizes the Commission by order upon application to exempt, conditionally or unconditionally, any transaction from any provision of the Act or any rule or regulation thereunder, if and to the extent that the Commission finds that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than July 23, 1965, 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 of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon applicant at the address given above. Proof of such service (by affidavit or in case of an attorney-at-law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 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 information contained in said application unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 65-7002; Filed, July 2, 1965; 8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JUNE 30, 1965.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 39875—*Returned oyster shells to points in Louisiana and Texas.* Filed by Southwestern Freight Bureau, agent (No. B-8743), for interested rail carriers. Rates on crushed or ground oyster shells, in carloads, on shipments returned from original destinations in official (including Illinois), and western trunkline territories, to original points of shipment at Berwick, Morgan City and Ramos, La., also Houston, Tex.

Grounds for relief—Motortruck competition.

Tariffs—Supplements 20 and 15 to Southwestern Freight Bureau, agent, tariffs ICC 4428 and 4573, respectively.

FSA No. 39876—*Substituted service—KO&G, et al., and Motor Carriers.* Filed by Middlewest Motor Freight Bureau, agent (No. 358), for interested carriers. Rates on property loaded in trailers and transported on railroad flat cars, between interchange points described in the application, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief—Motortruck competition.

Tariff—Supplement 29 to Middlewest Motor Freight Bureau, agent, tariff MF-ICC 441.

FSA No. 39877—*Bituminous coal to Alamet, Ala.* Filed by O. W. South, Jr., agent (No. A4715), for interested rail carriers. Rates on coal and coal briquettes that are manufactured from raw

coal (from which no byproducts have been extracted), pressed into forms by use of a binder, in carloads, from mine origins on C&O Railway, in Kentucky, Virginia, and West Virginia, to Alamet, Ala.

Grounds for relief—Market competition.

Tariff—Supplement 6 to Chesapeake & Ohio Railway Co. tariff ICC 13861.

FSA No. 39878—*Common salt from points in official territory and Canada.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 2788), for interested rail carriers. Rates on common salt (sodium chloride), as described in the application, in open gondola cars, in carloads, from points in official territory, also Ojibway and Sarnia, Ontario, Canada, to points in official (including Illinois) and western trunkline territories.

Grounds for relief—Carrier competition.

By the Commission.

[SEAL] BERTHA F. ARMES, *Acting Secretary.*

[F.R. Doc. 65-7029; Filed, July 2, 1965; 8:46 a.m.]

[Notice 1198]

MOTOR CARRIER TRANSFER PROCEEDINGS

JUNE 30, 1965.

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-67816. By order of June 24, 1965, the Transfer Board approved the transfer to Walter Euvrard, Amenia, N.Y., of the Certificate in No. MC-125242 (Sub-No. 1) issued March 5, 1964, to Julius Osowiecki, Suffield, Conn., authorizing the transportation of: Fertilizer, fertilizer materials, agricultural insecticides, and herbicides, liquid (except petroleum products), in bulk, in tank vehicles equipped with spreader devices, fertilizer, and fertilizer materials, dry in bulk, in tank or hopper-type vehicles, and fertilizer, fertilizer materials, agricultural insecticides, fungicides, and herbicides, dry, liquid or gaseous in containers, from Amenia, N.Y., to points in Litchfield, Hartford, Middlesex, Tolland, New Haven, and Fairfield Counties, Conn., and points in Berkshire County, Mass.

No. MC-FC-67891. By order of June 25, 1965, the Transfer Board approved the transfer to Nationwide Tours, Inc., Schenectady, N.Y., of Certificates in Nos. MC-93443, MC-93443 (Sub-No. 5), MC-93443 (Sub-No. 6), MC-93443 (Sub-No. 7), MC-93443 (Sub-No. 8), MC-93443 (Sub-No. 9), and MC-93443 (Sub-No. 10) thereunder, issued September 24, 1959, February 12, 1963, February 12, 1963, February 5, 1963, November 16, 1964, December 18, 1963, and June 1, 1965, respectively, to Schenectady Transportation Corp., Schenectady, N.Y., authorizing the transportation of: Passengers, between Rutland, Vt., and Cambridge, N.Y., serving all intermediate points, between Rutland, Vt., and Whitehall, N.Y., serving all intermediate points, between Whitehall, N.Y., and Glens Falls, N.Y., serving all intermediate points, between Albany, N.Y., and Schenectady, N.Y., serving all intermediate points, between Glooersville, N.Y., and Schenectady, N.Y., serving all intermediate points, and between Fonda, N.Y., and Fultonville, N.Y., serving all intermediate points, and, passengers in charter or round trip operations from specified points in New York and Vermont and extending to points in Alaska, Arizona, California, Connecticut, Delaware, Florida, Illinois, Indiana, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, West Virginia, Wisconsin, and the District of Columbia. Louis H. Shereff, 292 Madison Avenue, New York, N.Y., 10017, attorney for applicants.

No. MC-FC-67922. By order of June 21, 1965, the Transfer Board approved the transfer to James J. Haley, Jr., doing business as James J. Haley Trucking Co., New York, N.Y., of Permit in No. MC-118611, issued June 28, 1960, to James J. Haley and James J. Haley, a partnership, doing business as James J. Haley Trucking Co., New York, N.Y., authorizing the transportation of: Paper, cardboard, paper boxboard, and paper boxes, between New York, N.Y., and Fair Lawn, N.J., and imprinted paper and cardboard, from New York, N.Y., to Clifton, N.J., Harry Greenspan, 17 John Street, New York, N.Y., 10038, attorney for applicants.

No. MC-FC-67923. By order of June 21, 1965, the Transfer Board approved the transfer to Shetler Moving & Storage, Inc., 1311 First Avenue, Evansville, Ind., 47710, of Certificate in No. MC-23230, issued May 24, 1949, to Joseph B. Shetler, doing business as Shetler Moving & Storage Co., 1311 First Avenue, Evansville, Ind., 47710, authorizing the transportation of: Household goods, between points in a specified part of Indiana, on the one hand, and, on the other, points in Illinois, Kentucky, Ohio, Missouri, Iowa, New York and Pennsylvania.

No. MC-FC-67944. By order of June 25, 1965, the Transfer Board approved the transfer to Alter Trucking and Terminal Corp., Davenport, Iowa of Certificate No. MC-126045, issued May 10, 1965, to Alter Co., a corporation, Davenport, Iowa, authorizing the transportation of animal and poultry feed ingredients, except liquid animal fats and liquid vegetable oils, over irregular routes, from the plantsite of the Hooker Chemical Corp. near Montpelier, Iowa, to points in Minnesota, Wisconsin, Nebraska, South Dakota, Illinois, and Missouri, except points in the St. Louis, Mo.-East St. Louis, Ill., commercial zone, as defined by the Commission. Alex R. Seith, 135 South La Salle Street, Chicago, Ill., 60603, attorney for applicants.

No. MC-FC-67945. By order of June 25, 1965, the Transfer Board approved the transfer to Furniture Storage Ltd., Pittsburgh, Pa., of a portion of Certificate No. MC-16650 issued March 2, 1950, to Dodson S. Waugh, doing business as Waugh Trucking Co., Berkeley Springs, W. Va., authorizing the transportation of household goods, over irregular routes, between points in Morgan County, W. Va., on the one hand, and, on the other, points in Pennsylvania, Maryland, and the District of Columbia. Paul R. Butler, 1701 Law & Finance Building, Pittsburgh 19, Pa., attorney for applicants.

No. MC-FC-67946. By order of June 25, 1965, the Transfer Board approved the transfer to Gallo Construction Co., Inc., Sagamore, Mass., of the operating rights in Certificate of Registration No. MC-121342 (Sub-No. 1), issued February 7, 1964, to John Gallo, doing business as Sandwich Sand & Gravel Mine, Forestdale (Sandwich), Mass., corresponding to the rights authorized to be transferred to transferor in Irregular Route Common Carrier Certificate No. 3796 dated July 28, 1959, issued by the Massachusetts Department of Public Utilities. Frank J. Weiner, 182 Forbes Building, Forbes Road, Braintree 84, Mass. attorney for applicants.

No. MC-FC-67947. By order of June 25, 1965, the Transfer Board approved the transfer to James J. Mitten, Wakenney, Kans., of Certificate No. MC-10045, issued December 8, 1954, to Swart Trucking, Inc., Oakley, Kans., authorizing the transportation of general commodities, excluding household goods and commodities in bulk, empty grease and oil containers, feed, salt, flour, seeds, grain, poultry supplies, burlap sacks and bagging, agricultural implements and parts thereof, lumber, and binder twine, fence posts and livestock, over irregular routes, from, to, and between points and areas in the States of Missouri and Kansas, varying with the commodities transported. John E. Jandera, 641 Harrison Street, Topeka, Kans., attorney for applicants.

No. MC-FC-67948. By order of June 25, 1965, the Transfer Board approved the transfer to Midland Park Moving & Storage Co., Inc., Midland Park, N.J., of Certificate No. MC-18025 issued February 16, 1965, to Midland Park Moving & Storage, Ltd., a limited partnership, Midland Park, N.J., authorizing the transportation of household goods, over irregular routes, between points in Bergen and Passaic Counties, N.J., on the one hand, and, on the other, points in New York. John M. Zachara, Post Office Box 2860, Paterson, N.J., 07509, representative for applicants.

No. MC-FC-67968. By order of June 29, 1965, the Transfer Board approved the transfer to Michael J. Russo, Brooklyn, N.Y., of the operating rights issued by the Commission December 4, 1959, under Certificate No. MC-117650, to Constantine Fargnoli, doing business as Deans, Long Island City, N.Y., authorizing the transportation, over irregular routes, of homing pigeons, in crates, and in connection therewith, supplies and equipment used in the care of such pigeons, in seasonal operations between March 1 and September 30, both inclusive, of each year, from points in Queens County, N.Y., to points in New Jersey, and Wilmington, Del. William D. Traub, 10 East 40th Street, New York, N.Y., representative for applicants.

[SEAL] BERTHA F. ARMES, *Acting Secretary.*

[F.R. Doc. 65-7030; Filed, July 2, 1965; 8:46 a.m.]

CUMULATIVE LIST OF CFR PARTS AFFECTED—JULY

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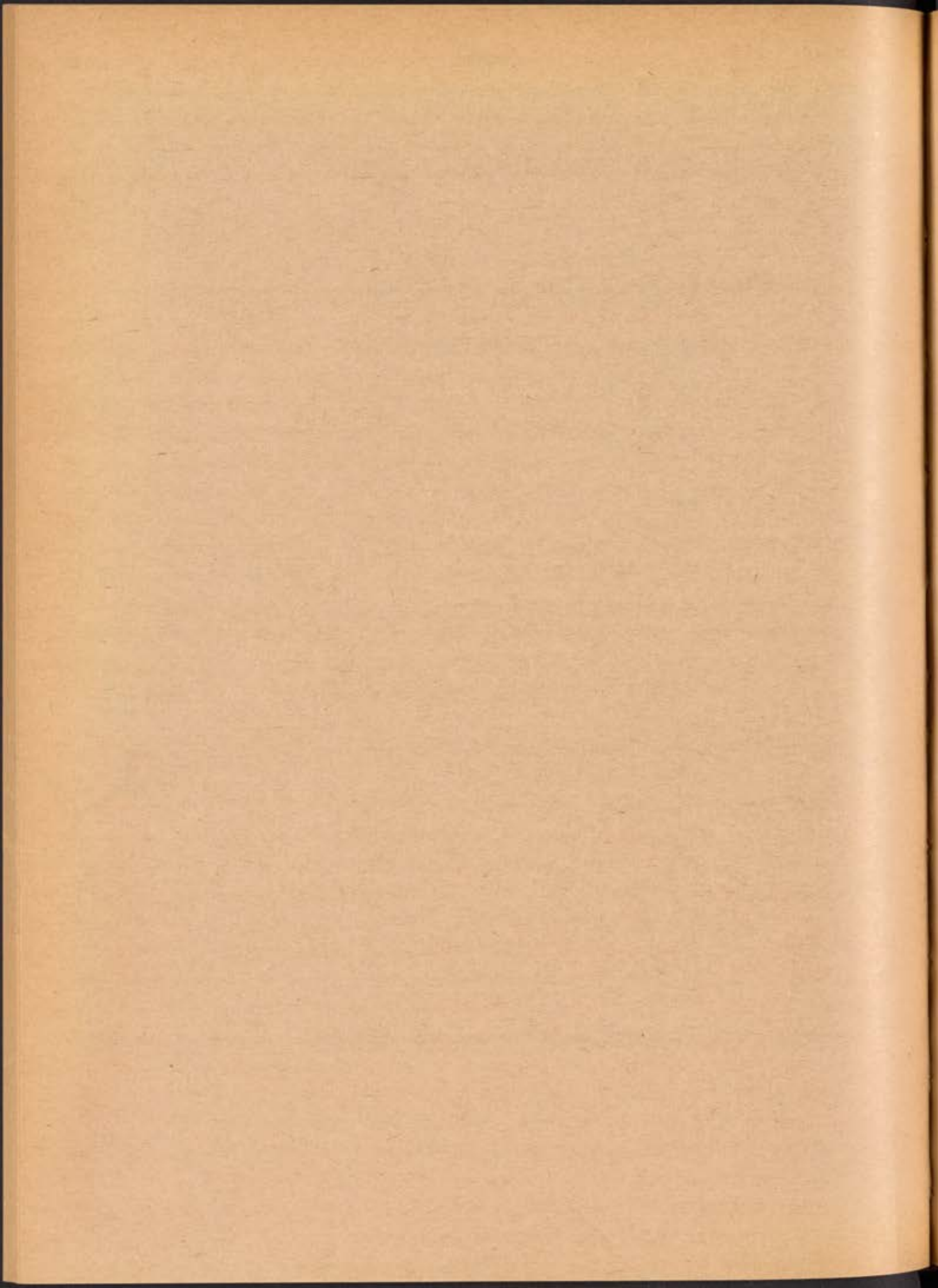

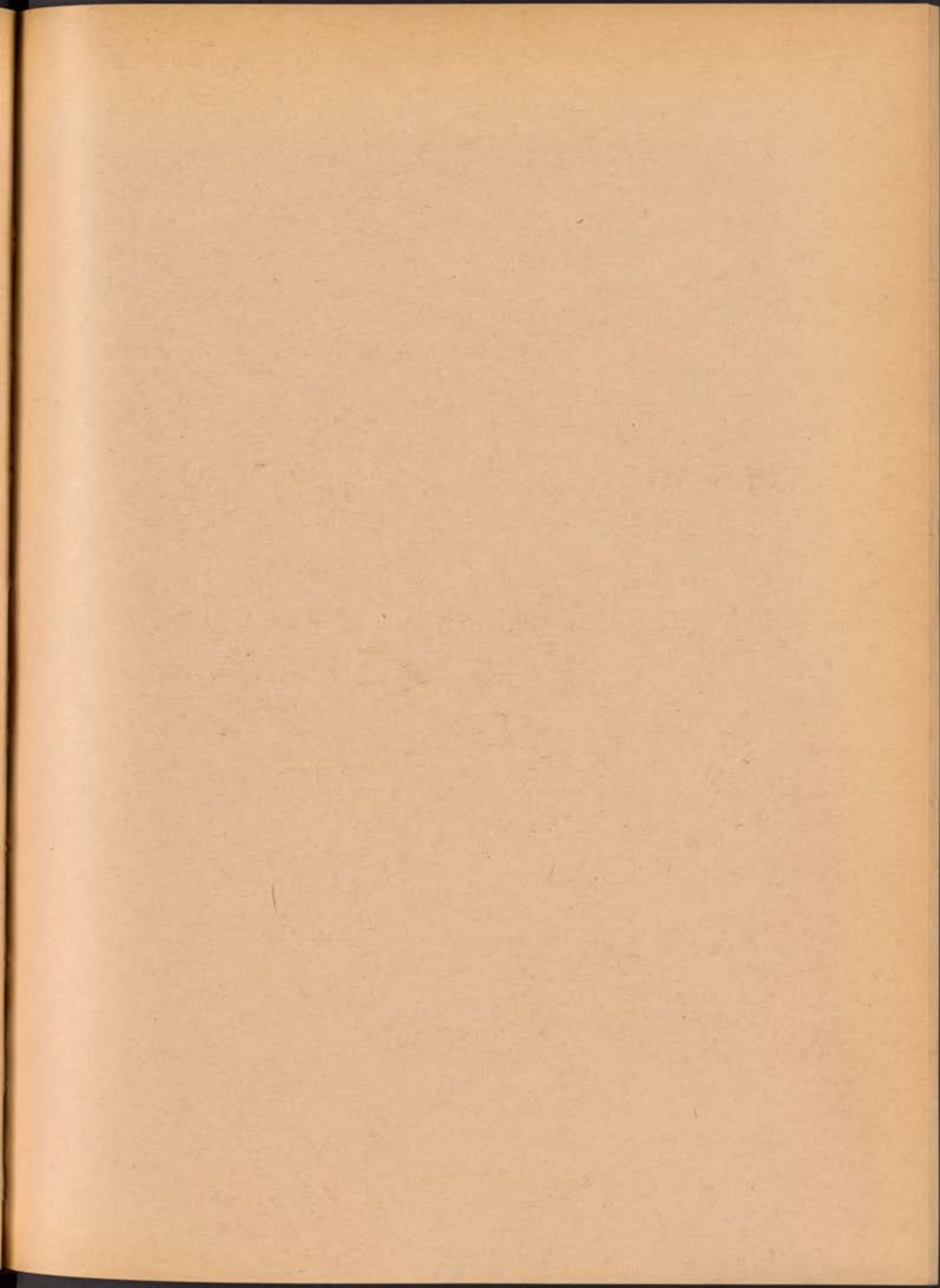

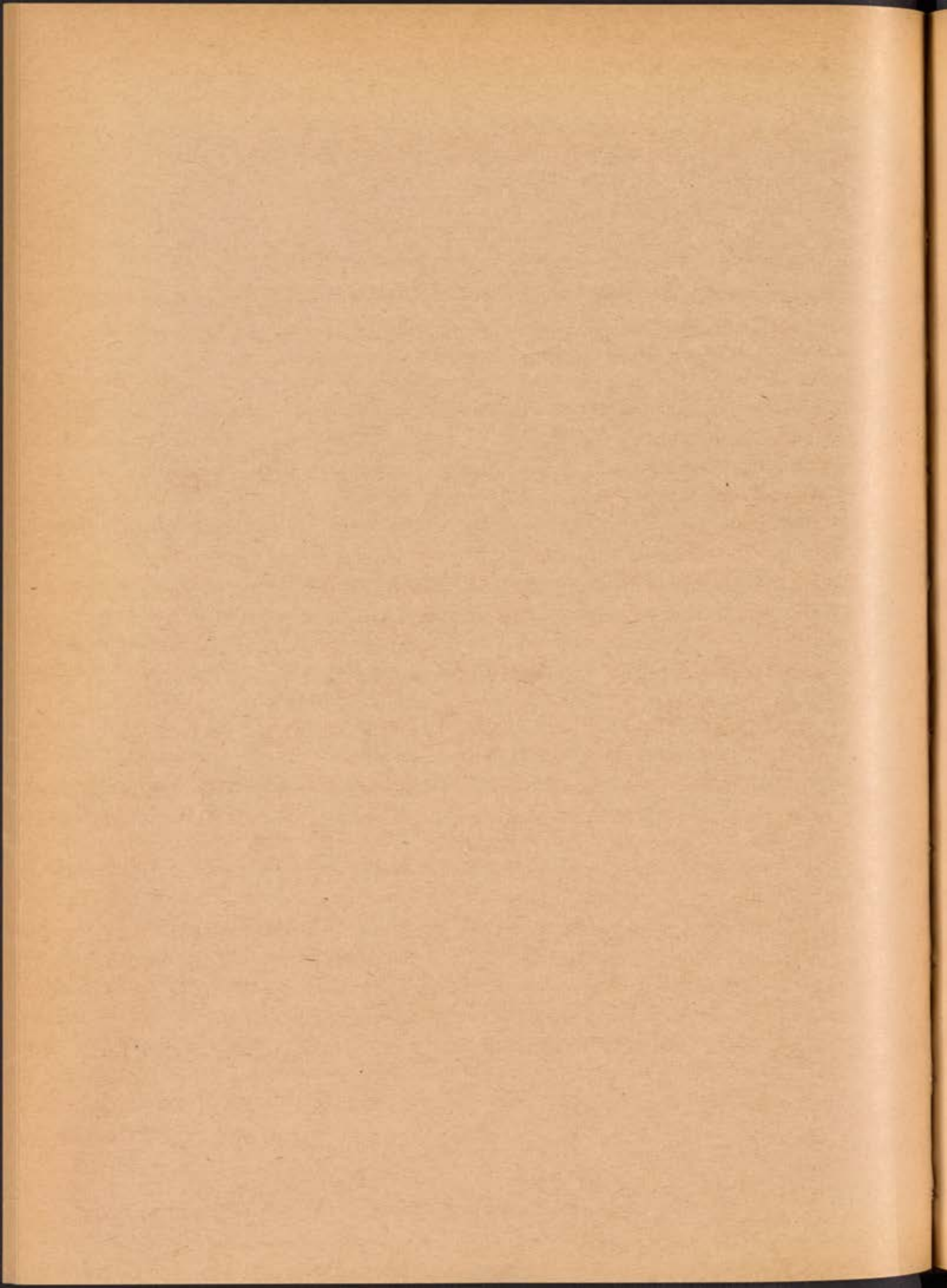

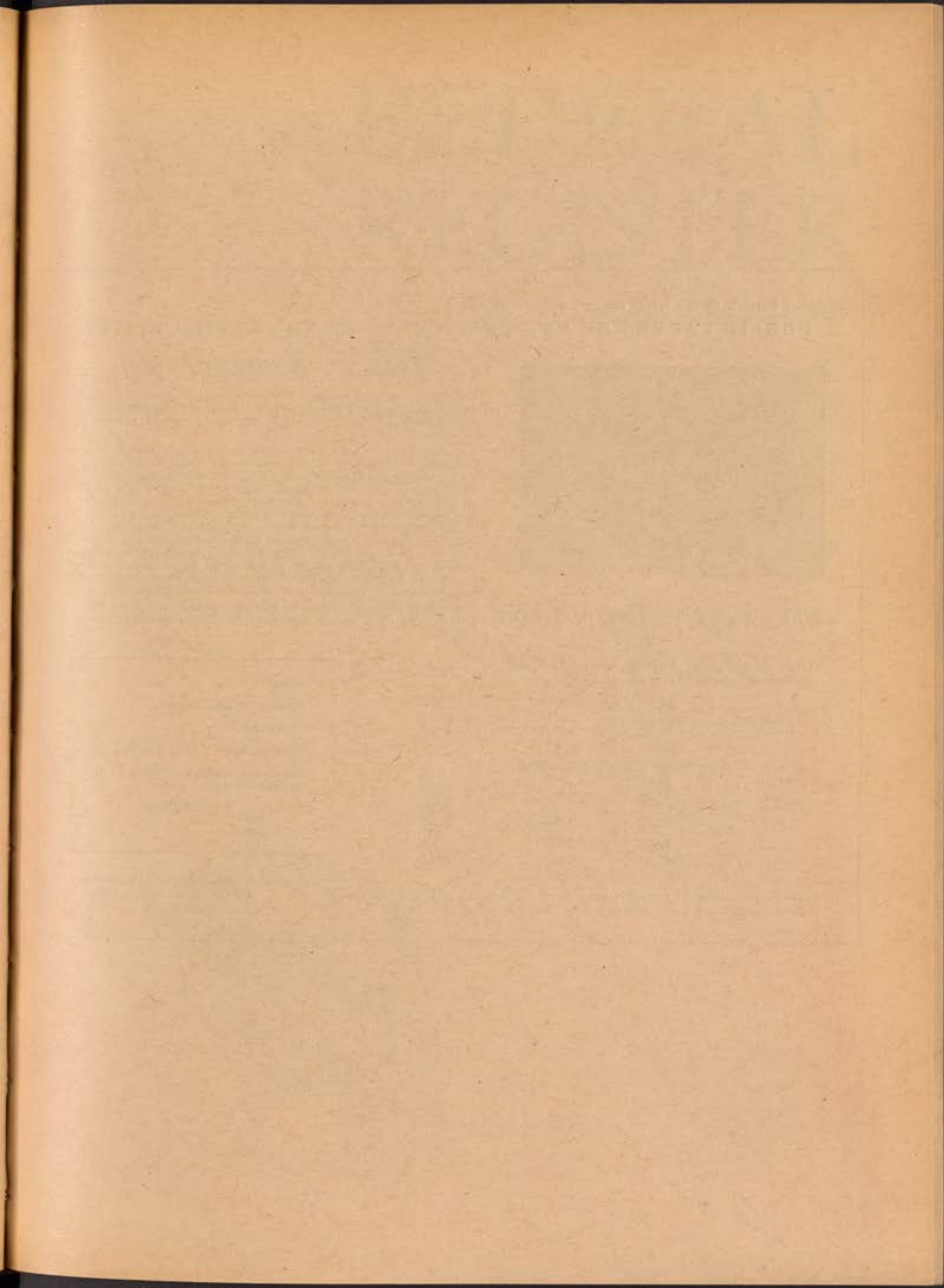

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