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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, 1967, and specifies how they are affected.

Presidential Documents

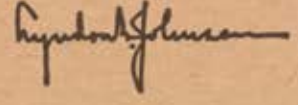
Title 3—THE PRESIDENT

Executive Order 11323

PLACING AN ADDITIONAL POSITION IN LEVEL V OF THE FEDERAL EXECUTIVE SALARY SCHEDULE

By virtue of the authority vested in me by Section 5317 of Title 5 of the United States Code, and as President of the United States, Section 2 of Executive Order No. 11248 of October 10, 1965, as amended, is further amended by adding thereto the following:

(11) Deputy Commissioner of Social Security, Department of Health, Education, and Welfare.



THE WHITE HOUSE,
January 20, 1967.

[F.R. Doc. 67-934; Filed, Jan. 23, 1967; 11:55 a.m.]

Rules and Regulations

Title 7—AGRICULTURE

Chapter I—Consumer and Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

Subpart—U.S. Standards for Grades of Frozen French Fried Potatoes [1]

MISCELLANEOUS AMENDMENTS

A proposal to amend the U.S. Standards for Grades of Frozen French Fried Potatoes (7 CFR 52.2391–52.2405) was published in the FEDERAL REGISTER of October 28, 1966 (31 F.R. 13861). Interested persons were given until January 1, 1967 to submit written data, views, or arguments for consideration in connection with the proposed amendments.

Statement of consideration leading to the amendments to the standards. Comments received concerning the aforesaid proposed amendments indicate strong approval of the amendments as proposed. There was very little adverse comment.

After consideration of all relevant information available, including the aforesaid notice, and pursuant to the authority contained in the Agricultural Marketing Act of 1946 (202–208, 60 Stat. 1087, as amended; 7 U.S.C. 1621–1627), the U.S. Standards for Grades of Frozen French Fried Potatoes are hereby amended as follows:

1. The following new section is inserted:

§ 52.2392a Types.

(a) Frozen french fried potatoes are of two types, based principally on intended use, as follows:

(1) *Retail type.* This type is intended for household consumption. It is normally packed in small packages which are labeled or marked for retail sales. It may be otherwise designated for such use.

(2) *Institutional type.* This type is intended for the hotel, restaurant, or other large feeding establishment trade. Primary containers, usually 5 pounds or more, are often not completely labeled as for retail sales.

(b) If it is not possible to ascertain the type, the quality requirements of the retail type apply.

[1] Compliance with the provisions of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act or with applicable State laws and regulations.

2. In § 52.2396, paragraph (b) is revised to read as follows:

§ 52.2396 Ascertaining the grade of a sample unit.

* * * * *

(b) *Sample unit size.* For purposes of rating the quality factors sample units are established as follows:

(1) *Retail type.* One pound of product (16 ounces) selected from a production line or from one or more market packages.

(2) *Institutional type.* Two pounds of product (32 ounces) selected from a production line or from one market package.

* * * * *

§ 52.2400 [Amended]

3. In § 52.2400, Table I and Table II are deleted in their entirety and the following revised tables substituted therefor:

TABLE I—MAXIMUM ALLOWANCES FOR DEFECTIVES IN ALL STYLES EXCEPT SHOESTRING STYLE STRIPS AND DICES

Grade classification	Type of defects	Retail type	Institutional type
		Defectives in a 1-lb. sample unit	Defectives in a 2-lb. sample unit
A and A short	Minor and major	5 defectives	18 defectives.
	Limit for major	1 defective	4 defectives.
B	Minor and major	9 defectives	28 defectives.
	Limit for major	2 defectives	8 defectives.

TABLE II—MAXIMUM ALLOWANCES FOR DEFECTIVES IN SHOESTRING STYLE STRIPS AND DICES

Grade classification	Type of defects	Retail type	Institutional type
		Defectives in a 1-lb. sample unit	Defectives in a 2-lb. sample unit.
A and A short	Minor and major	9 defectives	28 defectives.
	Limit for major	2 defectives	8 defectives.
B	Minor and major	18 defectives	36 defectives.
	Limit for major	5 defectives	12 defectives.

(Secs. 202–208, 60 Stat. 1087, as amended; 7 U.S.C. 1621–1627)

It is hereby found that good cause exists for not postponing the effective date of this amendment beyond that specified in that:

(1) The processing of frozen french fried potatoes has been under way for some time in most producing areas;

(2) The processors of frozen french fried potatoes have been made aware of the provisions of the amendment;

(3) No changes in production are required which cannot be effectuated immediately; and

(4) The amendments to the standards are necessary for proper marketing of the product.

To become effective 15 days after publication in the FEDERAL REGISTER.

Dated: January 18, 1967.

G. R. GRANGE,
Deputy Administrator,
Marketing Services.

[F.R. Doc. 67-783; Filed, Jan. 23, 1967; 8:46 a.m.]

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

[Milk Order 64]

PART 1064—MILK IN GREATER KANSAS CITY MARKETING AREA

Order Suspending Certain Provisions

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 Greater Kansas City marketing area (7 CFR Part 1064), it is hereby found and determined that:

(a) The following provisions of the order do not tend to effectuate the declared policy of the Act for the month of January 1967: In the proviso contained in § 1064.12(b), the provisions "4 of the 5 months of", "through January", and "of February through August".

(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.

This suspension will permit a supply plant to be pooled during the month of January 1967, if it had been pooled during the month of September regardless of the percentage of its receipts which are shipped to distributing plants during that month. Unusually large receipts of milk from producers currently make it difficult, if not impossible, for certain regular supplies of milk for the Kansas City market to qualify as producer milk. The suspension will maintain the status of the dairymen delivering milk to this supply plant as producers entitled to share in the proceeds from the market-wide pool of all milk sales. It is essential that such dairymen retain their status as producers so that they will continue to supply the market in coming months when their deliveries will be needed to supply the market's Class I sales requirements.

(3) This suspension action was requested by producers at a public hearing held January 5, 1967, at Kansas City, Mo. At the hearing a witness testified that emergency action in the form of a suspension order is necessary to permit a supply plant to maintain its pool plant status pending the time when an amended order can be issued. The period from the close of the hearing through midnight, Saturday, January 7, 1967, was allowed for filing of briefs. None were filed in opposition to the requested suspension.

Therefore, good cause exists for making this order effective January 1, 1967.

It is therefore ordered, That the aforesaid provisions of the order are hereby suspended for the month of January 1967.

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

Effective date: January 1, 1967.

Signed at Washington, D.C., on January 18, 1967.

GEORGE L. MEHREN,
Assistant Secretary.

[F.R. Doc. 67-821; Filed, Jan. 23, 1967; 8:49 a.m.]

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 213—EXCEPTED SERVICE

Department of Commerce

Section 213.3313 is amended to show that the position of Special Assistant to the Under Secretary is excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (41) is added to paragraph (a) of § 213.3314 as set out below.

§ 213.3314 **Department of Commerce.**

(a) *Office of the Secretary.* * * *

(41) One Special Assistant to the Under Secretary.

* * * * *

(5 U.S.C. 3301, 3302; E.O. 10577, 19 F.R. 7521, 3 CFR, 1954–1958 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 67-772; Filed, Jan. 23, 1967; 8:45 a.m.]

PART 213—EXCEPTED SERVICE

Department of Housing and Urban Development; Correction

In F.R. Doc. 67-458 appearing in the issue for January 14, 1967, at page 407, subparagraphs (19) and (20) of paragraph (a) of § 213.3384 should be renumbered subparagraphs (20) and (21).

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3, 1954–1958 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 67-773; Filed, Jan. 23, 1967; 8:45 a.m.]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER F—POULTRY IMPROVEMENT

PART 145—NATIONAL POULTRY IMPROVEMENT PLAN (CHICKENS AND CERTAIN OTHER POULTRY)

PART 146—NATIONAL TURKEY IMPROVEMENT PLAN (TURKEYS AND CERTAIN OTHER POULTRY)

PART 147—AUXILIARY PROVISIONS ON NATIONAL POULTRY AND TURKEY IMPROVEMENT PLANS

Miscellaneous Amendments

On September 27, 1966, there was published in the FEDERAL REGISTER (31 F.R. 12639) a notice of proposed amendments of the National Poultry and Turkey Improvement Plans and Auxiliary Provisions recommended by the 1966 Conference of representatives of the State agencies cooperating in the administration of the Plans. After due consideration of all relevant material submitted in connection with such notice, and pursuant to section 101(b) of the Department of Agriculture Organic Act of 1944, as amended (7 U.S.C. 429), Parts 145, 146, and 147 of Title 9, Code of Federal Regulations, are hereby amended in the following respects:

1. Section 145.1 is amended by adding two new paragraphs (t) and (u) to read:

§ 145.1 **Definitions.**

* * * * *

(t) *Primary breeding flock.* A flock composed of one or more generations that is maintained for the purpose of establishing, continuing, or improving parent lines.

(u) *Multiplier breeding flock.* A flock that originated from a primary breeding flock and is intended for the production of hatching eggs used for the purpose of producing chicks for commercial egg or meat production.

§ 145.10 **[Amended]**

2. Section 145.10 is amended by deleting paragraph (f) and Figure 7.

3. Section 145.10 is further amended by redesignating paragraph (g) as paragraph (f), redesignating Figure 8 as Figure 7, and adding a new paragraph (g) to read:

(g) *U.S. M. Gallisepticum Tested.* (1) Flocks in which all birds have been blood tested for M. gallisepticum when they were more than 5 months of age in accordance with the procedures prescribed in subparagraph (2) of this paragraph, and in which no M. gallisepticum reactors were found, and which are maintained in accordance with the conditions and procedures prescribed in § 147.36 of this chapter: *Provided*, That in order to retain this classification, freedom from M. gallisepticum shall be demonstrated by one of the following procedures: (i) Every 60 days a random sample of 5 percent of the flock, or a number specified by the Official State Agency, shall be tested; or (ii) every 30 days a sample of 25 cull chicks produced from the flock shall be subjected to approved laboratory procedures for the detection and recovery of M. gallisepticum.

FIGURE 8.

(2) The official blood test for M. gallisepticum shall be conducted in accordance with the following:

(i) The blood samples shall be drawn by an Authorized Agent or State Inspector and shall be tested by an authorized laboratory, using either the serum plate agglutination test, the tube agglutination test, the hemagglutination inhibition test, or a combination of two or more of these tests. The HI test shall be used to confirm the results of other serological tests;

(ii) The tests shall be conducted using M. gallisepticum antigen approved by the Department and shall be performed in accordance with the recommendations of the producer of the antigen.

(3) When reactors are submitted to a laboratory as prescribed by the Official State Agency, the following criteria shall be used to determine if the flock is negative for M. gallisepticum: (i) Active air sac lesions; (ii) recovery of M. gallisepticum; and (iii) supplemental serological tests. If all of these tests are negative, the flock shall be deemed to have had no M. gallisepticum reactors. If M. gallisepticum is recovered, the flock shall be considered infected. If any of the other tests (subdivision (i) or (iii) of this subparagraph) is positive, the flock shall be considered suspicious and additional laboratory tests shall be conducted before the final disposition of the flock is determined.

(4) If a participant handles products which are not classified as U.S. M. Gallisepticum Tested, these products shall be kept separate from the U.S. M. Gallisepticum Tested products in a manner satisfactory to the Official State Agency.

4. Section 145.14 is amended by revising paragraph (d) and the fourth and fifth sentences of paragraph (g) to read:

§ 145.14 Blood testing.

* * * * *

(d) All domesticated fowl, except waterfowl, on the farm of the participant shall either be properly tested to meet the same standards as the participating flock or these birds and their eggs shall be separated from the participating flock and its eggs

* * * * *

(g) * * * When Salmonella or Arizona organisms are isolated from a specimen which originated in a participating hatchery, the Official State Agency shall attempt to locate and eliminate the source of the infection. The results of the investigation shall be reported by the Official State Agency to the AH Division.

* * * * *

5. Section 145.26 is amended by revising subparagraphs (10) and (19) of paragraph (c) to read:

§ 145.26 Random sample egg production test.

* * * * *

(c) * * *

(10) Pounds of feed per pound of eggs produced (weight of eggs produced shall be computed from production and egg weight records (bulk weighing) for each 2-week period throughout the test).

* * * * *

(19) Specific gravity score as determined from 1 day's eggs per quarter.

6. Section 146.1 is amended by revising paragraphs (i), (j), and (p) to read, respectively:

§ 146.1 Definitions.

* * * * *

(i) *Primary breeding flock.* A flock composed of one or more generations that is maintained for the purpose of establishing, continuing, or improving parent lines.

(j) *Multiplier breeding flock.* A flock that originated from a primary breeding flock and is intended for the production of hatching eggs used for the purpose of producing commercial turkeys.

* * * * *

(p) *Hatchery supply flock.* A flock producing eggs which are used by a hatchery for the production of poults.

* * * * *

7. Section 146.3 is amended by revising paragraph (d) to read:

§ 146.3 Participation.

* * * * *

(d) No person shall be compelled by the Official State Agency to qualify products for any of the classifications described in §§ 146.10 (a), (c), and (d), and 147.42 of this chapter as a condition of qualification for the U.S. Pullorum-Typhoid Clean classification described in § 146.10(b).

* * * * *

8. Section 146.5 is amended by revising paragraph (c) to read:

§ 146.5 Specific provisions for participating flocks.

* * * * *

(c) A flock shall be deemed to be a participating flock at any time only if its freedom from pullorum and typhoid has been demonstrated by one of the following criteria:

(1) It has been officially blood tested within the past 12 months and qualified for the U.S. Pullorum-Typhoid Clean classification as provided in § 146.10 (b) (1) (See § 146.14 relating to the official blood test.);

(2) It is located on premises where U.S. Pullorum-Typhoid Clean flocks were maintained in each of the past 2 years with no evidence of pullorum or typhoid infection and all breeding birds on the premises have been tested within the past 24 months, and is composed entirely of birds that originated from flocks qualified as U.S. Pullorum-Typhoid Clean as provided in § 146.10(b) (1); or

(3) It is located in a Pullorum-Typhoid Clean State on premises where U.S. Pullorum-Typhoid Clean flocks were maintained in each of the past 2 years with no evidence of pullorum or typhoid infection, and is composed entirely of birds that originated from flocks qualified as U.S. Pullorum-Typhoid Clean as provided in § 146.10(b) (1).

* * * * *

9. Section 146.8 is amended by revising paragraph (a) to read:

§ 146.8 Terminology and classification; general.

(a) The official classification terms defined in §§ 146.9, 146.10, and 147.42 of this chapter and the various designs illustrative of the official classifications as reproduced in §§ 146.10 and 147.42 of this chapter may be used only by participants and to describe products that have met all the specific requirements of such classifications.

* * * * *

§ 146.10 [Amended]

10. Section 146.10 is amended by deleting paragraphs (a), (b), (c) and (d); and Figures 10, 11, and 12.

11. Section 146.10 is further amended by redesignating paragraph (e) as paragraph (a); and redesignating Figure 13 as Figure 10.

12. Section 146.10 is further amended by redesignating paragraph (f) as paragraph (b), and revising it to read:

(b) *U.S. Pullorum-Typhoid Clean.* Flocks meeting one of the following specifications:

(1) Flocks in which no pullorum or typhoid reactors were found on the first official blood test provided for in § 146.5 (c) (1): *Provided,* That if a reactor or reactors are found on the first test the flock may qualify with two consecutive official negative tests;

(2) Flocks maintained under the conditions prescribed in § 146.5(c) (2); or

(3) Flocks maintained under the conditions prescribed in § 146.5(c) (3).

FIGURE 11.

13. Section 146.10 is further amended by redesignating paragraph (g) as paragraph (c) and revising it to read:

(c) *U.S. M. Gallisepticum Tested.* (1) Flocks maintained in accordance with the conditions and procedures described in § 147.36 of this chapter, and in which no reactors are found when tested in accordance with the following procedures:

(i) A random sample of at least 10 percent of the birds in the flock shall be tested when more than 4 months of age;

(ii) The blood samples shall be drawn by an Authorized Agent or State Inspector and shall be tested by an authorized laboratory, using either the serum plate agglutination test, the tube agglutination test, the hemagglutination inhibition test, or a combination of two or more of these tests. The HI test shall be used to confirm the results of other serological tests;

(iii) The tests shall be conducted using M. gallisepticum antigen approved by the Department and shall be performed in accordance with the recommendations of the producer of the antigen.

(2) When reactors are submitted to a laboratory as prescribed by the Official State Agency, the following criteria shall be used to determine if the flock is negative for M. gallisepticum: (i) Active air sac lesions; (ii) recovery of M. gallisepticum; and (iii) supplemental serological tests. If all of the above tests are negative, the flock shall be deemed to have

had no M. gallisepticum reactors. If M. gallisepticum organisms are recovered, the flock shall be considered infected. If any of the other tests (subdivision (i) or (iii) of this subparagraph) is positive, the flock shall be considered suspicious and additional laboratory tests shall be conducted before the final disposition of the flock is determined.

(3) A flock qualified as U.S. M. Gallisepticum Tested may retain the classification for 1 year, provided it is maintained in isolation and no evidence of M. gallisepticum infection is revealed. Each flock and premises shall be inspected at least once during the laying period by an Authorized Agent of the Official State Agency. If a flock proves to be infected with M. gallisepticum, it shall be eliminated as a breeding flock under the supervision of the Official State Agency.

(4) In order to sell hatching eggs or poults of this classification, all hatching eggs and poults handled by the participant must be of this classification.

FIGURE 12.

14. Section 146.10 is further amended by adding a new paragraph (d) to read:

(d) *U.S. Typhimurium Controlled.* (1) Flocks meeting the following requirements:

(i) All birds have been officially blood tested within 12 months for S. typhimurium as provided in § 146.14 and no reactors were found on the last test;

(ii) The flock is maintained in compliance with the provisions of § 147.31 of this chapter and the hatching eggs are handled in compliance with the provisions of § 147.32 of this chapter in a manner satisfactory to the Official State Agency;

(iii) Hatching eggs are collected from the nests at frequent intervals throughout the day and fumigated in accordance with § 147.35(a) of this chapter as soon as possible and no later than 8 hours after collection. Eggs laid at night are collected early each morning and fumigated immediately.

(2) In order to sell hatching eggs or poults of this classification, all hatching eggs and poults handled must meet the requirements for this classification.

(3) Hatcheries producing products of this classification shall be maintained in compliance with the provisions of §§ 147.33, 147.34, and 147.35 of this chapter in a manner satisfactory to the Official State Agency.

FIGURE 13.

15. Section 146.14 is amended by revising paragraphs (a), (d), and (g) to read:

§ 146.14 Blood testing.

(a) In the official blood tests for Salmonella organisms, the blood shall be drawn by an Authorized Agent or State Inspector and tested by an authorized laboratory, using the procedures described in § 147.1 or § 147.2 of this chapter for pullorum-typhoid, and the procedures described in § 147.4 of this chapter for typhimurium. If the following conditions are fulfilled, the tests for pullorum-typhoid and typhimurium may be combined:

(1) The flock is located in a State where an adequate surveillance program for pullorum-typhoid and typhimurium exists;

(2) A single combination antigen composed of equal quantities of pullorum antigen and typhimurium antigen are used in a screening test. The procedures described in § 147.1 of this chapter shall be followed;

(3) All serums showing suspicious and positive reactions to the combination antigen are reset with individual antigens. Final determination of the status of each flock shall be determined by bacteriological examination of representative birds showing suspicious or positive reactions;

(4) If the flock is found to be infected with S. pullorum, S. gallinarum, or S. typhimurium on the basis of bacteriological examinations, retests of the flock shall be done with individual antigens (pullorum and typhimurium antigens) until the flock is qualified or eliminated.

* * * * *

(d) All domesticated fowl, except waterfowl, on the farm of the participant shall either be properly tested to meet the same standards as the participating flock or these birds and their eggs shall be separated from the participating flock and its eggs.

* * * * *

(g) When evidence indicates that poults produced by participating hatcheries are infected with organisms for which the parent flocks were tested, the Official State Agency may, at its discretion, require additional testing of the flocks involved. If infection is found in the parent flock, its classification shall be suspended until the flock is requalified under the requirements for the classification. Furthermore, the Official State Agency may require that the hatching eggs from such flocks be removed from the incubator and destroyed prior to hatching. When Salmonella or Arizona organisms are isolated from a specimen which originated in a participating hatchery, the Official State Agency shall attempt to locate and eliminate the source of the infection. The results of the investigation shall be reported by the Official State Agency to the AH Division.

* * * * *

§§ 146.15–146.28, 146.31 [Deleted]

16. Part 146 is further amended by deleting §§ 146.15, 146.16, 146.17, 146.18, 146.19, 146.20, 146.21, 146.22, 146.23, 146.24, 146.25, 146.26, 146.27, 146.28, and 146.31.

17. Part 146 is further amended by adding a new § 146.15, to read:

§ 146.15 Pullorum-Typhoid Clean State.

(a) A State may be deemed to be a Pullorum-Typhoid Clean State when it is determined by the AH Division that:

(1) All chicken and turkey hatcheries within the State are qualified as "National Plan Hatcheries" or have met equivalent requirements for pullorum-typhoid control under official supervision;

(2) All chicken and turkey hatchery supply flocks within the State are qualified as U.S. Pullorum-Typhoid Clean or have met equivalent requirements for blood testing under official supervision;

(3) All shipments of products other than U.S. Pullorum-Typhoid Clean, or equivalent, into the State are prohibited;

(4) All diagnostic laboratories within the State are required to report to the Official State Agency within 48 hours the source of all poultry specimens from which S. pullorum or S. gallinarum is isolated;

(5) All reports of S. pullorum or S. gallinarum isolation are promptly followed by an Official State Agency investigation to determine the origin of the infection;

(6) All flocks found to be infected with pullorum or typhoid (i) are quarantined until marketed under the supervision of the Official State Agency, or (ii) have been subsequently blood tested and all birds in such flocks failed to demonstrate pullorum or typhoid infection. (The use of eggs produced by a quarantined flock for hatching purposes is prohibited. The quarantined flock or any other flock on the same premises during the next 2 years may qualify as a U.S. Pullorum-Typhoid Clean flock only on the basis of official blood tests conducted by or directly supervised by a State Inspector on all birds in the flock); and

(7) All chickens and turkeys going to public exhibition come from U.S. Pullorum-Typhoid Clean or equivalent flocks, or have a negative pullorum-typhoid test within the past 90 days.

(b) To retain the designation Pullorum-Typhoid Clean State, a monitoring program, including official blood tests of at least 25 percent of the birds in the

hatchery supply flocks in the State, must be systematically conducted each year. The samples tested must be selected to be representative of all hatchery supply flocks in the State. The minimum requirement as to the percentage of birds tested in the monitoring program may be reduced by 5 percent following each year in which no infected birds are detected.

18. Section 146.29 is amended by redesignating it as § 146.16 and revising subparagraph (1) of paragraph (d) to read:

§ 146.16 Turkey reproduction test.

* * * * *

(d) * * *

(1) Kind of stock (variety, strain, or cross; primary breeding flock or multiplier breeding flock);

* * * * *

19. Section 146.30 is amended by redesignating it as § 146.17 and revising subparagraph (1) of paragraph (i) to read:

§ 146.17 Central turkey meat production test.

* * * * *

(i) * * *

(1) Kind of stock (variety, strain, or cross; primary breeding flock or multiplier breeding flock);

* * * * *

§ 147.25 [Amended]

20. Section 147.25 is amended by deleting the last sentence of paragraph (c).

21. Part 147 is further amended by adding a new Subpart E to read:

Subpart E—Procedures for the Classification of Flocks Participating in the National Turkey Improvement Plan on the Basis of Breeding and Performance Records

Sec.

AUTHORITY: The provisions of this Subpart E issued under sec. 101(b), 58 Stat. 734, as amended; 7 U.S.C. 429.

Subpart E—Procedures for the Classification of Flocks Participating in the National Turkey Improvement Plan on the Basis of Breeding and Performance Records

§ 147.41 Definitions.

Except where the context otherwise requires, for the purposes of this subpart the following terms shall be construed, respectively, to mean:

(a) *Person.* A natural person, firm, or corporation.

(b) *AH Division.* The Animal Husbandry Research Division of the Agricultural Research Service of the Department.

(c) *State.* Any State, the District of Columbia, or Puerto Rico.

(d) *Official State Agency.* The State authority recognized by the Department to cooperate in the administration of the Plan.

(e) *ROP Supervisor.* The person employed or authorized to perform functions under § 147.55.

(f) *ROP Inspector.* The person employed or authorized to perform functions under § 147.56.

(g) *Flock.* All turkeys of one kind of mating (variety or combination of stocks) and of one classification on one farm.

(h) *Products.* Turkey breeding stock and hatching eggs, and poults.

(i) *USROP or ROP.* U.S. Record of Performance.

(j) *Stock.* A term used to identify the progeny of a specific breeding combination of turkeys. These breeding combinations may include pure strains, strain crosses, breed crosses, or combinations thereof.

§ 147.42 Terminology and classification; flocks and products.

Participating flocks, and the eggs and poults produced from them, which have met the respective requirements specified in this section may be designated by the following terms or illustrative designs:

(a) *U.S. Record of Performance.* Males and females meeting prescribed standards as provided in §§ 147.46 and 147.47. (Hatching eggs and poults designated as ROP must also meet the requirements specified in §§ 147.51 and 147.52, respectively.)

FIGURE 14.

(b) *U.S. Performance Tested Parent Stock.* Flocks represented in both a turkey reproduction test as provided for in § 146.16 of this chapter and in a central turkey meat production test as provided for in § 146.17 of this chapter by entries that have met the following performance standards:

(1) Average poult production of at least 20 salable poults per hen in 8 weeks.

(2) Poult liveability to 8 weeks of age of at least 90 percent or above the average of the test.

(3) Market quality of U.S. Grade A, except for dressing and handling defects, for at least 90 percent, or above the average of the test of all birds graded. (Qualification for the U.S. Performance Tested Parent Stock classification will be determined by the AH Division from records submitted by supervisors of central turkey meat production and turkey reproduction tests, and the Division will notify each entrant and his Official State Agency of his qualification or failure to qualify.)

(c) *U.S. Performance Tested.* All males and females from Performance Tested Parent Stock. In case the tested stock was a cross of two other stocks, the U.S. Performance Tested flock shall be the same combination of the parent stocks as used for the test entry.

FIGURE 15.

(d) *U.S. Certified.* Flocks meeting one of the following specifications:

(1) All males are ROP or are from ROP mass matings.

(2) All males and females are from flocks composed of the following: ROP males or males from ROP mass matings mated to females from ROP qualified matings; or ROP mass matings; or ROP candidate matings in which 50 percent or more of the dam's family qualified for ROP. (Poults produced under this subparagraph for use in U.S. Certified flocks shall be properly identified at hatching time.)

FIGURE 16.

§ 147.43 USROP; general.

The ROP classification is based on records of egg production, hatchability, and body weight made on the breeder's premises under supervision of the Official State Agency. Records made at State colleges of agriculture and State and Federal experiment stations may be recognized as ROP by Official State Agencies in qualifying birds for use of ROP breeders.

§ 147.44 USROP; participation.

(a) Any person who, in the opinion of the Official State Agency, has the facilities for conducting a systematic program of turkey breeding is eligible for ROP participation.

(b) The participant's farm and all egg production, pedigree, and sales records shall be subject at all times to unannounced inspections by the ROP Inspector.

(c) All young hens of the variety entered which are trapnested on the prem-

ises of an ROP participant shall be considered as entered in ROP.

(d) After the first 2 years of ROP participation, the participant shall maintain at least five candidate matings.

(e) The term "USROP" or "ROP" may be used in advertising products by any person only if he is an ROP participant and if his candidates have met all the requirements of this classification for the current or preceding season.

(f) The participant shall send to the ROP Supervisor not later than the 10th day of each month, a complete report of all trapnesting for the previous month. At the end of each four hatches, he shall also send to the ROP Supervisor on form NPIP 8 (or substitute form) a complete record of all pedigreed eggs set, poults hatched, and poults banded.

§ 147.45 USROP; candidate matings.

These matings shall be comprised of ROP candidate hens and ROP toms to which the following provisions apply:

(a) Each hen shall be identified with an official sealed and numbered band.

(b) Only one tom, or two full brothers, shall be allowed in a mating at any one time and the date of entry and removal of toms shall be properly recorded.

(c) The hens shall be trapnested at regular intervals each day for at least 8 consecutive weeks.

(d) Each egg shall be accurately identified as to the hen that laid it.

(e) For each hen an accurate record shall be kept of (1) the eggs laid during the trapnesting period; (2) the number of eggs sold; (3) the number of eggs incubated; (4) the number of poults hatched; and (5) the number of poults banded.

(f) Each hen shall be weighed by the breeder or the ROP Inspector about the time the candidate begins egg production, and the weight shall be recorded as the nearest whole number.

(g) The poults from these matings shall be banded with sealed and numbered official wing bands marked "Cand."

§ 147.46 USROP; qualification of hens.

An ROP candidate hen which is a reasonably good representative of the variety in the judgment of the ROP Inspector, may qualify as an ROP hen if such candidate:

(a) Produces eggs at the rate of at least 50 percent for a period of at least 8 consecutive weeks from the date the first normal egg is laid in a trapnest; and

(b) Produces eggs that hatch at the rate of at least 70 percent of all eggs set with a minimum of 20 poults hatched. The qualifying requirements for hatchability may be reduced to 65 percent when eggs are hatched at altitudes of 3,000 to 3,499 feet and to 60 percent at altitudes of 3,500 feet or more. All normal eggs produced by the candidate during the period of at least 8 consecutive weeks agreed upon by the breeder and the ROP Supervisor shall be set. Hatchability shall be expressed as a whole number (fractions rounded to the nearest whole number).

§ 147.47 USROP; qualification of toms.

Toms may qualify for the ROP classification if they are:

(a) Produced from ROP poults or from candidate hens which subsequently qualify as ROP hens;

(b) Good representatives of the variety with strong constitutional vigor when examined by the ROP Inspector not earlier than at 22 weeks of age; and

(c) Banded with an ROP sealed and numbered leg band when passed by the Inspector.

§ 147.48 USROP; exceptions to requirements for qualification.

(a) When any disastrous event occurs that affects the breeder's ROP work, and when such event is immediately brought to the attention of his Official State Agency, this agency may, with the consent of the AH Division, make an equitable adjustment in the application of the qualifying requirements to such breeder.

(b) To make it possible for a breeder to get started in ROP breeding work within his own strain, during the first year of such work on his farm the tom mated with ROP candidate hens in ROP candidate matings need not be an ROP tom provided he is of equal pedigree or is a U.S. Approved tom of outstanding quality. Such toms may be used in similar matings during the second year of ROP breeding work, if reexamined and passed by the ROP Inspector. No eggs or progeny from such a mating shall be sold as ROP products. Young toms whose dams qualify for ROP classification may head U.S. Certified flocks owned or controlled by the breeder and may head ROP qualified matings on the breeder's premises.

§ 147.49 USROP; qualified matings.

These matings shall be comprised of ROP hens and ROP toms and shall be maintained in accordance with the provisions of § 147.45 (a), (b), (c), (d), and (e).

§ 147.50 USROP; mass matings.

(a) These matings shall be comprised of ROP hens with hatchability records of 85 percent or more, and ROP toms produced from hens with hatchability records of 85 percent or more.

(b) Pen egg production and hatchability records shall be kept.

(c) Poults from these matings shall be identified with sealed wing bands marked "Mass mated."

§ 147.51 USROP; hatching eggs.

Such eggs shall be from qualified ROP matings. Each egg shall be marked with the number of the ROP hen that laid it and the pen or tom number of the mating.

§ 147.52 USROP; poults.

Such poults shall be those produced from ROP hatching eggs. The poults from each hen shall be individually pedigreed by the ROP breeder or ROP Inspector and identified with sealed and numbered official wing bands at the time of hatching.

§ 147.53 USROP; participants producing ROP poults from purchased eggs.

Such participants shall:

(a) Within 5 days after incubation has begun, send to the Official State Agency a list of the ROP eggs purchased;

(b) Within 5 days after hatching time, send to the Official State Agency a list of the poults hatched from each dam and their respective wing band numbers.

§ 147.54 USROP; sale of products.

(a) When ROP products are sold the seller shall, at the time of shipment, send to his ROP Supervisor a report in triplicate showing: (1) The name and address of the purchaser; (2) a list of the products sold with the pen or sire number and dam number of each; and (3) the egg production, hatchability and body weight of each dam.

(b) These reports shall be verified by the ROP Supervisor, who shall retain one copy and send one copy to the purchaser and one to the Official State Agency of the State to which the products are shipped.

§ 147.55 USROP; duties of ROP Supervisor.

The ROP Supervisor shall represent the Official State Agency in the supervision of ROP participation. He shall:

(a) Keep on file in his office for at least 5 years a record of (1) all ROP qualified toms, with at least 1-generation pedigree showing ROP records of the female ancestors; (2) all ROP qualified hens, with records of their egg production, hatchability and body weight; (3) all ROP qualified and candidate matings; and (4) all ROP poults with at least 2-generation pedigree;

(b) Furnish the AH Division, for publication, an annual summary of the ROP work under his supervision, which shall include the following information for each flock:

(1) Variety of the entry;

(2) Total number of young hens of this variety on the farm;

(3) Number of ROP candidate matings;

(4) Mating procedure (natural mating, artificial insemination, or both);

(5) Number of young hens entered for ROP classification;

(6) Number of young hens meeting the ROP requirements;

(7) Percentage of young hens entered meeting the ROP requirements;

(8) Average rate of egg production, in percent, for all candidate hens;

(9) Average hatchability of all eggs set from all candidate hens.

§ 147.56 USROP; duties of ROP Inspector.

The ROP Inspector shall work under the direction of the ROP Supervisor. He shall:

(a) Visit and inspect the work of each ROP breeder at least three times each year. (His visits shall be unannounced, and at least two shall be during the trapnest period);

(b) On each visit during the trapnest period (1) do the trapnesting for the

day; (2) record the eggs laid by all hens entered for ROP classification; and (3) examine hens apparently out of production and determine whether they are being credited with eggs;

(c) On at least one visit examine all birds in both ROP matings and ROP candidate matings to see that birds in these matings are properly listed with the supervisor;

(d) Compare the number of eggs being incubated from each hen with the number she is credited with having laid during the corresponding period and subsequently with the number of poults reported hatched and wingbanded, and may, in his discretion, examine for fertility the eggs being incubated;

(e) Weigh each ROP candidate as provided in § 147.45(f) or check the weights of a sufficient number of candidates weighed by the breeder to satisfy himself that such weights are correct;

(f) Examine all tom and hen candidates for ROP qualification and band with sealed and numbered leg bands all qualified birds to be used or sold as being of the ROP classification. The body weight and the wing- and leg-band numbers of all toms banded shall be recorded at the time of such examination and banding.

(Sec. 101(b), 58 Stat. 734, as amended; 7 U.S.C. 429)

The amendments are principally based on recommendations of the 1966 National Poultry and Turkey Improvement Plans Conference of representatives of the State Agencies cooperating in the administration of the Plans. Copies of the proposed amendments were sent to representatives of each of the cooperating State Agencies. Notice of rule making with respect to the amendments was published in the FEDERAL REGISTER on September 27, 1966, and all comments and suggestions received have been carefully considered. The foregoing amendments are the same in substance as the recommendations of the Conference and are the same in substance as the proposed amendments set forth in the notice of rule making published in the FEDERAL REGISTER, except that an alternative procedure has been added in subparagraph (1) of paragraph (g) of § 145.10. This change results in a less restrictive requirement than that set forth in the notice. All affected poultrymen should already be aware of the changes in their operations that will be required by the amendments, and the Conference recommended that the amendments be made effective as soon as possible. Accordingly, under the administrative procedure provisions of 5 U.S.C., section 553, it is found upon good cause that further notice and other public procedure with respect to the amendments are impracticable and good cause is found for making the amendments effective less than 30 days after publication in the FEDERAL REGISTER.

Effective date. The foregoing amendments shall become effective upon publication in the FEDERAL REGISTER.

The reporting and recordkeeping requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Done at Washington, D.C., this 18th day of January 1967.

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

[F.R. Doc. 67-785; Filed, Jan. 23, 1967; 8:46 a.m.]

Title 10—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

PART 30—RULES OF GENERAL APPLICABILITY TO LICENSING OF BYPRODUCT MATERIAL

Exemption of Tritium Contained in Marine Navigational Instruments

On September 14, 1966, the Atomic Energy Commission published in the FEDERAL REGISTER (31 F.R. 12023) a proposed amendment to § 30.15(a)(5), 10 CFR Part 30 of its regulations which would have exempted from licensing requirements the possession and use of marine navigational instruments containing not more than 250 millicuries of tritium gas. In addition, the proposed amendment would have required the tritium content of the marine compasses presently exempted by § 30.15(a)(5) to be in the physical form of gas.

Interested persons were invited to submit written comments and suggestions for consideration in connection with the proposed amendment within 60 days after publication of the notice of proposed rule making in the FEDERAL REGISTER. After consideration of the comments received and other factors involved, the Commission has adopted the proposed amendment. The text of the amendment set out below is identical with the text of the proposed amendment published September 14, 1966.

The exemption set out in the amendment to Part 30 does not apply to the manufacture or import for sale or distribution of the marine navigational instruments. Certain criteria for the issuance of a specific license to manufacture or import such exempted items and certain reporting and quality control requirements are set forth in §§ 32.14, 32.15, 32.16, and 32.110, 10 CFR Part 32, "Specific Licenses to Manufacture, Distribute, or Import Exempted and Generally Licensed Items Containing Byproduct Material." The Commission has determined that marine navigational instruments are items intended for use by the general public. Accordingly, pursuant to § 150.15(a)(6) of 10 CFR Part 150, "Exemptions and Continued Regulatory Authority in Agreement States Under section 274," the transfer of their possession or control by the manufacturer, processor, or producer is subject to the Commission's licensing and regulatory requirements even if the product is manufactured pursuant to an agreement State[1] license. A manufacturer, processor, or producer of marine navigational instruments containing tritium, when located in an agreement State, would be required to file an application with the Commission for a specific license authorizing the transfer of such instruments. The application should meet the criteria of § 32.14 (b), (c), and (d), 10 CFR Part 32.

The exemption of marine navigational instruments containing not more than 250 millicuries of tritium gas is consistent with the consumer product criteria published in the FEDERAL REGISTER on March 16, 1965 (30 F.R. 3462), which sets out the essential terms of the Commission's policy with respect to the approval of the use of byproduct and source material in products intended for use by the general public without the imposition of regulatory controls on the user. The Commission has found that, under the conditions specified in the amendment, the exemption will not constitute an unreasonable risk to the common defense and security and to the health and safety of the public.

Pursuant to the Atomic Energy Act of 1954, as amended, and the Administrative Procedure Act of 1946, as amended, the following amendment to Title 10, Chapter I, Code of Federal Regulations, Part 30, is published as a document subject to codification to be effective 30 days after publication in the FEDERAL REGISTER.

1. Subparagraph (5) of § 30.15(a) is amended to read as follows:

§ 30.15 Certain items containing tritium or promethium 147.

(a) Except for persons who apply tritium or promethium 147 to, or persons who incorporate tritium or promethium 147 into, the following products, or persons who import for sale or distribution the following products containing tritium or promethium 147, any person is exempt from the requirements for a license set forth in section 81 of the Act and from the regulations in Parts 20 and 30–36 of this chapter to the extent that such person receives, possesses, uses, transfers, exports, owns, or acquires the following products:

* * * * *

(5) Marine compasses containing not more than 750 millicuries of tritium gas and other marine navigational instruments containing not more than 250 millicuries of tritium gas.

* * * * *

(Sec. 81, 68 Stat. 935; 42 U.S.C. 2111; sec. 161, 68 Stat. 948; 42 U.S.C. 2201)

[1] A State to which the Commission has transferred certain regulatory authority over radioactive material by formal agreement, pursuant to section 274 of the Atomic Energy Act of 1954, as amended.

Dated at Washington, D.C., this 12th day of January 1967.

For the Atomic Energy Commission.

W. B. McCool,
Secretary.

[F.R. Doc. 67-771; Filed, Jan. 23, 1967; 8:45 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Airspace Docket No. 67-SO-1]

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

Alteration of Control Zone

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to alter the Tyndall AFB, Fla., control zone.

The Tyndall control zone is described in § 71.171 (31 F.R. 2065). An extension to the control zone is described as "* * * within 2 miles either side of the 315° True bearing from the Tyndall RBN extending from the 5-mile radius zone to the RBN * * *." An exclusion to the control zone is described as "* * * excluding the portion within the Panama City, Fla., Restricted Area R-2912C * * *."

Because of the scheduled decommissioning of the Tyndall RBN on February 2, 1967, and the modification and incorporation of R-2912C into R-2912, it is necessary to alter the Tyndall control zone by deleting the extension and exclusion described above.

Since this amendment lessens the burden on the public, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0001 e.s.t., February 2, 1967, as hereinafter set forth.

In § 71.171 (31 F.R. 2065) the Tyndall AFB, Fla., control zone is amended to read:

TYNDALL AFB, FLA.

Within a 5-mile radius of Tyndall AFB (latitude 30°04'15" N., longitude 85°34'30" W.); within 2 miles each side of the Tyndall AFB TACAN 308° radial extending from the 5-mile radius zone to 8 miles NW of the TACAN; and within 2 miles each side of the Tyndall VOR 313° radial extending from the 5-mile radius zone to the VOR.

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

Issued in East Point, Ga., on January 10, 1967.

James G. Rogers,
Director, Southern Region.

[F.R. Doc. 67-794; Filed, Jan. 23, 1967; 8:46 a.m.]

[Airspace Docket No. 66-WE-72]

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

Alteration of Transition Area

On Page 15096 of the Federal Register for December 1, 1966, the Federal Aviation Agency published a proposed regulation that would designate additional controlled airspace in the Colorado Springs, Colo., area.

Interested parties were given 30 days after publication in which to submit written data or views. The one comment received was favorable.

In consideration of the foregoing, effective 0001 e.s.t., March 30, 1967, § 71.181 (31 F.R. 2173) of the Federal Aviation Regulations is amended as proposed.

(Sec. 307(a), Federal Aviation Act of 1958, as amended; 72 Stat. 749; 49 U.S.C. 1348)

Issued in Los Angeles, Calif., on January 16, 1967.

Joseph H. Tippets,
Director, Western Region.

The Colorado Springs, Colo., transition area in § 71.181 (31 F.R. 2173) is amended to read as follows:

COLORADO SPRINGS, COLO.

That airspace extending upward from 700 feet above the surface within a 20-mile radius of Peterson Field, Colorado Springs, Colo. (latitude 38°48'35" N., longitude 104°42'20" W.), and within 5 miles west and 8 miles east of the Colorado Springs ILS localizer north course, extending from the 20-mile radius area to 21 miles north of the localizer, excluding the portion west of longitude 104°52'00" W.; that airspace extending upward from 1,200 feet above the surface bounded on the south by latitude 38°30'00" N., on the west by longitude 104°52'00" W., on the north by latitude 39°05'00" N., on the east by a line 4 n.m. west of and parallel to the Hugo, Colo., VOR 011° and 185° radials, on the southeast by the southeast boundary of V-108S and longitude 104°00'00" W.; that airspace northwest of Colorado Springs bounded on the north by latitude 39°05'00" N., on the east by longitude 104°52'00" W. and on the southwest by a line 5 miles southwest of and parallel to the Colorado Springs VORTAC 307° radial; that airspace southwest of Colorado Springs, extending upwards from 10,700 feet MSL, bounded on the west by longitude 105°08'00" W., on the north by latitude 38°36'00" N., on the east by longitude 104°52'00" W., and on the south by the north edge of V-244, excluding the airspace within the Pueblo, Colo., transition area; and that airspace NW of Colorado Springs, extending upwards from 11,700 feet MSL, bounded on the south by latitude 38°55'00" N., on the west by longitude 105°20'00" W., on the N by latitude 39°05'00" N., and on the east by longitude 104°52'00" W., excluding the portion northeast of a line 5 miles southwest of and parallel to the Colorado Springs VORTAC 307° radial and that airspace within Federal Airways.

[F.R. Doc. 67-795; Filed, Jan. 23, 1967; 8:47 a.m.]

[Airspace Docket No. 66-WE-75]

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

Alteration of Transition Area

On Page 15545 of the Federal Register dated December 9, 1966, the Federal Aviation Agency published a proposed regulation that would alter the description of the Roseburg, Oreg., transition area. After consideration of such relevant matter as was presented by interested persons, the amendment as so proposed is hereby adopted, subject to the following change:

Section 71.181, Roseburg, Oreg., transition area description is changed by striking out, "longitude 123°21'16" W." in the fourth line and inserting in place thereof, "longitude 123°21'15" W."

Since this change is minor in nature, notice and public procedure hereon are unnecessary.

Effective date. This amendment is effective 0001 e.s.t., March 30, 1967.

(Sec. 307(a), Federal Aviation Act of 1958, as amended; 72 Stat. 749; 49 U.S.C. 1348)

Issued in Los Angeles, Calif., on January 16, 1967.

Joseph H. Tippets,
Director, Western Region.

The Roseburg, Oreg., transition area in § 71.181 (31 F.R. 2249) is amended as follows:

ROSEBURG, OREG.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of the Roseburg Municipal Airport (latitude 43°14'20" N., longitude 123°21'15" W.), within 2 miles each side of the Roseburg VOR 177° radial, extending from the 5-mile radius area to 3.5 miles S of the VOR; that airspace extending upward from 1,200 feet above the surface within 8 miles W and 5 miles E of the 177° radial, extending from the VOR to 12 miles S of the VOR, and within 8 miles W and 5 miles E of the 003° and 183° radials, extending from 18 miles N to 7 miles S of the VOR.

[F.R. Doc. 67-796; Filed, Jan. 23, 1967; 8:47 a.m.]

[Airspace Docket No. 66-SO-75]

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

Designation of Transition Area

On September 20, 1966, a notice of proposed rule making was published in the Federal Register (31 F.R. 12452) stating that the Federal Aviation Agency was considering an amendment to Part 71 of the Federal Aviation Regulations that would designate the Lumberton, N.C., transition area.

Interested persons were afforded an opportunity to participate in the 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., March 30, 1967, as hereinafter set forth.

In § 71.181 (31 F.R. 2149) the following transition area is added:

LUMBERTON, N.C.

That airspace extending upward from 700 feet above the surface within an 8-mile radius of the Lumberton Municipal Airport (latitude 34°36'36" N., longitude 79°03'30" W.); within 2 miles each side of the 302° bearing from the Lumberton RBN (latitude 34°36'48" N., longitude 79°03'36" W.), extending from the 8-mile radius area to 8 miles NW of the RBN.

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

Issued in East Point, Ga., on January 13, 1967.

JAMES G. ROGERS,
Director, Southern Region.

[F.R. Doc. 67-798; Filed, Jan. 23, 1967; 8:47 a.m.]

[Airspace Docket No. 66-CE-61]

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

Designation of Control Zone and Transition Area, Alteration of Adjacent Control Zone; Correction

On October 13, 1966, F.R. Doc. 66-11111 was published in the FEDERAL REGISTER (31 F.R. 13207). This final rule contained amendments to Part 71 of the Federal Aviation Regulations, including designation of the Chesterfield, Mo., control zone and amendment of the St. Louis, Mo., control zone. In this Rule, all references to the Chesterfield, Mo., control zone should have referred to this control zone as the Chesterfield (Spirit of St. Louis) control zone. Action is taken herein to correct this discrepancy.

Since this correction is minor in nature and imposes no additional burden on any person, notice and public procedure hereon are unnecessary, and the effective date of the final rule, as initially adopted, may be retained.

In consideration of the foregoing, effective immediately, Airspace Docket No. 66-CE-61 is amended as follows:

In paragraph numbered (1) designating the Chesterfield, Mo., control zone, the heading "Chesterfield, Mo." is deleted and the heading "Chesterfield (Spirit of St. Louis), Mo.", is substituted therefor.

In paragraph numbered (3) that portion of the St. Louis, Mo., control zone which reads: "overlies the Spirit of St. Louis control zone" is deleted and "overlies the Chesterfield (Spirit of St. Louis) control zone" is substituted therefor.

In the second to last paragraph "Initially, the Chesterfield, Mo., control zone" is deleted and "Initially, the Chesterfield (Spirit of St. Louis), Mo., control zone" is substituted therefor.

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

Issued in Kansas City, Mo., on January 10, 1967.

EDWARD C. MARSH,
Director, Central Region.

[F.R. Doc. 67-808; Filed, Jan. 23, 1967; 8:48 a.m.]

[Airspace Docket No. 66-WE-84]

PART 73—SPECIAL USE AIRSPACE

Alteration of Restricted Area/Military Climb Corridor

The purpose of this amendment to Part 73 of the Federal Aviation Regulations (FARs) is to redefine the San Rafael, Calif. (Hamilton AFB), Restricted Area/Military Climb Corridor R-2522 in its present configuration.

R-2522 is currently defined in Part 73 of the FARs as "centered on the 325° radial of the Hamilton AFB VOR." The Department of the Air Force has requested that this be changed to read "centered on the 325° radial (308M) of the Hamilton AFB TACAN." This change will not alter the location or configuration of the restricted area; however, it will enable the Air Force to decommission the Hamilton AFB VOR for which they no longer have a requirement. Therefore, action is taken herein to redefine R-2522.

Since this amendment is editorial in nature, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, Part 73 of the Federal Aviation Regulations is amended, effective February 2, 1967, as hereinafter set forth:

In § 73.25 (31 F.R. 2299), the San Rafael, Calif. (Hamilton AFB), Restricted Area/Military Climb Corridor is amended by deleting "*Boundaries.* The area centered on the 325° radial of the Hamilton VOR." and substituting therefor "*Boundaries.* The area centered on the 325° radial of the Hamilton AFB TACAN."

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

Issued in Washington, D.C., on January 17, 1967.

H. B. HELSTROM,
Acting Director, Air Traffic Service.

[F.R. Doc. 67-797; Filed, Jan. 23, 1967; 8:47 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Use of Manufacturers' List Prices to Denote Value

§ 15.109 Use of manufacturers' list prices to denote value.

(a) A concern engaged in the distribution of premiums for sellers who make premium offers on the labels of their merchandise recently requested an advisory opinion concerning the legality of using manufacturers' list prices as the value of the items so offered.

(b) After advising that it is impossible to give a categorical answer to such a question since the answer is wholly dependent upon facts which are unknown to the Commission, the Commission advised that in no case could the company or its accounts rely completely upon manufacturers' list prices as an absolute indication of the value of the products offered as premiums. Instead, since these prices will be described as the value of the premiums on labels and in advertising, they must meet the test of Guide II of the Commission's Guides Against Deceptive Pricing, which provides that whenever an advertiser represents that he is selling below the prices being charged in his area for a particular article, he should be reasonably certain that the higher price he advertises does not appreciably exceed the price at which substantial sales of the article are being made in the area.

(c) The Commission advised that if the sales history of any particular product can meet this test then the list price can be used as the value of the product on labeling and in advertising. If it does not meet this test, then the list price cannot be so used. The important point to remember here is that the mere fact that a manufacturer has asserted that a given amount is his list price does not constitute a license to others to use that price as a representation of value. The concept of value is not abstract, but must instead be based upon concrete selling prices. Certainly, the Commission stated, if the list price for any particular product can meet the test of substantial sales in the seller's trade area, it can be used as a representation of value even though substantial sales are also made at less than that price by other dealers in the same area.

(d) Additionally, the opinion pointed out that since the company was handling what was described as self-liquidating premiums, there was also the possibility that some of the list prices being employed were old in point of time and did not represent current values. In such a situation, it would not be permissible to use the list price as a basis for a representation of current value.

(e) Finally, the Commission noted that the company was not itself engaged in advertising these prices, but was instead expected to furnish values for the products to the accounts which they could use in their own advertising and labeling. The responsibility for the truthfulness of the price representations made under these circumstances was held to be twofold, being shared by the sellers which actually use the prices in their advertising and labeling and by the distribution company as well under the principle that one who places in the hands of others the means and instrumentality of deception is himself guilty of deceit. Thus it was stated to be important for both to make certain that the prices used to represent the values of

these premiums comply with the criteria of the Guides.

(38 Stat. 717, as amended; 15 U.S.C. 41–58)

Issued: January 23, 1967.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 67-788; Filed, Jan. 23, 1967; 8:46 a.m.]

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Agreement Among Retailers for Uniform Store Hours

§ 15.110 Agreement among retailers for uniform store hours.

(a) The Commission was requested to furnish an advisory opinion with respect to a proposal by a retail trade association to conduct an informal survey of a number of grocery operators in the area to determine their individual preferences as to hours of doing business. Upon completion of the survey, the association plans to announce the results thereof. Although a majority of store operators may elect thereafter to operate on uniform hours, as determined by the survey, no sanctions are planned nor will there be any attempt to enforce or insure uniformity of closing hours. There are a number of stores which will not subscribe to such a suggestion and will remain open at other times.

(b) The Commission stressed its understanding that while a majority may voluntarily elect to subscribe to uniform hours of doing business as a result of the survey of individual preferences, those who do not wish to do so will not be subject to any form of coercion or compulsory process and, indeed, it was expected that many will not so subscribe for business reasons of their own. On the basis of this understanding and assuming that the agreement or plan will relate to nothing other than hours of doing business, the Commission advised that it did not believe the plan would violate any laws it administers.

(38 Stat. 717, as amended; 15 U.S.C. 41–58)

Issued: January 23, 1967.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 67-789; Filed, Jan. 23, 1967; 8:46 a.m.]

Title 24—HOUSING AND HOUSING CREDIT

Chapter II—Federal Housing Administration, Department of Housing and Urban Development

SUBCHAPTER A—GENERAL

PART 200—INTRODUCTION

Subpart R—Claims Collection Standards

In Subchapter A Part 200 is amended by reserving Subparts L through Q and adding a new Subpart R as follows:

Subparts L–Q [Reserved]

Subpart R—Claims Collection Standards

Sec.
200.900 General collection standards.
200.905 Collection of title I accounts.

AUTHORITY: The provisions of this Subpart R issued under 80 Stat. 308; 31 U.S.C. 952.

§ 200.900 General collection standards.

The general standards and procedures governing the collection, compromise, termination, and referral to the Department of Justice of claims for money and property are prescribed in the regulations issued jointly by the General Accounting Office and the Department of Justice pursuant to the Federal Claims Collection Act of 1966 (4 CFR 101 et seq.). These standards are applicable to the administrative claim collection activities of the Commissioner except as modified by the provisions of § 200.905.

§ 200.905 Collection of title I accounts.

Where, in connection with a title I claim assigned to the United States of America pursuant to § 201.11 of this chapter, collection is made under a payment plan providing for regular installment payments, amounts received shall not be applied according to the so-called "U.S. Rule" as prescribed in § 102.10 of the joint regulations of the General Accounting Office and the Department of Justice (4 CFR 102.10). In such instances, amounts received shall be applied first to satisfy the principal of the debt. Subsequent payments shall be applied to the interest obligation, calculated on the basis of declining principal balances without charging interest on interest balances.

Issued at Washington, D.C., January 17, 1967.

PHILIP N. BROWNSTEIN, *Federal Housing Commissioner.*

[F.R. Doc. 67-770; Filed, Jan. 23, 1967; 8:45 a.m.]

Title 32A—NATIONAL DEFENSE, APPENDIX

Chapter I—Office of Emergency Planning

DMO 3000.1—PROCEDURES FOR OBTAINING TELECOMMUNICATION RESOURCES FOR USE DURING A NATIONAL EMERGENCY

Revocation

Annex 3, paragraph 3, Resumption of Private Line Service and Attachment C, Priority System for the Resumption of Intercity Private Line Service of Defense Mobilization Order 3000.1 entitled Procedures for Obtaining Telecommunication Resources for Use During a National Emergency (28 F.R. 12273) are revoked and superseded by Part 201, Telecommunications Mobilization Order, Chapter II, Title 47—Telecommunications.

This revocation is effective 6 months from the date of publication in the FEDERAL REGISTER or on the same date on which the new order takes effect.

Dated: January 17, 1967.

FARRIS BRYANT, *Director, Office of Emergency Planning.*

[F.R. Doc. 67-791; Filed, Jan. 23, 1967; 8:49 a.m.]

DMO 3000.1—PROCEDURES FOR OBTAINING TELECOMMUNICATION RESOURCES FOR USE DURING A NATIONAL EMERGENCY

CROSS REFERENCE: For documents setting forth a priority system for the use and restoration of leased intercity private line services, *see* Title 47, Chapter I, Part 64, and Title 47, Chapter II, Part 201, *infra*.

Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[FCC 67-51]

PART 64—MISCELLANEOUS RULES RELATING TO COMMON CARRIERS

Priority System for Use and Restoration of Leased Intercity Private Line Services

In Chapter I of Title 47 of the Code of Federal Regulations, Part 64 is amended as follows:

1. Subpart D is added, to read:

Subpart D—Procedures for Handling Priority Services in Emergencies

§ 64.101 Procedures for the use and restoration of leased intercity private line services in emergencies.

The communications common carriers shall maintain and, if disrupted, restore leased intercity private line services in accordance with the procedures set forth in Appendix A to this part.

2. Appendix A is added to Part 64 as follows:

APPENDIX A—PRIORITY SYSTEM FOR THE USE AND RESTORATION OF LEASED INTERCITY PRIVATE LINE SERVICES DURING EMERGENCY CONDITIONS [1]

1. The Director of Telecommunications Management and the Federal Communications Commission have agreed upon the provisions of a system of priorities applicable to leased intercity private line services and are concurrently promulgating a Commission Order applicable to communications common carriers and a Director of Telecommunications Management Order to all departments and agencies of the Federal Government establishing within the scope of their respective authority this priority system. The priority system and procedures contained in this order and the Director of Telecommunications Management's Order are intended to be identical, and any differences in terminology arise from differences in the legal situation of the Director and the Commission. The provisions of this order shall be read and construed to effectuate a single priorities sys-

[1] See Title 47, Chapter II, Part 201 *infra*.

tem concurrently promulgated under the respective authority of both the Commission and the Director. Accordingly, this order establishes procedures under which Government and certain private entities will have available a system of priorities to insure that leased intercity private line services vital to the national interest will be maintained, to the maximum extent possible, during emergency conditions. To meet this requirement, the priority system established by this Order will be in effect during, or for use during, emergencies and will govern the proper order of restoration of leased intercity private line service if this service is interrupted.

2. The communications common carriers shall honor this priority system both as to maintaining leased intercity private line service for essential users and in restoring such private line service if it should be interrupted and are expected to incorporate it in their day-to-day operations. In implementing this priority system the following principles will be applied:

When necessary, in order to resume a service having a given priority, services having lower priorities will be interrupted in the reverse order of priority, starting with nonpriority services. In the event that nonpriority or lower priority leased intercity private line circuits are interrupted to restore higher priority services, the communications common carriers will, when taking such circuits, endeavor, if feasible, to notify the user, giving him the reasons for the preemption. In the event that message telephone circuits are used to satisfy a requirement for priority leased intercity private line service, idle message circuits will be selected first. If it is necessary to use busy message telephone correspondence circuits, the communications common carriers will not normally interrupt conversations having a priority classification.

It is recognized that, as a practical matter, in providing for the restoration of a priority service or services operating within a multiple circuit type of facility (such as a carrier band, cable or multiplex system), lower priority or nonpriority services on parallel channels within the band or system may enjoy restoration as well. Reactivation of such lower priority or nonpriority services resulting therefrom shall not, however, interfere with the expeditious restoration of priority service.

Prior to a state of war or a national emergency as proclaimed by the President, it is contemplated that the application of this system of priorities by the communications common carriers will not normally require the preemption of other leased intercity private line services. If preemption is required during such normal times however, it is authorized and restoration of interrupted services by the communications common carriers will be in the order of priority set forth in this order.

3. The priority system and procedures described herein are applicable to:

a. U.S. domestic leased intercity private line services, including private line switched network services.

b. U.S. international leased private line services to the point of foreign entry.

c. Foreign extension of U.S. international leased private line services to the extent possible by agreement between U.S. communications common carriers and their foreign correspondents, except wherein arrangements exist for the restoration by foreign correspondents of U.S. Government leased private line extensions.

d. International leased private line services terminating in or transiting the United States.

The priority system and procedures described herein are not applicable to operational circuits of the communications common carriers (hereinafter referred to as carriers). It is recognized that a minimum number of operational circuits are needed by the carriers for circuit reactivation and maintenance purposes. Such minimum number of operational circuits as are needed for these purposes shall have priority of restoration over all other circuits and shall be exempt from interruption for the purpose of restoring other priority services.

4. As used herein:

"Circuit" means the carriers' specific designation of the overall facilities provided between, and including, terminals for furnishing of service. When the service involves network switching, "circuit" includes those circuits between subscriber premises and switching centers (access lines) and those between switching centers (trunks).

"Government" when used alone means Federal, Foreign, State, County, or Municipal Government agencies. Specific reference will be made whenever it is intended that leased intercity private line services of a particular level of government are meant; e.g., "Federal Government," "Foreign Government," and similar elements. The term "Foreign Government" shall include coalitions of governments such as NATO, SEATO, OAS, UN, and Associations of Governments or Governmental Agencies such as Pan American Union, International Postal Union, International Monetary Fund and similar elements.

"Private Line Service" means the leased intercity private line service provided by United States carriers engaged in providing domestic and/or international telecommunications for intercity communication purposes of customers over integrated communication pathways, including interexchange facilities, local channels and station equipment which are integral components of intercity private line services between specific locations.

"Restoration" means the recommencement of leased intercity private line service by patching, rerouting, substitution of component parts, or otherwise as determined by the carrier(s) involved.

"Service" is used interchangeably with the term "circuit."

"Station" means the transmitting or receiving equipment, or combination transmitting and receiving equipment, at any location on a premise and connected for private line service.

"National Communications System (NCS)" refers to that system established by the President's Memorandum of August 21, 1963, subject: "Establishment of a National Communications System" (28 F.R. 9413).

5. There will be four levels of priority established by this order and they will be categorized as Priority 1, Priority 2, and Priority 3 and Priority 4. The Priority 1 and 2 categories are reserved for, and the Priority 3 and 4 categories are available for, certain Federal and Foreign Government private line services and certain Industrial/Commercial private line services which are earmarked for prearranged voluntary participation with the Federal Government during emergencies. The Federal and Foreign Government private line services in each category will be designated individually to the carriers by the Executive Agent, NCS and will be appropriately noted to indicate whether or not the particular circuit is a component of the NCS. The aforementioned Industrial/Commercial private line services which are earmarked for prearranged voluntary participation with the Federal Government during emergencies will be designated individually to the carriers by the Federal Communications Commission, after coordination with the Executive Agent, NCS. The Executive Agent, NCS, and the Federal Communications Commission will arrange with the carriers for quantities of circuits and the restoration sequence to be followed for the services designated within each of the four priority categories pursuant to this paragraph.

6. The Priority 3 and Priority 4 categories are also available for those private line services of State, County and Municipal government agencies (and Quasi-State and Local Government agencies), and Industrial/Commercial customers whose circuit requirements meet the criteria set forth in paragraph 7 of this Order. Such of these services as qualify for a priority certification in these categories will be designated individually to the carriers by the Federal Communications Commission.

7. The following criteria will govern qualification for priority certifications for leased intercity private line services:

a. Priority 1 will be afforded only to Federal and Foreign Government private line services and to those Industrial/Commercial private line services which are earmarked for prearranged voluntary participation with the Federal Government in an emergency. Services in this category will be strictly limited to only those essential to national survival if attack occurs, and they will satisfy requirements for: obtaining critical intelligence concerning the attack; conducting diplomatic negotiations critical to the arresting or limiting of hostilities; executing command and control of military forces essential to defense and retaliation; providing warning to the nation's population; and maintaining essential Federal Government functions.

b. Priority 2 will be afforded only to those additional Federal and Foreign Government private line services and to those additional Industrial/Commercial private line services which are earmarked for prearranged voluntary participation with the Federal Government in an emergency. Services in this category will be strictly limited to only those essential when attack threatens and they will be required in order to minimize serious danger of: reducing significantly the preparedness of our defense and retaliatory forces; limiting our ability to conduct critical preattack diplomatic negotiations to reduce or limit the threat of war; interfering with the effectual direction of the nation's population in the interest of civil defense and their survival; weakening our capability to accomplish critical national internal security functions; and inhibiting our ability to conduct essential Federal Government activities necessary to meet a preattack situation.

c. Priority 3 will be afforded to those additional minimum Federal and Foreign Government services; State, County and Municipal government services; Quasi-government agencies' services; and Industrial/Commercial services which require early restoration in order to maintain our military defense posture, our diplomatic posture and the health and safety of our population in time of any national emergency involving heightened possibility of hostilities. Services in this priority category will be strictly limited to such activities as:

(1) Critical logistic functions, provision of critical public utility services, and administrative military support functions;

(2) Providing information and instructions to key diplomatic posts;

(3) Securing and disseminating intelligence information;

(4) Maintenance of law and order;

(5) Distribution of essential food and supplies critical to health;

(6) Accomplishing tasks necessary to insure critical damage control functions;

(7) Preparations for adequate hospitalization;

(8) Continuity of critical Government functions;

(9) Transportation to accomplish the foregoing.

d. Priority 4 will be afforded only those additional minimum Federal and Foreign Government; Quasi-government agencies'; State, County, and Municipal Government; and Industrial/Commercial services which are required during any national emergency for maintaining the public welfare and our national economic posture. Services in this priority category will be limited to those needed for continuing or reestablishing our more important financial, economic, and health and safety activities.

State, County, and Municipal government (and Quasi-State and Local government agencies') and Industrial/Commercial services in the priority 3 and 4 categories will be further limited to those which, during an emergency, are required to be operated 24 hours a day, 7 days a week; at least one station in the circuit, or connected circuits if switched service is involved, will be manned continually during such periods of operation; and those stations at which personnel are in attendance must be in locations which have a fallout protection factor of 100 [3] or better.

8. Except for NATO requirements, Foreign Governments desiring to obtain priority of restoration for their private line services which terminate in the United States will submit requests therefor to the U.S. Department of State for approval. The Department of State will refer approved Foreign Government services and recommended restoration priority assignments to the Executive Agent, NCS, for further processing. NATO requirements will be submitted to the Department of Defense in accordance with established procedures.

9. U.S. carriers shall, so far as practicable, effect the restoration of United States portions of interrupted international private line services in accordance with this Order. In dealing with interrupted foreign portions of international leased private line services, the U.S. carriers should endeavor, by advance agreements with their foreign correspondents (except as indicated below), to effect the restoration of private line services in accordance with this Order. Lacking such arrangement, U.S. carriers should handle service restoration in accordance with any system acceptable to their foreign correspondents which meets, or comes closest to meeting, the procedures described herein. Procedures affecting Government services which, in the judgment of the U.S. carriers, are not reasonably consistent with this Order, should be referred to the Executive Agent, NCS. In some instances, U.S. Government-Foreign Government arrangements exist for the restoration of U.S. Government foreign leased private line extensions. The Executive Agent, NCS, will keep the U.S. carriers informed of those arrangements made by him.

10. To insure the effectiveness of this system of priorities it is required that a rigorous examination be made by users to determine whether the requirements for a private line service justify placing it into one of the priority categories. It should be understood that communication facilities other than private line service may be available to qualified users during emergencies. These other facilities include the public correspondence message services of the common carriers and the U.S. mail service.

[3] A Directory of Qualified Fallout Shelter Analysts (Department of Defense/Office of Civil Defense Document FG-F-1.2) is available at the Headquarters of State and Local Civil Defense Directors or may be obtained from the Government Printing Office, Washington, D.C.

11. Initial requests for restoration priority assignments which are denied by the certifying agency may be resubmitted by the requestor for reconsideration. Final disposition of such resubmitted requests will be made by the appropriate certifying agency after coordination with the Director of Telecommunications Management/Special Assistant to the President for Telecommunications (DTM/SAPT).

12. The procedures for implementing this system, so that its effectual use can be attained, will be as follows:

a. All existing priority certifications for private line services made in accordance with Defense Mobilization Order 3000.1 are cancelled.

b. The Director of Telecommunications Management's notice dated February 18, 1966 (31 F.R. 3204) is cancelled by action of the DTM.

c. Lists of Federal and Foreign Government private line circuits to be included in the Priority 1, 2, 3, and 4 categories will be furnished by the Executive Agent, NCS, to the carriers.

d. A list of those Industrial/Commercial private line services which have been earmarked for prearranged voluntary participation with the Federal Government during emergencies and which are included in the Priority 1, 2, 3, and 4 categories will be furnished to the carriers by the Federal Communications Commission.

e. Applications for priority certifications for State and Local government (and Quasi-State and Local government agencies') and for Industrial/Commercial private line circuits within the Priority 3 and 4 categories shall be submitted to the Federal Communications Commission, Washington, D.C. 20554, and the carriers will be notified of certifications issued.

f. Requestors will be notified of actions taken regarding applications.

13. Applications for priority certifications for Government circuits other than Federal and Foreign; and for Industrial/Commercial circuits shall be in triplicate on FCC Form 915 and signed by the head of such Government agency or by a principal officer of the company or organization, as applicable.

14. State and Local government (and Quasi-State and Local government agency) and Industrial/Commercial users of private line services having circuits within the Priority 3 and 4 classifications shall reexamine their circuit requirements at least every 6 months, and inform the FCC of any appropriate reclassifications in triplicate on FCC Form 915.

15. To assist the Commission in maintaining accurate records of FCC-certified priority circuits, the carriers shall notify the Commission when any such circuits are relinquished by a user.

16. To assist the Executive Agent, NCS, in maintaining accurate records the carriers will notify the Executive Agent when a Federal or Foreign Government private line service which is not a part of the NCS, but which carries a priority certification, is relinquished by the user.

17. This Order is issued pursuant to sections 1, 4(i), and 201 through 205 of the Communications Act of 1934, as amended, and Executive Order 11092. Pursuant to Title 5 United States Code, section 1003(a) the Federal Communications Commission finds and hereby states that the notice and public procedure provisions of the Administrative Procedure Act are impracticable, unnecessary and contrary to the public interest with respect to the promulgation of this Order for the reason that the subject matter of this Order involves the military and defense function of the United States, that representatives of the common carriers to which this Order applies have been informally consulted prior to promulgation of this Order, that this Order requires coordination with the Director of Telecommunications Management, and that certain data upon which this Order is based are classified in the interest of the national security.

In accordance with the foregoing: *It is ordered,* Effective July 15, 1967, that Part 64 of the Commission's rules and regulations is amended as set forth above.

(Secs. 1, 4, 201, 202, 203, 204, 205, 48 Stat., as amended, 1064, 1066, 1070, 1071, 1072; 47 U.S.C. 151, 154, 201, 202, 203, 204, 205, and E.O. 11092 of Feb. 26, 1963)

Adopted: January 11, 1967.

Released: January 12, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-792; Filed, Jan. 23, 1967; 8:49 a.m.]

Chapter II—Director of Telecommunications Management

ESTABLISHMENT OF CHAPTER

Priority System for Use and Restoration of Leased Intercity Private Line Services During Emergency Conditions

A new Chapter II is hereby added to Title 47 of the Code of Federal Regulations to include the regulations for telecommunications management in a national emergency.

On February 16, 1962, by Executive Order 10995, the President established the position of Director of Telecommunications Management in the Executive Office of the President, which position is to be held by one of the Assistant Directors of the Office of Emergency Planning. The Director of Telecommunications Management also serves as the Special Assistant to the President for Telecommunications.

The Director of Telecommunications Management's responsibilities include coordination of the telecommunication activities of the Executive Branch of Government and the formulation of telecommunication policies and standards. The Director of Telecommunications Management serves as a focal point in the Federal Government for the coordination of the Nation's telecommunications. In addition, the Director of Telecommunications Management has been assigned on a contingency basis, by redelegation from the Director of the Office of Emergency Planning, the President's war emergency authority contained in subsections 606 (a), (c), and (d) of the Communications Act of 1934, as amended.

The principal authority and responsibilities assigned to this position are contained in the following:

Executive Order 10705—Delegation of Authority under Emergency War Conditions.
Executive Order 10995—Frequency Management and Policy Coordination.
Executive Order 11051—Prescribing Responsibilities of OEP.

Executive Order 11084—Embassy Radio Stations.
Executive Order 11191—Assisting President in connection with Communications Satellite Act of 1962.
The President's Memo August 21, 1963—Establishing the NCS and Special Assistant to the President.

The first issuance assigned to the new chapter is promulgated as follows:

PART 201—PRIORITY SYSTEM FOR THE USE AND RESTORATION OF LEASED INTERCITY PRIVATE LINE SERVICES DURING EMERGENCY CONDITIONS

Sec.
201.0 Authority.
201.1 Purpose.
201.2 Cancellation.
201.3 Definitions.
201.4 Policies.
201.5 Priorities.
201.6 Processing.
201.7 Implementation.
201.8 Effective Date.

AUTHORITY: The provisions of this Part 201 issued under E.O. 10995, E.O. 11084, 27 F.R. 1519, 28 F.R. 1531; Memorandum of August 21, 1963, 28 F.R. 9413; 3 CFR, 1959–1963 Comp.

§ 201.0 Authority.

(a) Authority to prescribe restoration priority procedures for departments and agencies of the Federal Government is contained in Executive Order 10995 (27 F.R. 1519; 3 CFR, 1959–63, Comp. p. 535, as amended, 28 F.R. 1531; 3 CFR, 1959–63, Comp. p. 719), and the President's National Communications System Memorandum of August 21, 1963 (28 F.R. 9413).

(b) These procedures are applicable to the communications common carriers and non-Federal Government users under the President's authority contained in subsection 606(a) of the Communications Act of 1934, as amended. The authority under subsection 606(a) has been delegated by Executive Order 10705 to the Director, Office of Emergency Planning, who in turn, has redelegated it to the Director of Telecommunications Management. This authority may be exercised only during the continuance of a war in which the United States is engaged.

§ 201.1 Purpose.

(a) The purpose of this part is to set forth the procedures under which Government and certain private entities will have available a system of priorities to insure that leased intercity private line services vital to the national interest will be maintained, to the maximum extent possible, during emergency conditions.

(b) The Director of Telecommunications Management (DTM) and the Federal Communications Commission (FCC) have agreed upon a system of priorities applicable to leased intercity private line services and are concurrently promulgating a Director of Telecommunications Management Order to all departments and agencies of the Federal Government and a Commission order applicable to communications common carriers. The priority system and procedures contained in the DTM and FCC Orders are intended to be identical and any differences in terminology arise from differences in the legal authorities of the DTM and the FCC. The provisions of these orders shall be read and construed to effectuate a single priorities system concurrently promulgated under the respective authority of the DTM and the FCC and to provide continuity under all conditions.

§ 201.2 Cancellation.

This part cancels paragraph 3 (Resumption of private line service) and Attachment C to Annex 3 of DMO 3000.1, dated November 8, 1963 (28 F.R. 12273) and Director of Telecommunications Management Notice, dated February 18, 1966 (31 F.R. 3204, Feb. 26, 1966).

§ 201.3 Definitions.

As used herein:

(a) "Circuit" means the carrier's specific designation of the overall facilities provided between, and including, terminals for furnishing of service. When the service involves network switching, "circuit" includes those circuits between subscriber premises and switching centers (access lines) and those between switching centers (trunks).

(b) "Government" when used alone means Federal, Foreign, State, County, or Municipal Government agencies. Specific reference will be made whenever it is intended that leased intercity private line services of a particular level of government are meant; e.g., "Federal Government," "Foreign Government," and similar elements. The term "Foreign Government" shall include coalitions of governments such as NATO, SEATO, OAS, UN and Associations of Governments or Government Agencies such as Pan American Union, International Postal Union, International Monetary Fund and similar elements.

(c) "Private Line Service" means the leased intercity private line service provided by U.S. carriers engaged in the provision of domestic and/or international telecommunications for intercity communication purposes of customers over integrated communication pathways, including interexchange facilities, local channels and station equipments which are integral components of intercity private line services between specific locations.

(d) "Restoration" means the recommencement of leased intercity private line service by patching, rerouting, substitution of component parts, or as otherwise determined by the carrier(s) involved.

(e) "Service" is used interchangeably with the term "circuit".

(f) "Station" means the transmitting or receiving equipment, or combination transmitting and receiving equipment, at any location on any premise, connected for private line service.

(g) "National Communications System (NCS)" refers to that system established by the President's Memorandum of August 21, 1963, subject: "Establishment of a National Communications System" (28 F.R. 9413).

§ 201.4 Policies.

The communications common carriers will honor this priority system both as to maintaining leased intercity private line service for essential users and in restoring such private line service if it should be interrupted. Carriers are expected to incorporate this system into their day-to-day operations. In fulfilling this requirement, the following principles will be applied:

(a) When necessary, in order to resume a service having a given priority, services having lower priorities will be interrupted in the reverse order of priority, starting with nonpriority services. In the event that nonpriority or lower priority leased intercity private line circuits are interrupted to restore higher priority services, the communications common carriers will, when taking such circuits, endeavor, if feasible, to notify the user, giving him the reason(s) for the preemption. In the event that message telephone circuits are used to satisfy a requirement for priority leased intercity private line service, idle message circuits will be selected first. Communications common carriers will not normally interrupt conversations having a priority classification. It is recognized that, as a practical matter, in providing for the restoration of a priority service, or services operating within a multiple circuit type of facility (such as a carrier band, cable or multiplex system), lower priority or nonpriority services on parallel channels within the band or system may enjoy restoration as well. Reactivation of such lower priority or nonpriority services resulting therefrom shall not, however, interfere with the expeditious restoration of priority service.

(b) Prior to a state of war or a national emergency as proclaimed by the President, it is contemplated that the application of this system of priorities by the communications common carriers will not normally require the preemption of other leased intercity private line services. If preemption is required during such normal times, the communications common carriers will restore interrupted services in the order of priority set forth in this part.

(c) The priority system and procedures described herein are applicable to:

(1) U.S. domestic leased intercity private line services, including private line switched network services.

(2) U.S. international leased private line services to the point of foreign entry.

(3) Foreign extensions of U.S. international leased private line services to the extent possible by agreement between U.S. communications common carriers wherein arrangements exist for the restoration by foreign correspondents of United States Government leased private line extensions.

(4) International leased private line services terminating in or transiting the United States.

(d) The priority system and procedures described herein are not applicable to operational circuits or order wires of the communications common carriers (hereinafter referred to as carriers). Such circuits, as are needed, for circuit reactivation and maintenance purposes have priority of restoration over all other circuits and are exempt from interruption for the purpose of restoring other priority services.

§ 201.5 Priorities.

This part establishes four levels of restoration priorities. These are as follows:

(a) *Priority 1.* This priority shall be afforded only to Federal and Foreign Government private line services and to those Industrial/Commercial private line services which are earmarked for prearranged voluntary participation with the Federal Government in an emergency. Services in this category will be those minimum private line circuit requirements whose fulfillment is essential to national survival under conditions ranging from national emergencies to international crises, including nuclear attack. Circuit requirements in this category would be strictly limited to only those essential to national survival if nuclear attack occurs for:

(1) Obtaining or disseminating critical intelligence concerning the attack, or maintaining the internal security of the United States.

(2) Conducting diplomatic negotiations critical to the arresting or limiting of hostilities.

(3) Executing command and control of military forces essential to defense and retaliation.

(4) Giving warning to the U.S. population.

(5) Maintaining Federal Government functions essential to national survival during nuclear attack conditions.

(b) *Priority 2.* This priority shall be afforded only to those additional Federal and Foreign Government private line services and to those additional Industrial/Commercial private line services which are earmarked for prearranged voluntary participation with the Federal Government in an emergency. Services in this category will be strictly limited to those minimum additional private line circuit requirements whose fulfillment is essential at a time when nuclear attack threatens for the maintenance of an optimum defense posture and giving civil alert to the U.S. population. These are circuit requirements which if unfilled for even a matter of a few minutes would offer serious danger of:

(1) Reducing significantly the preparedness of U.S. defense and retaliatory forces.

(2) Affecting adversely the ability of the United States to conduct critical preattack diplomatic negotiations to reduce or limit the threat of war.

(3) Interfering with the effectual direction of the U.S. population in the interest of civil defense and survival.

(4) Weakening U.S. capability to accomplish critical national internal security functions.

(5) Inhibiting the provision of essential Federal Government functions necessary to meet a preattack situation.

(c) *Priority 3.* This priority will be afforded to those additional minimum government, quasi-government, and Industrial/Commercial customer private line circuit requirements whose early restoration is necessary in maintaining the U.S. military defense and diplomatic postures, maintenance of law and order, and the health and safety of the U.S. population in time of any serious national emergency involving heightened possibility of hostilities. Services in this category will be strictly limited to such activities as:

(1) Critical logistic functions, public utility services, and administrative military support functions.

(2) Informing key diplomatic posts of the situation and U.S. intentions.

(3) Securing and disseminating intelligence of less criticality than that requiring Priority 1 and Priority 2 circuits.

(4) Distribution of essential food and other supplies critical to health.

(5) Providing for critical damage control functions.

(6) Providing for hospitalization.

(7) Continuity of critical Government functions.

(8) Transportation to accomplish the foregoing.

(9) Industrial / Commercial, State, County and Municipal, and quasi-State and local government agency circuit requirements in Priority 3 will be further limited to those which during an emergency are needed for operations on a 24 hour-a-day, 7 days-a-week basis. At least one station in the circuit, or connected circuits if switched service is involved, will be manned continually during such periods of operation. Those stations at which personnel are in attendance must be in locations which have a fallout protection factor of 100[1] or better.

(d) *Priority 4.* This priority will be afforded only to those additional minimum Government, quasi-government and Industrial/Commercial customer private line circuit requirements whose early restoration is necessary during any national emergency for the maintaining of public welfare and the national economic posture. Included in this category would be only those for continuing our more important financial, economic, health and safety activities in a condition short of nuclear attack or during reconstitution after attack. Industrial/Commercial, State, County, Municipal and quasi-State and local government agencies circuit requirements in Priority 4 will be afforded only to those which during an emergency are needed for operations on a 24 hours-a-day, 7 days-a-week basis. At least one station in the circuit, or connected circuits if switched service is involved, will be manned continually during such period of operation. Those stations at which personnel are in attendance must be in locations which have a fallout protection factor of 100[1] or better.

§ 201.6 Processing.

(a) For certification to common carriers, circuit requirement restoration priorities are divided into two groups:

(1) *Group A.* Circuit requirements certified to the communications common carriers by the Executive Agent of the National Communications System (NCS) or his designated representative. This includes National Communications System and other Federal and Foreign Government circuit requirements.

(2) *Group B.* Circuit requirements certified to the communications common carriers by the Federal Communications Commission (FCC). This includes circuit requirements of State, County, and municipal Governments, and quasi-State and local government agencies and essential Industrial/Commercial activities.

(b) The following pertains to Group A circuit requirements processing:

(1) All Federal Government departments, agencies, and quasi-Federal Government agencies, whether or not components of the NCS, shall submit requests for restoration priority assignments directly to the Executive Agent, National Communications System (NCS), for approval and further processing. Such submissions shall be in the format prescribed by the Executive Agent of the National Communications System.

(2) Except for NATO and NATO national military authority circuit requirements and certain other requirements which may be specifically exempted, foreign government activities shall submit circuit requirement requests for restoration priority assignments to the Department of State for approval. The Department of State shall refer approved foreign government circuit requirement requests and recommended restoration priority assignments to the Executive Agent, National Communications System for further processing.

(3) NATO and NATO national military authority circuit requirement requests for restoration priority assignments to, or within, the United States shall be forwarded through established Allied Long Lines Agency (ALLA) communications processing channels to the Secretary of Defense. The Secretary of Defense shall process such requests in consonance with approved NATO/U.S. procedures for subsequent processing by the Executive Agent, National Communications System.

(c) The following pertains to Group B circuit requirements processing: State, County, Municipal Governments, quasi-

[1] A Directory of Qualified Fallout Shelter Analysts (Department of Defense/Office of Civil Defense Document FG-F-1.2) is available at the Headquarters of State and Local Civil Defense Directors or may be obtained from the Government Printing Office, Washington, D.C.

State and Local Government agencies and essential Industrial/Commercial customers of the communications common carriers will forward requests for restoration priority assignments to the Federal Communications Commission (FCC) for approval. Users and requestors will reexamine their circuit requirements at least every 6 months, and inform the Commission of any appropriate reclassifications.

(d) Subject to the policy guidance of the Director of Telecommunications Management/Special Assistant to the President for Telecommunications, the Executive Agent of the National Communications System is authorized to establish subpriorities within Priorities 1 and 2 and to notify all concerned. The Executive Agent, National Communications System and the Federal Communications Commission will arrange with the carriers for quantities of circuits and the restoration sequence to be followed for Federal and Foreign Government and those Industrial/Commercial private line services which are earmarked for prearranged voluntary participation with the Federal Government in an emergency which are designated within each of the four priority categories.

(e) U.S. carriers shall, so far as practicable, effect the restoration of U.S. portions of interrupted private line services in accordance with this part. In dealing with interrupted foreign portions of international leased private line services, the U.S. carriers should endeavor, by advance agreements with their foreign correspondents (except as indicated below), to effect the restoration of private line services in accordance with this order. Lacking such arrangement, U.S. carriers should handle service restoration in accordance with any system acceptable to their foreign correspondents which meets, or comes closest to meeting the procedures described herein. Procedures affecting Government services which in the judgment of the U.S. carriers, are not reasonably consistent with this order, should be referred to the Executive Agent of the National Communications System. In some instances, U.S. Government/Foreign Government arrangements exist for the restoration of U.S. Government foreign leased private line extension. The Executive Agent, National Communications System, will keep the U.S. carriers informed of those arrangements made by him.

(f) To insure the effectiveness of this system of priorities it is required that a rigorous examination be made by users to determine whether the requirements for a private line service justify placing it into one of the priority categories. It should be understood that communication facilities other than private line service may be available to qualified users during emergencies. These other facilities include the public correspondence message services of the common carriers and the U.S. mail service. In addition, experience indicates that:

(1) The Federal Government must strictly limit priority assignments to those circuit requirements which qualify under the stringent criteria of the priorities set forth in this order.

(2) Communications common carriers must plan for the use of all of their available resources to satisfy valid requirements during emergency periods.

(3) Restoration priorities must be realistically applied to available resources. This objective can be achieved only by continuous and close cooperative working relationships between responsible Federal Government and common carrier authorities.

(g) Additional detailed criteria for assignment of intercity leased private line switched networks for Federal Government use shall be promulgated at a later date by the Executive Agent, National Communications System, and the Federal Communications Commission in cooperation with the carriers and the Director of Telecommunications Management/Special Assistant to the President for Telecommunications.

(h) Requests for restoration priority assignments which do not appear to qualify within the criteria stated in this order shall be coordinated with the requestor of the priorities by the Executive Agent of the National Communications System or the Federal Communications Commission, as appropriate. Initial requests for restoration priority assignments which are denied by the certifying agency may be resubmitted by the requestor for reconsideration. Final disposition of such requests will be made by the appropriate certifying agency after coordination with the Director of Telecommunications Management/Special Assistant to the President for Telecommunications.

(i) Special critical conditions may arise from time-to-time requiring the temporary raising of circuit requirement restoration priorities. Some examples are: Tracking and control of manned space flight; overseas political tenseness; and national disasters. Activities desiring that existing circuit requirement restoration priorities be temporarily raised to meet critical conditions shall forward such requests with full justification to the Executive Agent, National Communications System, or the Federal Communications Commission, as appropriate. Approved requests shall be forwarded immediately through established channels to the common carriers involved and to interested Government agencies.

§ 201.7 Implementation.

The procedures for implementing this system, so that its effectual use can be attained, will be as follows:

(a) All existing priority certifications for private line services made in accordance with DMO 3000.1 are hereby canceled.

(b) Lists of Federal and Foreign Government private line circuits to be included in the priority categories will be furnished by the Executive Agent, National Communications System, to the carriers. Non-NCS circuit certifications will be so designated to the carriers.

(c) A list of those Industrial/Commercial private line services which are earmarked for prearranged voluntary participation with the Federal Government during emergencies, and which are included in the priority categories 1, 2, 3 and 4, will be furnished to the carriers by the Federal Communications Commission, after coordination with the Executive Agent, National Communications System.

(d) Applications for priority certifications for State and local governments and quasi-State and local government agencies and for Industrial/Commercial private line circuits within the priority 3 and 4 categories will be submitted to the Federal Communications Commission, Washington, D.C. 20554, and the carriers will be notified of certifications issued.

(e) Requestors will be notified of actions taken regarding their applications.

(f) To assist the Commission in maintaining accurate records of Federal Communications Commission-certified priority circuits, the carriers will notify the Commission when any such circuits are relinquished by the user.

(g) To assist the Executive Agent, National Communications System, in maintaining accurate records, the carriers will notify the Executive Agent when a Federal or Foreign Government private line service which is not a part of the National Communications System, but which carries a priority certification, is relinquished by the user.

(h) Federal Departments and Agencies are authorized to issue such additional Orders as are necessary to effect implementation of this part.

§ 201.8 Effective date.

This part is effective July 15, 1967.

Dated: January 17, 1967.

J. D. O'CONNELL,
Director of Telecommunications Management.

[F.R. Doc. 67-793; Filed, Jan. 23, 1967; 8:49 a.m.]

Title 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[Service Order 990]

PART 95—CAR SERVICE

Union Pacific Railroad Co. Authorized to Operate Over Trackage of Denver and Rio Grande Western Railroad Co.

At a session of the Interstate Commerce Commission, Railroad Safety and Service Board, held in Washington, D.C., on the 18th day of January A.D. 1967.

It appearing, that the State of Utah has begun the construction, in the city of Midvale, Utah, of a highway designated as Federal Aid—Secondary Route 150 (US-0150(4)) which includes an undercrossing of the Smelter Track of the Union Pacific Railroad Co. in Midvale; that the operation of Union Pacific trains over its Smelter Track during the

construction period is impracticable; that the operation of Union Pacific Railroad Co. trains over trackage of the Denver and Rio Grande Western Railroad Co. between milepost 737.90 in the vicinity of Pallas, Utah, and milepost 0.22 of the Bingham Branch of the Denver and Rio Grande Western Railroad Co., in Midvale, Utah, will enable the Union Pacific Railroad Co. to continue to provide direct service to all shippers served by its Smelter Track; that the Commission is of the opinion that there is need for the Union Pacific Railroad Co. to operate over the above-described trackage of the Denver and Rio Grande Western Railroad Co., to best provide the service required by the interest of the public and the commerce of the people; that notice and public procedure are impracticable and contrary to the public interest and that good cause exists for making this order effective upon less than thirty days' notice.

It is ordered, That:

§ 95.990 **Service Order No. 990.**

(a) *Union Pacific Railroad Co. authorized to operate over trackage of Denver and Rio Grande Western Railroad Co.* The Union Pacific Railroad Co. be, and it is hereby authorized to operate over trackage of the Denver and Rio Grande Western Railroad Co. between Denver and Rio Grande Western Railroad Co. milepost 737.90, in the vicinity of Pallas, Utah, and milepost 0.22 of the Bingham Branch of the Denver and Rio Grande Western Railroad Co. in Midvale, Utah.

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

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

(d) *Effective date.* This order shall become effective at 12:01 a.m., February 1, 1967.

(e) *Expiration date.* The provisions of this order shall expire at 11:59 p.m., September 1, 1967, unless otherwise modified, changed, or suspended by order of this Commission.

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, and 17(2). Interprets or applies secs. 1(10–17), 15(4), and 17(2), 40 Stat. 101, as amended 54 Stat. 911; 49 U.S.C. 1(10–17), 15(4), and 17(2))

It is further ordered, That copies of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Railroad Safety and Service Board.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 67-823; Filed, Jan. 23, 1967; 8:49 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Coast Guard

[33 CFR Parts 80, 95, 124, 126]

[46 CFR Parts 10, 24–26, 31–35, 39, 55, 61, 71, 72, 75–78, 90–98, 111–113, 146, 147, 160, 167, 175, 176, 180, 184, 187, 189, 192, 195]

[CGFR 66–64]

NAVIGATION AND VESSEL INSPECTION

Notice of Proposed Rule Making and Public Hearing

1. The Merchant Marine Council will hold a hearing on Monday, March 20, 1967, commencing at 9:30 a.m. in the Departmental Auditorium, between 12th and 14th Streets on Constitution Avenue NW., Washington, D.C., for the purpose of receiving comments, views, and data on the proposed changes in the navigation and vessel inspection rules and regulations as set forth in Items PH 1–67 to PH 12–67, inclusive, of the Merchant Marine Council Public Hearing Agenda, CG–249 dated March 20, 1967. The Agenda contains the specific changes being proposed to the navigation and vessel inspection regulations, and for certain items the present and proposed regulations are set forth in comparison forms, together with reasons for the changes.

2. This document contains general descriptions of the proposed changes in the regulations together with appropriate references to statutes authorizing such regulations. The complete text of the proposed changes and additions to the regulations is set forth in the "Merchant Marine Council Public Hearing Agenda" (CG–249), dated March 20, 1967. Copies of this Agenda are mailed to persons and organizations who have expressed a continued interest in the subjects under consideration and have requested that copies be furnished them. Copies of the Agenda will be furnished, upon request to the Commandant (CMC), U.S. Coast Guard, Washington, D.C. 20226, so long as they are available. After the supply of extra copies is exhausted, copies will be available, for reading purposes in Room 4211, Coast Guard Headquarters, or at the offices of the various Coast Guard District Commanders.

3. Comments on the proposed regulations are invited. Written comments containing constructive criticism, suggestions, or views are welcomed. However, acknowledgement of the comments received or reasons why the suggested changes were or were not adopted cannot be furnished since personnel are not available to handle the necessary correspondence involved. The public hearing held by the Merchant Marine Council is informal and intended to obtain views and information from those who will be directly affected by the proposals under consideration. Each oral or written comment is considered and evaluated. If it is believed the comment, view, or suggestion clarifies or improves a proposed regulation or amendment, such proposal is changed accordingly and, after adoption by the Commandant, the regulations as revised are published in the FEDERAL REGISTER. If a proposal under consideration is not accepted by the Commandant, the proposal is rejected or withdrawn.

4. Each person or organization who desires to submit comments, data, or views in connection with the proposed regulations set forth in the Merchant Marine Council Public Hearing Agenda should submit them in triplicate so that they will be received by the Commandant (CMC), U.S. Coast Guard Headquarters, Washington, D.C. 20226, prior to March 17, 1967. Comments, data, or views may be presented orally or in writing at the public hearing before the Merchant Marine Council on March 20, 1967. In order to insure consideration of written comments and to facilitate checking and recording, it is essential that each comment regarding a section or paragraph of the proposed regulations be submitted on Form CG–3287, showing the section number (if any), the subject, the proposed change, the reason or basis, and the name, business firm or organization (if any), and the address of the submitter. A small quantity of Form CG–3287 is attached to this Agenda. Additional copies may be reproduced by typewriter or otherwise.

5. Each item in the Agenda has been given a general title, intended to encompass the specific proposals presented, thereunder. It is urged that each item be read completely because the application of proposals to specific employment or types of vessels may be found in more than one item. The items in this Agenda are described in general terms in the paragraphs which follow.

ITEM PH 1–67—DANGEROUS CARGO REGULATIONS

6. Various amendments to the Dangerous Cargo Regulations in 46 CFR Part 146 have been necessitated by corresponding changes made in the regulations of the Interstate Commerce Commission governing land transportation of the same commodities. R.S. 4472, as amended (46 U.S.C. 170), requires that the Coast Guard accept and adopt such definitions, descriptions, descriptive names, classifications, specifications of containers, packing, marking, labeling, and certification of explosives or other dangerous articles or substances to the extent as are or may be established from time to time by the Interstate Commerce Commission insofar as they apply to shippers by carriers engaged in interstate and foreign commerce by water. Therefore, amendments applying only to shippers' requirements upon which the Interstate Commerce Commission has already complied with the Administrative Procedure Act are not included in this Agenda for the 1967 Merchant Marine Council Public Hearing but will be published as a separate document in the FEDERAL REGISTER.

7. Interstate Commerce Commission Order No. 70 made significant changes to Interstate Commerce Commission regulations for land transportation of radioactive materials, made necessary by the increasing frequency and diversity of radioactive shipments. Order No. 74 made additional changes to these regulations, chiefly for the sake of clarity, and corrected some errors or omissions in Order No. 70. For the sake of compatability between land and water transport, the changes made by these orders are reflected in changes to Subpart 146.25—Detailed Regulations Governing Poisonous Articles.

8. Regulations setting forth certain basic standards for power-operated industrial trucks to be used on board vessels for handling various classes of dangerous cargo were published in the FEDERAL REGISTER of November 23, 1961. The Commandant was petitioned to delay the mandatory compliance with these regulations due to practical difficulties anticipated by the industry in bringing existing equipment into compliance with the published regulations. In response to this petition interim measures were instituted whereby the Captains of the Port could grant special permissions to take care of special local circumstances. This Agenda contains proposed amendments to provide for the use of industrial trucks which are certified by the owner as meeting the safety standards of the Underwriters Laboratories or the Factory Mutual Laboratories for specific designations in addition to the equipment specifically designated by these laboratories as E, EE, EX, G, GS, LP, LPS, D, and DS. The owner's certification must be supported by an inspection report of inspections made by a cargo inspection bureau or a qualified inspector acceptable to the Captain of the Port.

9. The Rules and Regulations for Military Explosives and Hazardous Munitions contained in 46 CFR 146.29 apply to those dangerous cargoes shipped by, for, or to the Departments of the Army, Navy, and Air Force of the United States or similar types shipped by, for or to the government of any country whose defense is deemed vital to the defense of the United States. In order to bring these regulations up to date, a confer-

ence composed of representatives of responsible Government agencies and private organizations concerned with the safe transportation of military explosives and hazardous munitions was convened on June 21 and 22, 1966. This Agenda includes proposed amendments to 46 CFR 146.29 which represent the cooperative effort of that meeting.

10. Proposed amendments to 46 CFR Part 147—Detailed Regulations Governing Certification of Ships' Stores and Supplies—are included to provide the means for withholding a certification or renewal of a certification when changes or additional information is required and for cancellation of a certificate when false information is supplied.

11. The following changes to the regulations are being proposed to accomplish these ends:

a. 46 CFR 146.02–10 and 146.02–11 are amended to make editorial changes to incorporate the proposal contained in paragraph j below, creating a new Group IV for radioactive materials.

b. 46 CFR 146.03–4 is amended to define the term "carfloat" used, but not defined, in the Dangerous Cargo Regulations.

c. 46 CFR 146.04–5 is amended to incorporate in the commodity list additions and changes made in ICC regulations by Order Nos. 70 and 74.

d. 46 CFR 146.05–17 is amended to require use of existing Class D Poison Group I or II red label for Group IV radioactive materials by overstamping, as required by ICC regulations.

e. 46 CFR 146.06–14 is amended to authorize the master of a vessel to permit licensed officers to sign the dangerous cargo manifest in his stead.

f. 46 CFR 146.09–15, 146.20–35, 146.21–57, 146.22–7, 146.23–13, 146.24–27, 146.25–43, 146.26–35, and 146.27–35 are amended to permit the use of forklift trucks certified by the owner as meeting the requirements of a recognized testing laboratory for a specific designation, as well as trucks presently approved for use by the regulations.

g. 46 CFR 146.21–15 is amended to require "on deck" stowage of vented flammable liquid containers.

h. 46 CFR 146.22–100 is amended to permit 350-pound gross weight containers for coal facings and ground bituminous coal.

i. 46 CFR 146.23–100 is amended to permit under deck stowage for ethyl chloroformate, methyl chloroformate, and hexamethylene diamine solution, require highway vehicle cargo tanks transporting hydrogen peroxide to be ICC specification tank truck tanks and forbid carriage of highway cargo tanks on passenger vessels.

j. 46 CFR 146.25–20, 146.25–21, 146.25–25, 146.25–30, 146.25–35, and 146.25–400 are amended to make the regulations for radioactive materials consistent with Interstate Commerce Commission regulations for these materials. The principal effects for these changes are to establish a new Group IV for fissile materials, to clarify the definitions of Groups I, II, III, and IV radioactive materials, to clarify the list of exemptions from prescribed packaging and labeling, to clarify packing and shielding requirements, to recognize a change from the Bureau of Explosives to the ICC as the agency approving containers, and to clarify the definition of "radioactive unit". For consistency with ICC regulations, a new section, 145.25–23 is added to define "low specific activity material". These changes in terminology are reflected in editorial changes. Section 146.25–50 has been reworded to incorporate changes in terminology and to clarify accident procedures. In § 146.25–400 a new entry has been added for fissile materials and ICC Specification 6L container is added to the list of authorized containers.

k. 46 CFR 146.29–5 is amended to make the list consistent with the inclusion of dangerous cargo requirements in a new section proposed in paragraph n below.

l. 46 CFR 146.29–11 is amended to define "cargo transporter", guided missile ammunition, JATO components, rocket motors and engines, and "superstructure", and make editorial changes in numbering.

m. 46 CFR 146.29–13 is amended to require a permit for handling of explosives in a port whenever explosives are restowed without actual loading or discharge.

n. 46 CFR 146.29–14 is amended to require a dangerous cargo manifest, list, or stowage plan on board vessels transporting military explosives and hazardous munitions.

o. 46 CFR 126.29–29 is amended to remove the requirement for porthole, vent and door screens to be made of only copper or brass screening when special spaces for smoking on board ship are designated.

p. 46 CFR 146.29–35 is amended to clarify the protection requirements for portable lights used in holds of vessels loading and discharging military explosives.

q. 46 CFR 146.29–39 is amended to require a mattress only for the more sensitive military explosives and to clarify bomb handling procedure.

r. 46 CFR 146.29–45 is amended to permit the working of two holds in the same hatch, containing military explosives, under controlled conditions.

s. 46 CFR 146.29–51 is amended to clarify the stowage requirements for military explosives and hazardous munitions being transported in vans or cargo transporters.

t. 46 CFR 146.29–57 is amended to clarify the requirements for separation of incompatible explosive cargoes stowed on deck.

u. 46 CFR 146.29–59 is amended to allow the stowage of completely processed privately owned vehicles shipped by, for, or to the Department of Defense in the same hold with military explosives, as is now permitted for military vehicles.

v. 46 CFR 146.29–61 is amended to make editorial change consistent with the proposal in paragraph u above.

w. 46 CFR 146.29–73 is amended to specify what constitutes a "short stoppage".

x. 46 CFR 146.29–75 is amended to eliminate the requirement for a heat bulkhead between the relatively safe Class I ammunition and enginerooms, boilerrooms, etc.

y. 46 CFR 146.29–81 is amended to allow nonferrous dunnage systems to be used without wood sheathing.

z. 46 CFR 146.29–85 is amended to reflect organization changes within the Department of Defense.

aa. 46 CFR 146.29–90 is added to provide for the use of cargo transporters for military explosives under some circumstances.

bb. 46 CFR 146.29–93 is amended to reduce separation requirements between certain classes of explosives when substantial ship's structure is intervening.

cc. 46 CFR 146.29–100 is amended to reflect changes in military classification, to add new items of explosives, to clarify stowage requirements and to define a new class "XE" of military explosives.

dd. 46 CFR 147.03–8 is amended to permit the Commandant to withhold certification while label changes are being made or additional information is being submitted pursuant to his requirement for same.

ee. 46 CFR 147.03–10 is amended to permit the Commandant to cancel ships' stores certification when false information is furnished in the manufacturer's original or renewal application.

ff. 46 CFR 147.05–100 is amended to provide for the carriage of gaseous nitrogen aboard ship as an item of ships' stores and supplies.

12. The authority to prescribe regulations governing the water transportation of dangerous cargoes is in sections 170, 375, and 416 of Title 46, U.S. Code, and Executive Order 11239, July 31, 1965, 30 F.R. 9671. These authorities are also cited with the present regulations in 46 CFR Part 146. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations under these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; and 167–14, November 26, 1954, 19 F.R. 8026.

1a—*Radioactive materials: export-import shipments.* 13. It is proposed to amend 46 CFR 146.02–10 and 146.02–11, regarding export and import shipments of commercial Class A explosives and radioactive materials to include the proposed new Group IV for radioactive materials. These changes incorporate requirements of ICC Order No. 70.

1b—*Carfloat: definition.* 14. It is proposed to add 46 CFR 146.03–4, which will define the term "carfloat". This term has been used in the Dangerous Cargo Regulations, but was not previously defined.

1c—*List of explosives and other dangerous articles and combustible liquids.* 15. It is proposed to amend 46 CFR 146.04–5 to incorporate changes and additions in the commodity list, which have been made in the ICC regulations by ICC Order Nos. 70 and 74.

1d—Labels: radioactive materials. 16. It is proposed to amend 46 CFR 146.05–17(q), regarding the labels used for radioactive material.

1e—Manifests: general requirements. 17. It is proposed to amend 46 CFR 146.06–14(c), regarding source of information shown on manifest, list or stowage plan, to authorize the master to permit licensed deck officers to sign the dangerous cargo manifest for the master.

1f—Power-operated industrial trucks. 18. It is proposed to permit the use of forklift trucks certified by the owner as meeting the requirements of a recognized testing laboratory for a specific designation. The certification will be filed with the Captain of the Port and shall identify each piece of equipment. In addition, the Captain of the Port shall require an inspection report of a qualified inspector regarding the equipment. To accomplish these changes, it is proposed to amend 46 CFR 146.09–15 (b) and (d) as well as other sections in Part 146 regarding the use of power-operated industrial trucks.

1g—Handling explosives: use of industrial trucks. 19. With respect to handling explosives, it is proposed to amend 46 CFR 146.20-35(e) to permit the use of forklift trucks certified by the owner as meeting certain requirements of a recognized testing laboratory.

1h—Flammable liquids: stowage—use of industrial trucks. 20. It is proposed to amend 46 CFR 146.21–15, regarding stowage of flammable liquids on board vessels by adding a new paragraph (c) which will restrict the stowage of vented containers of flammable liquids to "on deck" only.

21. With respect to the use of industrial trucks, it is proposed to amend 46 CFR 146.21–57(a), to permit the use of forklift trucks certified by the owner as meeting certain requirements of a recognized testing laboratory.

1i—Flammable solids and oxidizing materials: use of industrial trucks—containers. 22. With respect to the use of industrial trucks, it is proposed to amend 46 CFR 146.22–7 (a) and (c) to permit the use of forklift trucks, certified by the owner as meeting certain requirements of a recognized testing laboratory.

23. It is proposed to amend 46 CFR 146.22–100, regarding coal facings to permit metal containers of 350 lbs. gross weight in lieu of 300 lbs. on cargo vessels and railroad car ferry, passenger or vehicle vessels.

1j—Corrosive liquids: use of industrial trucks—stowage—containers. 24. It is proposed to amend 46 CFR 146.23–13, regarding use of industrial trucks to correct the section reference.

25. It is proposed to amend 46 CFR 146.23–100, regarding Table F—Classification: Corrosive Liquids, to permit stowage under deck on cargo vessels of ethyl chloroformate and methyl chloroformate; to permit stowage under deck on cargo vessels for hexamethylene diamine solutions; and to require motor vehicle tank trucks to comply with ICC regulations for corrosive liquids when carrying hydrogen peroxide, etc.

1k—Compressed gases: use of industrial trucks. 26. It is proposed to amend 46 CFR 146.24–27 (a) and (b), regarding the use of power-operated industrial trucks to permit the use of forklift trucks certified by the owner as meeting certain requirements of a recognized testing laboratory.

1L—Poisonous articles: radioactive materials—use of industrial trucks—breakage of containers. 27. With respect to radioactive materials, Class D Poison, it is proposed to amend 46 CFR 146.25–20, 146.25–21, 146.25–25, 146.25–30, 146.25–35, and 146.25–400 and to add 146.25–23 (low specific activity material) to make the regulations for radioactive materials consistent with the ICC regulations in ICC Order Nos. 70 and 74.

28. With respect to use of industrial trucks, it is proposed to correct the references in 46 CFR 146.25–43.

29. It is proposed to revise 46 CFR 146.25–50, regarding care following leakage or sifting of poisonous articles, to include cases involving fire or collisions, to clarify accident procedures and to incorporate desired changes in terminology. It is also proposed to require any incident in which radioactive materials are involved in fire or are damaged that the shipper and the District Commander having supervision over the port or place where the vessel is located will be notified immediately.

30. It is also proposed to amend 46 CFR 146.25–400, Table H—Classification, Class D; radioactive materials, to provide for radioactive materials, Group IV and fissile radioactive materials, n.o.s., as well as to provide for the use of ICC specification 6L container.

1m—Combustible liquids: use of industrial trucks. 31. It is proposed to amend 46 CFR 146.26–35(a) by correcting references regarding use of power-operated industrial trucks.

1n—Hazardous articles: use of industrial trucks. 32. It is proposed to amend 46 CFR 146.27–35 (a) and (c), regarding use of industrial trucks, to permit the use of forklift trucks certified by the owner as meeting certain requirements of a recognized testing laboratory.

1o—Military explosives: manifests—definitions and abbreviations—permits—smoking—portable lights—handling—loading—unloading—stowage—use of cargo transporters—new class of military explosives. 33. The detailed regulations governing the transportation of military explosives and hazardous munitions on board vessels have been reviewed, and it is proposed to bring them up to date with current practices. The proposed amendment to 46 CFR 146.29–5 will state that the regulations in 46 CFR 146.06–12 to 146.06–15, regarding dangerous cargo manifests, will not apply to vessels carrying military explosives, but will be covered by a proposed section designated 46 CFR 146.29–14.

34. With respect to definitions and abbreviations used in regulations regarding military explosives and hazardous munitions, it is proposed to amend 46 CFR 146.29–11(c), to provide descriptions for cargo transporters, guided missile ammunition, jet thrust units (jato), rocket motors, and rocket engines, and to clarify requirements regarding superstructures, type A dunnage floors, and vans.

35. It is also proposed to amend 46 CFR 146.29–13, regarding permits for handling military explosives, to require a permit when explosives on a vessel are restowed without actual loading or discharging such explosives.

36. It is proposed to add 46 CFR 146.29–14, regarding dangerous cargo manifest, list of stowage plan, to cover special requirements for vessels transporting military explosives and hazardous munitions.

37. With respect to smoking on board vessels, it is proposed to amend 46 CFR 146.29–29(c), to require approved screening of portholes, vents and doors, but to remove the requirement that such screening be made only with copper or brass for the room designated as a "smoking room".

38. With respect to lights, tools, and portable equipment, it is proposed to amend 46 CFR 146 29–35(b), to clarify the protection requirements for portable lights permitted to be used in the holds of vessels loading and discharging military explosives.

39. With respect to handling, loading or unloading military explosives and other cargo, it is proposed to amend 46 CFR 146.29–39 (c), (m), and 146.29–45 (c), to require a mattress for only specific types of explosives required as shock sensitive, to state that bombs are not to be handled by lifting lugs, and to provide for the working of two holds simultaneously in the same hatch under controlled conditions.

40. With respect to stowage of military explosives and hazardous munitions, it is proposed to amend 46 CFR 146.29–51, 146.29–57, 146.29–59, 146.29–61, and 146.29–73. These proposals will clarify the stowage compatibility requirements for military explosives and hazardous munitions being transported in cargo vans or cargo transporters; will allow incompatible explosives to be stowed on deck under certain conditions; will allow for the stowage of privately owned vehicles shipped by, for, or to the U.S. Department of Defense; and specify more precisely the meaning of short work stoppages.

41. With respect to location of magazines and ammunition stowage, it is proposed to amend 46 CFR 146.29–75, 146.29–81, 146.29–85, 146.29–93, and 146.29–100 and to add 46 CFR 146.29–90, regarding the use of cargo transporters. One proposal will eliminate the requirement for a heat bulkhead when stowing relatively safe explosives, ICC Class C in holds adjacent to enginerooms, boilerrooms, etc. A proposal will allow the use of nonferrous dunnage system without wood shielding. A proposal will editorially correct various organization references within the Department of Defense. One proposal will add requirements to provide for the use of cargo transporters (Conex boxes) for the carriage of military explosives under certain defined conditions. With respect to stowage of

blasting caps, etc., it is proposed to reduce the distance requirements between certain classes of explosives when substantial ship's structure is intervening. The proposals also clarify the stowage conditions for certain classes of military explosives as well as add requirements for rocket engines.

1p—Ships' stores and supplies: certification—nitrogen. 42. It is proposed to amend 46 CFR 147.03–8, regarding refusal to certify, to permit the withholding of a certification while changes on the label or additional information are being required.

43. With respect to false statements by the manufacturer or his agent, it is proposed to amend 46 CFR 147.03–10 to provide for refusal for certification and for cancellation of certification when false information is supplied.

44. It is proposed to amend 46 CFR 147.05–100, Table S—Classification: ships' stores and supplies of a dangerous nature, to provide for the carriage of gaseous nitrogen in cylinders.

1q—Permits for handling or restowing explosives. 45. It is proposed to amend 46 CFR 146.20–85 and 146.20–87, regarding permits for explosives to extend the coverage of the authorization to include explosives that are being handled aboard ship in a port without actually being loaded or discharged.

ITEM PH 2–67—BULK DANGEROUS CARGO REGULATIONS

46. At present the regulations for various bulk dangerous cargoes may be in the Tank Vessel Regulations (Subchapter D), or in the Cargo and Miscellaneous Vessel Regulations (Subchapter I, Part 98), or in the Dangerous Cargo Regulations (Subchapter N). These regulations may apply in varying degrees depending on the type of dangerous commodities being transported in bulk. The authority to prescribe regulations governing the water transportation of certain dangerous cargoes in bulk is in sections 170, 375, and 416 of Title 46, U.S. Code. The regulations also interpret or apply sections 391a and 481 of Title 46, U.S. Code, section 198 of Title 50, U.S. Code, and Executive Order 11239, July 31, 1965, 30 F.R. 9671. These authorities are also cited with the present regulations in 46 CFR Part 98. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations under these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; and 167–38, October 26, 1959, 24 F.R. 8857.

2a—Shipping papers for cargo barges carrying certain dangerous cargoes. 47. During a recent casualty involving a fire on a barge in a fleet of barges being towed, the firefighters were not able to determine very quickly the type of dangerous cargo being carried in the burning tank nor the types of cargo in adjacent tanks. It was necessary for the firefighters to contact the shipping company who was situated some distance from the location of the burning barge to ascertain what the cargo was in the burning tank and in adjacent tanks. While in this instance the fire was extinguished without serious injury to adjacent property and firefighters, the lack of information regarding the cargoes being transported in the fleet of barges hampered the firefighters and other officials whose duties required decisions involving the minimizing of fire, explosion, and health hazards involved in this casualty.

48. The Tank Vessel Regulations (Subchapter D) now contains 46 CFR 35.01–10, regarding "shipping papers", which requires tank barges to have on board a bill of lading giving the kind, grade, and approximate quantity of each kind and grade of cargo. If the barge is not manned and shipping papers are not available, an entry is required in the towing vessel's logbook which sets out this information. In addition, those barges carrying bulk cargo that have dangerous characteristics in addition to flammability or combustibility require warning signs to be posted, and information cards to be carried on the towboat.

49. The Cargo and Miscellaneous Vessel Regulations (Subchapter I) requires warning signs to be posted on the barge and information cards to be carried on towboats when any of the dangerous cargoes specifically noted in Part 98 are carried in bulk, but shipping papers are not required nor are logbook entries required for the kind, grade, and quantity of cargo carried. It is, therefore, proposed to amend Subchapter I by adding 46 CFR 98.03–5(b) to require shipping papers on barges carrying dangerous cargoes and when such barges are not manned it is proposed to require either a copy of the shipping papers to be placed on the towing vessel or the master to make an appropriate entry in the towing vessel's logbook.

2b—Limiting draft marks placed on cargo barges carrying certain dangerous cargoes. 50. The regulations in 46 CFR 98.03–20 require that barges carrying certain dangerous cargoes meet certain subdivision and damaged stability requirements. The following additions designated 46 CFR 98.03–20(b) (5), (6), and (7) are proposed to establish limiting draft marks for such barges. The present regulations lead to establishment of such draft marks, but do not contain provisions for requiring marks to be placed on the sides of the barge to show the depth to which the barge may be loaded. It is also proposed to require that the draft marks established by these regulations shall not be submerged.

2c—Barges carrying liquid chlorine in bulk: cargo piping—venting—filling and discharge operations. 51. It is proposed to amend the regulations in 46 CFR Subpart 98.20 governing liquid chlorine in bulk to better define (1) the limitations on manifolding lines on barges during cargo transfer; (2) the safety relief valve and protective housing requirements; (3) the vent riser requirements; and (4) certain volume measurements by revising 46 CFR 98.20–40(c), 98.20–55, and 98.20–60.

52. The Chlorine Institute has proposed that 46 CFR 98.20–60(f) regarding the discharge of chlorine tanks be amended to permit the maximum air pressure used to be increased from 70 percent to 75 percent of the allowable pressure of the tank. For a 300 pounds per square inch gage (p.s.i.g.) tank this proposal would allow the use of the standard chlorine tank car safety valve, set to relieve at a pressure of 225 p.s.i.g., in lieu of the 210 p.s.i.g. relief valve presently being used in the compressed air system. This proposal would permit the use of the 225 p.s.i.g. relief valve, which is considered desirable in the standardization of equipment on chlorine barges, and its use should reduce the time required for valve testing, maintenance, and replacement.

2d—Barges carrying anhydrous ammonia in bulk. 53. The tests and inspections of tanks containing anhydrous ammonia in 46 CFR 98.25–95(a) are proposed to be amended so that the wording will be in accord with practices under 46 CFR 38.25–1(a). These changes will clarify the intent of the regulations so that removal of lagging will be of sufficient amount to determine the external condition of the tank to the satisfaction of the Officer in Charge, Marine Inspection.

2e—Venting of tank barges carrying liquids having lethal characteristics. 54. It is proposed to amend 46 CFR 39.20–1 and 39.20–2 regarding venting of tank barges carrying liquids having lethal characteristics. It is proposed to separate the requirements for unmanned tank barges from tankships and manned barges.

55. The present requirement for a vent riser extending to a height of one-third of the beam of the vessel, attached to each pressure vacuum relief or safety valve has several undesirable aspects when applied to barges. The basic reason for the requirement was to protect personnel in the event vapors escape from the relief or pressure vacuum valve. Information from barge operators indicate the arrangement is generally unsatisfactory and that an additional hazard is created.

56. The nature of barge operations is such that high structures on barges are vulnerable to damage both from low clearances on the waterways and from lines being dragged across the barge. In addition, anything which can be used to secure a line may sometimes be improperly used in an attempt to check barge movement. This means that any fitting, valve or vent riser is subject to possible damages, with the chance of damage being greater with height. Particularly vulnerable are safety or pressure vacuum relief valves which have high vents rigidly attached to them. Particularly ineffective are vents on unmanned barges which are extendable, as there has been no way to insure that operating personnel take the time to get ahead and extend the vent risers when in clear operating areas.

57. Safety valves are not expected to relieve under normal operating conditions. Pressure vacuum relief valves are also not expected to relieve under normal conditions. It would appear then, that

our requirement for vent risers to a height of one-third of the beam for unmanned barges results in little, if any, increase in personnel safety, and perhaps has the opposite effect if the likelihood of damage is considered.

58. The requirements for manned barges are left the same as for tank vessels, which is no change from the present regulation. The requirement for high vent risers connected to each pressure relief or pressure vacuum relief valve is dropped for unmanned barges. A means for the reclamation or safe venting of vapors during loading and unloading is required.

ITEM PH 3-67—PORT SECURITY AND WATERFRONT FACILITIES

59. On October 20, 1950, the President directed the Commandant to exercise certain functions and responsibilities with respect to port security and waterfront facilities. The authority for the Commandant to prescribe regulations regarding port security and waterfront facilities is in section 191 of Title 50, U.S. Code, and in Executive Order 10173, as amended by Executive Orders 10277, 10352, and 11249.

3a—United States and foreign vessels carrying bulk cargoes having potential unusual risks: Advance notice to Captains of the Port. 60. The proposed additions to 33 CFR 124.14 will provide for all foreign and U.S. vessels carrying cargoes of potential unusual risks to notify the Captain of the Port or the District Commander of the port to which destined, at least 24 hours prior to arrival, of the name, amount of cargo, and its location on board the vessel. By using this 24-hour advance notice requirement, the Captain of the Port will be kept knowledgeable of highly hazardous operations. The specific cargo items considered to be meeting these criteria are described in the enclosure to Navigation and Vessel Inspection Circular No. 13-65, dated September 30, 1965, and may be obtained upon request from the Commandant (CHS), U.S. Coast Guard, Washington, D.C. 20226. The regulations exclude from its application the U.S. Intracoastal Waterway and barges moving on the Western Rivers (Mississippi River and tributaries).

3b—Waterfront facilities: handling cargoes having potential unusual risks to port area. 61. It is proposed to add or revise requirements designated 33 CFR 126.05 and 126.15 to provide safety requirements for facilities handling bulk liquid products (petroleum plants), to establish a new category of facility, namely, those that handle cargoes having potential unusual risks, and to describe safety requirements and procedures. The present requirements are mainly directed toward the general cargo terminal. The proposed additions are peculiar to facilities handling bulk petroleum products or highly hazardous products. These proposals are considered vital to minimize hazards to the facilities, vessels, and persons in the area of the operations, as well as to minimize water pollution. The proposal designated 33 CFR 126.15(n) concerns maintenance of bulk liquid facilities and will provide a reasonable deterrent to water or air pollution and fire from the accumulation of flammable liquids or vapors upon a designated bulk liquid waterfront facility. The proposal designated 33 CFR 126.15(o) describes the conditions for establishing a designated waterfront facility for handling cargoes having potential unusual risks. This proposal will require owners, operators or agents of such facilities to clear this type of operation with State, county and municipal authorities prior to the designation of the facility. It is also proposed to require warning notices to watercraft be provided so that in the event of a casualty such watercraft will have a reasonable opportunity to take necessary evasive or protective action.

ITEM PH 4-67—NAVIGATION LIGHTS AND SHAPES

62. The Rules of the Road have traditionally required that the prescribed lights be visible for a stated distance on a "dark night with a clear atmosphere." However, there are no standards within these rules or the regulations for inspected and uninspected vessels upon which the intensity of navigation lights can be based. Currently, U.S. vessels under construction which will be inspected and certificated by the Coast Guard have been meeting standards or criteria set forth in an internal Coast Guard instruction, which have been a clarification of the meaning of visibility under these Rules of the Road. It is now proposed to publish these standards and to include them within the regulations for both inspected and uninspected vessels.

4a—Uninspected vessels (including motorboats). 63. It is proposed to add a new section designated 46 CFR 25.05-15 regarding light standards for navigation lights and shapes. The proposed regulations would publish the minimum intensity outside the lens required on every navigation light. They would further translate these intensity figures into recommended lamp wattages for 115 volt systems or recommended bulb numbers for motorboat having 6, 12, or 32 volt systems. These figures are recommended and explained in detail in the proposed addition to the Electrical Engineering Regulations, but are omitted from the simplified versions for Uninspected Vessel Regulations.

64. The definitions of a "dark night with a clear atmosphere" and the selection of a practical threshold of vision enable a minimum value of intensity for any given distance of visibility to be computed. To aid vessel operators in selecting the appropriate electric lamps for their navigation lights, a table of recommended lamp ratings is furnished. These lamp sizes are recommended because of the many variables that can change the actual intensity at any given point outside the lens; these variables include lamp characteristics, color filter characteristics, fresnel lens lamp-to-light ratio, and fresnel lens focus. The tables assume average lamp luminosity, an actual fresnel lens lamp-to-light ratio of 1 to 4, and the following filter efficiencies: Amber—30 percent; red—5 percent; green—2 percent.

65. The proposed standards for light are necessary to improve upon certain existing lights that are inadequate. There are still a limited number of kerosene red and green lights being used. The proposed regulations would eliminate kerosene side lights because an oil flame cannot give the intensity necessary to meet the two mile standard with the relatively inefficient red and green filters. The enforcement of the standards should assure that all vessels in U.S. waters can be easily discerned at night; this should increase marine safety in crowded harbors.

66. The authority to prescribe regulations for uninspected vessels (including motorboats) is in R.S. 4405, as amended, 4462, as amended, and section 17 of the Motorboat Act of 1940, as amended (46 U.S.C. 375, 416, 526p); and the delegation of authority to the Commandant is in Treasury Department Order 120, July 31, 1950, 15 F.R. 6521.

4b—All classes of inspected vessels. 67. It is proposed to add new regulations designated 46 CFR 113.55-30 in the Electrical Engineering Regulations (CG-259), regarding light standards for navigation lights for inspected vessels and a new regulation designated 46 CFR 184.15-5 in the Small Passenger Vessel Regulations (CG-323), regarding navigation light standards. The proposed regulations would publish the minimum intensity outside the lens required of every navigation light. They would further translate these intensity figures into recommended lamp wattages for 115 volt systems. For motorboats it would be recommended bulb numbers for 6, 12, or 32 volt systems. These figures are recommended because variations in the lamp filament, the fresnel lens focus, the fresnel lens lamp-to-light ratio, and the color filter can alter the actual candlepower reading outside the lens. These proposed standards for lights are necessary to improve upon certain existing lights that are inadequate. There are still a limited number of tows using kerosene red and green lights which are required to be seen 2 miles. The proposed regulations would, in effect, eliminate kerosene side lights because an oil flame cannot give the intensity necessary to meet the 2-mile standard with the relatively inefficient red and green filters. The enforcement of the standards should assure that all vessels in United States waters can be easily discerned at night; this should increase marine safety in crowded harbors.

68. The Rules of the Road have traditionally required that the prescribed lights be visible for a stated distance on a "dark night with a clear atmosphere." Currently, U.S. vessels under construction that are to be inspected by the Coast Guard must adhere to the criteria for lights prescribed in an internal Coast Guard directive which applies standards for a "dark night with a clear atmosphere" and a practical threshold of visibility. These standards are to be given wider dissemination and more weight by

including them within the Code of Federal Regulations.

69. The definitions of a "dark night with a clear atmosphere" and the selection of a practical threshold of vision enable a minimum value of intensity for any given distance of visibility to be computed. To aid vessel operators in selecting the appropriate electric lamps for their navigation lights, a table of recommended lamp ratings is furnished. These lamp sizes are recommended because of the many variables that can change the actual intensity at any given point outside the lens; these variables include lamp characteristics, color filter characteristics, fresnel lens lamp-to-light ratio, and fresnel lens focus. The tables assume average lamp luminosity, an actual fresnel lens lamp-to-light ratio of 1 to 4, and the following filter efficiencies: Amber—30 percent; red—5 percent; green—2 percent.

4c—Rules of the road—inland. 70. It is proposed to amend the regulatory Rules of the Road for Inland Waters by revising 33 CFR 80.18(b) and 80.21(b) to describe revised standards for navigation lights for towing vessels and self-propelled dredges underway. The existing requirement for 5-mile red lights would prescribe the use of a light with an intensity of 100 candlepower at the source outside the lens. This would be accomplished with either a 2000 candlepower lamp used without a fresnel lens, or with a 500 candlepower lamp and a fresnel lens. Either way would be difficult to effect. With the establishment and publication of definite light standards, it is necessary to reduce the visibility requirement for the red lights from 5 to 2 miles.

71. The authority to prescribe regulations establishing navigation requirements for vessels on Inland Waters is in section 157 in Title 33, U.S. Code. The applicable authorities are also cited with the present regulations in 33 CFR Part 80. The delegation of authority for the Commandant, U.S. Coast Guard, to prescribe regulations is in Treasury Department Order 167-33, September 23, 1958, 23 F.R. 7592.

4d—Rules of the road—Western rivers. 72. It is proposed to amend the regulatory Rules of the Road for Western Rivers by revising 33 CFR 95.52(b) and 95.55(b) to describe revised standards for navigation lights for towing vessels and self-propelled dredges underway. The existing requirement for 5-mile red lights would prescribe the use of a light with an intensity of 100 candlepower at the source outside the lens. This would be accomplished with either a 2,000 candlepower lamp used without a fresnel lens, or with a 500 candlepower lamp and a fresnel lens. Either way would be difficult to effect. With the establishment and publication of definite light standards, it is necessary to reduce the visibility requirement for the red lights from five to two miles. The light separation requirements are relaxed slightly to make them consistent with the requirements for Inland Waters. The arc of visibility of the stern red lights is increased so that it covers two 45° gaps, and becomes consistent with Inland requirements.

73. The authority to prescribe regulation establishing navigation requirements for vessels on the Western Rivers is in section 353 in Title 33, U.S. Code. The applicable authorities are also cited with the present regulations in 33 CFR Part 95. The delegation of authority for the Commandant, U.S. Coast Guard, to prescribe regulations is in Treasury Department Order 167-33, September 23, 1958, 23 F.R. 7592.

ITEM PH 5-67—FIRE PROTECTION ON BOTH NEW AND EXISTING PASSENGER VESSELS (100 GROSS TONS OR OVER)

74. As a result of the U.S. initiative following tragic fires on the passenger ships "Lakonia," "Yarmouth Castle" and "Viking Princess," the Maritime Safety Committee of the Intergovernmental Maritime Consultative Organization (IMCO) has recommended amendments to the 1960 SOLAS Convention which would improve the fire safety of both new and existing passenger ships. It is expected that these SOLAS amendments will be approved by the IMCO General Assembly and forwarded to the governments signatory to the convention for ratification together with the proposed amendments, it is expected that the General Assembly will call for early, voluntary action to make the amendments effective prior to their actual coming into force. The SOLAS amendments which have been proposed would primarily have the effect of improving the fire safety of existing passenger ships. The proposed amendments to Subchapter H (Rules and Regulations for Passenger Vessels), Subchapter F (Marine Engineering Regulations) and Subchapter J (Electrical Engineering Regulations) incorporate the proposed IMCO regulations into the Coast Guard rules.

75. At the 13th Session of the IMCO Maritime Safety Committee agreement was reached on numerous measures which would improve the fire safety of both new and existing passenger ships. These are:

a. The creation of a new Part G of the present International Convention for the Safety of Life at Sea, 1960 (SOLAS), intended primarily to update the safety of older ships.

b. The amendment of two regulations of the present SOLAS Convention intended to improve the fire safety of new passenger ships.

c. The recommended measures to be applied voluntarily by the Contracting Governments.

76. The proposals in this item are the United States actions to implement the recommendation in the IMCO Note Verbale, A1/C/3.07(NV.1), which urges Contracting Governments to take immediate action to put the proposed measures into effect awaiting the formal entry into force of these amendments.

77. The authority to prescribe regulations governing passenger vessels is in sections 375 and 416 of Title 46, U.S. Code. The regulations interpret or apply sections 361, 362, 363, 366, 367, 390b, 395, 399, 404, 435, 481, 526p, and 1333 of Title 46, U.S. Code, section 198 of Title 50, U.S. Code, and Executive Order 11239, July 31, 1965, 30 F.R. 9671. These authorities are also cited with the present regulations in 46 CFR Part 70. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations under these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167-14, November 26, 1954, 19 F.R. 8026; 167-20, June 18, 1956, 21 F.R. 4894; CGFR 56-28, July 24, 1956, 21 F.R. 5659; and 167-38, October 26, 1959, 24 F.R. 8857.

5a—Structural fire protection. 78. It is proposed to amend 46 CFR 72.05-90(c), regarding structural fire protection on existing passenger vessels, which were contracted for prior to May 26, 1965, to meet the requirements in 46 CFR 72.05-05 through 72.05-60 for new passenger vesse'ls. One of the major purposes of the proposed change to the International Convention was to eliminate use of the term "reasonable and practicable" as an excuse for not improving the fire safety of existing ships. While "reasonable and practicable" has been applied with special care in the United States, elimination of these words is felt necessary to comply with the spirit of the IMCO measures. It should be noted that "general" agreement still leaves some latitude.

5b—Firemain systems. 79. It is proposed to amend 46 CFR Part 76 by adding a new section designated § 76.10-3 regarding water availability. This amendment is necessary to assure that water pressure is immediately available on the firemain protecting enclosed spaces. This will reduce the time necessary to begin firefighting operations and assure that an excessive number of hydrants are not opened. The possibility exists to maintain pressure by means of a service pump in lieu of a fire pump. Pressure on the firemain has not been previously required. This amendment, therefore, would require alteration to almost all existing passenger ships on an international voyage.

80. With respect to fire hydrants and hose, it is proposed to amend 46 CFR 76.10-10 (f) and (g) to clarify the definition of a fire hydrant and the use of water spray in the accommodation and service areas. Previously a "hydrant" has been generally agreed to mean the installation of a cock or valve such as the one described. Since the International Convention specifically mentions this, however, it is proper to include it in the Coast Guard regulations. This change should not affect any existing passenger ships. Water spray has many desirable features for combatting fires in accommodation and service spaces. It affords excellent protection to the user and helps to reduce the smoke problem. Measures recommended by IMCO recognize the importance of having this type of equipment available. As this equipment was not previously required, additional equipment will probably be required for many vessels.

81. With respect to fire main systems installed or contracted for prior to May 26, 1965, it is proposed to amend 46 CFR

76.10–90(a) to clarify that for vessels on an international voyage the separation of pumps, sources of power, etc., is imperative. In addition, it is proposed that vessels on an international voyage shall generally comply with the requirements of 46 CFR 76.10–5(b), and the minimum fire pump capacity for existing passenger ships will be consistent with the proposed international regulations. This should not affect the sizing of most existing fire pump installations.

5c—Carbon dioxide extinguishing system, details. 82. With respect to installations of carbon dioxide extinguishing systems contracted for prior to November 19, 1952, it is proposed to amend 46 CFR 76.15–90(a)(2) to insure that vessels on an international voyage are fitted with proper fire extinguishing equipment. In view of the extreme fire hazard of machinery spaces, as witnessed by recent casualties and international concern, it is imperative that proper protection be provided. This change should affect very few, if any, ships presently on an international voyage.

5d—Fireman's outfit. 83. With respect to items included in the fireman's outfit, it is proposed to amend 46 CFR 77.35–10 by bringing the Coast Guard regulations into agreement with the SOLAS definition of fireman's outfit, which will be by adding such items as rigid helmet, boots and gloves, and protective clothing. These changes are necessary to describe the additional items of protective equipment.

5e—Automatic ventilation dampers. 84. To facilitate identifying the location of dampers in a darkened or smoke-filled ship, it is proposed to amend 46 CFR 78.47–53 regarding the marking of automatic ventilation dampers to require that they use red daylight-reflecting letters at least ½-inch high. This will bring Coast Guard requirements into agreement with proposed international regulations.

5f—Fuel oil service systems. 85. To provide remote shutdown capability for all oil fuel lines under pressure, it is proposed to amend 46 CFR 55.10–40(g) regarding service oil pumps in fuel oil service systems to be equipped with a means of control from outside the boilerroom, which will apply to all passenger ships on an international voyage, regardless of the date of construction. This is an important feature and considered to be necessary to reduce the possible serverity of any machinery space fire. This change would bring Coast Guard regulations into agreement with proposed International regulations which recognize this as an important fire safety measure.

5g—Means of stopping machinery. 86. It is proposed to amend 46 CFR 61.05–25 regarding means of stopping machinery to require all passenger ships on an international voyage, regardless of the date of construction, to have suitable remote controls from outside of the space concerned for machinery driving forced and induced draft fans, fuel oil transfer pumps, fuel oil unit pumps and other similar fuel pumps. This is an important feature considered necessary to reduce the possible severity of any machinery space fire. This change would bring Coast Guard regulations into agreement with proposed International regulations which recognize this as an important fire safety measure.

5h—Ventilation systems. 87. It is proposed to amend 46 CFR 111.50–5(c), regarding ventilation systems by adding additional requirements for the remote control means for stopping accommodation and machinery space ventilation fans required by the electrical regulations on all passenger vessels on an international voyage regardless of the date of construction. This change would bring Coast Guard regulations into agreement with proposed international regulations which recognize this as an important fire safety measure.

5i—Motion picture projection rooms. 88. The special requirements for motion picture projection rooms and projection equipment in 46 CFR 111.65–15(a) are to be modified so that nitrocellulose film is specifically prohibited and that only acetate or slow-burning film may be used. This is proposed so these regulations will be in agreement with proposed international regulations.

5j—Emergency lighting and power systems for vessels contracted for prior to November 19, 1952. 89. It is proposed to add a new regulation designated 46 CFR 112.90–3 for emergency lighting power systems for passenger vessels on an international voyage contracted for prior to November 19, 1952, which will require such vessels to meet the applicable standards in 46 CFR Subparts 112.05 through 112.55 for new passenger vessels. With respect to the present regulations in 46 CFR 112.90–5 for emergency lighting system for ocean and coastwise passenger vessels contracted for prior to November 19, 1952, it is proposed to amend them so they will apply to those ocean and coastwise vessels other than passenger vessels on an international voyage. The proposed amendment to 46 CFR 112.90–10, regarding emergency lighting system for passenger vessels other than ocean and coastwise passenger vessels, contracted for prior to November 19, 1952, will add to the scope of that regulation those passenger vessels on an international voyage. These proposed amendments have the effect of improving the fire safety of existing passenger ships.

5k—General alarm system. 90. It is proposed to add new requirements to 46 CFR 113.25–5(c) regarding operation of general alarm systems and to 113.25–10(b) regarding distribution of general alarm system feeders and branch circuits so that these regulations will apply to all passenger vessels on an international voyage, regardless of the date of construction, and will permit some design flexibility. This proposal will permit the alarm to be used to alert the crew to an emergency without alarming the passengers. It also avoids exceptions by specifying all passenger vessels.

5L—Emergency loudspeaker system. 91. It is proposed to extend the coverage of the emergency loudspeaker system on both new vessels and existing vessels to include the accommodation spaces and service spaces by adding them to the areas listed in 46 CFR 113.50–5(a) and 113.50–90(b)(1). These amendments will bring Coast Guard regulations into agreement with proposed International regulations which recognize this as an important fire safety measure.

ITEM PH 6–67—FIRE PROTECTION FOR TANK VESSELS AND CARGO VESSELS

92. It is proposed to add or amend various provisions regarding fire protection for tank vessels and cargo vessels. The authority to prescribe such regulations regarding fire precautions is in R.S. 4405, as amended, 4417a, as amended, 4462, as amended, and 4488, as amended; 46 U.S.C. 375, 391a, 416, 481; as well as section 632 of Title 14, U.S. Code. As applicable, portions of the regulations also may interpret or apply specific statutory provisions as described generally in 46 CFR 30.01–1 and 90.01–10. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; CGFR 56–28, July 24, 1956, 21 F.R. 5659; and 167–38, October 26, 1959, 24 F.R. 8857.

6a—Accommodation stairways on tank vessels and cargo vessels. 93. With respect to structural fire protection for tank vessels contracted for on or after January 1, 1963, it is proposed to define a stairtower by adding the definition as 46 CFR 32.57–5(g), and by revising 46 CFR 32.57–10(d)(2) and (4), regarding stairways. These changes are necessary in order to make it clear that stairways penetrating more than a single deck are required to be protected by "A" Class bulkheads. This protection is essential to insure the integrity of stairtowers under fire exposure conditions. Failure of the stairtower at one level would not only cause a "chimney effect" and make the stairway useless for access or egress purposes, but would imperil the integrity of all other decks served by the stairtower.

94. With respect to structural fire protection for cargo vessels contracted for on or after November 19, 1952, it is proposed to define a stairtower by adding the definition as 46 CFR 92.07–5(g), and by revising 46 CFR 92.07–10(d)(2) and (4), regarding stairways. These changes are necessary in order to make it clear that stairways penetrating more than a single deck are required to be protected by "A" Class bulkheads. This protection is essential to insure the integrity of stairtowers under fire exposure conditions. Failure of the stairtower at one level would not only cause a "chimney effect" and make the stairway useless for access or egress purposes, but would imperil the integrity of all other decks served by the stairtower.

6b—Combustible veneers on cargo and tank vessels. 95. It is proposed to clarify where combustible veneers may be used on cargo and tank vessels by amending 46 CFR 92.07–10(d)(9) and 32.57–10(d)(9). The proposed change to § 92.07–10(d)(9) will revise the struc-

tural fire protection requirements for cargo vessels contracted for on or after November 19, 1952. The proposed change to § 32.57–10(d)(9) will revise the structural fire protection requirements and will apply to tank vessels contracted for on or after January 1, 1963. These changes should clarify the regulations which have been misinterpreted to require standards more severe than those applied to combustible veneers placed on passenger vessels.

6c—Structural fire protection requirements for industrial type cargo vessels. 96. It is proposed to extend the scope of application of the structural fire protection requirements to those vessels which are often outfitted to carry large numbers of people in the business of the vessel's owners in addition to the crew. An increasing number of work barges, derrick barges, pipe laying barges, construction barges, drill rigs and service vessels are being constructed under the provisions of the Cargo and Miscellaneous Vessel Regulations in 46 CFR Parts 90 to 97, inclusive (Subchapter I). These vessels are usually under 4,000 gross tons and therefore have not been subject to even the minimum fire protection requirements described in the regulations for cargo vessels. These vessels with large numbers of persons on board are often engaged in high fire hazard types of work. Therefore it is proposed to extend the present minimum structural fire protection requirements for cargo vessels to these vessels which are 300 gross tons or over and if over 12 industrial persons are carried in addition to the crew. To identify these vessels it it proposed to define them as "industrial vessels" by adding a definition designated 46 CFR 90.10–16. To identify the persons working on such vessels it is proposed to define them as "industrial personnel" by adding a definition designated 90.10–40.

97. With respect to the extension of the structural fire protection requirements to industrial vessels, it is proposed to amend 46 CFR 92.07–1 and 92.07–90 to specify the requirements for both existing and new cargo vessels being used as industrial vessels and when of 300 gross tons or over and carrying in excess of 12 industrial personnel.

6d—Fire extinguishing systems for machinery spaces on tank vessels and cargo vessels. 98. One of the requirements of the International Convention of Safety of Life at Sea, 1960 (Chapter II, Regulation 65(h)), states that when cargo vessels and tank vessels of 1,000 gross tons or over and on an international voyage and such vessels are fitted with internal combustion propelling machinery then such machinery shall be protected by an approved fire extinguishing system. To implement these provisions of SOLAS for vessels on an international voyage, it is proposed to require such equipment by amending 46 CFR 34.05–5(a)(7) for tank vessels and 95.05–10(e) for cargo vessels. Because of the severe consequences of an uncontrolled machinery space fire, it is also proposed to require similar protection on tank vessels and cargo vessels not on an international voyage.

99. In the administration of 1960 SOLAS determinations have been made by the Commandant that (a) "internal combustion engines" include gas turbines as similar fuel hazards exist; (b) spaces containing fuel oil units, purifiers, valves, and manifolds are included as a part of the boiler installations; and (c) a total-flooding carbon dioxide system is the best extinguishing system for internal combustion machinery.

6e—Fire extinguishing systems for power-operated industrial truck stowage on cargo vessels. 100. The regulations in 46 CFR 97.70–30(b) permit stowage of fueled power-operated industrial trucks in fixed metal enclosures, on or above the weather deck, with access from the weather deck only, and with adequate ventilation. There is no inference of fire protection requirements. The spaces should be treated as a flammable liquid stowage space with a fixed CO_2 system in accordance with 46 CFR 95.05–10(c). It is proposed to amend 46 CFR 97.70–30(b) to require a fixed carbon dioxide or other approved system to be installed in all stowage spaces used for power-operated industrial trucks.

ITEM PH-7-67—GAS FREEING INSPECTIONS PRIOR TO MAKING ALTERATIONS OR REPAIRS INVOLVING HOTWORK

101. Recently a serious casualty occurred while hotwork was being performed on a fitting of a tank containing a protective coating. This protective coating, when heated, let off flammable vapors. In this instance, an explosion occurred in which a worker lost his life and extensive damage was done to the vessel. At the investigation it was found that no gas free certificate had been issued. In reviewing the regulations it was determined that no gas free certificate was actually required. Therefore, it is proposed to amend the inspection regulations for tank vessels (CG–123), passenger vessels (CG–256), cargo and miscellaneous vessels (CG–257), and small passenger vessels under 100 gross tons (CG–323), in order that the requirements regarding gas freeing of spaces and use of gas free certificates will include repair work in any space or tank that has a residue or protective coating which is combustible or capable of releasing flammable or toxic vapors when exposed to heat.

102. For many years the provisions of "Standard for the Control of Gas Hazards on Vessels to be Repaired," NFPA No. 306, published by National Fire Protection Association, 60 Batterymarch Street, Boston, Mass. 02110, has been the guide in conducting the inspections and issuance of gas free certificates required by the inspection regulations. This guide not only includes instructions for assuring that the compartment or space is safe for performing work involving heat or fire, but also it assures that the spaces involved do not contain a vapor which may be hazardous.

103. The authority to prescribe regulations generally regarding fire precautions for inspected vessels is in R.S. 4405, as amended, 4462, as amended, 4488, as amended, section 3(c), act of August 9, 1954, and Executive Order 11239, July 31, 1965; 46 U.S.C. 375, 416, 481, 50 U.S.C. 198, 30 F.R. 9671, 3 CFR, 1965 Supplement. The authority to prescribe regulations for tank vessels is in R.S. 4417a, as amended, 46 U.S.C. 391a. The authority to prescribe regulations for seagoing vessels propelled by machinery is in the act of June 20, 1936, as amended; 46 U.S.C. 367. The authority to prescribe regulations for seagoing barges is in section 10, act of May 28, 1908, as amended; 46 U.S.C. 395. The authority to prescribe regulations for small craft carrying cargo or freight for hire is in R.S. 4426, as amended, 46 U.S.C. 404. The authority to prescribe regulations for small passenger vessels carrying more than six passengers is in section 3 of act of May 10, 1956, 46 U.S.C. 390b. The delegations of authority to the Commandant, U.S. Coast Guard, to prescribe regulations pursuant to these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; CGFR 56–28, July 24, 1956, 21 F.R. 5659; 167–38, October 26, 1959, 24 F.R. 8857; and 167–66, September 8, 1965, 30 F.R. 11735.

7a—Tank vessels. 104. It is proposed to amend 46 CFR 35.01–1(b) by revising requirements governing inspection and testing required when making alterations, repairs, or other such operations involving riveting, welding, burning, or like fire-producing actions on tank vessels and tank barges to require inspection of any space for purpose of determining it is gas free prior to performing hotwork.

7b—Passenger vessels. 105. It is proposed to amend 46 CFR 71.60–1(b) by revising requirements governing inspection and testing required when making alterations, repairs, or other such operations involving riveting, welding, burning, or like fire-producing actions on passenger vessels of 100 gross tons or over to require inspection of any space for purpose of determining it is gas free prior to performing hotwork.

7c—Cargo and miscellaneous vessels. 106. It is proposed to amend 46 CFR 91.50–1(b) by revising requirements governing inspection and testing required when making alterations, repairs, or other such operations involving riveting, welding, burning, or like fire-producing actions on cargo and miscellaneous vessels to require inspection of any space for purpose of determining it is gas free prior to performing hotwork.

7d—Small passenger vessels. 107. It is proposed to add a new regulation designated 46 CFR 176.23–1 to the small passenger vessel regulations (CG–323) regarding gas freeing of "T" vessels since many of the larger ones are constructed of steel. The new requirements will cover the inspection and testing required when making alterations, repairs, or other such operations involving riveting, welding, burning or like fire-producing actions on small passenger vessels of less than 100 gross tons and carrying more than six passengers. The regulations

will establish the "Standard for the Control of Gas Hazards on Vessels to be Repaired," NFPA No. 306, as the guide to be followed. The regulations also prohibit the undertaking of hotwork until after specified gas-freeing inspections have been made. In general, the same procedures will be followed as for other inspected vessels.

ITEM PH 8-67—LIFESAVING EQUIPMENT

8a—Additional life preservers required on small passenger vessels. 108. When the regulations for passenger vessels were amended to include the requirements necessary to implement the 1960 Safety of Life at Sea Convention (SOLAS), the requirement for 5 percent additional life preservers for all passenger vessels on an international voyage was not added to the Rules and Regulations for Small Passenger Vessels (Under 100 Gross Tons) (Subchapter T) (CG-323). Since the 1960 SOLAS applies to small passenger vessels on an international voyage, it is proposed to add this requirement as 46 CFR 180.25-5(b) so that those concerned will provide additional life preservers when engaged on international voyages.

109. The authority to prescribe regulations for small passenger vessels under 100 gross tons and carrying more than six passengers is in R.S. 4405, as amended, 4462, as amended, and section 3 of act of May 10, 1956; 46 U.S.C. 375, 416, 390b. These regulations also interpret or apply R.S. 4417, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4453, as amended, and 4488, as amended; 46 U.S.C. 391, 392, 399, 404, 435, 481; and Executive Order 11239, July 31, 1965, 30 F.R. 9671 3 CFR, 1965 Supplement. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations under these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167-20, June 18, 1956, 21 F.R. 4894; CGFR 56-28, July 24, 1956, 21 F.R. 5659; and 167-38, October 26, 1959, 24 F.R. 8857.

8b—Color of lifefloats and buoyant apparatus on small passenger vessels. 110. It is proposed to amend the regulations for small passenger vessels under 100 gross tons to require that lifefloats and buoyant apparatus carried on such vessels will be of a uniform highly visible color. At present there are no set requirements regarding the color of lifefloats and buoyant apparatus. The owners have therefore painted them any color, running the entire spectrum of colors, which often present no contrast with surrounding water on which the vessel normally operates. This lack of contrast reduces the probability of detection and increases search time needed to locate survivors. A second or third search of the same area may be needed, which could be obviated if a highly visible color were used. By prescribing one color for certain waters it is believed that search and rescue operations, if needed, would be greatly facilitated due to increased contrast of the device with the water and then having the information that it is only necessary to look for a device of a definitely known color.

111. To accomplies these changes, it is proposed to add new regulations which will be in effect on and after March 1, 1968, for both new and existing small passenger vessels under 100 gross tons and carrying more than six passengers. For small passenger vessels in ocean and coastwise service and Great Lakes service, it is proposed to add new paragraphs designated 46 CFR 180.10-5(b) and 180.10-15(b), which will specify that lifefloats and buoyant apparatus shall be international orange in color. For such vessels in lakes, bays, and sounds service, it is proposed to add a new paragraph designated 46 CFR 180.10-20(b), which will specify that all lifefloats and buoyant apparatus shall be either international orange or white in color. In the waters of lakes, bays, and sounds, it has been observed that where the waters have a high degree of silt the coloring of the waters provides a good contrast with white, and therefore either white or international orange color is satisfactory.

112. The authority to prescribe regulations for small passenger vessels under 100 gross tons and carrying more than six passengers is in R.S. 4405, as amended, 4462, as amended, and section 3 of act of May 10, 1956; 46 U.S.C. 375, 416, 390b. These regulations also interpret or apply R.S. 4417, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4453, as amended, and 4488, as amended; 46 U.S.C. 391, 392, 399, 404, 435, 481; and Executive Order 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supplement. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations under these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167-20, June 18, 1956, 21 F.R. 4894; CGFR 56-28, July 24, 1956, 21 F.R. 5659; and 167-38, October 26, 1959, 24 F.R. 8857.

8c—Distress signals required for freight vessels under 150 gross tons. 113. The regulations for small passenger vessels under 100 gross tons in 46 CFR 180.35-5(a)(1) require 6 hand red flares and 6 orange smoke signals or 12 hand combination flares and distress signals to be carried. The regulations for cargo and miscellaneous vessels in 46 CFR 94.90-1(a) exempt all manned freight vessels of less than 150 gross tons certificated for ocean and coastwise service. Such small freight vessels may carry as many as 16 persons in addition to the crew between ports or places in the United States on ocean or coastwise routes. Often these vessels are larger than Subchapter T vessels carrying more than six passengers.

114. It is proposed to amend 46 CFR 94.90-1, 94.90-5, 94.90-10, and 94.90-15 to require that all new and existing small freight vessels under 150 gross tons and certificated for ocean or coastwise service, which are permitted to carry persons in addition to the crew, to have 6 hand red flares and 6 orange smoke signals or 12 hand combination flares and distress signals on and after an effective date to be determined. For such vessels which are on short runs and the operating time away from a dock is limited to approximately 30 minutes, it is proposed in 46 CFR 94.90-15 not to require such vessels to carry these distress signals.

115. The authority to prescribe regulations governing small freight vessels is in R.S. 4405, as amended, 4426, as amended, and 4462, as amended; 46 U.S.C. 375, 404, 416. These regulations also interpret or apply R.S. 4417, as amended, 4418, as amended, 4488, as amended, 4491, as amended, act of October 25, 1919, as amended, and section 17, act of April 25, 1940, as amended; 46 U.S.C. 391, 392, 481, 489, 363, and 526p. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations to implement these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167-14, November 26, 1954, 19 F.R. 8026; CGFR 56-28, July 24, 1956, 21 F.R. 5659; and 167-38, October 26, 1959, 24 F.R. 8857.

8d—Releases, hydraulic and manual, for lifesaving equipment. 116. For some time it has been observed that hydraulic releases have been used in inflatable liferaft installations. Instructions regarding the inspection requirements for hydraulic releases when carried with approved liferafts or buoyant apparatus have been requested. The practice to permit the use of such releases does not provide a method to determine suitability. Furthermore, under certain conditions the hydraulic release could become inoperative and fail to provide the release of the lifesaving equipment as presently required by the regulations.

117. In order that requirements for all vessels subject to inspection and certification by the Coast Guard will be the same, it is proposed to add regulations stating that hydraulic releases approved under a Coast Guard specification designated 46 CFR Subpart 160.062 may be permitted in the installation of any rigid liferaft, inflatable liferaft, or buoyant apparatus and to require the servicing and testing of such releases at periodic intervals. To accomplish this it is proposed to add regulations designated 46 CFR 33.20-20 and 33.25-15(e) for tank vessels, 71.25-15(a)(9) and 75.15-10(a)(5) for passenger vessels, 91.25-15(a)(8) and 94.15-10(a)(5) for cargo and miscellaneous vessels, 167.35-3(a) for public nautical schoolships, 176.25-20(c), 176.25-22(d), and 180.20-1(c) for small passenger vessels under 100 gross tons, and 189.25-15(a)(8) and 192.15-10(a)(5) for oceanographic vessels. It is also proposed to add a Coast Guard specification regarding hydraulic and manual releases for livesaving equipment which has been designated as 46 CFR 160.062 and consists of §§ 160.062-1 to 160.062-6, inclusive. The specification will provide for the Commandant's approval of releasing devices, as well as for the servicing and testing of approved devices at periodic intervals.

118. The authority to prescribe regulations with respect to lifesaving equipment for inspected vessels is in sections 367, 390b, 481, and 489 of Title 46, U.S. Code, section 198 of Title 50, U.S. Code, and Executive Order 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supp. The delegations of authority for the Commandant to prescribe regulations are in

Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; 167–20, June 18, 1956, 21 F.R. 4894; and 167–38, October 26, 1959, 24 F.R. 8857.

ITEM PH 9–67—VESSEL INSPECTIONS

9a—Display of plans required on tank vessels. 119. It is proposed to add a new regulation designated 46 CFR 35.10–3 regarding display of plans on both new and existing tank vessels and tank barges with sleeping accommodations for more than six persons. It is proposed that the plan displayed on each vessel will show pertinent firefighting information for the guidance of the officer in charge of the vessel.

120. The authority to prescribe regulations governing the inspection and certification of tank vessels is in sections 375, 391a, and 416 in Title 46, U.S. Code, section 198 in Title 50, U.S. Code, and Executive Order 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supp. These authorities are also cited with the present regulations in 46 CFR Parts 30 to 40, inclusive. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; and 167–14, November 26, 1954, 19 F.R. 8026.

9b—Drydocking of tank and cargo vessels operating exclusively on fresh water. 121. The regulations in 46 CFR 31.10–20 for tank vessels (CG–123) and 91.40–1 for cargo vessels (CG–257) governing drydocking intervals could be interpreted, as written, that cargo vessels and tankships operating exclusively in fresh water do not require drydocking. Since this is not what was intended, it is proposed to amend 46 CFR 31.10–20(a)(4), and 91.40–1(a)(4) by adding the words "if it operates exclusively in fresh water or" so that there is no question that the requirements provide for a 60-month drydocking interval for those vessels operating exclusively in fresh water.

122. The authority to prescribe regulations regarding drydocking of tank and cargo vessels is in R.S. 4405, as amended, 4462, as amended; 46 U.S.C. 375, 416. These regulations interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, 4488, as amended, section 14, act of March 3, 1897, as amended, section 10, act of May 28, 1908, as amended, act of October 25, 1919, as amended, sections 1 and 2, act of June 20, 1936, as amended, section 17, act of April 25, 1940, as amended, and section 3, act of August 9, 1954; 46 U.S.C. 361, 362, 391, 391a, 392, 404, 405, 411, 435, 481, 366, 395, 363, 367, 526p, 50 U.S.C. 198; and Executive Order 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supplement. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations to implement these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; CGFR 56–28, July 24, 1956, 21 F.R. 5659; and 167–38, October 26, 1959, 24 F.R. 8857.

9c—Anchors for tank barges and cargo barges. 123. The American Bureau of Shipping (ABS) no longer requires ground tackle on unmanned barges as a condition of classification, regardless of route. After this information was received, the Coast Guard made a study of this matter. It has been determined that the installation of ground tackle aboard unmanned barges on either seagoing or inland routes is of little or no value unless the equipment can be controlled remotely from the towing vessel. Since available information does not provide evidence that anchors on unmanned barges have proved beneficial in the interest of safety, it is proposed to withdraw the requirements for anchors and chains on unmanned barges in ocean, coastwise or Great Lakes service by amending 46 CFR 32.15–15 and 96.07–5(a).

124. The authority to regulate tank barges and cargo barges is in R.S. 4405, as amended, and 4462, as amended; 46 U.S.C. 375, 416. These regulations interpret or apply R.S. 4417, as amended, 4417a, as amended, 4418, as amended, 4426 as amended, 4488, as amended, section 10, act of May 28, 1908, as amended, act of October 25, 1919, as amended, sections 1 and 2, act of June 20, 1936, as amended, and section 3, act of August 9, 1954; 46 U.S.C. 391, 391a, 392, 404, 481, 395, 363, 367, and 50 U.S.C. 198; and Executive Order 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supplement. The delegations of authority for the Commandant, U.S. Coast Guard to prescribe regulations pursuant to these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; CGFR 56–28, July 24, 1956, 21 F.R. 5659; 167–38, and October 26, 1959, 24 F.R. 8857.

9d—Miscellaneous up-dating changes for tank vessels, passenger vessels, and cargo and miscellaneous vessels. 125. In order to bring the vessel inspection regulations up-to-date, it is proposed to revise the regulations in Subchapters D (Tank Vessels), H (Passenger Vessels), I (Cargo and Miscellaneous Vessels) and T (Small Passenger Vessels). These changes include such items as: Unfired pressure vessels; Federal Communications certificates; primary life-saving equipment; side light screens; electrical system installations; and the manning of lifeboats having radios and searchlights.

126. With respect to unfired pressure vessels, the proposed amendments to 46 CFR 31.01–5(a), 71.20–15(a), and 91.20–15(a) will clarify the scope of the initial inspections to include the inspection of unfired pressure vessels.

127. All radio inspections are controlled by the Federal Communications Commission's regulations. The Coast Guard now determines only that the vessel is in possession of a valid certificate issued by the Federal Communications Commission, if any. Therefore, the proposed changes to 46 CFR 31.01–5(a), 31.10–15(b), 71.20–15(a), 71.25–10(a), 91.20–15(a), and 176.05–5 will show this determination.

128. It has been determined that light screens for navigation lights and shapes which are painted glossy black provide the best reflection capability. At present this requirement for painting of side screens is only in the Electrical Engineering Regulations (Subchapter J) and such a requirement is not directly related to electrical engineering. Therefore, it is proposed to transfer this requirement from these regulations to the various vessel inspection regulations for the various categories of vessels. To accomplish this it is proposed to add to the tank vessel regulations a new section designated 46 CFR 32.15–3 regarding navigation lights and shapes for all new and existing tank vessels and tank barges; to add to the passenger vessel regulations a new section designated 46 CFR 77.17–5 regarding light screens; to add to the cargo and miscellaneous vessel regulations a new section designated 46 CFR 96.20–15 regarding light screens; to add to the small passenger vessel regulations a new section designated 46 CFR 184.15–10 regarding light screens; and to add to the oceanographic vessel regulations a new section designated in 46 CFR 195.20–15.

129. For sometime the descriptions of primary lifesaving equipment have been in various vessel inspection regulations and it is proposed to add a sentence describing what may be acceptable substitutes for a lifeboat. For tank vessels it is proposed to add the revised definition of primary lifesaving equipment for tank vessels and tank barges as a new section designated 46 CFR 33.01–10. For passenger vessels it is proposed to revise the definition of primary lifesaving equipment in 46 CFR 75.05–10(a). For cargo and miscellaneous vessels it is proposed to revise the definition of primary lifesaving equipment in 46 CFR 94.05–10(a). For small passenger vessels under 100 gross tons, it is proposed to add a definition of primary lifesaving equipment as 46 CFR 180.10–1(b).

130. For the mast and sail required on certain lifeboats the present regulations specify the sail shall be of good quality canvas. Other materials have been developed and found to be acceptable for use as sails. Therefore, it is proposed to add wording permitting the use of these materials, by revising 46 CFR 33.15–10(s), 75.20–15(s), and 94.20–15(s).

131. The tank vessel regulations are silent concerning the manning of lifeboats with motors, radiotelegraphs and/or searchlights. Therefore, it is proposed to add to the tank vessel regulations new sections designated 46 CFR 33.30–10 and 33.30–15 to require the master to assign to each lifeboat men capable of operating the equipment therein, such as motors, radiotelegraphs, and searchlights.

132. With respect to electrical engineering and interior communication systems, it is proposed to update the list of systems by revising 46 CFR 77.05–1(a) for passenger vessels, and 96.05–1(a) for cargo and miscellaneous vessels.

133. To modernize the language in the vessel inspection regulations, it is proposed to substitute the word "radio-

telegraph" for "wireless" in 46 CFR 78.14–20 for passenger vessels, and in 97.14–20 for cargo and miscellaneous vessels.

134. The authority to prescribe vessel inspection regulations is in R.S. 4405, as amended, 4462, as amended, and section 632 of the act of August 4, 1949; 46 U.S.C. 375, 416, 14 U.S.C. 632. These regulations also interpret or apply R.S. 4417, as amended, 4417a, as amended, 4426, as amended, sections 1 and 2 of act of June 20, 1936, as amended, section 3, act of May 10, 1956, section 5 of the act of July 30, 1965, and section 3(c) of act of August 9, 1954; 46 U.S.C. 391, 391a, 404, 367, 390b, 445, and 50 U.S.C. 198; and Executive Order 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supplement. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe implementing regulations to these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; 167–20, June 18, 1956, 21 F.R. 5659; 167–38, October 26, 1959, 24 F.R. 8857; and 167–66, September 8, 1965, 30 F.R. 11735.

9e—Miscellaneous up-dating changes for uninspected vessels (including motorboats). 135. In order to bring the regulations for uninspected vessels up to date, it is proposed to add or revise various regulations. With respect to definitions of terms used in these regulations, it is proposed to add definitions of the word "barge" as a new section designated 46 CFR 24.10–2 and the phrase "oceanographic research vessel" as a new section designated 46 CFR 24.10–20. These definitions are needed because of the act of July 30, 1965 (Public Law 89–99; 46 U.S.C. 441–445), under which all mechanically propelled oceanographic vessels of less than 300 gross tons, which are not inspected for certification, will be subject to the requirements for uninspected vessels in Subchapter C or 46 CFR Parts 24 to 26, inclusive.

136. Approved work vests are for crewmembers while working on board merchant vessels. They are considered to be items of safety apparel but cannot be substituted for other required lifesaving devices. Therefore, it is proposed to add a new section designated 46 CFR 25.25–25 regarding work vests and state that when carried on uninspected vessels such vests are not accepted as a substitute for any portion of the approved lifesaving devices required by 46 CFR 25.25–10.

137. With respect to hand portable fire extinguishers of the vaporizing-liquid type containing carbon tetrachloride or chlorobromomethane or other toxic vaporizing liquids, it is proposed to delete the obsolete language regarding the prohibition to use such equipment after January 1, 1962, and to state in general terms that such equipment is not acceptable as equipment required by these regulations.

138. The 1960 International Convention for Safety of Life at Sea contains certain requirements applicable to all vessels engaged in international voyages. Since many large vessels are subject only to the requirements for mechanically propelled vessels in the regulations for uninspected vessels (Subchapter C), it is desirable to refer to these requirements based on the 1960 SOLAS Convention. Therefore, it is proposed to add a new section designated 46 CFR 26.03–10 regarding signaling lights for all vessels of over 150 gross tons when engaged on international voyages. With respect to all vessels on ocean and coastwise voyages in the course of which pilots are likely to be employed, it is proposed to add a new regulation designated 46 CFR 26.03–15 requiring such vessels to be equipped with pilot ladders, man ropes and safety lines for use in conjunction with the pilot ladders, whenever circumstances may so require; and additionally, the vessels shall have available for use at nights, lights capable of shining over the side.

139. The authority to prescribe regulations for uninspected vessels is in R.S. 4405, as amended, 4462, as amended and section 632 of the act of August 4, 1949; 46 U.S.C. 375, 416, 14 U.S.C. 632. These regulations also interpret or apply section 17 of the act of April 25, 1940, as amended, 46 U.S.C. 526p; and Executive Order 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supplement. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe implementing regulations to these laws are in Treasury Department Order 120, July 31, 1950, 15 F.R. 6521.

9f—Hospital spaces on tank vessels and cargo vessels. 140. It has been a Coast Guard policy not to require a hospital space on cargo and tank vessels in which the crew is berthed in single occupancy rooms. In lieu of the required hospital space, the Coast Guard has, however, required that one room, not necessarily designated as a hospital space but always available while the vessel is at sea, be fitted for use as a treatment and/or isolation room. In order that this policy will be published in the regulations, it is proposed to add new requirements to 46 CFR 32.40–1(c) and 92.20–35 which will state this policy and describe the standards such room shall meet.

141. The authority to prescribe regulations regarding hospital spaces on tank vessels and cargo vessels is in R.S. 4405, as amended, 4462, as amended; 46 U.S.C. 375, 416. These regulations interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, 4488, as amended, section 14, act of March 3, 1897, as amended, section 10, act of May 28, 1908, as amended, act of October 25, 1919, as amended, sections 1 and 2, act of June 20, 1936, as amended, section 17, act of April 25, 1940, as amended, and section 3, act of August 9, 1954; 46 U.S.C. 361, 362, 391, 391a, 392, 404, 405, 411, 435, 481, 366, 395, 363, 367, 526p, 50 U.S.C. 198; and Executive Order 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supplement. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations to implement these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; CGFR 56–28, July 24, 1956, 21 F.R. 5659; and 167–38, October 26, 1959, 24 F.R. 8857.

ITEM PH 10–67—ELECTRICAL ENGINEERING REGULATIONS

142. The Electrical Engineering Regulations (CG–259, Subchapter J, 46 CFR Parts 110–113) have been reviewed and where possible changes are proposed which will bring these regulations into closer agreement with the National Electrical Code.

143. The authority to prescribe regulations governing electrical engineering for merchant vessels is in sections 375 and 416 of Title 46, U.S. Code. The regulations also interpret or apply sections 361, 362, 363, 366, 367, 369, 390b, 391, 391a, 392, 399, 404, 405, 411, 435, 481, 489, 526p, and 1333 of Title 46, U.S. Code, section 198 of Title 50, U.S. Code, and Executive Order 11239, July 31, 1965, 30 F.R. 9671. The applicable authorities are also cited with the present regulations in 46 CFR Part 111. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations under these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; 167–20, June 18, 1956, 21 F.R. 4894; CGFR 56–28, July 24, 1956, 21 F.R. 5659; 167–38, October 26, 1959, 24 F.R. 8857.

10a—Electrical system standard voltages. 144. The present regulations in 46 CFR Part 111 do not now recognize 120/208-volt, 3-phase electrical systems. On certain vessels, especially small vessels with small electrical power requirements, this system would often be more economical than other systems. In industry electrical systems of this type are standard and equipment designed for these voltage ratings is readily available. Therefore, it is proposed to amend 46 CFR 111.05–25(b) by revising Table 111.05–25(b) so that the standard voltages for alternating current will include the distribution voltage of 120/208 and the comparative generated voltage of 125/216 as standard voltages. This proposed change is recommended so these voltage systems may be permitted without question.

10b—Overcurrent protection, dual voltage systems. 145. The present regulations require that a pole be provided in the generator circuit breakers for the neutral conductor of dual voltage systems. This usually dictates the use of 4-pole circuit breakers, which are more expensive and are hard to procure commercially. Therefore, it is proposed to amend 46 CFR 111.35–15 (b) and (c) regarding equipment for switchboards and 111.55–1 (d), (h), and (i) regarding overcurrent devices to remove this requirement since no increase in safety is afforded by providing circuit breaker poles for neutral conductors. The proposed changes will also permit solid neutrals in feeder circuits.

10c—Overcurrent devices in panelboard. 146. The present regulations

limit the number of overcurrent devices in panelboards to 60. The National Electrical Code now limits the number of overcurrent devices in panelboards to 42. The problem concerning the number of overcurrent devices is the heat generated by each such device, which is the same whether the panelboard is used shoreside or on shipboard. Therefore, it is proposed to amend 46 CFR 111.40–1(g) to reduce the number of overcurrent devices from 60 to 42 and to reduce the permitted amperage for switching devices from 50 amperes or less to 30 amperes or less, which will bring the regulation into agreement with the National Electrical Code. This proposal is an increase in requirements since a greater number of panelboards will be required for a given distribution system in the future.

10d—Interrupting rating of fuses and circuit breakers. 147. The present regulations permit the use of circuit breakers and fuses in applications where their interrupting rating may be exceeded, where suitable backup protection is incorporated in the electrical system. As circuit breakers which require backup protection may be damaged in case of short circuit, continuity of service may be impaired. Therefore, it is proposed to amend 46 CFR 111.55–20 regarding interrupting rating of fuses and circuit breakers to provide for adequate continuity of service by limiting the use of backup breakers to nonvital circuits, to add general requirements for backup installations, to specify an 80 percent of the instantaneous trip feature of backup breakers, and to rearrange existing requirements.

10e.—Emergency lighting and power systems. 148. The present Coast Guard regulations pertaining to the emergency lighting and power systems for passenger vessels has a division in the requirements at a vessel size of 1,600 gross tons, with the requirements for vessels under 1,600 gross tons being less stringent. The 1960 Safety of Life at Sea Convention (SOLAS) makes no corresponding distinction. These Coast Guard regulations for vessels under 1,600 gross tons are less than the requirements in Chapter 2, Regulation 25, of the 1960 SOLAS Convention. Therefore, it is proposed to bring the general requirements in Table 112.05–5(a) in 46 CFR 112.05–5 into agreement with Chapter 2, Regulation 25, of 1960 SOLAS Convention, by deleting the present requirements for ocean and coastwise vessels and inserting one standard for all these vessels.

10f—Starting means for emergency diesel generator sets. 149. The present regulations regarding emergency diesel-engine-driven generator sets are written in a manner that emphasizes batteries as the starting means for such equipment. As hydraulic starting means are now available and offer a superior method of starting a diesel engine, the proposed revision of 46 CFR 112.50–1 emphasizes the use of hydraulic starting means and the text is rearranged. The requirements have not been changed except to require a shutdown on loss of lubricating oil pressure, overspeed, and release of carbon dioxide. This automatic shutdown is in keeping with an industry recommendation for engine protection.

10g—General alarm system. 150. The present regulations do not require that the location of the general alarm feeder distribution panel be associated with the location of the general alarm system power supply. As only a single cable is required between the power supply and the feeder distribution panel, damage to this cable can jeopardize the entire system. The proposed changes to 46 CFR 113.25–5 regarding operation and 113.25–10 regarding distribution of general alarm system feeders and branch circuits will augment the dependability of the system. It is proposed to limit the length of the cable run by requiring the power supply and the feeder distribution panel to be in the same space, and to enhance its dependability by providing control of the general alarm system at the location of the power supply. In particular, the proposed amendments to 46 CFR 113.25–5 will clarify the requirements and specify the number and where contact makers shall be provided, including at the location of the feeder or branch circuit distribution panels; while the amendment to 46 CFR 113.25–10 will require that the feeder distribution panel shall be located in the same space as the power supply in order to improve the dependability of the system. With respect to alarm bells for tankships constructed on or after September 15, 1943, it is proposed to amend 46 CFR 32.25–1(b) to clarify the requirements pertaining to contact maker location and the number required.

ITEM PH 11–67—OPERATORS OR OCEAN OPERATORS OF SMALL PASSENGER VESSELS AND MOTORBOAT OPERATORS

151. The authority to prescribe regulations regarding operators or ocean operators of passenger vessels of 100 gross tons or less and carrying more than six passengers are in sections 7 and 17 of the act of April 25, 1940, as amended (46 U.S.C. 526f, 526p), and in section 3 of act of May 10, 1956 (46 U.S.C. 390b). These regulations also interpret or apply R.S. 4417a, as amended, and 4426, as amended (46 U.S.C. 391a, 404). The authority to prescribe regulations regarding operators of motorboats carrying passengers for hire is in sections 7 and 17 of the act of April 25, 1940, as amended (46 U.S.C. 526f, 526p). The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations under these laws are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; and 167–20, June 18, 1956, 21 F.R. 4894.

11a—Operators or ocean operators of sailing auxiliary vessels. 152. The great majority of sailing vessels carrying more than six passengers for hire are equipped with auxiliary power. The use of the auxiliary power under average conditions is limited to when maneuvering in restricted waters or when the vessel is becalmed. When sailing auxiliary vessels are under way, the most important safety factor is the skill of the master, who needs to have experience with both sail vessels and mechanically propelled vessels, and who needs to be qualified to handle both types of vessels. Therefore, it is proposed to add a definition of a "sailing auxiliary vessel" in a new section designated 46 CFR 175.10–38 in Subchapter T (Small Passenger Vessels). It is also proposed to add new sections to Part 187 regarding licensing. The section designated 46 CFR 187.25–11 will describe the service requirements for sailing auxiliary vessels. The proposed new sections designated 46 CFR 187.20–17 and 187.25–21 regarding examination for operators and ocean operators of sailing auxiliary vessels will describe the examination requirements for a license as operator of sailing auxiliary vessels and as operator of sailing auxiliary vessels in ocean service, respectively. The change in 46 CFR 187.20–5(b) will provide that applicants for each type of license covered will be required to submit evidence of service on the type of vessel for which he desires to be licensed.

11b—Operators of mechanically propelled vessels. 153. The examinations for operators of mechanically propelled vessels, for sailboat operators and for motorboat operators include questions on the Rules of the Road applicable to the waters on which the applicant operates. The provisions of 46 CFR 10.20–5(b)(2) and 187.20–15(b) advise that it will be incumbent on motorboat operators and sailboat operators to familiarize themselves with the appropriate Rules of the Road if they should operate on other waters for which the Rules of the Road differ. Because there is no present regulation which so advises the operators of mechanically propelled vessels of this responsibility, it is proposed to add a new regulation designated 46 CFR 187.20–10(b), which will so advise them. This proposal will make the operators of mechanically propelled vessels aware of their responsibilities regarding need to know the Rules of the Road applicable to the waters in which they operate in the same manner that motorboat operators and sailboat operators are presently advised.

11c—Ocean operators, minimum age and service requirements. 154. The present minimum age required for ocean operators is 21 years, and it is proposed to reduce this age to 19 years, which is considered consistent with requirement that a third mate of inspected vessels need be only 19 years old. To accomplish this it is proposed to appropriately amend 46 CFR 187.25–1(d) regarding specific requirements for ocean operators.

155. Due to the seasonal nature of ocean operators' service in many areas, it is considered desirable to reduce the total elapsed time required to obtain the specified service from 3 years to 2 years and to eliminate special credit for seasonal work in order to insure uniformity in the administration of experience requirements. To accomplish this, it is proposed to amend 46 CFR 187.25–5 regarding service requirements for mechanically propelled vessels.

11d—*Motorboat operators, recency of service for license.* 156. Recent experience is a prime ingredient of the overall

experience required to insure the belief that a prospective candidate can be entrusted with the duties and responsibilities of the license sought. Therefore, it is proposed to amend 46 CFR 10.20–3(a)(1) so that in the future it will be necessary for the applicants of motorboat operators licenses to show that at least 25 percent of the required experience has been obtained within the 3 years immediately preceding the date of application. This proposal will institute recency of service requirements for a license as motorboat operator, which will be similar to that required for other types of licenses, except radio officers licenses.

11e—Motorboat operators, rules of the road exercise for renewal of licenses. 157. The renewal procedures for all licensed deck officers and for operators and ocean operators of small passenger vessels carrying more than six passengers require the licensees who renew their licenses to either complete a Rules of the Road exercise or examination in order to assure continuing familiarity with this important subject. While an original applicant for a motorboat operator's license is examined on the "collision regulations" under present regulations, there is no provision for assuring a continued familiarity with this subject when renewing licenses. In the overall interest of safety, it is proposed that 46 CFR 10.20–9 be amended by adding requirements which will obligate all licensed motorboat operators to remain familiar with the Rules of the Road applicable to the waters for which they are licensed. The proposed demonstration of knowledge of the application of the Rules of the Road is an exercise in which the applicant may use the applicable Rules of the Road publication to answer the multiple choice type questions. Additionally, have not served on their licenses or who have not been closely associated in the operation of vessels or motorboats, an oral examination will be required to satisfy the Officer in Charge, Marine Inspection, that such an operator is capable and qualified.

ITEM PH 12–67—MERCHANT MARINE OFFICERS AND SEAMEN

158. The authority to prescribe regulations regarding licenses for merchant marine officers and for merchant mariner documents or certificates for merchant seamen is in R.S. 4405, as amended, 4462, as amended (46 U.S.C. 375, 416); while other laws interpreted or applied are R.S. 4417a, as amended, 4426, as amended, 4427, as amended, 4438, as amended 4438a, as amended, 4439, as amended, 4440, as amended, 4441, as amended, 4442, as amended, 4447, as amended, 4551, as amended, section 2 of the act of May 28, 1896, as amended, section 13 of the act of March 4, 1915, as amended, sections 1 and 2 of the act of June 20, 1936, as amended, and section 7 of the act of June 25, 1936, as amended, section 7 of the act of August 1, 1939, as amended, section 3 of the act of May 10, 1956, and section 3 of the act of August 9, 1954; 46 U.S.C. 391a, 404, 405, 224, 224a, 226, 228, 229, 214, 233, 643, 225, 672, 367, 689, 247, 390b, and 50 U.S.C. 198. The delegations of authority for the Commandant, U.S. Coast Guard, to prescribe regulations are in Treasury Department Orders 120, July 31, 1950, 15 F.R. 6521; 167–14, November 26, 1954, 19 F.R. 8026; and 167–20, June 18, 1956, 21 F.R. 4894.

12a—Certificate of registry as Junior Assistant Purser and Pharmacist's Mate. 159. The rating of Pharmacist's Mate was discontinued as of November 17, 1956, due to the disestablishment of training schools for this rating. A new training program for the rating of Pharmacist's Mate has been established. Therefore, it is proposed to amend 46 CFR 10.25–9(a) to establish a rating of Junior Assistant Purser and Pharmacist's Mate which will permit the endorsement of pharmacist's mate on certificates of registry held by those who are found qualified for such a rating.

12b—Master of coastwise steam or motor vessels of 500 gross tons or less. 160. The proposed changes to 46 CFR Part 10 are to provide for the increase in scope of licenses issued under the provisions of 46 CFR 10.05–5(b) and 10.05–28(a) for masters and mates employed on vessels operated on limited coastwise routes in connection with the offshore mineral and oil industries. Since the deck licenses in question are for inspected vessels, there appears to be no valid reason for limiting them to motor vessels, so the proposed changes will be to extend coverage to include steam vessels. Various requests have been received to include certain vessels of over 300 gross tons under these licensing provisions. Due to the similarity of the characteristics of vessels of 300 gross tons and 500 gross tons, it is proposed to extend the coverage of these licenses to not more than 500 gross tons. With respect to qualifications for master of coastwise steam or motor vessels, it is proposed to amend 46 CFR 10.05–5(b) to extend application to include steam vessels and to increase the vessel size from 300 to 500 gross tons.

12c—Mate of steam or motor vessels engaged in offshore mineral and oil industries. 161. The proposed changes to 46 CFR Part 10 are to provide for the increase in scope of licenses issued under the provisions of 46 CFR 10.05–5(b) and 10.05–28(a) for masters and mates employed on offshore mineral and oil industries. Since the deck licenses in question are for inspected vessels, there appears to be no valid reason for limiting them to motor vessels, so the proposed changes will be to extend coverage to include steam vessels. Various requests have been received to include certain vessels of over 300 gross tons under these licensing provisions. Due to the similarity of the characteristics of vessels of 300 gross tons and 500 gross tons, it is proposed to extend the coverage of these licenses to not more than 500 gross tons. With respect to the qualifications of a mate of vessels engaged in offshore mineral and oil industries, it is proposed to amend 46 CFR 10.05–28(a) so the minimum service will qualify for a license as mate of steam or motor vessels and the size of such vessel is to be increased from 300 to 500 gross tons.

12d—Service as able seaman as qualifying service for license as second mate. 162. It is proposed to amend the regulations pertaining to service required for an original license in 46 CFR 10.05–29(a) for second mate of ocean steam or motor vessels and in 46 CFR 10.05–31(a) for second mate of coastwise steam or motor vessels. These proposed changes will provide for the acceptance of 5 years' service in the deck department of ocean or coastwise vessels, including 2 years as able seamen, for an original license as second mate of ocean or coastwise vessels. The present regulations require 2 years of the 5 years' service to be in the capacity of quartermaster or boatswain. Relatively few vessels carry quartermasters at this time and the normal quartermaster's duties are now being performed by able seamen. A boatswain does not ordinarily stand bridge watches. Under present day procedures, it is considered that the service as an able seaman is comparable to service as quartermaster or boatswain for the purpose of gaining well-rounded experience for an original license as second mate.

12e—Reexaminations and refusal of licenses. 163. The present regulations specify a waiting period of 6 months after a second or subsequent examination failure. It is proposed to amend 46 CFR 10.02–19(a) regarding reexaminations by reducing such waiting period from 6 to 3 months from the date of the second or subsequent failure. The primary reason for a time delay between examinations is to insure a candidate has sufficient time to adequately prepare for the examination. It is now believed that 3 months should be generally sufficient for such purpose. The proposed change will relieve the hardship and delay now experienced by some candidates.

Dated: January 18, 1967.

[SEAL] W. J. SMITH,
Admiral, U.S. Coast Guard,
Commandant.

[F.R. Doc. 67–809; Filed, Jan. 23, 1967; 8:50 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 1002]

[Docket No. AO—71–A46]

MILK IN NEW YORK-NEW JERSEY MARKETING AREA

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

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended

decision with respect to proposed amendments to the tentative marketing agreement and order regulating the handling of milk in the New York-New Jersey marketing area.

Interested parties may file written exceptions to this decision with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C. 20250, by the 20th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order as amended, were formulated, was conducted at New York City on July 19–23, and August 3–27, 1965, and at Syracuse, N.Y. on July 26–29, 1965, pursuant to notice thereof which was issued June 11, 1965 (30 F.R. 7839).

The material issues on the record of the hearing were:

1. Whether the basis for and rates of payment from the producer-settlement fund (commonly referred to as "cooperative payments") to qualifying cooperatives to perform specified services of benefit to producers on a marketwide basis should be modified or revoked.

2. Whether a nonprofit cooperative council or foundation should be authorized by the order to perform some or all the marketwide services referred to under (1) above, in lieu of their performance directly by individual cooperatives or cooperative federations through cooperative payments.

3. Whether the order should provide for marketing service deductions, as authorized by section 608c(5)(E) of the Agricultural Marketing Agreement Act of 1937, as amended, from payments to individual producers who are not receiving specified marketing services from a cooperative association in order that the specified services may be performed by the market administrator on behalf of such producers.

4. Whether appropriate provisions should be adopted by which the market administrator would guarantee 80 percent of the payment due any producer from any handler who defaults on payment for milk delivered by such producer in any month, such guarantee of payment to be financed by increasing the producer-settlement fund reserve pending collection from the defaulting handler.

Scope of the proposals. Thirteen proposals were submitted by interested parties for hearing. Such proposals were sponsored by (1) Eastern Milk Producers Cooperative Association, (2) Interstate Milk Producers Cooperative, (3) New England Milk Producers Association, (4) Milk Dealers Association of Metropolitan New York et al., (5) Foster et al., a group of New York-New Jersey market producers, (6) Lehigh Valley Cooperative Milk Producers Association, (7) Sunnydale Farms, (8) The Dairy Farmers of America, Inc., (9) Northeast Dairy Cooperative Federation, and (10) Dairymen's League Cooperative Association, Inc.

Of the 13 proposals submitted, 8 would terminate cooperative payments. The first four proponents listed above would accompany termination of cooperative payments with adoption of "marketing service" provisions, as authorized by section 608c(5)(E) of the Agricultural Marketing Agreement Act of 1937, as amended, for producers not members of a cooperative which performs the specified services. One proposal would establish a cooperative council in lieu of the present method of cooperative payments. The remaining five proposals called for relatively minor modifications in the rates of cooperative payments or in the basis of performance required for such payments, or order revisions not directly related to cooperative payments.

During the course of the hearing, a number of suggestions for revising the basis for and rates of payment were offered by certain public witnesses (faculty members of nearby universities) who have knowledge of and some association with the problems of marketing in the New York-New Jersey milkshed and in the supply areas of other nearby fluid milk markets.

Of the three present recipients of cooperative payments, one was opposed to continuation of the payments.

In opposing the payments, this cooperative contended that the objectives set out for them in the Hedlund Report (included in testimony of the 1953 hearing) and in the Secretary's 1953 decision have not been fulfilled. It contended that cooperative payments have failed to (1) promote the effectiveness of cooperative organizations, (2) increase membership in cooperatives, and (3) improve the representation of producers' interests within the milkshed. It contended further that the present program of cooperative payments has resulted in suspicion of cooperatives.

The other two cooperative groups receiving cooperative payments, one a federation of cooperatives, supported continuance of the present program of payments with some modifications.

One proposed change would give an additional ("5th") cent to cooperatives or federations operating plants which handle 25 percent of their member milk and perform standby and milk "balancing" services. This payment to operating cooperatives would be made for the handling of daily, weekly, and seasonal surpluses of supplies.

Supporting testimony for the present system of cooperative payments contended that the sheer size and longevity of the program calls for an overwhelming showing by its opponents of failure in substantial degree before a sufficient case is made to justify revoking the payments and that no such showing can be made. Proponents also stressed the "uniqueness" of the New York market as evidenced by the numerous issues and problems which have been the subject of hearings since the present cooperative payment plan was adopted in 1953 (from October 1953 to the present there were 21 hearings, 12 suspension actions and three proposed terminations) and alleged that the many order changes required bear out the Secretary's 1953 finding of need for active producer participation in milk hearings. They stated, for example, that without financing from cooperative payments, the cooperatives would not have been able to carry out the tremendous amount of order activity required to expand the order into Upstate New York and Northern New Jersey in 1957.

In addition to responding to changes in marketing conditions by proposing order amendments, the proponent cooperatives pointed out that they have responded by modifying their cooperative structure and operations.

In support of the proposed additional cent of cooperative payments for operating cooperatives, a proponent testified that the Secretary's 1953 decision found that "operation of marketing facilities" is at least partly associated with performance of standby and balancing services to accommodate variations in Class I sales and reserve requirements and the seasonal and cyclical variations in milk deliveries by producers.

Reference was made to this proponent's plant at Oneida, N.Y., which is designed for this purpose. Proponent stated that while the Oneida operation has achieved a low cost of operation "this extremely low level of plant cost is not enough to enable the Oneida plant to operate on a sound financial basis performing the needed service to all producers under Order No. 2 in processing the milk into butter which proprietary handlers no longer want because of the high Class III price under Order No. 2." Pointing out that currently combined earnings available at its Oneida and Fort Plain plants to cover first plant handling charges of the supplying (member) cooperatives will not average more than 10 cents per hundredweight, it was contended that "another 10 cents of earnings, or a total of 20 cents, is necessary to keep this kind of marketwide service operation on a sound financial basis. Another cent in cooperative payments on Northeast's milk would provide the extra 10 cents in earnings." Also, that standby balancing service is needed "to keep the present Class III prices livable."

The other proponent of cooperative payments supported the present program, maintaining that an impressive record has been made by producers under the program. Among the accomplishments attributed to cooperative payments were several major activities of the cooperatives since the 1953 hearing, including major order amendments, negotiation of superpool premiums and legal defense of the order provisions. The only substantial change from the current order provisions suggested by this proponent was provision for regular meetings of cooperatives under the chairmanship of the market adminis-

trator. The purpose of these meetings would be to establish a coordinated program of marketwide services to be undertaken by qualified cooperatives or federations.

Several public witnesses from nearby land-grant universities generally supported continuing some form of cooperative payments. They emphasized that the payments had afforded an effective program of order activities and producer education in the market which had tended to consolidate and strengthen the cooperatives.

Some of these witnesses were particularly apprehensive about completely eliminating cooperative payments. One testified that ending the program probably would cripple the order activity and educational programs of the cooperatives. Another predicted that eliminating the program would "splinter" the cooperative federation into smaller, less effective organizations.

Among the suggestions made by various public witnesses to improve the present provisions were the following:

(1) Establish a producers' market service committee to plan and arrange for needed long-term research as a supplement to work of cooperatives.

(2) Require that member dues be increased gradually to match cooperative payments in order to encourage higher levels of performance and further stimulate member interest.

(3) Require dues to cover those expenditures by cooperatives which benefit only member producers.

(4) Increase payments to operating cooperatives for manufacturing facilities to insure continuous outlets for surplus milk.

(5) Reduce the payment related to operation of plant facilities.

(6) Reimburse cooperatives only for expenditures on order activities and educational and informative services.

(7) Limit payments to the cost of the services.

(8) Provide certain technical revisions to make the provisions more effective.

One such witness opposed the continuation of cooperative payments because the cooperatives "put too much emphasis on maintaining capacity and meeting formal requirements". If cooperative payments were retained, he would limit the payment to one cent, to be made only to a cooperative which represents a majority of all producers under the order.

New York-New Jersey handler objections and testimony were directed to the increase in the cost of the payment from the originally estimated amount of $25 per producer in 1953 to $66 per producer in 1964 and an alleged lack of control on use of the monies by the cooperatives. As to the latter point, they complained particularly of the financing with cooperative payment monies of a cooperative manufacturing facility (the Oneida plant) and contended this plant competes with handlers in the sale of its milk products. Handlers questioned the propriety of investing cooperative payments in this facility and to certain other activities of cooperatives which, they contend, do not have significant benefit for nonmember producers.

A group of individual producers in the New York-New Jersey market opposed cooperative payments, alleging that the nonmember producer is opposed to being compelled to support an organization he doesn't wish to join and to receive market information from groups who are competing among themselves to gain advantages for members. Also, that the present cooperative payments are too costly to the nonmember producer in relation to services received.

These producers proposed as a substitute for cooperative payments a marketing service program for nonmembers or, in the alternative, a "foundation" to conduct research and educational activities in behalf of all producers. Under the committee, or foundation, plan for providing marketing services of an informational and educational character, major cooperative organizations, unaffiliated, or nonmember, producers, the smaller cooperatives, and representatives from the land grant colleges within the milkshed would take part in deciding the activities to be conducted.

Certain cooperatives primarily engaged in marketing under other Federal orders registered objections to the present payments program in the New York-New Jersey market. One such cooperative with some members in the New York-New Jersey market contended that such members receive no benefit from cooperative payment services and at times the activities of cooperatives receiving the payments may even be disadvantageous to its members. This cooperative pointed out that the blend price to its member producers in the market is reduced to the extent of about $50,000 per year in total by the payments. It was stated that this represents double cost for services to member producers since their own cooperative performs all the services specified by the cooperative payment provisions.

Other opposition testimony, offered by cooperatives primarily associated with other markets, stressed that (1) all the marketwide services required to be performed by the New York-New Jersey cooperatives to be eligible for cooperative payments are similarly performed by cooperatives in other markets out of membership dues; (2) the conditions of the New York-New Jersey market are not significantly more complex as to diversity of operations, handler specialization, pricing formulas, or other marketing circumstances so as to warrant cooperative payments in New York-New Jersey but not in other markets; (3) contrarily regional marketing conditions are becoming of increasing significance in solving producers' marketing problems in the New York-New Jersey milkshed; (4) contrary to cost of services, the rate of payment increases as the size of the cooperative of federation increases; (5) membership growth of cooperatives is not encouraged, and (6) cross-solicitation of producers among cooperatives is excessive under the present payments.

Two proponents for revocation of the payments did not appear to testify in support of their proposals.

Another proposal submitted by a New York-New Jersey cooperative group was considered but it is not directly related to cooperative payments. This proposal would set up a reserve fund to pay producers who fail to receive full payment for their milk from handlers. The fund would be financed by increasing the monthly deductions from the blend price for the producer-settlement fund reserve from 8–9 cents to 8.5–9.5 cents per hundredweight. The market administrator would be required to make every possible effort to collect from the defaulting handler on behalf of the reserve fund. This proposal is the subject of separate discussion below (issue 4).

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

1. *Basis for continuation of payments.* Certain activities of cooperatives are necessary to effective operation of the regulatory program and consequently contribute to orderly marketing for producers who are not members of cooperative associations as well as those who are members. Under the present structure of the market, therefore, some payment to qualified cooperatives from the producer-settlement fund should be continued to encourage the efficient performance of these activities.

(a) *The problem for cooperatives.* The New York milkshed has had a long and, at times, turbulent history of producer organization and cooperation. During the decade following World War I, one cooperative could claim the membership of most of the producers in the milkshed. During this period, collective bargaining between producer cooperatives and handlers was frequently used as the method of determining milk prices and the concept of classified pricing, similar to that now used in the order, often was accepted as the basis of such negotiation. Then, faced with a weakening market and an unwanted accumulation of milk supplies, some cooperatives began to operate surplus handling facilities.

As the economic pressures of the Depression became more acute, splintering, disunity and even animosity among producer groups became commonplace. In such an atmosphere of conflict and confusion among producers, the various cooperative associations found a tenuous unity of purpose in the effort which culminated in adoption of the present regulatory program.

Once established, the New York-New Jersey order may appear to many to be an automatic operation. Moreover, because all producers receive a uniform price, the need for expenditure of time and money to protect and promote producer interests under the order becomes even less apparent to the individual producers, especially as the establishment of a uniform price improves marketing conditions. As a result many producers do not participate in the hearings on order changes and do not give even limited support to cooperatives that perform the

important function of fostering the interests of producers in connection with the milk order program.

In the presence of the order, a major part of the work of cooperatives manifests itself in order-related activities. The benefits which result affect all producers, member and nonmember alike. For example, cooperative efforts to raise the level of Class I prices because of changed marketing conditions, if successful, affects the uniform price received by all producers.

In the absence of some means of sharing the costs involved, the whole burden of providing these services to all producers falls on the members of the cooperatives that undertake these tasks. Relevant statutes indicate the Congressional intent to foster the growth of cooperatives, not to place them at disadvantage. Within this framework of stated public policy and the public interest, payments to cooperatives for the performance of marketwide services have long been utilized in this order as the means for encouraging the development and maintenance of producer representation in the regulatory process and, at the same time, correcting any inequity in this regard to producers who are cooperative members. Under the present provisions, such payments are made from the producer-settlement fund to qualified producer organizations that maintain adequate size, personnel and facilities to perform the needed services.

The Act requires that order amendments must be based on the record of a hearing at which all interested parties have an opportunity to be heard. Moreover, effective participation requires that such interested parties have intimate knowledge of current marketing conditions so that their testimony may be timely and informed. It is not realistic to expect that in light of the diverse interests present among producer groups they will always agree on the proper solution to important issues. It is imperative, however, that effective spokesmen of the various producer groups can actively participate in hearings in order that all viewpoints may be given due consideration in the search for a suitable solution of marketing problems. Insofar as proprietary interests are concerned, the handlers, although relatively small in number, are always well represented in order hearings and activities. This hearing provides eloquent evidence of handler representation.

Milk price regulation is faced with constantly changing conditions. To cope with such changes, hearings are frequently required to consider order amendments and at other times the suspension or termination of order provisions is necessary. In the decade and a half preceding this hearing, order changes were made on 60 different occasions. The issues dealt with in amendment hearings are generally complex and records of the hearings are voluminous. For example, the record of this hearing included 4,506 pages and 177 exhibits.

Effective representation at order hearings is both time consuming and expensive. Few of the nearly 40,000 producers are able to attend the many lengthy hearings, nor will testimony in behalf of producer interests carry adequate weight in the absence of suitable supporting data and analysis. The limited resources of the individual producer do not permit him to maintain the necessary staff and facilities to keep abreast of current marketing conditions, be informed on the complex and changing field of milk marketing, initiate requests for consideration of amendments deemed to be in the interest of producers, or to prepare and present the detailed analysis that often is necessary. While the means of individual producers are too limited to provide for effective participation in hearings and other order-related activities, organizations of producers can and do provide the vehicle for pooling of the resources needed for this purpose.

A relatively large producer cooperative whose membership is drawn from the whole milkshed tends to represent a cross section of order producers. The marketwide nature of the order is thus recognized. The existence of several such organizations further insures that any divergent producer views will have ample opportunity to find capable expression in the order process. Without large and broad-based producer organizations, however, this valuable expression of the views of the producers would be lost to the order program.

Effective efforts by cooperatives on behalf of the interests of producers require heavy expenditures of time and money. On past experience personnel trained in economics, law, public relations, field services, and other specialities are all needed to provide the basis for alert, independent, and informed expression of the producer viewpoint. Under some circumstances the expertise and facilities provided by ownership and management of cooperative milk processing facilities provide a basis for specialized marketing knowledge. Maintenance of an adequate technical staff and facilities can be supported only by substantial producer organizations.

The record also indicates that the qualified cooperatives have performed the marketwide services required by the order in the past. These services include: (1) Analyzing milk marketing problems and their solutions, conducting market research and maintaining current information as to all market developments, preparing and assembling statistical data relative to prices and marketing conditions, and making an economic analysis of all such data; (2) determining the need for the formulation of amendments to the order and proposing such amendments or requesting other appropriate action by the Secretary or the market administrator in the light of changing conditions; (3) participating in proceedings with respect to amendments to the order, including the preparation and presentation of evidence at public hearings, the submission of appropriate briefs and exceptions, and also participating, by voting or otherwise, in the referenda relative to amendments; (4) participating in the meetings called by the market administrator, such as meetings with respect to rules and regulations issued under the order, including activities such as the preparation and presentation of data at such meetings and briefs for submission thereafter; (5) conducting a comprehensive education program among producers—i.e., members and nonmembers of cooperatives—and keeping such producers well informed for participation in the activities under the regulatory order and, as a part of such program, issuing publications that contain relevant data and information about the order and its operation, and the distribution of such publications to members and, on the same subscription basis, to nonmembers; and (6) under certain circumstances, the operation of marketing facilities.

However, in view of problems with the present provisions indicated by the hearing evidence, modification of the provisions is in order at this time. The proposed revisions and supporting reasons are discussed below.

(b) *Modifications of provisions.* In retaining the payments the aggregate amount thereof should be reduced and the member dues requirements (a prerequisite for receiving payment) on cooperatives belonging to a federation which receives payment should be changed.

At the hearing the most urgent criticism of the cooperative payment provisions revolved around the following points: whether the present provisions are (1) resulting in excessive payments to cooperatives and consequently detracting from the uniformity of returns between member and nonmember producers, and (2) impeding the uniform application of pricing between proprietary handlers and the recipient cooperative associations in their capacity as handlers. The question of assessing a reasonable level of expenditure for those services which benefit nonmember producers as well as members of cooperatives, and in differentiating such activities related to the regulatory program from services designed primarily for members, are the basis for much of the current controversy over the cooperative payment provisions and led to the review made at this hearing.

All producers have a proportionate interest in money deducted from the producer-settlement fund since any deduction therefrom reduces the uniform price payable to all producers. Thus, if money is to be deducted from this fund it should be used in a manner that provides similar benefits to all the producers who contributed. If a cooperative's receipts from the fund are in excess of necessary expenditures on those activities which tend to benefit all producers, the excess of receipts is available for activities which benefit only members. Certainly nonmember producers should not be required by the order to support activities only of concern and benefit to members. If a nonmember wishes to make such a contribution he needs only to join a cooperative as a member. Similarly, the payment should not be so large that any question can be raised as to whether it

constitutes a price subsidy to a cooperative engaged in processing that is not available to proprietary handler competitors under the order who are similarly engaged.

The actual costs of those services which benefit members and nonmembers alike and warrant payment to cooperatives are difficult to measure precisely since cooperatives in the market are engaged in many other activities also, the benefits of which accrue primarily to members, some of whom may even be supplying other markets. In attempting to do so, there is an immediate problem of cost allocation since the facilities and personnel of the cooperatives are jointly used in carrying out the various activities. In the 1953 decision it was determined that the "value" of the services and benefits to producers, both member and nonmember, cannot be precisely equated with the "cost" of the services and benefits accruing to producers. This concept remains valid. In our discussion below, however, we are dealing with what amount the deduction should be and this of necessity requires delving to some extent into the relative costs of providing the services and benefits.

Nevertheless, to insure uniform prices to handlers and uniformity of returns to producers, it is necessary that the services of marketwide benefit for which payment is made be identified as clearly as possible and that the payments be limited to a reasonable amount in consideration of such services.

Measured in terms of all member producer milk, current cooperative payments average about 3.5 cents per hundredweight. We conclude, on the basis of the present record, that this level of cooperative payments to the qualified cooperatives is now yielding funds in excess of the amount needed to perform the services which are of substantially equal benefit to nonmember and member producers.

To be eligible to receive cooperative payments the cooperative association, or any federation of cooperatives, should first demonstrate that it has its own financial resources sufficient to maintain itself as an organization and need not rely on deductions from the pool to do so. Certain expenses of a cooperative or federation are incurred in maintaining such organization as a functioning unit irrespective of those expenses which it may incur because of the regulatory program.

Membership and association activities, the major expense category of the cooperatives, involve membership solicitation and related activities, fees and expenses of elected officials, meeting expenses, and the like. These expenditures, in the range of $1,036,000–$1,343,000 per year in the recent past, are essential to effective operation as a cooperative whether or not the cooperative is performing marketwide services. Consequently, such expenditures should not be covered by payments from the producer-settlement fund.

In addition, a large proportion of the expenditures in this category have involved membership recruitment programs, whereby individual farmers are employed as "contract officers" and are paid in proportion to the number of members signed. This activity has caused much criticism of the cooperative payments in that it is contended that the payments thus foster "raiding" among the cooperatives for new members.

As indicated above, such activities should be supported by membership dues since a cooperative or federation must first be a functioning unit in order to demonstrate that it is performing activities of benefit to other producers as well as members which make it eligible for the cooperative payments. To require cooperatives and federations to rely on their own financial resources for membership activity by not providing cooperative payment monies for this purpose should tend, in the long run, to strengthen the cooperatives and alleviate an important criticism of the cooperative payment provisions.

The present cooperative payment provisions require that to be qualified to receive payments a cooperative must collect at least one cent per hundredweight of milk as dues from its producer members. As stated in the 1953 decision, this requirement was intended as a safeguard against a cooperative's depending upon the cooperative payments to finance activities that are not marketwide in character. But in the case of a federation, the dues have been retained in the past by the individual cooperatives within the federation and in many cases have accumulated as unspent funds or have been returned to the individual farmer members on a revolving-fund basis. Thus, cooperative payment funds rather than member dues have generally been used to support the organizational structure of the federation itself.

In continued pursuit of the objective that the members of the cooperatives should finance activities not of marketwide character, the member minimum dues requirement should be continued at not less than 1 cent per hundredweight of member producer milk. In the aggregate this rate of dues will yield about $800,000 to the qualified associations. On the available information in the record, this falls somewhat short of the current level of expenditures on strictly membership and organizational activities; nevertheless, cooperatives should rely on member support for financing purely membership and organizational matters. The dues requirement should be modified, however, to provide that, in the case of a federation of cooperatives, dues of not less than 1 cent per hundredweight of their member milk shall be paid by member cooperatives to the federation to be used as the federation deems necessary to promote the interests of the member cooperatives and their respective producer members. Since such a requirement represents a burden of organizational support the member cooperatives have not previously had, a higher minimum rate than 1 cent is not proposed.

It is not intended by the latter requirement, however, that a federation should be precluded from returning a portion of its dues back to its member cooperatives to perform certain member and organizational services. The main point is that the federation should receive its basic financing from its members and have authority to dispose of the funds so received as necessary in the interest of the entire organization.

Producer educational and informational services to producers, however, are activities for which some cooperative payment is appropriate. Expenditures on educational and informational services include the costs of (1) educational meetings, schools for producers, and related activities, (2) public and producer relations services, and (3) the publication of a "house organ." At educational meetings topics such as farm legislation, order amendments, market conditions and the like provide the subject matter. These meetings are open to nonmembers as well as members. Schools and forums of a few days' duration are periodically conducted throughout the milkshed. These are usually devoted to study of basic marketing relationships, provisions of the New York-New Jersey order, and other issues of current interest to producers. Over the years, several thousand producers, both members and nonmembers have attended such schools. Expenditure on meetings and schools have amounted to as much as $266,000 a year during recent years.

Public and producer relations activities include publication of newsletters, special reports, news releases, pamphlets, and support of milk marketing oriented scholarship programs. These expenditures have been as much as $265,000 per year.

Each of the qualified organizations publishes a magazine or newspaper, commonly referred to as a "house organ", which contains various informational items of interest to producers, including timely articles on milk marketing issues and events, market statistics and prices. These magazines are made available to both members and nonmembers on the same nominal subscription basis. The net allocation of cooperative payment funds (after income from subscription and paid advertising) to these house organs has not exceeded $149,000 per year.

These educational and informational activities constitute, to a large extent, the means of keeping producers informed of market conditions under the order. Such activity assists them in making responsible decisions with respect to modifications which may be needed in the order through instructions given to their representatives who are authorized to act in their behalf. Although some of the listed informational and educational activities may involve material not always directly related to the regulatory program, this type of activity certainly is important to its effective operation.

Past expenditures directly bearing on order-related activities have included the employment of technical and professional personnel to (1) perform economic

analysis of marketing and pricing problems of the dairy industry, (2) determine the need for amendments and prepare testimony supporting association policy, (3) participate in order proceedings such as hearings, meetings with the market administrator, (4) participate in educational meetings and schools, (5) participate as legal counsel in litigation pertaining to the order, and (6) carry out legislative activities. Annual expenditures by qualified cooperatives for these services have been as high as $307,000.

These order activity services, perhaps with the exception of some aspects of legislative activity, are clearly related to the operation of the order. Basically, such activities are a translation of producer analysis and decision into action on the regulation. The resulting benefits accrue to nonmembers as well as cooperative member producers.

In addition to the above listed expenditures on specific categories of activity, the cooperatives have incurred overhead expenses which are not allocated directly to specific activities. These include salaries and expenses of management, office rental and equipment expense, office supplies, and telephone and telegraph expense.

These overhead expenditures, up to $808,000 per year in the past, are essential to any "going" organization. Although these expenditures are not directly attributable to the specific categories of service, obviously a proportion of these overhead expenses are properly assignable to the cost of performing the marketwide services for which cooperatives are to be reimbursed by means of the cooperative payments. Prorated to the categories of services for which payment is appropriately made, 40 percent of overhead should be reimbursable from cooperative payments. This amounts to about $323,000 per year.

Added together the above maximum expenditures ($265,000, $266,000, $149,000, $307,000, and $323,000) amounted to $1,291,000.

During virtually the entire period since the 1953 decision the two cooperative federations (now Northeast) had no income other than from cooperative payments. For the greater part of the 10-year period these two federations received the maximum 4-cent rate of payment on member milk by virtue of receiving the "4th cent" payment based on the operation of pool plant facilities as well as a 3-cent payment based upon size of organization and other required marketwide services. It is obvious that the funds available to these organizations through cooperative payments have been sufficient to support all activities and services performed whether for the benefit of members or nonmembers, including all organizational expenses and expenditures for member-oriented services.

Moreover, the federations had in reserve at the end of the 10-year period 9 percent of all monies collected over such period. The latter is nearly equal to the cooperative payment income of Northeast for 1 year. For 1963 and 1964, the carryover from the preceding year amounted to 14.1 and 11.7 percent, respectively, of the year's cooperative payment income. The joining of the two federations into one should make possible further savings in both organizational expenditures and outlays for marketwide services.[1]

The present level of payments may be appraised also in terms of the services offered by another large cooperative which were outlined on the hearing record. This cooperative, based in New England, has a total membership of 6,000 dairy farmers. It performs a full program of cooperative services but finances all its activities, including full representation of producers at hearings on milk orders and producer educational and informational service, on 3 cents per hundredweight dues from members.

In addition to representing members in various hearings under the Massachusetts-Rhode Island Federal milk order and other orders this association performed various membership and organizational activities, typical of cooperatives, on an expenditure of $322,433 during its fiscal year ending July 1964. Field services to members accounted for a major share of its total expenditures. These services included (1) checking the weights and butterfat tests of member milk, (2) assisting members to meet health department regulations, and (3) assisting members with various milk production problems such as artificial insemination of herds, disease control and introduction of new methods and new types of equipment. This cooperative also operates two plants that accept surplus milk of members not wanted by fluid milk handlers as a function of "balancing" handler supplies.[2]

While exact cost comparisons between cooperative programs cannot be made from the record, the information supplied by this cooperative further supports the conclusion that the marketwide, order-related services for which cooperative payments are concluded herein to be appropriate require the expenditure of far less per hundredweight of milk than the rate currently effective.

Cooperative payment receipts by qualified cooperatives have increased from $1.3 million in 1952 to $2.8 million in 1964. This growth in the annual amount of the payments over the 10-year period can be attributed to several factors.

The most important factor in this growth can be attributed to the increase in milk production per producer which has more than offset the reduction in numbers of producers. Other contributing factors have been the expansion of the scope of regulation in 1957, the qualification under the present provisions of the cooperatives for increased rates of payment,[3] and an increase in the ratio of cooperative members to all producers.

It is appropriate that the provisions be modified to minimize the influence of those factors which have caused the aggregate amount of the payments to rise above any appropriate level of expenditures for the order-related services previously mentioned.

Logically, total expenditures by cooperatives on activities which are of true benefit to all producers should not significantly change with changes in the proportions of member and nonmember producers. Whether a producer holds a membership certificate or not should not affect appreciably the total cost of the services performed by the various cooperatives on his behalf as well as for all other producers. The present method of making payments from the pool to each cooperative at a fixed rate per hundredweight of its member milk, however, implies an increased total cost of performing marketwide services as producers become members and should be modified to remove this implication. An aggregate payment, based on a deduction from the pool of a specific amount, would overcome the above objection. Consequently, as provided herein, the total amount set aside would not vary with the proportions of member and nonmember producers in the market.

One witness suggested that the payment to each qualified cooperative be made at variable rates on successive increments in the aggregate volume of member producer milk. This proposal was suggested essentially on the basis that it would (1) reduce the impact of the 1-cent reduction in the rate of payment to a cooperative if and when its total membership decreases below 6,000, and (2) reflect the economies of scale which should be realized by larger cooperatives. This suggestion has some merit but any deduction from the pool based on volume of member milk does not come to grips with the problem of automatic growth in the aggregate level of payments simply as the result of producers joining cooperatives.

The order-related activities for which payments should continue to be made should include the following:

(1) Analyzing milk marketing problems and their solutions, conducting market research and maintaining current information as to all market developments, preparing and assembling statistical data relative to prices and marketing conditions, and making an economic analysis of all such data;

(2) Determining the need for the formulation of amendments to the order and proposing such amendments or re-

[1] The appropriateness of the "4th cent" facilities payment is given further consideration below.

[2] Producer members shipping to these plants are assessed an additional 3 cents per hundredweight to be used as a revolving capital fund to which $90,708 was added as a balance of income from plant operations for the year ending July 1964.

[3] As compared to the basic rate of 2 cents per hundredweight, e.g., a cooperative or federation of 6,000 producers may receive 3 cents per hundredweight as compared to 2 cents when the cooperative has 4,000–6,000 member producers. Also, an additional 1 cent per hundredweight is available to any cooperative which handles 25 percent of member milk in its own pool plants.

questing other appropriate action by the Secretary or the market administrator in the light of changing conditions;

(3) Participating in proceedings with respect to amendments to the order, including the preparation and presentation of evidence at public hearings, the submission of appropriate briefs and exceptions, and also participating, by voting or otherwise, in procedures to carry out statutory requirements for producer approval on order amendments;

(4) Participating in meetings called by the market administrator with respect to rules and regulations contemplated for issuance under the order, including activities such as the preparation and presentation of data at such meetings and briefs for submission thereafter; and

(5) Conducting a comprehensive education program among producers—i.e., members and nonmembers of cooperatives—and keeping such producers well informed for participation in the activities under the regulatory order. As part of such program, the cooperative should issue publications that contain relevant data and information about the order and its operation, to be distributed on similar subscription basis to members and to those nonmembers who request it, and hold meetings which both members and nonmembers may attend.

It is concluded that the aggregate amount of the future payments for such services should be limited to $108,000 per month (or about one and two-thirds cents per hundredweight on aggregate member milk of cooperatives). This amount allows payment on the basis of the maximum expenditures (previously described) during recent years for the various categories of marketing services determined herein to be reimbursable by cooperative payments. It will provide the cooperatives about $1.3 million annually in the aggregate. Computation on this basis should permit continued expenditure on the specified marketwide services at recent levels. Such levels of expenditure, which normally will vary somewhat from year to year, have not been unreasonable in light of the services rendered. While each of the qualified cooperatives and federations will not receive as much total income from this source, the amount of reduction in payment reflects only those services which are of primary benefit to members and should be paid for directly by members.

The new rates would yield payments of about $270,000, $505,000, and $520,000 to the three largest producer groups in the market. As a cost to the individual producer, the annual amount will be about $35. Such a level is concluded to be a reasonable amount for the nonmember to contribute to the cooperatives to reflect the value of the services outlined herein. Other appropriate provisions for determining the amounts and distribution of these funds are discussed below.

The present method of deduction is intended to encourage cooperatives to sign up nonmember producers in the market and the mechanics of making the payments certainly should not work against this desirable objective. The incentive for cooperatives to increase membership can be assured, on the other hand, by the proration of a fixed total amount of funds among cooperatives in accordance with their respective size.

As previously stated, a basic need in this market met by the cooperative payment provisions is encouragement of the efficient performance of the specified producer services. There are about 40,000 producers in the market, 28,000 of which belong to cooperatives. To perform the services, a cooperative must be able to reach into important segments of the milkshed and have wide representation among producers. Because of the size of the market and milkshed, only large organizations are in this position.[4]

Two cooperatives expressed strong disapproval of the impact of the present cooperative payment provisions on their respective memberships supplying the market. Neither of these associations has the minimum 4,000 producers to qualify for payments other than on a federated or affiliated basis, but both said that they are capable of keeping their members informed on order matters and providing them representation on order-related activity. These cooperatives complained that even though they are performing such services their producer members are required, under present provisions, to support the major New York-New Jersey cooperatives through having the blend price reduced by cooperative payments to the extent of an average 2.4 cents per hundredweight. The cooperative which has the larger number of members supplying the New York-New Jersey market stated that the cost to such member producers amounts to about $50,000 per year.

Continuing payments to cooperatives differentiated on the basis of size, however, is essential to promote efficiency in the use of the funds and give recognition that only large cooperatives with wide coverage of the milkshed are in position to provide for producers generally the types of services here involved.

Prior to the 1953 amendments which established the minimum producer membership qualification of 4,000 producers there were 77 different associations which received cooperative payments. The adoption of this minimum qualification for a 2-cent per hundredweight payment plus the extra 1 cent payment for an organization of 6,000 producers, has resulted, over the years, in three large organizations in the market being qualified for the payments. This obviously minimizes duplication of effort in the performance of marketwide services. It also assures that each qualified organization represents a substantial proportion of the producers in the market.

Currently there are about 110 individual cooperatives in the market, most of which are represented by the three large qualified producer groups each having at least 6,000 producers. In the absence of maintaining such minimum-size standard as one of the criteria for payments, the present large groups in the market could be split into smaller groups with resulting loss of efficiency in performing order-related services. Moreover, encouraging cooperatives to work through large organizations results in the producers themselves resolving many of the problems of the milkshed. The provisions should continue to encourage large organizations.

In this connection, the provisions should be modified to accommodate the cooperative "affiliations" which have developed in the market. Under the current provisions an individually-qualified cooperative may contract with a federation authorizing the federation to receive the payments. During the period that the current provisions have been in effect, large qualified cooperatives have devised an affiliation program (other than federation) whereby other smaller cooperatives may join in order to undertake collective action to perform services on a formal and continuing basis.

For the purpose of providing the marketwide services for which payments are made such affiliations are substantially equivalent to a federation. A cooperative which is affiliated with another cooperative thus should be eligible to apply for payments based on the combined membership. Payments should be made on the basis of such aggregate membership provided this arrangement meets qualifying requirements similar to those applicable to a federated type of organization. Thus, cooperatives with less than 6,000 producers may participate in this marketwide program of services by either affiliating or federating with other cooperatives so engaged.

Certain of the public witnesses at the hearing suggested that the minimum producer number requirement be converted into a percentage of producers supplying the market. Over the years there has been a substantial reduction in the number of producers in the market. This is a trend that is taking place primarily due to changing technology which results in fewer but larger farm production units. It can be expected that this trend will continue for some time at least. It is appropriate, therefore, that for participation in the program the cooperative (including its affiliates) or federation have as members at least 15 percent of the total producers in the market (approximately 6,000).

The allocation of such funds should be held constant until there is a significant change, 1 percent, in the proportion of total member producers to all producers in the market. Such provision will tend to discourage "raiding" of membership among cooperatives due to the influence of cooperative payments. Reallocation of such prorata funds only after each change of at least 1 percent in the total percentage of all producers belonging to designated cooperatives will result, during such intervals, in a cooperatives' not receiving a greater share of total cooperative payment funds if it signs up a member of another cooperative than if

[4] Few Federal order markets have as many as 6,000 producers, while 6,000 producers represent only 15 percent of all producers in the New York-New Jersey market.

it signs up a nonmember. In addition, such provision will minimize the influence of the payments as a factor prompting a member producer to change his cooperative.

A higher rate of payment should be made to those cooperatives which are engaged in the physical handling of milk under the order (operating cooperatives) as opposed to cooperatives of more limited activity (bargaining cooperatives). The principal activity of the bargaining cooperative is to engage buyers for the milk of their member producers and negotiate the terms of sale.

Cooperatives which are handlers are directly concerned, on the other hand, with the physical handling of milk as well as performance of the bargaining function. Handling may include the operation of pool bulk tank units engaged in transporting milk from farms to plants, the operation of assembly or processing plants, or the distribution and sale of milk handled in plants.

Cooperatives have historically been engaged in handling a substantial proportion of their member producers' milk in this market. During March 1965 qualified cooperatives were handlers under the order on 40.6 percent of their member producers' milk. Such receipts by the cooperatives were about evenly divided between plants and bulk tank units.

Approximately one-third of the producers in the New York-New Jersey market are members of operating cooperatives. The largest such cooperative in the market has approximately 9,500 of its members supplying the market. This cooperative markets about one-half its member milk through its own plants. These plants include receiving stations and processing plants located throughout the milkshed. The processing plants consist of both manufacturing plants, which process milk into manufactured dairy products, and fluid milk packaging plants from which milk is distributed on routes in the marketing area. A bargaining cooperative of about 800 members in the New Jersey portion of the milkshed is affiliated with this operating cooperative.

Another individual operating cooperative has about 1,200 members, 800 of which supply the New York-New Jersey market.

Most of the other handling cooperatives in the market are members of Northeast Federation, which represents in total nearly 10,000 producers in the market. There are 104 cooperatives in the federation of which approximately 30 operate their own receiving stations. In addition, the federation operates the two large nonpool manufacturing facilities (Oneida and Fort Plain), in which approximately 10 percent of its member cooperatives' milk is manufactured into butter and nonfat dry milk solids.

The largest bargaining cooperative in the market has about 7,500 members supplying handlers under the New York-New Jersey order. The other sizable unaffiliated bargaining association is one with about 3,600 members, 400 of which supply the New York-New Jersey market.

As to market problems analyzed by cooperatives in the past and hearings held, in each case at least one-third have dealt with matters involving the physical handling of milk. Many of the order provisions, such as classification, accounting, pricing, location differentials and pool plant qualification, require support based on information as to handling practices and costs.

The operating cooperatives, being more intensively involved in actual marketing than bargaining cooperatives, have more intimate knowledge of constantly changing marketing conditions and practices and are somewhat better equipped to analyze the impact of new technology on the regulatory program. In addition, cooperatives which are handlers under the order can be expected to be highly responsive in discerning the need to modify the regulation as their operations are directly affected by the various regulatory provisions and they are accountable under the order for making payments at the class prices fixed under the order.

It is appropriate, therefore, that the provisions reflect the fact that such cooperatives are in better position to perform those producer information and order-related activities, particularly market analysis, which involve knowledge of handling practices and costs.

It is therefore concluded that the aggregate cooperative payment funds, derived from the producer-settlement fund at the rate of $108,000 per month, should be made available as follows to each cooperative and federation of cooperatives otherwise qualified which has in its membership not less than 15 percent of the total number of producers supplying the New York-New Jersey market:

(1) One-half cent per hundredweight on member producer milk if the cooperative was the handler on at least 25 percent of all member producer milk during the most recent 12-month period; plus

(2) Its appropriate share of the remaining balance of the cooperative payment funds prorated among all such cooperatives and federations on the basis of their respective size in terms of member producer milk. Such proration should be changed only with each change of at least 1 percent in the percentage of total members of all cooperatives to all producers in the market.

Since cooperatives which operate manufacturing facilities or divert reserve supplies to manufacturing plants tend to handle a greater proportion of member milk during the flush production months, payment should be based on the proportion of member milk handled over a 12-month basis.

Additional administrative changes should be made to provide more effective administration of the cooperative payment provisions.

It is appropriate that the Secretary determine the basic qualifications of each cooperative (i.e., is qualified under the Capper-Volstead Act; has all its activities under the control of its members; and has full authority in the sale of its members' milk). Such central qualification of all cooperatives for this purpose will assure uniform application of the Act as well as eliminate duplication of effort in administering the provisions. The rules and regulations pertaining to the present provisions will require some revision in this respect.

One of the criticisms of the program was that cooperatives spend too much time and effort in meeting formal requirements as opposed to being free to respond to the needs of producers. For example, present rules state that regular meetings for member and nonmember producers must be held within 50 miles of each plant at which milk of members of the cooperative is delivered. Such meetings were often held by the various recipients of the payments on the same issues and at the same locations on successive evenings. These meetings were criticized on the record as being an unnecessary duplication of effort under the program. The cooperatives should be as free as possible to exercise initiative in determining the subject matter and methods of providing producers with the information and representation that is contemplated under the provisions.

About 70 percent of the payments represent a deduction from the uniform price which would otherwise accrue to members. While the market administrator must give the supervision needed to insure that all the marketwide services are being performed, it is nevertheless appropriate and desirable that such producers through their respective cooperatives determine the most effective means of utilizing the cooperative payment funds to accomplish the objectives set out in the order.

One proponent cooperative proposed that the services to be carried out by the qualified cooperatives be expanded to include regularly scheduled meetings under the chairmanship of the market administrator for the purpose of establishing and planning a coordinated program of marketwide services to be undertaken by such qualified cooperatives, singly or through joint action.

In the past the cooperatives have met with the market administrator from time to time to explore marketing problems and their solution. These meetings have been beneficial in carrying out certain aspects of the marketwide services program in the past and undoubtedly will be beneficial in the future. However, such meetings should be undertaken on a voluntary basis and not be required as a basis of payment.

The present order sets forth the qualification requirement that a cooperative or federated cooperative shall in no way be precluded from arranging for the utilization of milk under its control so as to yield the highest available net return to all producers without displacing an equivalent quantity of other producer milk in the preferred classification. Elimination of this provision was proposed by one witness on the basis that the provision is "incapable of administration in a meaningful sense." Another witness urged that no provision be put in the order which would preclude co-

operatives from withholding milk since without such privilege the cooperative's hand in obtaining higher handling charges for assembling and transporting milk in the market would be weakened.

Nevertheless, this type of provision continues to have merit in that a primary function of the order is to assure adequate supplies of milk for fluid uses. Under these circumstances a cooperative would not be acting in the interest of producers generally if it were to unconditionally commit any of the milk under its control to manufacturing use and thereby preclude its being available for higher-valued fluid utilization. Accordingly, it is appropriate that to be qualified for cooperative payments a cooperative must arrange to make its member producer milk available for fluid use when needed.

Each cooperative and federation of cooperatives should apply to the market administrator for cooperative payments and make such reports, including an annual report, to him as he deems necessary to determine whether it is eligible to receive such payments. Also, the record establishes that there is a need for public disclosure concerning the use of the funds paid to cooperatives under these provisions for marketwide services where such services are supported in part by pool deductions on nonmember milk.

While it is true that about seventy percent of the amount paid to cooperatives for marketwide services actually is contributed by members of the associations receiving such payments (by pool deductions affecting the uniform price), the program is designed to serve all producers and all producers make similar contributions to its support. All producers, members and nonmembers of such cooperatives alike, have a similar financial interest in the producer-settlement fund from which such payments are made.

While the monies involved are not held in trust, the contributing producers are entitled to be informed as to the program of services rendered and any monies on hand at the end of the year as a reasonable operating reserve. Each qualified cooperative or federation of cooperatives therefore should be required further to make public a complete annual report of its activities on behalf of all producers.

The order now requires that a cooperative must submit, with its initial application, a detailed plan of its proposed program for the performance of marketwide services and demonstrate its ability to perform the requisite activities. It further specifies that such reports shall be made as are necessary to permit verification that the services are being performed. In order that the market administrator may be better able to ascertain that the qualified organizations continue to plan and administer a well-organized and adequate program, each organization also should be required to submit annually to the market administrator a brief description of its program of marketwide services for the coming year, including a proposed budget of cooperative payment expenditures.

The present order prescribes the procedure under which action shall be taken to "disqualify" a cooperative or federation no longer deemed eligible to receive payments. There is an undesirable stigma associated with the term "disqualification", however, which may be construed to imply illegal actions or dishonesty on the part of the organizations being declared ineligible.

Generally, disqualification does not stem from this type of action, but rather is a result of a change in status associated with the rate of payment, or the voluntary dissolution of a federated cooperative. The words "designation" and "cancellation" should be substituted for "qualification" and "disqualification" to prevent unintentional misunderstanding of the nature of the official action when a change in designation must be made based upon change in status or performance.

(c) *The "4th cent" plant facilities payment.* The present order provides a cooperative payment of 1 cent per hundredweight (additional) to a cooperative or federation which operates pool plant facilities through which at least 25 percent of member milk is handled. The Northeast Dairy Cooperative Federation supported the continuation (and an increase of 1 cent per hundredweight) in such payment on the basis that:

> Under current marketing conditions the earnings available at Oneida and Fort Plain (plants) combined for first plant handling cost of supplying cooperatives will not average more than 10 cents per hundredweight annually. Another 10 cents of earnings or a total of 20 cents is necessary to keep this kind of a marketwide service operation on a sound financial basis. On 300 million pounds of milk per year now being processed by Northeast into butter and powder at the Oneida and Fort Plain plants, an additional earning of 10 cents per hundredweight would be $300,000 which would be equal to an additional 1 cent per hundredweight on total volume in Northeast Federation of cooperative payments for operating standby balancing plants to handle the surplus of all producers.

In supporting facility payments at an increased rate (2 cents) Northeast alluded to the "burden" of handling surplus for which the operation of manufacturing facilities by cooperatives is necessary. In this connection they relied upon the following portion of the 1953 decision to describe their problem:

> * * * some of the cooperatives, generally identified as operating cooperatives, perform marketwide service with respect to the maintenance of manufacturing plants for surplus milk. In this milkshed, with its wide seasonal and cyclical variations in supply, it is necessary to have these plants in order to insure an outlet for the milk produced for disposition as fluid milk in the marketing area. In order to avoid shortages during some of the time, it is necessary that the supply of milk for the marketing area should at all times exceed the minimum requirements of the fluid milk market. Whatever the minimum safety margin may be, it is not possible to maintain that minimum in the fall and winter months without exceeding it in the spring and summer months owing to the seasonal variation in milk production. This economic imbalance in the production and marketing of milk presents a serious problem with respect to assuring an adequate supply of fluid milk throughout the year and of equitably disposing of the surplus milk. The order applies only to milk that handlers are willing to and do accept, and if producers are denied an outlet for their milk by proprietary handlers then the producers are faced with the uneconomic choice between dumping their milk or reducing their herds, unless outlets for their milk are provided by the cooperatives. Manufacturing facilities required to handle the surplus milk are not ordinarily required at other times of the year, and are maintained as standby facilities. These operations of manufacturing plants take care of both seasonal and weekend surpluses, and the operations include of necessity the storage and handling of dairy products manufactured from surplus milk. Operating cooperatives have constructed and maintained these plants which are generally operated more intermittently and at greater financial burden than similar plants that are operated by proprietary handlers. The financial burden for maintaining these facilities for the disposal of surplus milk is a major handicap to some cooperatives.

The basic questions at issue here are: (1) Whether there is some basis on which producers who are not members of a cooperative (or federation) with a plant facility such as Oneida should make a contribution to the support of this type of cooperative facility because of its importance and benefit to producers as a whole, and (2) whether the "burden" of operating such a facility when operated by a cooperative is sufficiently different from manufacturing operations of proprietary handlers so as to warrant a "price subsidy" to the former type of handler and not the other.

Operations at the centralized processing facilities at Oneida and Fort Plain, N.Y., were begun in 1962. The Fort Plain plant was purchased on November 1, 1962, by Cooperative Association of Milk Producers (CAMP), a group of operating cooperatives, federated with Metropolitan Milk Producers Bargaining Agency, Inc., a recipient of cooperative payments. The other facility located at Oneida, N.Y., was completed in April 1962 and purchased January 1, 1963, by Mutual Milk Sales Cooperative, Inc., another group of operating cooperatives federated with Mutual Federation of Independent Cooperatives.

The acquisition of the two manufacturing facilities, Oneida and Fort Plain, the events surrounding the early procurement of their milk supplies, and the reorganization of the two cooperative federations involved into one, precipitated much of the controversy over the entire cooperative payment provision of the order. The cooperative federations invested a portion of their cooperative payment monies in these nonpool facilities. Such total investment was made from monies accumulated from cooperative payments over a period of several years and amounted to 6.06 percent of its cooperative payment income over the several-year period. As earlier indicated, the two federations merged into the Northeast Dairy Cooperative Federation in 1965.

While these two plants are nonpool plants, the federation's member cooperatives operate the required pool plant facilities (primarily receiving stations) at which most of the supply for such nonpool plants is received prior to reshipment to such plants. It is on this basis that the federation qualifies for the additional 1-cent payment.

Proprietary handlers complain that to the extent that the above plant investments have involved cooperative payment funds this has amounted to subsidization of cooperatives to operate manufacturing facilities (for the processing of butter and nonfat dry milk solids) competitive with those of handlers. In this connection it was pointed out that a payment of 1 cent per hundredweight on Northeast's member milk amounts to not less than 10 cents on the member milk manufactured at Oneida.

Handlers complain further that the opening of the two facilities created a substantial impact in the market in terms of milk procurement without particular benefit to the market. It was shown that there has been virtually no increase in the volume of surplus milk on the market since the establishment of these plants as central surplus disposal facilities, and that much of the initial supply came from the pool plants of proprietary handlers.

Thus, handlers contend that these facilities were not necessary as outlets for any increased surplus of milk, but because the milk of some member cooperatives was shifted from proprietary plants to provide a supply for the new facilities, the opening of these facilities had the effect of disturbing the regular supply sources of certain proprietary plants.

We must conclude that the record does not support an increase in, or even continuation of the present level of, cooperative payments based on the operation of pool plant facilities. Whatever burden of handling surplus falls on cooperatives is not due to any great extent to the handling of such quantities of milk as are needed as an operative reserve to meet exigencies of the fluid market. For example, in 1964 total reserves of milk under the order amounted to 87.1 percent of combined Class I and Class II sales. To accommodate normal seasonal fluctuations in deliveries and market sales of Class I and Class II milk only a 25 percent reserve is needed. In 1964 total reserves, other than those due to seasonal changes in production and sales, amounted to 61.8 percent of sales in Class I and Class II.

With respect to the portion of the surplus which is associated more or less regularly with the fluid needs of the market, the current practice is for operating cooperatives to negotiate handling charges to handlers as a means of offsetting the cost to the cooperative of operating its receiving station and any cost associated with handling such reserves. These handling charges vary according to the terms of sale. Typically, cooperatives sell milk on the basis of "full plant output", "stated quantity", or "spot" basis. Plant output sales usually are made from country receiving stations with a handling charge assessed to cover the assembly service. Sales on this basis leave no surplus for the cooperative seller to dispose of. Stated quantity sales, on the other hand, require the cooperative seller to dispose of any associated seasonal reserves, commonly referred to as the "balancing function." Nevertheless, it is only reasonable to conclude that a cooperative which sells milk on this basis should recoup from the handler a sufficient charge to cover any cost associated with the disposal of such reserves since the purchasing handler otherwise would have to carry the milk, or dispose of it, himself. Similarly, handlers who purchase milk on a spot basis normally pay an even larger handling charge assessed to offset the loss on such milk incurred at the cooperative's plant where such milk otherwise would be processed for profit.

It is true that during past periods of increasing milk supplies and relatively heavy surplus, handling charges have tended to be depressed. Periods of increasing supplies put pressure on handling charges since adequate supplies can be obtained from fewer shipping stations. The more efficient stations, with lower handling costs, will tend to supply the Class I market and recoup their costs while the less efficient stations may be faced with some loss. Contrariwise, during periods when surpluses are relatively stable, or increasing at a slower rate, handling charges tend to improve. During the late 1950's, spot market handling charges ranged from 30–45 cents per hundredweight.

The success of the cooperatives in covering costs by this means is illustrated by the fact that during this period independent operating cooperatives returned prices to their member producers which averaged about 12 cents higher than the minimum uniform prices fixed under the order.

The volume of Class III milk in the market increased from 4.0 billion pounds in 1959 to 4.6 billion pounds in 1960 and 5.1 billion pounds in 1961, or a total increase of 27.5 percent from 1959 to 1961. The average of spot market handling margins on Class I milk decreased from 35 cents per hundredweight in 1959 to 12 cents in 1960 and remained at relatively low levels during 1961 (14 cents) and 1962 (11 cents). Since 1962 Class III volume has increased very little and spot market handling charges have increased from an average of 11 cents per hundredweight in 1962 to an average of 19 cents per hundredweight in 1964.

The general reduction in handling charges since 1959 coincided to a large extent with the conversion from can to bulk tank handling of milk in the market and increasing milk supplies. These two conditions undoubtedly were important contributing factors to such reduction.

By mid-1965 the amount of bulk tank milk delivered to the market exceeded the total volume of Class I milk in the market. With the probability that a substantial proportion of the fluid needs will be satisfied by direct-ship milk in the future, it is reasonable to expect that receiving stations which continue to receive milk in cans may find it more difficult to command handling charges at the levels which existed when most milk was handled in that manner. However, even though handling charges have been at reduced levels in recent years, "independent" operating cooperatives nevertheless have been able to return to member producers prices which have averaged slightly above the minimum uniform prices provided in the order.

As to the handling of surplus by cooperatives, and particularly Northeast, over and above that needed as a fluid market reserve, the quantities involved are relatively small in relation to the total. In May 1960 qualified cooperatives manufactured only 2 percent of total Class III milk. From May 1959 to May 1960 Class III volume increased more than 10 percent over the year before and more than in any similar period since the marketing area was expanded in 1957. Cooperatives have shown some recent growth in the proportion of Class III milk processed (8.3 percent in May 1965). Since 1960 Class III volume has increased about 13 percent and qualified cooperatives now handle an additional 6.3 percent of total Class III volume in the market. The increase in Class III volume processed by qualified cooperatives or federations is primarily attributable to the acquisition by the federation of the two previously mentioned high-volume centralized manufacturing plants. It is evident that by establishing these two centralized manufacturing facilities and having more milk under the control of the participating cooperatives, the federation hoped primarily to improve the bargaining strength of its member cooperatives which were experiencing the impact of lower handling charges in the fluid market.

Northeast contended, however, that the handling of milk of member cooperatives which is manufactured into butter and nonfat dry milk is unprofitable under the present Class III price level and that the plant facilities payment should be allowed as an offsetting factor, particularly with respect to that portion of Class III milk used to produce butter. Northeast contended further that proprietary handlers will not conduct nonprofitable manufacturing operations, but that all producers benefit when cooperatives assume responsibility in their own plants for the surplus disposal function.

The need for the maintenance of manufacturing plants for handling surplus milk, as described in the 1953 decision and cited there as a basis for the "facility" payment, continues to prevail in the market. It is difficult to conclude, however, that the burden of handling surplus falls to any greater extent on cooperatives than on proprietary handlers when the latter continue to process 70 percent of the butter made in the market and nearly 92 percent of all the Class III milk and there is no indication of "homeless" producer milk. Pro-

prietary handlers must depend, of course, upon the efficiency of their plant operations in realizing a profit.

Concerning Oneida, it is an efficient, high-volume plant for butter-nonfat dry milk solids manufacture. It was designed and established to achieve economies of scale in processing sufficient to offset any additional handling cost in moving milk of member cooperatives to such plant as opposed to manufacturing it at several smaller and less efficient plants. Only member milk is handled at the plant except when nonmember milk is accepted there on payment of a fee.

Certainly all producers, members and nonmembers alike, should not be required to support such a plant where the service provided is limited to members and the profit from which is shared only by members. Apart from the knowledge and experience gained by the cooperative, which is of value to order-related activity, it is difficult to see how such a plant provides significant benefits which nonmembers should support through cooperative payments.

Payments to cooperatives from pool funds to carry on surplus handling operations based on type of plant ownership and inability to operate profitably would amount to price subsidization. Cooperatives and their members should depend on their own resources in this regard. They alone should bear the risk of loss since they alone share in the profits.

Moreover, the Act requires that the minimum prices for milk shall be applied uniformly to all handlers, cooperative or proprietary. The Class III price level in the New York-New Jersey order is competitive with both manufacturing milk prices generally and prices for milk in similar uses under nearby Federal milk orders. The use of cooperative payments as a price-adjusting mechanism would not be appropriate.

2. *Cooperative foundation or committee, and producer educational program.* The proposal to establish and finance a foundation to perform and coordinate research, order activities and educational activities for producers should not be adopted. Neither should the proposals for a "Producers Market Service Committee" nor a comprehensive producer education program under the auspices of the market administrator be adopted.

A cooperative foundation was proposed by seven producers as an alternative to a marketing service program. Its specific purposes would be to (1) engage in reasearch activities under Order No. 2, (2) present research results and recommendations for order amendments at hearings, and (3) educate producers with respect to the foregoing. Under the mechanics suggested, specialists of cooperatives with over 1,000 members would provide much of the "expertise" required to plan, coordinate, and, in some instances, carry out the work of the organization. Nonmember producers and cooperatives with less than 1,000 members also would be represented within such organization by land-grant college staff members appointed by the Secretary. The association would be financed by a deduction of up to 1 cent from the producer-settlement fund.

A public witness from a nearby land-grant university suggested a different type of organization called a "Producers Marketing Service Committee" to arrange for long-term research on milk marketing problems. The committee would consist primarily of personnel from the qualified cooperatives. Its main functions would be to decide which research projects would be undertaken and to contract with research firms, land-grant colleges and, in some instances, cooperatives to have the work carried out. It would be financed by a 0.1-cent deduction from the pool. Proponent said the organization is needed because the qualified cooperatives, pressed by immediate problems, often do not have time to do long-term economic research.

A dairy farmer witness who formerly headed up an educational program for a qualified cooperative suggested that the Secretary study the feasibility of establishing a comprehensive educational program under the order. He recommended a broad program, supervised by the market administrator, covering the order, milk marketing and related matters. With sessions throughout the milkshed, the program would be open to farmers and others interested in the milk business. Proponent contended that this type program is preferable to the one-night educational programs commonly offered by the qualified cooperatives.

It is not clear from the record what advantages would be gained from establishing the foundation proposed by the seven producers to handle the specified activities. Proponent witness gave few particulars on the need for the organization. He also said little about why the organization would be structured as proposed. Proponent witness indicated that the foundation could research marketing problems "as well as" a major cooperative.

Activities which the proposed foundation would engage in are currently being performed by the qualified cooperatives. The cooperatives maintain competent economic and legal staffs to carry out this work and to handle the business affairs of the individual organizations.

The cooperatives meet from time to time on an informal basis to discuss and cooperate to the extent possible in the solution of market problems. As would be expected, differences in their organizations (bargaining vs. operating cooperatives, etc.) often cause them to disagree on policy. However, on matters involving the order this is often beneficial since the hearing evidence is more likely to cover all aspects of major issues.

None of the qualified cooperatives, which together represent some 70 percent of the producers, supported the proposals. In the absence of a showing of advantages not now available through the activities of the individual cooperative groups who frequently join forces on matters of common interest, we do not find sufficient reason to compel the cooperatives to join at this time in a formal foundation or council to carry out activities of a research and educational nature as proposed by the seven producers. Neither should the organizations proposed by the two other witnesses be established in view of the lack of more general producer support for them. If producers should decide that additional long-term research and a comprehensive education program would be beneficial, organizations similar to the ones proposed could be established and financed by the cooperatives outside the scope of the order or the universities may be requested, as frequently in the past, to carry on research activity.

3. *Marketing service provisions.* The proposals to introduce a marketing service program should not be adopted.

Several of the eight proposals for the revocation of the cooperative payments section of the order suggested that this section be replaced with a marketing service program modeled after programs in effect in many of the other federally regulated markets. The proposed program essentially would require a comprehensive system of verification for producers of weights, samples and tests of milk, in addition to the dissemination of market information to producers. It was suggested that calibration and recalibration of farm bulk milk tanks might also be provided.

Under the several propositions, cooperative members would be permitted to collectively undertake the verification and information activity deemed necessary. For those producers not receiving the requisite services by virtue of cooperative membership, the market administrator would be charged with the responsibility for instituting a suitable program. The cost of the nonmember program would be paid from a separate fund provided by deductions to be made from the returns of the producers receiving its direct benefits.

The marketing service program has a different purpose from the cooperative payments program. The proposal is not designed to deal with the need of producers in this milkshed for adequate representation in the market and regulatory process, but is directed toward the limited tasks of disseminating market information and verifying weights and tests including bulk tank calibrations. That the latter named services have a different purpose does not mean necessarily that they are not useful nor that it may not be desirable that such a program be undertaken on behalf of producers in this milkshed. But the program should be established only in response to a demonstration of real need for it.

On the basis of the evidence presented at this hearing, a marketing service program is not warranted at this time in the New York-New Jersey milkshed for several reasons: (1) A basic need for additional market information for producers was not shown; (2) the programs of verification of weights, samples and tests of nonmembers' milk carried on by several States that encompass the milkshed appear to cover satisfactorily the milk marketed by producers under the order; (3) there does not appear to be

sufficient justification for a program of calibrating farm bulk milk tanks which essentially would be duplicative or supplemental to those efforts currently conducted by various States; and (4) several of the cooperatives presently receiving payments for marketwide services under the order are already providing some of the proposed services.

There is little indication in the record that more market information needs to be provided for producers. The market administrator presently disseminates certain information to all producers on a regular basis. In addition, the qualified cooperatives are required under the cooperative payments provisions now in effect to make market information available to all producers in the milkshed whether they are cooperative members or not. Several sources of information therefore are readily available to all producers.

The various States are presently conducting an adequate program for checking the tests of producer milk. For example, New York State normally makes an annual check of the milk test of each producer. If necessary, rechecks are made every 2 months or once a month. Although a few producers indicated a desire for more frequent checking of their butterfat tests, there was no general dissatisfaction with the present program.

The receipt of all milk in this milkshed must be conducted by personnel that are licensed weighers and testers. The evidence given at the hearing provides ample demonstration of the fact that the primary function of a check weighing and testing program is one of preventing inadvertent human errors in conducting and recording butterfat tests or in reading and recording milk weights. While the training associated with licensing in conjunction with the periodic checking system now used may not have eliminated such human failing, the evidence demonstrates a satisfactory degree of success.

The evidence concerning the need for a program of checking farm bulk tank calibrations is not so conclusive. The current responsibility for calibration of tanks is apparently that of the County Sealer of Weights and Measures in most areas of the milkshed. In some cases the press of other duties apparently prevents some of these officers from devoting sufficient time to tank calibration to adequately serve the need. But others do a prompt and suitable job.

Even in such cases where an official check of a bulk tank is not immediately available, the producer shipping bulk milk has several checks available to him that are not open to a can producer. It is possible for him, if he so chooses, to buy or borrow a calibrated measure to make an unofficial check on his own. And he can make a daily check of the reading recorded by the driver of the truck picking up his milk. To this extent he has a degree of assurance in the accuracy of his milk weights by virtue of the location of the weighing device at the farm.

In view of the limited data in the record it is difficult to accurately assess the extent to which a supplementary means of checking bulk tank calibrations is needed. It is reasonable to assume, however, that the current need is not so great as it was in other markets where conversion to bulk proceeded more rapidly and at an earlier date. More available knowledge on calibration procedures and the more leisurely pace likely is preventing many of the problems that occurred elsewhere.

In addition, there is evidence that at least one major cooperative in the milkshed has in operation a mobile farm bulk tank calibration unit that is being used to check calibrate the farm tanks of its members. This is a perfectly legitimate activity that any cooperative or federation of cooperatives might engage in if there is a question of the capacity of the State agencies to adequately cope with this problem.

This is not to say that a more comprehensive check testing and weighing program will never be necessary. Producers are depending more and more on volume of delivery to maintain or increase net income. With changes in technology and the number of bulk tanks growing, average daily production has doubled in the market in the last 10 years. This and every other day pickup of bulk tank milk have resulted in a fourfold increase in volume per delivery and in the quantity of milk represented by a single sample of milk. Thus, bulk tank calibration could become a special problem in this market. Concerning the importance of accurate tests to handlers, they contend that the value of one point of butterfat is nearly equal to the profit margin on each hundredweight of milk handled.

While these trends and problems may put severe pressure on existing facilities in the future, there is no substantial indication from producers that a different program is required at this time to provide these marketing services. State authorities have programs to handle producer complaints in this regard. Also, as was pointed out earlier, one cooperative already provides a complete set of marketing services for its members. Other cooperatives also are currently providing some of these services and could expand such activities if the need should increase.

In summary, we believe that in the absence of increased producer interest, existing agencies should continue the principal service which could be obtained by adoption of the marketing service provisions, i.e., the job of verifying the weights and tests of milk purchased from producers.

4. *Insurance fund to guarantee payments to producers.* The proposal by Northeast Dairy Cooperative Federation to establish an "insurance" program financed through the producer-settlement fund to guarantee payments to producers should not be adopted. The guarantee of payments should remain a matter of policy by the cooperative as to whether this is a service member producers desire.

Under the proposal payment from the producer-settlement fund would be made at 80 percent of the blend price to producers shipping milk to any handler who defaults on payment. Any such producer would collect from the fund after signing over his claim for payment (by the handler) to the market administrator.

To fund the proposed insurance plan, proponent would deduct from the pool at the rate of 0.5 cent per hundredweight until about $500,000 is accumulated. Under the mechanics proposed, any withdrawal from the fund would trigger a resumption of the deductions until the fund is built back up to $500,000. The $500,000 fund would be sufficient to guarantee payment to producers at two average size plants or at one large plant in the market.

To show current payment risk to producers, proponent cited the recent financial troubles of Champlain Creameries, Inc., and the United Milk Products Co. which resulted in certain producers not getting full payment for their milk. It was maintained that the State bonding laws, which are designed to secure payments to producers, are inadequate to cope with such situations. In some cases, it was stated, the bonds are inadequate to guarantee payment for all milk delivered to the plants. This problem is accentuated by the fact that producers sometimes extend credit for as much as 56 days for milk delivered to a plant. In other cases the bond required by the State may be adequate, but the time required to collect under it is so great that the producer may have difficulty staying in business until reimbursement is made. Proponent contends that the proposed plan would shorten substantially the time required to get payment into the hands of the producer.

A relatively small number of handlers have defaulted on payments to producers in recent years. From 1957 through March 1965 over 200 handlers went out of business. In only three instances, however, have producers failed to receive full payment for their milk from such handlers.

It is recognized that failure of any plant to pay, and pay promptly, for milk causes severe problems for the producers involved. It is essential, therefore, that the producer receive timely payment for his milk. To date, however, insuring payment for milk is a service, even an opportunity, which the cooperatives have accepted. The circumstances surrounding the recent financial troubles of the plants cited by proponent illustrate this. In the incident involving Champlain Creameries, Inc., several hundred producers faced loss of their milk checks. To prevent this, two cooperatives, the Dairymen's League and the Metropolitan Milk Producers Bargaining Agency, stepped in and made good the checks of all producers involved. In the other case, involving United Milk Products Co., proponent (Northeast Federation) itself loaned money to the producers who were not paid by the handler. These coopera-

tives thus eased serious financial problems for the producers involved and rendered them a valuable service.

Providing this service gave the cooperatives an opportunity to demonstrate the importance of their presence and service to producers. At least one of the cooperatives was enabled to increase its membership. In the Champlain Creameries incident, the Dairymen's League made good the checks of some non-League producers. In return for the service these producers were required to join that organization. In this connection it is clear that attracting new members has not been an easy task for the cooperatives in the market. Some progress has been made but the percentage of member producers still remains lower than in many Federal order markets. Adoption of the proposal could significantly reduce the incentive for producers to join cooperatives in what is apparently an already difficult recruiting situation.

Proponent contended that guaranteeing payment to producers is such a small element in a cooperative's work that eliminating this service would have negligible effect on serving members. We do not agree that the value of this service by a cooperative should be minimized. Such service is an integral part of the entire package of services which many cooperatives throughout the country use to attract members and to maintain orderly marketing for producers as a whole. A witness from New England Milk Producers Association, a Massachusetts-Rhode Island cooperative which provides this service, pointed out that a number of producers have been attracted to New England from the New York market in part by the formal guarantee of payment offered by the New England cooperatives.

Moreover, guaranteeing payment could lessen the incentive for cooperatives to hedge against loss in selling to handlers. A prudent cooperative dealing with a financially insecure handler takes precautions to insure that it receives payment for milk. For example, it may become necessary in a given instance to deliver each day's supply of milk for the plant only for cash on delivery. In less extreme cases, but where there is still some question of the handler's ability to pay, the cooperative may not demand daily payment but will still require payment at frequent intervals. This reduces the problem of undue extensions of credit on milk deliveries.

Proponent argued that under the plan producers would still have an incentive to check carefully the financial condition of handlers who buy their milk since the insurance fund would guarantee payment at only 80 percent of the blend price. It is true that some incentive still would exist under the proposed plan. However, it cannot logically be argued that with payment guaranteed at the proposed level the incentive would be as great as at present.

As mentioned earlier, proponent also stated that the plan would speed up payments to producers whenever a handler defaults on payment for milk. Obviously, such an insurance fund would hasten payment as compared to collecting on a handler's bond. However, the market administrator still could not put money into the hands of producers as quickly as a cooperative. As an administrative matter the market administrator would be bound, at least to some degree, by restraints similar to those which slow down payment to producers on a handler's bond. In particular, his responsibility to all producers who are eligible to receive money from the fund would require him to take adequate precautions to insure that only authorized payments were made. This would not be a simple or quick task in a bankrupt or near bankrupt firm. Records of such a company may be incomplete or inaccurate.

Similarly, a serious problem could arise under the plan if a handler defaulted on payment because of a dispute over the amount of money owed to producers. Ordinarily, in enforcing payments to producers under the order in such cases, the amount to be paid is determined after an exhaustive examination of the factors causing the dispute. If prompt payment is the determining factor such an investigation of necessity could not be as thorough. If it were determined as a result of the subsequent enforcement action that the handler actually did not owe the money, the market administrator would be saddled with the costly and embarrassing task of collecting from individual producers the money paid out earlier from the insurance fund.

Also, it is possible that the provision could embroil the market administrator in costly and time-consuming court actions. It was contemplated by proponent that the market administrator would enter bankruptcy court to recover from the assets of a bankrupt handler any money paid out to producers from the insurance fund.

Overall, we conclude that the defects in the proposal outweigh its advantages. We are particularly impressed by the way the cooperatives stepped in and paid producers or loaned them money when certain handlers ran into financial trouble. More than anything else, this leads us to conclude that marketing conditions would not be improved by the proposal as compared to the present system of cooperative responsibility and participation in this area.

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

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

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

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

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

(d) The terms and conditions in the amendments are incidental to, and not inconsistent with, the terms and conditions specified in subsections (5)–(7) of section 8c of the Act of (7 U.S.C. secs. 608c (5)–(7)) and necessary to effectuate the other provisions of the order.

(e) The terms and conditions in the amendments are necessary in the circumstances to accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in the relevant Acts of Congress, and as will tend to promote efficient methods of marketing and distribution.

Recommended marketing agreement and order amending the order. The following order amending the order as amended regulating the handling of milk in the New York-New Jersey marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

Section 1002.81 is revised to read as follows:

§ 1002.81 Cooperative payments for marketwide services.

Payments shall be made to qualified cooperatives or to federations under the conditions, in the manner, and at the rates set forth in this section.

(a) *Definitions.* As used in this section the following terms shall have the following meanings:

(1) "Cooperative" means a cooperative association of producers which is duly incorporated under the cooperative corporation laws of a State and which the Secretary determines, after application by the association: To be qualified under the Capper-Volstead Act (7 U.S.C. 291 et seq.); to have all its activities under the control of its members; and to have full authority in the sale of its members' milk.

(2) "Federation" means a federation of cooperatives which is duly incorporated under the laws of a State and which has its activities under the control of its federated cooperatives.

(3) "Federated cooperative" means a cooperative upon whose member producers a federation is an applicant for or receives payments provided by this section.

(4) "Affiliated cooperative" means a cooperative upon whose member producers another cooperative, by mutual consent, is an applicant for or receives payments provided by this section.

(5) "Member producer" means, when used with respect to a cooperative or a federation, a member of a cooperative or its affiliated cooperatives or a member of a federated cooperative of a federation, who is also a producer as defined in § 1002.6; subject to the following requirement:

(i) For purposes of this section, a producer shall not be considered by the market administrator to be a member producer of a cooperative or federated cooperative during such time that more than one cooperative or federation is claiming such producer to be a member producer.

(b) *Designated cooperatives and federations.* A cooperative or federation which has met the conditions of paragraph (a) of this section may submit an application to the market administrator for payments under the provisions of this section. Such application shall include a written description of the applicant's program for the performance of marketwide services, including evidence that adequate facilities and personnel services will be maintained by it so as to enable it to perform the marketwide services; and the application shall contain a statement by the applicant that it will perform the required marketwide services for which it is applying for payments. The application shall set forth all necessary data so as to enable the market administrator to determine whether it meets the qualification requirements with respect to the payments for which the application is submitted. If the information contained in the application is insufficient to determine whether the applicant is qualified to receive payments, the market administrator may request additional information or make such other investigation as he deems necessary. An application shall be approved by the market administrator only if he determines that:

(1) In the case of a cooperative:

(i) It has as member producers not less than 15 percent of all producers supplying handlers under this order and receives from its member producers not less than 1 cent per hundredweight of milk delivered by them; and

(ii) In the event it has affiliated cooperatives each such cooperative shall contract to continue its affiliation for at least 1 year, and such contracts shall cover or be renewed for a yearly period for every subsequent year for which the members of the affiliated cooperative are to be its member producers for cooperative payment purposes.

(2) In the case of a federation:

(i) It has contracts with each of its federated cooperatives under which the cooperatives agree to remain in the federation for at least 1 year, and such contracts cover or will be renewed for a yearly period for every subsequent year for which the federated cooperatives are to be its member producers for cooperative payment purposes;

(ii) It has as member producers not less than 15 percent of all producers supplying handlers under this order; and

(iii) Each of its federated cooperatives receives from its member producers not less than 1 cent per hundredweight of milk supplied to handlers under this order and pay to the federation not less than 1 cent per hundredweight of member producer milk.

(3) The applicant cooperative or federation is in no way precluded from arranging for the utilization of milk under its control so as to yield the highest available net return to all producers without displacing an equivalent quantity of other producer milk in the preferred classifications.

(4) The applicant cooperative or federation demonstrates that it has the ability to perform the marketwide services for which application is made, and that such services will be performed.

(c) *Notice of designation or denial; effective date.* Upon determination by the market administrator that a cooperative or a federation shall be designated to receive payment for performance of the marketwide services, he shall transmit such determination to the applicant, cooperative or federation and publicly announce the issuance of the determination. The determination shall be effective with respect to milk delivered on and after the first day of the month following issuance of the determination: *Provided,* That in the case of any cooperative or federation which received cooperative payments for the month immediately prior to the effective date of these amendments, or which demonstrates a past history of performance of the required marketwide services in this market and otherwise is eligible for a payment under this section, shall receive payment at the applicable rate provided herein for the period from the effective date hereof until determination of its qualification under this section. If, after consideration of an application for payments for marketwide services, the market administrator determines that the cooperative or federation is not qualified to receive such payments he shall promptly notify the applicant and specifically set forth in such notice his reasons for denial of the application.

(d) *Requirements for continued designation.* Each designated cooperative or federation shall:

(1) Continue to meet the designation requirements for payments and perform the marketwide services specified in paragraph (e) of this section;

(2) File an annual report with the market administrator for the preceding 12-month period within 3 months after the anniversary of the date of designation. Such report, which shall be made available for public inspection at his office during official hours of business, shall:

(i) Cover the complete activities of the association related to the performance of the marketwide services specified in this section;

(ii) Include a complete financial statement of its allocation to expenditures of any payments received or credited pursuant to this section; and

(iii) Describe any changes which have occurred with respect to the information submitted for initial designation pursuant to paragraph (b) of this section since the previous annual report or application.

(3) Make available to producers by publication in its house organ and through release to at least one other news medium of wide circulation within the New York-New Jersey milkshed an annual report covering the subjects described in subparagraph (2) of this paragraph. Such report shall be made within 3 months after the close of the period to which it applies.

(e) *Marketwide services.* Each cooperative or federation shall perform the marketwide services enumerated in this paragraph. Such services are: (1) Analyzing milk marketing problems and their solutions, conducting market research and maintaining current information as to all market developments, preparing and assembling statistical data relative to prices and marketing conditions, and making an economic analysis of all such data; (2) determining the need for the formulation of amendments to the order and proposing such amendments or requesting other appropriate action by the Secretary or the market administrator in the light of changing conditions; (3) participating in proceedings with respect to amendments to the order, including the preparation and presentation of evidence at public hearings, the submission of appropriate briefs and exceptions, and also participating, by voting or otherwise, in procedures to carry out statutory requirements for producer approval on order amendments; (4) participating in the meetings called by the market administrator with respect to rules and regulations contemplated for issuance under the order, including activities such as the preparation and presentation of data at such meetings and briefs for submis-

sion thereafter; and (5) conducting a comprehensive education program among producers—i.e., members and nonmembers of cooperatives—and keeping such producers well informed for participation in the activities under the regulatory order. As a part of such program, the cooperative or federation should issue publications that contain relevant data and information about the order and its operation, to be distributed on similar subscription basis to members and to those nonmembers who request it, and hold meetings which both members and nonmembers may attend.

(f) *Rate, computation, time, and method of payment.* (1) Subject to the provisions of paragraph (g) of this section, the market administrator, on or before the 25th day of each month, shall make payment out of the producer-settlement fund, or issue equivalent credit therefor, to each cooperative or federation which is designated for such payments for marketwide services. The payments to a cooperative or federation shall be based upon the member producer milk reported by cooperative or proprietary handlers subject to adjustment upon verification by the market administrator.

(2) The monthly total of payments to be made pursuant to this section shall be $108,000. Such total shall be paid or credited to designated cooperatives and federations at the amounts determined under this subparagraph and subparagraph (3) of this paragraph: After subtracting the aggregate amount of the payments and credits to be made pursuant to subparagraph (3) of this paragraph from $108,000, prorate the remaining amount among such cooperatives and federations on the basis of their respective size in volume of member producer milk during the preceding month. Such pro rata payment to each such cooperative or federation shall be reallocated only after each net change of 1 percent (from the last prior allocation) in the proportion of aggregate member producers of designated cooperatives and federations to all producers.

(3) If the cooperative and its affiliated cooperatives, or the federated cooperatives of a federation, was the handler on at least 25 percent of the member producer milk of the cooperative or federation during the most recent 12-month period, a further payment or credit shall be made at the rate of one-half cent per hundredweight of member producer milk during the preceding month.

(4) If an individually designated cooperative is affiliated with a federation, the cooperative payment shall be made to such cooperative unless its contract with the federation specifies in writing that the federation is to receive the payments. Any such contract must authorize the federation to receive the payments for at least 1 year, and such agreement must cover or be renewed for a yearly period for every subsequent year for which the federation is to receive the payments.

(g) *Cancellation of designation.* (1) The market administrator shall issue an order wholly or partly canceling the designation of a cooperative or federation for payments authorized pursuant to this section and such payments shall not thereafter be made to it if he determines that:

(i) The cooperative or federation no longer complies with the requirements of this section: *Provided*, That in the case of the federation, if one of its federated cooperatives has failed to comply with the requirements of this section applicable to it, the designation of the federation shall be canceled only to the extent that its designation for payments or the amount of its payments are based upon the membership, milk, or participation of such noncomplying federated cooperatives; or

(ii) The cooperative or federation has failed to make reports or furnish records pursuant to this section or pursuant to rules and regulations issued by the market administrator.

(2) An order of the market administrator wholly or partly canceling the designation of a cooperative or federation shall not be issued until after the cooperative or federation has had opportunity for hearing thereon following not less than 15 days' notice to it specifying the reasons for the proposed cancellation. If the cooperative or federation fails to file a written request for hearing with the market administrator within such period of 15 days, the market administrator may issue an order of cancellation without further notice; but if within such a period a request for hearing is filed, the market administrator shall promptly proceed to hold such hearing pursuant to rules and regulations issued by him under paragraph (i) of this section.

(3) A cancellation order issued by the market administrator shall set forth the findings and conclusions on the basis of which it is issued.

(h) *Appeals*—(1) *From denials of application.* Any cooperative or federation whose application for designation has been denied by the market administrator may, within 30 days after notice of such denial, file with the Secretary a written petition for review. But the failure to file such petition shall not bar the cooperative or federation from again applying to the market administrator for designation.

(2) *From cancellation orders.* A cancellation order by the market administrator shall become final 30 days after its service on the cooperative or federation unless within such 30-day period the cooperative or federation files a written petition with the Secretary for review thereof. If such petition for review is filed, payments for which the cooperative or federation has been canceled by the order shall be held in reserve by the market administrator pending ruling of the Secretary, after which the sums so held in reserve shall either be returned to the producer settlement fund or paid over to the cooperative or federation depending on the Secretary's ruling on the petition. If such petition for review is not filed, any payments which otherwise would be made within the 30-day period following issuance of the cancellation order shall be held in reserve until such order becomes final and shall then be returned to the producer settlement fund.

(3) *Record on appeal.* If an appeal is taken under subparagraph (1) or subparagraph (2) of this paragraph, the market administrator shall promptly certify to the Secretary the ruling or order appealed from and the evidence upon which it was issued: *Provided*, That if a hearing was held the complete record thereof, including the applications, petitions, and all exhibits or other documentary material submitted in evidence shall be the record so certified. Such certified material shall constitute the sole record upon which the appeal shall be decided by the Secretary.

(i) *Regulations.* The market administrator is authorized to issue regulations and amendments thereto to effectuate the provisions of this section and to facilitate and implement the administration of its provisions. Such regulations shall be issued in accordance with the following procedure:

(1) All proposed rules and regulations and amendments thereto shall be the subject of a meeting called by the market administrator at which all interested persons shall have opportunity to be heard. Not less than 5 days prior to the meeting notice thereof and of the proposed regulations or amendments shall be published in the FEDERAL REGISTER and mailed to designated cooperatives and federations. A stenographic record shall be made at such meetings which shall be public information and be available for inspection at the office of the market administrator.

(2) A period of at least 5 days after the meeting shall be allowed for the filing of briefs.

(3) All regulations and amendments thereto issued by the market administrator pursuant to this section must be submitted in tentative form to the Secretary for approval shall not be effective without such approval, and shall be published in the FEDERAL REGISTER following such approval. The regulations or amendments in tentative form shall be forwarded also to cooperatives and federations designated under this section and to other persons upon request in writing. The Secretary shall either approve the regulations or amendments thereto submitted by the market administrator or direct the market administrator to reconsider the tentative rules or amendments. In the event the market administrator is directed to give reconsideration to the matter, the market administrator shall either issue revised tentative regulations or amendments or call another meeting pursuant to this section for additional consideration of the rules or amendments.

(j) *Reports and records.* Each designated cooperative or federation and any federated cooperative in a designated federation shall:

(1) Report to the market administrator (i) the names of pool plants to which member producers are delivering milk, and (ii) notice of additions and with-

drawals of member producers not later than the end of the month following the month of such addition or withdrawal. No producer shall be considered a member producer of a cooperative for purposes of cooperative payments prior to the first of the month preceding the month in which the required report of the addition of such member producer is received by the market administrator.

(2) Make such additional reports to the market administrator as may be requested by him for administration of the provisions of this section.

(3) Maintain and make available to the market administrator or his representative such records as will enable the market administrator to verify reports pursuant to this section.

(k) *Notices, demands, orders, etc.* All notices, demands, orders, or other papers required by this section to be given to or served upon a cooperative or federation shall be deemed to have been given or served as of the time when mailed to the last known secretary of the cooperative or federation at his last known address.

Signed at Washington, D.C., on January 19, 1967.

CLARENCE H. GIRARD,
Deputy Administrator,
Regulatory Programs.

[F.R. Doc. 67-784; Filed, Jan. 23, 1967; 8:46 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 39]

[Docket No. 7897]

AIRWORTHINESS DIRECTIVES

Piper Models PA-28 and PA-32 Series Airplanes

The Federal Aviation Agency is considering amending Part 39 of the Federal Aviation Regulations by adding an airworthiness directive applicable to specified serial numbers of Piper Models PA-28 and PA-32 Series airplanes. There have been reports of corrosion on the interior of the stabilator balance weight tube and rudder torque tube on these airplanes that could result in their failure. Failure of the balance weight tube could result in a change of mass distribution of the control surface, leading ultimately to control surface flutter and loss of the airplane. Failure of the rudder torque tube could result in loss of rudder control. Since this condition is likely to exist or develop in other airplanes of the same type design, the proposed AD would require inspection, repair, or replacement, where necessary, of these corroded parts.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the docket number and be submitted in duplicate to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20553. All communications received on or before February 23, 1967, will be considered by the Administrator before taking action upon the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

This amendment is proposed under the authority of sections 313(a), 601, and 603 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, 1423).

In consideration of the foregoing, it is proposed to amend § 39.13 of Part 39 of the Federal Aviation Regulations by adding the following new airworthiness directive:

PIPER. Applies to Models PA-28 and PA-32 series airplanes as follows:

GROUP I

PA-28-140, Serial Nos. 28-20000 through 28-20622.

PA-28-150-160-180, Serial Nos. 28-2 through 28-35; 28-37 through 28-497; 28-499 through 28-543; 28-545 through 28-1307; 28-1309 through 28-2136.

PA-28-235, Serial Nos. 28-10000 through 28-10590.

GROUP II

PA-28-140, Serial Nos. 28-20623 through 28-21383.

PA-28-150-160-180, Serial Nos. 28-2137 through 28-3021.

PA-28-235, Serial Nos. 28-10591 through 10719.

PA-32-260, Serial Nos. 32-1 through 32-307.

GROUP III

PA-28-140, Serial Nos. 28-21384 through 28-21764; 28-21767 through 28-21786; 28-21788 through 28-21807; 28-21809 through 28-21835; 28-21837 through 28-21856; 28-21858 through 28-21877; 28-21879 through 28-22003; 28-22005 through 28-22010; 28-22012 through 28-22026; 28-22028 through 28-22032; 28-22035 through 28-22040; 28-22043 through 28-22050, 28-22052 through 28-22056; 28-22058, 28-22059, 28-22061 through 28-22064; 28-22066, 28-22071, 28-22074, 28-22080, 28-22082, 28-22088.

PA-28-150-160-180, Serial Nos. 28-3022 through 28-3499; 28-3501 through 28-3503; 28-3505 through 28-3508; 28-3510; 28-3512 through 28-3528; 28-3530 through 28-3537; 28-3541, 28-3543, 28-3545 through 28-3549; 28-3552; 28-3555 through 28-3557; 28-3562.

PA-28-235, Serial Nos. 28-10720; 28-10721, 28-10732.

PA-32-260, Six, Serial Nos. 32-308 through 32-540; 32-542 through 32-558; 32-560 through 32-570, 32-572 through 32-677; 32-679 through 32-683; 32-685, 32-689, 32-690; 32-692 through 32-698; 32-700 through 32-702; 32-704 through 32-711; 32-714, 32-716, 32-717, 32-719 through 32-722; 32-725, 32-727, 32-730, 32-733; 32-740 through 32-742; 32-744 through 32-746; 32-749.

Compliance required as follows:

Group I—Prior to but not later than July 31, 1967.

Group II—Prior to but not later than July 31, 1968.

Group III—Prior to but not later than July 31, 1969.

At the option of the local FAA General Aviation District office inspector, these compliance times may be extended, for a period not to exceed 30 days, to coincide with the annual inspection for the aircraft involved.

Due to the possibility of internal corrosion resulting from inadequate corrosion protection of certain open end steel tube assemblies, accomplish the inspections described below on the following parts:

Part No.	Nomenclature	Models affected
62369-0	Aileron balance weight.	PA-28-140-150-160-180-235,
62369-1	Aileron balance weight.	PA-32-260.
63546	Rudder horn assembly.	PA-28-140-150-160-180-235;PA-32-260.
63578	Balance weight assembly-stabilator.	PA-28-140-150-160-180.
66310	Balance weight assembly-stabilator.	PA-28-235.
68432	Balance weight assembly-stabilator.	PA-32-260.

(a) Conduct a close visual inspection of the interior of the open end tubes specified above for a protective coating and evidence of corrosion, in accordance with Inspection Procedure, Piper Service Bulletin No. 240, dated December 13, 1966, or later FAA-approved revision, or by a method approved by the Chief, Engineering and Manufacturing Branch, FAA Southern Region. Inspect both right and left aileron balance weight assemblies in accordance with Inspection of Aileron Balance Weight assembly provision of this Service Bulletin.

(b) If there is evidence of a protective coating on the interior of the tube, and there is no evidence of corrosion, further inspection is not required.

(c) If there is no evidence of a protective coating on the interior of the tube and evidence of corrosion, or if there is a protective coating, and evidence of corrosion, accomplish the following:

(1) Remove all corrosion from the interior of the tube in accordance with the instructions in Piper Service Bulletin No. 240, dated December 13, 1966, or later FAA-approved revision, or by a method approved by the Chief, Engineering and Manufacturing Branch, FAA Southern Region.

(2) Replace all corroded parts with a new part of the same part number if the corrosion cannot be removed as provided for in paragraph (c)(1). If doubt exists as to whether or not the corrosion involved can be removed without replacing the part, the matter must be referred to the local FAA General Aviation District office for assistance in making a determination.

(3) If the extent of corrosion does not require replacement of the part in accordance with paragraph (c)(2), and the corrosion has been removed in accordance with paragraph (c)(1), apply a zinc chromate primer, Specification MIL-P-8585, or an FAA-approved equivalent, to the inside of the tube to prevent further corrosion.

(d) Further inspection is not required after accomplishing paragraphs (c)(1), (c)(2), or (c)(3).

Issued in Washington, D.C., on January 17, 1967.

JAMES F. RUDOLPH,
Acting Director,
Flight Standards Service.

[F.R. Doc. 67-776; Filed, Jan. 23, 1967; 8:45 a.m.]

[14 CFR Part 39]

[Docket No. 7898]

AIRWORTHINESS DIRECTIVES

Model BAC 1-11 200 and 400 Series Airplanes

The Federal Aviation Agency is considering amending Part 39 of the Fed-

eral Aviation Regulations by adding an airworthiness directive applicable to Model BAC 1-11 200 and 400 Series airplanes. There have been reports of flap secondary shaft transmission joints becoming disconnected due to failure in their locking devices resulting in an unsafe condition. Since this condition is likely to exist or develop in other airplanes of the same type design, the proposed airworthiness directive would require inspections of all flap secondary transmission support bearing assemblies on Model BAC 1-11 Series airplanes and repair or replacement as necessary.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the docket number and be submitted in duplicate to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20553. All communications received on or before February 23, 1967, will be considered by the Administrator before taking action upon the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

This amendment is proposed under the authority of sections 313(a), 601, and 603 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, and 1423).

In consideration of the foregoing, it is proposed to amend § 39.13 of Part 39 of the Federal Aviation Regulations by adding the following new airworthiness directive:

BRITISH AIRCRAFT. Applies to Model BAC 1-11 200 and 400 Series airplanes.

Compliance required as indicated.

To detect failures of joints in the secondary flap transmission shafts, accomplish the following:

(a) On BAC 1-11 200 Series airplanes only, within the next 150 hours' time in service after the effective date of this AD, unless already accomplished, inspect all flap secondary transmission support bearing assemblies in accordance with British Aircraft Corp. (BAC) 1-11 Alert Service Bulletin No. 27-A-PM 1928, Issue 2, or later ARB-approved issue. All defective bearing assemblies must be replaced before further flight in accordance with this Service Bulletin. Nondefective bearing assemblies may be continued in service without further inspection.

(b) On BAC 1-11 200 and 400 Series airplanes, within the next 150 hours' time in service after the effective date of this AD, unless already accomplished within the last 450 hours' time in service and thereafter at intervals not to exceed 600 hours' time in service from the last inspection, conduct a functional check of the flap secondary transmission system followed by a visual examination of the transmission shaft joints as detailed in British Aircraft Corp. Alert Service Bulletin No. 27-A-PM 1928, Issue 2, or later ARB-approved issue. Correct defects found before further flight.

(c) The repetitive functional check and inspections required in paragraph (b) may be discontinued if the airplanes are modified in accordance with BAC Service Bulletin 27-PM-1928 paragraph (a) or (c) and PM1928 paragraph (b) or (d) and PM1928 paragraph (e).

Issued in Washington, D.C., on January 17, 1967.

JAMES F. RUDOLPH,
Acting Director,
Flight Standards Service.

[F.R. Doc. 67-777; Filed, Jan. 23, 1967; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 66-WE-6]

FEDERAL AIRWAYS

Proposed Supplemental Alteration

A notice of proposed rule making was published in the FEDERAL REGISTER on August 11, 1966 (31 F.R. 10694) stating, in part, that the Federal Aviation Agency proposed to extend VOR Federal airway No. 293 from Mormon Mesa, Nev., via Wilson Creek, Nev., to Ely, Nev., and from Elko, Nev., to Twin Falls, Idaho, and to realign VOR Federal airway No. 253 from Provo, Utah, to the intersection of Provo 325° T (309° M) and Salt Lake City, Utah, 265° T (249° M) radials).

The Department of the Air Force objected to that portion of the notice that proposed to extend V-293 from Mormon Mesa to Wilson Creek. The Air Force indicated that approximately 90 percent of the sorties from Nellis Air Force Base, Nev., utilize a significant portion of the Caliente, Nev., training area.

Extension of V-293, as proposed, would traverse this training area and the designation of controlled airspace would cause the cancellation or relocation of a large number of sorties per week operating from Nellis AFB. The Air Force has indicated, however, that necessary training activities could still be conducted if the proposed airway segment is aligned from Mormon Mesa via the intersection of Mormon Mesa 032° T (016° M) and Wilson Creek 116° T (100° M) radials to Wilson Creek. Although the floor of controlled airspace on V-293 from Mormon Mesa to Ely was proposed at 700 feet AGL, it is now proposed to place higher floors on this segment so that the floor will be compatible with the floor of VOR Federal airway No. 21 between Mormon Mesa and Milford, Utah, as contained in Airspace Docket No. 66-WE-39 published in the FEDERAL REGISTER on January 5, 1967 (32 F.R. 47). In addition, it is proposed to alter the floor on the segment of the airway from Elko to Twin Falls to insure compatibility with associated airway actions to be published as Airspace Docket No. 66-WE-57.

Recent mathematical computations have indicated that the correct radial from Provo to its intersection with the Salt Lake City 265° T (249° M) radial should be via Provo 326° T (310° M) radial rather than 325° T (309° M) radial as proposed.

In consideration of the foregoing, Airspace Docket No. 66-WE-6 is amended as follows:

1. In the description of V-253, "INT Provo 325° T (309° M)" is deleted and "INT Provo 326° T (310° M)" is substituted therefor.

2. The description of VOR Federal airway No. 293, as proposed, is deleted and the following is substituted:

Extend VOR Federal airway No. 293 from Mormon Mesa, Nev., 30 miles 1,200 feet AGL, 9,500 feet MSL; INT of Mormon Mesa 032° T (016° M) and Wilson Creek, Nev., 116° T (100° M) radials, 8 miles, 9,500 feet MSL, 10,800 feet MSL Wilson Creek; 5 miles 10,800 feet MSL, 37 miles, 11,500 MSL, 1,200 feet AGL Ely, Nev., and from Elko, Nev., 28 miles, 1,200 feet AGL, 57 miles, 9,900 feet MSL, 1,200 AGL Twin Falls, Idaho.

Interested persons may participate in the consideration of this supplemental notice of proposed rule making by submitting such written data, views, or arguments as they may desire. Communcations should identify the airspace docket number and be submitted in triplicate to the Director, Western Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, 5651 West Manchester Avenue, Post Office Box 90007, Airport Station, Los Angeles, Calif. 90009. All communications received within 30 days after publication of this supplemental notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in this supplemental notice may be changed in the light of comments received.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on January 16, 1967.

H. B. HELSTROM,
Chief, Airspace and Air
Traffic Rules Division.

[F.R. Doc. 67-799; Filed, Jan. 23, 1967; 8:47 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 73]

[Docket No. 17107; RM-1083; FCC 67-86]

TELEVISION BROADCAST STATIONS; POCATELLO, IDAHO

Table of Assignments

1. Notice of proposed rule making is hereby given in the above-entitled matter.

2. The Commission has before it for consideration a petition filed on November 28, 1966, by the Idaho State Board of Education, acting as the Board of Trustees for Idaho State University, Pocatello, Idaho, seeking the reservation of Channel 10 at Pocatello for educational use. Channels 6, 10, 15, *25, and 31 are assigned at Pocatello; the UHF channels are unoccupied, a station (KTLE) is licensed on Channel 6 but is not in operation, and since 1960 Mr. Sam H. Bennion has held a construction permit for Station KGTV on Channel 10, but the station has never been built.

3. The petition states that the State of Idaho contemplates a statewide system of ETV consisting of three regular TV stations (at Moscow, Boise, and Pocatello) plus translators; that Channel *12 at Moscow is already in operation and legislative authority to build the other two basic stations will be sought in the next biennial period; that among VHF channels only Channels 6 and 10 can be assigned at Pocatello consistent with other assignments in the table, and the UHF channel now reserved would not provide the same coverage in this rough terrain; and that Mr. Bennion, the Channel 10 permittee, supports the reservation. Accompanying the petition is an agreement dated August 15, 1966, between the State Board and Mr. Bennion, asserting the latter's desire to bring TV to the Pocatello area but that changed circumstances render him not equipped to construct his station, the Board's desire to purchase his permit so as to bring ETV to this area expeditiously, and that for payment of $3,000 ($500 of which has already been paid) Bennion will assign to the Board his permit, any other governmental authorizations or applications relating thereto, and any valid contractual rights relating to real estate or equipment purchase (the agreement also provides that the parties will file an assignment application and that the agreement is subject to FCC approval). It is also asserted that reservation of the channel is necessary before Idaho State University can benefit from funds from the Department of Health, Education, and Welfare, and the petition also asks that the channel be reassigned from Mr. Bennion to the University.

4. We are of the view that rule-making upon the request to reserve Channel 10 at Pocatello for educational use should be instituted. Normally, of course, reservation would not be considered as long as a commercial permit is outstanding. However, here, where Mr. Bennion has not constructed his station despite holding a CP for more than 6 years, has stated that changed circumstances render him unable to build, and has agreed to release the channel for educational use, consideration of the reservation appears appropriate at this time, especially since, as the Board points out, reservation is a prerequisite to obtaining Federal matching funds.

5. One method of achieving the objective sought here would be for the parties to file and get our approval of the assignment of CP, and then for the educators to seek reservation of the channel, since it will be used entirely for noncommercial educational operation. Apparently, the agreement contemplates that such an application will be filed. However, we do not believe that in the circumstances here such a procedure must necessarily be followed. The parties may file an assignment application if they wish; but if it is concluded in this proceeding that the channel should be reserved, it may be a shorter and more desirable course simply to delete the Bennion construction permit at the same time as our decision herein, whereupon the State Board can then file an initial application. If this appears preferable our decision herein may take this action.

6. We point out that—whether the changeover here, if appropriate, takes the form of an assignment or of a deletion, reservation and new application—the Commission has the right and duty to pass upon the amount to be paid to Mr. Bennion for giving up his construction permit. Our function in this area is not limited to agreements falling within the provisions of section 311(c) of the Communications Act. See National Broadcasting Co., Inc., FCC 63-257, 25 R.R. 657, and, particularly, Amendment of § 73.606, Harrisburg, Pa., FCC 64-906, 3 R.R. 2d 1565, in which initially a commercial permittee and an educational group agreed to the former's surrender of the "bare" permit and reservation of the channel, in return for payment by the educators of $35,000 to $45,000.[1] In that case, as elsewhere, we have indicated our policy that the holder of a construction permit is not to be permitted to make a profit from assigning it and nothing more. In this situation, following this policy, we will approve a payment to Mr. Bennion of no more than a sum equal to his out-of-pocket expenses incurred in obtaining his permit and in whatever construction has taken place. The filings herein should include a sworn statement as to the amount of such expenses.

[1] In the Harrisburg case, we raised the question of the propriety of the proposed payment in the notice of proposed rule making looking toward reservation of the channel. Thereupon the commercial permittee agreed to deletion of its permit and reservation of the channel irrespective of our conclusion as to whether the payment was permissible, and we made the reservation on that basis without deciding the question. Later, the question of the propriety of the payment was rendered moot when the commercial broadcaster voluntarily relinquished its claim to recovery from the educational group. See 3 R.R. 2d 1568.

7. In view of the foregoing, and pursuant to authority contained in sections 4(i) and 303(r) of the Communications Act of 1934 as amended, it is proposed to amend § 73.606 of the Commission's rules, the Table of Television Channel Assignments, to read as follows:

City	Channel Nos.	
	Present	Proposed
Pocatello, Idaho.....	6-, 10, 15, *25, 31	6-, *10, 15, 25, 31

8. Pursuant to applicable procedures set out in § 1.415 of the Commission rules, interested parties may file comments on or before February 10, 1967, and reply comments on or before February 20, 1967. All submissions by parties to this proceeding or by persons acting in behalf of such parties must be made in written comments, reply comments or other appropriate pleadings.

9. In accordance with the provisions of § 1.419 of the rules, an original and 14 copies of all written comments, replies, pleadings, briefs, or other documents shall be furnished the Commission.

Adopted: January 18, 1967.

Released: January 19, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-810; Filed, Jan. 23, 1967; 8:48 a.m.]

Notices

DEPARTMENT OF AGRICULTURE

Office of the Secretary

KANSAS

Designation of Areas for Emergency Loans

For the purpose of making emergency loans pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), it has been determined that in the hereinafter-named counties in the State of Kansas natural disasters have caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

KANSAS

Edwards.	Hamilton.
Finney.	Hodgeman.
Ford.	Kearny.
Grant.	Pawnee.
Gray.	Stanton.

Pursuant to the authority set forth above, emergency loans will not be made in the above-named counties after June 30, 1967, except to applicants who previously received emergency or special livestock loan assistance and who can qualify under established policies and procedures.

Done at Washington, D.C., this 19th day of January 1967.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 67-822; Filed, Jan. 23, 1967; 8:49 a.m.]

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

HAIR OF CERTAIN ANIMALS, COTTON AND SILK WASTE AND CARPET WOOL IMPORTATION FROM COUNTRIES NOT IN AUTHORIZED TRADE TERRITORY

Applications for Licenses

Licenses under the Foreign Assets Control Regulations (31 CFR §§ 500.101 to 500.808) for the importation of the following commodities produced in the U.S.S.R. or Outer Mongolia will be issued during 1967 in the same aggregate quantities as in previous years. These quantities, based on importations during the period 1946 through 1951, are as follows:

	Pounds
Badger hair	200
Carpet Wool	1,800,000
Cotton waste	4,550,000
Goat hair	610,000
Horse mane hair	660,000
Horse tail hair	70,000
Silk waste	435,000
Yak hair	525,000

Licenses will be issued to any person, and will not be limited to persons with a previous history of importation. The following conditions will apply:

(1) Applications must be filed before September 1, 1967, and must be accompanied by a copy of a firm contract with the seller subject only to the obtaining of the necessary license.

(2) No one applicant will be licensed to import more than 25 percent of the total quota for any one commodity. However, more than one contract can be entered into by any applicant, up to the 25 percent limit.

(3) Licenses will be nontransferable and imports may be made only in the name of and for the account of the licensee.

(4) The contract must provide for shipment from the U.S.S.R. If the contract is with a seller in a third country any license issued will require that the goods be shipped directly from the U.S.S.R. to the United States or, if not, that they remain in continuous carriers' custody during the entire period of transshipment.

Licenses will be valid until the date of shipment specified in the contract and will be extended to permit Customs entry and transactions under a letter of credit for goods shipped pursuant to the contract.

Applications for licenses must be filed in duplicate on Form TFAC-1 with the Federal Reserve Bank of New York, 33 Liberty Street, New York, N.Y. 10045. Applications will be considered in the order in which they are received. Persons applying for a license to import more than one commodity should file a separate application for each such commodity.

Since for one reason or another some licenses may expire unused or the full quota of a commodity may not be applied for by qualified applicants (i.e., by persons who have not reached the 25 percent limit) announcement will be made in the FEDERAL REGISTER on September 15, 1967, of any balances still available for licensing. At that time any person may apply for any portion of an available balance irrespective of the fact that he may have already received licenses to import as much as 25 percent of the quota. Applications for licenses filed after September 15, 1967, are subject to all conditions set forth above other than the 25 percent limit.

Additional information and license application forms may be obtained from the Federal Reserve Bank of New York or from the Office of Foreign Assets Control, Treasury Department, Washington, D.C. 20220.

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

[F.R. Doc. 67-874; Filed, Jan. 23, 1967; 8:50 a.m.]

Office of the Secretary

[Dept. Order 167—80]

COMMANDANT, U.S. COAST GUARD

Delegation of Authority Regarding Procural of Architectural and Engineering Services

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, and pursuant to the authority delegated to me by Treasury Department Order No. 190 (Rev. 4), there is hereby transferred to the Commandant, U.S. Coast Guard the function of the Secretary contained in 5 U.S.C. 3109 concerning the procural of architectural and engineering services.

This authority may be redelegated to subordinates in the Coast Guard as deemed necessary by the Commandant.

Dated: January 17, 1967.

[SEAL] TRUE DAVIS,
Assistant Secretary of the Treasury.

[F.R. Doc. 67-786; Filed, Jan. 23, 1967; 8:46 a.m.]

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

FIELD SERVICE

Ports of Entry For Aliens Arriving By Aircraft

Effective upon publication in the FEDERAL REGISTER, the following amendments to the Statement of Oragnization of the Immigration and Naturalization service (19 F.R. 8071, Dec. 8, 1954), as amended, are prescribed:

The names of certain airports in subparagraph (3) *Ports of entry for aliens arriving by aircraft* of paragraph (c) *Suboffices* of § 1.51 *Field Service* are amended in the following respects:

1. "Fort Lauderdale, Fla., Broward County Airport" and "Key West, Fla., Meacham Field" of District No. 6—Miami, Fla., are amended to read "Fort Lauderdale, Fla., Fort Lauderdale-Hollywood Airport" and "Key West, Fla., Key West International Airport."

2. "Massena, N.Y., Massena Airport" of District No. 7—Buffalo, N.Y., is amended to read "Massena, N.Y., Richards Field."

3. "Detroit, Mich., Detroit Municipal Airport" of District No. 8—Detroit, Mich., is amended to read "Detroit, Mich., Detroit-City Airport."

4. "Grand Forks, N. Dak., Grand Forks Municipal Airport" of District No. 10—St. Paul, Minn., is amended to read "Grand Forks, N. Dak., Grand Forks International Airport."

5. "Port Townsend, Wash., Port Townsend Airport" of District No. 12—Seattle, Wash., is amended to read "Port Townsend, Wash., Jefferson County International Airport."

6. "Laredo, Tex., Laredo Municipal Airport" of District No. 14—San Antonio, Tex., is amended to read "Laredo, Tex., Laredo International Airport."

7. "Calexico, Calif., Calexico Municipal Airport" of District No. 16—Los Angeles, Calif., is amended to read "Calexico, Calif., Calexico International Airport."

Dated: January 18, 1967.

RAYMOND F. FARRELL,
Commissioner of Immigration and Naturalization.

[F.R. Doc. 67-790; Filed, Jan. 23, 1967; 8:46 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Nevada 064465]

NEVADA

Notice of Termination of Proposed Withdrawal and Reservation of Lands

JANUARY 16, 1967.

Notice of a Bureau of Land Management application, Nevada 064465, for withdrawal and reservation of lands to protect the recreation values, was published as FEDERAL REGISTER Document No. 64-5790, on page 7519 of the issue for June 11, 1964, as corrected by F.R. Doc. No. 65-11266 on page 13407 of the issue for October 21, 1965. The applicant agency has canceled its application involving the lands described in the FEDERAL REGISTER publication referred to above. Therefore, pursuant to the regulations contained in 43 CFR, Part 2311, such lands, at 10 a.m. on February 20, 1967, will be relieved of the segregative effect of the above-mentioned application.

DANIEL P. BAKER,
Manager.

[F.R. Doc. 67-780; Filed, Jan. 23, 1967; 8:45 a.m.]

Fish and Wildlife Service

[Docket No. Sub-B-53]

O. E. & SON FISHERIES, INC.

Notice of Hearing

JANUARY 19, 1967.

O. E. & Son Fisheries, Inc., 430 West Clinton Street, New Bedford, Mass., has applied for a fishing vessel construction differential subsidy to aid in the construction of a 96-foot length overall wood vessel to engage in the fishery for scallops, groundfish, flounder, lobster, swordfish, and fish for industrial uses.

Notice is hereby given pursuant to the provisions of the U.S. Fishing Fleet Improvement Act (P.L. 88-498) and Notice and Hearing on Subsidies (50 CFR Part 257) that a hearing in the above-entitled proceedings will be held on March 7, 1967, at 10 a.m., e.s.t., in Room 3356, Interior Building, 18th and C Streets NW., Washington, D.C. Any person desiring to intervene must file a petition of intervention with the Director, Bureau of Commercial Fisheries, as prescribed in 50 CFR Part 257 at least 10 days prior to the date set for the hearing. If such petition of intervention is granted, the place of the hearing may be changed to a field location. Telegraphic notice will be given to the parties in the event of such a change along with the new location.

RALPH C. BAKER,
Acting Director, Bureau of Commercial Fisheries.

[F.R. Doc. 67-787; Filed, Jan. 23, 1967; 8:46 a.m.]

National Park Service

GRAND TETON NATIONAL PARK

Notice of Intention to Issue Concession Permit

Pursuant to the provisions of section 5, Public Law 89-249, public notice is hereby given that the Department of the Interior, through the Superintendent of Grand Teton National Park, National Park Service, proposes, thirty (30) days after the date of publication of this notice, to issue for the period January 1, 1967, through December 31, 1971, the concession permit under which Glenn Exum, doing business as Exum Mountain Guide Service and School of Mountaineering, provides concession facilities and services for the public in Grand Teton National Park.

The foregoing concessioner has performed his obligations under a prior permit to the satisfaction of the National Park Service and, therefore, pursuant to the act cited above, is entitled to be given preference in the renewal of the permit and in the negotiation of a new permit. However, under the act cited above the Service is also to consider and evaluate all proposals received as a result of this notice.

Dated: December 20, 1966.

JACK K. ANDERSON,
Superintendent of Grand Teton National Park.

[F.R. Doc. 67-800; Filed, Jan. 23, 1967; 8:47 a.m.]

GRAND TETON NATIONAL PARK

Notice of Intention to Issue Concession Permit

Pursuant to the provisions of section 5, Public Law 89-249, public notice is hereby given that the Department of the Interior, through the Superintendent of Grand Teton National Park, National Park Service, proposes, thirty (30) days after the date of publication of this notice, to issue for the period January 1, 1967, through December 31, 1971, the concession permit under which Lowe L. Rudd, doing business as Teton Trail Rides, provides concession facilities and services for the public in Grand Teton National Park.

The foregoing concessioner has performed his obligations under a prior permit to the satisfaction of the National Park Service and, therefore, pursuant to the act cited above, is entitled to be given preference in the renewal of the permit and in the negotiation of a new permit. However, under the act cited above the Service is also required to consider and evaluate all proposals received as a result of this notice.

Dated: December 20, 1966.

JACK K. ANDERSON,
Superintendent of Grand Teton National Park.

[F.R. Doc. 67-801; Filed, Jan. 23, 1967; 8:47 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. PRM-30-33]

MINNESOTA MINING AND MANUFACTURING CO.

Notice of Filing of Petition for Rule Making

Notice is hereby given that the Minnesota Mining and Manufacturing Co., 2501 Hudson Road, St. Paul, Minn., by letter dated January 6, 1967, has filed with the Commission a petition for rule making to amend § 32.101(d) of the Commission's regulation 10 CFR Part 32, "Specific Licenses to Manufacture, Distribute, or Import Exempted and Generally Licensed Items Containing Byproduct Material."

The shock test for prototype luminous safety devices containing tritium or promethium 147 for use in aircraft described in § 32.101(d) requires that the device be dropped upon a concrete or iron surface in a 3-foot free gravitational fall, or subjected to equivalent treatment in a test device simulating such a free fall. It is required that the test be repeated 100 times from random orientations. The petitioner proposes that the test be revised to require only five free falls from 3 feet upon a concrete or iron surface for devices containing promethium 147.

A copy of the petition for rule making is available for public inspection in the Commission's Public Document Room at 1717 H Street NW., Washington, D.C.

Dated at Washington, D.C., this 18th day of January 1967.

For the Atomic Energy Commission.

W. B. MCCOOL,
Secretary.

[F.R. Doc. 67-806; Filed, Jan. 23, 1967; 8:48 a.m.]

[Docket No. 50-255]

CONSUMERS POWER CO.

Notice of Hearing on Application for Provisional Construction Permit

Pursuant to the Atomic Energy Act of 1954, as amended, and the regulations

in Title 10, Code of Federal Regulations, Part 50, "Licensing of Production and Utilization Facilities," and Part 2, rules of practice, notice is hereby given that a hearing will be held at 10 a.m., local time, on February 23, 1967, at the Covert Township Hall, Main Street, Covert Township, Van Buren County, Mich., to consider the application filed under § 104b. of the Act by the Consumers Power Co., Jackson, Mich., for a provisional construction permit for a pressurized water reactor, designed to operate at 2200 megawatts (thermal), to be located at the company's site in Covert Township, Van Buren County, Mich., approximately 4½ miles south of South Haven, Mich.

The hearing will be conducted by the Atomic Safety and Licensing Board designated by the Atomic Energy Commission consisting of Dr. Eugene Greuling, Durham, N.C.; Dr. Charles E. Winters, Cleveland, Ohio; and Arthur W. Murphy, Esq., Chairman, New York, N.Y. Dr. Lawrence R. Quarles, Charlottesville, Va., has been designated as a technically qualified alternate.

A prehearing conference will be held by the Board at 10 a.m., local time, on February 10, 1967, in the Covert Township Hall, Main Street, Covert Township, Van Buren County, Mich., to consider the matters provided for consideration by § 2.752 of 10 CFR Part 2 and section II of Appendix A to 10 CFR Part 2.

The Director of Regulation proposes to make affirmative findings on Item Nos. 1–3 and a negative finding on Item 4 specified below as the basis for the issuance of a provisional construction permit to the applicant substantially in the form proposed in Appendix A hereto.

1. Whether in accordance with the provisions of 10 CFR § 50.35(a).

(a) The applicant has described the proposed design of the facility, including, but not limited to, the principal architectural and engineering criteria for the design, and has identified the major features or components incorporated therein for the protection of the health and safety of the public;

(b) Such further technical or design information as may be required to complete the safety analysis and which can reasonably be left for later consideration, will be supplied in the final safety analysis report;

(c) Safety features or components, if any, which require research and development have been described by the applicant and the applicant has identified, and there will be conducted, a research and development program reasonably designed to resolve any safety questions associated with such features or components; and

(d) On the basis of the foregoing, there is reasonable assurance that (i) such safety questions will be satisfactorily resolved at or before the latest date stated in the application for completion of construction of the proposed facility and (ii) taking into consideration the site criteria contained in 10 CFR Part 100, the proposed facility can be constructed and operated at the proposed location without undue risk to the health and safety of the public;

2. Whether the applicant is technically qualified to design and construct the proposed facility;

3. Whether the applicant is financially qualified to design and construct the proposed facility; and

4. Whether the issuance of a permit for the construction of the facility will be inimical to the common defense and security or to the health and safety of the public.

In the event that this proceeding is not a contested proceeding, as defined by § 2.4 of the Commission's rules of practice, 10 CFR Part 2, the Board will, without conducting a de novo evaluation of the application, consider the issues of whether the application and the record of the proceeding contain sufficient information, and the review by the Commission's regulatory staff has been adequate, to support the findings proposed to be made and the provisional construction permit proposed to be issued by the Director of Regulation.

In the event that this proceeding becomes a contested proceeding, the Board will consider and initially decide, as the issues in this proceeding, Item Nos. 1 through 4 above as the basis for determining whether provisional construction permits should be issued to the applicant.

The application, the report of the Commission's Advisory Committee on Reactor Safeguards (ACRS) and the Safety Analysis by the Commission's regulatory staff will be placed in the Commission's Public Document Room, 1717 H Street NW., Washington, D.C., where they will be available for inspection by members of the public. Copies of the ACRS report and the regulatory staff's Safety Analysis may be obtained by request to the Director of the Division of Reactor Licensing, United States Atomic Energy Commission, Washington, D.C. 20545.

Petitions for leave to intervene, pursuant to the provisions of § 2.714 of the Commission's rules of practice, must be received in the Office of the Secretary, U.S. Atomic Energy Commission, Germantown, Md., or the Commission's Public Document Room, 1717 H Street NW., Washington, D.C., not later than February 10, 1967, or in the event of a postponement of the specific hearing date, at such time as the Board may specify.

Any person who wishes to make an oral or written statement setting forth his position on the issues specified, but who does not wish to file a petition to intervene, may request permission to make a limited appearance pursuant to the provisions of § 2.715 of the Commission's rules of practice. Limited appearances will be permitted at the time of the hearing in the discretion of the Board, within such limits and on such conditions as may be fixed by the Board. Persons desiring to make a limited appearance are requested to inform the Secretary, U.S. Atomic Energy Commission, Washington, D.C. 20545, by February 10, 1967.

Answers to this notice, pursuant to the provisions of § 2.705 of the Commission's rules of practice, must be filed by the applicants on or before February 10, 1967.

Papers required to be filed in this proceeding may be filed by mail or telegram addressed to the Secretary, U.S. Atomic Energy Commission, Washington, D.C. 20545, or may be filed by delivery to the Office of the Secretary, U.S. Atomic Energy Commission, Germantown, Md., or the Commission's Public Document Room, 1717 H Street NW., Washington, D.C.

Pending further order of the Board, parties are required to file, pursuant to the provisions of § 2.708 of the Commission's rules of practice, an original and 20 conformed copies of each such paper with the Commission.

Dated at Washington, D.C., this 19th day of January 1967.

UNITED STATES ATOMIC ENERGY COMMISSION,
W. B. McCOOL,
Secretary to the Commission.

APPENDIX "A"

CONSUMERS POWER CO. (PALISADES PLANT)

Docket No. 50-255

PROVISIONAL CONSTRUCTION PERMIT

Construction Permit No. ------

1. Pursuant to § 104b. of the Atomic Energy Act of 1954, as amended (the Act) and Title 10, Chapter 1, Code of Federal Regulations, Part 50, "Licensing of Production and Utilization Facilities," and pursuant to the order of the Atomic Safety and Licensing Board, the Atomic Energy Commission (the Commission) hereby issues a provisional construction permit to Consumers Power Co. (the applicant) for a utilization facility (the facility), described in the application and amendments thereto filed in this matter by the applicant and as more fully described in the evidence received at the public hearing upon that application. The facility, known as the Palisades Plant, will be located at the applicant's site in Covert Township, Van Buren County, Mich., about 4½ miles south of South Haven, Mich.

2. This permit shall be deemed to contain and be subject to the conditions specified in §§ 50.54 and 50.55 of said 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 conditions specified or incorporated below:

A. The earliest date for the completion of the facility is ----------, and the latest date for completion of the facility is ----------.

B. The facility shall be constructed and located at the site as described in the application, as amended, at the applicant's site in Covert Township, Van Buren County, Mich., about 4½ miles south of South Haven, Mich.

C. This construction permit authorizes the applicant to construct the facility described in the application and the hearing record in accordance with the principal architectural and engineering criteria set forth therein.

3. This permit is provisional to the extent that a license authorizing operation of the facility will not be issued by the Commission unless (a) the applicant submits to the Commission, by amendment to the application, the complete final safety analysis report, portions of which may be submitted and evaluated from time to time; (b) the Commission finds that the final design provides

reasonable assurance that the health and safety of the public will not be endangered by the operation of the facility in accordance with procedures approved by it in connection with the issuance of said license, (c) the applicant submits proof of financial protection and the execution of an indemnity agreement as required by § 170 of the Act.

For the Atomic Energy Commission.

[F.R. Doc. 67-827; Filed, Jan. 23, 1967; 8:50 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 16769; FCC 67M-87]

ALLEN C. BIGHAM, JR.

Order Scheduling Further Prehearing Conference

In re application of Allen C. Bigham, Jr., Docket No. 16769, File No. BR-4293; for renewal of license of station KCTY, Salinas, Calif.

On the basis of discussions held and agreements reached at today's prehearing conference: *It is ordered*, This 18th day of January 1967, that a further prehearing conference will be held in Washington, D.C. at 9 a.m., March 27, 1967, and that hearing will be held in Salinas, Calif., at 10 a.m., April 11, 1967.

Released: January 19, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-811; Filed, Jan. 23, 1967; 8:48 a.m.]

[Docket No. 16070; FCC 67-57]

COMMUNICATIONS SATELLITE CORP.

Order Enlarging Investigation

In the matter of Communications Satellite Corporation, Docket No. 16070; charges, practices, classifications, rates, and regulations for and in connection with the leasing of voice grade and television channels to common carriers authorized by the Federal Communications Commission, between Andover, Maine, and a communications-satellite in connection with the establishment of communication paths between points in the United States and Europe for the transmission and reception of voice, record, data, telephoto, facsimile, television, and other signals.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 11th day of January 1967;

The Commission having under consideration: (a) Its memorandum opinion and order herein, released June 23, 1965, instituting an investigation into the lawfulness of the Communications Satellite Corporation's (Comsat) Tariff FCC No. 1; and (b) Comsat's Tariff FCC No. 3 filed September 30, 1966, to become effective February 3, 1967, which relates to the furnishing of leased channels furnished to the National Aeronautics and Space Administration between the corporation's earth terminals and customer-provided ship-mobile terminals and an appropriate communications satellite in connection with the establishment of communication paths between points in the United States and Carnarvon, Australia, Ascension Island, Grand Canary Island and customer-provided ship-mobile terminals in the Atlantic, Indian and Pacific Oceans; and

It appearing, that rate-making principles and assumptions used in developing the charges and other matter contained in Tariff FCC No. 3 were also used in developing the charges and other matter contained in Tariff FCC No. 1, under investigation herein;

It further appearing, that the investigation herein should therefore also include consideration of the charges, classifications, regulations and practices contained in Tariff FCC No. 3;

It is ordered, That the investigation herein is enlarged, pursuant to sections 203, 204, 205, and 403 of the Communications Act of 1934, to include consideration of the investigation into the lawfulness under sections 201 and 202 of the Communications Act of 1934 and sections 201(c)(2) and 201(c)(5) of the Communications Satellite Act of 1962, of Tariff FCC No. 3 and any amendments thereof as well as any successive issues of such tariff as may hereafter be made until the close of the record herein;

It is further ordered, That the provision of the ordering clause of the memorandum opinion and order released June 23, 1965, to wit:

* * * all revenues obtained from satellite communications by the Communications Satellite Corporation under the provision of the tariff shall be placed in a "Deferred Credit" account as proposed by the Communications Satellite Corporation and shall not be reclassified or otherwise disposed of in any manner, except as may be authorized or ordered by the Commission, until the investigation herein is concluded and the appropriate reclassification or disposition has been finally determined by the Commission;

is made applicable to Tariff FCC No. 3 and to any amendments of such tariff as well as any successive issues of such tariff as may hereafter be made, until the close of the record herein.

Released: January 19, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-812; Filed, Jan. 23, 1967; 8:48 a.m.]

[Docket No. 16495; FCC 67-56]

DOMESTIC NONCOMMON CARRIER COMMUNICATIONS SATELLITE FACILITIES

Order Extending Time for Filing Further Reply Comments

In the matter of establishment of domestic noncommon carrier communications satellite facilities by nongovernmental entities; Docket No. 16495.

The Commission has before it a request, filed January 3, 1967, by the National Association of Educational Broadcasters (NAEB) that the time for filing further reply comments in the above-captioned proceeding be postponed from February 1, 1967, to April 1, 1967. The Commission has also received a letter dated January 5, 1967, from the Carnegie Commission on Educational Television notifying it that the Carnegie Commission's Report on Educational Television, described in that Commission's comments in this proceeding filed August 1, 1966, is expected to be released by late January or early February, 1967.

It appearing, that pleadings filed in this proceeding during December 1966 are voluminous and varied and that questions raised and discussed by those pleadings are complex in nature, thus requiring additional time for careful study and analysis;

That the Commission should accord to all parties in this proceeding an opportunity to study the forthcoming Carnegie Commission Report, which Carnegie and NAEB assert may affect attitudes and positions of interested parties and be of significance to the deliberations of this Commission;

That NAEB is planning a conference in early March 1967, relating to the Carnegie Report and the financing and structure of educational television systems in the United States;

That receipt of carefully considered responses incorporating views of interested parties on the Carnegie Commission Report and the proceedings of the NAEB Conference would serve the public interest; and

That informal consultation with Executive Branch agencies having concern with this matter indicated their interest in having sufficient time afforded to all parties to formulate replies in light of all of the foregoing considerations;

It is ordered, This 11th day of January 1967, that the request of the National Association of Educational Broadcasters is granted and that the date for filing further reply comments in this proceeding is postponed from February 1, 1967, to April 3, 1967.

Released: January 19, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-813; Filed, Jan. 23, 1967; 8:48 a.m.]

[Docket No. 17051; FCC 67M-89]

WLCY-TV, INC. (WLCY-TV)

Order Scheduling Further Hearing Conference

In re application of WLCY-TV, INC. (WLCY-TV), Largo, Fla., Docket No. 17051, File No. BPCT-3700; for construction permit.

Pursuant to a prehearing conference as of this date: *It is ordered*, This 18th

day of January, 1967, that the evidentiary hearing herein now scheduled for February 1, 1967, be and the same is hereby canceled;

It is further ordered, That there will be a further hearing conference in this proceeding on February 24, 1967, 9 a.m., in the Commission's offices, Washington, D.C.

Released: January 19, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-814; Filed, Jan. 23, 1967; 8:48 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 12895 etc.]

UNITED STATES-CARIBBEAN-SOUTH AMERICA ROUTE INVESTIGATION

Trans Caribbean Airways' Washington-San Juan Application; Notice of Oral Argument

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that oral argument in the above-entitled proceeding is assigned to be held on February 2, 1967, at 10 a.m., e.s.t., in Room 1027, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before the Board.

Dated at Washington, D.C., January 18, 1967.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 67-805; Filed, Jan. 23, 1967; 8:47 a.m.]

FEDERAL MARITIME COMMISSION

ITALY, SOUTH FRANCE/UNITED STATES GULF CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 609; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. G. Ravera, Secretary, Italy, South France/United States Gulf Conference, Vico San Luca No. 4, Genoa, Italy.

Agreement 9522-4, between the member lines of the Italy, South France/United States Gulf Conference, amends Article 9 of the basic agreement to provide that in addition to all shippers' requests and complaints (excepting those involving broad questions of policy), the Rate Committees shall act upon rate matters, if the request is of an urgent nature, by telephone poll conducted by the Secretary.

Dated: January 19, 1967.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 67-815; Filed, Jan. 23, 1967; 8:48 a.m.]

[Independent Ocean Freight Forwarder License 1038]

H. C. MINER & CO.

Order To Show Cause

On January 6, 1967, the New Hampshire Insurance Co., notified the Commission that the surety bond filed pursuant to section 44(c), Shipping Act, 1916 (46 U.S.C. 841b) by H. C. Miner & Co., Port Laudania Building 2, Dania, Fla. 33004, would be canceled effective 12:01 a.m., February 7, 1967.

Section 44(c) of the Shipping Act, 1916 (46 U.S.C. 841b) and § 510.5(f) of General Order 4 (46 CFR) provide that no license shall remain in force unless such forwarder shall have furnished a bond.

Section 44(d) of the Shipping Act, 1916 (46 U.S.C. 841b) provides that licenses may, after notice and hearing, be suspended or revoked for willful failure to comply with any provision of the Act, or with any lawful rule of the Commission promulgated thereunder.

Now, therefore, by virtue of authority vested in me by the Federal Maritime Commission, as set forth in Manual of Orders, Commission Order 201.1 (revised) section 6.03,

It is ordered, That H. C. Miner & Co. on or before January 30, 1967, either (1) submit a valid bond effective on or before February 7, 1967, or (2) show cause in writing or request a hearing to be held at 10 a.m., on February 3, 1967, in room 505 Federal Maritime Commission, 1321 H Street NW., Washington, D.C. 20573, to show cause why its license should not be suspended or revoked pursuant to section 44(d) of the Shipping Act, 1916 (46 U.S.C. 841b).

It is further ordered, That License No. 1038 be forthwith revoked if the licensee fails to comply with this order.

It is further ordered, That a copy of this order to show cause and all subsequent orders in this matter be served upon the licensees and be published in the FEDERAL REGISTER.

JAMES E. MAZURE,
Director,
Bureau of Domestic Regulation.

[F.R. Doc. 67-816; Filed, Jan. 23, 1967; 8:48 a.m.]

PACIFIC FAR EAST LINE, INC., AND SAIPAN SHIPPING CO.

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 609; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. Howard C. Adams, Vice President, Pacific Far East Line, Inc., 918 16th Street NW., Washington, D.C. 20006.

Agreement 9570-1, between the Pacific Far East Line, Inc. (PFEL) and Saipan Shipping Co. (Saiship), modifies the basic transshipment agreement by (1) adding language to Article 3 thereof to the effect that Saiship concurs in PFEL's Pacific Micronesian Line Trust Territory Tariff No. 1-G (FMC-3) pursuant to the requirements of section 536.2(j) of the Federal Maritime Commission's General Order 13, and (2) deleting Article 9 thereof which prohibits either party from entering into any parallel agreements at different terms and conditions.

Dated: January 19, 1967.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 67-817; Filed, Jan. 23, 1967; 8:48 a.m.]

UNITED STATES GREAT LAKES/SOUTH AND EAST AFRICA RATE AGREEMENT

Notice of a Petition Filed for Approval

Notice is hereby given that the following petition has been filed with the Com-

mission for approval pursuant to section 14b of the Shipping Act, 1916, as amended (75 Stat. 762, 46 U.S.C. 814).

Interested parties may inspect a copy of the proposed contract form and of the petition at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 609; or at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to the proposed contract form and the petition including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the proposed contract form and of the petition (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of application to institute a dual rate system filed by:

Mr. James C. Pendleton, Secretary, United States Great Lakes/South and East Africa Rate Agreement, 11 Broadway, New York, N.Y. 10004.

Notice is hereby given that the member lines of the United States Great Lakes/South and East Africa Rate Agreement (Agreement No. 9509) have filed pursuant to section 14(b) of the Shipping Act, 1916, an exclusive patronage (dual rate) contract and an application for permission to institute a dual rate system for the movement of goods in the conference trade (from U.S. Great Lakes ports to Southwest, South, Southeast and East Africa as well as islands in the Indian Ocean including Madagascar, Reunion, Mauritius, the Comores and Seychelles, and the islands of Ascension and St. Helena.)

The application provides that contract rates shall be lower than ordinary rates by a fixed percentage of 15 percent, all in accordance with the terms and conditions described in the contract.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 67-818; Filed, Jan. 23, 1967; 8:48 a.m.]

VAN NIEVELT, GOUDRIANN & CO.'S STROOMVAART MAATSCHAPPIJ (HAMBURG) G.M.B.H. AND LEA LINIE, G.M.B.H.

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 609; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 10 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of intent to cancel agreement 8605 filed by:

Mr. W. R. Innes, Vice President, Kerr Steamship Co., Inc., 29 Broadway, New York, N.Y. 10004.

Agreement 8605-2 cancels pending modification 8605-1 and Agreement 8605, approved July 5, 1961, between Van Nievelt, Goudriaan & Co.'s Stroomvaart Maatschappij (Hamburg) G.m.b.H. and Lea Linie G.m.b.H. which covers the establishment and maintenance by the parties of sailings under the trade name "Hamburg Chicago Line" in the trade between ports of the Great Lakes of the United States and ports on the Continent of Europe (Bordeaux/Hamburg Range).

Dated: January 19, 1967.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 67-819; Filed, Jan. 23, 1967; 8:49 a.m.]

FEDERAL POWER COMMISSION

[Docket No. E-7332]

CENTRAL ILLINOIS LIGHT CO.

Notice of Application

JANUARY 18, 1967.

Take notice that on January 13, 1967, Central Illinois Light Co. (Applicant), filed an application with the Federal Power Commission seeking an order pursuant to section 203 of the Federal Power Act authorizing an exchange of property between Applicant and the city of Springfield, Ill. (City) and an installment sale agreement whereby the City is purchasing from the Applicant all of its electric distribution system in the City.

Applicant is incorporated under the laws of the State of Illinois with its principal place of business at Peoria, Ill., and is engaged in the generation and distribution of electric energy in approximately 103 communities and rural areas in central parts of Illinois. The City is a municipal corporation under the laws of the State of Illinois and is engaged in the generation and distribution of electric energy to approximately 26,000 customers in and around the city of Springfield, Sangamon County, Ill.

Pursuant to an agreement dated December 13, 1966, Applicant proposes to transfer to the City electrical equipment and facilities serving approximately 2,450 customers while the City proposes to transfer to the Applicant electrical equipment and facilities serving approximately 1,550 customers. The fair market value of the property to be exchanged is approximately $616,000.

Pursuant to an installment sales agreement dated December 27, 1966, the City will purchase from the Applicant for $11,800,000 all of Applicant's electric distribution system in the city of Springfield and in several adjoining areas, which installment purchase is to be over a period of 10 years.

According to the application the exchange of property pursuant to the above-mentioned agreements will eliminate costly duplication of facilities and will provide each party with a service area in which each can furnish the best in most efficient service and the purchase by the City of the distribution facilities and the approximate 55 megawatts of electric demand will afford the City both an electric load and revenues with which to utilize the new 80 megawatts generating unit the City is installing in 1968.

Any person desiring to be heard or to make any protest with reference to said application should on or before February 6, 1967, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 67-779; Filed, Jan. 23, 1967; 8:45 a.m.]

OFFICE OF EMERGENCY PLANNING

[Expansion Goal 67-1]

DOMESTIC RUTILE PRODUCTION

Expansion Goal

1. Pursuant to the authorities vested in me by the Defense Production Act and Executive Order 10480, I hereby establish a Domestic Rutile Production Expansion Goal of 70,000 short tons per annum, National Stockpile Purchase Specification grade. This provides for an increase in U.S. production from 5,000 short tons to 75,000 short tons annually.

2. The Secretary of the Interior is authorized pursuant to Defense Mobilization Order 8400.1, November 6, 1963, to encourage the exploration, development, and mining of stockpile grade rutile ores and concentrates and to recommend programs for D.P.A. financing.

3. The Administrator of General Services is authorized pursuant to section 303 of Executive Order 10480 to develop a Defense Production Act domestic purchase program for stockpile grade rutile ores and concentrates.

4. The United States is substantially dependent on distant foreign sources for rutile ores and concentrates used in the production of such essential products as titanium metal and welding rod coatings.

Lower grade titanium bearing ores and concentrates for nonessential emergency uses are in ample supply and excluded from this order. Following a new supply-requirements study, a revised Stockpile Objective of 200,000 short tons of rutile was established on November 17, 1966. The program to fulfill the stockpile objective for rutile by cash purchase or barter of surplus agricultural commodities shall be continued. Acquisitions of rutile for the stockpile inventory prior to certification of any part of this D.P.A. goal shall cause revision of the goal.

5. Establishment of this goal does not constitute a commitment to contract.

Dated: January 18, 1967.

FARRIS BRYANT,
Director,
Office of Emergency Planning.

[F.R. Doc. 67-774; Filed, Jan. 23, 1967; 8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[70-4445]

NEW ENGLAND ELECTRIC SYSTEM ET AL.

Notice Regarding Issue and Sale of Promissory Notes by Subsidiary Companies to Banks and/or to Holding Company

JANUARY 18, 1967.

Notice is hereby given that an application-declaration has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act") by New England Electric System ("NEES"), 441 Stuart Street, Boston, Mass. 02116, a registered holding company and certain of its public-utility subsidiary companies ("the borrowing companies"), namely, Central Massachusetts Gas Co. ("Central"), Granite State Electric Co. ("Granite"), Lawrence Gas Co. ("Lawrence"), Lynn Gas Co. ("Lynn"), Massachusetts Electric Co. ("Mass Electric"), Mystic Valley Gas Co. ("Mystic Valley"), The Narragansett Electric Co. ("Narragansett"), New England Power Co. ("NEPCO"), North Shore Gas Co. ("North Shore"), Northampton Gas Light Co. ("Northampton"), Norwood Gas Co. ("Norwood"), and Wachusett Gas Co. ("Wachusett"). NEES and the borrowing companies have designated sections 6(a), 7, 9(a), 10, and 12 of the Act and Rules 42(b)(2), 45(b)(1), and 50(a)(2) and (3) promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to the application-declaration, which is summarized below, for a complete statement of the proposed transactions.

The borrowing companies propose to issue, from time to time through December 31, 1967, unsecured short-term promissory notes to banks and/or to NEES in the maximum aggregate amount of $91,400,000 to be outstanding at any one time. The proceeds of the proposed borrowings are to be used by each borrowing company to pay its then outstanding notes payable to banks and/or to NEES at or prior to maturity thereof, and to provide new money for construction expenditures or reimburse its treasury therefor. At January 1, 1967, such outstanding notes of the borrowing companies aggregated $58,775,000.

Each proposed note will bear interest at not in excess of the prime rate in effect at the time of issue, will mature in less than 1 year from the date of issue and in any event not later than March 29, 1968, and will be prepayable at any time, in whole or in part, without premium.

The following table shows for each borrowing company the estimated maximum amount of notes to be outstanding with banks and/or with NEES at any one time.

Borrowing companies	Estimated maximum short-term notes to be outstanding (In thousands)	
	To banks	To banks and/or NEES
Central	[1] $1,875	
Granite		[2] $4,230 [3] 70
Lawrence	[4] 4,350	
Lynn	[5] 3,550	
Mass Electric		[2] 20,950 [3] 1,000 [4] 400 [5] 450 [6] 450 [7] 500
Mystic Valley	[1] 9,850	
Narragansett		[3] 3,200 [8] 4,000 [10] 2,500
NEPCO		[2] 25,000
North Shore	[1] 3,925	
Northampton		[3] 1,335
Norwood		[11] 1,755
Wachusett	[1] 2,010	
	25,560	65,840

[1] First National City Bank, New York, N.Y.
[2] The First National Bank of Boston, Mass.
[3] Worcester County National Bank, Worcester, Mass.
[4] Guaranty Bank & Trust Co., Worcester, Mass.
[5] The Mechanics National Bank of Worcester, Mass.
[6] South Shore National Bank, Quincy, Mass.
[7] Middlesex County National Bank, Everett, Mass.
[8] National Bank of Lebanon, Lebanon, N.H.
[9] Industrial National Bank of Rhode Island, Providence, R.I.
[10] Rhode Island Hospital Trust Co., Providence, R.I.
[11] NEES only.

The filing states the total amount of loans by NEES to all of its subsidiary companies to be outstanding at any one time will not exceed $35 million

The borrowing companies may prepay their notes to NEES, in whole or in part, with borrowings from banks, or vice versa. Any note issued to NEES for such prepayment of a note to a bank will bear interest at the prime rate or the interest rate on the note being prepaid, whichever is lower, but not the prime rate after the maturity date of the note being prepaid. In the case of a note issued to a bank for such prepayment of a note to NEES, if the interest rate on the new note being issued exceeds that of the note being prepaid, NEES will credit the company involved with an amount equal to the difference between such interest payments for the period from the date of the issuance of such new note to the maturity date of the note being prepaid.

In the event of any permanent financing by any of the borrowing companies the proceeds therefrom, in excess of amounts used for refunding other securities at par or the principal amount thereof, will be applied to payment of its short-term note indebtedness then outstanding, and, except in the case of NEPCO, the maximum of short-term note indebtedness to be outstanding at any one time proposed herein will be reduced by the amount of such payment.

Incidental services in connection with the proposed note issues will be performed, at cost, by New England Power Service Co., an affiliated service company; such cost is estimated not to exceed $150 for each applicant-declarant, an aggregate of $1,950.

Appropriate action has been taken by the Public Utilities Commission of New Hampshire with respect to the notes proposed to be issued by Granite. It is represented that no further action by any regulatory commission, other than this Commission, is necessary to carry out the proposed transactions.

Notice is further given that any interested person may, not later than February 9, 1967, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon New England Electric System at the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed contemporaneously with the request. At any time after said date, the application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from its rules under the Act as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 67-781; Filed, Jan. 23, 1967; 8:45 a.m.]

[812-1992]

PINESTOCK ASSOCIATES AND PINESTOCK ASSOCIATES, INC.

Notice of Filing of Application for Order of Exemption

JANUARY 18, 1967.

Notice is hereby given that Pinestock Associates, Inc. ("applicant"), a New York corporation which registered as an open-end, diversified, management investment company on August 19, 1966, and Pinestock Associates ("partnership"), 44 Beaver Street, New York, N.Y. 10004, a limited partnership organized under the laws of New York, have filed an application pursuant to section 17(b) of the Investment Company Act of 1940 ("Act") for an order exempting from the provisions of section 17(a) of the Act a proposed sale of securities by the partnership to applicant. All interested persons are referred to the application on file with the Commission for a statement of the representations made therein, which are summarized below.

Donaldson, Lufkin, and Jenrette, members of the New York Stock Exchange, ("Donaldson") organized the partnership in January 1966, in order to consolidate its smaller accounts. The partnership, consisting of three general partners, all affiliates of Donaldson, and approximately 30 limited partners, most of whom were customers of Donaldson, was organized for the purpose of investing in securities. The limited partners contributed cash or securities having a net worth of $1,603,200 to the partnership. Donaldson organized applicant as a successor to the partnership in June 1966, and applicant proposes to carry on the business of an investment company.

Applicant proposes to purchase, as soon as practicable after the effective date of its registration statement under the Securities Act of 1933, the partnership's assets, including its portfolio of investment securities which, at November 30, 1966, had an aggregate market value of $1,336,151. The sale by the partnership is contingent upon approval of the transaction by 80 percent or more of the limited partners. The total amount to be purchased by applicant will be reduced to the extent necessary for the partnership to pay any limited partners withholding their approval of the transaction their proportionate share of the partnership assets. In return for the assets of the partnership, applicant will issue to the partnership such number of its shares equal to the value of such assets as of the date of the purchase, and the partnership will then dissolve and distribute the shares of applicant to the limited partners.

Applicant's investment adviser, Whitehall Management Corp., is controlled by Donaldson and thus affiliated with the general partners of the partnership. In addition, Donaldson or the partnership may be considered the promoter of applicant.

Section 17(a) of the Act, in pertinent part, prohibits an affiliate or a promoter of a registered investment company, or any affiliated person thereof, from selling securities to such company except pursuant to an order of the Commission under section 17(b) of the Act finding that the terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any persons concerned, and that the transaction is consistent with the policy of applicant and with the general purposes of the Act.

Whitehall Management Corp. has advised applicant that the securities held by the partnership, all but one of which are listed on the New York Stock Exchange, are of the type that would be purchased and held by applicant in furtherance of its investment objectives. No material change in the partnership's portfolio is contemplated prior to the date of transfer.

The cost basis of the partnership's portfolio securities is approximately $1,234,000 and thus there is unrealized appreciation of approximately $102,310. In the opinion of counsel to applicant, the proposed sale will constitute a tax-free exchange to the partnership, and applicant will thus assume the partnership's cost basis in the securities acquired. Therefore, applicant has agreed that in order to adjust for the potential tax liability from such appreciation to shareholders who purchase its shares subsequent to the proposed transfer, applicant will establish on its books a reserve for possible income tax liability in the amount of 10 percent of the unrealized appreciation of the assets acquired from the partnership as of the date of the transfer.

Applicant will have complied with the provisions of section 14 of the Act by obtaining, prior to the effective date of its registration statement under the Securities Act, $100,000 in cash for shares of applicant's stock. These shares will be purchased for investment and not with a view to resale or redemption by two directors of applicant. No additional shares of applicant will be sold until the proposed transaction herein is consummated and applicant's prospectus is appropriately revised to reflect the transaction. All shares sold by applicant in this transaction and otherwise will be at net asset value without a sales charge.

Notice is hereby given that any interested person may, not later than February 3, 1967, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued upon the basis of information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 67-782; Filed, Jan. 23, 1967; 8:46 a.m.]

TARIFF COMMISSION

[TEA-I-EX-1]

TYPEWRITER RIBBON CLOTH

Investigation and Hearing on Probable Effect of Automatic Termination of Increased Tariffs

Investigation instituted. On January 18, 1967, the U.S. Tariff Commission, upon a petition filed on behalf of the domestic industry concerned, instituted an investigation in connection with the preparation of advice to the President, pursuant to section 351(d)(3) of the Trade Expansion Act of 1962, with respect to cotton typewriter ribbon cloth of the kinds described in items 922.01-922.05 in Part 2A of the appendix to the Tariff Schedules of the United States.

Increased rates of duty were imposed by Presidential proclamation upon imports of cotton typewriter ribbon cloth in 1960 following an escape-clause investigation by the Tariff Commission under section 7 of the Trade Agreements Extension Act of 1951. Pursuant to section 351(c)(1)(B) of the Trade Expansion Act, the increased rates will automatically terminate at the close of October 11, 1967, unless extended by the President. The Commission's function under section 351(d)(3) is to advise the President of its judgment as to the probable economic effect that an automatic termination of such increased rates of duty would have on the industry concerned.

Public hearing ordered. A public hearing, which has been requested by the petitioner in connection with this investigation, will be held at 10 a.m. on March 14, 1967, in the Hearing Room, Tariff Commission Building, Eighth and E Streets NW., Washington, D.C. Appearences at the hearing should be entered in accordance with § 201.13 of the Tariff Commission's rules of practice and procedure.

Inspection of petition. The petition filed in this case is available for inspec-

tion at the office of the Secretary, U.S. Tariff Commission, Eighth and E Streets NW., Washington, D.C., and at the New York City office of the Tariff Commission located in Room 437 of the Customhouse.

Issued: January 19, 1967.

By order of the Commission.

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

[F.R. Doc. 67-802; Filed, Jan. 23, 1967; 8:47 a.m.]

[TEA-I-EX-2]

CERTAIN FLOOR COVERINGS

Investigation and Hearing on Probable Effect of Automatic Termination of Increased Tariffs

Investigation instituted. On January 18, 1967, the U.S. Tariff Commission, upon a petition filed on behalf of the domestic industry concerned, instituted an investigation in connection with the preparation of advice to the President, pursuant to section 351(d)(3) of the Trade Expansion Act of 1962, with respect to Wilton (including brussels) and velvet (including tapestry) floor coverings, and floor coverings of like character or description, of the kinds described in Item 922.50 in part 2A of the appendix to the Tariff Schedules of the United States.

An increased rate of duty was imposed by Presidential proclamation upon imports of the subject floor coverings in 1962 following an escape-clause investigation by the Tariff Commission under section 7 of the Trade Agreements Extension Act of 1951. Pursuant to section 351(c)(1)(B) of the Trade Expansion Act, the increased rate will automatically terminate at the close of October 11, 1967, unless extended by the President. The Commission's function under section 351(d)(3) is to advise the President of its judgment as to the probable economic effect that an automatic termination of such increased rate of duty would have on the industry concerned.

Public hearing ordered. A public hearing, which has been requested by the petitioner in connection with this investigation, will be held at 10 a.m. on April 18, 1967, in the Hearing Room, Tariff Commission Building, Eighth and E Streets NW., Washington, D.C. Appearances at the hearing should be entered in accordance with § 201.13 of the Tariff Commission's rules of practice and procedure.

Inspection of petition. The petition filed in this case is available for inspection at the office of the Secretary, U.S. Tariff Commission, Eighth and E Streets NW., Washington, D.C., and at the New York City office of the Tariff Commission located in Room 437 of the Customhouse.

Issued: January 19, 1967.

By order of the Commission.

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

[F.R. Doc. 67-803; Filed, Jan. 23, 1967; 8:47 a.m.]

[APTA-W-6]

ROCKWELL-STANDARD CORP.

Notice of Investigation of Workers' Petition for Determination of Eligibility To Apply for Adjustment Assistance

Upon receipt on January 16, 1967, of a request therefor from the Automotive Agreement Adjustment Assistance Board, the Tariff Commission instituted an investigation pursuant to section 302(e), Automotive Products Trade Act of 1965, with respect to a petition filed with the Board by the International Association of Machinists and Aeorospace Workers, Local 1268, of Adrian, Mich., on behalf of a group of workers of the Rockwell-Standard Corp., Lyon Division, Adrian, Mich. The petition alleges that the production of wheel covers and hub caps by Rockwell-Standard Corp. will be completely transferred from Adrian, Mich., to Windsor, Canada, within 3 months. It further alleges that this action will result in the dislocation or unemployment of approximately 290 employees at the Adrian plant and that the United States-Canadian Automotive Agreement is the primary factor causing, or threatening to cause, such unemployment. The Commission is conducting the investigation to provide a factual record on the basis of which the Board may make the determinations required by section 302 of the Act.

No hearing has been scheduled. A hearing will be held on request of any party showing a proper interest in the subject matter of the investigation, provided the request is filed with the Secretary of the Tariff Commission within 10 days after this notice is published in the FEDERAL REGISTER.

The petition filed in this case is available for inspection at the office of the Secretary, U.S. Tariff Commission, Eighth and E Streets NW., Washington, D.C., and at the New York City office of the Tariff Commission located in Room 437 of the Customhouse.

Issued: January 19, 1967.

By order of the Commissioner.

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

[F.R. Doc. 67-804; Filed, Jan. 23, 1967; 8:47 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATION FOR RELIEF

JANUARY 19, 1967.

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. 40870—*Pig iron from Birmingham, Ala., to Chicago, Ill.* Filed by O. W. South, Jr., agent (No. A4984), for interested rail carriers. Rates on pig iron, in carloads, subject to minimum weight of 1,344,000 pounds or more loaded in not more than ten (10) cars, from Birmingham, Ala., and points grouped therewith, to Chicago, Ill.

Grounds for relief—Rail-barge competition.

Tariff—Supplement 67 to Southern Freight Association, agent, tariff ICC S-319.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 67-824; Filed, Jan. 23, 1967; 8:49 a.m.]

[Notice 324]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JANUARY 19, 1967.

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 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 2900 (Sub-No. 152 TA), filed January 16, 1967. Applicant: RYDER TRUCK LINES, INC., 2050 Kings Road, Post Office Box 2408, Jacksonville, Fla. 32203. Applicant's representative: Robert W. Gerson (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, as follows: *General commodities*, except those of unusual value, classes A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Cincinnati, Ohio, and Detroit, Mich.: From Cincinnati over U.S. Highway 25 and/or Interstate Highway 75 to Detroit, Mich., and return over the same route. Between Indianapolis, Ind., and Detroit, Mich.: From Indianapolis, over Indiana State Highway 37 to Fort Wayne, Ind., thence over U.S. Highway 24 to Toledo, Ohio, thence over U.S. Highway 25 and/or Interstate Highway 75 to Detroit, and return over the same route. Service is

not authorized at intermediate points. Between junction of U.S. Highway 127 with U.S. Highway 24, and Jackson, Mich.: From junction of U.S. Highway 127 and U.S. Highway 24 (at or near Antwerp, Ohio), over U.S. Highway 127 to Jackson, and return over the same route. Between junction of U.S. Highway 30S and Interstate Highway 75, and junction of U.S. Highways 127 and 24: From junction of Interstate Highway 75 and U.S. Highway 30S (at or near Lima, Ohio), over U.S. Highway 30S to junction with U.S. Highway 30, thence over U.S. Highway 30 to Van Wert, Ohio, thence over U.S. Highway 127 to junction with U.S. Highway 24 (at or near Antwerp, Ohio), and return over the same route. Service is not authorized at intermediate points. Between Jackson, Mich., and Detroit, Mich.: From Jackson, over Interstate Highway 94 to Detroit, and return over the same route. Service is authorized at the intermediate and off-route points of Ann Arbor, Ypsilanti, Willow Run, Romulus, Inkster, and Wayne, Mich.

Between Lansing, Mich., and Detroit, Mich.: From Lansing, over U.S. Highway 127 to junction with Interstate Highway 96, thence over Interstate Highway 96 to Detroit, and return over the same route. Service is not authorized at intermediate points. Between Lansing, Mich., and Flint, Mich.: From Lansing, over Michigan Highway 78 to Flint, and return over the same route. Service is authorized at the intermediate and off-route points of East Lansing and Swartz Creek, Mich. Between Detroit, Mich., and Bay City, Mich.: From Detroit, over Interstate Highway 75 to junction with Michigan State Highway 13 (at or near Saginaw, Mich.), thence over Michigan State Highway 13 to Bay City, and return over the same route. Service is authorized at the intermediate and off-route points of Troy, Pontiac, Flint, and Saginaw, Mich. Between Midland, Mich., and Saginaw, Mich.: From Midland, over Michigan State Highway 47 to junction with Michigan State Highway 46 (at or near Saginaw, Mich.), thence over Michigan State Highway 46 to Saginaw, and return over the same route. Service is not authorized at intermediate points. Between Midland, Mich., and Bay City, Mich.: From Midland, over U.S. Highway 10 to Bay City, and return over the same route. Service is not authorized to intermediate points. Between junction of Michigan State Highway 13 and Interstate Highway 75, and junction of Interstate Highway 75 with U.S. Highway 10: From junction of Michigan State Highway 13 and Interstate Highway 75 (at or near Saginaw, Mich.), over Interstate Highway 75 to junction with U.S. Highway 10, and return over the same route. Service is not authorized at intermediate points. Between Jackson, Mich., and Lansing, Mich.: From Jackson, over U.S. Highway 127 to Lansing, and return over the same route. Service is not authorized at intermediate points. Restriction: The authority sought is restricted against transporting shipments to or from points in Michigan with an origin, destination or interchange at Cincinnati, Ohio, or Indianapolis, Indiana, for 180 days. Supporting shipper: The application is supported by statements from 167 shippers which may be examined here at the Interstate Commerce Commission, in Washington, D.C. Send protests to: District Supervisor George H. Fauss, Jr., Bureau of Operations and Compliance, Interstate Commerce Commission, 428 Post Office Building, Post Office Box 4969, Jacksonville, Fla. 32201.

No. MC 43654 (Sub-No. 68 TA), filed January 16, 1967. Applicant: DIXIE OHIO EXPRESS, INC., 237 Fountain Street (Post Office Box 750, 44309), Akron, Ohio 44304. Applicant's representative: Frank B. Broseman (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, as follows: *General commodities* (except those of unusual value, class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), serving the plantsite of the Tennessee Valley Authority Atomic Power Generating Plant, presently under construction, at or near Browns Ferry, Ala., located on the North bank of the Tennessee River near Athens, Ala., as an off-route point in connection with applicant's presently held authority between Akron, Ohio, and Birmingham, Ala., for 180 days. Supporting shipper: Tennessee Valley Authority, Chattanooga, Tenn. 37401. Send protests to: District Supervisor G. J. Baccei, Interstate Commerce Commission, Bureau of Operations and Compliance, 435 Federal Building, Cleveland, Ohio 44114.

No. MC 95084 (Sub-No. 59 TA), filed January 17, 1967. Applicant: HOVE TRUCK LINE, Stanhope, Iowa 50246. Applicant's representative: Kenneth F. Dudley, 901 South Madison Avenue, Post Office Box 279, Ottumwa, Iowa 52501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, as follows: *Roller wheels*, from Beatrice, Nebr., to Kewanee, Ill., for 180 days. Supporting shipper: Kewanee Machinery & Conveyer Co., Kewanee, Ill. Send protests to: Ellis L. Annett, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 227 Federal Office Building, Des Moines, Iowa 50309.

No. MC 107544 (Sub-No. 73 TA), filed January 17, 1967. Applicant: LEMMON TRANSPORT COMPANY, INCORPORATED, Post Office Box 580, Marion, Va. 24354. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, as follows: *Nitrogen tetroxide*, in bulk, in specially designed tank vehicles, moving under special permit No. 3121, on Government bills of lading, between Hercules, Calif., and Model City, N.Y., for 180 days. Supporting shipper: Military Traffic Management and Terminal Service, Washington, D.C. Send protests to: George S. Hales, District Supervisor, Bureau of Operatons and Compliance, Interstate Commerce Commission, 215 Campbell Avenue SW., Roanoke, Va. 24011.

No. MC 112520 (Sub-No. 157 TA), filed January 16, 1967. Applicant: McKENZIE TANK LINES, INC., Post Office Box 1200, New Quincy Road, Tallahassee, Fla. 32302. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, as follows: *Liquefied petroleum gas*, from Dixie Pipe Line Terminal at or near Albany and Alma, Ga., to points in Florida (except Madison, Quincy, and Tallahassee, for 180 days. Supporting shippers: Warren Petroleum Corp., Panama City, Fla., and Suburban Rulane Gas Company of North Carolina, Inc., Post Office Box 127, Port Richey, Fla. Send protests to: District Supervisor George H. Fauss, Jr., Bureau of Operations and Compliance, Interstate Commerce Commission, 428 Post Office Building, Post Office Box 4969, Jacksonville, Fla. 32201.

No. MC 111729 (Sub-No. 181 TA), filed January 17, 1967. Applicant: AMERICAN COURIER CORPORATION, 222-17 Northern Boulevard, DeBenoise Building, Bayside, N.Y. 11361. Applicant's representative: J. K. Murphy (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, as follows: (1) *Business papers, records and audit and accounting media of all kinds* (excluding plant removals), (a) between Columbus, Ohio, on the one hand, and, on the other, points in Marion County, Ind.; (b) between Detroit, Mich., on the one hand, and, on the other, points in Rochester, N.Y.; Covington and Louisville, Ky.; (c) between New York, N.Y., on the one hand, and, on the other, points in New Haven County (except New Haven), Conn.; (d) between points in Hartford County, Conn., on the one hand, and, on the other, points in Hillsboro County, N.H., and Norfolk County, Mass.; (e) between points in Fairfield County, Conn., on the one hand, and, on the other, points in Middlesex County, N.J.; Philadelphia and Delaware Counties, Pa.; (f) between Niagara Falls, N.Y., and Fostoria, Ohio. (2) *Exposed and processed film and prints, complimentary replacement film, incidental dealer handling supplies consisting of labels, envelopes, and packaging materials, and advertising literature moved therewith* (excluding motion picture film used primarily for commercial theater and television exhibition), between Springfield, Mass., on the one hand, and, on the other, all points in Connecticut, all points in Rhode Island; Auburn, Augusta, Bangor, Bath, Belfast, Bethel, Biddeford, Brewer, Brunswick, Caribou, Eastport, Ellsworth, Gardiner, Houlton, Kittery, Lewiston, Mexico, Millinocket, Norway, Oldtown, Paris, Portland, Presque Isle, Rockland, Rumford, Saco, Skowhegan, Waterville and Yarmouth, Maine; Bennington, Berlin, Claremont, Concord, Dover, Gorham, Hanover, Keene, Laconia, Manchester, Milton, Nashua, Newport, Pittsfield, Plymouth, Rindge, Rochester, Troy, and Winchester, N.H.; Barre, Bellows Falls, Bennington, Bradford, Brattleboro, Burlington, Essex Junction, Middlebury, Montpelier, Newport, Orleans, Rutland,

St. Albans, St. Johnsbury, Springfield, White River Junction, and Windsor, Vt.

(3) *Research items and samples consisting of firearms in the process of being developed, tools used in the development of small arms and Ram-Set tools*, between New York, N.Y., on the one hand, and, on the other, points in New Haven County, Conn. (4) *Molds, experimental dies for plastic containers, and samples consisting of plastic containers, for research*, between points in Hartford County, Conn., on the one hand, and, on the other, points in Hillsboro County, N.H., and Norfolk County, Mass. (5) *Meter books, meter reading scan sheets, sales slips, cashier payment stubs, date runs, payroll runs, and related data, and audit media*, between points in Worcester County, Mass., on the one hand, and, on the other, Littleton, N.H.; Bellows Falls, East Barnet, McIndoe Falls, Readsboro, Vernon, and Wilder, Vt. (6) Payroll checks, from Niagara Falls, N.Y. to Fostoria, Ohio, for 180 days. Supporting shippers: New England Power Service Co., Westboro, Mass.; Union Carbide Corp., New York, N.Y.; General Electric Credit Corp., Stamford, Conn.; Frito-Lay, Inc., Detroit, Mich.; Standard Photo Service, Inc., Springfield, Mass.; Winchester-Western, New Haven, Conn.; Monsanto Co., Hartford, Conn. Send protests to: E. N. Carignan, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 346 Broadway, New York, N.Y. 10013.

No. MC 118865 (Sub-No. 9 TA), filed January 16, 1967. Applicant: CEMENT EXPRESS, INC., Hokes Mill Road and Lemon Street, York, Pa. 17404. Applicant's representative: V. Baker Smith, 2107 Fidelity-Philadelphia Trust Building, Philadelphia, Pa. 19109. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, as follows: *Cement*, from York, Pa., to Hooksett, N.H., for 180 days. Supporting shipper: Medusa Portland Cement Co., Box 5668, Cleveland, Ohio 44101. Send protests to: Robert W. Ritenour, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 218 Central Industrial Building, 100 North Cameron Street, Harrisburg, Pa. 17101.

No. MC 125553 (Sub-No. 4 TA), filed January 17, 1967. Applicant: FRANK RUSSELL CROCKETT, doing business as F. R. CROCKETT, Route 2, North Tazewell, Va. 24630. Applicant's representative: Robert M. Richardson, Bluefield, W. Va. 24701. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, as follows: *Fruit juices, dairy products, fruit and milk beverages, frozen confections, and advertising matter, and empty containers on return*, between Bluefield, Va., and Prestonsburg, Ky., serving intermediate points of Richlands and Grundy, Va. From Bluefield over U.S. Highway 460 to Prestonsburg, and return over the same route. (Supplementing existing rights for same commodities between Bluefield, Va., and Pikeville, Ky.), for 180 days. Supporting shipper: Fairmont Foods Co., Virginia Avenue, Bluefield, Va. 24605. Send protests to: George S. Hales, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 215 Campbell Avenue SW., Roanoke, Va. 24011.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 67-825; Filed, Jan. 23, 1967; 8:49 a.m.]

[Notice 1467]

MOTOR CARRIER TRANSFER PROCEEDINGS

JANUARY 19, 1967.

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

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

No. MC-FC-69389. By order of January 18, 1967, the Transfer Board approved the transfer to Arrow Transfer Co., Inc., 621 South Pickett Street, Alexandria, Va., of the operating rights in certificate No. MC-31632, issued February 2, 1960, to Snowden Transfer Co., Inc., 621 South Pickett Street, Alexandria, Va., authorizing the transportation of: Household goods, as defined by the Commission, between Washington, D.C., on the one hand, and, on the other, points in Virginia, West Virginia, Maryland, Delaware, Pennsylvania, New Jersey, and New York.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 67-826; Filed, Jan. 23, 1967; 8:49 a.m.]

[Notice 1022]

APPLICATIONS UNDER SECTION 5 AND 210a(b)

JANUARY 20, 1967.

The following application is 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-9442 (Correction) (OHIO FAST FREIGHT, INC.—CONTROL—IRON & STEEL TRANSPORT, INC.), published in the June 15, 1966, issue of the FEDERAL REGISTER, on page 8391, and amendment published in the January 17, 1967, issue of the FEDERAL REGISTER, on page 477. Inadvertently, the amendment notice stated the hearing date incorrectly. The hearing stands assigned for *February 6, 1967*, in lieu of the erroneous date of February 2, 1967.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 67-893; Filed, Jan. 23, 1967; 8:50 a.m.]

CUMULATIVE LIST OF PARTS AFFECTED—JANUARY

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during January.

3 CFR

5 CFR

7 CFR

8 CFR

9 CFR

10 CFR

12 CFR

13 CFR

14 CFR

15 CFR

16 CFR

18 CFR

19 CFR

FEDERAL REGISTER

VOLUME 32 • NUMBER 15

Tuesday, January 24, 1967 • Washington, D.C.

PART II

Department of Commerce

National Bureau of Standards

Test Fee Schedules

ELECTRICITY

Title 15—COMMERCE AND FOREIGN TRADE

Chapter II—National Bureau of Standards, Department of Commerce

SUBCHAPTER A—TEST FEE SCHEDULES

PART 201—ELECTRICITY

Low Frequency and Microwave Regions

Under the provisions of 15 U.S.C. 275 (a) and 277, all sections from § 201.701 through § 201.950 of Part 201 Electricity, of the Test Fee Schedules of the National Bureau of Standards, Department of Commerce, pertaining to calibration and measurement services of the NBS Radio Standards Laboratory at Boulder, Colo., are hereby revised and amended as provided herein, and are effective upon publication in the FEDERAL REGISTER.

The revisions embodied in the text provided herein constitute a general updating of the schedules relating to all calibration and measurements services of the NBS Radio Standards Laboratory. These revisions list additional services in §§ 201.812, 201.830, 201.861, 201.912, and 201.940, and include other changes of arrangement and wording to improve clarity.

LOW-FREQUENCY REGION

§ 201.701 Frequency stability of signal sources, to 30 kHz.

(Services available only at the NBS Radio Standards Laboratory, Boulder, Colo.)

(a) Frequency stability calibrations are made on signal sources up to 30 kHz. (See § 201.860 for calibration service at higher frequencies.)

(b) The signal source should have a power output of at least 10 mW (into a matched load).

(c) Frequency stability of the signal source should be better than approximately one part in 10^7.

Item	Description	Fee
201.701a	Measurement of frequency stability of signal sources, up to 30 kHz	(*)
201.701z	Special calibrations not covered by the above schedule	(*)

*As fixed prices have not been established for these services, charges will be made for actual costs incurred. Upon request, estimates will be furnished for specific tasks which should provide a close approximation of actual costs.

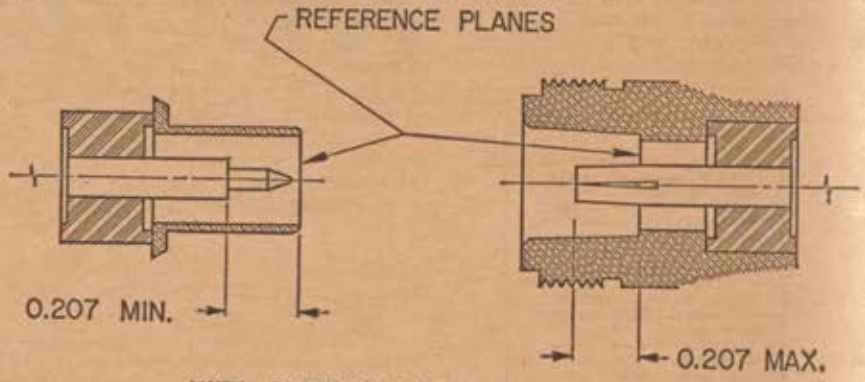
HIGH-FREQUENCY REGION

§ 201.800 General.

(a) The "High-Frequency Region" for purposes of this schedule, extends approximately from 30 kHz to 18 GHz. As the "Microwave Region" starts at approximately 1 GHz, the two regions overlap in that portion of the spectrum between 1 GHz and 18 GHz. The present coverage in the "High-Frequency Region" above 1 GHz is quite limited and involves only coaxial structures. It should be noted that some calibration services for coaxial instruments are listed in the "Microwave Region" sections of this schedule in addition to the waveguide services listed therein.

(b) In the "High-Frequency Region" the Radio Standards Laboratory, Boulder, Colo., is equipped to calibrate standards of pulse and CW voltage, pulse and CW power, immittance, attenuation, and field strength. Calibrations are performed at discrete frequencies as well as continuously over certain frequency bands (depending upon the particular item).

(c) Connectors limit the accuracy of measurements in the high-frequency region to some extent, particularly at the higher frequencies. To avoid uncertainty from this cause, all interlaboratory standards submitted for calibration, fitted with coaxial connectors, should be equipped with Type N connectors complying with the MIL C 39012/1, 2 specification, or with the new precision 7 or 14 mm. connectors. The critical mating dimensions required by NBS for Type N connectors are shown in the following diagram.



NOTE: DIMENSIONS IN INCHES

§ 201.810 rf–dc voltmeters, and thermal converters in the frequency range of 30 kHz to 1000 MHz, from 0.1 to 300 V.

Ordinarily instruments equally suitable for use on dc and rf will be calibrated only for rf–dc difference by the procedure of Item 201.810a, since periodic calibrations can be made by the user on reversed direct current. Such reversed dc calibrations will be made only under unusual circumstances and by advance arrangement. Instruments suitable for use only on rf will be given rf calibrations by the procedures of Items 201.810 a, b, c, d. Instruments which respond to average or peak values or which are not in ASA accuracy class one-quarter percent or better are not usually accepted for calibration below 30 MHz.

Item	Description	Fee
201.810a	Measurement of a voltage or an rf-dc difference at 30, 100, 300 kHz, 1, 3, 10, 30, or 100 MHz in the range of 0.1 to 300 V	(*)
201.810b	Each measurement additional to 201.810a at a different frequency or voltage	(*)
201.810c	Measurement of a voltage at 300, 400, 500, 700, or 1000 MHz, in the range of 0.2 to 20 V	(*)
201.810d	Each measurement additional to 201.810c at a different frequency or voltage	(*)
201.810z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.811 Rf micropotentiometers, voltmeters, and signal sources in the frequency range of 30 kHz to 1000 MHz, from 1 μV to 0.1 V.

Only high-quality voltmeters, suitable for use as interlaboratory standards, are normally accepted for calibration. These instruments should have a stability of 1 percent or better and an accuracy of 3 percent or better. Rf voltmeters will be calibrated by the procedures of Items 201.811 a, b, c, d. Only signal sources high enough in quality to be considered as interlaboratory standards are accepted for calibration. If these instruments are equally suitable for use on dc and rf, they will be calibrated for rf–dc difference by the procedures of Items 201.811 a, b, c, d. Signal sources suitable for use only on rf will be calibrated by the procedures of Items 201.811 a, b.

Item	Description	Fee
201.811a	Measurement of a voltage for micropotentiometers, voltmeters, and signal sources in the range of 50 kHz to 900 MHz, from 1 μV to 0.1 V	(*)
201.811b	Each measurement additional to 201.811a at a different frequency or voltage	(*)
201.811c	Measurement of a voltage for voltmeters in the range of 900 to 1000 MHz, from 100 μV to 0.1 V	(*)
201.811d	Each measurement additional to 201.811c at a different frequency or voltage	(*)
201.811z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.812 Pulse voltage, peak measurement, coaxial systems.

(a) For general information on pulse terminology reference is made to the following:

Standards on Pulses: Definition of Terms—Part I, 1951, Proc. IRE, Vol. 39, No. 6, June 1951.

Standards on Pulses: Definition of Terms—Part II, 1952, Proc. IRE, Vol. 40, No. 5, May 1952.

Specifically, in this schedule, the term "peak duration for a trapezoidal pulse"

denotes the time interval between the leading edge and trailing edge at 99.8 percent of maximum pulse amplitude. "Pulse duration for a trapezoidal pulse" denotes the time interval between the leading edge and trailing edge at 50 percent of maximum pulse amplitude.

(b) Measurements are made with unidirectional, trapezoidal pulses with a rise and fall time of 10 nanoseconds or greater and with a peak duration of 10 nsec or greater for pulse amplitudes less than 100 V.

(c) For amplitudes greater than 100 V, the pulses have a rise and fall time of 30 nsec or greater and a peak duration of 30 nsec or greater.

Item	Description	Fee
201.812a	Calibration of instrument for peak voltage measurement of pulse waveforms in coaxial systems in the voltage range of 5 to 100 V; pulse duration 20 nsec to 100 μsec; pulse repetition rate 60 to 2×10^6 pps, with a maximum duty cycle of 0.1	(*)
201.812b	Calibration of each additional instrument for peak voltage measurement, performed under conditions of 201.812a	(*)
201.812c	Calibration of instrument for peak voltage measurement of pulse waveforms in coaxial systems in the voltage range of 100 to 1000 V; pulse duration 60 nsec to 5 μsec; pulse repetition rate, 60 to 1.66×10^6 pps, with a maximum duty cycle of 0.01	(*)
201.812d	Calibration of each additional instrument for peak voltage measurement, performed under conditions of 201.812c	(*)
201.812x	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.820 Rf calorimeters, 30 kHz to 500 MHz.

(a) For maximum calibration accuracy, interlaboratory rf calorimeters should repeat readings to one-half percent or better with a constant power input.

(b) At present only rf calorimeters utilizing Type N or precision connectors for rf power input can be calibrated. Refer to 201.800 for special requirements for the connectors used on interlaboratory standards.

Item	Description	Fee
201.820a	Measurement of rf calorimeter at one frequency at 100 or 300 kHz, 1, 3, 10, or 30 MHz; and at one power level, from 0.001 to 200 W	(*)
201.820b	Measurement of each additional power level at the same frequency as for 201.820a	(*)
201.820c	Measurement of rf calorimeter at one frequency at 100, 200, 300, 400, or 500 MHz; at one power level, from 0.001 to 100 W	(*)
201.820d	Measurement of each additional power level at the same frequency as for 201.820c	(*)
201.820x	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.821 Coaxial bolometer units and bolometer-coupler units, continuous wave, low-level power.

(a) A bolometer unit includes both the bolometer element or elements and the bolometer mount in which they are supported.

(b) Power measurements are made on barretter-type bolometer units having nominal resistance of 50, 100, or 200 ohms at a bias current between 3.5 and 10 mA; and on thermistor-type bolometer units having a nominal resistance of 50, 100, or 200 ohms at a bias current between 5 and 15 mA. Bolometer units should be of the fixed tuned or untuned broadband type and must have suitable [13] male or female Type N or precision connectors.

(c) Power measurements are made on bolometer units at cw power levels of 1 and 10 mW only.

(d) Power measurements are made on bolometer-coupler combinations having coupling ratios from 3 to 30 dB. A bolometer unit of the fixed tuned or untuned broadband type should be permanently attached to the side arm of the directional coupler. The directional coupler should have good design features, with a directivity of 30 dB or greater, and a VSWR no greater than 1.10 for the input and output ports of the main arm of the coupler.

(e) Effective efficiency for bolometer units is defined as the ratio of the substituted dc power in the bolometer unit to the power dissipated within the bolometer unit.[14]

(f) Calibration factor for bolometer units is defined as the ratio of the substituted dc power in the bolometer unit to the rf power incident upon the bolometer unit.[14]

(g) Calibration factor for bolometer-coupler units is defined as the ratio of the substituted dc power in the bolometer unit on the side arm of the directional coupler to the rf power incident upon a 50-ohm load (with a VSWR less than 1.05) attached to the output port of the main arm.[14]

Item	Description	Fee
201.821a	Determination of calibration factor of coaxial bolometer unit at one frequency at 100 MHz or 1 GHz; and at one power level, 1 or 10 mW	(*)
201.821b	Determination at each additional power level at the same frequency as for 201.821a	(*)
201.821c	Determination of calibration factor of coaxial bolometer unit at 3** GHz; and at one power level, 1 or 10 mW	(*)
201.821d	Determination at each additional power level at 3** GHz, as for 201.821c	(*)
201.821e	Determination of calibration factor of coaxial bolometer-coupler unit at one frequency at 30, 100, 200, 300, 400, 500 MHz, or 1 GHz; and at one power level	(*)
201.821f	Determination at each additional power level at the same frequency as for 201.821e	(*)
201.821x	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

**For measurements on coaxial bolometer units at 4 GHz and higher frequencies, see 201.912.

[13] See sec. 201.800.

[14] Desch, R. F., and R. E. Larson, Bolometric microwave power calibration techniques at NBS, IEEE Trans. Instr. Meas., IM-12, No. 1, 29 (June 1963).

§ 201.822 Pulse power, peak measurement, coaxial systems.

(a) Instruments submitted for calibration should have a nominal impedance of 50 ohms, and be fitted with Type N, BNC, HN, or precision input connectors.[13]

(b) Measurements are made with pulsed rf signals having a rectangular envelope.

Item	Description	Fee
201.822a	Calibration of instrument for measuring peak power of pulsed signals in coaxial systems, in the frequency range of 950 to 1200 MHz, at a peak power in the range of 1 mW to 3 kW; at a pulse width in the range of 2 to 10 μsec, and at a pulse repetition rate in the range of 100 to 1600 pps with a maximum duty cycle of 0.0033	(*)
201.822b	Calibration of instrument for measuring peak power of pulsed signals in coaxial systems at each additional peak power level or a different pulse width or pulse repetition rate, at the same frequency as for 201.822a	(*)
201.822x	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.830 Immittance, two-terminal devices, 30 kHz to 8 GHz.

(a) Maximum accuracy can be achieved only in the case of instruments and components equipped with connectors having a plane of reference directly compatible with the NBS system with no necessity for special adapters. In the interest of preserving higher calibration accuracies, coaxial connectors should be utilized on standard instruments and components wherever possible. Calibrations are not performed on capacitors with unshielded terminals; e.g., binding posts and banana-plug connectors.

(b) Power applied to any item under test will normally not exceed 1 W. Where caution in this respect is necessary it should be clearly stated in the calibration request. All calibrations described in this section are performed under ambient conditions of 23±2 degrees C and 40±2 percent relative humidity.

Item	Description	Fee
201.830a-1	Two-terminal impedance measurement at one point in the frequency range 30 to 400 kHz, 0 to 10,000 ohms resistance, and 0 to 1100 μH inductance	(*)
201.830a-2	Two-terminal impedance measurement at each additional point within limits of 201.830a-1	(*)
201.830b-1	Two-terminal impedance measurement at one point in the frequency range 30 kHz to 1 MHz, 0 to 1000 ohms resistance, and 0 to 110 μH inductance	(*)
201.830b-2	Two-terminal impedance measurement at each additional point within limits of 201.830b-1	(*)
201.830c-1	Two-terminal admittance measurement at one point in the frequency range 30 kHz to 1 MHz, 0 to 1100 μmhos conductance, and 0 to 1100 pF capacitance	(*)

Item	Description	Fee
201.830e-2	Two-terminal admittance measurement at each additional point within limits of 201.830e-1	(*)
201.830d-1	Two-terminal admittance measurement at one point in the frequency range 5 to 300 MHz, 0 to 50 mmhos conductance, and 0 to 50 pF capacitance	(*)
201.830d-2	Two-terminal admittance measurement at each additional point within limits of 201.830d-1	(*)
201.830e-1	Q-Standard measurement in the frequency range 50 kHz to 45 MHz, 0 to 1000 for effective Q, and 30 to 450 pF for effective resonating capacitance	(*)
201.830f-1	Two-terminal impedance measurement of coaxial component at one point in frequency range 50 MHz to 8 GHz, within range of 0.5 to 5000 ohms for magnitude and 0 to 90° for phase angle	(*)
201.830g-1	Measurement of magnitude of reflection coefficient of a coaxial matched termination in 50-ohm line at one point in frequency range 1 to 4 GHz, by coaxial reflectometer to provide greater accuracy than provided by 201.830f-1	(*)
201.830g-2	Each additional point within limits of 201.830g-1	(*)
201.830z	Special two-terminal immittance measurements not covered by the above	(*)

*See footnote, § 201.701

§ 201.831 Immittance, three-terminal devices, 100 kHz to 1 MHz.

(a) Three-terminal techniques are required for the measurement of extremely low admittance so that unwanted admittance to ground (especially capacitances) do not significantly affect the measurements. Conductance or dissipation factor is not included in Reports of Calibration for three-terminal capacitance.

(b) All measurements described in this section are performed under ambient conditions of 23±2 degrees C and 40±2 percent relative humidity.

Item	Description	Fee
201.831a-1	Three-terminal capacitance measurement at 100 kHz, 465 kHz, or 1 MHz for fixed nominal values of 10^{-3}, 10^{-4}, 10^{0}, 10^{1}, 10^{2}, and 10^{3} pF, per frequency	(*)
201.831b-1	Three-terminal capacitance measurement at 465 kHz at one point in the range 0.001 to 100 pF	(*)
201.831b-2	Three-terminal capacitance measurement of 465 kHz at each additional point within limits of 201.831b-1	(*)
201.831z	Special three-terminal immittance measurements not covered by above schedule	(*)

*See footnote, § 201.701.

§ 201.840 Dissipative fixed coaxial attenuators.

(a) Dissipative fixed coaxial attenuators are normally calibrated in a system having a characteristic impedance of 50 ohms. Since the accuracy of the calibration is degraded by any deviation or uncertainty in this characteristic impedance, the types of allowable connectors are limited. Connectors having a known plane of reference, or the Type N or precision connectors [15] are required. All measurements are made by the substitution method, which requires that the connectors used be asexual or the attenuator have a male connector at one port and a female connector at the other port. If an adapter is required to comply with the foregoing, it must be supplied with the attenuator and the combination will be calibrated as one unit.

(b) Maximum power to any attenuator will not exceed 20 mW unless prior arrangements for higher power levels have been made.

(c) Insertion loss is defined as the loss encountered when a standard connector [15] pair is broken and the attenuator under test is inserted. The parameters of the standard connector pair must be known, and the generator and load impedances have been adjusted so that the system is nonreflecting. These conditions cannot be strictly realized and an allowance for mismatch must be made.

Item	Description	Fee
201.840a-1	Measurement of insertion loss of fixed coaxial attenuator at one of the following frequencies: 1, 10, 60, and 100 MHz, in the range of 0 to 80 dB	(*)
201.840a-2	Measurement of insertion loss of fixed coaxial attenuator at a frequency of 30 MHz, in the range of 0 to 100 dB	(*)
201.840a-3	Measurement of insertion loss of each additional fixed coaxial attenuator at the same frequency and over the same ranges as for 201.840a-1 to 201.840a-2	(*)
201.840b-1	Measurement of insertion loss of fixed coaxial attenuator at any frequency from 0.100 to 8.19 GHz in the range of 0 to 60 dB (†)	(*)
201.840b-2	Measurement of insertion loss of fixed coaxial attenuator at any frequency from 8.2 to 12.39 GHz, in the range of 0 to 60 dB (†)	(*)
201.840b-3	Measurement of insertion loss of fixed coaxial attenuator at any frequency from 12.4 to 18.0 GHz, in the range of 0 to 60 dB (†)	(*)
201.840b-4	Measurement of insertion loss of each additional fixed coaxial attenuator at the same frequency and over the same ranges as for 201.840b-1 to 201.840b-3	(*)
201.840z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.
(†) Measurement of insertion loss available to 80 dB at reduced accuracy.

§ 201.841 Dissipative variable coaxial attenuators.

(a) These attenuators are calibrated in accordance with Item 201.840 except that the zero or other specified setting is used as the reference. Because attenuation difference only is measured, both ports may have the same connector.

(b) Variable attenuators must have a repeatability of setting better than 0.1 dB; incremental attenuators must have a repeatability of 0.01 dB or better.

Item	Description	Fee
201.841a-1	Measurement of one increment on a dissipative variable attenuator at one of the following frequencies: 1, 10, 60, and 100 MHz, in the range of 0 to 80 dB	(*)
201.841a-2	Measurement of one increment on a dissipative variable attenuator at a frequency of 30 MHz, in the range of 0 to 100 dB	(*)
201.841a-3	Measurement of each additional increment on a dissipative variable attenuator at the same frequency and over the same ranges as for 201.841a-1 to 201.841a-2	(*)
201.841b-1	Measurement of one increment on a dissipative variable attenuator at any frequency from 0.100 to 8.19 GHz, in the range of 0 to 60 dB	(*)
201.841b-2	Measurement of one increment on a dissipative variable attenuator at any frequency from 8.2 to 12.39 GHz, in the range of 0 to 60 dB	(*)
201.841b-3	Measurement of one increment on a dissipative variable attenuator at any frequency from 12.4 to 18.0 GHz, in the range of 0 to 60 dB	(*)
201.841b-4	Measurement of each additional increment on a dissipative variable attenuator at same frequency and over the same ranges as for 201.841b-1 to 201.841b-3	(*)
201.841z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.842 Waveguide below-cutoff (piston) attenuators.

(a) Waveguide below-cutoff attenuators are calibrated normally in a system having a characteristic impedance of 50 ohms. As only attenuation difference measurements are made on this type of attenuator, Type BNC, C, TNC connectors and other types are acceptable but precision connectors are preferred.

(b) An insertion loss measurement at the attenuator zero setting can be made. Maximum power to any attenuator will not exceed 20 mW unless prior arrangements for higher power levels have been made.

(c) Calibrations are performed at the following frequencies: 1, 10, 30, 60, and 100 MHz.

Item	Description	Fee
201.842a-1	Measurement of one increment on a waveguide below-cutoff attenuator at one of the following frequencies: 1, 10, 60, and 100 MHz, in the attenuation range (including initial insertion loss) of 0 to 120 dB	(*)
201.842a-2	Measurement of one increment on a waveguide below-cutoff attenuator at 30 MHz, in the attenuation range (including initial insertion loss) of 0 to 140 dB	(*)
201.842a-3	Measurement of each additional increment on a waveguide below-cutoff attenuator at the same frequency and over the same ranges as for 201.842a-1 to 201.842a-2	(*)
201.842z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

[15] See sec. 201.800.

[15] Beatty, Robert W., Effects of connectors and adapters on accurate attenuation measurements at microwave frequencies, IEEE Trans. Instr. Meas., IM-13, No. 4, 272 (December 1964). In this referenced publication a "standard connector" is defined as one which is made precisely to standard specifications for the particular type of connector under consideration. Standard connector pairs usually have low but appreciable loss and reflection.

§ 201.843 Coaxial fixed directional couplers.

Coaxial fixed directional couplers are calibrated in accordance with Item 201.-840. Terminations must be supplied for any arm not used during a measurement.

Item	Description	Fee
201.843a-1	Measurement of insertion loss between any two ports of a coaxial fixed directional coupler at any one of the following frequencies: 1, 10, 60, and 100 MHz, in the range of 0 to 80 dB	(*)
201.843a-2	Measurement of insertion loss between any two ports of a coaxial fixed directional coupler at a frequency of 30 MHz, in the range of 0 to 100 dB	(*)
201.843a-3	Each additional measurement of insertion loss between any two ports of a coaxial fixed directional coupler at same frequency and over the same range as for 201.843a-1 to 201.843a-2	(*)
201.843b-1	Measurement of insertion loss between any two ports of a coaxial fixed directional coupler at any frequency from 0.100 to 8.19 GHz, in the range of 0 to 60 dB	(*)
201.843b-2	Measurement of insertion loss between any two ports of a coaxial fixed directional coupler at any frequency from 8.2 to 12.39 GHz, in the range of 0 to 60 dB	(*)
201.843b-3	Measurement of insertion loss between any two ports of a coaxial fixed directional coupler at any frequency from 12.4 to 18.0 GHz, in the range of 0 to 60 dB	(*)
201.843b-4	Each additional measurement of insertion loss between same two ports of a coaxial fixed directional coupler, and at the same frequency, and over the same range as for 201.843b-1 to 201.843b-3	(*)
201.843z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.844 Coaxial variable directional couplers.

(a) Coaxial variable directional couplers are calibrated in accordance with Item 201.841. Terminations must be supplied for any arm not used during a measurement.

(b) The change in coupling to the side-arm relative to the minimum setting on the device is normally measured.

Item	Description	Fee
201.844a-1	Measurement of single coupling increment between input and variable arm of coaxial variable directional coupler at one of the following frequencies: 1, 10, 60, and 100 MHz, in the range (including initial coupling loss) of 0 to 80 dB	(*)
201.844a-2	Measurement of single coupling increment between input and variable arm of coaxial variable directional coupler at a frequency of 30 MHz, in the range of 0 to 100 dB	(*)
201.844a-3	Each additional measurement of coupling increment between input and variable arm of coaxial variable directional coupler at same frequency and over the same ranges as for 201.844a-1 to 201.844a-2	(*)
201.844b-1	Measurement of single coupling increment between input and variable arm of coaxial variable directional coupler at any frequency from 0.100 to 8.19 GHz, in the range of 0 to 60 dB (including initial coupling loss)	(*)
201.844b-2	Measurement of single coupling increment between input and variable arm of coaxial variable directional coupler at any frequency from 8.2 to 12.39 GHz, in the range of 0 to 60 dB (including initial coupling loss)	(*)
201.844b-3	Measurement of single coupling increment between input and variable arm of coaxial variable directional coupler at any frequency from 12.4 to 18.0 GHz, in the range of 0 to 60 dB (including initial coupling loss)	(*)
201.844b-4	Each additional measurement of coupling increment between input and variable arm of coaxial variable directional coupler at the same frequency and over the same ranges as for 201.844b-1 to 201.844b-3	(*)
201.844z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.850 Electric and magnetic field strength measurements.

(a) Field-strength standards and field-strength meters are calibrated in terms of rms cw signals in the frequency range of 30 Hz to 1000 MHz. Loop antennas are calibrated from 30 Hz to 30 MHz, and horizontally polarized dipole antennas are calibrated from 30 to 1000 MHz. The antennas of field-strength meters are calibrated normally when terminated in their respective field-strength receivers. The field-strength receivers are calibrated normally for use in a 50-ohm system.

(b) When field-strength standards or meters are submitted for calibration an instruction manual and all accessories should be included, and the instrument must be in excellent operating condition.

§ 201.851 Field-strength receivers (0 to 1000 MHz).

There are three basic calibrations that can be performed on a field-strength receiver:

1. Calibration of the receiver as a two-terminal rf voltmeter.
2. Calibration of the signal input attenuators.
3. Determination of overall linearity of the receiver in terms of the output indicating circuits.

Although these measurements are not required for antenna calibrations, they are recommended in order that the field-strength meter can be used more accurately over its measurement range.

Item	Description	Fee
201.851a-1	Calibration of receiver as a two-terminal rf voltmeter, 1 to 10,000 μV, 0 to 1000 MHz, at one frequency	(*)
201.851a-2	Calibration of receiver as a two-terminal rf voltmeter at each frequency additional to Item 201.851a-1, 0 to 400 MHz	(*)
201.851a-3	Calibration of receiver as a two-terminal rf voltmeter at each frequency additional to Item 201.851-a, 400 to 1000 MHz	(*)
201.851b-1	Calibration of initial step of the input attenuator at one frequency, 0 to 1000 MHz	(*)
201.851b-2	Calibration of each additional step of the input attenuator, additional to Item 201.851b-1, 0 to 1000 MHz	(*)
201.851c-1	Determination of overall linearity of receiver and output circuit, at one frequency and one attenuator setting, initial point, 0 to 1000 MHz	(*)
201.851c-2	Determination of overall linearity at each additional point, at same frequency and at same attenuator setting as for 201.851c-1	(*)
201.851z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.852 Loop antennas (30 Hz to 30 MHz).

Loop antennas are calibrated in terms of a quasi-static magnetic field at frequencies from 30 Hz to 30 MHz. The magnitude of the calibrating field varies from approximately 20 to 200 mV/m.

Item	Description	Fee
201.852a	Calibration of loop antenna at one frequency, 30 Hz to 30 MHz	(*)
201.852b	Calibration of loop antenna at each frequency additional to Item 201.852a, 30 Hz to 30 MHz	(*)
201.852z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.853 Dipole antennas (30 to 1000 MHz).

Dipole antennas are calibrated in terms of horizontally polarized fields at frequencies from 30 to 1000 MHz. The magnitude of the calibrating field varies from approximately 20 to 400 mV/m.

Item	Description	Fee
201.853a	Calibration of dipole antenna at one frequency, 30 to 400 MHz	(*)
201.853b	Calibration of dipole antenna at one frequency, 400 to 1000 MHz	(*)
201.853c	Calibration of dipole antenna at each frequency additional to Items 201.853a and 201.853b, 30 to 1000 MHz	(*)
201.853z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.860 Frequency stability of signal sources, 30 kHz to 500 MHz.

(a) Frequency stability calibrations are made on signal sources from 30

kHz to 500 MHz. (See Schedule 201.701 for calibration service at lower frequencies.)

(b) The signal source should have a power output of at least 10 mW (into a matched load).

(c) Frequency stability of the signal source should be better than approximately one part in 10^7.

Item	Description	Fee
201.860a	Measurement of frequency stability of precision fixed-frequency signal source in the frequency range of 30 kHz to 500 MHz	(*)
201.860z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.861 Power spectral analysis of signal sources.

(a) Power spectral analysis of frequency-modulation components of frequency standards and other high-quality signal sources are made at nominal frequencies of 1, 2.5, 5, and 10 MHz.

(b) Frequency-modulation components are measured to limits of ±10 kHz from the carrier frequency for magnitudes greater than 6 dB above the continuous noise spectrum.

(c) Noise power level of the continuous spectrum relative to the power level of the carrier frequency is measured at any selected frequency within ±10 kHz of the carrier frequency.

(d) The signal source should have a power output of at least 20 mW (into a matched load).

Item	Description	Fee
201.861a	Measurement of the power spectrum of a fixed signal source	(*)
201.861z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

Microwave Region

§ 201.900 General.

(a) Microwave calibration services presently available include measurements of power, impedance, frequency, attenuation, and noise. The frequency range covered for each of the waveguide measurements is given below. While most of the calibration services are for waveguide, it should be noted there are a few services listed in the "Microwave Region" for coaxial instruments. Additional services in the 1 GHz to 18 GHz range for coaxial instruments are listed in the "High-Frequency Region" sections of this schedule.

(b) In performing microwave calibrations, a considerable amount of time is needed to prepare the system for measurement operation. Much of this preparation is related to the adjustment of the system to the frequency of operation selected for the calibration. Time and cost often can be reduced by minimizing the number of times the operating frequency of the calibration system must be readjusted. To help in achieving this reduction in costs, a list of suggested calibration frequencies is presented in the following table. These frequencies are suggested for use in connection with this schedule and for interlaboratory standards utilizing terminations consisting of the standard waveguide sizes given below in the table of suggested calibration frequencies. It should be emphasized that the suggested frequencies are primarily for economy and for convenience to those requesting calibrations. In general the calibration instrumentation for the microwave region is intended to provide complete and continuous frequency coverage as appropriate for the various waveguide sizes. Those having need for calibrations at other than suggested frequencies can be accommodated.

EIA waveguide designation	Frequency range, GHz	Suggested calibration frequencies GHz		
		No. 1	No. 2	No. 3
WR430	1.70–2.60	1.80	2.20	2.50
WR284	2.60–3.95	2.85	3.25	3.55
WR187	3.95–5.85	4.35	4.90	5.25
WR137	5.85–8.20	6.45	7.00	7.40
WR112	7.05–10.0	7.75	8.50	9.00
WR90	8.20–12.4	9.00	9.80	11.2
WR62	12.4–18.0	13.5	15.0	17.0
WR42	18.0–26.5	19.8	22.0	23.8
WR28	26.5–40.0	29.0	33.0	37.0

§ 201.910 Waveguide bolometer units and bolometer-coupler units, continuous wave, low-level power.

(a) Power measurements are made on barretter-type bolometer units having nominal resistance of either 100 or 200 ohms at a bias current between 3.5 and 10 mA, and on thermistor-type bolometer units having a nominal resistance of either 100 or 200 ohms at a bias current between 5 and 15 mA. Bolometer units should be of the fixed tuned or untuned broadband type.

(b) Power measurements are made on waveguide bolometer units at power levels from 0.1 to 10 mW.

(c) Power measurements are made on bolometer-coupler combinations having coupling ratios from 3 to 20 dB. A bolometer unit of the fixed tuned or untuned broadband type should be permanently attached to the side arm of the coupler. The three-port directional coupler should have good design features, with a directivity of 40 dB or greater and a VSWR no greater than 1.05 for the input and output ports of the main arm of the coupler.

(d) Efficiency for bolometer units is defined as the ratio of the microwave power absorbed by the barretter element to the microwave power dissipated within the bolometer unit.[14]

(e) Calibration factor for bolometer units is defined as the ratio of the substituted dc power in the bolometer unit to the microwave power incident upon the bolometer unit.[14]

[14] Desch, R. F., and R. E. Larson, Bolometric microwave power calibration techniques at NBS, IEEE Trans. Instr. Meas., IM-12, No. 1, 29 (June 1963).

(f) Calibration factor for bolometer-coupler units is defined as the ratio of the substituted dc power in the bolometer unit on the side arm of the directional coupler to the microwave power incident upon a nonreflecting load attached to the output port of the main arm.[14]

(g) Effective efficiency for bolometer units is defined as the ratio of the substituted dc power in the bolometer unit to the microwave power dissipated within the bolometer unit.[14]

Item	Description	Fee
	Determination of effective efficiency of bolometer unit at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.910a-1	WR90 (8.20–12.4 GHz)	(*)
201.910a-2	WR62 (12.4–18.0 GHz)	(*)
201.910a-3	WR137 (5.85–8.20 GHz)	(*)
201.910a-4	WR112 (7.05–10.0 GHz)	(*)
201.910a-5	WR187 (3.95–5.85 GHz)	(*)
201.910a-20	Determination of effective efficiency of each additional bolometer unit at the same frequency as for 201.910a-1	(*)
201.910a-21	Determination of effective efficiency of each additional bolometer unit at the same frequency as for 201.910a-2 to 201.910a-5	(*)
	Determination of calibration factor of bolometer unit at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.910b-1	WR90 (8.20–12.4 GHz)	(*)
201.910b-2	WR62 (12.4–18.0 GHz)	(*)
201.910b-3	WR137 (5.85–8.20 GHz)	(*)
201.910b-4	WR112 (7.05–10.0 GHz)	(*)
201.910b-5	WR187 (3.95–5.85 GHz)	(*)
201.910b-20	Determination of calibration factor of each additional bolometer unit at the same frequency as for 201.910b-1 to 201.910b-5	(*)
	Determination of calibration factor of bolometer-coupler unit at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.910c-1	WR90 (8.20–12.4 GHz)	(*)
201.910c-2	WR62 (12.4–18.0 GHz)	(*)
201.910c-3	WR137 (5.85–8.20 GHz)	(*)
201.910c-4	WR112 (7.05–10.0 GHz)	(*)
201.910c-5	WR187 (3.95–5.85 GHz)	(*)
	Determination of efficiency of bolometer unit at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.910d-1	WR137 (5.85–8.20 GHz)	(*)
201.910d-2	WR187 (3.95–5.85 GHz)	(*)
201.910d-20	Determination of efficiency of each additional bolometer unit at the same frequency as for 201.910d-1 to 201.910d-2	(*)
201.910z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.911 Waveguide dry calorimeters, continuous wave, low-level power.

Item	Description	Fee
201.911a-1	Measurement of output voltage versus input microwave power for dry calorimeter at a single frequency of WR90 waveguide (8.20–12.4 GHz) terminated with a standard waveguide connector at power levels from 10 mW to 1 W	(*)
201.911a-2	Each additional power level at the same frequency as for 201.911a-1	(*)
201.911z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.912 Coaxial bolometer units, continuous wave, low-level power.

Item	Description	Fee
201.912a-1	Determination of effective efficiency of a coaxial bolometer unit at a single frequency in the range 4** to 10 GHz and a power level of 10 mW. Bolometer unit must be fitted with male Type N connector and thermistor-type element of nominal operating resistance of 200 ohms	(*)
201.912a-20	Determination of effective efficiency of each additional coaxial bolometer unit at the same frequency** as for 201.912a-1	(*)
201.912z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.
**For measurements on coaxial bolometer units below 4 GHz, see section 201.821.

§ 201.920 Waveguide reflectors (mismatches), reflection coefficient magnitude.

(a) Reflection coefficient measurements are made on reflectors producing a reflection coefficient magnitude in the range of 0.24 to 0.2.

(b) Reflectors must be fitted with standard types of waveguide flanges. The faces of these flanges should be machined flat and smooth and should not contain protrusions or indentations. The connecting holes of the flange should be symmetrically and accurately aligned to the rectangular waveguide opening.

Item	Description	Fee
	Measurement of reflection coefficient magnitude of reflector at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.920a-1	WR90 (8.20-12.4 GHz)	(*)
201.920a-2	WR62 (12.4-18.0 GHz)	(*)
201.920a-3	WR137 (5.85-8.20 GHz)	(*)
201.920a-4	WR112 (7.05-10.0 GHz)	(*)
201.920a-5	WR187 (3.95-5.85 GHz)	(*)
201.920a-20	Measurement of reflection coefficient magnitude of each additional reflector at the same frequency as for 201.920a-1 to 201.920a-5	(*)
201.920z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.930 Cavity wavemeters, frequency measurement.

(a) Frequency measurements are made on fixed or variable cavity wavemeters of either the reaction (one-port) type or the transmission (two-port) type.

(b) Frequency measurements are made on fixed or variable cavity wavemeters having coaxial terminals with Type N connectors (male or female) in the frequency range of 1000 MHz to 10 GHz.

(c) Frequency measurements are made on fixed or variable cavity wavemeters having standard type waveguide terminals in the frequency range of 2.6 to 90 GHz.

Item	Description	Fee
201.930a	Measurement of resonance frequency of fixed cavity wavemeter	(*)
201.930b	Setting of adjustable cavity wavemeter at prescribed resonance frequency	(*)
201.930c-1	Calibration of dial setting versus resonance frequency of variable cavity wavemeter at initial prescribed frequency	(*)
201.930c-2	Calibration of dial setting versus resonance frequency of variable cavity wavemeter at each prescribed frequency additional to the initial frequency and on the same wavemeter as 201.930c-1	(*)
201.930z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

§ 201.940 Waveguide variable attenuators, attenuation difference.

(a) Attenuation difference measurements are made on step or continuously variable attenuators, usually with the zero dial setting used as the reference position.

(b) Attenuation measurements are made for attenuation values from 0 to 50 dB. This range of attenuation values can be extended to 70 dB in some frequency ranges.

(c) Variable attenuators should have a repeatability of dial setting better than ±0.1 dB.

(d) Variable attenuators should have a VSWR less than 1.1 at each waveguide port.

Item	Description	Fee
	Measurement of attenuation difference of direct-reading variable attenuator at an initial prescribed dial setting at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.940a-1	WR284 (2.60-3.95 GHz)	(*)
201.940a-2	WR187 (3.95-5.85 GHz)	(*)
201.940a-3	WR137 (5.85-8.20 GHz)	(*)
201.940a-4	WR112 (7.05-10.0 GHz)	(*)
201.940a-5	WR90 (8.20-12.4 GHz)	(*)
201.940a-6	WR62 (12.4-18.0 GHz)	(*)
201.940a-7	WR42 (18.0-26.5 GHz)	(*)
201.940a-8	WR28 (26.5-40.0 GHz)	(*)
201.940a-9	WR430 (1.70-2.60 GHz)	(*)
201.940a-20	Measurement of attenuation difference of direct-reading variable attenuator at each prescribed dial setting additional to the initial dial setting at the same frequency and on the same attenuator as for 201.940a-1 to 201.940a-9	(*)
201.940a-21	Measurement of attenuation difference of direct-reading variable attenuator at an initial prescribed dial setting at a single frequency as for 201.940a-5 to 201.940a-6, by means of modulated subcarrier method to obtain greater accuracy of measurement	(*)
201.940a-22	Measurement of attenuation difference of direct-reading attenuator at each prescribed dial setting additional to the initial dial setting at the same frequency and on the same attenuator as 201.940a-21, by means of modulated subcarrier method to obtain greater accuracy of measurement	(*)
	Calibration of dial setting versus attenuation difference for indirect-reading variable attenuator at an initial prescribed attenuation difference value at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.940b-1	WR284 (2.60-3.95 GHz)	(*)
201.940b-2	WR187 (3.95-5.85 GHz)	(*)
201.940b-3	WR137 (5.85-8.20 GHz)	(*)
201.940b-4	WR112 (7.05-10.0 GHz)	(*)
201.940b-5	WR90 (8.20-12.4 GHz)	(*)
201.940b-6	WR62 (12.4-18.0 GHz)	(*)
201.940b-7	WR42 (18.0-26.5 GHz)	(*)
201.940b-8	WR28 (26.5-40.0 GHz)	(*)
201.940b-9	WR430 (1.70-2.60 GHz)	(*)
201.940b-20	Calibration of dial setting versus attenuation difference for indirect-reading variable attenuator at each prescribed attenuation difference value additional to the initial attenuation difference value at the same frequency and on the same attenuator as 201.940b-1 to 201.940b-9	(*)
291.940b-21	Measurement of attenuation difference of indirect-reading variable attenuator at an initial prescribed dial setting at a single frequency as for 201.940b-5 to 201.940b-6, by means of modulated subcarrier method to obtain greater accuracy of measurement	(*)
201.940b-22	Measurement of attenuation difference of indirect-reading attenuator at each prescribed dial setting additional to the initial dial setting at the same frequency and on the same attenuator as 201.940b-20, by means of modulated subcarrier method to obtain greater accuracy of measurement	(*)
201.940z	Special calibrations not included in the above schedule	(*)

*See footnote, § 201.701.

§ 201.941 Waveguide fixed attenuators, insertion loss.

(a) Insertion loss measurements are made on fixed two-port attenuators.

(b) Insertion loss measurements are made for insertion loss values from 0 to 50 dB. This range of attenuation values can be extended to 70 dB in some frequency ranges.

(c) Fixed attenuators should have a VSWR less than 1.1 at each waveguide port.

Item	Description	Fee
	Measurement of insertion loss of fixed attenuator at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.941a-1	WR284 (2.60-3.95 GHz)	(*)
201.941a-2	WR187 (3.95-5.85 GHz)	(*)
201.941a-3	WR137 (5.85-8.20 GHz)	(*)
201.941a-4	WR112 (7.05-10.0 GHz)	(*)
201.941a-5	WR90 (8.20-12.4 GHz)	(*)
201.941a-6	WR62 (12.4-18.0 GHz)	(*)
201.941a-7	WR42 (18.0-26.5 GHz)	(*)
201.941a-8	WR28 (26.5-40.0 GHz)	(*)
201.941a-9	WR430 (1.70-2.60 GHz)	(*)
201.941a-20	Measurement of insertion loss of additional fixed attenuator at the same frequency as for 201.941a-1 to 201.941a-9	(*)
201.941z	Special calibrations not included in the above schedule	(*)

*See footnote, § 201.701.

§ 201.950 Waveguide noise sources, effective noise temperature.

(a) Effective noise temperature measurements are made on waveguide noise sources (usually a gas-discharge tube) under conditions of continuous, unmodulated operation in the range 1000 to 300,000° K (excess noise ratio range 3.8 to 30 dB).

(b) The direct current required for normal operation of the gas-discharge tube should not exceed 300 mA but should be sufficient to prevent excessive plasma oscillations.

(c) The waveguide noise source must have an input VSWR no greater than 1.2.

(d) The gas-discharge tube should be secure in the mount, and the output port of the unit should be terminated with a matched load.

Item	Description	Fee
	Measurement of effective noise temperature of noise source at a single frequency of the following waveguide sizes terminated with standard waveguide connectors:	
201.950a-1	WR90 (8.20-12.4 GHz)	(*)
201.950a-2	WR62 (12.4-18.0 GHz)	(*)
201.950a-20	Measurement of effective noise temperature of each additional noise source at the same frequency as for 201.950a-1 to 201.950a-2	(*)
201.950z	Special calibrations not covered by the above schedule	(*)

*See footnote, § 201.701.

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A. V. ASTIN,
Director.

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