

FEDERAL REGISTER

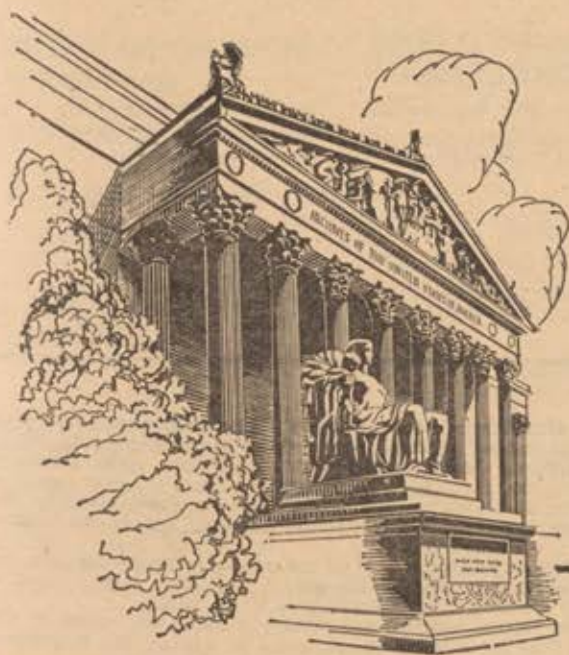
VOLUME 30 • NUMBER 155

Thursday, August 12, 1965 • Washington, D.C.
Pages 10019-10082

Agencies in this issue—

Air Force Department
Army Department
Atomic Energy Commission
Civil Aeronautics Board
Civil Service Commission
Commerce Department
Commodity Credit Corporation
Consumer and Marketing Service
Federal Aviation Agency
Federal Housing Administration
Federal Power Commission
Federal Reserve System
Fish and Wildlife Service
Food and Drug Administration
Housing and Home Finance Agency
Indian Affairs Bureau
Interstate Commerce Commission
Land Management Bureau
Maritime Administration
Post Office Department
Securities and Exchange Commission

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Announcing a New Information Service

Beginning August 2, 1965, the General Services Administration inaugurated a new information service, the "Weekly Compilation of Presidential Documents." The service makes available transcripts of the President's news conferences, messages to Congress, public speeches and statements, and other Presidential materials released by the White House up to 5 p.m. of each Friday.

The *Weekly Compilation* was developed in response to many requests received by the White House and the Bureau of the Budget for a better means of distributing Presidential materials. Studies revealed that the existing method of circularization by means of mimeographed releases was failing to give timely notice to those Government officials who needed them most.

The General Services Administration believes that a systematic, centralized publication of Presidential items on a weekly basis will provide users with up-to-date information on Presidential policies and pronouncements. The service is being carried out by the Office of the Federal Register, which now publishes similar material in annual volumes entitled "Public Papers of the Presidents."

The *Weekly Compilation* carries a Monday dateline. It includes an Index of Contents on the first page and a Cumulative Index at the end. Other finding aids include lists of laws approved by the President and of nominations submitted to the Senate, and a checklist of White House releases.

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List of CFR Parts Affected

(Codification Guide)

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date appears at the end of each issue beginning with the second issue of the month.

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1965, and specifies how they are affected.

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Title 7—AGRICULTURE

Chapter X—Consumer and Marketing Service (Marketing Agreements and Orders; Milk, Department of Agriculture

[Milk Order 136]

PART 1136—MILK IN GREAT BASIN MARKETING AREA

Order Suspending Certain Provision

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and of the order regulating the handling of milk in the Great Basin marketing area (7 CFR Part 1136), it is hereby found and determined that:

(a) The following provision of the order no longer tends to effectuate the declared policy of the act for the period of August 1, 1965, until the date an amended order is made effective: "there is disposed of on routes fluid milk products equal to not less than 50 percent in the months of August through March and 40 percent in other months of the receipts during the month at such plant of producer milk, producer milk diverted therefrom by the plant operator and receipts at the plant of fluid milk products from plants described pursuant to paragraph (b) of this section, and" appearing in § 1136.11(a).

(b) Thirty days' notice of the effective date hereof is impractical, unnecessary, and contrary to the public interest in that:

(1) This suspension order does not require of persons affected substantial or extensive preparation prior to the effective date.

(2) This suspension order is necessary to reflect current marketing conditions and to maintain orderly marketing conditions in the marketing area.

(3) This suspension order will reduce for the period of August 1, 1965, until the date an amended order is made effective requirements for pool plant qualification of distributing plants. A suspension order effective January 1, 1965, reduced the percentage of fluid milk products required to be distributed on routes to 40 percent in all months. Two subsequent suspension orders eliminated the 40 percent requirement for the month of May and the months of June and July, respectively. This suspension order will continue until an amended order is made effective the pool distributing plant requirement which was effective for the months of May through July. This will require that, to qualify as a pool distributing plant, a plant must dispose of on routes in the marketing area at least 15 percent of the total fluid milk products disposed of from the plant on routes. This action is necessary to

enable cooperative associations and certain other handlers to maintain pool plant status during the period this suspension is effective.

(4) Evidence was received at a public hearing held at Salt Lake City, Utah, on March 23-25, 1965, on amendments to the pool plant definition and other provisions of the order. Subsequently, requests were received from Federated Dairy Farms, Inc., and Hi-Land Dairyman's Association to suspend a provision of the pool plant definition pending the issuance of a final order in this matter. Proponents stated that conditions which necessitated prior suspensions of the pool plant provision of the order during the current year will continue to exist for an indefinite period of time. This suspension action will permit dairy farmers who have supplied the fluid requirements of the market to continue as producers under the order.

Therefore, good cause exists for making this order effective on date of publication in the FEDERAL REGISTER.

It is therefore ordered, That the aforesaid provision of the order is hereby suspended for the period of August 1, 1965, until the date an amended order is made effective.

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

Effective date. On date of publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on August 9, 1965.

GEORGE L. MEHREN,
Assistant Secretary.

[F.R. Doc. 65-9482; Filed, Aug. 11, 1965; 8:50 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[CCC Grain Price Support Reseal Loan Regs., 1965 and Subsequent Storage Periods; Amdt. 1]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—Reseal Loan Program

MISCELLANEOUS AMENDMENTS

The regulations issued by CCC and published in 30 F.R. 2852 are hereby amended as follows:

1. Section 1421.3482 is amended to make the reseat provisions applicable to all commodities under reseat, to delete references to service charges and interest rates which will be covered by new §§ 1421.3494 and 1421.3495, and to incorporate by reference § 1421.58 of the General Regulations Governing Price Support for 1964 and Subsequent Crops. The amended section reads as follows:

*§ 1421.3482 Applicable sections of the General Regulations Governing Price Support for 1964 and Subsequent Crops.

The following sections of the General Regulations Governing Price Support for 1964 and Subsequent Crops, published in 29 F.R. 2686, shall be applicable to all commodities placed under the reseat loan program for 1965 and subsequent years: §§ 1421.51, 1421.52 (a) through (e), 1421.54, 1421.57, 1421.58, 1421.59, 1421.62(b), 1421.63 through 1421.65, 1421.66 (a), (c), (d), and (e), 1421.67, 1421.68 (a) and (b), 1421.69 (c) and (d), 1421.72 (c), (d), (e), (f), (j), and (k), and 1421.73 through 1421.78.

2. Section 1421.3484 is amended to provide that a producer should, rather than must, notify the county office of his intention to deliver, and to read as follows:

§ 1421.3484 Redemption and delivery of commodity.

On maturity of the reseat loan, the producer must either pay off the loan, plus interest, or deliver the mortgaged commodity to CCC. A producer may redeem the commodity at any time prior to delivery by paying off the reseat loan. He may also elect to deliver the commodity to CCC in satisfaction of the loan prior to maturity thereof during the 60-day period commencing with the anniversary of the maturity date of his original loan or, in the case of a loan made under § 1421.3483(c), the 60-day period commencing with the anniversary date for farm-stored price loans applicable to the crop of the commodity on which such loan was obtained. The producer should give the county office which made the original loan on the commodity notice of his election within the 30-day period ending on the applicable anniversary dates described in this section. If CCC is unable to take delivery during such periods, the delivery periods may be extended by the county office. Notwithstanding any other provisions of this section, the producer shall deliver the commodity only on the basis of delivery instructions issued by the county office.

3. A new § 1421.3492 is added to provide a basis for determining quality, and to read as follows:

§ 1421.3492 Determination of quality.

The grade, grading factors, and all other quality factors shall be based on the official grading standards of the United States for the applicable commodity whether or not the grade determination is made on the basis of an official inspection.

4. A new § 1421.3493 is added to state in this subpart the basis for determining the quantity of the commodity delivered to CCC and to read as follows:

§ 1421.3493 Determination of quantity.

The quantity (bushels or hundred-weight) delivered under a resale loan shall be determined by weight and shall be computed on the following basis:

- Corn, 56 pounds of corn per bushel.
- Wheat, 60 pounds of wheat, free of dockage, per bushel.
- Barley, 48 pounds of barley, free of dockage, per bushel.
- Oats, 32 pounds of oats per bushel.
- Grain sorghum, 100 pounds of grain sorghum, free of dockage, per hundredweight.

5. Section 1421.3494 is added to state in this subpart the rate of interest applicable to resale loans and to read as follows:

§ 1421.3494 Interest rate.

Resale loans shall bear interest at the rate stipulated in the Producer's Note and Mortgage.

6. A new § 1421.3495 is added to state in this subpart the service charges to be paid by the producer on commodities acquired by CCC, and to read as follows:

§ 1421.3495 Service charges.

Service charges on deliveries of 1964 and subsequent crops shall be made in accordance with § 1421.60(b) of the General Regulations Governing Price Support for 1964 and Subsequent Crops, published in 29 F.R. 2686 and any amendments thereto. In the case of 1963 and prior crops delivered to CCC, the producer shall pay a service charge of 1 cent per bushel (2 cents per cwt. for grain sorghum) for any quantity acquired by CCC on which a service charge was not paid at the time of disbursement of the loan.

(Secs. 4 and 5, 62 Stat. 1070 as amended; secs. 101, 105, 107, 301, 401, 405, 63 Stat. 1051, as amended; 15 U.S.C. 714 (b) and (c); 7 U.S.C. 1441, 1447, 1421, 1425)

Effective date. Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on August 9, 1965.

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

[F.R. Doc. 65-8484; Filed, Aug. 11, 1965;
8:50 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

SUBCHAPTER E—AIRSPACE

[Airspace Docket No. 65-CE-49]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS

Extension of Federal Airway

On May 8, 1965, a notice of proposed rule making was published in the FEDERAL REGISTER (30 F.R. 6443) stating that the Federal Aviation Agency was con-

sidering an amendment to Part 71 of the Federal Aviation Regulations that would extend VOR Federal airway No. 215 from Muskegon, Mich., to the intersection of the Muskegon 208° and the Pullman, Mich., 259° True radials.

Interested persons were afforded an opportunity to participate in the proposed rule making through the submission of comments. All comments received were favorable.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0001, e.s.t., October 14, 1965, as hereinafter set forth.

In § 71.123 (29 F.R. 17509), V-215 is amended to read as follows:

V-215 From the INT of Muskegon, Mich., 208° and Pullman, Mich., 259° radials via Muskegon; to White Cloud, Mich.

(Sec. 307(a) of the Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Washington, D.C., on August 6, 1965.

DANIEL E. BARROW,
Chief, Airspace Regulations,
and Procedures Division.

[F.R. Doc. 65-8443; Filed, Aug. 11, 1965;
8:45 a.m.]

[Airspace Docket No. 65-SO-38]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS

Designation of Transition Area

On June 12, 1965, a notice of proposed rule making was published in the FEDERAL REGISTER (30 F.R. 7664) stating that the Federal Aviation Agency proposed to designate a transition area at Lakeland, Fla.

Interested persons were afforded an opportunity to participate in the rule making through submission of comments. All comments received were favorable.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0001 e.s.t., October 14, 1965, as hereinafter set forth.

In § 71.181 (29 F.R. 17643) the following transition area is added:

LAKELAND, FLA.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Lakeland Airport, Lakeland, Fla. (latitude 27°59'17" N., longitude 82°00'56" W.); within 5 miles northwest and 8 miles southeast of the Lakeland VORTAC 233° radial extending from the 5-mile radius area to 12 miles SW of the VORTAC.

(Sec. 307(a) of the Federal Aviation Act of 1958; 49 U.S.C. 1348(a))

Issued in East Point, Ga., on July 30, 1965.

PAUL H. BOATMAN,
Acting Director, Southern Region.

[F.R. Doc. 65-8444; Filed, Aug. 11, 1965;
8:45 a.m.]

SUBCHAPTER F—AIR TRAFFIC AND GENERAL OPERATING RULES

[Reg. Docket No. 6411; Amdt. 410]

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

Miscellaneous Amendments

Correction

In the correction of F.R. Doc. 65-156, which correction appeared at page 9158 of the issue for Thursday, July 22, 1965, "Lynchburg, Va." should read "New York, N.Y., John F. Kennedy International Airport".

SUBCHAPTER G—AIR CARRIER AND COMMERCIAL OPERATOR CERTIFICATION AND OPERATIONS

[Docket Nos. 719, 873, 1093, and 6161; Amdt. No. 121-10]

PART 121—CERTIFICATION AND OPERATIONS: DOMESTIC, FLAG, AND SUPPLEMENTAL AIR CARRIERS AND COMMERCIAL OPERATORS OF LARGE AIRCRAFT

Miscellaneous Amendments

The purpose of this amendment to FAR Part 121 is to clarify certain provisions contained in the recent revision to the training programs requirements (Amendment 121-7) published in the FEDERAL REGISTER on May 18, 1965 (30 F.R. 6725), and to clarify other provisions to preserve the substance of former CAR sections on which the Part 121 requirements were based. The training program revision contained several requirements that were unintentionally made more stringent than those proposed in the notice of proposed rule making and that are not contained in the training programs the Agency has approved in the past.

Section 121.418(c)(2) as written would require during recurrent training night takeoffs and landings in each type airplane in which the trainee is to serve as pilot. This subparagraph also could be interpreted to limit the substitution of a proficiency check for recurrent training to those type airplanes in which the trainee is "required" to take a proficiency check. Since neither of these results was intended, this amendment to § 121.418(c)(2) makes it clear that night takeoffs and landings are not required during recurrent training and that under § 121.418 a proficiency check may be substituted for recurrent training in each type airplane in which the trainee seeks to retain qualification. Sections 121.419(b) and 121.420(b)(2) are also amended to make it clear, that to be substituted for recurrent training, a proficiency check need not be a "required" check.

Section 121.419(a)(6) is being amended to make it clear that for certain turbojet powered airplanes for which the Administrator has determined that a zero flap landing is not appropriate, training in zero flap approaches is required. The Agency is presently con-

ducting studies that are expected to lead to further rule making in the flight maneuvers area generally, and it is anticipated that these studies and the resulting rule making will include specific determinations as to the appropriateness of zero flap landings for each type turbojet airplane.

This amendment also deletes the parenthetical reference in § 121.425(a) to "Appendix E, columns I and II." This deletion will make it clear that the hours specified in Appendix E do not control if fewer hours have been approved in a particular training program. The reference in § 121.449(b)(2) to § 121.420(a) is amended to make it clear that the proficiency check requirements for second in command and certain other pilots are comparable to the recurrent training requirements rather than the initial training requirements.

Appendix E, column III requires 10 hours (except for one case where 6 hours are required) of simulator training when the proficiency check requirements of § 121.441 or § 121.449 are to be met by completion of a simulator training course under § 121.442. However, § 121.442(b) provides that the minimum number of hours of actual simulator training required to obtain approval of a training course under that section is 4 hours. To remove this apparent conflict column III of Appendix E is amended to provide the same minimum programmed hours of simulator time for recurrent training as contained in § 121.442(b).

In addition, to correct a typographical error the cross-reference to "§ 121.424" in footnote (e), to Appendix E is changed to "§ 121.425."

Section 121.643(a)(3) is based on the first phase of former CAR § 42.396(a)(iii) which stated "to fly for a period of at least 45 minutes at normal cruising consumption." In recodifying this provision into Part 121 the phrase "at normal cruising consumption" was inadvertently omitted and is therefore being added to retain the original intent of this section.

Section 121.645 is based in part on CAR § 42.396(b) which contained separate fuel requirements for turbine engine powered airplanes operated by a supplemental air carrier or commercial operator depending on whether the operation was within or outside the 48 contiguous States and the District of Columbia. As recodified into Part 121 the turbine engine fuel requirements applicable within the 48 contiguous States and the District of Columbia were omitted. Accordingly, § 121.645 is amended to require that the fuel requirements of § 121.643 shall be complied with for turbine operations within the 48 contiguous States and the District of Columbia.

Section 121.705(a) which is based on former CAR §§ 40.509, 41.509, and 42.509, requires the reporting of each interruption to a "scheduled" flight. Since this section is based on § 42.509 as well as the comparable Parts 40 and 41 requirements, the word "scheduled" is inappropriate and therefore is being deleted.

Since this amendment merely clarifies certain of the requirements in the recent training program amendment effective

August 16, 1965, and certain other provisions as recently recodified, I find that notice and public procedure hereon are unnecessary and it may be made effective in less than 30 days.

In consideration of the foregoing, Part 121 of the Federal Aviation Regulations is amended effective August 16, 1965 as follows:

1. Paragraph (c) of § 121.418 is amended to read as follows:

§ 121.418 Flight training: all pilots.

(c) Each certificate holder shall give each pilot—

(1) Any additional flight training necessary to ensure qualification in new equipment, procedures, or techniques; and

(2) Recurrent training each 12 calendar months consisting of at least the approved programmed hours of flight instruction and practice in the items set forth in paragraph (a) of this section (except takeoffs and landings during night) and any required flight checks, in each type airplane in which the pilot serves as a pilot.

Satisfactory completion of a proficiency check in a particular type airplane under §§ 121.441, 121.442, or 121.449 is considered to satisfy the recurrent flight training or flight check required by this paragraph in that type airplane.

§ 121.419 [Amended]

2. Section 121.419(a)(6) is amended by adding a new sentence thereto reading as follows: "If the Administrator finds for a certain turbojet powered airplane that zero flap landings are not appropriate, training in zero flap approaches in that type airplane is required."

3. Sections 121.419(b) and 121.420(b)(2) are amended by striking the word "required" where it appears before the words "proficiency check."

§ 121.425 [Amended]

4. Section 121.425(a) is amended by striking the parenthetical phrase "(Appendix E columns I and II)".

§ 121.449 [Amended]

5. Section 121.449(b)(2) is amended by inserting before the period the words "(1) through (5) and in emergency procedures".

§ 121.643 [Amended]

6. Section 121.643(a)(3) is amended by inserting before the period the words "at normal cruising fuel consumption".

7. Section 121.645 is amended by adding a new paragraph (d) thereto reading as follows:

§ 121.645 Fuel supply: turbine-engine-powered airplanes, other than turbo propeller: flag and supplemental air carriers and commercial operators.

(d) For a supplemental air carrier or commercial operator operation within the 48 contiguous States and the District of Columbia with a turbine engine powered airplane the fuel requirements of § 121.643 apply.

§ 121.705 [Amended]

8. Section 121.705(a) is amended by striking the word "scheduled" contained therein.

9. Footnote (e) to Appendix E is amended by striking the reference to "§ 121.424" and by inserting a reference to "§ 121.425" in place thereof.

10. Appendix E, column III is amended by striking the number "10" wherever it appears opposite the recurrent training (R) requirements, and the number "6" where it appears in the recurrent training requirement opposite "Viscount and Argosy" in the "21C.FE" column and by inserting the number "4" in place of each number stricken.

(Secs. 313(a) and 601-610 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421-1430))

Issued in Washington, D.C., on August 10, 1965.

D. D. THOMAS,
Deputy Administrator.

[F.R. Doc. 65-8514; Filed, Aug. 11, 1965; 8:51 a.m.]

Title 21—FOOD AND DRUGS

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

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart A—Definitions and Procedural and Interpretative Regulations

FURTHER EXTENSION OF EFFECTIVE DATE OF STATUTE FOR CERTAIN SPECIFIED FOOD ADDITIVES

Subsequent to the enactment of Public Law 88-625 (78 Stat. 1002; 21 U.S.C. 342, note), extension of the effective date of the enforcement provisions of the Federal Food, Drug, and Cosmetic Act applicable to certain food additives was authorized to June 30, 1965, under the conditions prescribed by §§ 121.90 and 121.91 of the food additive regulations. The Commissioner of Food and Drugs has now concluded that existing conditions warrant the further interim use of certain food additives for an additional period of time. Therefore, under the statutory provisions above cited and pursuant to the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.90), §§ 121.90 and 121.91 are amended as follows:

1. Section 121.90 Further extensions of effective date of statute for certain food additives as direct additives to food is amended by inserting alphabetically in the lists under "Miscellaneous" and "Flavoring Substances and Natural Substances * * *" new items as indicated, and by inserting a new center heading "Synthetic Flavoring Substances * * *" with the items thereunder added at the end of the list. The additions are as follows:

Product	Specified uses or restrictions
Bromide, inorganic	Resulting from fumigation with methyl bromide and/or ethylene dibromide, to control pest infestations; limit 50 p.p.m. in processed food.
MISCELLANEOUS	
FLAVORING SUBSTANCES AND NATURAL SUBSTANCES USED IN CONJUNCTION WITH FLAVORS	
Damiana leaves; <i>Furera diffusa</i> Willd.	
Opopanax (bisabol-myrrh) gum and oil; Opopanax chironium Koch (true opopanax), or <i>Commiphora erythraea</i> Eng. var. <i>glabrescens</i> .	
SYNTHETIC FLAVORING SUBSTANCES AND ADJUVANTS	
Acetophenone (phenyl methyl ketone)	
Allyl butyrate	
Allyl caproate (2-propenyl hexanoate, allyl hexanoate)	
Allyl heptylate (allyl heptanoate, allyl oenanthane, allyl heptanoate)	
Beechwood creosote, <i>Fagus</i> spp.	
Benzyl isoeugenol (isoeugenyl benzyl ether, 1-benzyloxy-2-methoxy-4-propenyl benzene)	
Cade oil (Juniper tar, empyreumatic wood oil); <i>Juniperus oxycedrus</i> L.	
Caryophyllene acetate	
Caryophyllene alcohol	
Cedarwood oil terpenes	
Cedarwood oil alcohol	
Cinnamyl benzoate	
Dihydrocoumarin (benzodihydropyrone)	
Ethyl brassylate	
Ethyl crotonate	
Ethyl undecylate	
Eugenyl acetate (acetyl eugenol)	
Furfural	
Furfuryl mercaptan	
Guaiene	
Guaiyl acetate	
Heptylidene acetone	
Isoasone	
Limalyi cinnamate	
Methoxy styryl isopropyl ketone	
6-Methyl coumarin	
8-Methyl furfural	
Methyl furate	
3-Methyl-5-propyl-cyclohex-2-enone	
β-Naphthyl ethyl ether (nerolin, ethyl-2-naphthyl ether)	
β-Naphthyl methyl ether (yara-yara)	
Propylidene phthalide	
Styrene	
Thiophenol	
Undecylidene alcohol	
2. Section 121.91. Further extensions of effective date of statute for certain food additives as indirect additives to food is amended by inserting alphabetically in the list of products the following items:	
Alletarin	Specified uses or restrictions
Asbestos fiber	Component of phenolic molding compound for use in processing, holding, packaging, or transporting food.
Barium hydroxide	Do.
Hexamethylenetetramine	Do.
Mineral oil consisting of virgin petroleum distillates refined to meet the following ultraviolet absorbance limits as determined by analytical methods available on request from the Commissioner of Food and Drugs:	For uses wherever mineral oil is permitted for use as a component of nonfood articles complying with §§ 121.2519, 121.2520, 121.2531 (for use only in rolling of metallic foil and sheet stock), 121.2533, 121.2536, 121.2557, and 121.2662.
Maximum absorbance per cm. optical pathlength	
Wavelength	
280-299 mμ	1.0
300-359 mμ	.8
360-400 mμ	.1
Mineral oil meeting the following specifications: Virgin distillate from petroleum; no cracked products present; distillation endpoint at 760 mm. not to exceed 700° F. with residue not to exceed 2% as determined by ASTM Method D-92-IP-123.	Component of burlap bags for packing dry food.
N-Octylcycloheptene dicarboximide	Component of insecticide for control of infestation in food-storage and food-processing areas; limit 20 p.p.m. in food.
Oxalic acid	Component of phenolic molding compound for use in processing, holding, packaging, or transporting food.
Petroleum hydrocarbons, aliphatic: Initial boiling point 315° F. minimum; final boiling point 650° F. maximum; ultraviolet absorptivity 0.04 liter per gram centimeter maximum at 290 millimicrons.	Adjuvant for insecticides in food-processing plants; limit 1 p.p.m. residue on foods.
p-Phenylethyl phenol	Component of phenolic molding compound for use in processing, holding, packaging, or transporting food.
Pigment blue 15 (phthalocyanine blue), Color Index No. 74160.	Colorant in food containers and equipment.
Pigment green 7 (phthalocyanine green), Color Index No. 74260.	Do.
Pigment green 17 (chromium oxide green), Color Index No. 77268.	Colorant in food containers and equipment.
Pigment orange 13 (benzidine orange), Color Index No. 21110.	Do.
Pigment red 48 (red 2B, rubine red), Color Index No. 18865.	Do.
Pigment violet 19 (quinacridone red), Color Index No. 46500.	Colorant for polyethylene in food packaging.
Pigment white 21 (barium sulfate), Color Index No. 77130.	Colorant in food containers and equipment.
Pigment yellow 12 (benzidine yellow), Color Index No. 21060.	Do.
Pigment yellow 14 (benzidine yellow OT), Color Index No. 21095.	Coloring in polyethylene for food packaging.
Pigment yellow 17 (benzidine yellow), Color Index No. 21105.	Colorant in food containers and equipment.

Specified uses or restrictions
Component of insecticide for control of infestation in food-storage and food-processing areas; limit 2 p.p.m. on food.

Product

Product	Specified uses or restrictions
Piperonyl butoxide.....	Component of insecticide for control of infestation in food-storage and food-processing areas; limit 20 p.p.m. in food.
Polyoxyethylene (4) lauryl alcohol ether.....	Component of food packaging materials.
Polyoxypropylene-polyoxyethylene block polymers (molecular weight 3200 to 3620).	As a plasticizer in coatings to be applied to paper and paper-board for food packaging.
Pyrethrins	Component of insecticide for control of infestation in food-storage and food-processing areas; limit 3 p.p.m. in food.
Resinous and polymeric substances prepared from optional substances as identified in § 121.2514.	Continuous film on the food-contact surface of a nonmetallic article used in producing, manufacturing, packing, processing, preparing, treating, packaging, transporting, or holding food.
* * *	
Terpene resin produced by polymerization of α- and β-pinene and related terpenes.	Component of sizing agents, coatings, and adhesives used in food packaging.

Effective as of the 12th day of August 1965.

[SEAL] WILLIAM L. SLAYTON,
Urban Renewal Commissioner.

[F.R. Doc. 65-8480; Filed, Aug. 11, 1965; 8:49 a.m.]

Chapter II—Federal Housing Administration, Housing and Home Finance Agency

MISCELLANEOUS AMENDMENTS TO CHAPTER

The following miscellaneous amendments have been made to this chapter:

SUBCHAPTER A—GENERAL

PART 200—INTRODUCTION

Subpart E—Mortgage Insurance Procedures and Processing

In § 200.157 paragraph (f) is amended to read as follows:

§ 200.157 Provisions and characteristics of debentures.

(f) *Transfer and use*—(1) *In general.* Debentures are fully transferable and may be freely sold or assigned. They may be used by approved mortgagees in lieu of cash for payment of FHA mortgage insurance premiums.

(2) *Mutual Mortgage Insurance Fund debentures.* Debentures of the Mutual Mortgage Insurance Fund may be used to pay mortgage insurance premiums on mortgages insured under sections 203(b), 203(h), and 203(i), of the National Housing Act.

(3) *Cooperative Management Housing Insurance Fund debentures.* Debentures which are the obligation of the Cooperative Management Housing Insurance Fund may be used to pay premiums on mortgages and loans which are the obligation of that Fund. Where the insurance of a mortgage or loan is transferred from the General Insurance Fund to the Cooperative Management Housing Insurance Fund or where a mortgage or a loan is endorsed for insurance pursuant to a commitment transferred to the Cooperative Management Housing Insurance Fund, debentures issued in connection with such mortgage or loan may be used to pay insurance premiums of the Cooperative Management Housing Insurance Fund as well as premiums on mortgages insured under sections 207, 213, 231, and 232 of the National Housing Act.

(4) *General Insurance Fund and debentures of other funds.* Debentures of the General Insurance Fund and those debentures issued as obligations of mortgage insurance funds and accounts in existence prior to the enactment of the Housing and Urban Development Act of 1965 (other than the Mutual Mortgage Insurance Fund) which are transferred

Notice and public procedure and delayed effective date are not necessary prerequisites to the promulgation of this order, and I so find, since extensions of time, under certain conditions, for the effective date of the food additives amendment to the Federal Food, Drug, and Cosmetic Act were contemplated by Public Law 88-625 as a relief of restrictions on the food-processing industry.

Effective date. This order shall be effective on the date of signature.

(Sec. 5(c), Public Law 85-929, as amended Public Law 87-19, Public Law 88-625; 72 Stat. 1788, amended 76 Stat. 42, 78 Stat. 1002; 21 U.S.C., note under sec. 342)

Dated: August 5, 1965.

J. K. KIRK,
Assistant Commissioner
for Operations.

[F.R. Doc. 65-8467; Filed, Aug. 11, 1965; 8:48 a.m.]

Title 24—HOUSING AND HOUSING CREDIT

Subtitle A—Office of the Administrator, Housing and Home Finance Agency

PART 3—SLUM CLEARANCE AND URBAN RENEWAL

Subpart B—Relocation Payments Under Section 114 of the Housing Act of 1949, as Amended

LIMITATIONS ON AMOUNT OF RELOCATION PAYMENTS TO BUSINESS CONCERNS

The regulations governing the making of relocation payments under Title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.), published under Part 3 of Subtitle A of Title 24 of the Code of Federal Regulations, as revised effective January 13, 1965 (30 F.R. 439), as amended (30 F.R. 4715, April 13,

1965), are hereby further amended by modifying the last sentence of § 3.109 (a) (2) and adding a new sentence at the end thereof, as follows:

§ 3.109 Limitations on amount of relocation payments.

(a) *Moving expenses and loss of property*—* * *

(2) *Maximum amount—business concerns.* * * * If the total of the actual moving expenses incurred on or after October 2, 1962, and prior to August 12, 1965, is greater than \$3,000, the maximum relocation payment that may be made or recognized in the case of a business concern, for which reimbursement or compensation is not otherwise made, shall be the total of such actual moving expenses or \$25,000, whichever is less. If the total of the actual moving expenses incurred on or after August 12, 1965, is greater than \$3,000, the maximum relocation payment that may be made or recognized in the case of a business concern, for which reimbursement or compensation is not otherwise made, shall be the sum of:

(i) The total actual moving expenses or \$25,000, whichever is less; and

(ii) In the case of projects on a two-thirds capital grant basis, two-thirds of the actual moving expenses in excess of \$25,000: *Provided*, That the LPA makes a cash payment to the business concern out of local funds in an amount equal to one-third of the actual moving expenses in excess of \$25,000, which payment shall not constitute a local grant-in-aid to the project; and

(iii) In the case of projects on a three-fourths capital grant basis, three-fourths of the actual moving expenses in excess of \$25,000: *Provided*, That the LPA makes a cash payment to the business concern out of local funds in an amount equal to one-fourth of the actual moving expenses, which payment shall not constitute a local grant-in-aid to the project.

by the 1965 Act to the General Insurance Fund may be used to pay mortgage insurance premiums on mortgages and loans which are the obligation of the General Insurance Fund.

Section 200.160 is amended to read as follows:

§ 200.160 Redemption of debentures prior to maturity.

Debentures shall, at the option of the Commissioner and with the approval of the Secretary of the Treasury, be redeemable at par plus accrued interest on any semiannual interest payment date on 3 months' notice of redemption given in such manner as the Commissioner shall prescribe. The debenture interest on the debentures called for redemption shall cease on the semiannual interest payment date designated in the call notice. The Commissioner may include with the notice of redemption an offer to purchase the debentures at par plus accrued interest at any time during the period between the notice of redemption and the redemption date. If the debentures are purchased by the Commissioner after such call and prior to the named redemption date, the debenture interest shall cease on the date of purchase.

(Sec. 2, 48 Stat. 1246, as amended; sec. 211, 52 Stat. 23, as amended; sec. 607, 55 Stat. 61, as amended; sec. 712, 62 Stat. 1281, as amended; sec. 907, 65 Stat. 301, as amended; sec. 807, 69 Stat. 651, as amended; 12 U.S.C. 1703, 1715b, 1742, 1747k, 1748f, 1750f)

SUBCHAPTER B—PROPERTY IMPROVEMENT LOANS

PART 202a—TITLE I MORTGAGE INSURANCE

In Part 202a Subpart B is revised as follows:

SUBPART B—CONTRACT RIGHTS AND OBLIGATIONS

Sec.	
202a.251	Incorporation by reference.
202a.255	Due date of initial MIP.
202a.260	Adjustment of initial MIP.
202a.265	Amount of annual MIP.
202a.270	Pro rata adjustment of MIP upon prepayment.
202a.275	Maturity of debentures.

AUTHORITY: The provisions of this subpart issued under sec. 2, 48 Stat. 1246, as amended; sec. 8, 64 Stat. 43, as amended; 12 U.S.C. 1703, 1706c.

§ 202a.251 Incorporation by reference.

(a) All of the provisions of Subpart B, Part 203 of this chapter covering mortgages insured under section 203 of the act apply to mortgages covering individual homes in connection with Title I mortgage insurance under title I, section 8 of the act, except:

Sec.	
203.266	Due date of initial MIP.
203.268	Adjustment of initial MIP.
203.269	Pro rata payment of initial MIP.
203.275	Amount of annual MIP.
203.276	Due date of annual MIP.
203.278	Pro rata payment of annual MIP.
203.406	Maturity of debentures.
203.420	Nature of Mutual Mortgage Insurance Fund.
203.421	Allocation of Mutual Mortgage Insurance Fund income or loss.

Sec.	
203.422	Right and liability under Mutual Mortgage Insurance Fund.
203.423	Distribution of distributive shares.
203.424	Maximum amount of distributive shares.
203.425	Finality of determination.
203.498	Applicability to outstanding mortgages and commitments.
203.499	Effective date.

(b) For the purposes of this subpart, all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to title I, section 8 of the act, and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

§ 202a.255 Due date of initial MIP.

The initial MIP shall be paid on the date on which the insurance becomes effective by endorsement.

§ 202a.260 Adjustment of initial MIP.

Regardless of whether the period covered by the MIP is more or less than 1 year, a payment shall be made to the Commissioner on account of the initial MIP which payment shall be in an amount equal to one-half percent of the average outstanding principal obligation for the first year of amortization under the mortgage. If such payment is less than the minimum premium or more than the maximum premium prescribed by the act, the initial MIP shall be in such minimum amount and the amount of the second premium shall be adjusted accordingly. If such payment is within the limitations prescribed by the act, no adjustment shall be made and the amount of the payment shall be retained by the Commissioner as the initial MIP.

§ 202a.265 Amount of annual MIP.

After payment of the initial MIP and until the mortgage is paid in full or until an application for insurance benefits is received by the Commissioner or until the contract is otherwise terminated with the consent of the Commissioner, the mortgagee shall continue to pay annual MIP to the Commissioner. Annual MIP shall be paid on the anniversary date of the beginning of amortization. It shall be paid in an amount equal to one-half percent of the average outstanding principal obligation for the 12-month period following the date on which the premium becomes payable.

§ 202a.270 Pro rata adjustment of MIP upon prepayment.

Upon prepayment of the mortgage in full prior to maturity, the Commissioner shall refund to the mortgagee for the account of the mortgagor an amount equal to the pro rata portion of the current MIP theretofore paid which is applicable to the portion of the year subsequent to such payment, computed from the first day of the month following the month in which such prepayment occurs. No such refund shall be made in any case where the prepayment occurs in the twelfth month of the premium year.

§ 202a.275 Maturity of debentures.

Debentures shall mature 3 years after the first day of July following the maturity date of the mortgage.

SUBCHAPTER C—MUTUAL MORTGAGE INSURANCE AND INSURED HOME IMPROVEMENT LOANS

PART 203—MUTUAL MORTGAGE INSURANCE AND INSURED HOME IMPROVEMENT LOANS

In Part 203 in the table of contents the pertinent section headings and center heading are amended as follows:

Sec.	
203.351	Application for insurance benefits and fiscal data.
203.360	Notice of property transfer and application for insurance benefits.
203.362	Conditions for withdrawal of application for insurance benefits.

PAYMENT OF INSURANCE BENEFITS

203.400	Method of payment.
203.401	Amount of payment—conveyed properties.
203.402	Items included in payment—conveyed properties.
203.403	Items deducted from payment—conveyed properties.
203.404	Amount of payment—assigned mortgages.

Subpart A—Eligibility Requirements

In § 203.17 paragraph (d) (3) (ii) is amended to read as follows:

§ 203.17 Mortgage provisions.

(d) *Maturity.* . . .

(3) . . .

(i) Thirty-five years from the date of the beginning of amortization if the following requirements are met:

(a) The mortgagor is an owner occupant of the property and is not able, as determined by the Commissioner, to make the required payments under a mortgage having a shorter amortization period;

(b) The dwelling was approved for mortgage insurance by the Commissioner prior to the beginning of construction or approved for guaranty, insurance, or direct loan by the Administrator of Veterans Affairs prior to such construction; and

(c) The dwelling was inspected by the FHA and found to have been completed in compliance with the terms of the FHA commitment, or inspected by the VA and found to have been completed in compliance with the terms of the VA Certificate of Reasonable Value.

In § 203.18 the introductory text of paragraph (a) (2) is amended; paragraph (a) (3) is amended and a new paragraph (a) (4) is added; and paragraph (c) (1) is amended to read as follows:

§ 203.18 Maximum mortgage amounts.

(a) *Occupant mortgagors.* . . .

(2) 97 percent of \$15,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, and 90 percent of such value in excess of \$15,000 but not in excess of \$20,000, and 80 percent of such value in excess of \$20,000, if:

(3) 100 percent (less \$200 cash investment) of \$15,000 of the appraised value of the property as of the date the mortgage is accepted for insurance, and 90

percent of such value in excess of \$15,000 but not in excess of \$20,000, and 85 percent of such value in excess of \$20,000, if the mortgagor:

(1) Submits a Certificate of Veteran Status from the Veterans Administration establishing that he has served on active duty in the armed forces (U.S. Army, Navy, Marine Corps, Air Force, Coast Guard, the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air Force Reserve, the Coast Guard Reserve, the National Guard of the United States and the Air National Guard of the United States) of the United States for a period of not less than 90 days and was discharged or released therefrom under conditions other than dishonorable; or if he has served less than 90 days, he shall establish by a certificate issued by the Secretary of Defense that he performed extra hazardous service; and

(ii) Certifies that he has not received any direct, guaranteed, or insured loan under laws administered by the Veterans Administration for the purchase, construction, or repair of a dwelling (including a farm dwelling) which was to be owned and occupied by him as his home.

(4) 90 percent of \$20,000 of the appraised value of the property, as of the date of the mortgage is accepted for insurance, and 80 percent (85 percent in the case of a veteran qualifying under subparagraph (3)) of such value in excess of \$20,000, if the dwelling does not meet the requirements of subdivision (i), (ii) or (iii) of subparagraph (2).

(c) *Outlying area properties.*
(1) \$12,500;

Section 203.19 is amended to read as follows:

§ 203.19 Mortgagor's minimum investment.

(a) At the time the mortgage is insured, the mortgagor shall have paid in cash or its equivalent, at least 3 percent of the Commissioner's estimate of the cost of acquisition or such larger amount, as the Commissioner may determine, except that the minimum cash investment for a veteran meeting the requirements of § 203.18(a)(3) shall be \$200.

(b) A mortgagor who is 62 years of age or older, as of the date the mortgage is accepted for insurance, or who meets the requirements of § 203.18(c), or who is purchasing a single family home under a low-income housing demonstration project which is being assisted by the Housing and Home Finance Administrator pursuant to section 207 of the Housing Act of 1961, may obtain a loan to meet the payment required by paragraph (a) of this section and to pay settlement costs. Such loan shall be from a corporation or person satisfactory to the Commissioner. The settlement costs paid with the loan may include initial payments for taxes, hazard insurance, mortgage insurance premium, and other prepaid expenses, as determined by the Commissioner. As security for the loan, the mortgagor may give a note or other evidence of indebtedness bearing interest at a rate not in excess

of that permitted in the insured mortgage. The aggregate amount of the insured mortgage and the loan referred to in this section shall not exceed an amount equal to the Commissioner's estimate of the appraised value of the property, plus an amount equal to the initial payments for taxes, hazard insurance, mortgage insurance premium, and other prepaid expenses, as determined by the Commissioner.

In § 203.43(b) subparagraph (7) is amended to read as follows:

§ 203.43 Eligibility of miscellaneous type mortgages.

(7) Given to refinance an existing mortgage which is insured under the act.

The amount of the refinancing mortgage shall not exceed the original principal amount of the existing mortgage. It shall have a maturity limited to the unexpired term of the existing mortgage.

Section 203.73 is amended to read as follows:

§ 203.73 Maximum loan amounts.

(a) The loan shall not exceed:

(1) The Commissioner's estimate of the cost of improvements or \$10,000 per family unit, whichever is the lesser; or

(2) An amount which, when added to any outstanding indebtedness related to the property, creates a total outstanding indebtedness which does not exceed the limits prescribed in § 203.18 for mortgages on properties of the same type other than new construction; or

(3) Where the proceeds are to be used for the purposes indicated in § 203.82 (a)(2), an amount which when added to the aggregate principal balance of any outstanding insured home improvement loans which were obtained for the purposes indicated in § 203.82(a)(2), creates an aggregate indebtedness for such purposes of not to exceed \$10,000.

(b) In any geographical area where the Commissioner finds cost levels so require, he may increase by not to exceed 45 percent the dollar amount limitations set forth in paragraph (a) of this section.

Section 203.260 is amended to read as follows:

§ 203.260 Method of payment of MIP.

The payment of any MIP under this subpart shall be made to the Commissioner by the mortgagee either in cash or debentures at par plus accrued interest.

Section 203.351 and the heading thereof are amended to read as follows:

§ 203.351 Application for insurance benefits and fiscal data.

On the date the assignment of the mortgage is filed for record, the mortgagee shall forward to the Commissioner the prescribed application for insurance benefits and fiscal data pertaining to the mortgage transaction, together with the receipts covering all disbursements, as required by the fiscal data form. In addition, the following requirements shall be met:

(a) *Items to be included with application.* The following items shall be forwarded to the Commissioner with the application:

(1) *Credit and security instrument.* The original credit and security instruments assigned without recourse or warranty, except that no act or omission of the mortgagee shall have impaired the validity and priority of the mortgage.

(2) *Recorded assignment instrument.* The original of the recorded assignment of mortgage. If the original of the assignment is not available, a copy shall be furnished and the original forwarded as soon as possible.

(3) *Hazard insurance.* All hazard insurance policies held in connection with the mortgaged property, together with a copy of the mortgagee's notification to the carrier authorizing the amendment of the loss payable clause substituting the Commissioner as the mortgagee.

(4) *Rights and interests.* An assignment of all rights and interests arising under the mortgage, and all claims of the mortgagee against the mortgagor or others arising out of the mortgage transaction.

(5) *Property.* All property of the mortgagor held by the mortgagee or to which it is entitled (other than the cash items which are to be retained by the mortgagee).

(6) *Records and accounts.* All records, ledger cards, documents, books, papers and accounts relating to the mortgage transaction.

(7) *Additional information.* Any additional information or data which the Commissioner may require.

(b) *Items to be retained by mortgagee.* The mortgagee shall retain all cash amounts held or deposited for the account of the mortgagor or to which it is entitled under the mortgage transaction that have not been applied in reduction of the principal mortgage indebtedness.

In § 203.360 the section heading is amended as follows:

§ 203.360 Notice of property transfer and application for insurance benefits.

In § 203.362 the section heading and the introductory text are amended to read as follows:

§ 203.362 Conditions for withdrawal of application for insurance benefits.

With the consent of the Commissioner, a mortgagee may withdraw an application for insurance benefits if the mortgagee agrees that it will:

Section 203.363 is amended as follows:

§ 203.363 Reconveyance for noncompliance with regulations.

If, for any reason, the mortgagee fails to comply with the regulations in this subpart, the Commissioner may hold processing of the application for insurance benefits in abeyance for a reasonable time in order to permit the mortgagee to comply or, in the alternative, the Commissioner may reconvey title to the property to the mortgagee in which event the application for insurance benefits shall be considered as cancelled

without prejudice to the rights of the mortgagee to reapply for insurance benefits at a subsequent date.

Section 203.364 is amended to read as follows:

§ 203.364 Mortgagee's liability for property expenditures.

Where the Commissioner acquires a property and thereafter it becomes necessary for the Commissioner to reconvey the property to the mortgagee because of the mortgagee's noncompliance with these regulations or because, with the consent of the Commissioner, the application for insurance benefits is withdrawn, the mortgagee shall reimburse the Commissioner for all expenses incurred in connection with such acquisition and reconveyance. The reimbursement shall include all expenditures made from the date the deed to the Commissioner was filed for record to the date of reconveyance of the property to the mortgagee, after appropriate adjustment on account of any income received from the property.

Section 203.365 is amended to read as follows:

§ 203.365 Documents and information to be furnished Commissioner.

(a) *Items to be furnished Commissioner.* Within 45 days after the deed is filed for record, the mortgagee shall forward to the Commissioner:

(1) A copy of the deed to the Commissioner which has been filed for record and the title evidence continued so as to include recordation of the deed. The original deed shall be forwarded as soon as received from the recording authority.

(2) Fiscal data pertaining to the mortgage transaction.

(3) Receipts covering all disbursements as required by the fiscal data form.

(4) Ledger cards covering the mortgage transaction.

(5) Any additional information or data which the Commissioner may require.

(b) *Items to be retained by mortgagee.* The mortgagee shall retain all cash amounts held or deposited for the account of the mortgagor or to which it is entitled under the mortgage transaction that have not been applied in reduction of the principal mortgage indebtedness.

Section 203.378 is amended as follows:

§ 203.378 Adjustment for waste.

If the property has been damaged by waste as defined in this subpart, the Commissioner shall deduct from the insurance benefits an amount not to exceed the Commissioner's estimate of the cost of repairing the waste damage but not to exceed the limitation of \$100 for each family dwelling unit covered by the mortgage.

Section 203.379 is amended as follows:

§ 203.379 Adjustment for fire, flood, earthquake or tornado damage.

If the property has been damaged by fire, flood, earthquake, or tornado, such

damage shall be repaired prior to conveyance of the property or assignment of the mortgage to the Commissioner, except that if prior approval of the Commissioner is obtained the damaged property may be conveyed to him or the mortgage assigned to him and he shall deduct from the insurance benefits an amount not to exceed the greater of (a) his estimate of the cost of repairing such damage or (b) the insurance recovery.

The center heading preceding § 203.400, and § 203.400 and the heading thereof are amended as follows:

PAYMENT OF INSURANCE BENEFITS

§ 203.400 Method of payment.

If the application for insurance benefits is acceptable to the Commissioner, payment of the insurance claim will be made in cash, in debentures or in a combination of both, as determined by the Commissioner at the time of payment.

Section 203.401 and the heading thereof are amended to read as follows:

§ 203.401 Amount of payment—conveyed properties.

The amount of the insurance benefits shall be determined by adding to the original principal of the mortgage (as increased by the amount of open-end advances made by the mortgagee and approved by the Commissioner) which was unpaid on the date of the institution of foreclosure proceedings, on the date of the acquisition of the property otherwise after default, or on the date the property was acquired by the Commissioner under a direct conveyance by the mortgagor, the amount of all payments made by the mortgagee and allowances for items as set forth in § 203.402, less all items as set forth in § 203.403.

In § 203.402 the section heading and introductory text are amended and a new paragraph (k) is added to read as follows:

§ 203.402 Items included in payment—conveyed properties.

The insurance benefits paid in connection with properties conveyed to the Commissioner shall include the following items:

(k) An amount equivalent to the debenture interest which would have been earned on the portion of the insurance benefits paid in cash, as of the date such payment is made, except that when the mortgagee fails to meet any one of the applicable requirements of §§ 203.355, 203.356, 203.359, 203.360, and 203.365 of this chapter within the specified time and in a manner satisfactory to the Commissioner (or within such further time as the Commissioner may approve in writing), the interest allowance in such cash payment shall be computed only to the date on which the particular required action should have been taken or to which it was extended.

Section 203.403 and the heading thereof are amended to read as follows:

§ 203.403 Items deducted from payment—conveyed properties.

There shall be deducted from the total of the added items in §§ 203.401 and 203.402 the following cash items:

(a) All amounts received by the mortgagee on account of the mortgage after the institution of foreclosure proceedings or the acquisition of the property by direct conveyance or otherwise after default.

(b) All amounts received by the mortgagee from any source relating to the property on account of rent or other income after deducting reasonable expenses incurred in handling the property.

(c) All cash retained by the mortgagee including amounts held or deposited for the account of the mortgagor or to which it is entitled under the mortgage transaction that have not been applied in reduction of the principal mortgage indebtedness.

Section 203.404 and the heading thereof are amended to read as follows:

§ 203.404 Amount of payment—assigned mortgages.

Upon an acceptable assignment of a mortgage, the Commissioner shall pay to the mortgagee the unpaid principal balance of the loan at the time of assignment and an amount determined by:

(a) Adding the following items:

(1) Any accrued and unpaid mortgage interest.

(2) Any advances made under the mortgage and approved by the Commissioner.

(3) Reimbursement for such costs and attorney's fees as the Commissioner finds were properly incurred in connection with the defaulted mortgage and its assignment to the Commissioner.

(4) An amount equivalent to the debenture interest which would have been earned on the portion of the insurance benefits paid in cash, as of the date such payment is made, except that when the mortgagee fails to meet any one of the requirements of §§ 203.350a, 203.351, and 203.353 of this chapter within the specified time and in a manner satisfactory to the Commissioner (or within such further time as the Commissioner may approve in writing), the interest allowance in such cash payment shall be computed only to the date on which the particular required action should have been taken or to which it was extended.

(b) Deducting all cash retained by the mortgagee, including amounts held or deposited for the account of the mortgagor or to which it is entitled under the mortgage transaction that have not been applied in reduction of the principal mortgage indebtedness.

Section 203.409 is amended to read as follows:

§ 203.409 Redemption of debentures.

Debentures shall, at the option of the Commissioner and with the approval of the Secretary of the Treasury, be redeemable at par plus accrued interest on any semiannual interest payment date on three months' notice of redemption given in such manner as the Commissioner

shall prescribe. The debenture interest on the debentures called for redemption shall cease on the semiannual interest payment date designated in the call notice. The Commissioner may include with the notice of redemption an offer to purchase the debentures at par plus accrued interest at any time during the period between the notice of redemption and the redemption date. If the debentures are purchased by the Commissioner after such call and prior to the named redemption date, the debenture interest shall cease on the date of purchase.

In § 203.440 paragraph (f) is amended to read as follows:

§ 203.440 Definitions.

(f) "Debentures" mean registered, transferable securities which are valid and binding obligations, unconditionally guaranteed as to principal and interest by the United States.

Section 203.443 is amended to read as follows:

§ 203.443 Method of payment of insurance premium.

The payment of any insurance premium under §§ 203.440 et seq. shall be made to the Commissioner by the lender either in cash or debentures at par plus accrued interest.

In § 203.478 paragraph (c) is amended to read as follows:

§ 203.478 Payment of insurance benefits.

(c) *Method of payment.* Payment of claim shall be made in the following manner:

(1) *Payment in cash.* Unless a written request for payment in debentures is filed with the application, payment shall be made in cash.

(2) *Optional payment in debentures.* Payment shall be made in debentures upon filing a written request with the application.

Section 203.484 is amended to read as follows:

§ 203.484 Redemption of debentures.

Debentures shall, at the option of the Commissioner and with the approval of the Secretary of the Treasury, be redeemable at par plus accrued interest on any semiannual interest payment date on 3 months' notice of redemption given in such manner as the Commissioner shall prescribe. The debenture interest on the debentures called for redemption shall cease on the semiannual interest payment date designated in the call notice. The Commissioner may include with the notice of redemption an offer to purchase the debentures at par plus accrued interest at any time during the period between the notice of redemption and the redemption date. If the debentures are purchased by the Commissioner after such call and prior to the named redemption date, the debenture interest shall cease on the date of purchase.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 203, 52 Stat. 10, as amended; 12 U.S.C. 1709)

SUBCHAPTER D—RENTAL HOUSING INSURANCE
PART 207—MULTIFAMILY HOUSING MORTGAGE INSURANCE

In Part 207 in the table of contents new §§ 207.253a, 207.256a, 207.258a, and a new § 207.261a preceded by a new center heading are added as follows:

- Sec.
207.253a Termination of insurance contract.
207.256a Reinstatement of defaulted mortgage.
207.258a Title requirements.
EXTENSION OF TIME
207.261a Actions to be taken by mortgagee.

Subpart A—Eligibility Requirements

In § 207.4 in paragraph (a) (4) subdivision (iv) is amended and a new subdivision (v) is added, paragraph (b) (4) is amended and a new paragraph (b) (5) is added as follows:

- § 207.4 Maximum mortgage amounts.
(a) *Dollar and loan-to-value limitations.* * * *
(4) * * *
(iv) \$18,500 with three bedrooms.
(v) \$21,000 with four or more bedrooms.
(b) *Increased mortgage amount—elevator type structures.* * * *
(4) \$22,500 per family unit with three bedrooms.
(5) \$25,500 per family unit with four or more bedrooms.

In § 207.32 the introductory text is amended to read as follows:

§ 207.32 Eligibility of refinancing transactions.

A mortgage given to refinance an existing insured mortgage covering five or more rental units may be insured under this subpart pursuant to section 223(a) (7) of the act. The new mortgage shall be limited in amount and in term as follows:

In § 207.33 paragraph (c) is amended to read as follows:

§ 207.33 Eligibility of mortgages on trailer courts or parks for trailer coach mobile dwellings.

(c) A mortgage on a trailer court or park is not subject to the provisions of § 207.4, except that the provisions of § 207.4(c) relating to increased mortgage amounts in high cost areas shall be applicable.

Subpart B—Contract Rights and Obligations

In § 207.252 paragraph (f) is amended to read as follows:

§ 207.252 First, second, and third premiums.

(f) Premiums shall be payable in cash or in debentures at par plus accrued in-

terest. All premiums are payable in advance and no refund can be made of any portion thereof except as hereinafter provided in this subpart.

In Part 207 a new § 207.253a is added to read as follows:

§ 207.253a Termination of insurance contract.

(a) *Reasons for termination.* The happening of any of the following events shall constitute an additional reason for terminating the contract of insurance without the payment of any adjusted premium or termination charge, in cases where the mortgagee has elected to convey the property to the Commissioner:

- (1) The acquisition by the mortgagee of the mortgaged property without conveying it to the Commissioner.
- (2) The acquisition of the property at the foreclosure sale by a party other than the mortgagee.
- (3) The redemption of the property after foreclosure.
- (4) Notice given by the mortgagee after the foreclosure and during the redemption period that it will not tender the property to the Commissioner.

(b) *Notice of termination.* No contract of insurance shall be terminated until the mortgagee has given written notice thereof to the Commissioner within 30 days from the happening of any one of the events set forth in paragraph (a) of this section.

(c) *Effective termination date.* The Commissioner shall notify the mortgagee that the contract of insurance has been terminated and the effective termination date. The termination shall be effective as of the date any one of the events set forth in paragraph (a) of this section occur.

(d) *Effect of termination.* Upon termination of the contract of insurance, the obligation to pay any subsequent MIP shall cease and all rights of the mortgagor and mortgagee shall be terminated.

In Part 207 a new § 207.256a is added as follows:

§ 207.256a Reinstatement of defaulted mortgage.

If after default and prior to the completion of foreclosure proceedings the mortgagor shall cure the default, the insurance shall continue as if a default had not occurred, provided the mortgagee gives written notice of reinstatement to the Commissioner.

Section 207.258 is amended to read as follows:

§ 207.258 Insurance claim requirements.

(a) *Alternative election by mortgagee.* When the mortgagee becomes eligible to receive mortgage insurance benefits pursuant to § 207.255(c), it shall, within 45 days thereafter, give the Commissioner written notice of its intention to file an insurance claim and of its election either to assign the mortgage to the Commissioner, as provided in paragraph (b) of this section, or to acquire and convey title to the Commissioner, as provided in paragraph (c) of this section.

Section 207.252 is amended to read as follows:

§ 207.252 Insurance claim requirements.

(a) *Alternative election by mortgagee.* When the mortgagee becomes eligible to receive mortgage insurance benefits pursuant to § 207.255(c), it shall, within 45 days thereafter, give the Commissioner written notice of its intention to file an insurance claim and of its election either to assign the mortgage to the Commissioner, as provided in paragraph (b) of this section, or to acquire and convey title to the Commissioner, as provided in paragraph (c) of this section.

(b) *Assignment of mortgage to Commissioner.* If the mortgagee elects to assign the mortgage to the Commissioner, it shall, at any time within 30 days after the date of the notice of such election, file its application for insurance benefits and assign, in such manner as the Commissioner may require, the original credit and security instruments to the Commissioner. In addition, the following requirements shall be met:

(1) *Notice of assignment.* On the date the assignment of the mortgage is filed for record, the mortgagee shall notify the Commissioner on a form prescribed by him of such assignment.

(2) *Warranty of mortgagee.* The assignment shall be made without recourse or warranty, except that the mortgagee shall warrant that:

(i) No act or omission of the mortgagee has impaired the validity and priority of the mortgage.

(ii) The mortgage is prior to all mechanics' and materialmen's liens filed of record subsequent to the recording of the mortgage, regardless of whether such liens attached prior to the recording date.

(iii) The mortgage is prior to all liens and encumbrances which may have attached or defects which may have arisen subsequent to the recording of the mortgage, except such liens or other matters as may be approved by the Commissioner.

(iv) The amount stated in the instrument of assignment is actually due under the mortgage and there are no offsets or counterclaims against such amount.

(v) The mortgagee has a good right to assign the mortgage.

(3) *Items delivered by mortgagee.* The mortgagee shall deliver to the Commissioner, within 45 days after the assignment is filed for record, the items enumerated below:

(i) An assignment of all claims of the mortgagee against the mortgagor or others arising out of the mortgage transaction.

(ii) All policies of title or other insurance or surety bonds or other guaranties, and any and all claims thereunder, including evidence satisfactory to the Commissioner that the effective date of the original title coverage has been extended to include the assignment of the mortgage to the Commissioner.

(iii) All records, ledger cards, documents, books, papers, and accounts relating to the mortgage transaction.

(iv) All property of the mortgagor held by the mortgagee or to which it is entitled (other than the cash items which are to be retained by the mortgagee) pursuant to subparagraph (4) of this paragraph.

(v) Any additional information or data which the Commissioner may require.

(4) *Items retained by mortgagee.* The following items shall be retained by the mortgagee:

(i) Any balance of the mortgage loan not advanced to the mortgagor.

(ii) Any cash held by the mortgagee or its agents or to which it is entitled, including deposits made for the account of the mortgagor, and which have not been

applied in reduction of the principal of the mortgage indebtedness.

(iii) All funds held by the mortgagee for the account of the mortgagor received pursuant to any other agreement.

(iv) The amount of any undrawn balance under a letter of credit used in lieu of a cash deposit.

(c) *Conveyance of title to Commissioner.* If the mortgagee elects to acquire and convey title to the Commissioner, the following requirements shall be met:

(1) *Alternative actions by mortgagee.* At any time within a period of 30 days after the date of the notice of such election, the mortgagee shall take one of the alternative actions in subparagraph (2) or (3) of this paragraph.

(2) *Foreclosure of mortgage.* The mortgagee may elect to commence foreclosure proceedings. If the laws of the State where the property is located do not permit institution of foreclosure within such 30-day period, foreclosure shall be commenced not less than 30 days after such action can be taken. Under such proceedings, the mortgagee shall take one of the following actions:

(i) Obtain possession of the mortgaged property and the income therefrom through the voluntary surrender thereof by the mortgagor.

(ii) Institute and prosecute with reasonable diligence, proceedings for the appointment of a receiver to manage the mortgaged property and collect income therefrom.

(iii) Proceed to exercise such other rights and remedies as may be available to it for the protection and preservation of the mortgaged property and to obtain the income therefrom under the mortgage and the law of the particular jurisdiction.

(iv) With the prior approval of the Commissioner, exercise the power of sale under a deed of trust.

(3) *Acquisition of title and possession.* The mortgagee, with the approval of the Commissioner, may elect to acquire possession of, and title to, the mortgaged property by means other than foreclosure. With the prior approval of the Commissioner, title may be transferred directly to the Commissioner.

(4) *Notice of foreclosure.* The mortgagee shall give written notice to the Commissioner within 30 days after the institution of foreclosure proceedings and shall exercise reasonable diligence in prosecuting such proceedings to completion. Any developments which might delay the consummation of such proceedings shall be promptly reported to the Commissioner.

(5) *Transfer by mortgagee.* After acquiring title to and possession of the property, the mortgagee shall (within 30 days of such acquisition) transfer title and possession of the property to the Commissioner. The transfer shall be made in such manner as the Commissioner may require. On the date the deed is filed for record, the mortgagee shall notify the Commissioner on a form prescribed by him of the filing of such conveyance.

(6) *Filing of deed and application.* The mortgagee shall file its application

for insurance benefits at the time of filing for record of the deed conveying the property to the Commissioner.

(7) *Deed covenants and documents.* The deed conveying the property to the Commissioner shall contain covenants satisfactory to the Commissioner. The original deed shall be forwarded to the Commissioner as soon as received from the recording authority. The following documents shall be forwarded with the deed:

(1) A bill of sale covering any personal property to which the mortgagee is entitled by reason of the mortgage transaction or by the acceptance of a deed in lieu of foreclosure.

(2) An assignment of all claims of the mortgagee against the mortgagor or others arising out of the mortgage transaction and out of the foreclosure proceedings or other means by which the property was acquired.

(3) An assignment of any claims on account of title insurance and fire or other hazard insurance, except claims which have been released with the prior approval of the Commissioner.

(8) *Title evidence.* Evidence of title, satisfactory to the Commissioner and meeting the requirements of § 207.258b, shall be furnished to the Commissioner (without expense to him) within 45 days of the filing for record of the deed conveying the property to him.

(9) *Items retained by the mortgagee.* All of the items listed in paragraph (b) (4), involving amounts to be retained by the mortgagee where the mortgage is assigned to the Commissioner, shall also be retained by the mortgagee when the property is conveyed to the Commissioner. In addition, the mortgagee shall retain any bonds in which funds of the mortgagor are invested.

In Part 207 a new § 207.258a is added as follows:

§ 207.258a Title requirements.

(a) *Form of title evidence.* The title evidence submitted with a conveyance of the property to the Commissioner shall be in the form of an owner's policy of title insurance, except that, if an abstract and attorney's opinion were accepted by the Commissioner at the time of insurance, the title evidence may be in such form. The title evidence shall be effective on or after the date of the recording of the conveyance to the Commissioner.

(b) *Content of title evidence.* To be satisfactory to the Commissioner, the title evidence covering the property conveyed to him shall show the same title vested in the Commissioner as was vested in the mortgagor as of the date of the mortgage was filed for record, with the exception of such liens or other matters affecting the title as may be approved by the Commissioner.

Section 207.259 is amended to read as follows:

§ 207.259 Insurance benefits.

(a) *Method of payment.* Upon either an assignment of the mortgage to the Commissioner or a conveyance of the property to him in accordance with the requirements of § 207.258, payment of the insurance claim shall be made in

cash, in debentures, or in a combination of both, as determined by the Commissioner at the time of payment.

(b) *Amount of payment; assignment of mortgage.* If the mortgage is assigned to the Commissioner, the insurance benefits shall be paid in an amount determined as follows:

(1) By adding to the unpaid principal amount of the mortgage, computed as of the date of default, the following items:

(i) The amount of all payments made by the mortgagee for taxes, special assessments and water rates which are liens prior to the mortgage; for insurance on the property; and for any mortgage insurance premiums paid after default.

(ii) An allowance for reasonable payments made by the mortgagee, with the approval of the Commissioner, for the completion and preservation of the property.

(iii) An amount equivalent to the debenture interest which would have been earned on the portion of the insurance benefits paid in cash, as of the date such cash payment is made, except that when the mortgagee fails to meet any one of the applicable requirements of §§ 207.256 and 207.258 within the specified time and in a manner satisfactory to the Commissioner (or within such further time as the Commissioner may approve in writing), the interest allowance in such cash payment shall be computed only to the date on which the particular required action should have been taken or to which it was extended.

(2) By deducting from the total of the items computed under subparagraph (1) of this paragraph, the following items:

(i) Any amount received by the mortgagee on account of the mortgage after the date of default.

(ii) Any net income received by the mortgagee from the property covered by the mortgage after the date of default.

(iii) The sum of the cash items retained by the mortgagee pursuant to § 207.258(b)(4), except the balance of the mortgage loan not advanced to the mortgagor.

(iv) An amount equivalent to one percent of the amount of the mortgage advanced to the mortgagor and not repaid as of the date of default.

(c) *Amount of payment; conveyance of property.* If the property is conveyed to the Commissioner, the insurance benefits shall be paid in an amount determined in accordance with paragraph (b) of this section, except that the item set forth in paragraph (b)(2)(iv) shall not be deducted.

(d) *Issuance of certificate of claim.* In addition to the insurance benefits paid under paragraph (b) or (c) of this section, a certificate of claim shall be issued to the mortgagee.

(1) In the case of an assignment of the mortgage, the certificate shall be for an amount which the Commissioner determines to be sufficient, when added to the amount of the insurance benefits, to equal the amount the mortgagee would have received if, on the date of assignment to the Commissioner, the mortgagor had paid in full all obligations

under the mortgage. Where a conveyance is involved, there shall also be included in the certificate an allowance in a reasonable amount for any necessary expenses incurred by the mortgagee in connection with the foreclosure proceedings or the acquisition of the mortgaged property otherwise and in connection with the conveyance of the property to the Commissioner.

(2) The certificate of claim shall provide for an un compounded annual interest increment of 3 percent to begin as of the date of either assignment or conveyance.

(e) *Issuance of debentures.* Where debentures are issued, they shall meet the following requirements:

(1) Be issued as of the date of default.

(2) Be registered as to principal and interest.

(3) At the option of the Commissioner and with the approval of the Secretary of the Treasury, be redeemable at par plus accrued interest on any semiannual interest payment date on 3 months' notice of redemption given in such manner as the Commissioner shall prescribe. The debenture interest on the debentures called for redemption shall cease on the semiannual interest payment date designated in the call notice. The Commissioner may include with the notice of redemption an offer to purchase the debentures at par plus accrued interest at any time during the period between the notice of redemption and the redemption date. If the debentures are purchased by the Commissioner after such call and prior to the named redemption date, the debenture interest shall cease on the date of purchase.

(4) Mature 20 years from the date thereof.

(5) Be issued in multiples of \$50, and any differences not in excess of \$50 between the amount of insurance benefits to which the mortgagee is entitled hereunder and the aggregate face amount of the debentures issued, shall be paid in cash by the Commissioner to the mortgagee.

(6) Bear interest from the date of issue, payable semiannually on the first day of January and the first day of July of each year at the rate in effect as of the date the commitment was issued, or as of the date of initial insurance endorsement of the mortgage, whichever rate is the higher. The following interest rates are effective for the dates listed:

Effective rate (percent)	On or after—	Prior to—
3 1/4	Jan. 1, 1961	July 1, 1961
3 1/2	July 1, 1961	Jan. 1, 1962
4	Jan. 1, 1962	July 1, 1962
3 1/4	July 1, 1962	July 1, 1963
4	July 1, 1963	Jan. 1, 1964
4 1/4	Jan. 1, 1964	

In § 207.260 paragraphs (c) and (e) are amended to read as follows:

§ 207.260 Protection of mortgage security.

(c) *Effect of failure to protect property.* Where a claim for insurance benefits has been filed, the Commissioner

will accept a conveyance of the property or assignment of the mortgage even though the buildings or improvements to the property are incomplete or may have been destroyed, damaged, or injured in whole or in part. In such instances, the Commissioner may reduce the amount of the insurance benefits to the extent of any loss sustained as a result of failure to comply with the provisions of paragraphs (a) and (b) of this section.

(e) *Effect of failure to provide fire and hazard insurance.* If at the time of assignment of the mortgage or conveyance of the property to the Commissioner the property has been damaged by fire or other hazards and loss has been sustained by reason of failure to keep the property insured as provided in the mortgage, the amount of such loss may be deducted from the amount of the insurance benefits paid by the Commissioner.

In Part 207 a new § 261a is added preceded by a new center heading as follows:

EXTENSION OF TIME

§ 207.261a Actions to be taken by mortgagee.

With respect to any action required of the mortgagee within a period of time prescribed by this subpart, the Commissioner may extend such period.

Section 207.262 is amended to read as follows:

§ 207.262 No vested right in fund.

Neither the mortgagee nor the mortgagor shall have any vested or other right in the General Insurance Fund.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 207, 52 Stat. 16, as amended; 12 U.S.C. 1713)

SUBCHAPTER E—COOPERATIVE HOUSING INSURANCE

PART 213—COOPERATIVE HOUSING MORTGAGE INSURANCE

In Part 213 in the table of contents a new § 213.266a is added and new §§ 213.275 through 213.280 preceded by a new center heading are added as follows:

Sec.

213.266a Insurance fund obligations.

COOPERATIVE MANAGEMENT HOUSING INSURANCE AND DISTRIBUTIVE SHARES

213.275 Nature of the Cooperative Management Housing Insurance Fund.

213.276 Allocation of Cooperative Management Housing Insurance Fund income or losses.

213.277 Right and liability under the Cooperative Management Housing Insurance Fund.

213.278 Distribution of distributive share.

213.279 Maximum amount of distributive share.

213.280 Finality of determination.

Subpart A—Eligibility Requirements—Projects

In § 213.7 in paragraph (a)(4) subdivision (iv) is amended and a new subdivision (v) is added, paragraph (c) is amended, paragraph (g)(4) is amended,

and a new paragraph (g) (5) is added as follows:

§ 213.7 Maximum insurable amounts.

(a) *Management Project.* . . .

(4) . . .

(iv) \$18,500 with three bedrooms.

(v) \$21,000 with four or more bedrooms.

(c) *Sales Project.* The mortgage covering a Sales Project shall not exceed the lesser of the following:

(1) \$12,500,000; or

(2) A sum equal to the aggregate total of the maximum allowable mortgage amounts, if separate mortgages each meeting the requirements of section 203(b) (2) of the Act relating to occupant mortgagors, were placed upon each of the single-family units comprising the project.

(g) *Increased mortgage amount—elevator type structures.* . . .

(4) \$22,500 per family unit with three bedrooms.

(5) \$25,500 per family unit with four or more bedrooms.

In § 213.45 the introductory text of paragraph (d) is amended to read as follows:

§ 213.45 Eligibility of miscellaneous type mortgages.

(d) A mortgage given to refinance an existing mortgage insured under the act may be insured under this subpart pursuant to section 223(a) (7) of the act. The new mortgage shall be limited in amount and in term as follows:

Subpart B—Contract Rights and Obligations—Projects

In § 213.251 paragraph (b) is amended to read as follows:

§ 213.251 Incorporation by reference.

(b) For the purposes of this subpart, all references in Part 207 of this chapter to section 207 of the National Housing Act shall be deemed to refer to section 213 of the act, and all references in Part 207 of this chapter to the General Insurance Fund shall be deemed to refer to the Cooperative Management Housing Insurance Fund in cases involving mortgages which are the obligation of the Cooperative Management Housing Insurance Fund.

Section 213.260 is amended to read as follows:

§ 213.260 Allowable methods of premium payment.

Premiums shall be payable in cash or in debentures at par plus accrued interest. All premiums are payable in advance and no refund can be made of any portion thereof except as hereinafter provided in this part.

In Part 213 a new § 213.266a is added to read as follows:

§ 213.266a Insurance fund obligations.

A mortgage endorsed for insurance under section 213 of the act shall be the obligation either of the Cooperative Management Housing Insurance Fund or of the General Insurance Fund. The determination of the applicable fund shall be governed by the following:

(a) A mortgage insured under section 213(a) (1) of the act or under section 213(a) (3) if the project has been acquired by a cooperative corporation or under section 213 (i) or (j) shall be the obligation of the Cooperative Management Housing Insurance Fund, where it has been insured pursuant to a commitment issued on or after August 10, 1965, or insured pursuant to a commitment issued prior to such date, and transferred to the Cooperative Management Housing Insurance Fund.

(b) A mortgage insured under section 213(a) (2) of the act or under section 213(a) (3) where the project has not been acquired by a cooperative corporation shall be the obligation of the General Insurance Fund. A mortgage insured prior to August 10, 1965, or insured pursuant to a commitment issued prior to such date, where the project has not been transferred to the Cooperative Management Housing Insurance Fund, shall also be the obligation of the General Insurance Fund.

In § 213.270 the introductory text of paragraph (d) is amended, a new paragraph (d) (4) is added, and paragraphs (e) and (i) are amended to read as follows:

§ 213.270 Supplementary loans; election of action; claims; debentures.

(d) *Claim computation.* Upon an acceptable assignment of the note and security instrument, the Commissioner shall pay the claim of the lender in cash, in debentures or in a combination of both, as determined by the Commissioner at the time of payment. The payment shall be in an amount equal to the unpaid principal balance of the supplementary loan plus:

(4) An amount equivalent to the debenture interest which would have been earned on the portion of the insurance benefits paid in cash, as of the date such cash payment is made, except that when the lender fails to meet any one of the applicable requirements of paragraphs (b) and (c) of this section within the specified time and in a manner satisfactory to the Commissioner (or within such further time as the Commissioner may approve in writing), the interest allowance in such cash payment shall be computed only to the date on which the particular required action should have been taken or to which it was extended.

(e) *Debenture interest.* The debentures shall bear interest as provided in § 207.259(e) (6) of this chapter.

(i) *Redemption of debentures.* Debentures shall, at the option of the Commissioner and with the approval of the Secretary of the Treasury, be redeemable at par plus accrued interest on any semi-

annual interest payment date on 3 months' notice of redemption given in such manner as the Commissioner shall prescribe. The debenture interest on the debentures called for redemption shall cease on the semiannual interest payment date designated in the call notice. The Commissioner may include with the notice of redemption an offer to purchase the debentures at par plus accrued interest at any time during the period between the notice of redemption and the redemption date. If the debentures are purchased by the Commissioner after such call and prior to the named redemption date, the debenture interest shall cease on the date of purchase.

In Part 213 new §§ 213.275 through 213.280 preceded by a new center heading are added as follows:

COOPERATIVE MANAGEMENT HOUSING INSURANCE AND DISTRIBUTIVE SHARES

§ 213.275 Nature of the Cooperative Management Housing Insurance Fund.

The Cooperative Management Housing Insurance Fund shall consist of the General Surplus Account and the Participating Reserve Account.

§ 213.276 Allocation of Cooperative Management Housing Insurance Fund income or losses.

For any semiannual period in which Cooperative Management Housing Insurance Fund operations shall result in a net income, or loss, the Commissioner shall allocate such net income or such loss to the General Surplus Account, to the Participating Reserve Account, or to both, as he may determine to be in accordance with sound actuarial and accounting practice. In determining net income or loss, the Commissioner shall take into consideration all income received from fees, premiums, and earnings on investments of the Fund, operating expenses, and provision for losses of the Fund.

§ 213.277 Right and liability under the Cooperative Management Housing Insurance Fund.

No mortgagor or mortgagee shall have any vested right in a credit balance in either the General Surplus Account or the Participating Reserve Account. No mortgagor or mortgagee shall be subject to any liability arising under the mutuality of the Cooperative Management Housing Insurance Fund.

§ 213.278 Distribution of distributive share.

When the contract of insurance is terminated by reason of payment in full of the mortgage or by voluntary termination approved by the Commissioner, and at such time or times prior to such termination as the Commissioner may approve, the Commissioner may distribute to a mortgagor under a mortgage that is the obligation of the Cooperative Management Housing Insurance Fund a share of the Participating Reserve Account in such manner and amount as he shall determine to be equitable and in accordance with sound actuarial and accounting practice.

§ 213.279 Maximum amount of distributive share.

In no event shall a distributive share of the Participating Reserve Account exceed the aggregate paid scheduled annual premiums of the mortgagor paid to the year of termination of the insurance or to the year of payment of the share, if paid prior to termination.

§ 213.280 Finality of determination.

The determination of the Commissioner as to the amount to be paid to any mortgagor from the Cooperative Management Housing Insurance Fund shall be final and conclusive.

Subpart C—Eligibility Requirements—Individual Properties Released From Project Mortgage

Section 213.510 and the heading thereof are amended to read as follows:

§ 213.510 Mortgage maturity.

(a) *Maturity.* The mortgage shall have a maturity satisfactory to the Commissioner not to exceed 40 years from the date of the beginning of amortization, except where the mortgage covers property released from a sales project, the blanket mortgage of which was insured pursuant to an application received on or after July 5, 1961. In such instances, the maturity shall not exceed 30 years from the beginning of amortization or 35 years from such date if the mortgagor is an owner occupant of the property and is not able, as determined by the Commissioner, to make the required payments under a mortgage having a shorter amortization period.

(b) *Amortization periods.* The amortization period shall be either 10, 15, 20, 25, 30, 35, or 40 years (where eligible) by providing for 120, 180, 240, 300, 360, 420, or 480 monthly amortization payments.

Subpart D—Contract Rights and Obligations—Individual Properties Released From Project Mortgage

In § 213.751 paragraph (c) is amended to read as follows:

§ 213.751 Incorporation by reference.

(c) *References.* For the purpose of this subpart, all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to section 213 of the act, and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 213, 64 Stat. 54, as amended; 12 U.S.C. 1715e)

SUBCHAPTER F—URBAN RENEWAL HOUSING INSURANCE AND INSURED IMPROVEMENT LOANS
PART 220—URBAN RENEWAL MORTGAGE INSURANCE AND INSURED IMPROVEMENT LOANS

In Part 220 in the table of contents the heading of § 220.275 is amended as follows:

Sec.
220.275 Method of paying insurance benefits.

No. 155—3

Subpart A—Eligibility Requirements—Homes

In § 220.5 paragraph (c) is amended and a new paragraph (d) is added as follows:

§ 220.5 Location of property.

(c) The area of an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended, providing for redevelopment or rehabilitation of urban areas made necessary as the result of a disaster, or

(d) An area in which a program of concentrated code enforcement activities is being carried out pursuant to section 117 of the Housing Act of 1949.

Section 220.30 is amended to read as follows:

§ 220.30 Maximum mortgage amounts—loan-to-value limitation.

(a) *Occupant mortgagors.* Where the mortgagor is the occupant of the property, the mortgage shall not exceed:

(1) If the mortgage covers construction of a proposed dwelling which is approved for mortgage insurance prior to the beginning of construction, the sum of the following percentages of the Commissioner's estimate of the replacement cost of the property as of the date the mortgage is accepted for insurance:

(i) 97 percent of the first \$15,000 of such estimate.

(ii) 90 percent of such estimate in excess of \$15,000, but not in excess of \$20,000.

(iii) 75 percent of the amount of such estimate in excess of \$20,000.

(2) If the mortgage covers a new dwelling under construction which is approved for mortgage insurance after the beginning of construction, the sum of the following percentages of the Commissioner's estimate of the replacement cost of the property as of the date the mortgage is accepted for insurance:

(i) 90 percent of the first \$20,000 of such estimate.

(ii) 75 percent of the amount of such estimate in excess of \$20,000.

(3) If the mortgage covers an existing dwelling approved for mortgage insurance prior to the beginning of construction or the construction of which has been completed for more than 1 year, the sum of the Commissioner's estimate of the cost of repair or rehabilitation added to the Commissioner's estimate of the value of the property before rehabilitation in the following percentages:

(i) 97 percent of the first \$15,000 of the sum of such estimates.

(ii) 90 percent of the sum of such estimates in excess of \$15,000, but not in excess of \$20,000.

(iii) 75 percent of the sum of such estimates in excess of \$20,000.

(4) If the mortgage covers an existing dwelling which was not approved for mortgage insurance prior to the beginning of construction and the construction of which has been completed less than 1 year, the sum of the Commissioner's estimate of the cost of repair or rehabilitation added to the Commissioner's estimate of the value of the

property before rehabilitation in the following percentages:

(1) 90 percent of the first \$20,000 of the sum of such estimates.

(ii) 75 percent of the sum of such estimates in excess of \$20,000.

(5) In a case under subparagraph (3) or (4), involving the refinancing of an existing indebtedness, the sum of (i) the estimated cost of repair and rehabilitation, (ii) the amount (as determined by the Commissioner) required to refinance the existing indebtedness secured by the property, and (iii) any existing indebtedness (as determined by the Commissioner) incurred in connection with improving, repairing or rehabilitating the property.

(b) *Nonoccupant mortgagors.* (1) A mortgage, executed by a mortgagor who is not the occupant of the property and who certifies to the Commissioner that he intends to hold the property for rental purposes, shall not exceed 93 percent of any amount computed under subparagraphs (1) through (4) of paragraph (a), or 100 percent of an amount computed under subparagraph (5) of paragraph (a) of this section.

(2) A mortgage, executed by a mortgagor who is not the occupant of the property and who certifies to the Commissioner that he intends to hold the property for the purpose of the sale, shall not exceed:

(1) 85 percent of any amount computed under subparagraphs (1) through (4) of paragraph (a), or 100 percent of an amount computed under subparagraph (5) of paragraph (a) of this section.

(ii) The full amount computed under any of the subparagraphs (1) through (4) of paragraph (a), without taking into consideration the refinancing limitations in subparagraph (5), if the mortgage covers a one- or two-family residence and the Commissioner is furnished with certificates indicating that:

(a) The mortgagor will not rent (except for a rental term of not less than 30 days and not more than 60 days), sell (except where the insured mortgage is paid in full as an incident of the sale), or occupy the property prior to the 18th amortization payment of the mortgage, except with the prior written approval of the Commissioner.

(b) There has been deposited in an escrow, trust, or special account not less than 15 percent of the original principal amount of the mortgage proceeds or such additional amount as may be necessary to reduce the remaining principal to an amount not exceeding the sum of the estimated cost of repairs and rehabilitation, and the amount required to refinance any existing indebtedness determined by the Commissioner to have been incurred in connection with improving, repairing or rehabilitating the property.

(c) The mortgagor agrees that, if the property is not sold prior to the due date of the 18th amortization payment of the mortgage to a purchaser acceptable to the Commissioner who will occupy the property, assume, and agree to pay the mortgage indebtedness, the amount held in escrow, trust, or special account will be applied in reduction of the outstand-

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ing principal amount of the mortgage as of the due date of the 18th amortization payment of the mortgage; and

(d) The mortgagee agrees that any portion of the fund held in escrow, trust, or special account, not applied to the mortgage in accordance with the provisions of this paragraph, shall be deducted from the amount of the cash settlement to which the mortgagee would be otherwise entitled if a claim for insurance benefits is filed.

Section 220.102 is amended to read as follows:

§ 220.102 Maximum loan amount.

(a) The principal amount of the loan shall not exceed:

(1) The Commissioner's estimate of the cost of improvements, \$40,000, or \$10,000 per family unit, whichever is the lesser; or

(2) An amount which, when added to any outstanding indebtedness related to the property, creates a total outstanding indebtedness which does not exceed the limits prescribed in §§ 220.25 and 220.30 for mortgages on properties other than new construction; or

(3) Where the proceeds are to be used for the purposes indicated in § 203.82 (a) (2) of this chapter, an amount which when added to the aggregate principal balance of any outstanding insured home improvement loans which were obtained for the purposes indicated in § 203.82 (a) (2), creates an aggregate indebtedness for such purposes of not to exceed \$10,000.

(b) In any geographical area where the Commissioner finds cost levels so require, he may increase by not to exceed 45 percent the dollar amount limitations set forth in paragraph (a) of this section.

Subpart B—Contract Rights and Obligations—Homes

Section 220.251 is amended to read as follows:

§ 220.251 Incorporation by reference.

(a) All of the provisions of Subpart B, Part 203 of this chapter covering mortgages insured under section 203 of the National Housing Act apply to mortgages covering 1- to 11-family dwellings insured under section 220 of the National Housing Act, except the following:

Sec.	
203.340	Conditions of special forbearance relief.
203.341	Reimbursement for uncollected interest.
203.342	Recasting of mortgage.
203.350	Assignment of defaulted mortgage—in general.
203.351	Application for insurance benefits and fiscal data.
203.352	Title evidence upon assignment.
203.353	Certification by mortgagee.
203.400	Method of payment.
203.420	Nature of Mutual Mortgage Insurance Fund.
203.421	Allocation of Mutual Mortgage Insurance Fund income or loss.
203.422	Right and liability under Mutual Mortgage Insurance Fund.
203.423	Distribution of distributive shares.
203.424	Maximum amount of distributive shares.
203.425	Finality of determination.

(b) For the purposes of this subpart, all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to section 220 of the act, and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

Section 220.253 is revoked as follows:

§ 220.253 Application for insurance benefits and accompanying fiscal data. [Revoked]

Section 220.275 and the heading thereof are amended to read as follows:

§ 220.275 Method of paying insurance benefits.

If the application for insurance benefits is acceptable to the Commissioner, all of the insurance claim shall be paid in cash unless the mortgagee files a written request with the application for payment in debentures. If such a request is made, all of the claim shall be paid by issuing debentures and by making a cash payment adjusting any differences between the total amount of the claim and the amount of the debentures issued.

Section 220.350(b) is revoked as follows:

§ 220.350 Incorporation by reference.

(b) [Revoked]

Subpart C—Eligibility Requirements—Projects

In § 220.502 paragraph (c) is amended and a new paragraph (d) is added as follows:

§ 220.502 Location of property.

(c) The area of an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended, providing for redevelopment or rehabilitation of urban areas made necessary as the result of a disaster, or

(d) An area in which a program of concentrated code enforcement activities is being carried out pursuant to section 117 of the Housing Act of 1949.

In § 220.506 paragraph (d) is amended to read as follows:

§ 220.506 Development of property.

(d) *Property facilities.* The project shall be predominantly residential. It may include such nondwelling facilities as the Commissioner determines will be desirable and consistent with the urban renewal plan and contribute to the economic feasibility of the project. In approving such facility, the Commissioner shall give due consideration to the possible effect of the project on other business enterprises in the community.

In § 220.507 in paragraph (a) (3) subdivision (iv) is amended and a new subdivision (v) is added, paragraph (b) (4) is amended, and a new paragraph (b) (5) is added as follows:

§ 220.507 Maximum mortgage amounts.

(a) *Mortgage amount—dollar limitation.*
(3)
(iv) \$18,500 with three bedrooms.

(v) \$21,000 with four or more bedrooms.

(b) *Increased mortgage amount—elevator type structures.*

(4) \$22,500 per family unit with three bedrooms.

(5) \$25,000 per family unit with four or more bedrooms.

Section 220.575 is amended to read as follows:

§ 220.575 Maximum loan amounts.

(a) The loan shall not exceed:

(1) The Commissioner's estimate of the cost of the improvements or \$10,000 per family unit, whichever is the lesser; or

(2) An amount which, when added to any outstanding indebtedness related to the property, creates a total outstanding indebtedness which does not exceed the limits prescribed in §§ 220.506, 220.507, and 220.508 for mortgages on properties of the same type other than new construction; or

(3) Where the proceeds are to be used for the purposes indicated in § 220.601 (a) (2), an amount which when added to the aggregate principal balance of any outstanding insured project improvement loans which were obtained for the purposes indicated in § 220.601 (a) (2) creates the aggregate indebtedness for such purposes of not to exceed \$10,000.

(b) In any geographical area where the Commissioner finds cost levels so required, he may increase but not to exceed 45 percent the dollar amount limitations set forth in paragraph (a).

Subpart D—Contract Rights and Obligations—Projects

In § 220.751 paragraph (a) is amended by deleting § 207.258 from the listed exceptions and paragraph (b) is amended to read as follows:

§ 220.751 Incorporation by reference.

(a)

Sec.
207.258 Insurance benefits requirement. [Deleted]

(b) For the purposes of the portion of this subpart, covering multifamily project mortgages, all references in Part 207 of this chapter to section 207 of the National Housing Act shall be deemed to refer to section 220 of the National Housing Act.

Section 220.755 is revoked as follows:

§ 220.755 Insurance benefits requirement. [Revoked]

Section 220.760 is amended to read as follows:

§ 220.760 Payment of insurance benefits.

All of the provisions of § 207.259 of this chapter relating to insurance benefits apply to multifamily project mortgages insured under this subpart, except that all of the insurance claim shall be paid in cash unless the mortgagee files a written request with the application for payment in debentures. If such a request is made, all of the claim shall be

paid by issuing debentures and by making a cash payment adjusting any differences between the total amount of the claim and the amount of the debentures issued.

Section 220.765 is amended to read as follows:

§ 220.765 Special insurance benefits—
forbearance relief cases.

In a case where the mortgagor fails to comply with the requirements of a forbearance agreement approved by the Commissioner in accordance with the requirements of § 220.753 of this subpart, or the default under the mortgage is not cured at the expiration of the forbearance period, the mortgagee shall be entitled to obtain a special insurance payment in cash in lieu of the insurance benefits otherwise provided under this subpart. To be eligible for this special insurance payment, the mortgagee shall assign the mortgage to the Commissioner in accordance with the requirements of § 207.258(b) of this chapter. The cash payment shall be computed in accordance with § 207.259(b), except that in lieu of the allowance in § 207.259(b) (1) (iii), the payment shall include the amount of the unpaid accrued mortgage interest computed to the date the assignment of the mortgage to the Commissioner is filed for record. In addition, an amount shall be included equivalent to the debenture interest which would have been earned from the date the mortgage assignment was filed of record to the date the cash payment is made, except that when the mortgagee fails to meet any one of the applicable requirements of §§ 207.256 and 207.258 within the specified time and in a manner satisfactory to the Commissioner (or within such further time as the Commissioner may approve in writing), this debenture interest allowance shall be computed only to the date on which the particular required action should have been taken or to which it was extended.

In § 220.804 paragraph (g) is amended to read as follows:

§ 220.804 Insurance premiums.

(g) *Method of premium payment.* Premiums shall be payable in cash or in debentures at par plus accrued interest. All premiums are payable in advance and no refund can be made of any portion thereof except as hereinafter provided in §§ 220.800 et seq.

In § 220.822 paragraph (b) is amended to read as follows:

§ 220.822 Claim computation; items included.

(b) *Method of payment.* Payment of claim shall be made in the following manner:

(1) *Payment in cash.* Unless a written request for payment in debentures is filed with the application, payment shall be made in cash.

(2) *Optional payment in debentures.* Payment shall be made in debentures

upon filing a written request with the application.

Section 220.838 is amended to read as follows:

§ 220.838 Redemption of debentures.

Debentures shall, at the option of the Commissioner and with the approval of the Secretary of the Treasury, be redeemable at par plus accrued interest on any semiannual interest payment date on three months' notice of redemption given in such manner as the Commissioner shall prescribe. The debenture interest on the debentures called for redemption shall cease on the semiannual interest date designated in the call notice. The Commissioner may include with the notice of redemption an offer to purchase the debentures at par plus accrued interest at any time during the period between the notice of redemption and the redemption date. If the debentures are purchased by the Commissioner after such call and prior to the named redemption date, the debenture interest shall cease on the date of purchase.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 220, 68 Stat. 596, as amended; 12 U.S.C. 1715k)

SUBCHAPTER G—HOUSING FOR MODERATE INCOME AND DISPLACED FAMILIES

PART 221—LOW COST AND MODERATE INCOME MORTGAGE INSURANCE

In Part 221 in the table of contents the headings of §§ 221.275 and 221.762 are amended as follows:

Sec.
221.275 Method of paying insurance benefits.
221.762 Payment of insurance benefits.

Subpart A—Eligibility Requirements—Low Cost Homes

In § 221.30 paragraph (a) is amended to read as follows:

§ 221.30 Maturity of mortgage.

(a) The mortgage shall provide for complete amortization not to exceed 30 years from the date of the beginning of amortization of the mortgage, except that such maturity may be 35 or 40 years in the following instances:

(1) In the case of a family displaced from an urban renewal area or as a result of governmental action, if it is determined by the Commissioner that the mortgagor is not able to make the required payments under a mortgage having a shorter amortization period.

(2) In the case of any other mortgagor, if it is determined by the Commissioner that the mortgagor is an owner occupant of the property and is not able to make the required payments under a mortgage having a shorter amortization period, and the dwelling:

(i) Was approved for mortgage insurance by the Commissioner prior to the beginning of construction or approved for guaranty, insurance, or direct loan by the Administrator of Veterans' Affairs prior to such amortization; and

(ii) Was inspected by the FHA and found to have been completed in com-

pliance with the terms of the FHA commitment, or inspected by the VA and found to have been completed in compliance with the terms of the VA Certificate of Reasonable Value.

Subpart B—Contract Rights and Obligations—Low Cost Homes

Section 221.251 is amended to read as follows:

§ 221.251 Incorporation by reference.

(a) All of the provisions of Subpart B, Part 203 of this chapter covering mortgages insured under section 203 of the National Housing Act apply to mortgages covering one- to four-family dwellings insured under section 221 of the National Housing Act, except the following provisions:

Sec.
203.400 Method of payment.
203.420 Nature of Mutual Mortgage Insurance Fund.
203.421 Allocation of Mutual Mortgage Insurance Fund income or loss.
203.422 Right and liability under Mutual Mortgage Insurance Fund.
203.423 Distribution of distributive shares.
203.424 Maximum amount of distributive shares.
203.425 Finality of determination.

(b) For the purposes of this subpart, all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to section 221 of the act, and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

Section 221.253 is revoked as follows:

§ 221.253 Application for insurance benefits and accompanying fiscal data. [Revoked]

Section 221.275 and the heading thereof are amended to read as follows:

§ 221.275 Method of paying insurance benefits.

If the application for insurance benefits is acceptable to the Commissioner, all of the insurance claim shall be paid in cash unless the mortgagee files a written request with the application for payment in debentures. If such a request is made, all of the claim shall be paid by issuing debentures and by making a cash payment adjusting any differences between the total amount of the claim and the amount of the debentures issued.

Subpart C—Eligibility Requirements—Moderate Income Projects

In § 221.514 in paragraph (a) (1) (ii) inferior subdivision (d) is amended and a new inferior subdivision (e) is added, paragraph (b) (4) is amended, and a new paragraph (b) (5) is added as follows:

§ 221.514 Maximum mortgage amounts.

(a) *Principal obligation.* . . .
(1) *Dollar limitations.* . . .
(ii) . . .
(d) \$17,000 with three bedrooms.
(e) \$19,250 with four or more bedrooms.

(b) *Increased mortgage amount—elevator type structures.* * * *

(4) \$20,000 per family unit with three bedrooms.

(5) \$22,750 per family unit with four or more bedrooms.

In § 221.518 paragraph (b) is amended to read as follows:

§ 221.518 **Maximum interest rate.**

(b) In the case of a mortgage executed by other than a general mortgagor as defined in § 221.510, the mortgage shall bear interest at a rate not to exceed 5¼ percent per annum up to and including the date of final endorsement by the Commissioner, at which time the rate of interest shall be lowered to 3 percent per annum. In any case involving a mortgage which has not been finally endorsed for insurance and which is governed by regulations in effect prior to August 10, 1965, requiring a higher rate of interest after final endorsement, the Commissioner may, in his discretion, prior to final endorsement, agree that the rate of interest after final endorsement shall be lowered to 3 percent per annum.

In § 221.538 the introductory text is amended to read as follows:

§ 221.538 **Applicability of prevailing wage requirements.**

The following prevailing wage requirements shall be applicable to all mortgages insured under this subpart, and the compliance with such requirements shall be evidenced at such time and in such manner as the Commissioner may prescribe:

In § 221.560 the introductory text of paragraph (a) is amended to read as follows:

§ 221.560 **Eligibility of refinanced mortgages.**

(a) A mortgage given to refinance an existing mortgage insured under the act may be insured under this subpart pursuant to section 223(a)(7) of the act. The new mortgage shall be limited in amount and in term as follows:

Subpart D—Contract Rights and Obligations—Moderate Income Projects

Section 221.751(b) is revised to read as follows:

§ 221.751 **Incorporation by reference.**

(b) For the purposes of this subpart, all references in Part 207 of this chapter to section 207 of the act shall be construed to refer to section 221 of the act, and all references to Part 207 shall be construed to refer to this subpart.

Section 221.762 and the heading thereof are amended to read as follows:

§ 221.762 **Payment of insurance benefits.**

All of the provisions of § 207.259 of this chapter relating to insurance benefits apply to multifamily project mort-

gages insured under this subpart (including both special interest rate mortgages and market interest rate mortgages), except that all of the insurance claim shall be paid in cash unless the mortgagee files a written request with the application for payment in debentures. If such a request is made, all of the claim shall be paid by issuing debentures and by making a cash payment adjusting any difference between the total amount of the claim and the amount of the debentures issued.

Sections 221.765 and 221.766 are revoked as follows:

§ 221.765 **Payment of insurance—special interest rate.** [Revoked]

§ 221.766 **Payment of insurance—market interest rate.** [Revoked]

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 221, 68 Stat. 599, as amended; 12 U.S.C. 1715f)

SUBCHAPTER H—MORTGAGE INSURANCE FOR SERVICEMEN

PART 222—SERVICEMEN'S MORTGAGE INSURANCE

Subpart A—Eligibility Requirements

In § 222.3 the introductory text and paragraph (a) are amended to read as follows:

§ 222.3 **Maximum mortgage amount; dollar limitation.**

The mortgage shall involve a principal obligation in an amount not in excess of \$30,000, except that:

(a) A mortgage meeting the requirements of § 203.18(c) shall not exceed \$12,500;

Section 222.4 is amended to read as follows:

§ 222.4 **Maximum mortgage amount; ratio of loan-to-value limitation.**

The mortgage shall not exceed the lesser of the following:

(a) 97 percent of \$15,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, and 90 percent of such value in excess of \$15,000 but not in excess of \$20,000, and 85 percent of such value in excess of \$20,000, if:

(1) The dwelling was approved for insurance by the Commissioner prior to the beginning of construction; or

(2) Construction was completed more than one year preceding the date of the application for insurance; or

(3) The dwelling was approved for guaranty, insurance, or direct loan by the Administrator of Veterans' Affairs prior to the beginning of construction.

(b) 90 percent of \$20,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, and 85 percent of such value in excess of \$20,000 if the dwelling does not meet the requirements of paragraph (a) of this section.

Subpart B—Contract Rights and Obligations

In § 222.251 paragraph (b) is amended to read as follows:

§ 222.251 **Incorporation by reference.**

(b) For the purposes of this subpart, all references in Part 203 of this chapter to section 203 of the National Housing Act shall be deemed to refer to section 222 of the National Housing Act, and all references to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 222, 68 Stat. 603; 12 U.S.C. 1715m)

SUBCHAPTER I—HOUSING FOR ELDERLY PERSONS

PART 231—HOUSING MORTGAGE INSURANCE FOR THE ELDERLY

Subpart A—Eligibility Requirements

In § 231.3 paragraph (b) (4) is amended and a new subparagraph (5) is added to read as follows:

§ 231.3 **Maximum mortgage amounts—new construction.**

(b) *Family unit limitations.* * * *
(4) \$17,000 with three bedrooms.
(5) \$19,250 with four or more bedrooms.

In § 231.5 paragraph (d) is amended and a new paragraph (e) is added to read as follows:

§ 231.5 **Increased mortgage amounts—elevator type structures.**

(d) \$20,000 per family unit with three bedrooms.
(e) \$22,750 per family unit with four or more bedrooms.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 231, 73 Stat. 665; 12 U.S.C. 1715v)

SUBCHAPTER K—EXPERIMENTAL HOUSING INSURANCE

PART 233—EXPERIMENTAL HOUSING MORTGAGE INSURANCE

In Part 233 in the table of contents the heading to § 233.275 is amended as follows:

Sec. 233.275 **Method of paying insurance benefits.**

Subpart B—Contract Rights and Obligations—Homes

In § 233.251 paragraph (b) (2) is amended and paragraph (b) (3) is revoked as follows:

§ 233.251 **Incorporation by reference.**

(b) * * *
(2) The Mutual Mortgage Insurance Fund or the Cooperative Management Housing Insurance Fund shall be construed to refer to the General Insurance Fund.

(3) [Revoked].

In § 233.253 paragraph (a) is amended to read as follows:

§ 233.253 Application for insurance benefits and accompanying fiscal data.

(a) *Insured mortgages.* Where an insured mortgage is involved, the provisions of §§ 203.350 through 203.391 of this chapter govern the filing of an application for insurance benefits and the items to be filed with the application.

Section 233.275 and the heading there-of are amended to read as follows:

§ 233.275 Method of paying insurance benefits.

If the application for insurance benefits is acceptable to the Commissioner, all of the insurance claim, in a case involving either an insured mortgage or an insured home improvement loan, shall be paid in cash unless the mortgagee files a written request with the application for payment in debentures. If such a request is made, all of the claim shall be paid by issuing debentures and by making a cash payment adjusting any differences between the total amount of the claim and the amount of the debentures issued.

Subpart D—Contract Rights and Obligations—Projects

In § 233.751 paragraph (b)(2) is amended and paragraph (b)(3) is revoked as follows:

§ 233.751 Incorporation by reference.

(b) * * *
(2) The Cooperative Management Housing Insurance Fund shall be construed to refer to the General Insurance Fund.

(3) [Revoked].

Section 233.755 is revoked as follows:

§ 233.755 Insurance benefits requirement. [Revoked]

In § 233.760 paragraph (a) is amended to read as follows:

§ 233.760 Payment of insurance benefits.

(a) *Insured mortgages.* All of the provisions of § 207.259 of this chapter relating to insurance benefits apply to multifamily project mortgages insured under this subpart, except that all of the insurance claim shall be paid in cash unless the mortgagee files a written request with the application for payment in debentures. If such a request is made, all of the claim shall be paid by issuing debentures and by making a cash payment adjusting any difference between the total amount of the claim and the amount of the debentures issued.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 233, 75 Stat. 158; 12 U.S.C. 1715x)

SUBCHAPTER L—CONDOMINIUM HOUSING INSURANCE

PART 234—CONDOMINIUM OWNERSHIP MORTGAGE INSURANCE

Subpart A—Eligibility Requirements—Individually Owned Units

In § 234.25 paragraph (c)(2) is amended to read as follows:

§ 234.25 Mortgage provisions.

(c) *Payments and maturity dates.*

(2) A maturity satisfactory to the Commissioner of not in excess of three-quarters of the Commissioner's estimate of the remaining economic life of the property, and not less than 10 nor more than 30 years from the date of the beginning of amortization, except that the term may be 35 years from the date of the beginning of amortization if the mortgagor is an owner occupant of the property and is not able, as determined by the Commissioner, to make the required payments under a mortgage having a shorter amortization period.

Subpart B—Contract Rights and Obligations—Individually Owned Units

In § 234.255 paragraph (b) is amended to read as follows:

§ 234.255 Incorporation by reference.

(b) *References.* For the purposes of this subpart, all references in §§ 203.251 through 203.435 of this chapter (Part 203, Subpart B) to section 203 of the act, one- to four-family, and the Mutual Mortgage Insurance Fund, shall be construed to refer to section 234 of the act, one-family unit, and the General Insurance Fund. The term "property" or "each family dwelling unit" as used in §§ 203.251 through 203.435 of this chapter (Part 203, Subpart B) shall be construed to include "the one-family unit and the undivided interest in the common areas and facilities as may be designated".

Subpart C—Eligibility Requirements—Projects—Conversion Individual Sales Units

In § 234.525 paragraph (c)(4) is amended and a new subparagraph (5) is added to read as follows:

§ 234.525 Maximum mortgage amounts—new construction.

(c) *Family unit limitation.* * * *
(4) \$18,500 with three bedrooms.
(5) \$21,000 with four or more bedrooms.

In § 234.530 paragraph (a)(4) is amended and a new subparagraph (5) is added to read as follows:

§ 234.530 Increased mortgage amounts.

(a) *Elevator type structures.* * * *
(4) \$22,500 per family unit with three bedrooms.
(5) \$25,500 per family unit with four or more bedrooms.

Section 234.751(b) is revised to read as follows:

§ 234.751 Incorporation by reference.

(b) For the purposes of this subpart, all references in Part 207 of this chapter to section 207 of the National Housing Act shall be construed to refer to section 234(d) of the act.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 234, 75 Stat. 160; 12 U.S.C. 1715y)

SUBCHAPTER R—WAR HOUSING INSURANCE

PART 603—INDIVIDUAL HOMES, WAR HOUSING MORTGAGE INSURANCE

In Part 603 Subpart B is revised as follows:

SUBPART B—CONTRACT RIGHTS AND OBLIGATIONS

Sec.	
603.251	Incorporation by reference.
603.255	Due date of initial MIP.
603.260	Adjustment of initial MIP.
603.265	Amount of annual MIP.
603.270	Pro rata adjustment of MIP upon prepayment.
603.275	Payment of delinquent interest.
603.290	Special forbearance relief—ownership of ten unit project.
603.285	Insurance benefits—conveyed properties—foreclosure costs.
603.290	Debenture interest rate.
603.295	Maturity of debentures.
603.300	Applicability to outstanding mortgages and commitments.

AUTHORITY: The provisions of this Part 603 issued under sec. 607, 55 Stat. 61; 12 U.S.C. 1742; interpret or apply sec. 603, 55 Stat. 56 as amended; 12 U.S.C. 1738.

§ 603.251 Incorporation by reference.

(a) All of the provisions of Subpart B, Part 203 of this chapter covering mortgages insured under section 203 of the National Housing Act apply to mortgages covering individual homes in connection with war housing insurance under section 603 of the National Housing Act, except:

Sec.	
203.266	Due date of initial MIP.
203.268	Adjustment of initial MIP.
203.269	Pro rata payment of initial MIP.
203.275	Amount of annual MIP.
203.276	Due date of annual MIP.
203.278	Pro rata payment of annual MIP.
203.402	Items included in payment—conveyed properties.
203.405	Debenture interest rate.
203.406	Maturity of debentures.
203.420	Nature of Mutual Mortgage Insurance Fund.
203.421	Allocation of Mutual Mortgage Insurance Fund income or loss.
203.422	Right and liability under Mutual Mortgage Insurance Fund.

Sec.	
203.423	Distribution of distributive shares.
203.424	Maximum amount of distributive shares.
203.425	Finality of determination.
203.498	Applicability to outstanding mortgages and commitments.
203.499	Effective date.

(b) For the purposes of this subpart, all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to section 603 of the act, and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

§ 603.255 Due date of initial MIP.

The initial MIP shall be paid on the date on which the insurance becomes effective by endorsement.

§ 603.260 Adjustment of initial MIP.

Regardless of whether the period covered by the MIP is more or less than 1 year, a payment shall be made to the Commissioner on account of the initial MIP which payment shall be in an amount equal to one-half percent of the average outstanding principal obligation for the first year of amortization under the mortgage. If such payment is less than the minimum premium or more than the maximum premium prescribed by the act, the initial MIP shall be in such minimum amount and the amount of the second premium shall be adjusted accordingly. If such payment is within the limitations prescribed by the act, no adjustment shall be made and the amount of the payment shall be retained by the Commissioner as the initial MIP.

§ 603.265 Amount of annual MIP.

After payment of the initial MIP and until the mortgage is paid in full or until an application for insurance benefits is received by the Commissioner or until the contract is otherwise terminated with the consent of the Commissioner, the mortgagee shall continue to pay annual MIP to the Commissioner. Annual MIP shall be paid on the anniversary date of the beginning of amortization. It shall be paid in an amount equal to one-half percent of the average outstanding principal obligation for the 12-month period following the date on which the premium becomes payable.

§ 603.270 Pro rata adjustment of MIP upon prepayment.

Upon prepayment of the mortgage in full prior to maturity, the Commissioner shall refund to the mortgagee for the account of the mortgagor an amount equal to the pro rata portion of the current MIP theretofore paid which is applicable to the portion of the year subsequent to such payment, computed from the first day of the month following the month in which such prepayment occurs. No such refund shall be made in any case where the prepayment occurs in the twelfth month of the premium year.

§ 603.275 Payment of delinquent interest.

The mortgagee may, with the written consent of the Commissioner, apply

partial payments to delinquent interest to the exclusion of prior delinquent principal payments at a rate not in excess of the interest rate applicable to debentures to which the mortgagee may be entitled. Where the partial payments are so applied, the date of default shall be 30 days after the due date of the earliest monthly payment any part of which remains unpaid.

§ 603.280 Special forbearance relief—ownership of ten unit project.

The Commissioner may consent to the mortgagee entering into a written agreement with the mortgagor providing for a postponement for a period not to exceed 1 year of that part of the monthly payment which represents amortization of principal where the mortgagor is the owner of a group of properties consisting of a project of not less than 10 rental units. Such agreement shall obligate the mortgagor to deposit with the mortgagee the entire net income from all of the properties comprising the project, under arrangements satisfactory to the Commissioner. The agreement shall also obligate the mortgagor to resume monthly payments after the effective period of the agreement in such amounts as will completely amortize the mortgage indebtedness within the original maturity. The agreement shall in no way affect the amount of the annual MIP which shall continue to be calculated in accordance with the original amortization provisions.

§ 603.285 Insurance benefits—conveyed properties—foreclosure costs.

All of the provisions of § 203.402 of this chapter shall govern the computation of the items included in insurance benefits for conveyed properties, except that in lieu of the allowance in paragraph (f) of § 203.402 of this chapter for foreclosure costs or for the costs of acquiring the property otherwise, there shall be included on account of such costs, in those cases involving mortgages on which the unpaid principal obligation at the time of the institution of foreclosure exceeds 80 percent of the appraised value of the property as of the date the mortgage was accepted for insurance, an amount not in excess of the greater of the following:

- (a) Two percent of the unpaid principal of the mortgage as of the date of the institution of foreclosure proceedings, but not in excess of \$75; or
- (b) Two-thirds of the foreclosure costs or the costs of acquiring the property otherwise.

§ 603.290 Debenture interest rate.

Debentures shall bear interest at the rate of 2½ percent per annum in the case of mortgages endorsed for insurance prior to July 8, 1953, and at the rate of 2¾ percent per annum in the case of mortgages endorsed for insurance on or after July 8, 1953, and at the rate of 2½ percent per annum if issued in exchange for property accepted for insurance pursuant to commitments issued by the Commissioner on or after May 29, 1954, payable semiannually on the first day of January and the first day of July of each year.

§ 603.295 Maturity of debentures.

Debentures shall mature as follows:

- (a) Where the mortgage was insured pursuant to a commitment issued on or before May 25, 1942, the debentures shall mature 3 years after the first day of July following the maturity date of the mortgage.
- (b) Where the mortgage was insured pursuant to a commitment issued subsequent to May 25, 1942, the debentures shall mature 10 years after the date of issue.

§ 603.300 Applicability to outstanding mortgages and commitments.

The regulations in this part are effective as to all mortgages on which a commitment to insure under section 603 of the act is issued to an approved mortgagee on or after July 15, 1946. Whenever a mortgagee so desires, the provisions of this part shall become a part of any contract of insurance heretofore made. The regulations in this part are also effective as to all mortgages on which a commitment to insure under section 603 of the act pursuant to the provisions of section 610 of such act is issued to an approved mortgagee on or after August 19, 1947.

SUBCHAPTER R—WAR HOUSING INSURANCE PART 608—MULTIFAMILY PROJECTS; WAR HOUSING MORTGAGE INSURANCE

In Part 608 Subpart B is revised as follows:

Subpart B—Contract Rights and Obligations	
Sec.	
608.251	Incorporation by reference.
608.253	Adjusted premium and termination charge rate.
608.260	Adjusted premium and termination charge not due.
608.265	Debenture interest rate and term.
608.275	Applicability to outstanding mortgages and commitments.

§ 608.251 Incorporation by reference.

(a) All of the provisions of Subpart B, Part 207 of this chapter covering mortgages insured under section 207 of the National Housing Act apply to war housing multifamily project mortgages insured under section 608 of the National Housing Act except the following provisions:

Sec.	
207.253	Adjusted premium and termination charges.
207.259	Insurance benefits.
207.264	Effective date.

(b) For the purposes of this part all references in Subpart B, Part 207 of this chapter to section 207 of the Act shall be construed to refer to section 608 of the Act.

§ 608.253 Adjusted premium and termination charge rate.

All of the provisions of § 207.253 of this chapter relating to adjusted premium and termination charges apply to mortgages insured under this part, except that the adjusted premium charge shall be at the rate of 1 percent of the

original face amount of the mortgage regardless of when payment occurs.

§ 608.260 Adjusted premium and termination charge not due.

In addition to the cases listed in § 207.253 (c) and (d) of this chapter wherein no adjusted premium or termination charge is due, no such charge shall be due where the mortgagor is a nonprofit mortgagor and the mortgage interest rate was below the maximum permissible rate at the time the loan was endorsed for insurance, if the transaction is approved by the Commissioner.

§ 608.265 Debenture interest rate and term.

All of the provisions of § 207.259 of this chapter covering payment of insurance benefits shall be applicable to mortgages insured under this part, except that debentures shall mature 10 years from the date of issue and shall bear interest at the rate of 2½ percent per annum in the case of mortgages endorsed for insurance prior to July 8, 1953, and at the rate of 2¾ percent per annum in the case of mortgages endorsed for insurance on or after July 8, 1953, and prior to May 29, 1954, and at the rate of 2½ percent per annum if issued with respect to mortgages accepted for insurance pursuant to commitments issued by the Commissioner on or after May 29, 1954, payable semiannually on the first day of January and the first day of July of each year.

§ 608.275 Applicability to outstanding mortgages and commitments.

The regulations in this part shall be effective as to all mortgages with respect to which a commitment to insure under section 608 of the act is issued on or after August 15, 1946. The regulations in this part are also effective as to all mortgages on which a commitment to insure under section 608 of the act, pursuant to the provisions of section 610 of such act, is issued on or after August 19, 1947.

PART 611—SINGLE FAMILY PROJECT LOANS; WAR HOUSING MORTGAGE INSURANCE

In Part 611, Subpart B is revised as follows:

SUBPART B—CONTRACT RIGHTS AND OBLIGATIONS

- Sec. 611.251 Incorporation by reference.
- 611.255 Due date of initial MIP.
- 611.260 Adjustment of initial MIP.
- 611.265 Amount of annual MIP.
- 611.270 Pro rata adjustment of MIP upon prepayment.
- 611.275 Insurance benefits—conveyed properties—foreclosure costs.
- 611.280 Debenture interest rate.
- 611.285 Maturity of debentures.
- 611.290 Applicability to outstanding mortgages and commitments.

§ 611.251 Incorporation by reference.

All of the provisions of Subpart B, Part 203 of this chapter covering mortgages insured under section 203 of the National Housing Act apply to mortgages covering individual homes released from project mortgages in connection with large scale

rental and sales war housing insurance under section 611 of the National Housing Act, except the following:

- Sec. 203.266 Due date of initial MIP.
- 203.268 Adjustment of initial MIP.
- 203.269 Pro rata payment of initial MIP.
- 203.275 Amount of annual MIP.
- 203.276 Due date of annual MIP.
- 203.278 Pro rata payment of annual MIP.
- 203.402 Items included in payment—conveyed properties.
- 203.405 Debenture interest rate.
- 203.406 Maturity of debentures.
- 203.420 Nature of Mutual Mortgage Insurance Fund.
- 203.421 Allocation of Mutual Mortgage Insurance Fund income or loss.
- 203.422 Right and liability under Mutual Mortgage Insurance Fund.
- 203.423 Distribution of distributive shares.
- 203.424 Maximum amount of distributive shares.
- 203.425 Finality of determination.
- 203.498 Applicability to outstanding mortgages and commitments.
- 203.499 Effective date.

(b) For the purposes of this subpart, all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to section 611 of the act, and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

§ 611.255 Due date of initial MIP

The initial MIP shall be paid on the date on which the insurance becomes effective by endorsement.

§ 611.260 Adjustment of initial MIP.

Regardless of whether the period covered by the MIP is more or less than 1 year, a payment shall be made to the Commissioner on account of the initial MIP which payment shall be in an amount equal to one-half percent of the average outstanding principal obligation for the first year of amortization under the mortgage. If such payment is less than the minimum premium or more than the maximum premium prescribed by the act, the initial MIP shall be in such minimum amount and the amount of the second premium shall be adjusted accordingly. If such payment is within the limitations prescribed by the act, no adjustment shall be made and the amount of the payment shall be retained by the Commissioner as the initial MIP.

§ 611.265 Amount of annual MIP.

After payment of the initial MIP and until the mortgage is paid in full or until an application for insurance benefits is received by the Commissioner or until the contract is otherwise terminated with the consent of the Commissioner, the mortgagee shall continue to pay annual MIP to the Commissioner. Annual MIP shall be paid on the anniversary date of the beginning of amortization. It shall be paid in an amount equal to one-half percent of the average outstanding principal obligation for the 12-month period following the date on which the premium becomes payable.

§ 611.270 Pro rata adjustment of MIP upon prepayment.

Upon prepayment of the mortgage in full prior to maturity, the Commissioner

shall refund to the mortgagee for the account of the mortgagor an amount equal to the pro rata portion of the current MIP therefor paid which is applicable to the portion of the year subsequent to such payment, computed from the first day of the month following the month in which such prepayment occurs. No such refund shall be made in any case where the prepayment occurs in the twelfth month of the premium year.

§ 611.275 Insurance benefits—conveyed properties—foreclosure costs.

All the provisions of § 203.402 of this chapter shall govern the computation of the items included in insurance benefits for conveyed properties, except that in lieu of the allowance in paragraph (f) of § 203.402 of this chapter for foreclosure costs or for the costs of acquiring the property otherwise, there shall be included on account of such costs, in those cases involving mortgages on which the unpaid principal obligation at the time of the institution of foreclosure exceeds 80 percent of the appraised value of the property as of the date the mortgage was accepted for insurance, an amount not in excess of the greater of the following:

- (a) Two percent of the unpaid principal of the mortgage as of the date of the institution of foreclosure proceedings, but not in excess of \$75; or
- (b) Two-thirds of the foreclosure costs or the costs of acquiring the property otherwise.

§ 611.280 Debenture interest rate.

Debentures shall bear interest at the rate of 2½ percent per annum in the case of mortgages endorsed for insurance prior to July 8, 1953, and at the rate of 2¾ percent per annum in the case of mortgages endorsed for insurance on or after July 8, 1953, and at the rate of 2½ percent per annum if issued in exchange for property accepted for insurance pursuant to commitments issued by the Commissioner on or after May 29, 1954, payable semiannually on the first day of January and the first day of July of each year.

§ 611.285 Maturity of debentures.

Debentures shall mature 10 years from the date of issue.

§ 611.290 Applicability to outstanding mortgages and commitments.

The regulations in this part shall be effective as to all mortgages with respect to which a commitment to insure under section 611 of the act is issued on or after the date of this part.

(Sec. 607, 55 Stat. 61, as amended; sec. 611, 62 Stat. 1271, as amended; 12 U.S.C. 1742, 1746)

SUBCHAPTER 5—INSURANCE FOR INVESTMENT IN RENTAL HOUSING FOR FAMILIES OF MODERATE INCOME

PART 702—YIELD INSURANCE

Subpart B—Contract Rights and Obligations

Section 702.256 is amended to read as follows:

§ 702.256 Payment of claims.

If in any operating year the net income of a project is less than the aggregate of the minimum annual amortization charge and the insured annual return, the Commissioner, upon submission by the investor of a claim for the payment of the amount of the difference between such net income and the aggregate of the minimum annual amortization charge and the insured annual return, and after proof of the validity of such claim, shall pay to the investor in cash from the General Insurance Fund the amount of such difference as determined by the Commissioner, but not exceeding in any event an amount equal to the aggregate of the minimum annual amortization charge and the insured annual return.

(See 712, 62 Stat 1281, as amended; 12 U.S.C. 1747k)

SUBCHAPTER T—MILITARY AND ARMED SERVICES HOUSING MORTGAGE INSURANCE

PART 803—ARMED SERVICES HOUSING—MILITARY PERSONNEL

In Part 803 Subpart A, Eligibility Requirements, is revoked and Subpart B is revised as follows:

Subpart B—Contract Rights and Obligations

Sec.	
803.251	Incorporation by reference.
803.255	Mortgage insurance premiums.
803.260	Adjusted premium and termination charges.
803.265	Insurance benefits.
803.275	Applicability to outstanding mortgages and commitments.

§ 803.251 Incorporation by reference.

(a) All of the provisions of Subpart B, Part 207 of this chapter covering mortgages insured under section 207 of the National Housing Act apply to armed services housing mortgages for military personnel insured under section 803 of the National Housing Act except the following provisions:

Sec.	
207.252	First, second and third premiums.
207.253	Adjusted premium and termination charges.
207.259	Insurance benefits.
207.264	Effective date.

(b) For the purposes of this part all references in Subpart B, Part 207 of this chapter to section 207 of the act shall be construed to refer to section 803 of the act.

§ 803.255 Mortgage insurance premiums.

(a) The mortgagee, upon the initial endorsement of the mortgage for insurance, shall agree to pay to the Commissioner a first insurance premium of \$1 per project for the construction period.

(b) On the date of the first principal payment on account of the mortgage, the mortgagee shall pay the first insurance premium and a second premium equal to $\frac{1}{4}$ of 1 percent of the average outstanding principal obligation for the following year.

(c) (1) Until the mortgage is paid in full, or until receipt by the Commissioner of an application for insurance benefits, or until the contract of insurance is otherwise terminated with the consent of the Commissioner, the mortgagee, on each anniversary date of the first principal payment, shall pay an annual mortgage insurance premium.

(2) With respect to mortgage insurance premiums:

(i) Due prior to August 1, 1965, the amount of the annual premium payment shall be equal to $\frac{1}{4}$ of 1 percent per annum of the amount of the average outstanding principal obligation of the mortgage for the following year, without taking into account delinquent payments or prepayments.

(ii) Due on or after August 1, 1965, the amount of the annual premium payment shall be equal to $\frac{1}{2}$ of 1 percent per annum of the amount of the average outstanding principal obligation of the mortgage for the following year, without taking into account delinquent payments or prepayments.

(d) The premiums payable on and after the date of the first principal payment shall be calculated in accordance with the amortization provisions without taking into account delinquent payments or prepayments.

(e) Premiums shall be payable in cash or in debentures at par plus accrued interest. All premiums, except the first premium, are payable in advance and no refund will be made of any portion thereof except that at the time of prepayment, the Commissioner shall refund to the mortgagee for the account of the mortgagor an amount equal to the pro rata portion of the current annual mortgage insurance premium theretofore paid, which is applicable to the portion of the year subsequent to such prepayment.

(f) Upon agreement between the mortgagor and mortgagee, approved by the Commissioner, premiums due under this section may be paid directly by the mortgagor to the Commissioner. Upon such agreement, the obligation of the mortgagor to make payments to the mortgagee for mortgage insurance premiums and the obligation of the mortgagee to pay such premiums to the Commissioner shall cease so long as the agreement remains in effect and shall be reinstated upon its revocation.

(g) A mortgage may be finally endorsed for insurance after it has been assigned to the Commissioner for the purpose of making effective the military guarantee of payment and effecting an orderly closing of the transaction. In such event, the mortgage insurance premium of \$1 per project, provided in paragraph (a) of this section, shall cover both the construction period and the period of time the mortgage is held by the Commissioner, and the references in paragraphs (b), (c), and (d) of this section to the date of first principal payment shall be construed to mean the first day of the month following the date of the transfer of the mortgage from the Commissioner to another mortgagee.

§ 803.260 Adjusted premium and termination charges.

If the mortgage is prepaid prior to maturity or the insurance contract is voluntarily terminated, no adjusted premium or termination charges shall be due or payable.

§ 803.265 Insurance benefits.

All of the provisions of § 207.259 of this chapter relating to the payment of insurance benefits apply to mortgages insured under this part, except in cases involving assignment of the mortgage to the Commissioner, the 1 percent deduction specified in § 207.259(b)(2)(iv) of this chapter shall not be applied in computing such benefits.

§ 803.275 Applicability to outstanding mortgages and commitments.

The provisions of this subpart shall be effective as to all mortgages with respect to which a commitment to insure is issued on or after August 15, 1955.

(Sec. 803, 807, 69 Stat. 647, as amended, 651; 12 U.S.C. 1748b, 1748f)

SUBCHAPTER T—MILITARY AND ARMED SERVICES HOUSING MORTGAGE INSURANCE

PART 803a—MILITARY HOUSING INSURANCE

Subpart B—Contract Rights and Obligations

Section 803a.251 is revised to read as follows:

§ 803a.251 Incorporation by reference.

All of the provisions of Subpart B, Part 207 of this chapter, concerning rights and obligations of a mortgagee pursuant to an insurance contract under section 207 of the National Housing Act, apply to mortgages insured pursuant to section 803 of the National Housing Act except that for the purposes of this part:

(a) References in Part 207 of this chapter to section 207 of the National Housing Act shall be deemed to mean section 803 of the National Housing Act.

(b) Debentures shall mature as follows:

(1) Where the mortgage was insured pursuant to a commitment issued prior to August 13, 1954, the debentures shall mature 10 years after the date of issue of such debentures.

(2) Where the mortgage was insured pursuant to a commitment issued on or after August 13, 1954, the debentures shall mature 20 years after the date of issue of such debentures.

(Sec. 808, 63 Stat. 570; 12 U.S.C. 1748g)

PART 809—ARMED SERVICES HOUSING—CIVILIAN EMPLOYEES

Subpart A—Eligibility Requirements

Section 809.5 is amended to read as follows:

§ 809.5 Maximum mortgage amount; loan-to-value limitation.

In addition to meeting the dollar limitation as set forth in § 809.4, the

mortgage shall be in an amount not in excess of:

(a) 97 percent of \$15,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, and 90 percent of such value in excess of \$15,000 but not in excess of \$20,000, and 80 percent of such value in excess of \$20,000, if the dwelling was approved for insurance prior to the beginning of construction, or if construction was completed more than 1 year preceding the date of the application for insurance; or

(b) 90 percent of \$20,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, and 80 percent of such value in excess of \$20,000, if the dwelling was not approved for insurance prior to the beginning of construction and construction was completed within 1 year preceding the application for insurance.

Section 809.10 is amended to read as follows:

§ 809.10 Guarantee of Fund from loss.

If the Commissioner determines that the insurance of mortgages on housing as certified by the Secretary of Defense, the Administrator of the National Aeronautics and Space Administration, or the Chairman of the Atomic Energy Commission is not an acceptable risk, he may require the Secretary, the Administrator, or the Chairman, as the case may be, to guarantee the General Insurance Fund against loss with respect to mortgages insured under this subpart.

Subpart B—Contract Rights and Obligations

In § 809.251 paragraph (b) is amended to read as follows:

§ 809.251 Incorporation by reference.

(b) For the purposes of this subpart all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to section 809 of the act and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

(Sec. 807, 69 Stat. 651; 12 U.S.C. 1748f. Interpret or apply sec. 809, 70 Stat. 273; 12 U.S.C. 1748h-1)

PART 810—ARMED SERVICES HOUSING—IMPACTED AREAS

Subpart B—Contract Rights and Obligations—Projects

Section 810.251(b) is revised to read as follows:

§ 810.251 Incorporation by reference—Multifamily, Sales or Rental Projects.

(b) For the purposes of this part, all references in Part 207 of this chapter to section 207 of the act shall be construed to refer to section 810 of the act.

Subpart D—Contract Rights and Obligations—Individual Mortgages

In § 810.751 paragraph (b) is amended to read as follows:

§ 810.751 Incorporation by reference—individual mortgages.

(b) For the purposes of this subpart, all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to section 810 of the act, and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

(Sec. 807, 69 Stat. 651; 12 U.S.C. 1748f. Interpret or apply sec. 810, 73 Stat. 683; 12 U.S.C. 1748h-2)

SUBCHAPTER U—NATIONAL DEFENSE HOUSING INSURANCE

PART 903—INDIVIDUAL RESIDENCES; NATIONAL DEFENSE HOUSING MORTGAGE INSURANCE

In Part 903 Subpart B is revised as follows:

Subpart B—Contract Rights and Obligations

Sec.

- 903.251 Incorporation by reference.
- 903.255 Due date of initial MIP.
- 903.260 Adjustment of initial MIP.
- 903.265 Amount of annual MIP.
- 903.270 Pro rata adjustment of MIP upon prepayment.
- 903.275 Payment of delinquent interest.
- 903.280 Special forbearance relief—ownership of 10-unit project.
- 903.285 Effect of special forbearance agreement on default and MIP.
- 903.290 Insured benefits—conveyed properties—foreclosure costs.
- 903.295 Debenture interest rate.
- 903.300 Maturity of debentures.
- 903.305 Applicability to outstanding mortgages and commitments.

§ 903.251 Incorporation by reference.

All of the provisions of Subpart B, Part 203 of this chapter covering mortgages insured under section 203 of the National Housing Act apply to mortgages covering individual homes in connection with national defense housing insurance under section 903 of the National Housing Act, except the following:

Sec.

- 203.266 Due date of initial MIP.
- 203.268 Adjustment of initial MIP.
- 203.269 Pro rata payment of initial MIP.
- 203.275 Amount of annual MIP.
- 203.276 Due date of annual MIP.
- 203.278 Pro rata payment of annual MIP.
- 203.402 Items included in payment—conveyed properties.
- 203.405 Debenture interest rate.
- 203.406 Maturity of debentures.
- 203.420 Nature of Mutual Mortgage Insurance Fund.
- 203.421 Allocation of Mutual Mortgage Insurance Fund income or loss.
- 203.422 Right and liability under Mutual Mortgage Insurance Fund.
- 203.423 Distribution of distributive shares.
- 203.424 Maximum amount of distributive shares.
- 203.425 Finality of determination.
- 203.498 Applicability to outstanding mortgages and commitments.
- 203.499 Effective date.

(b) For the purposes of this subpart, all references in Part 203 of this chapter to section 203 of the act shall be construed to refer to section 903 of the act, and all references to the Mutual Mortgage Insurance Fund shall be construed to refer to the General Insurance Fund.

§ 903.255 Due date of initial MIP.

The initial MIP shall be paid on the date on which the insurance becomes effective by endorsement.

§ 903.260 Adjustment of initial MIP.

Regardless of whether the period covered by the MIP is more or less than 1 year, a payment shall be made to the Commissioner on account of the initial MIP which payment shall be in an amount equal to one-half percent of the average outstanding principal obligation for the first year of amortization under the mortgage. If such payment is less than the minimum premium or more than the maximum premium prescribed by the act, the initial MIP shall be in such minimum amount and the amount of the second premium shall be adjusted accordingly. If such payment is within the limitations prescribed by the act, no adjustment shall be made and the amount of the payment shall be retained by the Commissioner as the initial MIP.

§ 903.265 Amount of annual MIP.

After payment of the initial MIP and until the mortgage is paid in full or until an application for insurance benefits is received by the Commissioner or until the contract is otherwise terminated with the consent of the Commissioner, the mortgagee shall continue to pay annual MIP to the Commissioner. Annual MIP shall be paid on the anniversary date of the beginning of amortization. It shall be paid in an amount equal to one-half percent of the average outstanding principal obligation for the 12-month period following the date on which the premium becomes payable.

§ 903.270 Pro rata adjustment of MIP upon prepayment.

Upon prepayment of the mortgage in full prior to maturity, the Commissioner shall refund to the mortgagee for the account of the mortgagor an amount equal to the pro rata portion of the current MIP theretofore paid which is applicable to the portion of the year subsequent to such payment, computed from the first day of the month following the month in which such prepayment occurs. No such refund shall be made in any case where the prepayment occurs in the twelfth month of the premium year.

§ 903.275 Payment of delinquent interest.

The mortgagee may, with the written consent of the Commissioner, apply partial payments to delinquent interest to the exclusion of prior delinquent principal payments at a rate not in excess of the interest rate applicable to debentures to which the mortgagee may be entitled. Where the partial payments are so applied, the date of default shall be 30 days after the due date of the earliest monthly payment any part of which remains unpaid.

§ 903.280 Special forbearance relief—ownership of ten unit project.

The Commissioner may consent to the mortgagee entering into a written agreement with the mortgagor providing for

a postponement for a period not to exceed 1 year of that part of the monthly payment which represents amortization of principal where the mortgagor is the owner of a group of properties consisting of a project of not less than 10 rental units. Such agreement shall obligate the mortgagor to deposit with the mortgagee the entire net income from all of the properties comprising the project, under arrangements satisfactory to the Commissioner. The agreement shall also obligate the mortgagor to resume monthly payments after the effective period of the agreement in such amounts as will completely amortize the mortgage indebtedness within the original maturity. The agreement shall in no way affect the amount of the annual MIP which shall continue to be calculated in accordance with the original amortization provisions.

§ 903.285 Effect of special forbearance agreement on default and MIP.

If the mortgagee withholds foreclosure proceedings against the mortgagor pursuant to the provisions of a forbearance agreement approved by the Commissioner, partial payments on the mortgage received by the mortgagee shall be applied and reapplied in the manner prescribed in such agreement. Where payments are so applied, the date of default shall be 30 days after the due date of the earliest monthly payment, any part of which remains unpaid. In such instances, the Commissioner may not require the payment of MIP or any portion thereof to the extent that partial payments received from the mortgagor during the period of forbearance are insufficient to pay such premiums after applying the partial payments to delinquent interest. The rate of delinquent interest shall be not in excess of the interest rate applicable to debentures to which the mortgagee may be entitled.

§ 903.290 Insurance benefits—conveyed properties—foreclosure costs.

All of the provisions of § 203.402 of this chapter shall govern the computation of the items included in insurance benefits for conveyed properties, except that in lieu of the allowance in paragraph (f) of § 203.402 of this chapter for foreclosure costs or for the costs of acquiring the property otherwise, there shall be included on account of such costs, in those cases involving mortgages on which the unpaid principal obligation at the time of the institution of foreclosure exceeds 80 percent of the appraised value of the property as of the date the mortgage was accepted for insurance, an amount not in excess of the greater of the following:

(a) Two percent of the unpaid principal of the mortgage as of the date of the institution of foreclosure proceedings, but not in excess of \$75; or

(b) Two-thirds of the foreclosure costs or the costs of acquiring the property otherwise.

§ 903.295 Debenture interest rate.

Debentures shall bear interest from the date of issue, payable semiannually on the first day of January and the first day of July of each year at the rate of

2½ percent per annum in the case of mortgages endorsed for insurance prior to July 8, 1953, and at the rate of 2¾ percent per annum in the case of mortgages endorsed for insurance on or after July 8, 1953 and pursuant to commitments issued prior to May 29, 1954, and at the rate of 2½ percent per annum in the case of mortgages endorsed for insurance after May 29, 1954, and pursuant to commitments issued prior to August 9, 1954, and at the rate in effect as of the date the commitment was issued or as of the date the mortgage was endorsed for insurance in the case of mortgages committed or endorsed for insurance on or after August 9, 1954. The following additional interest rates are effective for the dates listed:

Effective rate (percent)	On or after—	Prior to—
2½	Aug. 9, 1954	Jan. 1, 1955
2¾	Jan. 1, 1955	July 1, 1956
2½	July 1, 1955	July 1, 1956
2	July 1, 1956	Jan. 1, 1957
3¼	Jan. 1, 1957	July 1, 1957
3½	July 1, 1957	

§ 903.300 Maturity of debentures.

Debentures shall mature as follows:

(a) Where the mortgage was insured pursuant to a commitment issued prior to August 9, 1954, the debentures shall mature 10 years after the date of issue of such debentures.

(b) Where the mortgage was insured pursuant to a commitment issued on or after August 9, 1954, the debentures shall mature 20 years after the date of issue of such debentures.

§ 903.305 Applicability to outstanding mortgages and commitments.

The regulations in this part are effective as to all mortgages on which a commitment to insure is issued to an approved mortgagee on or after August 11, 1954.

(Sec. 907, 65 Stat. 301; 12 U.S.C. 1750f. Interpret or apply sec. 903, 65 Stat. 296, as amended; 12 U.S.C. 1750b)

SUBCHAPTER U—NATIONAL DEFENSE HOUSING INSURANCE

PART 908—NATIONAL DEFENSE RENTAL HOUSING MORTGAGE INSURANCE

Subpart B—Contract Rights and Obligations

Section 908.251 is amended to read as follows:

§ 908.251 Incorporation by reference.

All of the provisions of Subpart B, Part 207 of this chapter concerning rights and obligations of a mortgagee pursuant to an insurance contract under section 207 of the act apply to mortgages insured pursuant to section 908 of the act except for the purposes of this part:

(a) References in Part 207 of this chapter to section 207 of the act shall be deemed to mean section 908 of the act.

(b) Debentures shall mature as follows:

(1) Where the mortgage was insured pursuant to a commitment issued prior

to August 13, 1954, the debentures shall mature 10 years after the date of issue of such debentures.

(2) Where the mortgage was insured pursuant to a commitment issued on or after August 13, 1954, the debentures shall mature 20 years after the date of issue of such debentures.

(Sec. 907, 65 Stat. 301; 12 U.S.C. 1750f. Interpret or apply sec. 908, 65 Stat. 301, as amended; 12 U.S.C. 1750g)

Issued at Washington, D.C., August 10, 1965.

PHILIP N. BROWNSTEIN,
Federal Housing Commissioner.

[F.R. Doc. 65-8522; Filed, Aug. 11, 1965; 8:52 a.m.]

Title 25—INDIANS

Chapter I—Bureau of Indian Affairs, Department of the Interior

SUBCHAPTER T—OPERATION AND MAINTENANCE

PART 221—OPERATION AND MAINTENANCE CHARGES

Utah Indian Irrigation Project, Utah

There was published in the FEDERAL REGISTER on April 29, 1965 (30 F.R. 6074), a notice to amend § 221.78 of the Code of Federal Regulations, Title 25—Indians, by the adding of § 221.78(e), as set forth below. The purpose of the amendment is to provide for the delivery of excess water to certain lands at no cost to the landowner or lessee for reclaiming by leaching lands temporarily nonassessable due to alkali conditions.

Interested persons were given 30 days within which to submit written comments, suggestions, or objections with respect to the proposed amendment. No written comments, suggestions, or objections have been received, and the proposed amendment is hereby adopted without change.

Section 221.78 is amended by the addition of a new paragraph (e) to read as follows:

§ 221.78 Payment.

(e) The Superintendent may authorize the delivery of water without payment of Operation and Maintenance charges for the leaching of alkali and as an aid in reclaiming temporarily nonassessable land. The amount and delivery of free water will be made only under predetermined terms and conditions that have been mutually agreed to by the land operator and the Superintendent. Use of free water will be terminated and the land will be reclassified as assessable when, in the opinion of the Superintendent, the reclamation work is completed. In no event will free water be delivered for more than 2 years.

JOHN A. CARVER, JR.,
Under Secretary of the Interior.

AUGUST 6, 1965.

[F.R. Doc. 65-8454; Filed, Aug. 11, 1965; 8:46 a.m.]

Title 32—NATIONAL DEFENSE

Chapter V—Department of the Army

SUBCHAPTER D—MILITARY RESERVATIONS AND NATIONAL CEMETERIES

PART 552—REGULATIONS AFFECTING MILITARY RESERVATIONS

Administration

In § 552.18, paragraph (j) is revised and new paragraph (j-1) is added, to read as follows:

§ 552.18 Administration.

(j) *Solicitation on military installations.* (1) Solicitation on installations may be permitted at the discretion of the commander so long as solicitors comply with regulations promulgated by the installation commander and do not interfere with essential military activities.

(2) The solicitation of commercial life insurance will be in accordance with the provisions of Part 276 of this title, and the solicitation of automobile liability insurance will be in accordance with the provisions of AR 608-10, administrative regulations pertaining to liability insurance.

(3) The solicitation by a member as an agent for another person for the sale of any commodity on a military installation is prohibited. This prohibition does not pertain to activities sponsored by or approved by an installation commander, such as thrift shops, notices on bulletin boards, or the sale of personal property on a one-time basis.

(4) Military personnel who are engaged in off-duty, part-time employment are prohibited from commercial solicitation and sale to military personnel who are junior in grade or rank. This prohibition is applicable to activities on or off an installation, in or out of uniform, while on or off duty, and includes, but is not limited to the personal solicitation and sale of life and automobile insurance, stocks, mutual funds, real estate or other commodities, goods, or services. As used in this subparagraph, "personal commercial solicitation" refers to those situations where a military member is employed as a sales agent on commission or salary, and contacts prospective purchasers suggesting they buy the commodity, real or intangible, that he is offering for sale. This prohibition is not applicable to the one-time sale of personal property or a privately owned dwelling. It is not the intent of this subparagraph to discourage the off-duty employment of military personnel, but it is the intent to eliminate any and all instances where it would appear that coercion, intimidation, or pressure could be used based on rank, grade, or position.

(5) Solicitors of any type will be prohibited from addressing military formations, or groups of military personnel on military installations.

(6) Lists of members of the command or personal information pertaining to such members and families will not be furnished to commercial enterprises or individuals engaged in commercial pur-

suits if there is any reason to believe such information will be used for purposes of solicitation.

(j-1) *Request from union representatives to enter installations.* (1) Whenever labor representatives request permission to enter military installations on which private contractor employees are engaged in contract work, to conduct union business during working hours in connection with the contract between the Government and the contractor on which union members are employed, the installation commander may admit such representatives, provided—

(i) The presence and activities of the labor representatives will not interfere with the progress of the contract work involved, and

(ii) The entry of such representatives to the installation will not violate pertinent safety or security regulations.

(2) Labor representatives are not authorized to engage in organizing activities, collective bargaining discussions or other matters not directly connected with the Government contract, on military installations. The determination as to who is an appropriate labor representative should be made by the installation commander on recommendation of his labor advisor after consultation with local union officials. Business offices or desk space for labor organizations for solicitation of membership, collection of dues, or other business of the labor organization, not directly connected with the contract work, shall not be permitted on the installation except for the routine functions of the working steward whose union duties are incidental to his assigned job.

(C2, AR 210-10, June 25, 1965; Sec. 3012, 70A Stat. 157; 10 U.S.C. 3012)

J. C. LAMBERT,
Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 65-8464; Filed Aug. 11, 1965; 8:48 a.m.]

Chapter VII—Department of the Air Force

Miscellaneous Amendments

Chapter VII is amended as follows:

SUBCHAPTER C—PUBLIC RELATIONS

PART 824—AIR FORCE PARTICIPATION IN PUBLIC EVENTS

1. In § 824.2, a new subparagraph (5) is added to paragraph (f), and a new paragraph (g) is added, as follows:

§ 824.2 Policy.

(f) * * *

(5) Aircraft participation in public events with exceptions as noted in § 824.5.

(g) Participation by military units, equipment, or exhibits in any event or activity within the purview of this part is authorized only if admission, seating, and all other accommodations and facilities connected with the event or activity are available to all without regard to race, creed, color, or national origin.

2. In § 824.6, the last sentence of paragraph (d) is amended. As amended paragraph (d) now reads as follows:

§ 824.6 Specifications for insurance.

(d) *Extent of coverage.* The insurance policy must state clearly the intent to cover accidents caused by or resulting from the maintenance, use, or operation of aircraft or equipment material, owned by the U.S. Government and officers or employees of the U.S. Government acting within the scope of their employment. The policy must name the U.S. Government as coinsured and must use the following endorsement verbatim:

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012) [AFR 190-5A, Sept. 4, 1963]

PART 828—REWARDS FOR RECOVERY OF LOST AIR FORCE PROPERTY

Section 828.4 is revised to read as follows:

§ 828.4 When to pay rewards.

Commanders are authorized to pay rewards in the following instances:

(a) To a person or organization who, having knowledge of the fact that a reward is being offered for the return of particular Air Force property or for information leading to its recovery, submits such property or information.

(b) To a person or organization who, having knowledge of the fact that there is a general practice of offering rewards for the return of lost Air Force property or for submitting information leading to its recovery, submits such property or information.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012) [AFR 67-5, April 30, 1965]

SUBCHAPTER I—MILITARY PERSONNEL

PART 887—ISSUING CERTIFICATES IN LIEU OF LOST OR DESTROYED SEPARATION CERTIFICATES

Section 887.5 is revised to read as follows:

§ 887.5 How to submit requests.

DD 1108, Application for Replacement of Separation Documents, is preferred; but letter requests will be honored except as indicated in paragraphs (d) and (e) of this section.

(a) Officers on extended active duty, retired persons, and members of the Air National Guard of the United States will submit their requests to Hq USAF (AFPMDR), Randolph Air Force Base, Tex., 78148.

(b) Members of the Air Force Reserve who are not on extended active duty will submit their requests to ARRC, 3800 York Street, Denver, Colo., 80205.

(c) Service persons who have been completely separated from military service will forward their requests to MPRC (AF), 9700 Page Boulevard, St. Louis, Mo., 63132.

(d) Widows, widowers, and guardians of former Air Force members will be re-

quired to submit their requests on DD 1108.

(e) If persons referred to in paragraphs (a), (b), and (c) of this section, who submit their requests by letter, fail to furnish sufficient identifying data or satisfactory proof that the original certificate of service or discharge certificate has been lost or destroyed, the headquarters having custody of the individual's master personnel records may require a properly completed DD 1108 which will be furnished the individual.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012) [AFR 35-96, June 9, 1965]

PART 888—ENLISTMENT IN THE REGULAR AIR FORCE

1. In § 888.2, paragraph (l) and (m) are revised, and a new paragraph (u) is added, as follows:

§ 888.2 Definitions.

(l) *Moral turpitude.* For the purpose of this part, moral turpitude is explained as implying aggravation or atrociousness and describes those offenses consisting of felonies and infamous crimes such as (1) lewd and lascivious acts, (2) homosexual acts, (3) sodomy, (4) indecent exposure, (5) indecent acts with or assault upon a child, (6) related offenses which are considered acts of sexual perversion, (7) murder, (8) narcotic violations and (9) other offenses involving questionable moral character which renders a person unfit to associate with members of the military service.

(m) *Nonprior service (NPS).* Persons who have not served a minimum period of 6 continuous months on active duty with the Armed Forces. Applicants separated as service academy cadets, aviation cadets, or Reservists are considered nonprior service personnel for the purpose of this part.

(u) *Separate.* As used in this part, "separate" means the return of an individual to civilian status through release from active duty, discharge, or dismissal.

2. In § 888.5, paragraphs (h), (ee), and (jj) are amended to read as follows:

§ 888.5 Applicants ineligible to enlist.

(h) Convicted by Civil Court for any offenses involving moral turpitude or punishable by death.

(ee) Separated from any Armed Forces with other than an Honorable Discharge Certificate.

(jj) Separated from active service in excess of 3 years unless participating in drill pay status.

3. In § 888.6, paragraph (d) is amended to read as follows:

§ 888.6 Male applicants requiring specific authority to enlist.

(d) Applicants convicted by a civil court of any offenses not covered in § 888.5.

4. In § 888.10, the first two lines of the chart are amended to read as follows:

§ 888.10 Grade determination.

NONPRIOR SERVICE ENLISTEES	
If applicant—	Then grade authorized is—
Was credited with over 90 days service and last separated in pay grade E-2 or higher	E-2

5. In § 888.17, paragraph (a) is amended by the addition of an address, and in paragraph (c), subparagraph (1) (iii) is amended by the deletion of the word "Reserve." And in paragraph (f), subparagraphs (3) and (4) are revised. These portions now read as follows:

§ 888.17 Applicants whose last period of service was in an officer status.

(a) *General.* All former officers except those separated to enlist in the Regular Air Force under paragraph 54, AFR 36-12 (Administrative Separation of Commissioned Officers and Warrant Officers of the Air Force), July 1, 1960, require Hq USAF authorization to enlist. Submit applications for authority to enlist not later than 30 days after receipt of official notification of separation direct to Hq USAF (AFPMRFE), Randolph Air Force Base, Tex., 78148.

(c) * * *

(1) * * *

(iii) Former officers not declared ineligible under paragraph (f) of this section and having Hq USAF letter of authorization to enlist.

(f) * * *

(3) Were separated or released from extended active duty for cause by the Secretary of the Air Force or in lieu of such action (including cases initiated under AFR's 35-62, 35-66 (Discharge Processing Where Homosexual Acts or Tendencies Are Involved), 36-2 or 36-3).

NOTE: Does not apply to former officers qualified for enlistment under paragraph (b) of this section.

(4) Were separated with other than an Honorable Discharge Certificate (DD Form 256) or released from extended active duty with entry of other than "Honorable" in item 13a, DD Form 214, except for applicants covered by paragraph (b) (1) (iv) of this section.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012) [AFM 33-3, July 1, 1965]

By order of the Secretary of the Air Force.

FREDERICK A. RYKER,
Lt. Colonel, U.S. Air Force,
Chief, Special Activities
Group, Office of The Judge
Advocate General.

[F.R. Doc. 65-8455; Filed, Aug. 11, 1965; 8:46 a.m.]

SUBCHAPTER E—SECURITY

PART 850—SAFEGUARDING CLASSIFIED INFORMATION

Miscellaneous Amendments

Part 850 is amended as follows:

1. Section 850.3 is revised to read as follows:

§ 850.3 Assignment of classification.

The provisions of Executive Order 10501, as implemented in DOD directives and this part, apply only to official information of the U.S. Government and do not extend to privately owned information. Therefore, the assignment of a defense classification to privately-owned information is not authorized. However, a private owner who has information which he believes requires protection should be encouraged to protect the material and to contact the nearest military office for assistance and advice. Normally, AFR 11-30 (Custody, Use, and Preservation of DOD Official Information Which Requires Protection in the Public Interest) provides the means for withholding from public release privately owned information entrusted to the Air Force when its release would be contrary to the public interest. However, the Patent Secrecy Act of 1952 (35 U.S.C. 181-188) provides one means whereby the Government can enjoin the public release of privately owned information (see § 850.12).

2. In § 850.9, paragraph (g) is revised to read as follows:

§ 850.9 Dissemination and disclosure authority.

(g) *Disclosure of classified defense information to foreign governments, international organizations, and designated representatives thereof.* Classified defense information shall not be disclosed either orally, visually, or in documentary form to any foreign government, international organization, or authorized representatives thereof except as stated in this paragraph:

(1) *Authority for disclosure.* The Assistant Chief of Staff, Intelligence, Hq USAF, is responsible for developing and implementing the National Disclosure Policy and related procedures within the Department of the Air Force. Pertinent instructions are contained in AFR 200-9 (Disclosure of Classified Defense Information to Foreign Governments), AF-DCMI (Department of the Air Force document, Disclosure of Classified Military Information to Foreign Governments). No Air Force entity or person (military, civilian, or Air Force contractor) shall disclose classified defense information to a foreign government, to an international organization, or to authorized representatives thereof, unless specific authority to do so has been obtained from Hq USAF (AFNIN). When disclosure of classified military information is authorized, the method of transmission shall be as prescribed by AFR 205-1 (Safeguarding Classified Information), AFR 200-9, and AFR 205-4, Industrial Security (Part 852 of this subchapter). A signed AF Form 349, "Receipt for

Documents Released to Accredited Representatives for Foreign Nations," which incorporates the conditions of disclosure, shall be obtained from an authorized representative of the foreign government or international organization for all documents which are disclosed and which contain classified defense information.

(2) *Foreign contractors.* See Part 852 of this subchapter.

(3) *Foreign national employees of the Air Force.* See AFR 205-10 (Security Policy on the Use of Non-U.S. National Employees).

(4) *Foreign national employees of contractors.* See AFR 205-6 (Personnel Investigations, Security Clearances, and Access Authorizations).

(5) *Other foreign nationals.* These provisions apply to foreign nationals other than those described in subparagraphs (1) through (4) of this paragraph. The disclosure of classified defense information to foreign nationals or foreign organizations acting in a private (i.e., nongovernmental) capacity is not authorized. Requests from, or proposals to disclose classified defense information to such individuals or organizations shall be sent through normal command channels to Hq USAF (AFNICBB), Washington, D.C., 20330, for action or disposition.

NOTE: When appropriate in the interest of promoting national defense, AFNIN will initiate action so that the prospective recipient is officially sponsored by his government, whereupon the provisions of subparagraph (1) of this paragraph will apply.

(6) *International traffic in arms.* (i) Regulations governing international traffic in arms are administered by the Department of State. However, the release of Air Force, Army, or Navy materiel for foreign sale or manufacture is not permitted unless the Departments of the Air Force, Army, and Navy have stated that the release would not compromise information which requires safeguarding in the interest of the defense of the United States (classified defense information).

(ii) Requests for export clearances involving materiel, supplies, or any other munitions or related technical information, which are received in the Air Force for review, shall be referred to Hq USAF (AFSDC-S), Washington, D.C., 20330, for processing. (See AFR 400-43 (Munitions Control Procedures for U.S. Munitions List Export License Applications Referred to the Department of Defense by the Department of State).) That office also reviews proposals to release equipment and technical data under the military assistance programs referred to in AFR 400-2 (Implementation, Execution, and Administration of the Approved Grant Aid MAP (Materiel)), and AFR 400-10 (Procedures in Support of the DOD Strategic Trade Control Program).

3. In § 850.10, paragraph (b) is revised to read as follows:

§ 850.10 Visits to Air Force installations and activities.

(b) *Visits by DOD contractor personnel.* Requests for visit approval are prepared by DOD contractors and their personnel in accordance with the DOD Industrial Security Manual, and shall be processed in the Air Force according to AFR 205-4 (Part 852 of this subchapter).

4. In § 850.11, the Note is revised to read as follows:

§ 850.11 Destruction of classified material.

NOTE: When a commercial contractor is employed to provide the equipment used for destruction by a method prescribed in paragraph (a) of this section, the classified material shall not be relinquished to the contractor; the contractor shall not be afforded access to the classified information; the certifying and/or witnessing official shall personally place the classified material into the contractor-furnished destruction equipment and shall remain at the destruction location for such length of time as is necessary to insure the complete destruction of the material.

§ 850.14a [Amended]

5. The heading of § 850.14a is amended to read: "Espionage Law notation."

§§ 850.16-850.25 [Deleted]

6. Sections 850.16 through 850.25 are deleted.

§§ 850.26-850.29 [Redesignated]

7. Sections 850.26 through 850.29 are redesignated §§ 850.16 through 850.19.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012) [AFR 205-1D, May 5, 1965]

By order of the Secretary of the Air Force.

FREDERICK A. RYKER,
Lt. Colonel, U.S. Air Force,
Chief, Special Activities
Group, Office of The Judge
Advocate General.

[F.R. Doc. 65-8456; Filed, Aug. 11, 1965; 8:47 a.m.]

PART 852—INDUSTRIAL SECURITY

A new Part 852 is added as follows:

Sec.	Purpose.
852.1	Industrial security cognizance.
852.2	Inspections.
852.3	Responsibilities of contracting commands.
852.4	Contracts performed on Air Force installations.
852.5	Contracts performed outside the United States.
852.6	Access to cryptomaterial by contractors.
852.7	Limitations on facilities.
852.8	Reimbursement.
852.9	Submission of reports.
852.10	Defensive security briefings.
852.11	Location of meetings.
852.12	Consultants and personal services contractors.
852.13	Commanders' authority over access to installations.
852.14	

Sec.	Purpose.
852.15	On-base contractor activities.
852.16	Visits to AF activities.
852.17	Unsatisfactory security conditions.
852.18	Reports of security violations.
852.19	Security classification guidance.

AUTHORITY: The provisions of this Part 852 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012.

SOURCE: AFR 205-4, April 7, 1965.

§ 852.1 Purpose.

This part contains instructions applicable to the USAF for procurement, security, and other personnel concerned with the classification and protection of classified defense information that has been or is to be disclosed or released to bidders, contractors, or grantees, or for any other procurement, research, or development purposes. It also contains instructions concerning the protection of classified information of foreign nations or international pact organizations released to U.S. contractors.

§ 852.2 Industrial security cognizance.

The Defense Supply Agency (DSA) exercises industrial security cognizance over all cleared contractor facilities and performs all cognizant security office functions on behalf of the Air Force except as provided in paragraphs 1-108c and h, Department of Defense Industrial Security Regulations (DODISR). DSA has further assigned responsibility for these functions to the directors of the Defense Contract Administration Services Regions (DCASR) for all contractor facilities physically located or to be located within the geographical boundaries of their respective regions. (An appendix to the Industrial Security Manual defines regional offices and areas.)

§ 852.3 Inspections.

(a) Commanders concerned with classified contracts shall be responsible for conducting security inspections as follows:

(1) Inspections of cleared contractor facilities located on an Air Force installation shall be made by the installation commander when he has elected to perform the functions listed in paragraph 1-108c, DODISR.

(2) Inspections of contractor operating activities (non-facility) located on an Air Force installation shall be made by the installation commander under the provisions of paragraph 1-108h, DODISR.

(3) Contractor operations outside the United States, its possessions, and Puerto Rico, involving performances on a classified Air Force contract(s) at a location other than on an Air Force installation, shall be inspected by the Air Force activity concerned.

(4) Representatives of the responsible commander who visit a contractor facility to check on contract performance should observe and inquire into the contractor's fulfillment of his security requirements under the contract in accordance with the provisions of paragraph 1-300, DODISR.

(b) Special security requirements: Developing special security requirements, in those cases where the situation so warrants because of the nature of the product or service to be provided or the conditions under which the contract is to be performed, and furnishing them to the Procuring Contracting Officer (PCO) for inclusion in the contract. Specific consideration must always be given to the need for special security requirements for contracts to be performed within military installations or overseas. When necessary, the project office shall coordinate these special instructions with the security and law enforcement staff within the appropriate headquarters. Special security requirements which will result in a contract being excluded from the DOD industrial security program shall not be included in a contract without prior approval of Hq USAF.

(c) Release of promotional material: Reviewing and approving or disapproving a contractor's proposal to publish and distribute unclassified brochures, promotional sales literature, or similar material when the Administrative Contracting Officer (ACO) requests such review.

§ 852.4 Responsibilities of contracting commands.

(a) *Contract administration.* Normally, DSA accomplishes contract administration. In those instances where responsibility for contract administration rests with a major air commander rather than with DSA, the major air commander is responsible for insuring that all actions are taken which the ISM, DODISR, and this part charge to the contracting officer or the contracting user agency and which are appropriate for accomplishment after award of the contract. The ACO performs these functions unless the commander assigns them, in writing, to another officer.

(b) *Disposition instructions.* When a classified contract is completed, terminated, or cancelled, the ACO shall issue disposition instructions to the contractor in accordance with paragraph 7-105, DODISR, advising him of the classified material which: (1) Must be returned to the contracting officer, (2) must be destroyed, (3) is declassified, or (4) may be retained in accordance with paragraph 5k and l of the ISM. The project office may be requested to assist in the development of such instructions. A copy of the disposition instructions shall be furnished to the cognizant security office of the facility involved.

(c) *Retention and recovery of classified material.* (1) The contracting officer is responsible for prompt, positive action to recover all classified material released or produced in connection with a bid, proposal, or contract, except that which has been destroyed in accordance with paragraph 19, ISM, or that which the contractor has been authorized specifically to retain pursuant to paragraph 5k or l, ISM. The PCO is responsible for this action in the case of a bid or proposal. The ACO is responsible for the action upon the completion or termination of a contract.

(2) When a contracting officer authorizes a contractor to retain classified material under the authority given in paragraph 5k or l, ISM, he shall furnish a list or description of the material and a copy of the authorization to the cognizant security office concerned. In addition, when he authorizes such retention, the contracting officer retains a residual responsibility, in accordance with paragraph 7-105, DODISR, for appropriate classification actions in regard to the classified information involved, and for recovering the material at the end of the authorized retention period. This responsibility continues until the classified information has been destroyed, declassified, or recovered in accordance with subparagraph (1) of this paragraph.

§ 852.5 Contracts performed on Air Force installations.

The Air Force Procurement Instruction (AFPI) (Subchapter W of this chapter) requires that each classified contract contain as a minimum a security clause requiring the contractor to apply the principles of his Security Agreement (DD Form 441) for the purpose of safeguarding classified information. The contractor is bound by this agreement regardless of where the contract is performed. However, security matters pertaining to Air Force installations are not governed by the ISM or DODISR. Therefore, the following instructions (in addition to those contained in paragraph 1-108, DODISR, as supplemented by this part) apply to classified contracts which require performance on Air Force installations.

(a) *Installation security support:* When classified contracts are to be performed on an installation, the commander shall normally provide certain security support for the contractor in order to insure effective and economical protection for classified material in possession of the contractor, as well as to insure integration, to the extent appropriate, of the contractor's security operations with those of the installation. Agreement between the project command and the installation commander should determine the extent and nature of support provided, and support may include such items as physical security, storage facilities for classified material, and the use of the installation's facilities for transmission and accounting for classified material. The extent and nature of support provided also depends upon the type of contractor activity on the installation, i.e., "visitor type," a cleared facility over which DSA provides all security supervision, or a cleared facility over which the commander has elected to retain security supervision for these functions identified in paragraph 1-108c, DODISR.

(b) *Responsibility for security supervision:* The installation commander shall supervise the security aspects of contract work performed on his installation unless:

(1) The contractor activity is designated a facility under paragraph 1-108b, DODISR, and the commander concerned does not choose to exercise the option of

performing the functions listed in paragraph 1-108c, or

(2) After appropriate coordination pursuant to paragraph (a) of this section, the ACO or another office which has direct responsibility for the project or operation involved, is designated to exercise security supervision. (This exception applies only when the office designated to exercise security supervision is located on the installation or when it is able to discharge the security responsibility more economically and more effectively.)

(c) *Visits to contractor activities on Air Force installations:* Contractor personnel who, in the performance of their duties, make visits to contractor activities located on Air Force installations shall be treated as visitors in accordance with provisions of part 1, section III, DODISR, if they require access to classified information.

(d) When classified contracts are to be performed within restricted areas containing priority A, B, or C aerospace operational resources (AFR 207-1 (The USAF Aerospace Systems Security Program)), entry into such restricted areas by contractor personnel is subject to control as determined by the installation commander in accordance with the guidance provided in AFR 205-6 (Personnel Investigations, Security Clearances and Access Authorizations), chapters 6 and 10, AFM 207-1 (Doctrine and Requirements for Security of Aerospace Systems), and other appropriate Air Force guidance.

§ 852.6 Contracts performed outside the United States.

(a) *Contracting command.* The contracting command, through the PCO, shall be responsible for:

(1) Insuring that the contractor has executed a DOD Security Agreement and has a facility security clearance for the facility in the United States which is responsible for performance on the contract concerned. Foreign subsidiaries owned or controlled by the contractor are not eligible for access to classified portions of the contract work, and must be excluded therefrom. However, in extraordinary circumstances, the commander of the contracting major air command may authorize the contractor to negotiate or award a subcontract to a foreign company or foreign affiliate or subsidiary pursuant to paragraph 8-104, DODISR.

(2) Insuring that the contractor is informed of: (i) The APO and/or other channels to be used by the contractor for classified correspondence with each overseas operating location, (ii) procedures for the shipment of classified material when appropriate, (iii) the U.S. Government activity designated to store classified material for the contractor, (iv) limitations on the use of foreign nationals, (v) the name of the military activity responsible for providing security supervision of the contractor's operations in the overseas area, and (vi) any other special requirements developed by the project command.

(b) *Transmission outside the United States.* Paragraph 17 of the ISM pro-

vides that a contractor may transmit classified material outside the United States only when authorized in writing by the contracting officer or his authorized representative. Paragraph 17 of the ISM and paragraph 2-504, DODISR, provide guidance applicable to transmission of classified information to or from a contractor or contractor employees located outside the continental limits of the United States. Instructions issued by a contracting officer, when he authorizes a contractor to transmit classified material outside the continental United States, must be consistent with the requirements of paragraph 17, ISM, paragraph 2-504, DODISR, and AFR 205-1 (Safeguarding Classified Information). Normally, transmission shall be only by registered mail through the U.S. military postal services or by the Armed Forces Courier Service.

(1) When transmission of classified material between overseas locations through normal military or other U.S. Government channels would create unacceptable operational problems, the contracting officer may appoint in writing, upon approval of the activity responsible for the security supervision of the contract, appropriately cleared contractor personnel to act as courier or escort for the material, provided (i) The transmission does not cross national boundaries, (ii) it is begun and completed during normal daytime hours of the same day, and (iii) it is in accordance with the agreements in effect with the country concerned.

(2) When contract work within a foreign country involves a project of joint interest to the foreign government and the United States, it may be necessary to make special arrangements for transmitting classified information held jointly by the two governments. The phrase "held jointly by the two governments," as used in this section, refers to U.S. classified information which has been released to the foreign government, foreign classified information released to the United States, or classified information developed jointly by the two governments concerned. In such cases, either government may transmit the classified material to the contractor. The procedures for transmission may be those prescribed in this part and AFR 205-1, or when transmission is within the host country, the procedures authorized by that country may be used. However, the ACO, in collaboration with the project officer, should develop specific procedures which meet the practical requirements of the project while maintaining required standards of security for the information. Such procedures must be coordinated with the activity having the security supervisory responsibility for the contractor's overseas operation involved.

(3) If a U.S. contractor engaged in a bilateral project requires access to U.S. classified information which is releasable under Air Force regulations, but which has not been approved for release to the foreign government involved, under the provisions of AFR 200-9 (Disclosure of Classified Defense Information to Foreign Governments), the procedures prescribed in this part and AFR 205-1 for

transmission of such material normally will be used. In exceptional cases, however, special transmission procedures may be established to meet unique operational requirements. In such cases, the ACO, in conjunction with the project officer and the activity responsible for security supervision of the contractor's activity, may develop appropriate procedures which will meet operational requirements while maintaining the necessary degree of security. The proposed procedure shall be forwarded for approval to Hq USAF (AFISL-3). The request for approval must contain a detailed statement of facts and justification.

(c) *Storage in foreign countries.* (1) The storage of U.S. classified information in a foreign country within any location other than a U.S. military or other U.S. Government controlled installation is prohibited. Contractor personnel in foreign countries who must be given access to U.S. classified defense information must be advised that it is necessary, in order to assure security, for the material to remain under U.S. Government control. If storage at a U.S. military installation is not practical, the contractor shall make prior arrangements for the storage of U.S. classified information with a U.S. military attaché, military assistance advisory group, or a U.S. diplomatic or consular office.

(2) However, if the contract work involves a bilateral project, special arrangements may be developed for storing classified information held jointly by the participating governments. In such cases, the classified material may be retained for the contractor under the custody of the government which has an activity most conveniently located with regard to the contractor's operation. If such procedures are established, the material shall be stored and safeguarded in accordance with the rules of the government accepting responsibility for the material and providing the storage facilities.

§ 852.7 Access to cryptomaterial by contractors.

(a) *General.* Air Force classified cryptomaterial is made available to DOD contractors and to their subcontractors, vendors, and suppliers, under one or a combination of the following conditions:

(1) When the contractor requires the use of cryptographic systems in the performance of his contract.

(2) When the contractor is required to accomplish research, development, or production of cryptographic systems or equipment.

(3) When the contractor is required to install, maintain, or operate cryptographic equipment for an activity of the U.S. Government.

(b) *Processing requests.* (1) Contractors must initiate requests for the use of, or access to, cryptomaterial in accordance with paragraph 5, Cryptographic Supplement to the ISM. The request shall be submitted to the contracting officer for validation. For the purpose of expediting establishment of COMSEC (Communications Security) accounts, a completed record of custodian's form (AFCOMSEC Form 3), in

duplicate, shall be attached to each request. Requests shall be forwarded to Hq. AFSC (SCMOC), Andrews AFB, Washington, D.C., 20331, through Hq. Contract Management Division (CMVA), AF Unit Post Office, Los Angeles, Calif., 90045, for all facilities located in or west of the States of Montana, Wyoming, Colorado, and New Mexico. Requests for facilities located in all other States shall be forwarded to Hq. AFSC (SCMOC).

(c) *Monitoring contractor COMSEC accounts.* (1) AFSC shall establish a COMSEC monitoring activity to monitor contractor COMSEC accounts. Monitoring includes but is not limited to:

(i) Insuring that the COMSEC interests of the contracting military departments are adequately protected.

(ii) Reviewing accounting reports and correspondence pertaining to COMSEC for completeness, accuracy, and compliance with directives.

(iii) Insuring followup action on all reports of investigations of possible compromises of cryptomaterial.

(iv) Programming for cryptoequipment.

(v) Insuring that cryptomaterial is removed from contractor facilities upon contract termination or when the material is no longer required.

(2) AFCD, in coordination with Hq. AFSC, shall provide technical, operational, and accounting assistance to contractors as required.

§ 852.8 Limitations on facilities.

Contractor activities on Air Force installations located outside the United States, its possessions, and Puerto Rico, shall not be designated as facilities.

§ 852.9 Reimbursement.

In fulfilling the functions prescribed in paragraph 1-108c and h, DODISR, a commander shall not commit the Government to reimburse a contractor for funds expended in connection with its security program unless he is also responsible for contract performance.

§ 852.10 Submission of reports.

When the installation commander has elected to perform the functions listed in paragraph 1-108c, DODISR, or when performing the functions listed in paragraph 1-108h, DODISR, at an installation located outside the United States, its possessions, and Puerto Rico, he shall arrange to have the contractor submit the reports prescribed by paragraph 5t, ISM, through him to the cognizant security office concerned.

§ 852.11 Defensive security briefings.

The installation commander concerned may elect to provide the required briefings when he is performing the functions listed in paragraph 1-108h, DODISR, at installations located outside the United States, its possessions and Puerto Rico. If the briefings are given by the contractor, the installation commander concerned shall provide guidance and monitor them to insure that they meet the intent and purpose of the defensive security briefing program (see AFR 205-21 (Defensive Security Briefings)).

§ 852.12 Location of meetings.

Air Force activities shall not approve the use of auditoriums, halls, gymnasiums, etc., located on the campus of a college or university for meetings at which Top Secret or Secret information is to be disclosed. Such buildings are not considered to be part of the cleared facility since they are used primarily for campus activities and other events open to the public. Moreover, they are not constructed or designed with security considerations in mind and, consequently, are vulnerable to unauthorized visual, audio, or physical access. A meeting at which Top Secret or Secret information is to be disclosed may, however, be conducted within a building, room, or laboratory located on the campus of a college or university, provided that (a) the cognizant security office has identified the building, room, or laboratory as an integral part of the cleared facility, and (b) the cognizant security office has, during the performance of recurring inspections, determined that the security controls over the building, room, or laboratory are adequate and would preclude unauthorized access during the conduct of a classified meeting.

§ 852.13 Consultants and personal services contractors.

(a) *Part-time Government employees.* Part-time Government employees include individuals (1) Appointed under AFR 40-921 (Employment of Experts and Consultants), as experts or consultants with compensation when actually employed (WAE) or without compensation (WOC), and (2) contracted under AFR 25-4 (Expert and Consultant Services), to render personal services as experts or consultants. After investigation and determination of eligibility (AFR 205-6 (Personnel Investigations, Security Clearances and Access Authorizations)), these employees may be authorized access to classified material or unescorted entry to restricted areas (AFM 207-1 (Doctrine and Requirements for Security of Aerospace Systems)), located within the Air Force activity concerned. They are not authorized to remove classified material from the Air Force agency, except in connection with an authorized visit, and it may not be sent to them except after further action as follows:

(1) Whenever it is determined that a consultant/expert utilized in this category must have physical custody of classified information at his place of business or residence and must exercise full responsibility for security of such information, the responsible commander shall take action to qualify the individual as a cleared facility in accordance with paragraph 2-107, DODISR.

(2) Whenever it is determined that utilization of the consultant/expert requires that he be given access to the classified information at a cleared facility which is his regular employer, the responsible commander shall take action as provided in paragraph 2-108, DODISR, in order to provide for the safeguarding of classified material made available to or developed by the consultant/expert.

(b) *Personal services contractor.* A personal service contractor is a contractor who enters into a contract for one or more of his employees to perform personal services for an Air Force agency. Security clearances shall be provided as follows:

(1) The contractor shall be cleared as a facility in accordance with the DODISR if the performance of such services involves access to classified information and requires classified information to be in the physical custody of the contractor. The contractor's executive personnel and employees concerned must be granted personnel security clearances prior to being granted access to classified material. Also, the contractor's facility is subject to inspection by a cognizant security office.

(2) If the consultant services are performed on the premises of the Air Force activity and the classified information is not removed from such premises, no facility clearance is required. However, the contractor and his employees performing the personal services must jointly execute the certificate prescribed in paragraph 2-106, DODISR. Those personnel requiring access to classified information must be granted a personnel security clearance prior to being granted access.

§ 852.14 Commander's authority over access to installations.

An installation commander is responsible for the security, safety, and welfare of his command and has authority to control and limit entry to all or part of the installation as he finds necessary under the circumstances. The commander's authority to deny entry is absolute, and the individual concerned has no right of appeal. However, the authority to grant, deny, or revoke authorization for access to classified defense information by contractor personnel is separate and apart from the commander's authority over entry. The individual does have a right to a hearing on charges and to appeal an adverse decision regarding access to classified defense information (clearance). Denial of entry to restricted areas containing priority A, B, or C aerospace operational resources frequently has the collateral effect of making ineffectual a valid authorization for access to classified defense information by contractor personnel employed for a particular job. The potential for conflict is apparent when the two decisions are based on substantially the same investigative results. Specific guidance for exercising authority for control over entry to these restricted areas is provided in AFR 205-6 and other appropriate Air Force guidance.

§ 852.15 On-base contractor activities.

For on-base contractor activities, the commander exercising security supervision over such activity shall be responsible for fulfilling the cognizant security office functions contained in this section. The commander shall inform the contractor concerned of the procedures to be followed.

§ 852.16 Visits to AF activities.

Normally commanders shall not approve visits for periods in excess of 6 months. However, approval may be renewed for succeeding periods of 6 months if required.

§ 852.17 Unsatisfactory security conditions.

When a contracting officer receives a notification under the provisions of paragraph 4-201c, DODISR, he shall:

(a) Withhold the release to the facility of additional classified information (including Defense Documentation Center (DDC) information) until the deficient condition has been corrected, unless the project commander determines that the continuation of the contract work is so essential to the best interests of the United States that such consideration must override security considerations. In cases of flagrant or continuing failure to maintain prescribed security standards, or upon the request of the director of the DCAS Region exercising security cognizance over the facility, the contracting officer also shall withdraw the classified information already in the custody of the facility. (This includes requiring the project commander and DDC to withhold or withdraw classified information furnished by them.)

(b) Initiate action, in coordination with the director of the DCAS Region exercising security cognizance over the facility, to terminate the classified contract for default in accordance with Subpart F, Part 1007, Subchapter W of this chapter, if appropriate. The contracting commander also shall consider whether action should be taken pursuant to Subpart F, Part 1001, Subchapter W of this chapter, to debar or suspend the contractor.

§ 852.18 Reports of security violations.

In paragraph 5-103, DODISR, the functions assigned to the cognizant security office shall be the responsibility of the installation commander in those cases where he exercises security supervision under the provisions of paragraph 1-108 c or h, DODISR. The installation commander shall inform the contractor in writing that reports required by paragraph 6a(3), ISM, are to be sent to him rather than to the cognizant security office.

§ 852.19 Security classification guidance.

The focal point for policy and coordination of all security classification guidance and regrading and declassification actions shall be the classification management office. Therefore, the commander for whom a classified contract is negotiated (i.e., project command) shall require the project officer and classification management personnel to provide and monitor security classification guidance and instructions concerning classified systems, programs, or projects for which they are responsible. The project office, assisted by classification management and contracting personnel, shall develop and furnish security classification guidance and other security instructions to contractors at the time a

Request for Proposal or an Invitation to Bid is originated. The PCO shall assure that the DD Form 254 or 254-1 indicates in the remarks section the office and address to which questions concerning security classification guidance and instructions should be directed. Air Force ACO's shall request that prime contractors develop security classification guidance for their subcontractors and submit it to the ACO for approval. When necessary, the ACO shall send the guidance to the project officer for review prior to approval and distribution.

By order of the Secretary of the Air Force.

FREDERICK A. RYKER,
Lieutenant Colonel, U.S. Air Force, Chief, Special Activities Group, Office of The Judge Advocate General.

[F.R. Doc. 65-8457; Filed, Aug. 11, 1965; 8:47 a.m.]

Title 39—POSTAL SERVICE

**Chapter I—Post Office Department
PART 4—INFORMATION ON POSTAL MATTERS**

Miscellaneous Amendments

The regulations of the Post Office Department are amended as follows:

I. Section 4.3 is amended to update the list of available Post Office Department publications to show the latest revisions and additions. The revisions consist of showing: The current prices for the Postal Manual; the latest mailing chute rules, regulations and specifications; the latest apartment house mail receptacles, regulations and instructions; the current county list of post offices and the current Directory of Post Offices. The National ZIP Code Directory has been added. The changes to § 4.2 read as follows:

§ 4.2 General postal publications.

The following postal publications may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D.C., 20402.

Title	Price
Postal Manual (looseleaf):	
Chs. 1, Post Office Services (Domestic), and 2, International Mail	\$4.00
Chs. 3, Postal Procedures, and 7, Personnel	5.00
Chs. 1 through 8	10.00

Chs. 1 and 2 contain regulations and procedures for both public and internal use. They explain services available and conditions under which they may be obtained, and prescribe rates and fees. Chs. 3 through 8 contain internal operating instructions of the Department including finance, transportation, facilities, personnel, and organization and administration. Chs. 3 through 8 are usually needed by postal employees only.

Title
Mailing Chute Rules, Regulations, and Specifications (excerpts from Ch. 1, Postal Manual) (June 1965) -
Apartment House Mail Receptacles, Regulations and Instructions (excerpts from Ch. 1, Postal Manual) (June 1965)

County List of Post Offices (excerpts from Directory of Post Offices, POD-26, July 1965)

Lists States, counties within these States, and their post offices all in alphabetical order. Each post office shows its class, geographical position in the State and other information such as location of county seat court house; offices having city delivery; offices having rural delivery and number of boxes served; star route boxes served; and post office boxes rented at offices not having city delivery.

Directory of Post Offices (July 1965) -

Used to identify post offices and to compute parcel post rates. Explains method of using parcel post zone keys. Lists regional offices; inspection service divisions; number of post offices, by classes, in each State and territory as of May 31, 1965; State list of post offices, branch post offices and stations (includes ZIP code); numerical list of post offices by ZIP code; alphabetical list of post offices, branches, and named stations; post offices by States and counties; post offices discontinued and names changed during the past 2 years; named stations and branches discontinued and names changed during the past year; army posts, camps, and stations and air force bases, fields, and installations.

National ZIP Code Directory -

This Directory enables the user to determine the ZIP code for every mailing address in the Nation. It is for use by all large mailers, especially those maintaining large mailing lists. ZIP code listings are arranged alphabetically by State. Within each State a complete listing is given of all post offices, stations and branches, with the ZIP code for each delivery area. An appendix gives the ZIP code for each address in larger cities. Also includes a ZIP code area map; State abbreviations to be used with ZIP code; a numerical list of post offices by ZIP code; a list of sectional centers and ZIP code prefixes by States.

- ¹ \$1.00 additional for foreign mailings.
- ² \$1.50 additional for foreign mailings.
- ³ For 2-year subscription.
- ⁴ Available at post offices for distribution to patrons free of charge.

The corresponding Postal Manual sections are 114.21 and 114.22.

II. In § 4.3, paragraph (d) is amended to add law enforcement officers to the list of persons who, under certain conditions may be furnished with names and addresses. As so amended, paragraph (d) reads as follows:

Price § 4.3 Privileged matter.

- (*) (d) Names and addresses of post office patrons and former patrons, except when correcting mailing lists or when furnishing changes of address to election boards or registration commissions as provided in § 13.5 of this chapter. Information on change of address orders may be revealed to the American Red Cross during times of natural disaster, pursuant to § 4.5, or to law enforcement officers under specified conditions.
- (*) (f) Names and addresses of post office patrons and former patrons, except when correcting mailing lists or when furnishing changes of address to election boards or registration commissions as provided in § 13.5 of this chapter. Information on change of address orders may be revealed to the American Red Cross during times of natural disaster, pursuant to § 4.5, or to law enforcement officers under specified conditions.

Note: The corresponding Postal Manual section is 114.3d.

III. In § 4.4 Available records the following changes are made: Subparagraph (1) of paragraph (d) is revised to show that Postal Data Center Directors have been delegated authority to authorize production of time, leave, and payroll records in response to subpoenas. Paragraph (f) is redesignated paragraph (g) and a new paragraph (f) is added in lieu thereof for the purpose of alerting postmasters and field officials to instructions on release of information on pending proceedings before regulatory bodies or on other matters coming within Part 4 of Title 39 of the Code of Federal Regulations. Paragraphs (d) (1) and (f) read as follows:

§ 4.4 Available records.

(d) Compliance with subpoenas duces tecum—(1) Conditions for compliance. (i) Time, leave and payroll records of postal employees are subject to production when a subpoena duces tecum has been served. Authority is hereby delegated to Regional Directors, Postal Data Center Directors, and in those regions which have regional counsels, to the regional counsels to authorize the production of time, leave and payroll records in response to a properly served subpoena duces tecum.

(ii) If the subpoena calls for employee records involving a job-connected injury, the records are under the exclusive jurisdiction of the Bureau of Employees' Compensation, Department of Labor. Such records may not be produced without the prior consent of that Department. Requests for authorization for the production of these records shall be addressed to: Bureau of Employees' Compensation, U.S. Department of Labor, Washington, D.C., 20210.

(iii) If the subpoena calls for employee medical records, they may not be released except as stated herein. These records are primarily under the exclusive jurisdiction of the U.S. Civil Service Commission. The Civil Service Commission has delegated authority to this Department and to the Commission's Regional Directors to release medical information, in response to proper requests and upon competent medical advice, in accordance with the following criteria which have been prescribed to adequately safeguard the interests of the Government and the employee:

(a) Except in response to a subpoena, no medical information about an employee will be released to any non-Federal entity or individual without authorization from the employee.

(b) With authorization from the employee, this Department's Regional Directors, Postal Data Center Directors, or regional counsels will respond as follows to a request from a non-Federal source for medical information:

(1) If in the opinion of a Federal Medical Officer the medical information indicates the existence of a malignancy, a mental condition, or other condition about which a prudent physician would hesitate to inform a person suffering from such a condition as to its exact nature and probable outcome, the Regional Director, Postal Data Center Director, or regional counsel will not release the Medical information to the employee or to any individual designated by him, except to a physician designated by the employee in writing. The Regional Director, Postal Data Center Director, or regional counsel will release such medical information, with a caution against divulgence, in response to a subpoena.

(2) If in the opinion of a Federal Medical Officer the medical information does not indicate the presence of any condition which would cause a prudent physician to hesitate to inform a person suffering from such a condition as to its exact nature and probable outcome, the Regional Director, Postal Data Center Director, or regional counsel will release it in response to a subpoena or to the employee or to any person, firm, or organization he authorizes in writing to have it.

(3) If a Federal Medical Officer is not available, the Regional Director, Postal Data Center Director, or regional counsel should refer the request to the Civil Service Commission regional office with the medical certificates or other medical reports concerned.

(iv) In no event will any records containing information as to the employee's security and loyalty be released.

Note: The corresponding Postal Manual section is 114.441.

(f) *Releasing of postal information by postmasters and field postal officials.* Postmasters and other field officials of the postal service are to refrain from giving information or actively engaging in sponsoring applications for additional service to be rendered by the Post Office Department. This prohibition against release of postal data relates particularly to proceedings before regulatory bodies. All requests for information in such cases should be submitted to the Department for consideration to assure that complete and accurate information is furnished. Where there are justifiable reasons for recommending changes in transportation services, a complete report should be furnished to the proper official of the Post Office Department. Thereafter, specific instructions must be awaited before any postmaster or other field official engages in any local activity or hearing relative to such changes.

Note: The corresponding Postal Manual section is 114.46.

(R.S. 161, as amended; 5 U.S.C. 22, 39 U.S.C. 501)

HARVEY H. HANNAH,
Acting General Counsel.

[F.R. Doc. 65-8466; Filed, Aug. 11, 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 3752]

[Arizona 031295]

ARIZONA

Withdrawal for Colorado River Storage Project

Correction

In F.R. Doc. 65-8050, appearing at page 9541 of the issue for Friday, July 30, 1965, the following correction is made in the land description: The entry for Sec. 36 should end with "W $\frac{1}{2}$ SW $\frac{1}{4}$," instead of "W $\frac{1}{2}$ SE $\frac{1}{4}$."

Title 45—PUBLIC WELFARE

Chapter VIII—United States Civil Service Commission

PART 801—VOTING RIGHTS PROGRAM

Mississippi and Louisiana

Correction

In F.R. Doc. 65-8498, appearing at page 9913 of the issue for Tuesday, August 10, 1965, the following corrections are made:

1. In Appendix A, on the back of the form for Mississippi, the question mark in the second entry under Item 2 should be deleted, so that the entry reads "Write in his date of birth".

2. In Appendix B, under Louisiana, the first paragraph should end with the words "if he takes the required oath or affirmation" instead of with the words "if he takes the oath or affirmation".

Title 50—WILDLIFE AND FISHERIES

Chapter I—Bureau of Sport Fisheries and Wildlife, Fish and Wildlife Service, Department of the Interior

PART 28—PUBLIC ACCESS, USE, AND RECREATION

Brigantine National Wildlife Refuge, N.J.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 28.28 Special regulations, recreation; for the individual wildlife refuge areas.

NEW JERSEY

BRIGANTINE NATIONAL WILDLIFE REFUGE

Entrance by walking or driving on the Holgate Unit of the refuge is permitted for the purpose of birdwatching, photography, nature study, hiking, swimming, sun bathing, surfing, picnicking, and fishing during daylight hours. Dogs are permitted on a leash not exceeding 10 feet in length. Fires are permitted on the beach.

Entrance by walking on Little Beach Island is permitted for the purpose of birdwatching, photography, nature study, hiking, sun bathing, picnicking, and fishing during daylight hours. Dogs are permitted on a leash not exceeding 10 feet in length.

Entrance to the mainland portion of the refuge by motor vehicle or by walking is permitted for the purpose of birdwatching, photography, nature study, hiking, picnicking and fishing during daylight hours. Dogs are permitted on a leash not exceeding 10 feet in length.

The refuge areas, comprising more than 15,000 acres, are delineated on maps available at refuge headquarters and from the office of the Regional Director, Bureau of Sport Fisheries and Wildlife, Post Office and Courthouse, Boston, Mass., 02109.

The provisions of this special regulation supplement the regulations which govern recreation on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 28, and are effective through April 30, 1966.

E. E. CRAWFORD,
Acting Regional Director, Bureau of Sport Fisheries and Wildlife.

AUGUST 3, 1965.

[F.R. Doc. 65-8466; Filed, Aug. 11, 1965;
8:47 a.m.]

PART 32—HUNTING

Wheeler National Wildlife Refuge, Ala.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

ALABAMA

WHEELER NATIONAL WILDLIFE REFUGE

Public hunting of squirrels, rabbits, raccoons, opossums, foxes and crows is permitted on the entire land area of the refuge. This open area, comprising approximately 19,000 acres, is delineated on a map available at the refuge headquarters and from the Regional Director, Bureau of Sport Fisheries and Wildlife, 809 Peachtree, Seventh Building, Atlanta, Ga., 30323. Hunting shall be in accordance with all applicable State regulations governing the hunting of squirrels, rabbits, raccoons, opossums,

foxes and crows subject to the following conditions:

(1) The open season for hunting the game listed above extends from October 15 through October 21, October 17 excluded, from daybreak to sunset.

(2) The use of dogs is not permitted.

(3) No shooting is allowed within 100 yards of private residences adjoining the refuge boundary.

(4) A Federal permit is required to enter the refuge with firearm. It may be obtained by writing the Wheeler National Wildlife Refuge, Box 1643, Decatur, Ala., prior to October 8, 1965, or by applying in person at the refuge office on October 8, 1965 between the hours 7:30 a.m. and 4:30 p.m. A maximum of 1,100 permits will be issued.

The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through October 21, 1965.

WALTER A. GRESH,
Regional Director.

AUGUST 3, 1965.

[P.R. Doc. 65-8461: Filed, Aug. 11, 1965;
8:47 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 987]

DOMESTIC DATES PRODUCED OR PACKED IN DESIGNATED AREA OF CALIFORNIA

Notice of Proposed Expenses of Date Administrative Committee and Rate of Assessment for 1965-66 Crop Year

Notice is hereby given of a proposal regarding expenses of the Date Administrative Committee for the 1965-66 crop year and rate of assessment for that crop year, pursuant to §§ 987.71 and 987.72 of the marketing agreement, as amended, and Order No. 987, as amended (7 CFR Part 987), regulating the handling of domestic dates produced or packed in a designated area of California. The marketing agreement and order are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674).

The Date Administrative Committee has unanimously recommended for the 1965-66 crop year beginning August 1, 1965, a budget of expenses in the total amount of \$35,380 (including \$2,500 for the maintenance of an operating monetary reserve fund) and an assessment rate of 13 cents per hundred pounds of assessable dates. Expenses in that amount and the assessment rate are specified in the proposal hereinafter set forth. The assessable poundage is estimated by the Committee at 27,215 million pounds.

All persons who desire to submit written data, views, or arguments in connection with the aforesaid proposal should file the same, in quadruplicate, with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C., 20250, not later than the eighth 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)).

The proposal is as follows:

§ 987.310 Expenses of the Date Administrative Committee and rate of assessment for the 1965-66 crop year.

(a) *Expenses.* Expenses (including \$2,500 for the maintenance of an operating monetary reserve fund) in the amount of \$35,380 are reasonable and likely to be incurred by the Date Administrative Committee during the crop year beginning August 1, 1965, for its maintenance and functioning and for such other purposes as the Secretary may, pursuant to the applicable provisions of the marketing agreement, as

amended, and this part, determine to be appropriate.

(b) *Rate of assessment.* The rate of assessment for that crop year which each handler is required, pursuant to § 987.72, to pay to the Date Administrative Committee as his pro rata share of the expenses is fixed at 13 cents per hundred-weight on all dates he has certified as meeting the requirements for marketable dates including the eligible portion of any field-run dates certified and set aside or disposed of pursuant to § 987.45 (f) during the crop year.

Dated: August 9, 1965.

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

[F.R. Doc. 65-8483; Filed, Aug. 11, 1965;
8:50 a.m.]

DEPARTMENT OF HEALTH, EDU- CATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 27]

CANNED FRUITS AND FRUIT JUICES

Proposed Standard of Identity for Reconstituted Orange Juice

Notice is given that Sunkist Growers, Inc., 720 East Sunkist Street, Ontario, Calif., 91764, has filed a petition proposing that the standard of identity for reconstituted orange juice, orange juice from concentrate (21 CFR 27.111) be amended by changing paragraph (a) to provide for the optional addition of orange juice for manufacturing (21 CFR 27.112), provided that such juice for manufacturing is not in the canned form (so treated by heat as to prevent spoilage), and further provided that such juice has been extracted from mature oranges.

The petitioner asserts that orange juice for manufacturing, when prepared from mature fruit, heat treated to reduce viable micro-organisms and enzyme activity, and in other than the canned form, is a suitable single-strength optional juice ingredient in reconstituted orange juice.

The petitioner further asserts that the chilled or frozen form of orange juice for manufacturing, when prepared from mature fruit, is a suitable single-strength optional juice ingredient in reconstituted orange juice.

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371) and in accordance with the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (21 CFR 2.90), all interested persons are invited to sub-

mit their views in writing, preferably in quintuplicate, regarding this proposal. Such views and comments should be addressed to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C., 20201, within 60 days following the date of publication of this notice in the FEDERAL REGISTER.

Dated: August 5, 1965.

MALCOLM R. STEPHENS,
Assistant Commissioner
for Regulations.

[F.R. Doc. 65-8468; Filed, Aug. 11, 1965;
8:48 a.m.]

DEPARTMENT OF COMMERCE

Maritime Administration

[46 CFR Part 290]

CONSTRUCTION-DIFFERENTIAL SUB- SIDY CONSTRUCTION CON- TRACT

Extension of Time for Submitting
Comments

In F.R. Doc. 65-6193 appearing in the FEDERAL REGISTER, issue of June 15, 1965, 30 F.R. 7722, notice was given of the proposed revision of the form of Construction-Differential Subsidy Construction Contract under Title V, Merchant Marine Act, 1936, as amended, to be identified as "Contract No. MA/MSB ----- Special Provisions" and "Construction-Differential Subsidy Construction Contract Part II. General Provisions (Approved -----, 1965)".

Copies of the Contract form were made available upon application to the Secretary, Maritime Subsidy Board, Washington, D.C., 20235, and comments relative to the proposed revision by interested parties were invited.

Notice is hereby given that the time within which comments may be submitted in this matter is extended from August 16, 1965, to close of business on September 17, 1965.

Dated: August 11, 1965.

JAMES S. DAWSON, JR.,
Secretary.

[F.R. Doc. 65-8371; Filed, Aug. 11, 1965;
11:22 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 71]

[Airspace Docket No. 65-SO-18]

CONTROL AREA AND REPORTING POINTS

Proposed Alteration

The Federal Aviation Agency is considering amendments to Part 71 of the

Federal Aviation Regulations that would realign control area 1152 and alter domestic reporting points associated with this control area.

As parts of these proposals relate to the navigable airspace outside the United States, this notice is submitted in consonance with the ICAO International Standards and Recommended Practices.

Applicability of International Standards and Recommended Practices, by the Air Traffic Service, FAA, in areas outside domestic airspace of the United States is governed by Article 12 and Annex 11 to the Convention on International Civil Aviation (ICAO), which pertains to the establishment of air navigation facilities and services necessary to promoting the safe, orderly and expeditious flow of civil air traffic. Its purpose is to insure that civil flying on international air routes is carried out under uniform conditions designed to improve the safety and efficiency of air operations.

The International Standards and Recommended Practices in Annex 11 apply in those parts of the airspace under the jurisdiction of a contracting state, derived from ICAO, wherein air traffic services are provided and also whenever a contracting state accepts the responsibility of providing air traffic services over high seas or in airspace of undetermined sovereignty. A contracting state accepting such responsibility may apply the International Standards and Recommended Practices to civil aircraft in a manner consistent with that adopted for airspace under its domestic jurisdiction.

In accordance with Article 3 of the Convention on International Civil Aviation, Chicago, 1944, state aircraft are exempt from the provisions of Annex 11 and its Standards and Recommended Practices. As a contracting state, the United States agreed by Article 3(d) that its state aircraft will be operated in international airspace with due regard for the safety of civil aircraft.

Since this action involves, in part, the designation of navigable airspace outside the United States, the Administrator has consulted with the Secretary of State and the Secretary of Defense in accordance with the provisions of Executive Order 10854.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southern Region, Attn: Chief, Air Traffic Division, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Wash-

ington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The Federal Aviation Agency is considering relocation of the Charleston, S.C., radio beacon to a site located at latitude 32°57'52" N., longitude 80°05'18" W. on or about December 1, 1965. The relocated beacon would serve as the outer marker for the ILS at the Charleston AFB/Municipal Airport, S.C., and provide transcribed weather broadcast service.

The relocation of the Charleston radio beacon would require the realignment of Control 1152 since the current designation of this control area utilizes the 109° True bearing of the Charleston radio beacon in its description. Accordingly, the following airspace actions are proposed:

1. Control 1152 would be redesignated as that airspace east of Charleston, S.C., bounded by a line beginning at:

Latitude 33°02'00" N., longitude 80°03'35" W., thence to latitude 32°54'35" N., longitude 79°40'00" W., thence to latitude 32°50'35" N., longitude 79°23'00" W., thence to latitude 32°36'15" N., longitude 78°26'35" W., thence to latitude 32°13'25" N., longitude 77°00'00" W., thence to latitude 31°43'15" N., longitude 77°00'00" W., thence to latitude 32°35'55" N., longitude 79°16'45" W., thence to latitude 32°49'40" N., longitude 80°03'50" W., thence to latitude 32°52'25" N., longitude 80°03'45" W., thence to latitude 32°53'45" N., longitude 80°07'15" W., thence to the point of beginning, excluding the portion below 2,000 feet MSL outside the United States.

2. The Azalea VOR Intersection would be redesignated as the intersection of the Charleston, S.C., 109°, and the Wilmington, N.C., 189° True radials.

3. The Azalea LF Intersection would be redesignated as the intersection of the 188° True bearing Wilmington (Carolina Beach), N.C., radio beacon, and the 110° True bearing of the Charleston, S.C., radio beacon.

4. The Smelt Intersection would be redesignated as the intersection of the 110° True bearing of the Charleston, S.C., radio beacon, and the west boundary of the New York Oceanic Control Area at latitude 31°58'00" N., longitude 77°00'00" W.

Associated with the proposed realignment of Control 1152, the FAA proposes non-rule-making action to realign the southern boundary of Warning Area W-177 to extend from latitude 32°50'35" N., longitude 79°23'00" W., to latitude 32°36'15" N., longitude 78°26'35" W. This realigned warning area boundary would provide lateral separation with the proposed realigned Control 1152.

These amendments are proposed under the authority of sections 307(a) and 1110 of the Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510), and Executive Order 10854 (24 F.R. 9565).

Issued in Washington, D.C., on August 6, 1965.

DANIEL E. BARROW,
Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 65-8446; Filed, Aug. 11, 1965; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 64-EA-56]

FEDERAL AIRWAYS

Proposed Alterations

The Federal Aviation Agency is considering amendments to Part 71 of the Federal Aviation Regulations that would alter VOR Federal airway segments within the New York Air Route Traffic Control Flight Advisory Area.

As parts of these proposals relate to the navigable airspace outside the United States, this notice is submitted in consonance with the ICAO International Standards and Recommended Practices.

Applicability of International Standards and Recommended Practices, by the Air Traffic Service, FAA, in areas outside domestic airspace of the United States is governed by Article 12 and Annex 11 to the Convention on International Civil Aviation (ICAO), which pertains to the establishment of air navigation facilities and services necessary to promoting the safe, orderly, and expeditious flow of civil air traffic. Its purpose is to insure that civil flying on international air routes is carried out under uniform conditions designed to improve the safety and efficiency of air operations.

The International Standards and Recommended Practices in Annex 11 apply in those parts of the airspace under the jurisdiction of a contracting state, derived from ICAO, wherein air traffic services are provided and also whenever a contracting state accepts the responsibility of providing air traffic services over high seas or in airspace of undetermined sovereignty. A contracting state accepting such responsibility may apply the International Standards and Recommended Practices to civil aircraft in a manner consistent with that adopted for airspace under its domestic jurisdiction.

In accordance with Article 3 of the Convention on International Civil Aviation, Chicago, 1944, state aircraft are exempt from the provisions of Annex 11 and its Standards and Recommended Practices. As a contracting state, the United States agreed by Article 3(d) that its state aircraft will be operated in international airspace with due regard for the safety of civil aircraft.

Since this action involves, in part, the designation of navigable airspace outside the United States, the Administrator has consulted with the Secretary of State and the Secretary of Defense in accordance with the provisions of Executive Order 10854.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Eastern Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, Federal Building, John F. Kennedy International Airport, Jamaica, N.Y., 11430. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken

on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

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

1. Revocation of the segment of VOR Federal airway No. 1 from the intersection of the Kennedy, N.Y., 159° and Barnegat, N.J., 043° True radials to Kennedy.

2. Realignment of the segment of VOR Federal airway No. 16 from Coyle, N.J., via the intersection of the Coyle 078° and Barnegat, N.J., 043° True radials; intersection of the Kennedy 159° and Riverhead, N.Y., 218° True radials; to Riverhead, excluding the airspace below 2,000 feet MSL outside the United States.

3. Revocation of the segment of VOR Federal airway No. 30 from Colts Neck, N.J., to Norwich, Conn.

4. Revocation of the segment of VOR Federal airway No. 46 from Kennedy to Deer Park, N.Y.

5. Revocation of the segment of VOR Federal airway No. 157 from Colts Neck to Kennedy.

6. Realignment of the segment of VOR Federal airway No. 167 from Coyle, via the intersection of the Coyle 050° and the Kennedy 178° True radials; to Kennedy, excluding the airspace below 2,000 feet MSL outside the United States.

7. Revocation of the segment of VOR Federal airway No. 226 from the Budd Lake, N.J., intersection to Kennedy.

8. Revocation of the segment of VOR Federal airway No. 232 from the intersection of the Tannersville, Pa., 114° and the Solberg, N.J., 051° True radials; to Kennedy.

9. Revocation of the segment of VOR Federal airway No. 249 from Colts Neck to Sparta, N.J.

10. Realignment of the segment of VOR Federal airway No. 276 from Robbinsville, N.J., to the intersection of the Hampton, N.Y., 223° and Kennedy 159° True radials, excluding the airspace below 2,000 feet MSL outside the United States.

11. Designation of VOR Federal airway No. 312 from Coyle to the intersection of the Hampton 223° and Kennedy 159° True radials, excluding the airspace below 2,000 feet MSL outside the United States.

12. Realignment of the segment of VOR Federal airway No. 880 from the intersection of Sparta 300° and the Huguenot, N.Y., 224° True radials; to Wilkes Barre, Pa.

The latest Agency IFR peak day airway traffic survey shows one aircraft

movement on the segment of V-1 between the intersection of the Kennedy 159° and the Barnegat 043° True radials to Kennedy; a maximum of four aircraft movements on the segment of V-30 between Colts Neck and Hampton (the segment of V-30 between Hampton and Montauk Point Intersection, N.Y., is served by segments of V-139, V-837, and V-888); and two aircraft movements on the segment of V-30 between Montauk Point and Norwich. This latter segment of V-30 is also served, in part, by V-888; the segment of V-46 between Deer Park and Kennedy is no longer required as a specific route since all traffic inbound to Kennedy from over the Deer Park VOR are issued radar vectors. The FAA peak day air traffic survey shows a maximum of nine aircraft movements on the segment of V-157 between Colts Neck and Kennedy, one aircraft movement on the segment of V-226 between Budd Lake Intersection and Kennedy, no aircraft movements on the segment on V-232 between the intersection of the Tannersville 114° and the Solberg 051° True radials to Kennedy, and a maximum of three aircraft movements on the segment of V-249 between Colts Neck and Budd Lake Intersection. The segment of V-249 from Budd Lake Intersection to Sparta would be replaced by the segment of V-489 between these points as proposed in Airspace Docket No. 64-EA-47 (30 F.R. 4207). Therefore, it appears that the retention of these airway segments is unjustified as a continued assignment of airspace. Realignment of the segment of V-16 would provide an improved route for use by aircraft departing Kennedy Airport to the southwest. The realignment of the segment of V-167 would provide a route from the southwest for routing traffic to the Tomlin Intersection which serves as an outer fix for traffic en route to Kennedy Airport from the south and west. Realignment of the segment of V-276 would provide a route to bypass the Tomlin Intersection by aircraft departing the Trenton, North Philadelphia, and Philadelphia Airports, proceeding en route to the northeast via the Dutch Intersection and V-139. The designation of V-312 would provide, in conjunction with V-139, route capability for aircraft proceeding en route to and from McGuire AFB, N.J., from the northeast. The realignment of V-880 would permit the starting point of this airway segment to overlie the centerline of V-39 at the Sussex, N.J., Intersection.

These amendments are proposed under the authority of section 307(a) and 1110 of the Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510), and Executive Order 10854 (24 F.R. 9565).

Issued in Washington, D.C., on August 6, 1965.

DANIEL E. BARROW,
Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 65-8447; Filed, Aug. 11, 1965;
8:45 a.m.]

CIVIL AERONAUTICS BOARD

[14 CFR Parts 241, 399]

[Economic Regulations Policy Statements
Docket No. 16392]

CAPITALIZATION OF INTEREST

Notice of Proposed Rule Making

AUGUST 9, 1965.

Notice is hereby given that the Civil Aeronautics Board is proposing to amend Parts 241 and 399 of the regulations to prohibit the inclusion of equipment purchase deposits in the investment base and to permit all air carriers to capitalize interest on equipment purchase deposits and on funds used in developmental and preoperating projects. The proposed amendments and a statement explaining their principal features are set forth below. The rules are proposed under the authority of sections 204 and 407 of the Federal Aviation Act of 1958, as amended (72 Stat. 743 and 766, 49 U.S.C. 1324 and 1377), and section 3 of the Administrative Procedure Act (60 Stat. 238, 5 U.S.C. 1002).

Interested persons may participate in the proposed rule making through submission of ten (10) copies of written data, views, or arguments pertaining thereto, addressed to the Docket Section, Civil Aeronautics Board, Washington, D.C., 20428. All relevant matter in communications received on or before September 13, 1965, will be considered by the Board before taking action. Upon receipt by the Board, copies of such communications will be available for examination by interested persons in the Docket Section of the Board, Room 710 Universal Building, 1825 Connecticut Avenue NW., Washington, D.C.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

Explanatory statement. The Board proposes in this rule-making proceeding to change the policy announced in the General Passenger-Fare Investigation, 32 C.A.B. 291 (1960), so as to prohibit the inclusion of equipment purchase deposits in an air carrier's investment base and to permit all carriers to capitalize interest on such deposits for ratemaking purposes.

Equipment purchase deposits are advance payments made by air carriers to manufacturers for the purchase of equipment to be delivered in the future, or funds segregated by the carriers for this purpose. For ratemaking purposes, these deposits may be handled in one of the following ways: (1) The amounts segregated or deposited may be included in the investment base, or (2) actual or constructive interest on the funds may be added to the cost of the equipment and amortized over the service life of the equipment. Including the deposits in the rate base affords the carriers a return on the investment before the equipment is actually acquired and put into

service, whereas capitalizing interest on the deposits results in return on the investment while the equipment is in use. Thus, in the first case, shippers or passengers pay for future equipment and, in the second case, for equipment in use.

Historically, for subsidy purposes, the Board has always excluded equipment purchase deposits from the rate base and provided for capitalized interest as the means for compensating the carriers for the capital costs involved in maintaining deposits with manufacturers. However, in the General Passenger-Fare Investigation, the Board adopted a different policy with respect to the determination of the domestic passenger-fare level.

In the General Passenger-Fare Investigation, the carriers generally took the position that equipment purchase deposits should be included in the investment base for ratemaking, so that they could receive a current return on investment, whereas Bureau Counsel favored capitalization of interest, in order to defer returns until the equipment was in use. In its opinion, the Board determined to adopt the position urged by the carriers.¹

The present accounting regulations permit the capitalization of interest on equipment purchase deposits but require air carriers to reverse entries capitalizing interest if the amounts on which interest has been capitalized are allowed by the Board as a part of the rate base during all or a part of the period for which interest has been capitalized (§ 241.2-10(d)). Although it is clear that the Board did not intend that the domestic trunkline carriers should capitalize interest on equipment purchase deposits and thus receive a double return on the deposits, some of these carriers have continued to do so notwithstanding requests of the Bureau of Accounts and Statistics that they reverse such entries in accordance with the regulations.

In light of the impact of the inclusion of equipment purchase deposits in the investment base on the users of air transportation, the Board has determined to reconsider its decision in the General Passenger-Fare Investigation with respect to such deposits. The Board's decision in that case was based upon the theory that equipment purchase deposits were a year-in, year-out requirement for engaging in the air transportation business. However, an analysis of the data for the years 1947 through 1963 indicates wide fluctuations in the amount of such deposits from year to year, as illustrated in Appendixes I

and II attached hereto.² Appendix I indicates that in the years 1954-63, equipment purchase deposits reached a peak of \$223,600,000 (in 1958) and a low of \$36,300,000 (in 1954), a range of \$187,300,000, or a ratio between the high and low of 6 to 1. If the deposits are measured in terms of the percentage of used and useful investment excluding such deposits (Appendix II), they range from a high of 27.2 percent to a low of 3.7 percent of such investment, or a ratio between the high and low of 7.4 to 1. (For individual carriers, such funds range from zero to 45 percent of the used and useful investment.)

Apart from the wide swings in equipment purchase deposits over the years, the inclusion of such funds in the investment base creates severe inequities between present and future users of air transportation. This may be illustrated by the example of a \$2 million deposit, which roughly represents the amount that would be associated with the purchase of one jet aircraft. The inclusion of these funds in the current rate base at a 20-percent return (before income taxes at 50 percent) would cost present users \$400,000 a year, or \$800,000 for the 2-year period these funds would typically remain on deposit. On the other hand, if these funds were excluded from the current rate base and interest at 5 percent capitalized and added to the cost of the aircraft, the annual interest charge would be \$100,000, or \$200,000 for the 2-year period. The \$200,000 of added equipment cost would be fully recouped from future users as depreciation expense over the 10-year service life of the aircraft. Since the investment would start initially at \$200,000 and end up at zero through periodic depreciation charges, the average investment over the 10-year period would be \$100,000. The annual cost to future users for return on investment at 20 percent before taxes would, therefore, be \$20,000 a year, or \$200,000 for the 10-year service life. It follows that the total cost to future users under the capitalized-interest approach would be \$400,000 for the 10-year period (i.e., \$200,000 for depreciation and \$200,000 for return on investment). By contrast, the total cost to present users where deposits are included in investment is \$800,000 over a 2-year period. Thus, present users, who receive no service at all from the equipment purchase funds, pay double the cost in a 2-year period that future users would pay in a 10-year period. Thus, the annual cost burden is 10 times as great to present users as to future users.

Upon reconsideration of the matter, it is our opinion that capitalizing interest is the more equitable method of accounting for equipment purchase deposits from the standpoint of the user of air transportation. Further, the Board has consistently applied the capitalized-interest method to subsidized carriers, and most of the air carriers appear to prefer this

² Appendixes I and II filed as part of original document.

method for accounting purposes.³

Therefore, we propose herein to change our policy with respect to commercial ratemaking to prohibit the inclusion of equipment purchase deposits in the investment base and to permit the capitalization of interest on such deposits for all ratemaking purposes.

It is also proposed herein to change the Board's accounting regulations with respect to capitalization of interest on funds actually employed in developmental and preoperating projects. Although the regulations presently provide for such capitalization only by newly certificated carriers, the Local Service Class Subsidy Rate now provides for capitalization of interest on deferred developmental and preoperating expenses.⁴ The proposed rule would make the accounting regulations consistent with this provision and would make the same accounting procedure applicable to all air carriers.

The proposed rules would also amend Part 241 by specifying the accounts in which capitalized interest may be lodged, by prescribing the accounting procedure to be followed in the capitalization and amortization of imputed interest,⁵ and by making editorial changes to simplify the capitalization-of-interest section 2-10.

The proposed effective date of these amendments is July 1, 1965.

Proposed rules. It is proposed to amend Part 241 of the Economic Regulations (14 CFR Part 241) and Part 399, Statements of General Policy (14 CFR Part 399), as follows:

I. In Part 241:

1. Replace section 2-10 with the following:

Sec. 2-10 Capitalization of interest.

(a) Interest may be capitalized on funds actually committed as equipment purchase deposits or actually used to finance the construction or acquisition of operating property from the date the funds are first so employed to the date the property is ready for use: *Provided*, That the capitalization will be limited in both time and amount to the reasonable requirements for such funds and that it may include interest on funds set aside and carried in balance sheet account 1550 Special Funds—Other for a period not to exceed 6 months in advance

³ In determining the amount of interest to be capitalized, the proposed rule provides that the effective interest rate shall be representative of the current rate for long-term debt for the carrier. However, it should be noted that for subsidy purposes the Board has determined to recognize a rate of interest for capitalization, currently 5.75 percent, consistent with the percent return on debt capital found reasonable therein (Order E-21227, August 28, 1964); and nothing herein is intended to alter that decision.

⁴ Order E-21227, Aug. 28, 1964, mimeo. pp. 27, 62.

⁵ For subsidy purposes, the Board will offset the concurrent entries to depreciation expense and subaccount 80.3, which reflect the amortization of both the income and expense elements of imputed capitalized interest.

¹ At the same time, the Board recognized that in adjusting specific fares the inclusion of large amounts of equipment purchase deposits might so distort the rate base as to result in excessive fares for short periods if the formula adopted were strictly adhered to in every case. Thus, if application of the 10.5-percent rate of return to the rate base in a particular case would result in short-run raising and lowering of fares, the decision allowed the Board to exercise its judgment to maintain stable fare levels in determining the reasonableness of fare adjustments.

of the date they are scheduled under a legally binding contract to be committed for payment to the manufacturer or contractor.

(b) Interest may be capitalized on funds actually employed in developmental and preoperating projects other than property acquisition and construction up to the date the related operations are initiated.

(c) In determining the amount of interest to be capitalized under the provisions of paragraphs (a) and (b) of this section 2-10, the effective interest rate shall be representative of the current rate for long-term debt of the carrier. Imputed interest at the same rate may be capitalized on equity funds whenever commitments under paragraph (a) or (b) of this section 2-10 exceed the balance of long-term debt. The amount of interest so computed shall be reduced by any interest or other earnings from such funds on deposit with or for the account of the manufacturer or contractor. With respect to funds set aside pending actual commitment, the earnings shall be computed on the basis of the average rate earned on the carrier's current or long-term investment of special funds in interest-bearing securities but not to exceed the total amount of such interest actually earned.

(d) Interest capitalized under paragraph (a) or (b) of this section 2-10 shall be charged to the balance sheet account in which the funds are carried (1550, 1689, or 1830) and credited to profit and loss subaccount 87.2 Interest Capitalized—Credit or, if imputed interest, to profit and loss subaccount 80.1 Imputed Interest Capitalized—Credit. Upon completion of the project, interest capitalized under paragraph (a) shall be transferred to the appropriate property balance sheet account as a cost of the related asset. When imputed interest is capitalized, a concurrent entry shall be recorded debiting profit and loss subaccount 80.2 Imputed Interest Deferred—Debit and crediting balance sheet account 2390 Other Deferred Credits which shall be cleared to profit and loss subaccount 80.3 Amortization of Imputed Capitalized Interest periodically as the amount of such interest in the asset accounts is written off.

(e) The capitalization of interest will be permitted only to the extent it is reflected in the accounts on a current basis. Furthermore, in the event that a construction project is not completed or a developmental project is not brought to fruition, any related capitalized interest shall be eliminated from the accounts by reversal of the capitalizing entries.

2. Delete from section 7 the present accounts 80 and 87 and their subaccounts, and insert in lieu thereof the following:

Objective classification of profit and loss elements	Functional or financial activity to which applicable (00)		
	Group I carriers	Group II carriers	Group III carriers
NONOPERATING INCOME AND EXPENSES			
80 Imputed interest capitalized.			
80.1 Imputed interest capitalized—credit.....	81	81	81
80.2 Imputed interest deferred—debit....	81	81	81
80.3 Amortization of imputed capitalized interest.....	81	81	81
.....	***	***	***
87 Interest and debt expense.			
87.1 Interest on debt principal.....	81	81	81
87.2 Interest capitalized—credit.....	81	81	81
87.3 Amortization of discount and expense on debt.....	81	81	81
87.4 Amortization of premium on debt.....	81	81	81
.....	***	***	***

3. Modify section 14, accounts 80 and 87 to read as follows:

80 Imputed Interest Capitalized.

(a) Record here imputed interest capitalized pursuant to section 2-10 and charged to asset accounts.

(b) This account shall be subdivided as follows by all air carrier groups:

80.1 *Imputed Interest Capitalized—Credit.*
Record here credits related to imputed interest capitalized and recorded in asset accounts.

80.2 *Imputed Interest Deferred—Debit.*
Record here debits related to imputed interest deferred in balance sheet account 2390 Other Deferred Credits.

80.3 *Amortization of Imputed Capitalized Interest.*
Record here periodic credits for imputed interest, cleared to this account as the amount of such interest in the asset accounts is written off.

87 Interest and Debt Expense.

(a) Record here interest on all classes of debt, including interest on unpaid taxes; premium, discount, and expense on short-term obligations; and amortizations of premium, discount and expense on short-term and long-term obligations. This account shall also include credits for interest capitalized and recorded in asset accounts pursuant to section 2-10.

(b) This account shall be subdivided as follows by all air carrier groups:

87.1 *Interest on Debt Principal.*
87.2 *Interest Capitalized—Credit.*
87.3 *Amortization of Discount and Expense on Debt.*
87.4 *Amortization of Premium on Debt.*

4. Amend Schedule P-3 of CAB Form 41 by changing the section entitled "Non-

operating Income and Expense—Net":
II. In Part 399:

5. Add new § 399.— to Subpart C, as follows:

§ 399.— Equipment purchase deposits.

Equipment purchase deposits are advance payments made by air carriers to manufacturers for the purchase of equipment to be delivered in the future, or funds segregated by air carriers for this purpose. It is the policy of the Board not to recognize equipment purchase deposits in an air carrier's investment base for ratemaking or accounting purposes. When equipment is acquired by an air carrier and placed in air-transport service, the Board will recognize in the air carrier's investment base interest on purchase deposits on such equipment capitalized and amortized in accordance with the Uniform System of Accounts and Reports for Certificated Air Carriers (Part 241 of the Economic Regulations).

[P.R. Doc. 65-8485; Filed, Aug. 11, 1965; 8:51 a.m.]

FEDERAL POWER COMMISSION

[18 CFR Parts 154, 157, 260]

[Docket No. R-279]

RATE AND CERTIFICATE FILINGS BY SMALL INDEPENDENT PRODUCERS

Notice of Proposed Rule Making

AUGUST 5, 1965.

1. Pursuant to the Commission's decision in Docket No. AR61-1 (issued this day, hereinafter referred to as the "Permian Decision") and in particular the provisions thereof relating to certain relief from filing requirements for "small producer sales," and for the purpose of implementing certain findings, determinations and conclusions in that decision, notice is hereby given of proposed amendments and additions to the appropriate regulations under the Natural Gas Act.

2. The Commission noted in the Permian Decision that present filing requirements contained in the regulations often constitute a burden for the small independent producer. In order that the Commission may be informed as to these transactions, it is proposed that certain data be included in the annual reports to the Commission of the pipeline companies which purchase gas from such producers. The changes in the regulations herein proposed will, if adopted, relieve the small producer in the Permian Basin from applying for individual certificates for new sales of gas at prices within the ceiling price for

¹ Schedule P-3 filed as part of original document.

the area and from filing for rate increases which do not exceed the applicable ceiling. It is contemplated that sales by small producers in the remaining areas will be covered by these new rules when just and reasonable area rates are fixed for the respective areas.

3. In accordance with the notice requirements of section 4 of the Administrative Procedure Act, general notice of the proposed amendments to the regulations will be published in the FEDERAL REGISTER. All interested persons, whether or not they are parties in Docket No. AR61-1, may submit to the Federal Power Commission on or before September 7, 1965, data, suggestions and comments in writing concerning the proposed amendments. The Commission will consider these written submissions before taking any action upon the proposed amendments. An original and nine copies of any such submissions should be filed.

4. Subject to such changes as may be made upon consideration of the submissions of interested persons, the Commission finds that the proposed amendments to the regulations are necessary and appropriate for the proper administration of the Natural Gas Act.

The Commission proposes that the following amendments be adopted pursuant to sections 4, 7, and 16 of the Natural Gas Act.

(A) Parts 154 and 157 of Subchapter E and Part 260 of Subchapter G, Chapter I, Title 18, Code of Federal Regulations should be amended by amending §§ 154.103, 157.31, 260.1 and 260.2 and by adding new §§ 154.104, 154.110, and 157.40 as follows:

1. Section 154.103 would be redesignated as 154.110 and amended to read as follows:

§ 154.110 Applicability of §§ 154.92 through 154.102.

Sections 154.92 through 154.102 shall apply only to those persons specified in § 154.91 but shall not apply to producers who are subject to § 157.40 of this chapter.

2. Section 154.104 would be added to Part 154 and read as follows:

§ 154.104 Producers subject to § 157.40.

Those producers who, due to their coverage by § 157.40 of this chapter, have been relieved in § 154.110 from the filing obligations imposed by this part, shall file the required information in the annual statements filed pursuant to § 157.40 of this chapter.

3. Section 157.31 redesignated as § 157.39 and would be amended to read as follows:

§ 157.39 Applicability of §§ 157.23 through 157.30.

Sections 157.23 through 157.30 shall be applicable to independent producers as defined in § 154.91 of this chapter, with the exception of those independent producers who are subject to § 157.40.

4. Section 157.40 would be added to Part 157 and read as follows:

§ 157.40 Small Producer Certificates of public convenience and necessity.

(a) *Definitions.* (1) A "Small Producer" is an independent producer of natural gas as defined in § 154.91 of this chapter, whose total jurisdictional sales on a nationwide basis, together with such sales of "affiliated producers," are not in excess of 10 million Mcf per year. As used in this section, the term "jurisdictional sales" includes volumes of gas paid for but not taken under prepayment clauses or otherwise, and volumes of gas sold under other independent producer rate schedules in the proportion that the independent producer seeking to come within this section has an interest in such sales, but does not include sales made pursuant to percentage sales contracts.

(2) "Affiliated producers" are persons who, directly or indirectly, control, or are controlled by, or are under common control with, the reporting producer. Such control exists if the producer has the power to direct or cause the direction of the management and policies of a person, whether such power is exercised alone or through one or more intermediary companies, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trust, associated companies, or any other direct or indirect means. For the purposes of this section, independent producers who are, or are controlled by, members of the same family, whether related by blood or marriage, are presumed to be "affiliated." Such presumption is rebuttable upon a satisfactory showing to the Commission that the producing companies are in fact operating independently.

(3) "Small Producer Sales" are sales by small producers (as defined herein) in which one or more producers have an interest, but do not include sales in which one or more producers not qualifying as small producers have interests which in the aggregate are greater than 12½ percent.

(b) *Requirements for the Small Producer Certificate.* Upon the approval of appropriate applications made pursuant to the provisions of this section, Small Producers will be granted "Small Producer Certificates" authorizing "small producer sales" of natural gas in interstate commerce at prices no higher than the applicable just and reasonable area ceiling for such gas, without further certification from the Commission.

(1) Small Producer Certificates are initially available only to Small Producers operating in the Permian Basin and are applicable only to their small producer sales in that area. Such certificates will apply to production in other areas and the producers therein located upon the fixing of just and reasonable rates for such areas by the Commission.

(2) Small Producers in the Permian Basin may apply for a Small Producer Certificate to cover all previous and all future jurisdictional sales, which do not raise the producer's total jurisdictional

sales on a nation-wide basis above 10 million Mcf per year. Applications by these producers shall include the following information: (i) Total jurisdictional sales on a nationwide basis for the year preceding the application; (ii) a list of outstanding certificates and rate schedules together with names and percentage of interest of other interest owners under such rate schedules; and (iii) the names of all owners (stockholders, partners, joint venturers, etc.) of the applicant with an interest of 5 percent or more, their percentage of ownership in the applicant and in any other natural gas company, and any positions such owners may hold with another natural gas company.

(3) Applicants for Small Producer Certificates who have no outstanding certificates issued by this Commission for the sale of gas shall include the following information in their applications: (i) A listing of all contracts to sell natural gas in interstate commerce; at least one contract (either executed or in process of negotiation) must be listed in order that the application may be considered; (ii) source of production, total rate and the annual volume delivery obligations of the producer under each such contract, together with names and percentage of interest of other interest owners under each such contract, and (iii) a list of all owners of the applicant, their percentage of ownership in the applicant and in any other natural gas company and any position such owners may hold with another natural gas company.

(4) The application as filed shall contain the information called for on Form A attached hereto.¹

(c) *Annual statements.* Annual statements (Form B attached hereto)¹ shall be filed by all producers, either individually or by groups, to whom Small Producer Certificates have been issued. The statements shall be submitted not later than February 15 of each year for the preceding calendar year.

(d) *Duration of the Small Producer Certificate.* A Small Producer Certificate issued hereunder shall remain in effect for small producer sales until the Commission on its own motion or on application terminates such certificate because the producer no longer qualifies as a small producer or for other good cause. Upon such termination the producer will be required to file separate certificate applications and individual rate schedules for future sales but the Small Producer Certificate will still be effective as to those past sales already certificated thereunder.

§§ 260.1, 260.2 [Amended]

5. Sections 260.1 and 260.2 dealing with annual reports for natural gas companies would be amended by the addition of the following paragraph to each of those sections.

(d) All natural gas companies, as defined in the Natural Gas Act, purchasing gas from independent producers who

¹ Forms A and B filed as part of original document.

PROPOSED RULE MAKING

have been granted Small Producer Certificates pursuant to § 157.40 of this chapter, shall include the following information pertaining to such purchases in their annual report: (i) The name of the producer and the field from which the gas is produced; (ii) the average rate paid per Mcf; (iii) the amount of gas received under each contract with the producer, and (iv) the amount paid for the gas received under each contract.

By direction of the Commission.

GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 65-8451; Filed, Aug. 11, 1965;
8:46 a.m.]

Notices

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Wyoming 0317252]

WYOMING

Notice of Proposed Withdrawal and Reservation of Lands

AUGUST 6, 1965.

The Forest Service, U.S. Department of Agriculture, has filed an application, Serial No. Wyoming 0317252, for the withdrawal of lands described below, from location and entry under the general mining laws, but not the mineral leasing laws, subject to valid existing rights.

The applicant desires the lands for use as an administrative site.

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, 2120 Capitol Avenue, Cheyenne, Wyo., 82001.

The Department's regulations, 43 CFR 231.1-3(c), provide that 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.

The authorized officer 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 applicant agency.

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, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

SIXTH PRINCIPAL MERIDIAN, WYO.

FOREST SERVICE ADMINISTRATIVE SITE

T. 21 N., R. 87 W., The tract of land beginning at a point located 1,334.9 ft. due south of the N $\frac{1}{4}$ Corner, Sec. 20, T. 21 N., R. 87 W., 6th P.M., bearing due west 577.1 ft.; Thence S. 59°30' W., 696.3 ft.;

Thence on the arc of a curve to the left, radius 1,785 ft., 124.6 ft.; Thence S. 55°30' W., 72.0 ft.; Thence, on the arc of a curve to the left, whose back tangent bears S. 64° 30' W., radius 5,560.0 ft., 1,165.0 ft.; Thence S. 87° 56' E., 188.2 ft.; Thence due north 631.7 ft. to the point of beginning. The tract as described contains 13.3 acres, more or less.

ED PIERSON,
State Director.

AUGUST 6, 1965.

[P.R. Doc. 65-8459; Filed, Aug. 11, 1965;
8:47 a.m.]

[Group 537]

OREGON

Notice of Filing of Plat of Survey

AUGUST 3, 1965.

1. Plat of survey of the lands described below will be officially filed in the Land Office, Portland, Oreg., effective at 10 a.m., September 7, 1965:

WILLAMETTE MERIDIAN, OREG.

T. 6 S., R. 14 E.,
Sec. 4 to 9, inclusive;
Secs. 16 to 21, inclusive;
Secs. 28 to 33, inclusive.

The area described aggregates 9,921.54 acres, of which 633.25 acres, below described, are newly surveyed lands of the United States, ascertained after retracement and reestablishment of a portion of the north boundary of Warm Springs Indian Reservation.

WILLAMETTE MERIDIAN, OREG.

T. 6 S., R. 14 E.,
Sec. 28, Lots 9, 10, 11, 12, 13, 14, S $\frac{1}{2}$ NW $\frac{1}{4}$,
N $\frac{1}{2}$ SW $\frac{1}{4}$;
Sec. 29, Lots 6, 7, 8, 9, 11, 12, 13, 14,
SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 31, Lots 7, 8, 9, 10;
Sec. 32, Lots 4, 5, 6.

Plat of Survey was accepted June 14, 1965.

2. The following described lands have been withdrawn from entry, location, or other disposal under the laws of the United States for power site purposes by Secretary's Order of September 21, 1922 (which withdrew every smallest legal subdivision lying along West bank of Deschutes River in section 28, T. 6 S., R. 14 E., W.M., any portion of which will, when surveyed, lie with $\frac{1}{4}$ mile of that river):

WILLAMETTE MERIDIAN, OREG.

T. 6 S., R. 14 E.,
Sec. 28, Lots 9, 11, 12, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$
SW $\frac{1}{4}$.

The area described aggregates 150.71 acres.

3. The following described lands are open to application, location, selection and petition as outlined in paragraph 5 below. No application for these lands will be allowed under the homestead, desert land, small tract, or any other nonmineral public land laws unless the

lands have already been classified upon consideration of an application. Any application that is filed will be considered on its merits. The lands will not be subject to occupancy or disposition until they have been so classified.

WILLAMETTE MERIDIAN, OREG.

T. 6 S., R. 14 E.,
Sec. 28, Lots 10, 13, 14, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$
SW $\frac{1}{4}$;
Sec. 29, Lots 6, 7, 8, 9, 11, 12, 13, 14, SE $\frac{1}{4}$
NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 31, Lots 7, 8, 9, 10;
Sec. 32, Lots 4, 5, 6.

The area described aggregates 482.54 acres.

4. The lands described in paragraph 3 lie southwest of the Deschutes River, approximately 10 miles south of Maupin, in Wasco County, Oreg. Elevations range from 1,200 to 1,400 feet above mean sea level. The climate in the area is arid and the vegetation is sparse and of no economic significance.

5. Subject to any existing valid rights and the requirements of applicable law, the lands described in paragraph 3 are hereby opened to filing applications, selections, and locations in accordance with the following:

a. Applications and selections under the nonmineral public land laws, except applications for Small-Tracts, may be presented to the Manager mentioned below, beginning on the date of this order. Such applications and selections will be considered as filed on the hour and respective dates shown for the various classes enumerated in the following paragraphs.

(1) Applications by persons having prior existing valid settlement rights, preference rights conferred by existing laws, or equitable claims subject to allowance and confirmation will be adjudicated on the facts in support of each claim or right. All applications presented by persons other than those referred to in this paragraph, will be subject to the applications and claims mentioned in this paragraph.

(2) All valid applications and selections under the nonmineral public land laws presented prior to 10 a.m., on September 7, 1965, will be considered as simultaneously filed at that hour. Rights under such applications and selections and offers filed after that hour will be governed by the time of filing.

b. Persons claiming preference rights based upon valid settlement, statutory preference, or equitable claims must enclose properly corroborated statements in support of their applications, setting forth all facts relevant to their claims. Detailed rules and regulations governing applications which may be filed pursuant to this notice can be found in Title 43 of the Code of Federal Regulations.

6. Inquiries concerning these lands should be addressed to the Manager,

Oregon Land Office, 710 Ne. Holladay,
Portland, Oreg., 97232.

DOUGLAS E. HENRIQUES,
Manager.

[F.R. Doc. 65-8458; Filed, Aug. 11, 1965;
8:47 a.m.]

Fish and Wildlife Service

[Docket No. Sub-B-38]

AMERICAN STERN TRAWLERS, INC.

Notice of Hearing

American Stern Trawlers, Inc., New York, N.Y., has applied for a fishing vessel construction differential subsidy to aid in the construction of a steel vessel with a length between perpendiculars of 262 feet to engage in the fishery for groundfish and whiting.

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 September 14, 1965, at 10 a.m., e.d.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.

DONALD L. MCKERNAN,
Director,
Bureau of Commercial Fisheries.

AUGUST 6, 1965.

[F.R. Doc. 65-8462; Filed, Aug. 11, 1965;
8:47 a.m.]

[Docket No. Sub-B-36]

MUSSEL, INC.

Notice of Hearing

Mussel, Inc., New Bedford, Mass., has applied for a fishing vessel construction differential subsidy to aid in the construction of an 88-foot overall steel vessel to engage in the fishery for groundfish, lobster, swordfish, flounder, and scallops.

Notice is hereby given pursuant to the provisions of the United States 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 September 16, 1965, at 10 a.m., e.d.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.

DONALD L. MCKERNAN,
Director,
Bureau of Commercial Fisheries.

AUGUST 6, 1965.

[F.R. Doc. 65-8463; Filed, Aug. 11, 1965;
8:47 a.m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

[Dept. Order 3]

ASSISTANT SECRETARY FOR ADMINISTRATION

Delegation of Authority Regarding Gifts and Bequests to the Department

The following order was issued by the Secretary of Commerce on July 30, 1965.

SECTION 1. Purpose. .01 The purpose of this order is to delegate the authority of the Secretary to receive and use gifts and bequests to aid or facilitate the work of the Department of Commerce and to prescribe conditions governing the exercise of the authority delegated herein.

Sec. 2. Legal authority. .01 Public Law 88-611, approved October 2, 1964, 78 Stat. 991 (5 U.S.C. 608a-608c), provided:

SEC. 1. The Secretary of Commerce is hereby authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department of Commerce. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Secretary of Commerce. Property accepted pursuant to this provision, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

SEC. 2. For the purpose of Federal income, estate, and gift taxes, property accepted under section 1 shall be considered as a gift or bequest to or for the use of the United States.

SEC. 3. Upon the request of the Secretary of Commerce, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund authorized herein. Income accruing from such securities, and from any other property accepted pursuant to section 1, shall be deposited to the credit of the fund authorized herein, and shall be disbursed upon order of the Secretary of Commerce.

.02 Section 4 of Public Law 88-611 repealed special statutory authority previously existing in the National Bureau of Standards (15 U.S.C. 278a), Coast and Geodetic Survey (33 U.S.C. 883g), and the Maritime Administration (46 U.S.C. 1126(g)), and provided that gifts and bequests received and fund balances under the repealed authorities shall be transferred to the fund authorized under Public Law 88-611 and shall be administered in accordance with its requirements.

SEC. 3. Delegation of authority. .01 Pursuant to the authority vested in the Secretary of Commerce by law, and subject to the general policies set forth in section 4 and subject to such further policies and directives as the Secretary of Commerce may prescribe, the Assistant Secretary for Administration is hereby authorized to perform the functions and to exercise the authority of the Secretary of Commerce provided by Public Law 88-611 and Public Law 80-485 (62 Stat. 172), provided that a single gift or bequest valued at more than \$25,000 shall not be accepted without prior approval of the Secretary.

.02 The Assistant Secretary for Administration may redelegate his authority to any officer or employee of the Department of Commerce, with power of successive redelegation, subject to such conditions in the exercise of such authority as he may prescribe.

.03 Prior approval of the Assistant Secretary for Administration shall be obtained for the following:

a. Acceptance and use of gift or bequest, and use of moneys from the special Treasury fund, in excess of such amounts as the Assistant Secretary for Administration may specify, for entertainment purposes;

b. Acceptance of gifts and bequests which are expected to require more than incidental expenditures in connection with their administration and use, or involve unusual conditions or requirements; and

c. Acceptance of gifts and bequests involving real property or interests herein.

.04 The power to accept a gift or bequest under this order includes the power to refuse to accept or to negotiate the terms of acceptance of a gift or bequest.

SEC. 4. General policies. .01 The Assistant Secretary for Administration shall establish standards and conditions for the acceptability, administration, and utilization of gifts and bequests so as to protect the independence and integrity of the Department (including its employees), to aid or facilitate its work without impairing its efficiency or economy, and to maintain such property.

.02 Property which is accepted, and the proceeds from any sale thereof, shall be used as nearly as possible in accordance with the terms of the respective gifts and bequests of said property.

.03 Gifts and bequests shall in each instance be appropriately acknowledged, and proper records shall be kept of their source, nature, purpose, value, administration, use, income therefrom, and the details of disbursements from any gift funds for each fiscal year.

.04 Gifts and bequests may be accepted, if otherwise permissible, to pay in whole or in part the travel (including subsistence) expenses of Department employees in official travel. Such donations may be in the form of money or other property or services in kind. To the extent practicable, such donations shall be made to the Department either in advance or on a reimbursable basis, and not directly to the employees involved, with the Department making the

arrangements for disbursements to or on behalf of employees in accordance with the requirements of applicable law. However, under no circumstances shall the employee involved accept donations of money.

Sec. 5. Regulations and reports. .01 The Assistant Secretary for Administration shall issue regulations, instructions and directives to implement this order setting forth additional policies, procedures, and a system of administrative controls over gifts and bequests subject to this order.

.02 The Assistant Secretary for Administration shall make an annual report to the Secretary of the number, source, nature, purpose, and amount of gifts and bequests to each organization unit of the Department, nature and purpose of expenditures, the status of balances in the fund, and annual investment income or other income from the gifts and bequests.

.03 As used in this and other orders of the Department relating to the acceptance and utilization of gifts and bequests, the word "value" shall mean estimated current market value except where the context clearly indicates a different meaning is intended.

Sec. 6. Revocation of outstanding delegations of authority. .01 Any and all outstanding delegations of authority to accept, administer and use gifts or bequests under the statutes repealed by Public Law 88-611 and under Public Law 90-485, approved April 17, 1948, to accept and use contributions to defray the cost of construction of the library and chapel at the United States Marine Academy at Kings Point, N.Y., are hereby revoked. The balances of funds administered under any such authorities are hereby transferred to the fund authorized under Public Law 88-611, and other property held and administered under any such authorities are hereby transferred to the appropriate property accounts of the respective constituent organization units of the Department.

Effective date: July 30, 1965.

DAVID R. BALDWIN,
Assistant Secretary for
Administration.

[F.R. Doc. 65-8478; Filed, Aug. 11, 1965;
8:49 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

SALAD DRESSING DEVIATING FROM IDENTITY STANDARD

Notice of Issuance of Temporary Permit for Market-Testing

Pursuant to § 10.5(j), Title 21, Code of Federal Regulations, concerning temporary permits for market-testing foods deviating from the requirements of standards of identity, notice is given that a temporary permit has been issued to Corn Products Co., 717 Fifth Avenue, New York, N.Y., 10022, for market-testing

salad dressing. The salad dressing to be market tested is to contain not more than 0.1 percent of sorbic acid, an ingredient not provided for in the standard (21 CFR 25.3). The label bears the statement "Sorbic Acid & Calcium Disodium EDTA Added As Preservatives."

This permit expires August 1, 1966.

Dated: August 5, 1965.

J. K. KIRK,
Assistant Commissioner
for Operations.

[F.R. Doc. 65-8469; Filed, Aug. 11, 1965;
8:48 a.m.]

FROZEN CONCENTRATE FOR ARTIFICIALLY SWEETENED LEMONADE

Extension of Temporary Permit To Cover Market Testing

Pursuant to § 10.5(j) of Title 21, Code of Federal Regulations, concerning temporary permits to facilitate market testing foods deviating from the requirements of standards of identity established under authority of section 401 of the Federal Food, Drug, and Cosmetic Act, notice is given that the temporary permit held by the Ventura Coastal Corp., Ventura, Calif., 93002, to cover interstate marketing tests of frozen concentrate for artificially sweetened lemonade deviating from the requirements of the standard of identity for frozen concentrate for lemonade (21 CFR 27.101) is extended. Nonnutritive artificial sweeteners calcium cyclamate and calcium saccharin will replace the nutritive sweeteners specified in 21 CFR 27.101. The frozen concentrate for artificially sweetened lemonade containing these nonnutritive ingredients is labeled to show that it is artificially sweetened by including in the name the words "artificially sweetened," displayed in the same style and size of type as the letters in the word "lemonade."

This extension of permit expires July 1, 1966.

Dated: August 5, 1965.

J. K. KIRK,
Assistant Commissioner
for Operations.

[F.R. Doc. 65-8470; Filed, Aug. 11, 1965;
8:48 a.m.]

AMERICAN TURPENTINE FARMERS ASSOCIATION COOPERATIVE

Notice of Filing of Petition for Food Additives Esters of Gum Rosin

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348(b)(5)), notice is given that a petition (FAP 5B1809) has been filed by American Turpentine Farmers Association Cooperative, 1204 North Patterson Street, Valdosta, Ga., 31601, proposing an amendment to § 121.2592 *Rosins and rosin derivatives* to provide for the safe use of esters of gum rosin by inserting the words "gum or" before the words "wood rosin" in subparagraphs (a)(3)

(i), (ii), (v), (vii), (ix), (x), (xi), (xii), (xiii), (xiv), (xvi).

Dated: August 4, 1965.

MALCOLM R. STEPHENS,
Assistant Commissioner
for Regulations.

[F.R. Doc. 65-8471; Filed, Aug. 11, 1965;
8:49 a.m.]

ELANCO PRODUCTS CO.

Notice of Filing of Petition for Food Additives Amprolium, Ethopabate, and Tylosin

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348(b)(5)), notice is given that a petition (FAP 5D1763) has been filed by Elanco Products Co., a division of Eli Lilly & Co., Indianapolis, Ind., 46206, proposing an amendment to § 121.210 of the food additive regulations to provide for the safe use of amprolium and ethopabate combined with tylosin for prevention of coccidiosis and for growth promotion and feed efficiency.

Dated: August 4, 1965.

MALCOLM R. STEPHENS,
Assistant Commissioner
for Regulations.

[F.R. Doc. 65-8472; Filed, Aug. 11, 1965;
8:49 a.m.]

HUMBLE OIL & REFINING CO.

Notice of Filing of Petition for Food Additive

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348(b)(5)), notice is given that a petition (FAP 5B1782) has been filed by Humble Oil & Refining Co., Post Office Box 2189, Houston, Tex., 77001, proposing that paragraph (a)(3) of § 121.2553 *Lubricants with incidental food contact* be amended by inserting alphabetically in the list of substances the following item:

Substances	Limitations
Dialkyldimethylammonium bentonite where the alkyl groups are derived from hydro-generated tallow fatty acids (C ₁₁ -C ₁₈).	For use only as a gelling agent in mineral oil lubricants at a level not to exceed 7 percent by weight of the mineral oil.

Dated: August 4, 1965.

MALCOLM R. STEPHENS,
Assistant Commissioner
for Regulations.

[F.R. Doc. 65-8473; Filed, Aug. 11, 1965;
8:49 a.m.]

JOHNS-MANVILLE SALES CORP.

Notice of Filing of Petition for Food Additives Adhesives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C.

348(b)(5)), notice is given that a petition (FAP 5B1709) has been filed by Johns-Manville Sales Corp., 22 East 40th Street, New York, N.Y., 10016, proposing that paragraph (c)(5) of § 121.2520 *Adhesives* be amended by inserting alphabetically in the list of substances two items, as follows:

Hydroxyethyldiethylenetriamine.
4,4'-Isopropylidenediphenol.

Dated: August 4, 1965.

MALCOLM R. STEPHENS,
Assistant Commissioner
for Regulations.

[F.R. Doc. 65-8474; Filed, Aug. 11, 1965;
8:49 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-238]

FIRST ATOMIC SHIP TRANSPORT, INC.

Notice of Issuance of Operating License

Please take notice that pursuant to the initial decision of the Atomic Safety and Licensing Board dated June 16, 1965, the Director of the Division of Reactor Licensing has issued Operating License No. NS-1 to First Atomic Ship Transport, Inc., authorizing operation of the nuclear reactor facility aboard the Nuclear Ship *Savannah* at steady state power levels up to a maximum of 80 thermal megawatts.

A copy of the initial decision is on file in the Commission's Public Document Room, 1717 H Street NW., Washington, D.C.

Dated at Bethesda, Md., this 5th day of August 1965.

For the Atomic Energy Commission.

R. L. DOAN,
Director,
Division of Reactor Licensing.

[F.R. Doc. 65-8439; Filed, Aug. 11, 1965;
8:45 a.m.]

[Docket No. 50-150]

OHIO STATE UNIVERSITY

Notice of Issuance of Facility License Amendment

Please take notice that the Atomic Energy Commission has issued, effective as of the date of issuance, Amendment No. 5, set forth below, to Facility License No. R-75. The license authorizes the Ohio State University to operate its pool-type nuclear reactor located on its campus in Columbus, Ohio. The amendment, (1) incorporates technical specifications into the license and (2) authorizes certain modifications to the reactor as described in the application for license amendment dated March 23, 1965, and the supplement thereto dated June 4, 1965.

Within 15 days from the date of publication of this notice in the FEDERAL REGISTER, the licensee may file a request for a hearing, and any person whose interest may be affected by this proceeding may file a petition for leave to

intervene. Requests for a hearing and petitions to intervene shall be filed in accordance with the provisions of the Commission's rules of practice, 10 CFR Part 2. If a request for a hearing or a petition for leave to intervene is filed within the time prescribed in this notice, the Commission will issue a notice of hearing or an appropriate order.

For further details with respect to this amendment see: (1) the application for license amendment dated March 23, 1965, and the supplements thereto dated April 7, 1965 and June 4, 1965 and (2) a related safety evaluation prepared by the Research and Power Reactor Safety Branch of the Division of Reactor Licensing, all of which are available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. A copy of item (2) above may be obtained at the Commission's Public Document Room, or upon request addressed to the Atomic Energy Commission, Washington, D.C., 20545, Attention: Director, Division of Reactor Licensing.

Dated at Bethesda, Md., this 4th day of August 1965.

For the Atomic Energy Commission.

R. L. DOAN,
Director,
Division of Reactor Licensing.

[License No. R-75; Amdt. No. 5]

The Atomic Energy Commission having found that:

a. The application for license amendment dated March 23, 1965 as amended April 7, 1965, and June 4, 1965, complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in Title 10, Chapter 1, CFR;

b. There is reasonable assurance that (1) the activities authorized by this license, as amended, can be conducted at the designated location without endangering the health and safety of the public, and (2) such activities will be conducted in compliance with the rules and regulations of the Commission;

c. The licensee is technically and financially qualified to engage in the activities authorized by this license, as amended, in accordance with the rules and regulations of the Commission;

d. The licensee is a nonprofit educational institution and will use the reactor for the conduct of educational activities. The licensee is therefore exempt from the financial protection requirement of subsection 170a. of the Atomic Energy Act of 1954, as amended;

e. The issuance of this license amendment will not be inimical to the common defense and security or to the health and safety of the public; and

f. Prior public notice of proposed issuance of this amendment is not required since the amendment does not involve significant hazards considerations different from those previously evaluated;

Facility License No. R-75 is hereby amended in its entirety to read as follows:

1. This license applies to the pool-type nuclear reactor (hereinafter "the reactor") which is owned by the Ohio State University (hereinafter "the licensee"), located on the Ohio State University's campus in Columbus, Ohio, and described in the application dated October 30, 1959 and amendments thereto dated December 9, 1959, January 11, 1965, March 23, 1965, April 7, 1965 and June 4, 1965 (hereinafter "the application").

2. Subject to the conditions and requirements incorporated herein, the Atomic Energy Commission (hereinafter "the Commission") hereby licenses the Ohio State University:

A. Pursuant to section 104c of the Atomic Energy Act of 1954, as amended (hereinafter "the Act"), and Title 10, CFR, Chapter 1, Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the reactor as a utilization facility at the designated location in Columbus, Ohio;

B. Pursuant to the Act and Title 10, CFR, Chapter 1, Part 70, "Special Nuclear Material," to receive, possess and use in connection with operation of the reactor 80 grams of plutonium contained in encapsulated plutonium-beryllium neutron sources, up to 44 kilograms of uranium-235 contained in a reactor fission plate, and up to 3.6 kilograms of uranium-235 contained in reactor fuel.

C. Pursuant to the Act and Title 10, CFR, Chapter 1, Part 30, "Licensing of Byproduct Material," to possess, but not to separate, such byproduct material as may be produced by operation of the reactor.

3. This license shall be deemed to contain and is subject to the conditions specified in sections 50.54 and 50.59 of Part 50, section 70.32 of Part 70 and section 30.32 of Part 30 of the Commission's regulations; is subject to all applicable provisions of the Act and rules, regulations and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:

A. *Maximum Power Level.* The licensee is authorized to operate the reactor at steady state power levels up to a maximum of 10 kilowatts thermal.

B. *Technical Specifications.* The Technical Specifications contained in appendix A to this license (hereinafter the "Technical Specifications") are hereby incorporated in this license. The licensee shall operate the reactor only in accordance with the Technical Specifications. No changes shall be made in the Technical Specifications unless authorized by the Commission as provided in 10 CFR 50.59.

C. *Authorization of Changes, Tests, and Experiments.* The licensee may (1) make changes in the reactor as described in the hazards summary report, (2) make changes in the procedures as described in the hazards summary report, and (3) conduct tests or experiments not described in the hazards summary report only in accordance with the provisions of section 50.59 of the Commission's regulations.

D. *Reports.* In addition to reports otherwise required under this license and applicable regulations:

(1) The licensee shall report in writing to the Commission within 10 days of its observed occurrence any incident or condition relating to the operation of the reactor which prevented or could have prevented a nuclear system from performing its safety function as described in the Technical Specifications or in the hazards summary report.

(2) The licensee shall report to the Commission in writing within 30 days of its observed occurrence any substantial variance disclosed by operation of the reactor from performance specifications contained in the hazards summary report or the Technical Specifications.

(3) The licensee shall report to the Commission in writing within 30 days of its occurrence any significant change in transient or accident analysis, as described in the hazards summary report.

E. *Records.* In addition to those otherwise required under this license and applicable regulations, the licensee shall keep the following records:

(1) Reactor operating records, including power levels.

(2) Records of in-pile irradiations.

(3) Records showing radioactivity released or discharged into the air or water beyond

the effective control of the licensee as measured at the point of such release or discharge.
(4) Records of emergency reactor scrams, including reasons for emergency shutdowns.

4. Pursuant to section 50.60 of the regulations in Title 10, Chapter 1, CFR, Part 50, the Commission has allocated 8.0 kilograms of contained uranium-235 and 80 grams of plutonium contained in encapsulated plutonium-beryllium neutron sources to the Ohio State University for use in connection with the operation of the reactor.

5. This license is effective as of the date of issuance and shall expire at midnight, February 3, 2000, unless sooner terminated.

Date of issuance: August 4, 1965.

For the Atomic Energy Commission.

R. L. DOAN,
Director,
Division of Reactor Licensing.

[F.R. Doc. 65-8440; Filed, Aug. 11, 1965; 8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 6541]

AMERICAN AIRLINES

Cargo Amendment; Notice of Prehearing Conference

Notice is hereby given that a prehearing conference in the above-entitled matter is assigned to be held on August 18, 1965, at 10 a.m., e.d.s.t. in Room 607, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Walter W. Bryan.

Dated at Washington, D.C., August 6, 1965.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 65-8486; Filed, Aug. 11, 1965; 8:50 a.m.]

[Docket No. 16367]

EASTERN-MACKAY MERGER

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference in the above-entitled proceeding is assigned to be held on August 23, 1965, at 10 a.m., e.d.s.t., in Room 726, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Robert L. Park.

Dated at Washington, D.C., August 9, 1965.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 65-8487; Filed, Aug. 11, 1965; 8:50 a.m.]

[Docket No. 13494]

NEW ENGLAND REGIONAL AIRPORT INVESTIGATION (NEW HAVEN-BRIDGEPORT PHASE)

Notice of Postponement of Prehearing Conference

Due to a conflict of cases on the part of counsel for New Haven, the prehearing conference in the above-entitled proceeding heretofore assigned to be held on August 17, 1965, is hereby postponed and is now assigned to be held before the

undersigned Examiner on August 24, 1965, at 10 a.m., e.d.s.t., in Room 726, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C.

Dated at Washington, D.C., on August 9, 1965.

[SEAL] RICHARD A. WALSH,
Hearing Examiner.

[F.R. Doc. 65-8488; Filed, Aug. 11, 1965; 8:51 a.m.]

FEDERAL AVIATION AGENCY

[OE Docket No. 65-CE-13]

MOTOROLA COMMUNICATIONS AND ELECTRONICS

Notice of Grant of Petition for Review

On June 29, 1965, a notice was published in the FEDERAL REGISTER (30 F.R. 8283) stating that the Michigan Department of Aeronautics and the Oakland County Board of Auditors had petitioned the Administrator, pursuant to § 77.37 of Part 77 of the Federal Aviation Regulations, to review the determination of no hazard to air navigation issued by the agency's Central Regional Office in Aeronautical Study No. CE-OE-7620.

The petitions set forth the following issues for consideration:

1. The determination is erroneous since the proposed structure was not circularized to interested parties for their consideration prior to the issuance of the determination.

2. The determination is erroneous since the structure would be situated in the area of the planned Oakland County Airport, the proposal for which airspace approval was given on May 1, 1963.

3. The determination is erroneous since the structure would be a hazard to aeronautical operations at Allen Airport.

Notice is hereby given that the petition(s) is granted and a review to resolve these questions will be conducted on the basis of written material pursuant to § 77.37(c)(1) of the Federal Aviation Regulations.

Interested persons may, within 30 days of the issuance date of this notice, submit any relevant information in writing for consideration in this review to the Federal Aviation Agency, Air Traffic Service, Obstruction Evaluation Branch, 800 Independence Avenue SW., Washington, D.C., 20553. Submissions must be filed in triplicate and be relevant to the effect of the proposed structure on safe air navigation.

A copy of appropriate correspondence in this case is on file in OE Docket No. 65-CE-13, and may be examined by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553.

Issued in Washington, D.C., on August 6, 1965.

GEORGE R. BORSARI,
Chief, Obstruction
Evaluation Branch.

[F.R. Doc. 65-8448; Filed, Aug. 11, 1965; 8:46 a.m.]

[OE Docket No. 65-WE-4]

SKYLINE DEVELOPMENT CO.

Notice of Grant of Petition for Review

On August 5, 1965, a notice was published in the FEDERAL REGISTER (30 F.R. 9779) stating that the Millbrae Association for Residential Survival had petitioned the Administrator, pursuant to § 77.37 of Part 77 of the Federal Aviation Regulations to review the determination of no hazard to air navigation issued by the Agency's Western Regional Office in Aeronautical Study No. WE-OE-4600.

The petition, as examined by the Agency, sets forth the following issues for consideration:

1. The determination is erroneous since evidence produced during the course of the aeronautical study of the volume and altitudes of pertinent aeronautical operations was not evaluated properly in the making of the determination.

2. The determination is erroneous since relevant aeronautical considerations were weighed in terms solely of percentages, and is not the proper basis for the making of this determination.

3. The determination is erroneous since only the proposed structure was considered and it denied recognition of the relevant effects of other pertinent structures that would result from the proposal.

4. The determination is erroneous since evidence of the height of the terrain on which the proposed structure would be erected was overweighed in the evaluation leading to the determination.

Notice is hereby given that the petition is granted and a review to resolve these questions will be conducted on the basis of written materials pursuant to § 77.37(c)(1).

Interested persons may, within 30 days of the issuance date of this notice, submit any relevant information in writing for consideration in this review to the Federal Aviation Agency, Air Traffic Service, Obstruction Evaluation Branch, 800 Independence Avenue SW., Washington, D.C., 20553. Submissions must be filed in triplicate and be relevant to the effect of the proposed structure on safe air navigation.

A copy of appropriate correspondence in this case is on file in OE Docket No. 65-WE-4, and may be examined by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553.

Issued in Washington, D.C., on August 6, 1965.

GEORGE R. BORSARI,
Chief, Obstruction
Evaluation Branch.

[F.R. Doc. 65-8449; Filed, Aug. 11, 1965; 8:46 a.m.]

FEDERAL POWER COMMISSION

[Docket No. AR61-1, etc.]

AREA RATE PROCEEDING; PERMIAN BASIN

Order To Show Cause

AUGUST 5, 1965.

By Opinion No. 468 and order issued in the above proceeding concurrently with this order, we have prescribed just and reasonable rates for all jurisdictional sales of natural gas made in the Permian Basin area by respondents therein and ordered refunds in the section 4(e) proceedings consolidated therewith. We know of no reason why the record already made in this proceeding is not adequate to determine the rates of non-respondents presently certificated under permanent or temporary authorization to sell gas in the Permian Basin and also to determine the refund obligations under unconsolidated 4(e) dockets of respondents or nonrespondents. We believe the record is also sufficient to conclude that any outstanding certificate applications not consolidated in the case for new sales in the area should be certificated at or below the applicable ceiling price as the sales contract may permit.

We therefore are of the opinion that the determinations set forth in Opinion No. 468 should apply to these other sales of gas and to certificate applications in the Permian Basin which were not consolidated in the Permian case. Nevertheless, we shall afford the producers making these sales or seeking certificates an opportunity to show cause why the rate determinations made in Opinion No. 468 and accompanying order should not be applicable to their sales from the Permian Basin as defined in our order instituting this proceeding.

In view of the foregoing, it is necessary and appropriate for the purpose of administering the Natural Gas Act that the parties listed in appendices A¹ and B² and C³ be made respondents to this proceeding (to the extent that they are not already respondents) and be required to show cause, if there be any, why the rates determine in Opinion No. 468 and accompanying order should not be made applicable to all Permian Basin sales of the respondents in appendices A and B, and should not determine the refund obligations under the dockets listed in appendix C.

While just and reasonable rates were prescribed prospectively in the Permian decision for sales made pursuant to

¹ Appendix A includes all persons making sales in the Permian Basin under permanent certificates who were not made respondents under previous orders in Docket No. AR61-1.

² Appendix B includes all pending certificate applications of parties who were not made respondents in previous Permian orders whether their sales were being made under temporary certificates or not, together with all pending certificate applications of parties previously made respondents in Permian where no sales are being made under temporary authorization.

³ Appendix C includes all pending section 4(e) dockets not previously consolidated in the Permian proceeding.

temporary authorization by those producers listed in appendix D,⁴ permanent authorization has not been granted to those producers for such sales. We shall therefore also make such producers respondents herein, and shall give them an opportunity to show cause why they should not receive permanent certificates at the rate level prescribed in Permian. We shall also give those producers in appendix B² who have not received permanent authorization a similar opportunity.

The Commission orders:

(A) The parties listed in appendices A, B, and C hereto are made respondents herein and shall show cause, in writing, if there be any, within 90 days of the issuance of this order, why the rates prescribed by Opinion No. 468 and accompanying order shall not be applicable to all Permian Basin sales of the respondents listed in appendices A and B and to all the refund obligations under the dockets listed in appendix C.

(B) The parties listed in appendix D shall show cause, in writing, if there be any, within 90 days of the issuance of this order, why they should not receive permanent certificate authorization for their respective sales at the rates prescribed by Opinion No. 468 and accompanying order.

(C) The parties listed in appendix B which have not received permanent certificate authorization for their sales shall also show cause, in writing, if there be any, within 90 days of the issuance of this order, why they should not receive permanent certificate authorization for their respective sales at the rates prescribed by Opinion No. 468 and accompanying order.

(D) Future procedures shall be established by subsequent orders of the Commission herein.

By the Commission.

[SEAL] GORDON M. GRANT,
Acting Secretary.

APPENDIX A

Producers¹

American Liberty Oil Co.	Dugan, Thomas A.
Ares, Sam D.	Fasken, David.
Bartley, J. H.	Fluor Corporation,
Bateman, Frank.	Ltd., The.
Bogle Farms, Inc.	Greenlee, Melba J.
Brannon, Clyde J., Jr.	Grover, Arden R., et al., d/b/a Grover, MacCurdy & Hofacker.
Brooks Gas Corp.	Hassie Hunt Trust.
Brown, P. F.	Haynes, Charles A.
Burk Gas Corp.	Helmrick & Payne.
Burrell, Jack L.	Hill & Meeker.
Cactus Drilling Co.	Kasper, Alexander C. and Frank Kell Production Co.
Carter Foundation	Cahoon.
Clark Oil Co.	Kimsey, Roy E., Jr.
Croze Oil Co.	Kluthe, Joseph.
Davoust, Richard C.	Kerbs, Jeanne E.
Delta Drilling Co.	Lakeland Petroleum Corp.
Dixilyn Drilling Corp.	

⁴ Appendix D includes all pending certificate applications of parties previously made respondents in Permian who are making sales under temporary authorizations but have not been afforded a hearing under section 7 of the Natural Gas Act.

⁵ Appendices B and D do not include certificate applications previously consolidated and set for hearing.

Landmark Oil, Inc.	Roberts, A. P., Jr.
Langham, J. T.	Robinson Bros. Oil Producers.
Lanier, Sid.	Rock Island Oil & Refining Co., Inc.
Late, Frank M.	Santana Petroleum Corp.
Long, C. E.	Joseph E. Seagram & Sons, Inc., d/b/a Texas Pacific Oil Co.
Lovelady, I. W.	Slaughter, William E., Jr.
MacCurdy, Malcolm d/b/a GMK Oil Co.	Southern Minerals Corp.
McDermott, J. Ray	Southern New Mexico Oil Corp.
McMillian, John G., Jr.	Texas Oil Corp.
Mallard Petroleum, Inc.	Texas American Oil Corp.
Maxwell Oil Co.	Turner, J. Glenn.
Midhurst Oil Corp.	Vandenbark, J. H.
Morel, W. A.	Williams Brothers Co.
Nearburg, E. E. & Ingram, Tom L.	Wiseman, B. W., Jr.
Ne-O-Tex Corp.	Younger, John P.
Nordhausen, R. H.	Floyd W. Smith & Co., Inc.
Parker & Parsley.	
Penrose Production Co.	
Producing Properties, Inc.	
Ray, Bernard.	
Read, Charles B.	
Reserve Oil & Gas Co.	

APPENDIX B

Producer; Docket Number

American Petrofina Co. of Texas; CI62-635.
 Apco Oil Corp.; CI64-718.
 The Atlantic Refining Co., et al.; CI65-513.
 Bartessa Oil Corp.; CI61-1724.
 Perry R. Bass (Operator), et al.; CI64-597.
 Blackwood & Nichols Co., et al.; G-3679.
 W. K. Byrom; CI62-336.
 Captain Petroleum, Inc.; CI65-561.
 Chambers & Kennedy; CI62-100.
 Chase Petroleum Co., et al.; CI63-1211.
 Cities Service Oil Co.; CI64-765, CI64-1461.
 DST Exploration Corp.; CI61-1261.
 Robert N. Enfield (Operator), et al.; CI65-577.
 Gulf Oil Corp.; CI64-708, CI64-818, CI65-463, CI65-464, CI65-465, CI65-466, CI65-467, CI65-468, CI65-609.
 Hanagan Petroleum Corp. (Operator), et al.; CI65-586.
 Hankamer, Curtis; CI61-1606.
 Humble Oil & Refining Co.; G-5145, CI65-606.
 Hunt Petroleum Corp.; CI64-184.
 Curtis R. Inman (Operator), et al.; CI65-558.
 International Oil & Gas Corp.; CI65-679.
 Kerr-McGee Oil Industries, Inc.; CI65-805.
 Lario Oil & Gas Co.; CI62-684.
 Lesh Company; CI62-319.
 Ralph Lowe; CI65-649.
 Marathon Oil Co.; CI64-716, CI65-603.
 McCulloch Oil Corp. of California, et al.; CI62-1491.
 Ray Morris Exploration Co. (Operator), et al.; CI62-860.
 Monsanto Co.; CI65-525, CI65-531.
 The Nueces Co. (Operator), et al.; CI62-101.
 Pan American Petroleum Corp.; CI64-713.
 Penroc Oil Corp.; CI65-595.
 Petroleum Exploration, Inc., of Texas, et al.; CI63-368.
 Potaah Co. of America (Operator), et al.; CI65-628.
 Rodman Petroleum Corp. (Operator), et al.; CI61-111.
 Rutter & Co., Ltd., et al.; CI65-1165.
 Rutter Wilbanks and Rutter; CI61-1733.
 Tom Schneider (Operator), et al.; CI65-191.
 Joseph E. Seagram & Sons, Inc., d/b/a Texas Pacific Oil Co.; CI62-438, CI65-558.
 Shell Oil Co.; CI64-706, CI65-1164.
 Sinclair Oil & Gas Co.; CI61-1500, CI62-590, CI64-1439, CI65-543.
 Skelly Oil Co.; CI61-801.
 Peter B. Smith; CI65-1242.
 Southern Petroleum Exploration, Inc.; CI65-892, CI65-911.
 Southland Royalty Co.; CI65-806.
 Marion E. Spitzer; CI65-678.
 Standard Oil Co. of Texas, a division of Chevron Oil Co.; CI65-564, CI65-1018.

Sun Oil Co., (Southwest Division); CI65-583.
 Sunray DX Oil Co.; CI64-784.
 The Superior Oil Co.; CI65-995.
 Texaco, Inc.; CI65-589.
 Tidewater Oil Co.; CI64-585.
 John H. Trigg; CI65-625.
 Union Oil Co. of California; CI65-539.
 J. C. Williamson et al.; CI62-109.
 Wolfson Oil Co. (Operator) et al.; CI62-444.
 Harvey E. Yates et al.; CI65-659.

APPENDIX C

Producer; Docket Number

Ada Oil Co. (Operator), et al.; RI61-271.
 Amerada Petroleum Corp.; G-16117, G-16256,
 G-16715, RI62-333, RI63-253, RI64-31,
 RI64-58, RI64-340, RI65-20.
 Amerada Petroleum Corp., et al., G-16118.
 Amerada Petroleum Corp. (Operator), et al.;
 G-16119, RI62-334, RI65-19.
 American Liberty Oil Co.; RI63-455.
 Apco Oil Corp.; RI64-579.
 Apco Oil Corp., et al.; RI64-578.
 The Atlantic Refining Co.; G-18913, RI61-
 468, RI62-446, RI63-228, RI63-272, RI64-
 191, RI64-244, RI64-272, RI64-278, RI64-
 292, RI64-336, RI64-654, RI65-8, RI65-70.
 The Atlantic Refining Co. (Operator), et al.;
 G-16903, G-18565, RI64-337, RI65-9.
 The Atlantic Refining Co. (Operator); RI61-
 383, RI64-271.
 The Atlantic Refining Co., Sunset Interna-
 tional Petroleum Corp. & Socony Mobil Oil
 Co. (Operator), et al.; RI61-399.
 Austral Oil Co., Inc.; RI63-273.
 Artec Oil & Gas Co.; RI62-381, RI64-34,
 RI64-699, RI65-68.
 BBM Drilling Co., et al.; RI61-303.
 Bankers Trust Co., Trustee; RI62-124.
 Barnes, J. C. (Operator), et al.; RI63-296.
 Barnhart, Paul F., et al. & Sohio Petroleum
 Co.; RI61-359, RI61-402.
 Bartessa Oil Corp., et al.; RI62-187.
 Bartley, J. H., et al.; RI61-283.
 Baxter, Murphy H.; RI63-291.
 Murphy H. Baxter (Operator), et al.; RI63-
 289.
 Murphy H. Baxter, et al.; RI63-290.
 Benedum-Trees Oil Co.; RI65-142.
 Bianco Oil Co.; RI64-767.
 British-American Oil Producing Co., The;
 RI63-292, RI64-123.
 Brooks Gas Corp.; RI65-325.
 Brown & Key, Inc.; RI61-503.
 BTA Oil Producers; RI65-106.
 BTA Oil Producers (Operator), et al.; RI65-
 50, RI65-107.
 BTA Oil Producers, Agent for Bernard E.
 Alpern, et al.; RI65-46.
 BTA Oil Producers (Operator), Agent for
 Carlton Beal, et al.; RI65-104.
 BTA Oil Producers, Agent for Ernst Wolff,
 et al.; RI65-105.
 BTA Oil Producers, Agent for Winter Wolff
 Co., et al.; RI65-47.
 Burrell, Jack L. (Operator), et al.; RI64-82.
 Cabot Corp. (SW); RI61-293, RI64-294, RI65-
 72.
 Callery, F. A., Inc.; RI64-805.
 Chambers & Kennedy; RI64-664.
 Champlin Petroleum Co.; RI63-236, RI63-304.
 Cities Service Oil Co.; RI63-426, RI64-279,
 RI64-764.
 Cities Service Oil Co. (Operator) et al.;
 RI64-765.
 Cities Service Oil Co. (Operator); RI64-766.
 Continental Oil Co.; RI60-193, RI61-473,
 RI62-31, RI63-368, RI64-30, RI64-79, RI64-
 301, RI64-368, RI65-51, RI65-86, RI65-311.
 Continental Oil Co. (Operator) et al.; RI61-
 472, RI61-480, RI63-367, RI64-5, RI64-29,
 RI64-35, RI65-83.
 Continental Oil Co. (Operator); RI62-422.
 Crouch, Louis; RI61-278.

Culbertson, E. A. & Irwin, Wallace W.; RI61-
 508.
 Davoust, Richard C.; RI65-71.
 Dixilyn Drilling Corp. (Operator) et al.;
 RI61-277.
 Elliott Oil, Inc.; RI64-332.
 Elliott Production Co.; RI64-304, RI64-331.
 Faskan, David, et al.; RI63-333.
 Fields, Bert, Estate et al.; RI63-366.
 Flour Corp., Ltd., The; RI65-585.
 Foree, R. L.; RI64-782.
 Forest Oil Corp.; RI64-357, RI65-16.
 General Crude Oil Co.; RI64-359.
 Getty Oil Co.; RI61-446, RI64-307.
 Gulf Oil Corp.; G-13100, G-13983, G-13984,
 G-14092, G-14929, G-16960, RI61-300, RI63-
 265, RI64-77, RI64-83, RI64-95, RI64-176,
 RI64-321, RI65-36, RI65-48, RI65-101,
 RI65-554.
 Gulf Oil Corporation (Operator), et al.; G-
 16959, RI64-78, RI64-322, RI64-772.
 Hanley Co.; RI65-55.
 Hanley Co., et al.; RI65-57.
 Hanley Co. (Operator), et al.; RI65-114.
 Hanley Company (Operator), et al. and
 Humble Oil & Refining Co.; RI65-56.
 Harper Oil Co. (Operator), et al.; RI65-506.
 Hasale Hunt Trust; RI65-418.
 Herd Oil & Gas Co.; RI62-291.
 Hernstadt, William L.; RI63-118.
 Hill & Meeker (Operator), et al.; RI61-317.
 Hudson, William A. & Hudson, Edward R.,
 et al.; RI63-364.
 Hudson, William A. & Hudson, Edward K.
 (Operator), et al.; RI64-603.
 Humble Oil & Refining Co.; G-19157, RI61-
 376, RI61-524, RI62-415, RI64-42, RI64-49,
 RI65-10, RI65-24, RI65-271.
 Humble Oil & Refining Co. (Operator), et al.;
 RI63-238, RI63-414, RI64-50, RI64-56,
 RI65-25.
 Humble Oil & Refining Co. & Amerada Petro-
 leum Corp. and Parker & Parsley and Han-
 ley Co.; RI65-11.
 Hunt, Caroline, Trust Estate; RI63-252.
 Hunt, H. L.; RI65-79, RI65-80, RI65-141.
 Hunt Industries; RI65-82.
 Hunt, Lamar; RI64-52, RI65-76.
 Hunt, N. B.; RI64-51, RI65-77.
 Hunt Oil Co.; G-13191, G-16422, G-16479,
 G-18464, G-18555, G-18688, G-20531, RI60-
 202, RI65-74.
 Hunt Oil Co. (Operator), et al.; G-20532,
 RI65-81.
 Hunt Petroleum Corp.; RI65-84.
 Hunt, W. H.; RI64-63, RI64-74, RI65-78.
 Husky Oil Co.; RI65-64.
 International Oil & Gas Corp.; RI64-581.
 J. E. Jones Drilling Co. & Sohio Petroleum
 Co., **and Deane E. Stoltz; RI61-468, RI61-
 474.**
 Kasper, Alexander G. & Frank Kell Cahoon
 (Operator), et al.; RI65-320.
 Kerbs, Jeanne E.; RI62-29.
 Kimsey, Roy E., Jr. (Operator), et al.; RI65-
 441.
 Kluthe, Joseph (Operator), et al.; RI63-22,
 RI63-142.
 Lakeland Petroleum Corp.; RI64-384.
 Lakeland Petroleum Corp. (Operator), et al.;
 RI64-383.
 Lampia Royalties, Inc.; RI61-495, RI61-505.
 Lowe, Ralph (Operator), et al.; RI61-482.
 Mallard Petroleum Inc. (Operator), et al.;
 RI63-301, RI64-101.
 Marathon Oil Co.; RI61-296, RI65-355.
 Marathon Oil Co. (Operator), et al.; RI64-
 690.
 Martin, Williams & Judson, et al.; RI61-306,
 RI65-192.
 Martin, Williams & Judson (Operator), et al.
 et al.; RI61-371, RI65-193, RI65-215.
 Maxwell Oil Co. (Operator), et al.; RI61-281.
 McAlester Fuel Co.; RI65-140.
 McMillian, John G., Jr., et al.; RI63-303.
 Mendota Oil Co.; RI61-273.
 Mesquite Gas Products, Inc. (Operator), et al.
 et al.; RI61-326.
 Midhurst Oil Corp. (Operator), et al.; RI62-
 405, RI65-49.

Midland National Bank, the Trustee; RI64-
 681.
 Midwest Oil Corp.; RI63-224, RI63-269.
 Midwest Oil Corp. (Operator), et al.; RI63-
 268.
 Moncrief, W. A., Jr.; RI63-365.
 Monsanto Co.; RI64-16, RI65-23.
 Moses, H. L.; RI62-116.
 Moses, Lucy; RI62-117.
 MWJ Producing Co. (Operator), Agent;
 RI61-370, RI65-191, RI65-214.
 Neleh Gas & Oil Corp.; RI65-525.
 Nordhausen, R. H., et al.; RI64-739.
 North Central Oil Corp. (Operator), et al.;
 RI65-288.
 Northwest Production Corp. (Operator);
 RI65-113.
 Nueces Co., The (Operator); RI64-796.
 O'Neill, Joseph I., Jr. (Operator), et al.;
 RI63-260, RI63-267.
 Pan American Petroleum Corp.; RI63-481,
 RI64-6, RI64-80, RI64-156, RI64-280, RI64-
 302, RI65-111, RI65-117, RI65-193, RI65-
 473.
 Pan American Petroleum Corp. (Operator),
 et al.; RI61-534, RI63-483, RI64-293, RI64-
 303, RI65-109.
 Pan American Petroleum Corp., et al.; RI65-
 110.
 Pan American Petroleum Corp. (Operator);
 RI65-112.
 Pecos Co.; RI65-67.
 Pecos Co., et al.; RI65-65.
 Pecos Co. (Operator); RI65-66.
 Penrose Production Co., et al.; RI65-398.
 Petroleum Exploration, Inc. of Texas (Op-
 erator), et al.; RI61-451.
 Phillips Petroleum Co.; RI63-454, RI64-4,
 RI64-589, RI65-186, RI65-205.
 Phillips Petroleum Co. (Operator); RI62-541,
 RI63-453, RI64-607, RI65-185.
 Phillips Petroleum Co. (Operator), et al.;
 RI63-452, RI65-187, RI65-206.
 Placid Oil Co.; RI64-295.
 Pure Oil Co., The; RI63-258, RI63-263, RI64-
 28, RI64-193, RI65-17.
 Pure Oil Co., The (Operator), et al.; RI65-18.
 Redfern Oil Co.; RI62-290.
 Reserve Oil & Gas Co.; RI65-189.
 Reserve Oil & Gas Co. (Operator), et al.;
 RI65-188.
 Rhodes, A. L. (Operator), et al.; RI65-616.
 Robinson Bros. Oil Producers; RI65-467.
 Rodman Petroleum Corp. (Operator), et al.;
 RI65-419.
 Samedan Oil Corp.; RI61-345, RI64-174,
 RI65-45.
 Schermerhorn Oil Corp.; RI65-150.
 Schermerhorn Oil Corp. (Operator), et al.;
 RI64-590, RI64-668, RI65-148.
 Schermerhorn Oil Corp. (Operator); RI 65-
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 Joseph E. Seagram & Sons, Inc., d/b/a Texas
 Pacific Oil Co.; RI61-357, RI61-544, RI63-
 114, RI63-179, RI63-193, RI63-434, RI63-
 435, RI65-87, RI65-100.
 Joseph E. Seagram & Sons, Inc., d/b/a Texas
 Pacific Oil Co. (Operator), et al.; RI61-358,
 RI63-100, RI63-182, RI64-582, RI65-89.
 Secure Trusts; RI65-85.
 Shell Oil Co.; G-12951, G-16254, G-16952,
 G-17368, G-18185, G-18266, RI63-247,
 RI63-479, RI64-132, RI64-141, RI64-144.
 Shell Oil Co. (Operator); G-12952, G-16255,
 RI60-235, RI61-476.
 Shell Oil Co. (Operator), et al.; G-12953,
 G-16253, G-18186, G-18267, RI61-477,
 RI62-243, RI63-235, RI63-480, RI64-133.
 Shell Oil Co. and Ashmun & Hill Hilliard
 No. 5 LTD and Tenneco Oil Co. (Operator),
 et al., and Cities Service Oil Co.; RI61-475.
 Sinclair Oil & Gas Co.; G-14060, RI61-437,
 RI63-271, RI64-3, RI64-103, RI64-119,
 RI64-305, RI64-341, RI64-463, RI64-631,
 RI64-637, RI65-38.
 Sinclair Oil & Gas Co. (Operator); RI64-219,
 RI65-39, RI65-626.
 Sinclair Oil & Gas Co. (Operator), et al.;
 RI64-465, RI65-40, RI65-108.
 Sinclair Oil & Gas Co. and Ne-O-Tex Corp.;
 RI65-75.

¹ This proceeding is consolidated only insofar as it pertains to the Permian Basin, New Mexico Texas Railroad Commission District Nos. 7-c and 8.

Skelly Oil Co.; RI64-2, RI64-99, RI64-111, RI64-122, RI64-150, RI64-218, RI64-364, RI64-774.

Skelly Oil Co. (Operator); RI64-64.

Skelly Oil Co. (Operator), et al.; RI64-110.

Socony Mobil Oil Co., Inc.; RI63-115, RI64-112, RI65-42, RI65-209, RI65-420.

Socony Mobil Oil Co., Inc. (Operator), et al.; RI64-43, RI64-339, RI64-752, RI65-41, RI65-167, RI65-210.

Samedan Oil Corp. (Operator), et al.; RI61-344, RI64-173, RI65-44.

Socony Mobil Oil Co., Inc., et al.; RI64-354.

Socony Mobil Oil Co., Inc. (Operator); RI65-43, RI65-272, RI64-797, RI65-540.

Sohio Petroleum Co.; RI65-59, RI65-102.

Sohio Petroleum Co. (Operator), et al.; RI63-270, RI63-305, RI64-629, RI65-58, RI65-246.

Sohio Petroleum Co., et al.; RI65-60, RI65-249.

Southern New Mexico Oil Corp.; RI65-35.

Southland Royalty Co.; RI63-381.

Standard Oil Co. of Texas, division of Chevron Oil Co.; RI62-368, RI62-369, RI64-40, RI64-60, RI64-158, RI65-132, RI65-324.

Standard Oil Co. of Texas, a division of Chevron Oil Co. (Operator), et al.; RI62-371, RI64-61, RI64-88, RI65-134.

Standard Oil Co. of Texas, a division of Chevron Oil Co. (Operator); RI62-370, RI65-131.

Street, Gordon, Inc.; RI61-372, RI61-373, RI65-212.

Sunray DX Oil Co.; RI63-482, RI64-102, RI64-177, RI64-617, RI64-804, RI65-7, RI65-226.

Sunset International Petroleum Corp.; RI63-107.

Sun Oil Co.; G-12841, G-12880, G-16257, G-18184, RI61-555, RI62-382, RI63-264, RI63-346, RI64-15, RI64-81, RI64-711, RI64-798, RI64-806, RI65-21, RI65-802, RI65-606.

Sun Oil Co. (Operator), et al.; G-16258, RI61-556, RI62-383, RI65-22.

Superior Oil Co., The; RI62-17, RI64-217, RI65-156, RI65-157.

Superior Oil Co., The and Rutter, A. W., Jr. & Amerada Petroleum Corp.; RI62-445.

Tenneco Oil Co.; RI64-635.

Tenneco Oil Co. and Continental Oil Co. and Harvey H. Henry; RI64-89.

Texaco Inc.; G-13155, G-13162, G-13190, G-14062, G-14096, G-16413, G-16536, RI61-461, RI61-447, RI63-237, RI64-41, RI64-98, RI64-130, RI64-643, RI65-115.

Texaco Inc. (Operator), et al.; RI65-116.

Texas American Oil Corp. (Operator), et al.; RI63-319.

Tidewater Oil Co.; RI61-444, RI64-721.

Tidewater Oil Co. (Operator), et al.; RI61-445.

Turner, J. Glenn, et al.; RI64-355.

Union Oil Co. of California; RI61-512, RI64-388, RI65-69.

Union Texas Petroleum, a division of Allied Chemical Corp.; RI65-63, RI65-208, RI65-539.

Union Texas Petroleum, a division of Allied Chemical Corp. (Operator), et al.; RI65-62, RI65-538.

Union Texas Petroleum, a division of Allied Chemical Corp., et al.; RI64-149, RI64-323, RI65-61.

United States Smelting & Mining Co. (Operator), et al.; RI64-698.

Vandenbark, J. H. (Operator), et al.; RI61-467, RI61-490.

Vest, Earl, et al.; RI63-363.

Western Oil Fields, Inc.; RI63-459.

Willets, Elmore A., Jr. & Craig, Earl M., Jr.; RI64-666.

Wolfson Oil Co.; RI65-248.

Wolfson Oil Co. (Operator), et al.; RI63-462, RI65-247.

Ruben I. Wolfson & Sam Wolfson d/b/a Wolfson Oil Co. (Operator), et al.; RI61-270.

Wrightsman Investment Co.; RI65-174.

See footnote on preceding page.

Yates Petroleum Corp. (Operator), et al.; RI64-626.

Younger, John F., et al.; RI63-302.

APPENDIX D

Producer; Docket Number

Amerada Petroleum Corp.; CI65-600.

The Atlantic Refining Co.; CI61-1351, CI62-1287, CI64-21.

J. E. Connally d/b/a Connally Oil Co. (Operator), et al.; CI62-629.

Continental Oil Co.; CI64-379.

Gulf Oil Corp.; CI62-568, CI62-803, CI63-193, CI63-911.

Hanley Co. (Operator), et al.; CI61-1124.

Humble Oil & Refining Co. (Operator), et al.; *G-5145, *CI62-539, CI63-689, CI63-1344, CI65-351.

J. Wes. Johnson d/b/a Tower Oil & Gas Co. of Texas; CI61-1020, CI61-1335.

Martin, Williams & Judson; CI62-1151.

Marathon Oil Co.; CI62-1475.

Moncrief, W. A., Jr.; G-18047.

Pan American Petroleum Corp.; CI62-1168.

Phillips Petroleum Co.; CI62-202.

Pioneer Production Corp., et al.; CI62-955.

Rutter & Wilbanks, Brothers, et al.; CI61-1052.

Shell Oil Co. (Operator); CI65-399.

Samedan Oil Corp. (Operator), et al.; CI62-691.

Socony Mobil Oil Co., Inc.; G-19844, CI61-1105, CI62-801.

Sohio Petroleum Co. (Operator), et al.; G-17012.

Sun Oil Co.; CI62-1003, CI65-512.

Texaco Inc.; CI62-622, CI65-436.

Westbrook-Thompson Holding Corp.; G-17562.

United States Smelting, Refining & Mining Co.; CI63-380.

[F.R. Doc. 65-8452; Filed, Aug. 11, 1965; 8:46 a.m.]

FEDERAL RESERVE SYSTEM

ANNAPOLIS BANKING AND TRUST CO.

Order Granting Application for Exemption

In the matter of the application of the Annapolis Banking and Trust Co. for an exemption from the registration requirements of the Securities Exchange Act of 1934.

There has come before the Board of Governors, pursuant to section 12(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78l), an application by the Annapolis Banking and Trust Co., Annapolis, Md. ("bank"), a member State bank of the Federal Reserve System, for an exemption from the registration requirements of section 12(g), of said Act.

Appropriate notice of receipt of the application and opportunity to request a hearing has been given by the Board and no such request has been received.

From the information set forth in the application and otherwise available, it appears that:

1. The bank has total assets of approximately \$20 million and equity capital of approximately \$1.5 million;

2. The bank has approximately 1,500 stockholders, of whom 82 percent received their shares in lieu of deposits when the bank reopened after the 1933 Bank Holiday; and

3. There is a limited amount of trading activity in the bank's stock and an absence of any regular market.

Upon consideration of all the circumstances, the Board finds that the granting of a temporary exemption until June 30, 1967, would not be inconsistent with the public interest or the protection of investors. Prior to the expiration of the period of exemption, the Board will, upon receipt of a new application by the bank, reconsider the matter in the light of the situation at that time.

It is hereby ordered, That the application of the Annapolis Banking and Trust Co. for exemption from the registration requirements of section 12(g) of the Securities Exchange Act of 1934 be, and is hereby granted until June 30, 1967.

Dated at Washington, D.C., this 3d day of August 1965.

By order of the Board of Governors.

[SEAL] MERRITT SHERMAN,
Secretary.

[F.R. Doc. 65-8441; Filed, Aug. 11, 1965; 8:45 a.m.]

MOUNTAIN TRUST BANK

Order Denying Application for Exemption

In the matter of the application of Mountain Trust Bank for an exemption from the registration requirements of the Securities Exchange Act of 1934.

There has come before the Board of Governors, pursuant to section 12(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78l), an application by Mountain Trust Bank, Roanoke, Va. ("bank"), a member State bank of the Federal Reserve System, for an exemption from the registration requirements of section 12(g) of said Act.

Appropriate notice of receipt of the application and opportunity to request a hearing has been given by the Board and no such request has been received.

From the information set forth in the application and otherwise available, it appears that:

1. The bank has total assets of approximately \$44.5 million and equity capital of approximately \$4 million;

2. The bank has approximately 1,000 stockholders, 85 percent of whom are residents of the State of Virginia;

3. There is substantial, although primarily local, interest in the bank's stock, and the bank's policy is to place such stock in the hands of as many people as possible;

4. There is some trading activity in the bank's stock and it is quoted daily in a local newspaper; and

5. Compliance with the requirements of the Securities Exchange Act of 1934 would not impose an undue hardship on the bank or its personnel.

Upon consideration of all the circumstances, the Board finds that the granting of the requested exemption would be inconsistent with the public interest and the protection of investors.

It is hereby ordered, That the application of Mountain Trust Bank for exemption from the registration requirements of section 12(g) of the Securities Exchange Act of 1934 be, and is hereby denied.

Dated at Washington, D.C., this 3d day of August 1965.

By order of the Board of Governors.

[SEAL] MERRITT SHERMAN,
Secretary.

[F.R. Doc. 65-8442; Filed, Aug. 11, 1965;
8:46 a.m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator
DEPUTY URBAN RENEWAL
COMMISSIONER ET AL.

Redelegation of Authority With Re- spect to Urban Renewal Demon- stration Program

1. The Deputy Urban Renewal Commissioner and the Assistant Commissioner for Program Planning in the Urban Renewal Administration each is authorized to exercise the authority delegated to the Urban Renewal Commissioner under paragraph 3 of the Housing and Home Finance Administrator's delegation of authority republished October 14, 1960 (25 F.R. 9874), as amended,¹ with respect to the urban renewal demonstration program authorized under section 314 of the Housing Act of 1954, as amended (42 U.S.C. 1452a), except the authority to make allocations of funds.

2. The Director, Demonstration Program Branch, in the Office of Program Planning, Urban Renewal Administration, with respect to the urban renewal demonstration program authorized under section 314 of the Housing Act of 1954, as amended, is hereby authorized to:

- (a) Approve revisions of approved demonstration project budgets.
- (b) Approve requisitions for demonstration funds.
- (c) Approve contracts between recipients of demonstration funds and consultants and other contractors.

This redelegation supersedes the redelegation effective November 7, 1958 (23 F.R. 8874, Nov. 14, 1958), as amended (23 F.R. 9470, Dec. 5, 1958).

(62 Stat. 1283 (1948), as amended by 64 Stat. 80 (1950), 12 U.S.C. 1701c; Housing and Home Finance Administrator's delegation, as amended)

Effective as of the 15th day of May 1965.

[SEAL] WILLIAM L. SLAYTON,
Urban Renewal Commissioner.

[F.R. Doc. 65-8481; Filed, Aug. 11, 1965;
8:50 a.m.]

¹ Paragraph 3 amended in toto most recently at 30 F.R. 6703, May 15, 1965.

SECURITIES AND EXCHANGE COMMISSION

[File 7-2463]

SUPERIOR OIL CO.

Notice of Application for Unlisted Trading Privileges and of Opportu- nity for Hearing

AUGUST 6, 1965.

In the matter of application of the Boston Stock Exchange for unlisted trading privileges in a certain security.

The above named national securities exchange has filed an application with the Securities and Exchange Commission pursuant to section 12(f) (1) (B) of the Securities Exchange Act of 1934 and Rule 12f-1 thereunder, for unlisted trading privileges in the common stock of the following company, which security is listed and registered on one or more other national securities exchanges: Superior Oil Co., File 7-2463.

Upon receipt of a request, on or before August 24, 1965, from any interested person, the Commission will determine whether the application shall be set down for hearing. Any such request should state briefly the nature of the interest of the person making the request and the position he proposes to take at the hearing, if ordered. In addition, any interested person may submit his views or any additional facts bearing on the said application by means of a letter addressed to the Secretary, Securities and Exchange Commission, Washington 25, D.C., not later than the date specified. If no one requests a hearing, this application will be determined by order of the Commission on the basis of the facts stated therein and other information contained in the official files of the Commission pertaining thereto.

For the Commission (pursuant to delegated authority).

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 65-8450; Filed, Aug. 11, 1965;
8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

CENTRAL AND FIELD ORGANIZATION

Description

JULY 31, 1965.

The following revised current description of the central and field organization of the Interstate Commerce Commission is supplemental to the "Organization Minutes of the Interstate Commerce

Commission Relating to the Organization of Divisions and Boards and Assignment of Work" 26 F.R. 4773, 5167, 8434, and 10991 and 12789; 27 F.R. 1234, 1747, 2500, 3830, and 9997; and 28 F.R. 198, 896, 8013, and 8185, and 29 F.R. 3027, 4935, 11401, 12503, 14517, 16846, and 18403 and 30 F.R. 5723 and 8246, and is published pursuant to the provisions of section 3(a) of the Administrative Procedure Act (60 Stat. 237). For last prior statement as amended see 29 F.R. 3683 and 12331.

1. *The Commission.* The Interstate Commerce Commission is a Federal independent regulatory agency existing under the Interstate Commerce Act (49 U.S.C. 11, 24).

(a) *Offices.* The central and principal office of the Commission is located at 12th Street and Constitution Avenue NW., Washington, D.C., 20423. In the field, there are 7 regional offices and 82 detached offices, located in the more important transportation centers throughout the United States. A listing of these offices is included in an appendix attached hereto.

(b) *Hours.* Office hours in Washington, D.C., are from 8:30 a.m. to 5 p.m. Office hours of field offices are also from 8:30 a.m. to 5 p.m., local time of the place where located, except where local conditions require otherwise.

(c) *Sessions.* General sessions of the Commission are held at Washington, D.C., but special sessions may be held at any place in the United States. Hearings or investigations may be conducted by one or more Commissioners, by one or more hearing examiners, by boards authorized by sections 17 and 205 of the Interstate Commerce Act, or by other authorized personnel, at any place in the United States or its territories. (Secs. 17, 19, and 205; 49 U.S.C. 17, 19, 305.)

(d) *Definitions—(1) Acts.* The words "act" or "the act" used in this part shall be construed to mean the Interstate Commerce Act and other acts administered by the Commission, unless the context indicates that a different meaning is intended.

(2) *Commission.* Where reference is made to the exercise of any authority or the determination of any matter by the "Commission," the term shall be construed to mean the entire Commission, a division thereof, an individual Commissioner, a board of employees, a joint board, or an examiner to whom, according to the assignment of duties, that authority or the determination of such matters has been assigned, unless the context indicates that a different meaning was intended.

(3) *Carrier.* Where reference is made to a carrier, in this part, the term will include railroads, express companies and sleeping car companies, common and contract motor carriers and brokers of motor transportation, private and exempt

motor carriers, pipelines (other than those for water or gas), freight forwarders and certain domestic water carriers.

2. *Public information.*—(a) *Releases by the Commission.* All releases to the public and press are issued through the Office of the Secretary, which is the first point of contact for information relating to any matter or proceeding pending before the Commission.

(b) *Requests for information.* Requests for information or advice concerning any matter within the jurisdiction of the Commission may be addressed to the Secretary, the Director of the bureau or office which handles the particular subject matter, or to field offices of various bureaus to the extent stated in the description of bureau organization.

(c) *Reports and orders.* The reports and orders of the Commission are initially prepared for service upon the parties to the proceedings in duplicated form. Copies of all such reports and orders are made available for public inspection at the time of issuance through the Secretary's Office and, to the extent that copies are available, are furnished to interested persons without charge.

The more important reports of the Commission are printed and sold in advance sheet form and in bound volumes by the Superintendent of Documents, Government Printing Office, Washington, D.C., 20402. Reports concerning other than motor carrier application matters are published in volumes entitled "Interstate Commerce Commission Reports," commonly cited "ICC." Reports concerning motor carrier application matters are published in a separate series of reports entitled "Interstate Commerce Commission Reports, Motor Carrier Cases", commonly cited "M.C.C." The first 21 volumes of reports relating to valuation matters are included in the "ICC" series of reports, but beginning with volume 22 and ending with volume 57, these reports are published in a separate series entitled "Interstate Commerce Commission Valuation Reports," commonly cited "Val. Rep." Beginning with the initial (basic) pipeline reports for the year 1963, such valuation reports will appear in the "Interstate Commerce Commission Reports."

Copies of reports and orders, including those printed as described above may be examined at the Washington office of the Commission.

(d) *Inspection of records.* (1) The following specific files and records in the custody of the Secretary are available to the public (secs. 16, 204, 316, and 417 of the act, 49 U.S.C. 16, 304, 916, and 1017), and may be inspected at the Commission's office in Washington upon reasonable request:

(i) Copies of tariffs, rate schedules, section 22 quotations or tenders, classifications, powers of attorney, concurrences, and contracts filed with the Commission pursuant to sections 6, 22, 217, 218, 306, 405, and 409 of the act (49 U.S.C. 6, 22, 317, 318, 906, 1005, and 1009).

(ii) Annual and other periodic reports filed with the Commission pursuant to sections 20, 220, 313, and 412 of the act (49 U.S.C. 20, 320, 913, and 1012).

(iii) Annual reports, maps, profiles, and other data filed with the Commission pursuant to section 19a.

(iv) All docket files, including pleadings, depositions, exhibits, transcripts of testimony, recommended and proposed reports, exceptions, briefs, and reports and orders of the Commission in any proceeding.

(v) File of instruments or documents recorded pursuant to section 20c and index thereto.

(vi) Other files and records, depending on their nature, may be available for public inspection where the disclosure would be consistent with the public interest and the duties of the Commission.

(2) *Requests to inspect records.* Requests to inspect public records should be made at the Secretary's Office or at one of the public reference rooms, in the Commission's Washington office. Copies of certain rate schedules, tariffs, reports and operating authorities filed by and applicable to motor carriers are available for inspection at field offices where personnel of the Bureau of Operations and Compliance are located.

(3) *Certified copies of records, etc.* Copies of and extracts from public records will be certified by the Secretary, under the seal of the Commission. Persons requesting the Commission to prepare such copies should clearly state the material to be copied, and whether it shall be certified. A charge will be made for certification and for the preparation of copies.

3. Bureau and Office Organization—

(a) *Central Organization.* The Commission's staff is organized into six bureaus, and four offices, the duties of which will be hereafter described. Each bureau is headed by a director, and the bureaus are divided into sections headed by section chiefs. Boards of employees provided for by section 17 are shown as units within the bureaus and offices of which they form a part. The portions of the work, business, and functions of the Commission which have been assigned to the boards are described in the Organization Minutes and will not be repeated in this publication. Immediately following the name of each board is a reference, in parentheses, to the pertinent item number of the Organization Minutes. Each bureau and office reports as provided in item 9.1 of the Organization Minutes.

(b) *Field Organization.* Each region is headed by a regional manager who is responsible for the management of all ICC activities within the region. Regions are staffed with employees who perform certain investigative and other duties specifically outlined as part of the function and description of the individual bureaus to which they are attached.

(c) *Office of the Managing Director.* The Managing Director is responsible for the day-to-day administration of the Commission and the management of Commission operations.

(1) *Budget and Fiscal Office.* Responsible for the preparation and execution of the Commission's budget; assessment of manpower utilization and requirements; for analysis of work processes as relate thereto; for fiscal ac-

counting, auditing, payrolling, and leave administration; and for internal fiscal audit.

(2) *Personnel Office.* Is responsible for planning, organizing, directing, accomplishing, and evaluating the overall personnel program, including classification, placement, training, and health matters.

(3) *Section of Administrative Services.* Responsible for all property supply, maintenance, space and facilities functions within the Commission; for providing central stenographic and typing services for the Commission; for the preparation of administrative and other issuances; and for the operation of the Commission's authorized printing plant.

(4) *Section of Systems Development.* Responsible for conducting studies to determine the feasibility of applying automatic and other data processing methods to Commission operations and work processes. Develops and implements complete systems for those areas determined to be susceptible to such methods and performs automatic data processing operations for bureaus and offices of the Commission. Designs, develops and implements work measurement and work reporting systems. Utilizing electronic data processes, operates automated control system which reflects the status of proceedings cases and specifically identifies those cases and steps in which processing should be reviewed for expediting action. Responsible for paperwork management, including review of public report forms, internal reports and publications, and records management programs.

(d) *Office of the Secretary.* The Secretary is the official through whom the Commission, its divisions, individual Commissioners, boards of employees, joint boards, and examiners issue their orders and decisions; he is custodian of the seal and records of the Commission and is responsible for the proper documentation of Commission decisions, procedures, and other transactions; pursuant to the rules of practice, he is responsible for processing the official documents pending before the Commission and for service on parties to formal proceedings; and he supervises the Sections of Dockets, Reference Services, and Mails, and Files. The Secretary's Office, which includes the Public Information Officer, is the medium through which decisions, orders, statements, releases, and other information, including individual votes contained in the Commission's minutes, are made available to the press and public.

(1) *Section of Dockets.* Is responsible for maintaining all docket files of the Commission proceedings; serving all reports, orders, notices, etc.; scheduling or arranging for the use of hearing rooms for hearings and oral arguments in Washington and the field; preparing and maintaining records of motor carrier applications for authority to operate and the Commission disposition thereof; the progressive status of all proceedings; the recording of documents evidencing the lease, mortgage, etc., of railroad equipment; and processing applications for admission to practice and maintenance of the roster of practitioners.

(2) *Section of Mails and Files.* Processes all incoming and outgoing mail in the Commission; provides messenger services in the Washington office; and maintains the Commission's central files.

(3) *Section of Reference Services.* For the use of Commission personnel, other Government agencies, practitioners, and the public, compiles and maintains the following publications and reference facilities: (i) Index-digests and tables for publication in the Commission's bound report volumes; (ii) consolidated digests and consolidated tables, covering reports 1887 to date; and (iii) the Interstate Commerce Acts annotated, a bound set which is supplemented by Advance Bulletins in the intervals between issuance of bound volumes. In addition, maintains a special library of transportation materials and provides a coordinated reference service.

(e) *Office of the General Counsel.* This Office, under the direction of the General Counsel, furnishes general legal advisory service to the Commission in all matters involving its functions and activities under the act and other statutes administered by it and concerning other laws or statutes applicable to or affecting the Commission; and defends, on behalf of the Commission, in all court proceedings to set aside, enjoin, cancel, or annul orders of the Commission. This Office does not participate as public counsel in Commission proceedings nor does it act as investigator or prosecutor in proceedings to enforce the requirements of the act or to exact penalties for violations.

(1) *Section of Research and Opinions.* Furnishes general legal advisory service to the Commission in all matters involving its functions and activities under the act and other statutes administered by it and concerning other laws or statutes applicable to or affecting the Commission.

(2) *Section of Litigation.* Defends, on behalf of the Commission, in all court proceedings to set aside, enjoin, cancel, or annul orders of the Commission.

(f) *Office of Proceedings.* Performs duties in connection with the Commission's proceedings involving the several types of carriers subject to the various provisions of the act. Operations are conducted by and through the several sections and employee boards. The Director's Office is responsible for, among other things, overall effective management of the Office, including direction of the operating sections and employee boards; maintenance of the case processing and other statistical records; case status information; special studies and projects; performing necessary administrative support functions for the Office; and examining applications for operating rights and preparation of certificates, permits and licenses specifying permanent grants of authorities approved by the Commission and related orders issuing, vacating or amending such authorities after action by the Commission.

(1) *Section of Hearings.* Schedules hearings in all proceedings of the Office requiring an oral hearing and handles procedural questions arising in connection therewith until the report and rec-

ommended order are served. Conducts hearings, prepares initial reports on proceedings handled in the Office and releases for service all initial reports and recommended orders. Reviews procedures and makes recommendations for changes designed to promote efficiency and to expedite the processing of proceedings.

(2) *Section of Finance.* Performs duties in connection with the Commission's proceedings involving rail carriers, motor carriers, water carriers, and freight forwarders, under the various sections of the act, relative to: authority to construct, acquire, or abandon lines of a railroad or the operation thereof; proposed discontinuance or changes in the operation by railroads of trains or ferries; approval for motor carriers, water carriers and railroads to enter into contracts and agreements for the pooling or division of traffic and earnings; authority to consolidate, merge, transfer ownership, or acquire control of carriers, and when directly related to such authority the granting of certificates or permits to motor carriers in connection therewith; authority for a railroad to acquire trackage rights, over or joint ownership or use of railroad lines and terminals; ordering the use by one railroad of terminal facilities of another; authority to issue securities or to assume obligation and liability with respect to securities of others; authority to sell securities without competitive bidding, authority to alter or modify outstanding securities and obligations; transfers of broker's licenses and of certificates and permits of motor carriers, water carriers, and permits of freight forwarders; authority to hold position of officer or director of more than one railroad; the guaranty of loans to railroads in financing additions or betterments or other capital expenditures, or for the financing of expenditures for maintenance of property; and formal investigations concerning possible violations of the act relating to the foregoing subjects; and, under provisions of the Uniform Bankruptcy Act, the approval of plans of reorganization, the submission thereof to creditors and stockholders for acceptance or rejection, the recommendation of formulas for the segregation of earnings, the ratification of trustees, the fixing of maximum limits of allowances to trustees and other parties in interest, and the authorization of persons, including protective committees, to solicit and act under proxies, authorizations, or deposit agreements in connection with railroad reorganization or receivership proceedings.

After analysis of the record and consideration of briefs, exceptions, other pleadings, and oral argument, if any, report writers assigned to this section (a) under the direction and supervision of the Commission to whom the case is assigned, prepare draft final reports and orders and (b) in cases which have not been assigned to individual Commissioners independently prepare draft reports and orders for circulation to boards of employees for consideration and adoption. Report writers assigned to this section also independently prepare and

review memoranda recommending the action the Commission, a Division, or an individual Commissioner should take on petitions for rehearing, reargument, or reconsideration, and petitions for other relief.

(3) *Section of Operating Right.* Performs duties in connection with the Commission's proceedings involving motor common and contract carriers, brokers of motor carrier transportation, water carriers, and freight forwarders, under the various sections of the act, relative to operating authority matters, provisions, and exemptions, including investigations looking to the prescription of rules and regulations governing operations of such carriers; formal complaints and investigations concerning failure of carriers to comply with the act or any requirement established thereunder, with respect to operating practices under the jurisdiction of Division 1; the suspension, change, or revocation of certificates, permits, and licenses; and the granting of temporary authorities for motor carrier service; Joint Board appointments; extensions of dates for filing pleadings; processing of applications for Certificates of Registration under section 206(a) (6) and (7) of the Interstate Commerce Act; and the handling of uncontested requests for authority under the deviation rules.

After analysis of the record and consideration of briefs, exceptions, other pleadings, and oral argument, if any, report writers assigned to this section (a) under the direction and supervision of the Commissioner to whom the case is assigned, prepare draft final reports and orders and (b) in cases which have not been assigned to individual Commissioners independently prepare draft reports and orders for circulation to boards of employees for consideration and adoption. Report writers assigned to this section also independently prepare and review memoranda recommending the action the Commission, a Division, or an individual Commissioner should take on petitions for rehearing, reargument, or reconsideration, and petitions for other relief.

(4) *Section of Rates and Practices.* Performs duties in connection with the Commission's proceedings involving rail carriers, motor carriers, water carriers, and freight forwarders, under the various sections of the act, relative to rates, fares, charges, and practices and relief from antitrust laws relative to collective ratemaking agreements; and conducts proceedings arising under a number of miscellaneous provisions of the act and other acts such as the Railway Mail Service Pay Act, Railroad Retirement Act, etc., which require Commission findings and determinations.

After analysis of the record and consideration of briefs, exceptions, other pleadings, and oral argument, if any, report writers assigned to this section (a) under the direction and supervision of the Commissioner to whom the case is assigned, prepare draft, final reports and orders, and (b) in cases which have not been assigned to individual Commis-

sioners independently prepare draft reports and orders for circulation to boards of employees for consideration and adoption. Report writers assigned to this section also independently prepare and review memoranda recommending the action the Commission, a Division, or an individual Commissioner should take on petitions for rehearing, reargument, or reconsideration, and petitions for other relief.

(5) *Temporary Authorities Board*. See Item 7.4 of the Organization Minutes as amended for functions and duties.

(6) *Transfer Board*. See Item 7.5 of the Organization Minutes as amended for functions and duties.

(7) *Finance Board No. 1*. See Item 7.6 of the Organization Minutes as amended for functions and duties.

(8) *Finance Board No. 2*. See Item No. 7.6 of the Organization Minutes as amended for functions and duties.

(9) *Finance Board No. 3*. See Item 7.6 of the Organization Minutes as amended for functions and duties.

(10) *Finance Review Board*. See Item 7.6 of the Organization Minutes as amended for functions and duties.

(11) *Operating Rights Board No. 1*. See Item 7.11 of the Organization Minutes as amended for functions and duties.

(12) *Operating Rights Board No. 2*. See Item 7.11 of the Organization Minutes as amended for functions and duties.

(13) *Operating Rights Review Board No. 1*. See Item 7.11 of the Organization Minutes as amended for functions and duties.

(14) *Operating Rights Review Board No. 2*. See Item 7.11 of the Organization Minutes as amended for functions and duties.

(15) *Operating Rights Review Board No. 3*. See Item 7.11 of the Organization Minutes as amended for functions and duties.

(16) *Rates and Practices Review Board*. See Item 7.12 of the Organization Minutes as amended for functions and duties.

(g) *Bureau of Accounts*. Performs the accounting, cost finding, valuation and reporting functions necessary in the regulatory work of the Commission to bring about accurate, uniform, and comprehensive disclosure of financial data by carriers in the public interest. This includes the development of uniform systems of accounts, valuation regulations, regulations governing the destruction of carrier records, statistical and accounting reporting requirements of annual and periodic reports, and other related regulations for all transportation companies subject to the act; examining the accounts, records, reports, and financial statements filed by such companies to ascertain compliance with Commission accounting and related regulations; compilation and publication of transportation statistics; development of equitable and reasonable depreciation rates for carrier property; preparing studies and analyses of the costs and revenues of transportation services of carriers subject to the act; maintaining inventories of railroad and pipeline properties, and developing property valuation data; preparing account-

ing, cost and valuation data for use in proceedings before the Commission; rendering assistance in accounting matters in finance proceedings; and analyzing cost evidence presented by other parties in rate proceedings.

(1) *Section of Accounting*. Prepares uniform systems of accounts and general accounting rules applicable to carriers in the several modes of transportation subject to Commission regulation; prepares modifications and revisions of such systems and rules; furnishes interpretations of accounting and related rules as required; renders assistance in proceedings before the Commission, the courts and congressional committees involving the application of accounting rules and principles; prepares regulations governing the destruction of carrier records, and forms and recording of passes; and prepares correspondence relating thereto.

Reviews and evaluates all reports and related working papers pertaining to general accounting and valuation examinations made by the Bureau's field staff.

Reviews and disposes of accounting entries submitted by carriers pursuant to Commission orders in finance proceedings. Reviews for approval by the Commission agreements between common carriers with persons furnishing protective services.

(2) *Section of Cost Finding*. Prepares cost formulas and studies to reflect the cost of transportation by railroads; motor carriers; inland, coastal, and intercoastal water carriers. Furnishes cost data for use on considering rate proposals. Analyzes cost evidence submitted by carriers in petitions for vacation of suspension orders and in rate proceedings, and evaluates the adequacy of the studies in relation to the issues. Prepares cost exhibits and supplies witnesses in a variety of cases when directed by the Commission.

(3) *Section of Reports*. In cooperation with other bureaus and offices prepares the statistical and accounting reporting requirements of carriers subject to the IC Act, and Clayton Antitrust Act; sets forth policies and practices to be followed in filing the annual and periodic reports; examines and verifies carrier reports to determine accuracy, completeness and compliance with reporting requirements and conducts correspondence with carriers regarding same; performs accounting review of annual reports for adequacy and compliance with accounting provisions, rules and regulations; initiates action leading to institution of appropriate proceedings against carriers failing to observe reporting requirements; compiles and prepares for publication, transportation statistics based on reports submitted by the carriers covering such matters as finances and operations; prepares special tabulations based on reports for the Commission, Congress, and other Governmental agencies; and advises industry, Government agencies, and others regarding the scope and content of the reports and related matters.

(4) *Section of Valuation and Depreciation*. Performs work necessary to ascertain the value of railroad and pipe-

line properties and to determine equitable and reasonable depreciation rates for carrier property as required by the Interstate Commerce Act. This includes maintaining current inventories of carrier property; ascertaining the original and current reproduction cost of carrier property; ascertaining the present value of land and the development of other pertinent information for finding final property values.

(5) *Field Staff*. Examines accounts and records of carriers to ascertain compliance with accounting, valuation, and related regulations prescribed by the Commission. Ascertain that the payments made by railroads or express companies are just and reasonable and in accordance with agreements with persons furnishing protective services. Provides expert testimony in courts of law and proceedings before the Commission with respect to matters developed in field examinations and investigations.

(6) *Accounting and Valuation Board*. See Item No. 7.13 of the Organization Minutes as amended for functions and duties.

(h) *Bureau of Economics*. Performs economic, mathematical, statistical and related analytical work, concerning transportation, necessary to the Commission in its performance of its functions to foster sound economic conditions consistent with the National Transportation Policy. In performing this work, the Bureau advises the Commission on economic and statistical matters and develops and prepares for publication analyses of data concerning such matters as finances, physical characteristics, operations and traffic consist of the various carriers; prepares statistical and economic evaluations of the effects of the Commission's regulatory policies on carriers, shippers, consumers, and the national economy and the effects of developments pertaining to the latter on the Commission's responsibilities; and defines requirements for general economic data.

(1) *Section of Mathematics and Statistics*. Technical authority and responsibility for statistical research, projects and statistical applications of the Bureau; develops, designs, and assists in implementing probability sample studies and provides advisory services in sampling and other statistical problems; develops, plans, and implements programs of statistical quality control; develops programs for reviewing and improving statistical quality of data at the source; develops and applies operations research techniques.

(2) *Section of Research*. Plans, develops, conducts, and reports on economic research studies of transportation problems and developments affecting the several modes of transportation of the national transportation system to assist the Commission in the formulation of policy and in the performance of its regulatory and administrative functions; advises the Commission on the national economy as it affects or is affected by transportation; provides analytical support in proceedings matters; participates in proceedings before the Commission by providing economic and related information and expert testimony; supplies in-

formation and special reports on economic matters to meet specific current needs of the Commission, including analyses of carriers' operations and traffic characteristics.

(1) *Bureau of Enforcement.* Investigates violations, prosecutes in court, and assists the Department of Justice in prosecuting civil and criminal proceedings arising under all parts of the act, and related acts such as the Elkins Act (49 U.S.C. 41-43), the Clayton Anti-trust Act (15 U.S.C. 12), the Transportation of Explosives Act (18 U.S.C. 831-834), and the Safety Acts. When specifically authorized by the Commission, a division thereof, or the Vice Chairman, in any particular case or class of cases, participates in Commission proceedings, for the purpose of developing the facts and issues.

(1) *Section of Motor Carrier Enforcement.* Supervises and handles the legal activities involved in the enforcement of part II of the act, the Explosives and Dangerous Articles Act (18 U.S.C. 831-834), the Clayton Anti-trust Act (15 U.S.C. 12), and related acts involving motor vehicle transportation.

Field Staff Regional Trial Attorneys. Provides legal advice in connection with investigation of violations and makes recommendations with respect to enforcement action to be taken; prosecutes or assists U.S. attorneys in the prosecution of civil and criminal proceedings in Federal courts; and participates in Commission proceedings as counsel.

(2) *Section of Rail, Water, and Forwarder Enforcement.* Supervises and handles the legal activities involved in the enforcement of parts I, III, and IV of the act including the Safety Acts, the Elkins Act (49 U.S.C. 41-43), and other acts as they relate to railroads, water carriers, and freight forwarders; prosecutes or assists U.S. attorneys in the prosecution of civil and criminal proceedings arising under the aforesaid acts; and participates as counsel in Commission proceedings.

(3) *Section of Investigations.* Plans, programs, and directs conduct of investigations made by field staff of special agents; initiates and prepares procedures, instructions, and manuals to facilitate investigative work; coordinates investigative activities so as to obtain a balanced program of enforcement; provides interchangeable utilization of special agents' services between the Sections of Rail, Water, and Freight Forwarder Enforcement and Motor Carrier Enforcement.

Field Staff Regional Special Agents. Conducts investigations of carriers and shippers to obtain evidence of violations. Appear as witnesses in court cases and Commission proceedings.

(4) *Bureau of Operations and Compliance.* Performs duties in connection with the Commission's programs under parts I, II, III, and IV, of the act, insofar as they involve: Keeping abreast of and advising the Commission concerning intermodal operations and practices of the surface transportation industries; initiating and administering the rules and regulations governing the filing and approval of security or insurance for the

protection of the public and designation of agents for service of process; initiating and administering safety regulations concerning qualifications and maximum hours of service of employees and safety of operation and equipment of all for-hire and private motor carriers in interstate or foreign commerce; initiating and administering the rules and regulations governing the lease and interchange of vehicles by motor carriers; investigating and reporting of serious accidents and the transportation of explosives and other dangerous articles; initiating and administering regulations relating to the safe transportation of migratory workers; inspecting the operations and records of the carriers and others in the field to inform them of the requirements of the act and regulations and to discover unauthorized operations or violations with regard to tariffs, rebates, accounts, insurance, annual reports, extensions of credit or unsafe operating practices; and issuing informal interpretations of Commission's certificates, permits, licenses, and regulations affecting motor carrier and broker operations. Performs duties in connection with the Commission's programs involving the regulation of water carriers, freight forwarders, and rate bureaus under parts III and IV, and section 5a of the act. Processes the applications (1) of water carriers for temporary authorities and exemptions, and (2) of common carriers for approval of collective ratemaking agreements. Makes field inspections of the operations of water carriers, freight forwarders, and rate bureaus to inform them of the requirements of the act and Commission regulations and to discover unauthorized operations or violations with regard to tariffs, rebates, accounts, annual reports, extensions of credit or procedures for collective rate-making under approved agreements. Performs duties in connection with the Commission's programs involving the regulations and requirements under provisions of the Explosives Act, 18 U.S.C. 831-835 and section 204(a) (1), (2), (3), and (5) of part II as they apply to the transportation of explosives and other dangerous articles by rail, highway, and water.

(1) *Section of Insurance.* Performs work in connection with the administration of section 215 of the act pertaining to the furnishing of insurance or other security by motor carriers and brokers for the protection of shippers and the public. This includes the preparation of recommendations to the Commission with regard to applications to self-insure. This section also approves or disapproves certificates of insurance and bonds, and in connection therewith, evaluates the acceptability of the issuing agency. In addition, performs work similar to that described above, in connection with the administration of section 403(c) of the act applicable to freight forwarders. Also performs work in connection with the administration of section 221 (a) and (c) of the act pertaining to designation of the agents to receive service of judicial process.

(2) *Section of Motor Carrier Safety.* Performs work in connection with the promulgation of regulations pertaining to

safety, hours of service of employees, and standards of equipment; compiles and publishes statistical and other information pertaining to these matters; presents evidence in Commission proceedings where the matter of carriers' safety records is involved; prepares accident reports for Board approval; and provides guidance to the field service staff respecting the administration of the motor carrier safety regulations and procedures.

(3) *Section of Explosives and Other Dangerous Articles.* Performs work in connection with establishment of reasonable requirements for the safe transportation of explosives and other dangerous articles, including flammable liquids, flammable solids, oxidizing materials, corrosive liquids, compressed gases, radioactive materials, etiologic agents, and poisonous substances, under provisions of the Explosives Act, 18 U.S.C. 831-835 and section 204(a) (1), (2), (3), and (5) of part II of the Interstate Commerce Act. Provides technical guidance and prepares manuals and other instructions for field staff inspections covering transportation of and preparation for transportation of explosives and other dangerous articles by rail, highway or water, as to containers, packing, weight, marking and billing, and the procurement of evidence when violations are discovered; prepares statistics, correspondence, and drafts of regulations, special permits and orders pertaining to the transportation and packaging of explosives and other dangerous articles; and maintains contact with other Government agencies and the public respecting these matters.

(4) *Section of Water Carriers and Freight Forwarders.* Performs duties in connection with the Commission's programs involving the regulation of water carriers, freight forwarders, and rate bureaus under Parts III and IV, and Section 5a of the Act. Processes the applications (1) of water carriers for temporary authorities and exemptions, and (2) of common carriers for approval of collective rate-making agreements. Provides technical assistance in the inspection of operations of water carriers, freight forwarders and rate bureaus to inform them of the requirements of the Act and Commission regulations and to assist in the processing of cases involving the unauthorized operations or violations with regard to tariffs, rebates, accounts, annual reports, extensions of credit or procedures for collective rate-making under approved agreements.

(5) *Field Staff.* Conducts inspections and investigations of the activities of motor carriers, water carriers, freight forwarders, and rate bureaus to ascertain their compliance with the law and regulations under Parts II, III, IV, and Section 5a of the Act, including: (1) motor carriers' safety of operations and equipment, hours of service, posting and adherence to rate and tariff schedules, filing of insurance, operating in accordance with authority and like matters; provides reports on applications for temporary operating authority; prepares investigation reports; recommends prosecutions and other proceedings respecting these matters; (2) inspecting the operations of water carriers, freight for-

warders and rate bureaus to inform them of the requirements of the Act and Commission regulations and to discover unauthorized operations or violations with regard to tariffs, rebates, accounts, annual reports, extensions of credit or procedures for collective rate-making under approved agreements; and (3) performing inspections and investigations of operations and compliance of carriers under provisions of the Act that are administered by the Bureau.

(6) *Insurance Board.* See Item 7.8 of the Organization Minutes as amended for functions and duties.

(7) *Motor Carrier Safety Board.* See Item 7.8 of the Organization Minutes as amended for functions and duties.

(8) *Motor Carrier Leasing Board.* See Item 7.8 of the Organization Minutes as amended for functions and duties.

(9) *Explosives and Other Dangerous Articles Board.* See Item 7.8 of the Organization Minutes as amended for functions and duties.

(k) *Bureau of Railroad Safety and Service.* Performs duties in connection with the Commission's programs respecting: (1) Car service provisions of the act which include preparing proposed regulations and emergency orders regarding the use, control, supply, movement, distribution, interchange and return of locomotives, cars, and other vehicles used in the transportation of property; (2) the Locomotive Inspection Act (45 U.S.C. 22-34), to promote safety of employees and travelers on railroads, making the inspections to determine that locomotives are in proper condition, safe to operate and comply with the rules and regulations, and to determine that the required inspections of locomotives are made by the carriers and the defects are repaired before the locomotive is returned to service; (3) the Safety Appliance Act (45 U.S.C. 1-16), the Ashpan Act (45 U.S.C. 17-21), the Hours of Service Act (45 U.S.C. 61-64), Accident Reports Act (45 U.S.C. 38-43), Block Signal Resolution (45 U.S.C. 35-37), Power Brake Law of 1958 (45 U.S.C. 9), etc., relating to investigation of safety appliances or systems intended to promote safety of railway operation; and (4) field investigation of the transportation of explosives and other dangerous articles by rail.

(1) *Section of Car Service.* Performs necessary duties relating to the administration of the car service provisions of the act, pertaining to use, control, supply, movement, distribution, exchange, interchange and return of locomotives, cars, and other vehicles used in the transportation of property, including special types of equipment, and supervises the field staff engaged in inspecting for compliance with respect to these items.

(2) *Section of Locomotive Inspection.* Performs necessary duties relating to the administration of the Locomotive Inspection Act, 45 U.S.C. 22-34, as amended, which requires compliance by carriers engaged in interstate commerce upon whose line any locomotive is used; makes inspections to determine if locomotives are equipped and maintained by carriers in accordance with the Commis-

sion's regulations and are in safe condition to operate; takes corrective action in connection with locomotives not conforming to requirements; makes investigations of accidents caused by failure of any part of a locomotive; and prepares reports for Commission approval on such investigations when such action is in the public interest. Supervises the field staff of district inspectors engaged in inspection and investigation to assure compliance with respect to these items.

(3) *Section of Railroad Safety.* Performs necessary duties respecting the administration of various Safety Appliance Acts (45 U.S.C. 1-16, 17-21, 36), the Accident Reports Act (15 U.S.C. 38-43), the Hours of Service Act (45 U.S.C. 61-64), the Block Signal Resolution (45 U.S.C. 35), and section 25 of the act (49 U.S.C. 25), as related to railways, other than those pertaining particularly to locomotives and the transportation of explosives and other dangerous articles by rail, highway, and water; supervises the field staff engaged in making inspections of carrier operations as prescribed and recommends reporting of violations to the proper U.S. district attorneys for prosecution; investigates applications for approval of material modifications of block signal systems and interlocking devices; and investigates train accidents and makes recommendations as to corrective measures to be taken by the carriers.

(4) *Field Staff.* Conducts investigations and performs other field work in connection with the duties of the sections described above.

(5) *Railroad Safety and Service Board.* See Item 7.7 of the Organization Minutes as amended for functions and duties.

(1) *Bureau of Traffic.* Performs duties relative to the filing of schedules or tariffs of rates, fares, and charges, and of transportation and protective service contracts of carriers subject to the act; the suspension of tariff provisions pending investigation of their lawfulness, and the administration of the long-and-short-haul and aggregate-of-intermediates-rate, released rates, and reduced rates in case of calamitous visitation provisions of the act; confers and corresponds with carriers, shippers, and other interested parties; expressing its views, concerning the application of rates and other tariff provisions, as a possible means of settling controversies; processes applications of carriers requesting authority to make reparation on past shipments; and advises with, and acts as consultant to, the Commission and its staff with respect to tariff policies, rate adjustments, general rate investigations, tariff interpretations, and ratemaking principles.

(1) *Section of Tariffs.* Receives, examines, and maintains the official files of all tariff publications, except passenger and express publications; processes applications for special permission to establish rates and charges or other tariff provisions on less than statutory notice or for waiver of tariff circular rules, including those of motor carriers when such carriers have been granted temporary operating authority by the

Commission; receives, examines, and files powers of attorney, concurrences, also quotations filed under section 22 of the act; makes recommendations to the Commission as to charges in tariff circular rules; and maintains a complete file of tariffs of all carriers, section 22 quotations and contracts between freight forwarders and motor carriers filed under section 409 of the act, for use of the public.

(2) *Section of Rates and Informal Cases.* Provides rate information and interpretations of published tariffs and schedules for the Commission and its staff; assists in the settlement of informal negotiations as between shippers and carriers of controversies involving the proper interpretation of tariffs; processes reparation applications; performs the administrative work in connection with contracts covering protective service filed by railroads and by express companies; receives, examines, and maintains the official files of tariff publications for passenger and express transportation and ascertains and computes short-line distances and first-class rates for waybill study purposes.

(3) *Board of Suspension.* See Item 7.3 of the Organization Minutes as amended for functions and duties.

(4) *Fourth Section Board.* See Item 7.2 of the Organization Minutes as amended for functions and duties.

(5) *Released Rates Board.* See Item 7.10 of the Organization Minutes as amended for functions and duties.

(6) *Special Permission Board.* See Item 7.9 of the Organization Minutes as amended for functions and duties.

[SEAL]

H. NEIL GARSON,
Secretary.

INTERSTATE COMMERCE COMMISSION FIELD OFFICES

ICC regions, locations of offices, bureaus and offices represented¹

- 1: Boston, Mass., Regional Headquarters: B.F.S. Building, 30 Federal Street; A. E. OC, OMD, RS&S, Albany, N.Y., 518 New Federal Building, Malden Lane and Broadway; A. OC, RS&S, Binghamton, N.Y., 215 Post Office and Courthouse; OC, Buffalo, N.Y., 324 Post Office Building, 121 Ellicott Street; OC, RS&S, Hartford, Conn., 223 Federal Building, 135 High Street; OC, Lebanon, N.H., 6 Campbell Street; OC, Newark, N.J., 983 Industrial Office Building, 1060 Broad Street; A. OC, RS&S, New York, N.Y., Room 1111, 346 Broadway; A. E. OC, RS&S, Portland, Maine, 305 Post Office and Courthouse, 76 Pearl Street; OC, Providence, R.I., 187 Westminster Street; OC, Springfield, Mass., 338 Federal Building, 436 Dwight Street; OC, Syracuse, N.Y., 1025 Chimes Building, 109 West Onondaga Street; OC, RS&S, Trenton, N.J., 410 Post Office Building, 402 East State Street; OC.
- 2: Philadelphia, Pa., Regional Headquarters, 900 Custom House, Second and Chestnut Streets; A. E. OC, RS&S, OMD, Baltimore, Md., 312 Appraisers Stores Building, 103 South Gay Street; OC, RS&S, Charleston, W. Va., 3202 Federal Office Building, 500 Quarrier Street; OC, RS&S, Cincinnati, Ohio, 1010 Federal Building, 550 Main

¹ A—Accounts

E—Enforcement

OC—Operations and Compliance

OMD—Office of the Managing Director

RS&S—Railroad Safety and Service

OP—Office of Proceedings

Street; OC, RS&S. Cleveland, Ohio, 435 Federal Building, 215 Superior Avenue NE.; A, OC, RS&S. Columbus, Ohio, 238 New Post Office Building, 85 Marconi Boulevard; E, OC, RS&S. Harrisburg, Pa., 218 Central Industrial Building, 100 North Cameron Street; OC, Norfolk, Va., 250 Post Office Building, 600 Granby Street; RS&S. Pittsburgh, Pa., 2109 Federal Building, 1000 Liberty Avenue; A, E, OC, RS&S. Richmond, Va., 10-502 Federal Building, 400 North Eighth Street; A, E, OC, RS&S. Roanoke, Va., 215 Campbell Avenue SW.; OC, RS&S. Salisbury, Md., 206-B Post Office Building, East Main and Baptist Streets; OC, Scranton, Pa., 309 Post Office Building, North Washington Avenue and Linden Street; OC, Toledo, Ohio, 5234 Federal Office Building, 234 Summit Street; OC, RS&S. Washington, D.C., ICC Building, 12th and Constitution Avenue NW.; A, OC, RS&S. Wheeling, W. Va., 531 Hawley Building, 1025 Main Street; OC, Youngstown, Ohio, 610 Schween Wagner Building, 125 West Commerce Street; RS&S.

3: Atlanta, Ga., Regional Headquarters, 680 West Peachtree Street NW.; A, E, OC, RS&S, OMD. Birmingham, Ala., 1325 City Federal Building, 2026 Second Avenue North; OC, RS&S. Charlotte, N.C., Room 206, 327 North Tryon Street; A, OC, RS&S. Columbia, S.C., 509 Federal Office Building, 901 Sumter Street; OC, Jackson, Miss., 320 U.S. Post Office and Courthouse; OC, Jacksonville, Fla., 423 Post Office Building, 311 West Monroe; A, OC, RS&S. Lexington, Ky., 207 Exchange Building, 147 North Upper Street; OC, Louisville, Ky., 426 Post Office Building, 601 West Broadway; OC, RS&S. Memphis, Tenn., 390 Federal Office Building, 167 North Main Street; E, OC, RS&S. Miami, Fla., 51 Southwest First Avenue, Room 1821; OC, Mobile, Ala., 439A U.S. Court and Custom House; RS&S. Nashville, Tenn., 706 U.S. Courthouse, 801 Broadway; A, E, OC, RS&S. Raleigh, N.C., 401 Oberlin Road, Cameron Village Station; OC, Tampa, Fla., 500 Zack Street, Room 507; RS&S.

4: Chicago, Ill., Regional Headquarters, 1086 U.S. Courthouse and Federal Office Building, 219 South Dearborn Street; A, E, OC, RS&S, OMD. Detroit, Mich., Room 1110, David Broderick Tower Building, 10 Witherill Street; A, OC, RS&S. Duluth, Minn., 425 Post Office Building; RS&S. Fargo, N. Dak., 116 South Plaza Building, 1621 South University Drive; OC, RS&S. Fort Wayne, Ind., 308 Federal Building; OC. Indianapolis, Ind., Eighth Floor, Century Building, 36 South Pennsylvania Street; OC, RS&S, A. Lansing, Mich., 221 Federal Building, 325 West Allegan Street; OC. Madison, Wis., 214 North Hamilton Street, Room 100; OC. Milwaukee, Wis., 511 Cawker Building, 108 West Wells Street; OC. Minneapolis, Minn., 448 Federal Building and U.S. Courthouse, 110 South Fourth Street; A, E, OC, RS&S. Pierre, S. Dak., Karcher Building, 336½ South Pierre Street; OC. Springfield, Ill., 476 Land of Lincoln Building, 325 West Adams Street; OC.

5: Fort Worth, Tex., Regional Headquarters, 816 Texas and Pacific Building, Throckmorton and Lancaster Streets; A, E, OC, RS&S, OMD. Amarillo, Tex., Miller Building, 918 Tyler Street; OC, RS&S. Dallas, Tex., 513 Thomas Building, 1314 Wood Street; A, OC, RS&S. Davenport, Iowa, 235 Post Office Building, Fourth and Perry Streets; OC. Des Moines, Iowa, 227 Federal Office Building, Fifth Street and Court Avenue; OC, RS&S. El Paso, Tex., 107-A Post Office Building, 219 Mills Street; RS&S. Houston, Tex., 8610 Federal Building and U.S. Courthouse, 515 Rusk Avenue; A, OC, RS&S, E. Kansas City, Mo., 1100 Federal Office Building, 911 Walnut Street; A, E, OC, RS&S. Lincoln, Nebr., 315 U.S. Court-

house and Post Office, 129 North 10th Street; OC. Little Rock, Ark., 2519 Federal Office Building, Capitol and State Streets; OC. New Orleans, La., Room T-4009, Federal Building and Post Office, 701 Loyola Avenue; OC, RS&S. Oklahoma City, Okla., 350 American General Building, 210 Northwest Sixth Street; OC, RS&S. Omaha, Nebr., 705 Federal Building; OC, RS&S. St. Louis, Mo., 3248 Federal Building, 1520 Market Street; A, OC, RS&S. San Antonio, Tex., 206 Manion Building, 301 Broadway; OC, RS&S. Shreveport, La., 625 Ricou Brewster Building, 425 Milam Street; RS&S. Sioux City, Iowa, 304 Post Office Building; OC. Topeka, Kans., 309 Federal Building; OC. Wichita, Kans., 906 Schwel-ter Building, 108 North Main Street; OC, RS&S.

6: Portland, Oreg., Regional Headquarters, 538 Pittock Block, 921 South West Washington Street; A, E, OC, RS&S, OMD. Billings, Mont., 315 Post Office and Federal Courthouse; OC. Boise, Idaho, 203 Eastman Building, 105 North Eighth Street; OC. Great Falls, Mont., 105 Civic Center Building; RS&S. Seattle, Wash., 6130 Arcade Building, 1319 Second Avenue; A, OC, RS&S. Spokane, Wash., 401 U.S. Post Office Building, West 914 Riverside Avenue; OC, RS&S. Anchorage, Alaska, 52-53 Federal Building; OC.

7: *San Francisco, Calif.; Regional Headquarters: 13001 Federal Office Building, 450 Golden Gate Avenue; A, E, OC, OP, RS&S, OMD. Albuquerque, N. Mex., 109 U.S. Courthouse, Fourth and Gold Streets; OC, RS&S. Carson City, Nev., 212 Telegraph Building, 11 West Telegraph Street; OC. Denver, Colo., 2022 Federal Building, 1961 Stout Street; A, OC, RS&S, E. Los Angeles, Calif., 7708 Federal Building, 300 North Los Angeles Street; A, E, OC, RS&S. Phoenix, Ariz., 5045 Federal Building, 230 North First Avenue; OC, RS&S. Salt Lake City, Utah, 2224 Federal Building, 125 South State Street; OC, RS&S.

TERRITORIAL COVERAGE OF THE FIELD OFFICES OF THE BUREAU OF OPERATIONS AND COMPLIANCE

District No., Headquarters, States

- 1: Boston, Mass.; Massachusetts, Maine, Vermont, New Hampshire, Rhode Island.
- 2: New York, N.Y.; New York, New Jersey, Connecticut.
- 3: Philadelphia, Pa.; Eastern Pennsylvania, Maryland, Delaware, District of Columbia, Virginia.
- 4: Columbus, Ohio; Ohio, Western Pennsylvania, West Virginia.
- 6: Atlanta, Ga.; Georgia, Florida, Alabama, North and South Carolina.
- 7: Nashville, Tenn.; Tennessee, Kentucky, Mississippi.
- 8: Chicago, Ill.; Illinois, Indiana, Michigan.
- 9: Minneapolis, Minn.; Minnesota, Wisconsin, North and South Dakota.
- 10: Kansas City, Mo.; Missouri, Iowa, Nebraska, Kansas.
- 12: Fort Worth, Tex.; Texas (excluding El Paso County); Oklahoma, Arkansas, Louisiana.
- 13: Denver, Colo.; Colorado, Wyoming, New Mexico, Utah, Montana, El Paso County, Tex.
- 15: Portland, Oreg.; Oregon, Washington, Idaho, Alaska.
- 16: San Francisco, Calif.; California, Arizona, Nevada.

[F.R. Doc. 65-8420; Filed, Aug. 11, 1965; 8:45 a.m.]

*Regional Auditor also responsible for accounting matters in Region VI.

[Notice 362]

MOTOR CARRIER ALTERNATE ROUTE DEVIATION NOTICES

August 6, 1965.

The following letter-notices of proposals to operate over deviation routes for operating convenience only have been filed with the Interstate Commerce Commission, under the Commission's Deviation Rules Revised, 1957 (49 CFR 211.1(c)(8)) and notice thereof to all interested persons is hereby given as provided in such rules (49 CFR 211.1(d)(4)).

Protests against the use of any proposed deviation route herein described may be filed with the Interstate Commerce Commission in the manner and form provided in such rules (49 CFR 211.1(e)) at any time, but will not operate to stay commencement of the proposed operations unless filed within 30 days from the date of publication.

Successively filed letter-notices of the same carrier under the Commission's Deviation Rules Revised, 1957, will be numbered consecutively for convenience in identification and protests if any should refer to such letter-notices by number.

MOTOR CARRIERS OF PROPERTY

No. MC 936 (Deviation No. 1), CONSOLIDATED COPPERSTATE LINES, 1220 West Washington Boulevard, Montebello, Calif. 90641, filed July 29, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions over a deviation route as follows: Between the intersection of U.S. Highways 101 and 99, 2 miles southeast of Los Angeles, Calif., Civic Center, and Gilroy, Calif., over U.S. Highway 101, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over pertinent service routes as follow: (1) From Sacramento, Calif., over U.S. Highway 99 to junction California Highway 198, thence over California Highway 198 to Visalia, Calif.; (2) from San Francisco over U.S. Highway 101 to Gilroy, Calif., thence over California Highway 152 to junction U.S. Highway 99; (3) from junction California Highway 198 and U.S. Highway 99 over U.S. Highway 99 to Tulare, Calif.; (4) from Bakersfield, Calif., over U.S. Highway 99 to Tulare, Calif., and return over the same routes.

No. MC 26739 (Deviation No. 19), CROUCH BROS., INC., Transport Building, St. Joseph, Mo., 64501, filed July 30, 1965. Carrier proposes to operate as a common carrier, by motor vehicle, of general commodities, with certain exceptions, over a deviation route as follows: From Kansas City, Mo., over U.S. Highway 24 to junction U.S. Highway 73, thence over U.S. Highway 73 to Atchison, Kans., and thence over U.S. Highway 59 to St. Joseph, Mo., for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over pertinent service routes as follow: (1) From Kansas City, Mo., over U.S. Highway 169 to junction Missouri Highway

116, thence over Missouri Highway 116 to Plattsburg, Mo.; and (2) from St. Joseph, Mo., over U.S. Highway 169 to junction Missouri Highway 116, thence over Missouri Highway 116 to Lathrop, Mo., and return over the same routes.

No. MC 26739 (Deviation No. 20), CROUCH BROS., INC., Transport Building, St. Joseph, Mo., 64501, filed July 30, 1965. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Kansas City, Mo., over U.S. Highway 24 to junction with Kansas Highway 7, thence over Kansas Highway 7 to its junction with U.S. Highway 36, and thence over U.S. Highway 36 to St. Joseph, Mo., for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over pertinent service routes as follow: (1) From Kansas City, Mo., over U.S. Highway 169 to junction Missouri Highway 116, thence over Missouri Highway 116 to Plattsburg, Mo., and (2) from St. Joseph, Mo., over U.S. Highway 169 to junction Missouri Highway 116, thence over Missouri Highway 116 to Lathrop, Mo., and return over the same routes.

MC 59488 (Deviation No. 6), SOUTHWESTERN TRANSPORTATION CO., Post Office Box 6187, 733 South Poydras Street, Dallas, Tex., 75222. Applicant's attorney: Lloyd M. Roach, 1517 West Front Street, Tyler, Tex., 75705, filed July 29, 1965. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: Between junction U.S. Highway 80 and Interstate Highway 20 (near Mesquite, Tex.) and Shreveport, La., over Interstate Highway 20, for operating convenience only. The notice indicates that the carrier is presently authorized to carry the same commodities over pertinent service routes as follow: (1) From Dallas, Tex., over U.S. Highway 80 to Wills Point, Tex., thence over Texas Highway 64 to Tyler, Tex., and thence over U.S. Highway 271 to Mt. Pleasant, Tex., and (2) from Gladewater, Tex., over U.S. Highway 80 to Shreveport, La., and return over the same routes.

MC 59728 (Deviation No. 3), MORRISON MOTOR FREIGHT, INC., 1100 East Jenkins Boulevard, Akron, Ohio, 44306, filed July 28, 1965. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From St. Louis, Mo., over U.S. Highway 40 to junction U.S. Highway 40 and Interstate Highway 465, west of Indianapolis, Ind., thence south and east over Interstate Highway 465, to the junction U.S. Highway 40 east of Indianapolis, Ind., and return over the same route for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From St. Louis, Mo., over U.S. Highway 40 via Indianapolis to Columbus, Ohio, and return over the same route.

No. MC 106401 (Deviation No. 10), JOHNSON MOTOR LINES, INC., 2426 North Graham Street, Post Office Box 10877, Charlotte 1, N.C., 28201, filed July 26, 1965. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Atlanta, Ga., over Interstate Highway 85 to Petersburg, Va., thence over Interstate Highway 95 to New York, N.Y., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over pertinent service routes as follow: (1) From Atlanta, Ga., over U.S. Highway 29 to Lyman, S.C., thence over Alternate U.S. Highway 29 via Spartanburg and Gaffney, S.C., to Grover, N.C., thence over U.S. Highway 29 to Charlotte, N.C., thence over North Carolina Highway 49 via Newell and Harrisburg, N.C., to junction unnumbered highway, thence over unnumbered highway to Concord, N.C., thence over Alternate U.S. Highway 29 via Kannapolis, N.C., to junction U.S. Highway 29, thence over U.S. Highway 29 to High Point, N.C., thence over Alternate U.S. Highway 29 to Greensboro, N.C., thence over Alternate U.S. Highway 70 via Burlington, N.C., to junction U.S. Highway 70, thence over U.S. Highway 70 to Durham, N.C., thence over U.S. Highway 15 to Oxford, N.C., thence over U.S. Highway 158 to Henderson, N.C., thence over U.S. Highway 1 to Baltimore, Md., thence over U.S. Highway 40 to junction U.S. Highway 13, and thence over U.S. Highway 13 to Philadelphia, Pa.; (2) from Baltimore, Md., over U.S. Highway 1 to Philadelphia, Pa.; and (3) from Boston, Mass., over U.S. Highway 1 to the Maryland-Pennsylvania State line, and return over the same routes.

MOTOR CARRIER OF PASSENGERS

No. MC 1515 (Deviation No. 257), GREYHOUND LINES, INC. (Central Division), 210 East Ninth Street, Fort Worth, Tex., 76102, filed July 29, 1965. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express*, and *newspapers*, in the same vehicle with passengers, over a deviation route as follows: Between the Texas-Louisiana State line and Lake Charles, La., over Interstate Highway 10, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property over a pertinent service route as follows: From San Antonio, Tex., over U.S. Highway 90 via Seguin, and Waelder, Tex., to junction Texas Highway 102, thence over Texas Highway 102 to Eagle Lake, Tex., thence over Alternate U.S. Highway 90 to Houston, Tex., thence over U.S. Highway 90 to Lake Charles, Tex., and return over the same route.

No. MC 93443 (Deviation No. 1), NATIONWIDE TOURS, INC., 1344 Albany Street, Schenectady, N.Y., Post Office Box 2, filed July 23, 1965. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express*, and *newspapers*, in the same vehicle with passengers,

over a deviation route as follows: From the junction of Union Street and Erie Boulevard, Schenectady, N.Y., over Erie Boulevard to junction Edison Avenue, thence over Edison Avenue to junction Van Guisling Avenue, thence over Van Guisling Avenue to junction Interstate Highway 890 (also from junction Edison Avenue and Van Guisling Avenue, over Broadway to junction Interstate Highway 890), thence over Interstate Highway 890 to New York Thruway at interchange 25, thence over New York Thruway to interchange 24, thence over U.S. Highway 87 to junction Western Avenue, thence over Western Avenue to junction Madison Avenue, thence over Madison Avenue to junction Broadway in Albany, N.Y., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property over a pertinent service route as follows: Between Schenectady and Albany, N.Y., over New York Highway 5.

No. MC 109780 (Deviation No. 13), TRANSCONTINENTAL BUS SYSTEM, INC., 315 Continental Avenue, Dallas, Tex., filed July 26, 1965. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express*, and *newspapers*, in the same vehicle with passengers, over a deviation route as follows: Between Dallas, Tex., and Shreveport, La., over Interstate Highway 20, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same commodities over pertinent service routes as follow: (1) From Denton, Tex., over U.S. Highway 77 to junction new U.S. Highway 77 approximately 1 mile north of Carrollton, Tex., thence over new U.S. Highway 77 to Dallas, Tex. (also from said junction over old U.S. Highway 77 to Dallas), thence over U.S. Highway 175 to junction new U.S. Highway 175 approximately 6 miles east of Dallas, thence over new U.S. Highway 175 to junction old U.S. Highway 175 approximately 2 miles west of Seagoville, Tex. (also from said junction 6 miles east of Dallas over old U.S. Highway 175 to said junction 2 miles west of Seagoville), thence over U.S. Highway 175 via Kaufman to Athens, and thence over Texas Highway 19 to Palestine; (2) From Dallas over U.S. Highway 80 via Truman, Marshall, and Waskom, Tex., to Shreveport, La. (also from Dallas over Texas Highway 352 via Mesquite, Tex., to junction U.S. Highway 80); (3) From Truman, Tex., over unnumbered county road to Mesquite, Tex.; (4) From Mineola, Tex., over U.S. Highway 69 via Lindale and Swan Junction, Tex., to Tyler, Tex., and thence over U.S. Highway 271 to Gladewater, Tex.; (5) From Wills Point, Tex., over Texas Highway 64 via Tyler, Tex., to Henderson, Tex.; (6) From Tyler, Tex., over Texas Highway 31 to Kilgore, Tex.; (7) From Nacogdoches, Tex., over U.S. Highway 59 to junction Texas Highway 26, and thence over Texas Highway 26 via Mt. Enterprise, Minden Junction, Henderson,

and Kilgore, Tex., to Longview, and return over the same routes.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[P.R. Doc. 65-8421; Filed, Aug. 11, 1965; 8:45 a.m.]

[Notice 802]

MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

AUGUST 6, 1965.

The following publications are governed by the new Special Rule 1.247 of the Commission's rules of practice, published in the FEDERAL REGISTER, issue of December 3, 1963, which became effective January 1, 1964.

Special notice. The publications hereinafter set forth reflect the scope of the applications as filed by applicants, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ultimately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

APPLICATIONS ASSIGNED FOR ORAL HEARING

MOTOR CARRIERS OF PROPERTY

The applications immediately following are assigned for hearing at the time and place designated in the notice of filing as here published in each proceeding. All of the proceedings are subject to the special rules of procedure for hearing outlined below:

SPECIAL RULES OF PROCEDURE FOR HEARING

(1) All of the testimony to be adduced by applicant's company witnesses shall be in the form of written statements which shall be submitted at the hearing at the time and place indicated.

(2) All of the written statements by applicant's company witnesses shall be offered in evidence at the hearing in the same manner as any other type of evidence. The witnesses submitting the written statements shall be made available at the hearing for cross-examination, if such becomes necessary.

(3) The written statements by applicant's company witnesses, if received in evidence, will be accepted as exhibits. To the extent the written statements refer to attached documents such as copies of operating authority, etc., they should be referred to in written statement as numbered appendices thereto.

(4) The admissibility of the evidence contained in the written statements and the appendices thereto, will be at the time of offer, subject to the same rules as if the evidence were produced in the usual manner.

(5) Supplemental testimony by a witness to correct errors or to supply inadvertent omissions in his written statement is permissible.

No. MC 113267 (Sub-No. 145) (Republication) filed March 26, 1965, published FEDERAL REGISTER issue April 14, 1965,

amended and republished July 15, 1965, and republished this issue. Applicant: CENTRAL & SOUTHERN TRUCK LINES, INC., Post Office Box 548, Caseyville, Ill. Applicant's attorney: R. H. Burroughs, 115 East Main Street, Collinsville, Ill. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Meats, meat products and meat byproducts and articles distributed by meat packinghouses* as described in sections A and C, appendix I in *Descriptions in Motor Carrier Certificates* 61 M.C.C. 209 and 766 (except hides and commodities in bulk in tank vehicles), (1) from points in Dakota County, Nebr., to points in Arkansas, Kentucky, Tennessee, Louisiana, Mississippi, Alabama, Georgia, Florida, North Carolina, and South Carolina, and (2) from Sioux City, Iowa, to points in Arkansas, Kentucky, Tennessee, Louisiana, Mississippi, Georgia, and Florida. NOTE: Common control may be involved. The purpose of this republication is to reflect the hearing date.

HEARING: October 11, 1965, at the Hotel Sheraton Fontenelle, Omaha, Nebr., before Examiner Alvin H. Schutrumpf.

No. MC 113651 (Sub-No. 76) (Republication), filed November 12, 1964, published FEDERAL REGISTER issue December 2, 1964, and republished as amended July 9, 1965, and republished this issue. Applicant: INDIANA REFRIGERATOR LINES, INC., 2404 North Broadway, Muncie, Ind. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts, and articles distributed by meat packinghouses*, as described in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles, and hides), from points in Dakota County, Nebr., and Sioux City, Iowa, to points in Connecticut, Delaware, District of Columbia, Indiana, Iowa, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia. NOTE: The purpose of this republication is to reflect the hearing information.

HEARING: October 11, 1965, at the Hotel Sheraton Fontenelle, Omaha, Nebr., before Examiner Alvin H. Schutrumpf.

No. MC 113651 (Sub-No. 81) (Republication), filed March 22, 1965, published in FEDERAL REGISTER issue of April 8, 1965, amended June 24, 1965, and republished as amended July 9, and republished this issue. Applicant: INDIANA REFRIGERATOR LINES, INC., 2404 North Broadway, Muncie, Ind. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts, and articles distributed by meat packinghouses*, as described in appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles, and hides), from points in Dakota County, Nebr., and Sioux City,

Iowa, to points in Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Alabama, Florida, Louisiana, and Mississippi. NOTE: The purpose of this republication is to reflect the hearing information.

HEARING: October 11, 1965, at the Hotel Sheraton Fontenelle, Omaha, Nebr., before Examiner Alvin H. Schutrumpf.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[P.R. Doc. 65-8423; Filed, Aug. 11, 1965; 8:45 a.m.]

NOTICE OF FILING OF MOTOR CARRIER INTRASTATE APPLICATIONS

AUGUST 6, 1965.

The following applications for motor common carrier authority to operate in intrastate commerce seek concurrent motor carrier authorization in interstate or foreign commerce within the limits of the intrastate authority sought, pursuant to section 206(a) (6) of the Interstate Commerce Act, as amended October 15, 1962. These applications are governed by special rule 1.245 of the Commission's rules of practice, published in the FEDERAL REGISTER, issue of April 11, 1963, page 3533, which provides, among other things, that protests and requests for information concerning the time and place of State Commission hearings or other proceedings, any subsequent changes therein, and any other related matters shall be directed to the State Commission with which the application is filed and shall not be addressed to or filed with the Interstate Commerce Commission.

State Docket No. 2980-M, filed July 14, 1965. Applicant: PEARL S. BECK, B. C. BECK, AND RAY M. BECK, doing business as CEDARTOWN-ATLANTA FREIGHT LINE, LESSOR, AND CEDARTOWN-ATLANTA FREIGHT LINE, INC., LESSEE, North Main Street, Post Office Box 127, Cedartown, Ga., 30125. Applicant's representative: W. F. Schumaker, Post Office Box 127, Cedartown, Ga. Certificate of public convenience and necessity sought to operate a freight service as follows: Transportation of *general commodities* (property), between Dallas, Ga., and Cartersville, Ga., over Georgia Highway 61, with the right to serve points within ten (10) miles of Dallas, Ga., on Georgia Highways 61 and 92; also, with the right to serve the Tucker-Stone Mountain Industrial District and/or Stone Mountain Industrial Park, over all available highways from Atlanta, Ga., as off-route points and restricted to traffic moving to and from points served direct.

HEARING: September 14, 1965, at 10 a.m., Room 177, 244 Washington Street SW., Atlanta, Ga.

Requests for procedural information, including the time for filing protests concerning this application should be addressed to the Georgia Public Service Commission, 244 Washington Street SW., Atlanta, Ga., 30334, and should not be

directed to the Interstate Commerce Commission.

State Docket No. MC 4725, filed May 17, 1965. Applicant: J. H. LOFTON, doing business as CHICKASAW MOTOR LINE, 305 Rural Hill Road, Nashville, Tenn. Applicant's attorney: Walter Harwood, 515 Nashville Bank and Trust Building, Nashville, Tenn. Certificate of public convenience and necessity sought to operate a freight service as follows: Transportation of *general commodities* (except explosives, household goods, commodities in bulk, and commodities requiring special equipment), from Nashville, Tenn., over Tennessee Highway 100 to Somerville, thence over Tennessee Highway 76 to junction Tennessee Highway 57, thence over Tennessee Highway 57 to Collierville, also over Tennessee Highway 57 to junction Tennessee Highways 18 and 18A, thence over Tennessee Highways 18 and 18A to junction Tennessee Highway 100; also over Tennessee Highway 138 between its junctions with Tennessee Highways 18 and 100; also over Tennessee Highway 15 between its junctions with Tennessee Highways 18 and 100; also over Tennessee Highway 20 from Parsons to Lexington; thence over Tennessee Highway 22 to junction Tennessee Highway 100, and return over the same routes, serving all intermediate points west of the Tennessee River.

HEARING: September 1, 1965, at 9:30 a.m., Commission's Court Room, C-1 Cordell Hull Building, Nashville, Tenn.

Requests for procedural information including the time for filing protests, concerning this application should be addressed to the Tennessee Public Service Commission, Cordell Hull Building, Nashville, Tenn., 37219, and should not be directed to the Interstate Commerce Commission.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[P.R. Doc. 65-8424; Filed, Aug. 11, 1965;
8:45 a.m.]

[Notice 23]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

AUGUST 6, 1965.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules in Ex Parte No. MC 67 (49 CFR Part 240), published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be served on the applicant, or its authorized representative, if any, and the protest must certify that such service has been made. The protest must be specific as to the service which such protestant can and will offer, and must

consist of a signed original and six (6) copies.

A copy of the application is on file, and can be examined, at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 62826 (Sub-No. 16 TA), filed August 4, 1965. Applicant: CAROLINA-NORFOLK TRUCK LINE, INC., 2412 Virginia Beach Boulevard, Norfolk, Va. Applicant's representative: William Coggins (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined in *Practices of Motor Common Carriers of Household Goods*, 17 M.C.C. 467, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading), serving the plant site of the Texas Gulf Sulphur Co., which lies approximately 8 miles from Aurora, N.C., as an off-route point in connection with applicant's authorized regular-route operations as contained in MC 62826. Applicant proposes to interline with other carriers at Charlotte and Greensboro, N.C. and Norfolk, Va. on traffic moving to and from the above requested off-route point, for 180 days. Supporting Shippers: Texas Gulf Sulphur Company, Phosphate Division, Box 48, Aurora, N.C., Rea-Brown & Root, Post Office Box 511, New Bern, N.C. Send Protests to: Robert W. Waldron, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 10-502 Federal Building, Richmond, Va., 23240.

No. MC 106051 (Sub-No. 35 TA), filed August 4, 1965. Applicant: OLD COLONY TRANSPORTATION CO., INC., 56 Prospect Street, Post Office Box 5, New Bedford, Mass. Applicant's representative: Francis E. Barrett, Jr., 182 Forbes Building, Forbes Road, Braintree, Mass., 02184. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Corrugated fibreboard cartons and corrugated sheets*, from the plantsite of J & J Corrugated Box Corp., at Fall River, Mass., to Suncook, Lincoln, Peterborough, Greenfield, and Rochester, N.H., and Skowhegan, Maine, for 180 days. Supporting shipper: Joseph Cohen, Vice President, J & J Corrugated Box Corp., Ferry and Almond Streets, Fall River, Mass., 02722. Send protests to: Gerald H. Curry, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 187 Westminster Street, Providence, R.I., 02903.

No. MC 110140 (Sub-No. 4 TA), filed August 4, 1965. Applicant: MAYO ROBISON, doing business as LUMBER TRUCKING SERVICE, 943 South Nebraska Street, Seattle, Wash., 98108. Applicant's representative: Jos. O. Earp, Washington Highway Freight Tariff Bureau, 411 Lyon Building, Seattle, Wash., 98104. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*,

from ports of entry on the international boundary line between the United States and Canada, at Sumas, Wash., to points in King and Pierce Counties, Wash., restricted to traffic originating at Abbotsford, Chilliwack, Ruskin, Haney and Squamish, British Columbia, for 180 days. Supporting shipper: Central Lumber Sales, 9050 Mary Street, Chilliwack, British Columbia. Send protests to: E. J. Casey, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 6129 Arcade Building, Seattle, Wash., 98101.

No. MC 123639 (Sub-No. 35 TA), filed August 4, 1965. Applicant: J. B. MONTGOMERY, INC., 5150 Brighton Boulevard, Denver, Colo., 80216. Applicant's representative: Edward R. Driskell (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts, and articles distributed by meat packinghouses*, as described in sections A and C of appendix I in *Descriptions in Motor Carrier Certificate*, 61 M.C.C. 209 and 766, from points in Adams County, Nebr., to points in Colorado (except Denver), Illinois (except Chicago), and Indiana, Iowa, Kansas, Missouri, and Louisville and Covington, Ky., for 180 days. Supporting shipper: Snyder Packing Co., Hastings, Nebr. Send protests to: Luther Oldham, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 2022 Federal Building, 1961 Stout Street, Denver, Colo., 80202.

No. MC 127471 TA, filed August 4, 1965. Applicant: CENTRAL COAST TRUCK SERVICE, INC., 50 Pine Street, Watsonville, Calif. Applicant's representative: E. H. Griffiths, 451 Turk Street, San Francisco, Calif. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Prepared frozen foods and unprocessed agricultural products*, in refrigerated equipment, from Watsonville, Calif., to Phoenix and Tucson, Ariz., for 150 days. Supporting shipper: Morton Frozen Foods, 6277 East Slauson Avenue, Los Angeles, Calif. Send protests to: W. E. Murphy, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 450 Golden Gate Avenue, Box 36004, San Francisco, Calif., 94102.

No. MC 127472 TA, filed August 4, 1965. Applicant: AUSCENCIO LOPEZ GONZALEZ, doing business as A. L. GONZALEZ, Route 3, Box 313C, Milton-Freewater, Ore. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Sugarbeet pulp*, from Moses Lake and Quincy, Wash., to points in Umatilla County, Ore., for 180 days. Supporting shipper: Archie Harris Feed Lot, Touchet, Wash. Send protests to: A. F. Martin, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 538 Pittock Block, Portland, Ore., 97205.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[P.R. Doc. 65-8425; Filed, Aug. 11, 1965;
8:46 a.m.]

FOURTH SECTION APPLICATIONS
FOR RELIEF

AUGUST 9, 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. 39955—*Soda ash to Crystal City, Mo.* Filed by Western Trunk Line Committee, agent (No. A-2416), for interested rail carriers. Rates on soda ash (other than modified soda ash), in bulk, in carloads, from Stauffer and Westvaco, Wyo., to Crystal City, Mo.

Grounds for relief—Market competition.

Tariff—Supplement 126 to Western Trunk Line Committee, agent, tariff ICC A-4411.

FSA No. 39956—*Volcanic ash, slag, or scoria from Salida, Colo.* Filed by Western Trunk Line Committee, agent (No. A-2417), for interested rail carriers. Rates on volcanic ash, slag, or scoria, crude or crushed, not ground, in carloads, from Salida, Colo., to points in western trunk-line territory.

Grounds for relief—Market competition.

Tariff—Supplement 126 to Western Trunk Line Committee, agent, tariff ICC A-4411.

FSA No. 39957—*Cement and related articles from Selma, Mo.* Filed by Southwestern Freight Bureau, agent (No. B-8755), for interested rail carriers. Rates on cement and related articles, in carloads, from Selma, Mo., to points on the AT&SF Ry., in Kansas, Missouri, Oklahoma, and Texas.

Grounds for relief—Carrier competition.

Tariff—Supplement 37 to Southwestern Freight Bureau, agent, tariff ICC 4587.

FSA No. 39958—*Iron and steel articles to Baton Rouge and New Orleans, La.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 2792), for interested rail carriers. Rates on iron or steel articles, as described in the application, in carloads, from specified points in Ohio, Pennsylvania, and West Virginia, to New Orleans and Baton Rouge, La.

Grounds for relief—Barge-truck competition.

Tariff—Supplement 27 to Traffic Executive Association-Eastern Railroads, agent, tariff ICC C-428.

FSA No. 39959—*Iron or steel plate to Pascagoula, Miss.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 27793), for interested rail carriers. Rates on iron or steel plate, nonn, galvanized, painted or plain, corrugated or not corrugated, in carloads, from Philadelphia, Pa., to Pascagoula, Miss.

Grounds for relief—Market competition.

Tariff—Supplement 27 to Traffic Executive Association-Eastern Railroads, agent, tariff ICC C-428.

FSA No. 39960—*Joint motor-rail rates—Southern Motor Carriers.* Filed by Southern Motor Carriers Rate Conference, agent (No. 116), for interested carriers. Rates on commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in southern territory, on the one hand, and points in middle Atlantic and New England territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—Supplement 5 to Southern Motor Carriers Rate Conference, agent, tariff MF-ICC 1361.

FSA No. 39961—*Watermelons to Washington, D.C., and Richmond, Va.* Filed by O. W. South, Jr., agent (No. A4748), for interested rail carriers. Rates on watermelons, in carloads, from points in Florida, Georgia, North Carolina, and South Carolina, to Washington, D.C., and Virginia points grouped therewith and Richmond, Va.

Grounds for relief—Carrier competition.

Tariffs—Supplements 128 and 44 to Southern Freight Association, agent, tariffs ICC 1629 and S-178, respectively.

By the Commission.

[SEAL]

H. NEIL GARSON,
Secretary.[P.R. Doc. 65-8475; Filed, Aug. 11, 1965;
8:49 a.m.]

[Notice 24]

MOTOR CARRIER TEMPORARY
AUTHORITY APPLICATIONS

AUGUST 9, 1965.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules in Ex Parte No. MC 67 (49 CFR 240), published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be served on the applicant, or its authorized representative, if any, and the protest must certify that such service has been made. The protest must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six (6) copies.

A copy of the application is on file, and can be examined, at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 3252 (Sub-No. 32 TA), filed August 5, 1965. Applicant: PAUL E. MERRILL, doing business as MERRILL TRANSPORT CO., 1037 Forest Avenue, Portland, Maine. Applicant's representative: James E. Mardin (same address

as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Gasoline, kerosene and No. 2 fuel, in bulk, in tank vehicles, from Albany, N.Y., to Keene, N.H., for 150 days. Supporting shipper: Agway, Inc., Terrace Hill, Ithaca, N.Y., 14851. Send protests to: Joseph W. Balin, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, Room 307, 76 Pearl Street, Portland, Maine, 04112.

No. MC 112520 (Sub-No. 126 TA), filed August 5, 1965. Applicant: MCKENZIE TANK LINES, INC., New Quincy Road, Post Office Box 1200, Tallahassee, Fla. Applicant's representative: Sol H. Proctor, 1730 American Heritage Building, Jacksonville, Fla., 32202. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Aqueous dimethylamines, in bulk, in tank vehicles, from Pace, Fla., to New Orleans, La., for 180 days. Supporting shipper: Escambia Chemical Corp., Post Office Box 467, Pensacola, Fla., 32502. Send protests to: George H. Fauss, Jr., District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, Post Office Box 4969, Jacksonville, Fla., 32201.

No. MC 116073 (Sub-No. 24 TA), filed August 4, 1965. Applicant: BARRETT MOBILE HOME TRANSPORT, INC., 1825 Main Avenue, Moorhead, Minn. Applicant's representative: John C. Barrett (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Sectionalized buildings mounted on wheeled undercarriages equipped with hitch ball couplers, between Watertown, S. Dak., Ponca City and Chickasha, Okla., and Vidalia, Ga., on the one hand, and, on the other, points in the United States, including Alaska, for 180 days. Supporting shipper: Chickasha Mobile Homes Co., Chickasha, Okla. Send protests to: Joseph H. Ams, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 1621 South University Drive, Room 213, Fargo, N. Dak.

No. MC 116967 (Sub-No. 7 TA), filed August 4, 1965. Applicant: MARTIN WONDAAL, doing business as MARTIN WONDAAL AND SONS, 2857 Ridge Road, Lansing, Ill. Applicant's representative: Samuel Ruff, 4121 Hemlock Avenue, East Chicago, Ind. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Glazed cement, slag blocks, and related articles and materials used in the manufacture thereof from Chicago, Ill., to points in Ohio, for 150 days. Supporting shipper: Structural Glazed Masonry, Inc., 9326 South Anthony Avenue, Chicago, Ill., 60617. Send protests to: Charles J. Kudelka, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 219 South Dearborn Street, Room 1086, Chicago, Ill., 60607.

No. MC 123061 (Sub-No. 29 TA), filed August 5, 1965. Applicant: LEATHAM

BROTHERS, INC., 46 Orange Street, Salt Lake City, Utah, 84104. Applicant's representative: Harry D. Pugsley, Suite 600 El Paso Natural Gas Building, 315 East Second South Street, Salt Lake City, Utah, 84111. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meat meal, blood meal, and bone meal*, from Twin Falls, Idaho; Denver, Colo., and Great Falls and Billings, Mont., to Portland, Oreg., and Los Angeles, Calif., for 180 days. Supporting shippers: Wilbur-Ellis Co., Post Office Box 3834, Portland, Oreg., Utah By-Products Co., 463 South Third West Street, Salt Lake City, Utah, 84101. Send protests to: John T. Vaughan, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 2224 Federal Building, Salt Lake City, Utah, 84101.

No. MC 127474 TA, filed August 4, 1965. Applicant: EDWARD E. READ, doing business as GREEN TRUCKING, 23 Carroll Street, Nashua, N.H., 03060. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Rubber heels and soles*, from Nashua, N.H., to points in Massachusetts, Maine, and Rhode Island, *raw materials* used in the manufacturing of rubber heels and soles on return, under continuing contract with Beebe Rubber Co. of Nashua, N.H., for 180 days. Supporting shipper: Beebe Rubber Co., 20 Marshall Street, Nashua, N.H., 03060. Send protests to: Ross J. Seymour, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 6 Campbell Street, Lebanon, N.H., 03766.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[P.R. Doc. 65-8476; Filed, Aug. 11, 1965;
8:49 a.m.]

[Notice 803]

APPLICATIONS UNDER SECTIONS 5 AND 210a(b)

AUGUST 9, 1965.

The following applications are governed by the Interstate Commerce Commission's special rules governing notice of filing of applications by motor carriers of property or passengers under sections 5(a) and 210a(b) of the Interstate Commerce Act and certain other proceedings with respect thereto (49 CFR 1.240).

MOTOR CARRIERS OF PROPERTY

No. MC-F-9186. Authority sought for purchase by HOME TRANSPORTATION COMPANY, INC., Post Office Box 6426, Station A, Marietta, Ga., of a portion of the operating rights of AIM TRUCKING, INC. (formerly MILLER-ILLINOIS, INC.), Post Office Drawer 617, Kansas City, Mo., 64141, and for acquisition by JIMMIE H. AYER, also of Marietta, Ga., of control of such rights through the purchase. Applicants' attorneys: Paul M. Daniell, 1600 First Federal Building, Atlanta, Ga., 30303, and Vernon Baker, Suite 300, 1411 "K" Street, Washington, D.C. Operating rights sought to be

transferred: *Heavy machinery, contractors' equipment, materials and supplies*, except in bulk, and commodities which because of size or weight require the use of special equipment or special handling, other than those described above, as a *common carrier*, over irregular routes, between Indianapolis, Ind., on the one hand, and, on the other, points in Iowa; *contractors' equipment, and related contractors' materials and supplies*, when such transportation is incidental to the transportation by carrier of contractors' equipment, commodities, the transportation of which because of size or weight requires special handling of the use of special equipment, except those specified above, *internal combustion engines and parts thereof*; and *iron and steel castings*, between points in Iowa, on the one hand, and, on the other, points in Arkansas, Indiana (except Indianapolis), Kentucky, Ohio, Tennessee, and those in the lower peninsula of Michigan; *heavy machinery, contractors' equipment, materials and supplies*, except in bulk, *used buildings*, and commodities which because of size or weight require the use of special equipment or special handling other than those previously mentioned in this commodity description, between points in Iowa, on the one hand, and, on the other, points in Kansas, within 300 miles of Ames, Iowa, and all points in Illinois, Minnesota, Missouri, Nebraska, and Wisconsin.

*Restriction: No service shall be rendered under the next-above authority except in the transportation of those commodities which because of size or weight require the use of special equipment or special handling from Chicago, Ill., to Lowden, Iowa, and points in Iowa within 40 miles of Lowden; *machinery and contractors' equipment*, which because of size or weight, require the use of special equipment or special handling, between points in Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Wisconsin within 300 miles of Ames, Iowa, including Ames, except road-building equipment from Peoria, Ill., to points in Iowa; *highway and bridge construction and maintenance machinery and equipment*, between points in Iowa, Illinois, and certain specified points in Missouri, between points in Iowa, Illinois, and certain specified points in Missouri on the one hand, and, on the other, points in that part of Minnesota on and south of U.S. Highway 12, and those in Wisconsin, except Green Bay and points within 50 miles of Green Bay, between points in Wisconsin, except Green Bay, and those within 50 miles of Green Bay, on the one hand, and, on the other, points in that part of Minnesota on and south of U.S. Highway 12. *Restriction: No service shall be rendered under the next-above authority, except in the transportation of those commodities which because of size or weight require the use of special equipment or special handling, from Chicago, Ill., to Lowden, Iowa, and points in Iowa within 40 miles of Lowden; *machinery and contractors' equipment*, each weighing 15,000 pounds or more, self-propelled or not, and not requiring special equipment, together with *related machinery, tools, parts, and supplies* moving in conjunction therewith, between points in Iowa, Illinois, Wisconsin, Minnesota, Nebraska, Kansas, and Missouri, within 300 miles of Ames, Iowa, including Ames (except road-building equipment from Peoria, Ill., to points in Iowa); *highway and bridge construction and maintenance machinery and equipment*, each weighing 15,000 pounds or more, self-propelled or not, and not requiring special equipment, together with *related machinery, tools, parts, and supplies* moving in conjunction therewith, be-

the other, points in Illinois within 50 miles of Chicago; *iron and steel castings* (each individual piece weighing 300 pounds or over), *structural and reinforcing steel, internal combustion engines, generators, and parts of and accessories* for highway and bridge construction and maintenance machinery and equipment, between points in Iowa, Illinois, certain specified points in Missouri, those in that part of Minnesota on and south of U.S. Highway 12, and those in Wisconsin, except Green Bay and points within 50 miles of Green Bay.

Restriction: No service shall be rendered under the next-above authority between points in the Chicago, Ill., commercial zone as defined by the Commission in 1 MCC 673, on the one hand, and, on the other, Milwaukee, Wis.,* nor except in the transportation of those commodities which because of size or weight require the use of special equipment or special handling, from Chicago, Ill., to Lowden, Iowa, and points in Iowa within 40 miles of Lowden, between points in the Chicago, Ill., commercial zone as defined by the Commission in 1 MCC 673, and between Chicago, Ill., on the one hand, and, on the other, points in Illinois within 50 miles of Chicago; applicant also proposes to purchase certain portions of the operating rights sought by AIM TRUCKING, INC., in pending Docket No. MC-126632 (Sub-No. 7), covering the transportation of *articles*, each weighing 15,000 pounds or more, self-propelled or not, and not requiring special equipment together with *incidental machinery, tools, parts, or supplies* moving in conjunction therewith, as a *common carrier*, over irregular routes, between Indianapolis, Ind., on the one hand, and, on the other, points in Iowa, between points in Iowa, on the one hand, and, on the other, points in Indiana (except Indianapolis), Arkansas, Kentucky, Ohio, Tennessee, and those in the lower peninsula of Michigan, between points in Iowa, on the one hand, and, on the other, points in Kansas within 300 miles of Ames, Iowa, and points in Illinois, Wisconsin, Minnesota, Nebraska, and Missouri. *Restriction: No service shall be rendered under the next-above authority except in the transportation of those commodities which because of size or weight require the use of special equipment or special handling from Chicago, Ill., to Lowden, Iowa, and points in Iowa within 40 miles of Lowden; *machinery and contractors' equipment*, each weighing 15,000 pounds or more, self-propelled or not, and not requiring special equipment, together with *related machinery, tools, parts, and supplies* moving in conjunction therewith, between points in Iowa, Illinois, Wisconsin, Minnesota, Nebraska, Kansas, and Missouri, within 300 miles of Ames, Iowa, including Ames (except road-building equipment from Peoria, Ill., to points in Iowa); *highway and bridge construction and maintenance machinery and equipment*, each weighing 15,000 pounds or more, self-propelled or not, and not requiring special equipment, together with *related machinery, tools, parts, and supplies* moving in conjunction therewith, be-

tween points in Iowa, Illinois, and certain specified points in Missouri, between points in Iowa, Illinois, and certain specified points in Missouri, on the one hand, and, on the other, points in that part of Minnesota on and south of U.S. Highway 12, and those in Wisconsin, except Green Bay and points within 50 miles of Green Bay, between points in Wisconsin, except Green Bay, and those within 50 miles of Green Bay, on the one hand, and, on the other, points in that part of Minnesota on and south of U.S. Highway 12.

*Restriction: No service shall be rendered under the next-above authority except in the transportation of those commodities which because of size or weight require the use of special equipment or special handling, from Chicago, Ill., to Lowden, Iowa, and points in Iowa within 40 miles of Lowden, between points in the Chicago, Ill., commercial zone as defined by the Commission in 1 MCC 673, between Chicago, Ill., on the one hand, and, on the other, points in Illinois within 50 miles of Chicago; generators, and parts of and accessories

for highway and bridge construction and maintenance machinery and equipment, each weighing 15,000 pounds or more, self-propelled or not, and not requiring special equipment, together with related machinery, tools, parts and supplies moving in conjunction therewith, between points in Iowa, Illinois, certain specified points in Missouri, those in that part of Minnesota on and south of U.S. Highway 12, and those in Wisconsin, except Green Bay and points within 50 miles of Green Bay. *Restriction: No service shall be rendered under the next-above authority between points in the Chicago, Ill., commercial zone, as defined by the Commission in 1 MCC 673, on the one hand, and, on the other, Milwaukee, Wis., nor except in the transportation of those commodities which because of size or weight require the use of special equipment or special handling, from Chicago, Ill., to Lowden, Iowa, and points in Iowa within 40 miles of Lowden, between points in the Chicago, Ill., commercial zone as defined by the Commission in 1 MCC 673, between Chicago,

Ill., on the one hand, and, on the other, points in Illinois within 50 miles of Chicago. NOTE: (1) Applicant proposes to tack or join each of the separate paragraphs above so as to be able to perform a through service to the same extent that it may now perform a through service under its existing certificates. NOTE: (2) Asterisks (*) above indicates proposed restrictions. Vendee is authorized to operate as a common carrier in Georgia, Alabama, Tennessee, North Carolina, South Carolina, Illinois, West Virginia, Michigan, Delaware, Missouri, Oklahoma, Nebraska, Iowa, Indiana, Kentucky, Ohio, Massachusetts, Florida, Louisiana, Mississippi, Arkansas, Pennsylvania, Texas, Virginia, Kansas, New Jersey, New York, Wisconsin, Minnesota, and the District of Columbia. Application has been filed for temporary authority under section 210a (b).

[SEAL]

H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-8477; Filed, Aug. 11, 1965; 8:49 a.m.]

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